ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS SCHOOL OF COMMERCE

Assessment of Performance in Finishing Construction Projects: A Case of United Bank Share Company Remodeling Finishing Construction Works in Addis Ababa

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STATEMENT OF DECLARATION

I declare that this research has been composed solely by myself under the guidance of Dr. Bantie Workie and that it has not been submitted, in whole or in part, in any previous application for a degree except where states otherwise by reference or acknowledgment, the work presented is entirely my own.

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Rahewa Gebremadhin

Abstract

Project performance is the major thing that can clearly shows the success of one construction process while the project performance itself can rely on several factors. And in this research, investigation was done to inspect the reasons distressing the performance of projects in United Bank Share Company remodeling finishing construction works in Addis Ababa and project performance problem have been observed here that the projects fail to fulfill the requirements due to time schedule as per the plan and quality of deliverables. The key goal of this study is to assess the performance of projects in United Bank Share Company remodeling finishing construction works. Descriptive design had been used in this study to detect the factors behind poor project performances. The data was collected from the professionals participating in the projects through questionnaires and 55 questionnaires were distributed 47 (85.45%) of questionnaire were filled out and returned to the researcher on time. *The data gathered was analyzed using SPSS and the results were represented by tables and figures. Depending on the results, the researcher concluded that the main causes of deprived project performance in United Bank Share Company remodeling finishing construction works are tightness of the project time frame, lack of communication in the project between all parties, inadequate payment to the employees, expectation of higher profit by the contractor, weak control mechanism, insufficient quality assessment and overall external environment changes. Depending on those conclusions, the researcher provided several suggestions for the owner to approve or respond to any claims or payment requests; for the contractor to facilitate communication practices and to provide relevant construction materials prior to commencement of the construction process; and to the future researchers to study in this area with detail understanding of project activities..*

Keywords: *project performance, finishing construction works, Descriptive design*

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Acronyms

A	Agree
D	Disagree
MS-Excel	Microsoft Excel
PM	Project Manager
PLC	Private limited company
S.A	Strongly Agree
S.D	Strongly Disagree
SPSS	Statistical Package for Social Sciences
UNRWA	United Nations Relief and Works Agency

CHAPTER ONE

1. Introduction

1.1 Background of the Study

Project performance is the main thing that can clearly show the success of one construction process while the project performance itself can rely on several factors (Leong,Zakuan,Saman,Ariff and Tan, 2014). And in this research, investigation was done to inspect the reasons distressing the performance of projects in United Bank Share Company remodeling finishing construction works in Addis Ababa.

In this chapter, introduction to major starting point of the research was discussed. Here, overview of the study which describes the project background with related explanations and the statement of the problem which is the main influential reason to do this research are well explained. Furthermore, research objectives, research questions, research hypothesizes, scope and limitations of the project are well-defined in this chapter.

Good performance in every aspect of the project is important and it has become relevant worldwide in the construction industry. In developing countries due to several reasons those problems are higher than anywhere in the world compounded by lack of sufficient resources and institutions to address them (Asiedu, 2009).

Adams and Long (2004) have specified that deprived managerial functionality of contractors to be one of the vital issues of the construction industry in developing countries. Similarly, Dlungwana and Rwelamila (2004) have also intensely accentuated the significance of enhancing the managerial performances of contractors that refining the contractors' project performance management can considerably make influences to the entire development of contractors' effectiveness to provide effective project. Several practical motives such as closures, change of drawings and design suspected as causes distressing construction performance (The United Nations Relief and Works Agency, UNRWA, 2000).

United Bank was incorporated as a Share Company on 10 September 1998 in agreement with the Commercial Code of Ethiopia of 1960 and the Licensing and Supervision of Banking Business Proclamation No. 84/1994. It currently has 353 branch offices and 9 sub-branch offices out of

which 173 branch offices are found in Addis Ababa and the other 180 Branches are in other towns of the country (United Bank Annual Report, 2020).

Currently, the company is undertaking remodeling finishing construction projects in all the branches phase by phase. According to the United Bank annual plan (2020), the company has scheduled to finalize 110 branches in Addis Ababa and regional cities in this fiscal year 2013E.C.

New Heights Construction PLC is one of the contractors in this massive project. It is grade 5 General Contractor that mostly involve in finishing construction works. (New Heights Construction PLC company profile, 2019).

Remodeling of a building refers to modification the appearance, structure or function of a building. Remodeling refers to "changing" or "transforming" a structure (Pope, Marks, Back, Leopard and Love, 2016).

Particularly in this project, the remodeling work has several stages. Such as;

1. Demolishing and cleaning the current furniture;
2. Construction materials supplement ;
3. Conducting the structural construction(including; steel, aluminum and frameless glass partitions and other related constructions);
4. Finishing works(such as painting and others);
5. Setting up the new furniture in place;
6. Installing the internet and electric power systems;
7. Finally cleaning and make it suitable to serve customer (New Heights Construction Company Semi Annual Report, 2021).

1.2 Problem Statement

As the United Bank Share Company annual plan (2020) states the weekly schedule as per the agreement of each contractor. For instance, New Heights Construction PLC agreed to submit three branches constructed per a week which is specifically in the weekend. This is because the branches should not stop working in the working days and this refers construction starts from Friday afternoon to Sunday evening while it is permitted to work all night long. And the contractor is obligated to follow the schedule.

However, problems have been observed that most of the projects fail to fulfill the requirements due to time schedule as per the plan and quality of deliverables (United Bank Share Company periodic report, 2020).

Referring to United Bank Share Company monthly report (2020),

- Among 16 projects in December in 2020, 13 of them were delivered 2 weeks late.
- Among 18 projects in January in 2021, 12 of them undertook correctional works after delivery.
- In February 2021, 16 projects were conducted by this contractor and 14 of them were delivered late

Ayalew, Dakhli and Lafhaj (2016) studied on related topic and suggested that Ethiopian construction companies are failing to perform effectively due to several reasons such as management processes, techniques and roles. Tesfaye (2016) stated on his research paper of effectiveness in project management processes regarding performance of construction projects ,in selected Grade-1construction companies in Addis Ababa, showed that significant numbers of projects in Ethiopia are under unsuccessful category due to fruitless project performance management procedures like Scheduling, Time, Quality, Cost and Design processes.

Deneke (2020), on his research paper assessment of factors affecting effective performance of construction projects the case of projects of Ethiopian Construction Works Corporation, the main difficulty perceived for lack of project performance is absence of appropriate project management which results poor application of the integrated management and poor arrangement of several function.

According Debele (2020), on his research paper of assessment of challenges on the performance of government housing projects in the case of Addis Ababa City project performance in Ethiopia, project performance is extremely affected by financial management and the project schedule analysis which is mostly unrealistic.

Furthermore, according to (Hiwot, 2012) on her research paper investigated the causes of weak capacity to perform in satisfactory way housing construction in the case of condominium houses in Addis Ababa. Here she stated that most of construction projects in Ethiopia are considered by not accomplishing the time schedule, spending more time than it estimated previously and a very deprived quality of the deliverables because of the qualifications of the contractors and inappropriate performance of the related parties which is suitable for that specific project.

Even if there are few numbers of studies on construction performance factors in Ethiopia;

- Most of the researches involve with mega projects that are constructed by government and big construction companies which have proper structure, but not for the contractors which are developing and new for the construction industry. Lower grade contractors face higher project performance problems (Seyoum, 2019).
- They are all concerned with the general construction works. There can't be found a research specifically on remodeling finishing works in Ethiopia. Since it is the concluding stage of the whole construction process and in many cases the overall quality of the construction depends on its execution, remodeling finishing construction work need a greater attention (Passola, 2016).

So, this study tried to clarify the elements that are influencing the performance of construction project in United Bank Share Company Remodeling Finishing Construction in Addis Ababa by comprising main points and data that are gained from the projects (both finished and under construction projects).

1.3 Research Objectives

1.3.1 General Objective

- The aim of this study is to assess the performance of construction projects in United Bank Share Company Remodeling Finishing Construction in Addis Ababa.

Specific Objectives

1. to identify the factors affecting the performance of the projects due to satisfying the schedule in United Bank Share Company remodeling finishing construction projects; and

2. To identify the factors affecting the performance of the projects which leads to correctional works on tasks in United Bank Share Company remodeling finishing construction projects;

1.4 Research Questions

The research concerned with the following research questions, depending on of the problems defined in the above section.

1. What are the factors affecting the performance of the projects due to satisfying the schedule in United Bank Share Company remodeling finishing construction projects?

2. What are the factors affecting the performance of the projects which leads to correctional works on tasks in United Bank Share Company remodeling finishing construction projects?

3. What are the major causes of lower project performance in United Bank Share Company remodeling finishing construction project?

4. What is the contribution of each party on the project performance in United Bank Share Company remodeling finishing construction project?

1.5 Significance of the Study

The study was proposed to measure factors that are responsible to weak performance of remodeling finishing construction works that would assist in identifying solutions to improve quality life, confirm justifiable improvement. This study, therefore, will play its role in inspiring construction performance understanding in construction companies and others. Further, it can be essential to discover possible sources of performance problems and inspect difficulties in remodeling finishing construction works. It can be used by all interested parties to solve particular problems since this study would detect reasons of poor performance of the projects. Lastly, it is thought that other researchers would consider referring this paper.

1.6 Scope of the Study

Geographic Scope: The study was delimited to examining the performance problems under United Bank Share Company remodeling finishing construction project only in Addis Ababa.

Timeline Scope: The study focused on projects which are conducted in 2013E.C. (including branches under construction and already completed) in order to get relevant information.

Methodological scope: The researcher used descriptive research design and quantitative research method. Questionnaire and document review were used for the study.

Further, this vast project is not being conducted by a single contractor. And this research was restricted to examine the ones which were constructed by the contractor called **New Heights Construction PLC.** This is because as the New Heights Construction Company Semi Annual Report (2021) indicates most of the projects that have been constructing by this contractor are located in Addis Ababa and this research was planned to target United Bank Share Company Remodeling Finishing Construction Works in Addis Ababa. New Heights Construction Company is developing and new for the construction industry and lower grade contractors face higher project performance problems (Seyoum, 2019).

1.7 Limitation of the study

Project is temporary, unique and complex (Barnes, 2012). According to Barnes (2012), performance of project requires intense and deep knowledge of project procedures and it should be seen in detail interrelated to the project management. But due to restricted time range, the researcher was delimited with only office data and had not study the entire project performance areas in detail. Therefore, the outcome might be too specific to project performance.

1.8 Definition of the terms

Project performance

Project performance is having the ability to conduct the project tasks within the proposed program due to the time and cost schedule by satisfying welfares and plans of the stakeholders **(**Molaei , Rekveldt and Bakker, 2019**).**

Project characteristics

A project characteristic can be described by project scope, nature and density of project (Collins, 1996).

Project Environment

Project environment is overall outer impacts on the project procedure (Puscasu, 2020).

Project Procedure

Project procedure includes the idea of procurement form upto the technique of submitting (Bonnie, Project managment basics, 2018).

Project Management Actions

Project management action is mainly explained by with significance for planning and controlling organizational effort and can be seen as covering the overall company by linking the organization to the surroundings, determining the targets, organizing broad strategic and active strategies, scheming the arrangement and creating control method (Bonnie, Project managment basics, 2018).

1.9 Organization of the study

This paper is ordered into five chapters. The first chapter consists of the overview of the research paper which includes a subtopic which explains the background of the study, statement of problem, research questions, objectives of the study, research hypothesis, scope of the study, limitation of the study, definition of terms as well as significance of the study. On the other hand, the second chapter discusses literatures reviews which include theoretical review, empirical views and conceptual frame work. The third chapter on the other hand, covers the introduction, research approach, research design, research population, method of data collection, method of data analysis, scale and reliability test and ethical considerations. Chapter four comprises data presentation, analysis and interpretation section of the study that shows the data collected the analysis and interpreted results in detail; and the last chapter, fifth chapter is about conclusion and recommendation.

CHAPTER TWO

2. Literatures Review

2.1 Introduction

This chapter clarifies is intended to review interconnected literatures in similar study areas theoretically and empirically. In the theoretical review the deals with theories that already exist and review the link between them. On the other hand, the researcher had revised related empirical researches. Finally, the researcher had tried to form conceptual framework depending on the literatures that had been reviewed in the former sections.

2.2 Theoretical review

According to Toraco (2011), theories are believed to be restricted on basic and active uncertainties this leads to simplify, expect, encounter and widen current information. The correlation between the theories can be seen from the current theories (Turner and Baker, 2018). Here, the theoretical review was looked to set up a portion of the assumptions that were attributed by different scientists, creators and researchers, which are related to this study.

2.2.1 Theories of Performance

A framework that helps to describe performance as well as performance enhancements is formed by developing and connecting six initial concepts based on the theory of Performance (Elger, 2010). In order to identify the well performer contractor, contractual prospects are used even if it is believed that being good performer in construction industry believed to be expensive (Enshassi, Mohamed, & Abushaban, 2009).

Regarding construction world, to perform very well it requests very significant attention more than other industries. In addition, it might cost further budget than it was intended, if the attention given to performance is lower especially for the corrective works. (Barrett, 2000).

According to Elger (2010), performance is not one time thing, it is a sequence of steps and how the performance can determine the state of the process. On this level, several categories can be stated to identify extent performance in terms of; framework, extent of facts, extent of abilities, extent of character, individual issues, and predetermined issues.

According to Elger (2010), to attain operative performance it needs commitment from each party. Among them, three adages can be determined which includes attitude of the all participating parties, engagement of overall surrounding and commitment of thoughtful exercise performance. Inspecting performance from different angle that are in advanced extent of view can be shown as;

(i) There would be increment in feature: outcomes become further operative performance by achieving or surpassing the anticipations of related parties in the project;
(ii) There would be increment in capacity: skill to challenge harder performances;
(iii) Ability rises: capability to create more output rises;
(iv) Responsiveness rises : complexity and density of awareness increases;
(v) Expertise rises: capacities to set objectives continue, preserve a optimistic attitude, etc. rises range in efficiency; and
(vi) Uniqueness and incentive rises; participants acquire better sagacity about their company and its principles (Elger, 2010).

2.2.2 Construction Projects and Performance

Thomas (2002) stated, budget constancy, improvement in performing tasks, custom of value, protection of workers from accidents, capitals, communication between all participating parties in the construction, supervision abilities, assertion and contractual arguments, communication with subcontractors, character and quantity of subcontracting companies are recognized as the key performance measures of construction projects. Chan and Kumaraswamy (2002) indicated that the time schedule for construction habitually functions as a vital starting point for evaluating the performance of a project and the competency of the construction company which makes it gradually important.

2.2.3 Performance Measurement Theory

There is a visible difference stated among performance measures, performance guidelines and performance capacity has been recognized (Mbugua, Harris, Holt and Olomolaiye , 2000). Referring to Mbugua et al. (2000), in order to ascertain if the intended exertion has attained the preferred outcome, performance indicators must identify the determinate suggestion first. In

other words, they are called measures when they are precise deprived of referring as performance indicators.

Performance measures are the mathematical or computable standards (Sinclair and Zairi, 1995). Another way round, performance measurement acts as an instrument for constant enhancements since it is a methodical way of assessing the inputs and outputs in developed procedures or construction processes (Sinclair and Zairi, 1995).

Codero (1999) categorizes performance measurement based on the management and other technical matters. He determined different ways that can be used to measure the project performance. This includes the entire performance including of methodologically and financially. The areas of measurement are at the planning & design level, the marketing level and manufacturing level etc., and for the overall performance are at the level of a contractor.

2.2.4 Measurement of Project Performance

In order to determine the significance of performance measurement which assists construction companies realize to what extent significant and substantial procedures headed to accomplishment or decline to achieve previously and the reason behind this knowledge lead to further enhancements (Elger, 2010). Tangen (2004) found that performance measurement is a sophisticated degree that considerably includes several restraints which includes finances, supervision and accounting. How to quantify performance has gathered important attention currently between academics and practitioners.

According to Lehtonen (2001), quantifying the measurement schemes are impending in the construction companies. Karim and Marosszeky (1999) identified broad ideas on performance quantifying schemes which have been one of the main measures adopted by the production parties for commercial activity to guide the consequences and implementation efficiency. According to Navon (2005), performance measurement is a contrast among the expected and the present capacity to compute tasks. In addition he specified that performance measurement is required to monitor current projects and to modernize the significant database.

2.2.5 Problem of Performance in Construction Industry

The difficulty by whichever construction project is essentially associated with problems in performance (Duy, Stephen, Truong and Chi, 2004). Furthermore, several motives and influences that contribute to those difficulties are listed. According to Duy et al. (2004), three layers are listed which are difficulties to the construction performance in countries which has rising economy. Those are lacks or insufficiencies in industrious structure, complications initiated by different parties in the project, and difficulties triggered by contractor ineffectiveness. Okuwoga (1998) recognized the weakness in performance is associated to deprived finance and being out of schedule. According to Duy et al (2004), weakness related to performance in mega construction projects is because of many reasons such as: unskilled construction company, unfortunate assessment and variation control, societal and technical matters, site related issues and unsuitable methods. Navon (2005) specified that the chief performance problem which is subdivided in to:

a. Impractical objective scheduling; or
b. Reasons initiating by the definite construction

2.2.6 Factors Affecting Performance of Construction Projects

Even if there is no common agreement on the factors, several studies have recognized several features that influence the performance of construction projects. Referring to Chan and Tam (2000), there are normally professed influences that impact performance of Construction Projects which can be clustered into groups of project owner, background, managers, processes and management actions.

The construction inputs and processes the under the project have their own significant factor on the features the construction performance (Barrett, 2000). According to Tan and Lu (1995), the basic distressing performance of a project is categorized into several values and each of them is distributed into a number of important factors. Those are professionals who are capable of effective project assignment, requests, and purposes; concerning to codes and principles, concerning to vender's desires, concerning to planning process and procedures, concerning to plan requirements and the flexibility to be constructed.

Project characteristics are well described by the project extent, nature and complexity of project (Pellerin, Perrier, Guillot and Leger, 2013). Referring to Pellerin et al., (2013) project scope

related to extent and difficulty of the project even if it is first time constructed tasks or a restoration project. Finally, project complexity is defined by the site entree, constructability, organization, site situations, and quality supervision. Higher standard owner have an enhanced chance of accomplishment with their projects than beginners (Samset, 2015). Additional features of the client, like the comportment of client (both from the public or private sector), precision of the task, their capability to clear and state characters have been shown to affect the performance of a project (Epistein, 2015).

Project environment is an all exterior effects on the entire construction procedure (Algeo, 2014). Algeo (2014) generally explained the project environment by assembling as all aspects and they act at national or local level and in diverse ways in the public and private sectors and any alteration in surrounding can generate doubt in amount and types of construction in once construction company that may disturb the construction performance.

The project environment is made up of internal and external factors that affect a project. When managing a project, the project manager must consider all things rather than the project itself (Latieri, Lukacova, McGuinn and Alicia, 2017). It also identifies that practical management of a project should involve in order comprehending the environment in which the project must function.

Project procedure includes the idea of from commencement of the project and the technique of presenting (Bonnie, 2018). The partial feature of the construction world, there cannot be find different construction works with exactly the same makes it harder to conclude from the beginning about the effectiveness if the project or the project performance (Kelsey, Penn and Winch, 2001). Kelsey et al. (2001) states that to confirm accomplishment, the collection of the most suitable companies for the planning and construction of the project wants timely and precise devotion.

Mainly, competing by rational proffering practice, the construction crew will be chosen. Occasionally, contractors can be chosen by their performances in different aspects, this might include the stage from the design progress to the final submission step (Bonnie, 2018). Project procedure can be successful by the corporation of all the participants including the direct participants that are the employees (K. Karim and L. Marosszeky, 1999).

How to supervise the project is mainly disturbed by methods of designing and monitoring organizational effort (Sudhakar, 2008). The decision-making system is crossing the whole organization by linking the construction company to the environment, declaring the objectives, developing inclusive tactical and effective plans, scheming the arrangement and organizing monitoring mechanism (Harmsen, Kramer, Sesink and Zundert, 2006). Harmsen et al.(2006) shows the essential component of the supervision work is construction company's accountability, selecting a general approach, establishing precise aims, controlling organizations and procedures, choosing personnel, assigning obligation, assessing outcomes and commencing corrective actions. The extent of project management actions is mirrored in the scope and control mechanism processes for definite problem (Sudhakar, 2008). Very weak control mechanism cam appear if satisfactory experts planning crew, satisfactory drawings and specifications, certification form of agreement do not exist (Zundert, 2016). Some works can be categorized this group. Furthermore, a stiff control mechanism can be offered if complete document is managed through a method of continuous meeting, controlling and checkups (Zundert, 2016).

2.3 Empirical Review

Enshassi, Mohamed and Abushaban (2009) conducted a research on related topic and investigated that average construction time suspension because of termination and unavailability of supplies, accessibility of construction materials and availability of professionals. But Enshassi, Ameh, Soyingbe and Odusami (2010) investigated that the main factors that lead to good project performance are participation of professionals' from out of the country in the project, management administrators inspecting the project and involvement of fitted management when construction methods that are not applied before are engaged.

Amusan and Adebile, (2011) indicated the factors affecting construction budget performance in Nigerian construction sites. They stated factors such as construction companies' inefficient capability, insufficient design, price increases, continuous changes within a project regarding design and procedure.

Iyagba, Odusami and Omirin, (2003) stated that the main factors affecting the effectiveness of the overall project is the management process in both construction company and the client, team spirit in the project, the type of control mechanism and it was found to be the project manager's occupation and whole project performance ware not interrelated.

Debele (2020) conducted an assessment on the performance challenges of Government Housing projects in Addis Ababa city and he found that rise in construction material prices, deprived financial management, and weak schedule analysis has an important impact on the success or failure of a project.

Deneke (2020) studied in projects of Ethiopian construction works corporation and the factors found are absence of appropriate project management practices which results to poor execution of the integration management and poor arrangement of different function.

The other study which is done in this area was to inspect influences affecting the project performance in developing countries. Lack of trained manpower, weak control mechanism, weak site supervision practices, inappropriate management, damage of equipment are factors causing construction suspension in the United Arab Emirates (Faridi and El-Sayegh, 2006). Referring to Ajayi (2010), the decision of contractor is a serious issue and mostly has an important impact on both achievement and failure of a project. The performance of a contractor can absolutely associate with the performance of the agreement. Moreover, the assessment of performance is a problem for the construction for many years. A number of approaches were projected by investigators for the appraisal of project performance. Conversely, almost all procedures referring to Ajayi (2010) bounds their investigation to designated actions in terms of efficiency. Construction performance holds owner's fulfillment, keeping the schedule, keeping the budget limit, feature and justifiable progress in South Africa (Mbachu and Nkando, 2007).

Ling (2007) mentioned that construction organizations can have problems related to monitoring construction projects performance in China since they are not well aware of the effective situation. Kim (2008) indicated that worldwide construction projects performance is distressed by more difficult and vibrant factors than national projects; to be unprotected repeatedly to serious external hesitations and internal threats in the project. Puspassari (2005) recognized many possible factors accountable for weak performance of construction. He, additionally, classified these factors into several groups as influences;

- initiated by clients;
- initiated by contractors;
- initiated by consultants;

- initiated subcontractors;
- initiated material and labor;
- contractual relationship factors;
- project procedures and external environment factors.

CHAPTER THREE

3. Research Methodology

3.1 Introduction

In this subtopic, approaches chosen to provide the answer to the research question are discussed. Methodology is about each process to be followed in order to get the desired answer from;

- How to collect the data;
- How to analyze the data; and
- How to present the data. (McCombs, 2021).

It also notifies why this is considered suitable and the aim is to clarify the incentive and suitability of the selected methods to the reader (Leedy and Ormrod, 2005). The methodologies to be followed in this study are outlined in the following sections.

3.2 Research approach

When research approaches are considered, quantitative and qualitative approaches can be mentioned (Turner, 2003). According to Turner (2005), quantitative includes the formation of data in measurable form that might be exposed to precise study in an appropriate and demanding way and in the way which used to understand features or interactions. When it comes to quantitative research, samples of a population are considered to generate the features. In short, a quantitative approach empower to produce “the exact responses” from “solid data”, where as a qualitative approach is about particular evaluation of thoughts, manners and approaches. Exact answers are not mostly obtained from qualitative methods, whereas it can be used to form additional questions since it used more soft facts (Higgins, 2009).

In this specific study Quantitative research approach is preferred because it;

- deals with a larger units of investigation (sakaind,2010)
- less biased: the gathered data will be analyzed statically and it aims for objectivity Abraham and Macdonald (2011)
- generalizable: findings can be generalized if selection process is well designed and sample is representative of a study population(sakaind,2010)

3.3 Research Design

Research design supports the researcher to plot and apply the study by helping the researcher to get proposed findings, thus increasing the probabilities of reaching data that can be related the real one (Burns & Grove, 2001). Referring to Kerlinger (1986) research design is the disposition and arrangement of study perceived so as to find answers to research questions or investigate the research hypothesis. There are three categories in research design (Kowalczyk, 2019).

Exploratory /Formative Research method

Exploratory research accompanied when the issue is innovative or researches have written little on it and the researcher's goal line is to formulate more precise questions that future research can reaction. This may need to know sufficient to scheme and execute a second, more methodical and extensive study (Kowalczyk, 2019).

Descriptive Research

Descriptive research presents an image of the definite facts of a circumstances, social setting, or relationship and the key persistence of descriptive research, as the term denotes, is to designate features of a population or phenomenon and pursues to express the replies to who, what, when, where, and how questions (Kowalczyk, 2019).

Explanatory Research

Explanatory Research clarifies the target to know "why," and it builds on exploratory and descriptive research and tends to distinguish the intentions for something that occurs and looks for causes and reasons (Kowalczyk, 2019).

This study used descriptive research design since it helps to understand how different groups respond and it uses to ascertain the research objects prevailing conditions and underlying patterns (Kowalczyk, 2019). From those different approaches of research designs, the descriptive research design is recognized based on the purpose of the study and frequencies, percentages, tables and charts designate the influences affecting the performance of the projects were used.

3.4 Research Population and Sampling Method

3.4.1 Population of the Study

Hair, Black, Babin and Anderson (2009) stated, population can be described as a comprehensive group of individuals, institution, objects and so forth which have common features that are concern of a researcher and in this specific study the population are the projects constructed by the contractor named New Heights Construction PLC.

3.4.2 Target population

Referring to Hair et al. (2010) target population is a recognized group of people or object for which questions can be asked or perceived to collect required data structures and information. This study was conducted by using Fifty Three project sites in existing and new branches of United Bank;

Table 3-1: Project sites in existing and new branches of United Bank

1. Bisrate Gebriel Branch	28. Abune Petros Branch
2. Semit Safari Branch	29. Tedros Square Branch
3. Megenagna Meseret Defar Branch	30. Addisu Gebeya Branch
4. Kolfe Branch	31. Bole Branch
5. Golla Sefer Branch	32. Genete Eyesus Branch
6. Cinema Ras Branch	33. Gedam Sefer Branch
7. Mehal Arada Branch	34. Flamingo Branch
8. Yeshi Debela Branch	35. Misrak Branch
9. Itegue Tayitu Branch	36. Bedir Branch
10. Suluta Branch	37. Lancha Branch
11. Ashewa Meda	38. Kolfe Atana Tera Branch
12. Lideta Branch	39. Meskel Flower Branch
13. Dil ber Branch	40. Mehal Summit Branch
14. Weha Limat Branch	41. Meskel Branch
15. Wello Sefer Branch	42. Ghandi Branch
16. Beshale Branch	43. Ayer Tena Branch
17. Furi Branch	44. Merkato Goma Tera Branch
18. Ehil Berenda Branch	45. Medhanit Branch
19. Ayat Branch	46. Yere Goro Branch
20. CMC Branch	47. Sheger Branch

21. Afirca Avenue Branch	48. Merkato Mereb Branch
22. Hilton Branch	49. Yere Ber Branch
23. Ayat Tafo Branch	50. Ferensay Gurara Branch
24. Mesalemia Branch	51. Gerji Mariam Branch
25. Stadium Branch	52. Sebeta Branch
26. Legahar Branch	53. Aweliya Branch
27. Sefere Selam Branch	

Source: New Heights Construction PLC. Annual Report (2021)

Projects, those are already constructed and under construction projects in Addis Ababa, were concluded in this study.

3.4.3 Sample frame

Sampling frame is the list of subjects or people under study and the list should be comprehensive as well as latest (Turner, 2003). The sample frame here comprises the individuals who were participating in those projects comprising;

- Three project managers
- Two consultant manager
- Seven site engineer
- Sixteen foremen and
- Twenty seven subcontractors were the given sample sizes.

3.4.4 Sampling Method

The researcher had not used any sampling method to select respondents from the targeted population. Hence, all the individuals from the sample frame were used as total sample size in order to get sufficient and adequate data.

3.4.5 Sample

Sample denotes to particular and descriptive group of individuals in a population for in order to collect data (Turner, 2003). For this study, it includes the contractor and consultant of the projects. According to the United Bank annual plan (2020), there are one contractor and one consultant parties participating in those projects. The project manager, the site engineers, the foreman in each site and managers of each of the subcontractors were targeted. Here there are three project managers, two consultant manager, seven site engineers, sixteen foremen, and

twenty seven subcontractors were involved in those projects. So, there were fifty five sample overall.

3.5 Methods of Data Collection and Instruments

The researcher used primary and secondary data for this specific study. Referring to Biggam (2008), primary data is the fact that the researcher discovers by him/herself regarding a specific topic and the main advantage of this type of data is that it is collected with the research's objective in mind. It infers that the information follow-on from primary data is more reliable with the research questions and objectives (Biggam, 2008). The primary data were collected from the selected contractor and consultants from all sites. Secondary data were attained from published and unpublished materials such as magazines, reports and websites.

In order to reach the objectives of the study, the researcher used quantitative research methods using questionnaire to catch-up larger target groups than the interview, given the quality and chance of no response. The questionnaires were organized using close-ended method questions; yes/no, multiple choices (i.e., from "strongly agree to strongly disagree"). The scale the respondents were requested to specify their agreement with the rankings of Strongly Agree (5), Agree (4), Neutral (3), Disagree (2) and Strongly Disagree (1). The questionnaires were planned in English and also translate into Amharic as respondents could read and understand the whole portion.

3.5.1 Research instruments

Obtaining supplementary level of return can specify good questionnaire (Zikmund, 2000). In this case, information was obtained from the above section of the paper and respondent who are participating in United Bank Share Company Remodeling Finishing Construction Works context.

The questionnaires had three sections: the first one is about overall information, the second one seeks to find out respondents answer to the technical issues and the third one comprise respondents opinion on overall performance of the completed construction projects.

3.6 Methods of Data Analysis

The data that were collected through questionnaire was evaluated using quantitative data analysis techniques. The gathered data were evaluated by statistical package for social science (SPSS)

version 20. Generalizations were also made based on the results of the study. For presenting the data different types of descriptive data analysis methods such as frequency, percentage, simple tabulation, cross tabulation, mean and standard deviation were used.

3.7 Scale Reliability and Validity Test

Validity can be designated as the chief degree to which the sample of the test item represent the content that is designed to measure (Creswell, 1994). The rationality of a measurement tool is the degree to which the tool measures what it claims to measure. Validity is depends on the collection of different types of suggestion. It is commonly acknowledged that the idea of technical validity statements the nature of truth by numerical methods. (Bryman and Bell, 2003). This study discovered content validity by the review of literature and acquainting tools used in former researches.

3.8 Reliability Test

The uniformity of closely related group of items is measured by Cronbach's alpha statistics (Nunnaly, 1978). It is considered to a measure of scale reliability. A high value for alpha does not imply that the measure is one-dimensional. Cronbach's alpha tests also tests to see if multiple question likert scale surveys are reliable. Nunnaly (1978) has specified that 0.5 is an adequate value, while 0.7 is a more rational Cronbach's alpha. The point is presented in table 3.2 and Cronbach's Alpha values were above 0.7 proposing that constructs were responsible to measure the variables.

Table 3-2 Reliability Statistics/Cronbach's Alpha coefficients of the variables

Cronbach's Alpha	N of Items
.721	23

3.9 Ethical Consideration

This can be stated as one of the significant and very important section of the research (Bryman and Bell, 2007). While conducting this study, the participants were that they are not subjected to any harm in any ways whatsoever and that they are prioritized. And full consent was obtained from the participants and they were ensured that their privacy is secured. In order to address ethical consideration in effective manner, respondents were well-versed about the persistence and the advantage of the study beside with their full right to reject or accept the participation. The complete cooperation of others and references from which data was drawn were recognized.

CHAPTER FOUR

4. Data presentation, Analysis and Interpretation

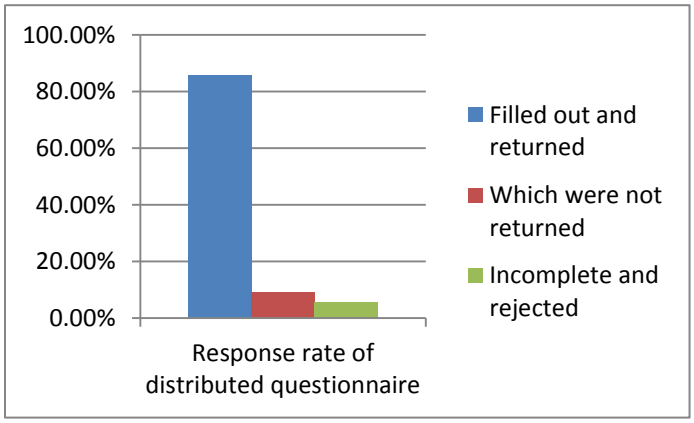
4.1 Introduction

In this chapter, the analysis and interpretation of the data gathered by the questionnaires as per objectives of the study were indicated. The primary data collected through questionnaire was analyzed using SPSS (version 20) and MS excel. The results are showed using tables and charts. The findings, analysis and discussion of the research were then used to make conclusion and recommendation of the research.

4.2 Response rate

This section covers the response rate for the distributed questionnaires. As it was discussed in the methodology section of the paper, the study population included 55 professional participating in those projects. Out of the 55 questionnaires distributed 47 (85.45%) of questionnaire were filled out and returned to the researcher on time while 5 (9.09%) of the participants did not return the paper and 3(5.45%) participant response were incomplete and thus rejected.

Figure 4-1: Response rate of distributed questionnaire



Source: Own survey data analyzed using SPSS (version 20), 2021

4.3 Background information of the respondents

Background information of the respondents discusses the current position of the respondents, their educational background and years of experience in the construction company. Table 4.1 summaries the background of the respondents computed using frequency and percentage.

Table 4-1: Background information of respondents

No.		Frequency	Percentage
	Gender of the respondents		
	Male	36	76.6
	Female	11	23.4
	Total	47	100
	Age of respondents		
	<30	18	38.3
	31-40	24	51.1
	41-50	4	8.5
	>50	1	2.1
	Total	47	100.0
	Years of work experience		
	0-5	21	44.7
	6-10	19	40.4
	11-15	7	14.9
	Total	47	100.0
	Respondent designation in the organization		
	Project manager	2	4.3
	Site engineer	6	12.8
	Consultant manager	1	2.1
	Foreman	13	27.7
	Manager of subcontractor	25	53.2
	Total	47	100.0
	Number of executed projects in the United Bank Share Company Remodeling Finishing Construction and Civil Works		
	1-2	9	19.1
	3-5	29	61.7
	>5	9	19.1

Source: Own survey data analyzed using SPSS (version 20), 2021

Table 4.1 above shows that 36(76.6%) of the respondents were male and remaining 11(23.4%) of the respondents are female that suggesting the majority of the participants in this project are male. And as it can be seen in this table, 24(51.1%) of the respondents those who are the majorities are between the age of 31 and 40 which shows that most of the respondents are young. The other 18(38.3%) of the respondents were less than 30 years old while 4(8.5%) of them are between age of 41 and 50 and the remaining 1 was above 50.

Table 4.1 also shows that 2 (4.3%) of the respondents were project managers, while 6(12.8%) were site engineers, 1(2.1%) consultant manager, 13 (27.7%) foremen and the remaining 25(53.2%) of the respondent were manager of the subcontractors.

With regard to the years of experience of the respondent on the other hand, 21(44.7%) of the respondents had worked in the organization for to 5 years while 19(40.4%) had 6 to 10 years of experience and 7(14.9%) had 11 to 15 years of work experience. This shows that all the respondents were qualified to answer the questions asked in the questionnaire since all of them had a reasonable amount of experience in the subject matter.

Furthermore, it was found relevant to determine number of executed projects the respondents took part in the United Bank Share Company Remodeling Finishing Construction and Civil Works. Then, results showed that 9(19.1%) of them participated in 1 to 2 projects and 29(61.7%) of them were in 3 to 5 projects and the other 9(19.1%) of them worked in more than 5 projects. Here it can be seen that almost all of them are very familiar with project which leads to appropriate responses.

4.4 Descriptive Analysis

This section discusses the results of descriptive analysis about factors affecting project performance from the output of the software.

Table 4.2 presents result of the respondents about the factors affecting project performance. These factors are identified as causes for lower performance of the project.

Table 4-2: Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+ D	Neutral	Agree (A)	Strongly agree (S.A)	S.A +A
Statement	%	%	%	%	%	%	%
The projects are low cost projects.	31.9	42.6	**74.5**	8.5	12.8	4.3	**17.1**
The projects are owned by non-government organization.	40.4	36.2	**76.6**	19.1	4.3	0	**4.3**
Low attention has been given to quality.	17	38.3	**55.3**	25.5	19.1	0	**19.1**

Project time frame is not appropriate to complete the project as per the schedule, budget and specification.	0	19.3	**19.3**	14.9	23.4	42.6	**66**
The project is inflexible to changes with the economic environment.	2.1	14.9	**17**	17	34	31.9	**65.9**

Source: Own survey data analyzed using SPSS (version 20), 2021

The projects are low cost projects.

From the total number of the respondents, 74.5% of them either disagreed or strongly disagreed, which shows that most of them disagreed that the projects are low cost projects that it doesn't affect the performance of the projects. While 17.1% agreed and the remaining 8.5% of them stayed neutral. When the overall result is considered, the majority of the respondents 74.5% disagreed to the statement that the projects are not low cost.

The projects are owned by non-government organization.

The next question in the questionnaire asked was if performance of the projects were affected because the projects are owned by a non-government. As it was shown on the above table, 76.6% of the respondents either strongly disagreed or disagreed to this statement that ownership of the projects by a non-government organization doesn't affect the performance in the projects. On the other hand, 19.1 % were neutral which it is considered as they neither agree nor disagree on the fact that the projects are not owned by the government and the remaining 4.3 % agreed respectively. The response which got the highest rating was strongly disagreed. This indicates there are no concrete suggestions that the fact projects are owned by non-government organization is affecting the performance of the project.

Low attention has been given to quality.

The respondents were asked if low attention had been given to quality which results depressing the performance. To this question the majorities of the respondents disagreed or strongly disagreed, 38.3% and 17% respectively which 55.3% of the respondents in total. 25.5% of them on the other hand, stayed neutral while the remaining 19.1% agreed to the statement. Here it can be seen that most of the professionals participating in those projects don't agree that devotion given to quality is low.

Project time frame is not appropriate to complete the project as per the schedule, budget and specification.

This section discusses if the respondents believe that project time frame is not appropriate to complete the project as per the schedule, budget and specification. The majorities of the respondents either strongly agreed or agreed (66%) to the statement. The other 14.9% were neutral and remaining 19.1% disagreed and there was no respondent who strongly dis-agreed that project time frame is not appropriate to complete the project as per the schedule, budget and specification. Here, it shows that the project time frame is very tight to perform well. Amusan and Adebile, (2011) suggested that shortening of project period and duplicitous practices are responsible factors affecting construction performance.

The project is inflexible to changes with the economic environment.

The last statement was project inflexibility to changes with the economic environment plan. As shown on table 4.2, 34% of the respondents rated it "agree" while 31.9% of the respondents strongly agreed that become 65.9%of the respondents in total. 17% of the respondents stayed neutral while 17% of them disagreed. Here the results shows most of the respondents agreed that the project is inflexible to changes with the economic environment.

The respondents result shows that project performance is lower because the project time frame is not suitable to finish the project as per the schedule, budget and specification. This can be related with the fact that contractor should submit three projects within a week (New Heights Construction PLC semi-annual report, 2021). The second variable indicator most of the respondents agreed is the inflexibility of the project to changes with the economic environment. This shows that the change arising in the economic environment is preventing them from performing very well. However, attention given to quality, being a low cost project and ownership by non-government organization were among the factors those are affecting the project performance in those specific projects which majority of the respondents disagreed on.

The factors were rated using likert scale ranging from strongly disagree to strongly agree. The percentage for each statement is summarized on the table below. According to Deneke (2020), one of the factors affecting effective performance of construction projects is lack of proper

project management which leads to poor implementation of the integration management and poor alignment of different function.

Table 4-3: Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+D	Neutral	Agree (A)	Strongly agree (S.A)	S.A+A
Statement	%	%	**%**	%	%	%	%
The contractor expect high profit rate from project.	10.6	21.3	**31.9**	17	29.8	21.3	**51.1**
The employees are demotivated due to lower payments.	4.3	23.4	**27.7**	19.1	34	19.1	**53.1**
Trainings are not provided to the employees.	0	25.5	**25.5**	36.2	23.4	14.9	**38.3**
Tasks are not sequenced according to the schedule of the project.	14.9	53.2	**68.1**	27.7	4.3	0	**4.3**
Project team leaders have low experiences and technical skills.	17	36.2	**53.2**	14.9	19.1	12.8	**31.9**
There is lack of communication in the project between all parties.	2.1	19.1	**21.2**	4.3	42.6	31.9	**74.5**

Source: Own survey data analyzed using SPSS (version 20), 2021

The profit rate from project

Whether or not the contractor is expecting high profit rate from the projects was one of the questions asked under this section. According to table 4.3, 29.8% the respondents agreed and 21.3% of them strongly agreed. This shows half of the respondents 51.1% of them agreed the contractor is expecting higher profit than it should have anticipated. As the result shows 31.9% of the respondents believed that the contractor is expecting the appropriate amount of profit. And the remaining ones chose to be neutral.

The employees are demotivated due to lower payments.

The next question asked was if the employees are demotivated due to lower payments. Table 4.3 shows that 53.1% of the respondent, which was the highest rated response, dis-agreed those

employees were not being demotivated due to insufficient payment. And 19.1% of the respondents stayed neutral while 27.7% of them agreed that the payment is low for the employees that mean proper payment has been paid.

Trainings are not provided to the employees

Table 4.3 also shows the result of findings for the question on whether or not optimum trainings are provided to the employees that affects the performance. From the table above, it can be seen that 36.2% chose to be neutral while 38.3% (23.4% and 14.9%) of the respondents believe that appropriate trainings were not provided that results lower performance.

Tasks are not sequenced according to the schedule of the project.

Sequence of the tasks is one of the issues in the questionnaire and it was assessed if it is according to the schedule. Here, 68.1% of the respondent disagreed that shows most of the respondents believe tasks are arranged according to the schedule that shows most of professionals believed that tasks are ordered well due to the plan. And only 4.3% of the respondents thought the sequence of the tasks has negative impact on the performance. On related matter, to Debele (2020) found that weak schedule sequence has a significant impact on the success or failure of a project.

Project team leaders have low experiences and technical skills.

Another managerial action measure discussed here is experience and technical skills of the project team leaders. Table 4.3 shows the result of the finding computed using percentage of the response. 53.2% of the respondents believed the project team leaders have adequate experience. 31.9% of them thought unsuitable experience and experience of the project team leaders is affecting the performance. Enshassi, Mohamed, & Abushaban (2009) advocated that performance of a project is affected by unavailability of personals with high experience and qualification.

There is lack of communication in the project between all parties.

The final part of the questionnaire was to identify whether the communication between all parties is sufficient enough to acquire good project performance. Here, a clear domination of agreement in this statement was seen. The results show that 74.5% of the respondents thought that the

project performance was affected by the poor communication between the parties while 21.2% and 4.3% of them dis-agreed and stay neutral, respectively.

In general, lack of communication in the project between all parties was the first one which majority of the respondents agreed that indicates respondents agree the communication in between is poor. Demotivation of the employees due to lower payments in the project was also another factor for lower performance of projects. Here most of the respondents agreed that there is problem of due to appropriate payment to the employees which by the way the direct participant of in the projects.

Table 4-4: Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+D	Neutral	Agree	Strongly agree	S.A+A
Statement	%	%	%	%	%	%	%
The contractor faces delay in claim approval and payment.	10.6	17	**27.6**	12.8	40.4	23.4	**63.7**
Important project materials are delivered late by the contractor.	4.3	36.2	**40.5**	4.3	40.4	14.1	**54.5**
The contractor does not follow the specification.	-	10.6	**10.6**	40.4	38.3	10.6	**48.9**
There is weak quality assessment system in the project.	2.1	6.4	**8.5**	29.8	42.6	19.1	**61.7**
There is insufficient control mechanism throughout the project.	-	4.3	**4.3**	31.9	31.9	31.9	**63.8**
Performance of different parties involved in the project (e.g. associations, contractors, consultants, and clients) is inadequate.	14.9	44.7	**59.6**	31.9	6.4	2.1	**8.5**

Source: Own survey data analyzed using SPSS (version 20), 2021

The contractor faces delay in claim approval and payment.

The table above gives the result of the responses regarding the claim approval and payment of the contractor in those projects. The majority (63.7%) of the respondents agreed that the contractor was facing delay in claim approval and payment. Here it can be understood that the contractor was not getting the respective payments and responses for different types of claim in the precise time which highly affect the project performance both in finance and time. Here, 27.6% of the respondents believed that the client or the owner of the projects , United Bank Share Company in this case, is responding for the contractors claim and requests in the proper time.

Important project materials are delivered late by the contractor.

For the statement asking if important project materials were delivered late by the contractor, 54.5% of the respondent either strongly agreed or agreed while 40.5% of the respondents disagreed and 4.3% of the respondents were neutral. The construction materials should be delivered in the construction site, before the construction has started this helps the contractor to be as effective as it can by following the schedule.

The contractor conform the specification.

The next part of the questionnaire asked to the respondents was if there was regular inspection of equipment done on the contractor's commitment to the specification. From the total number of respondents 48.9% agreed that the contractor is following the specification which allows the contractor to finish the projects in specified quality and time. 40.4% of the respondents chose to remain impartial whereas only 10.6%agreed to this statement.

There is weak quality assessment system in the project.

Another important factor project performance was quality assessment system throughout the projects and the majority of the respondent agreed (61.7%, who are either agreed or strongly agreed) while 29.8 % of the respondent stayed neutral and only 8.5% of the respondents disagreed. This shows that there was not enough assessment. Quality assessment helps to evaluate the performance and take corrective actions (Codero, 1999).

There is insufficient control mechanism throughout the project.

The table above also shows the result of the frequency computed regarding control mechanism throughout the project. When respondents were asked if there is insufficient control mechanism throughout the project, 63.8% of the respondents either strongly agreed or agreed. While 31.9% were neutral and only 4.3%. This result indicates that control mechanism is weak. Faridi and El-Sayegh, (2006) indicated that poor supervision and poor site management were among the ones that contribute to construction delays.

Performance of different parties involved in the project is inadequate.

Regarding whether or not performance of different parties involved in the project such as associations, contractors, consultants, and clients was inadequate, most of the respondents disagreed numerically 44.7% and 14.9% (**59.6**% in total) of the respondents disagreed and strongly disagreed, respectively. So it can be said that associations, contractors, consultants, and clients are performing efficiently. Only 8.5% of respondents agree on the fact that the performance of different parties involving in the project is inadequate.

To conclude, as it is indicated in table above, control mechanism through the project was the main factor affecting the project performance. Preceding control mechanism the quality assessment system found to be the second affecting factor. Those two factors have higher agreement of respondents that shows respondents agreed on those factors. Control mechanism and quality assessment practices have resulted higher cost of the project and lower quality in addition to time delay (Debele, 2020).

Conformance to specification is third factor that affects the performance of the project. Contractors are required to accomplish the specification otherwise waits for the design review (Maedeh Molaei , Marian Rekveldt and Hans Bakker, 2019). On the other hand, the respondents almost half of the respondents agreed that important construction materials were not delivered on time by the contractor. This shows that there is inefficiency in the contractor side. Finally, respondents did not agree on the fact that performance of different parties involved in the project is inadequate.

The table below presents result of respondent answers on external environment factors that include issues such as inflation, resources availability, labor market, physical area, political environment, and exchange rate.

Table 4-5: Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+D	Neutral	Agree (A)	Strongly agree (S.A)	S.A+A
Statement	%	%	**%**	%	%	%	%
Exchange rate variations in the economy affect the project performance.	-	2.1	**2.1**	25.5	38.3	34	**72.3**
Overall inflation in the economy has negative impact on the project performance.	4.3	36.2	**40.5**	4.3	40.4	19.1	**59.5**
Labor market inefficiency to supply qualified employees has negative impact on the project performance.	21.3	21.3	**42.6**	36.2	17	4.3	**21.3**
Political instabilities have negative impact on the project performance.	-	2.1	**2.1**	8.5	57.4	31.9	**89.3**
Physical area (site) of the projects has negative impact on the project performance.	6.4	12.8	**19.2**	34	23.4	23.4	**46.8**
Availability of resources as planned through project duration has negative impact on the project performance.	-	4.3	**4.3**	34	29.8	31.9	**61.7**

Source: Own survey data analyzed using SPSS (version 20), 2021

Exchange rate variations in the economy affect the project performance.

The researcher asked the respondents their opinion regarding whether or not the exchange rate variations in the economy was affecting the project performance. From the table it can be seen that the majority of the respondents either agreed or strongly agreed with that statement (72.3%), which is out of the control of the contractor or other parties involving in the project whereas only 2.1% of the respondents disagreed. The rest 25.5% of the respondents stayed neutral.

Overall inflation in the economy has negative impact on the project performance.

The research also asked the respondents their opinion regarding whether or not the overall inflation in the economy had negative impact on the project performance, majority of the respondents agreed that inflation was affecting performance of the projects which includes 59.5%. Inflation increases cost of materials used for the project. This reduces performance of the contractors that results on time delay in project and cost overrun (K. Karim and L. Marosszeky, 1999). Additionally, it decreases quality of the projects because the contractor could use cheaper materials. Amusan and Adebile, (2011) discovered inflation is responsible. In this specific case, 40.5% of the respondents didn't think it is affecting the performance in the projects.

Labor market inefficiency to supply qualified employees has negative impact on the project performance.

Labor market inefficiency to supply qualified employees was one of the factors identified as having a hampering effect on the performance of the projects. The researcher asked respondents if it has negative impact and as we can see from the above table, 42.6% of the respondents either agreed or strongly disagreed and 36.2% of them were neutral. And the remaining 21.3% of the respondents agreed the labor market is affecting inefficiency has its own effect on the performance of the projects.

Political instabilities have negative impact on the project performance.

Political instabilities were also another factor said to hamper the performance of the project in literature review. Table above shows that almost all of the respondents agreed on this factor. Numerically 89.3% (57.4% and 31.9%, agreed and strongly agreed, respectively) of them. The political instability can affect the projects through causing delay, construction material unavailability and some other ways. Here 8.5% and 2.1%, stay neutral and disagree respectively, on this statement.

Physical area (site) of the projects has negative impact on the project performance.

The researcher asked the respondents their opinion regarding whether or not Physical area (site) of the projects has negative impact on the project performance and 46.8% of them agreed it was

affected by tis factors. Even if all the projects are in Addis Ababa, suitability of each site for construction affects the performance. But 34% of the respondents chose to be neutral.

Availability of resources as planned through project duration has negative impact on the project performance.

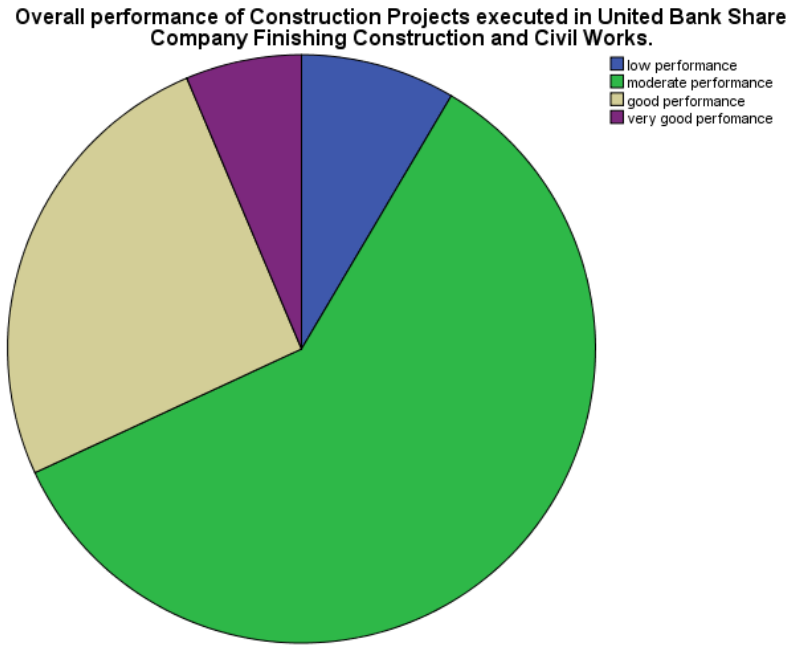
The research also asked the respondents their opinion regarding whether or not availability of resources as planned through project duration has negative impact on the project performance. The majority of the respondents agreed or strongly agreed on that which contains 61.7% while 34% of the respondents were neutral and only 4.3% of them disagreed on availability of resources is disturbing the performance. Enshassi, Mohamed, & Abushaban (2009) also suggested that most of the project delays were occurring by scarcity of resources which can suspend the project construction time duration.

Generally, as indicated in the table above, replies of respondents have the majority of the respondents agreed that political instabilities had negative impact on the project performance. In addition, respondents also agreed, inflation was affecting performance of the projects they were involving in. Further, it can be seen that availability of resources as planned through project duration, exchange rate variations in the economy and physical area (site) of the projects has almost similar percentage of respondents those who agreed on as factors affecting the performances of those projects.

4.5 Overall performance of the remodeling finishing projects

Respondents were asked for their opinion on the overall performances of that are already constructed and as the pie chart below shows most of the respondents thought that there was a very good performance and good performance. This implies that most of the professionals in the projects thought they are executing their tasks adequately beside those factors that are preventing them from performing more.

Figure 4-2: Overall performance of construction projects



Source: Own survey data analyzed using SPSS (version 20), 2021

CHAPTER FIVE

5. Summary of findings, conclusion and recommendation

5.1 Introduction

This chapter comprises a detail summary of the results and conclusion that are made based on the findings, moreover recommendations made by the researcher for the construction company and future researches who demand to study the area of factors affecting project performance in remodeling finishing further works.

5.2 Summary of findings

This study was thought to clarify the factors of reasons behind weaker project performance in the Remodeling Finishing Construction Works In United Bank branches New Heights Construction PLC in Addis Ababa. As explained in the introduction part of the study, finishing works very intense. This construction company is facing problems due to performance issues and it was tried to determine the factors behind using quantitative research method using questionnaires which includes personal and technical issues.

Here, appropriate questionnaires were developed and distributed and filled by the construction professional in the project such as project managers, site managers, consultant managers, foremen and managers of the subcontractors and then gathered back.

And the result found from the questionnaires implies that;

- Most of respondents had been found to be male and aged between age of 31 and 40 with experience of 0 to 10 years and participating in more than 3 of those projects.
- The study also indicates that tightness of the project time frame was the major factor for lower performance. On the other hand, attention given to quality, the project being low cost project ownership by a non-government organization was not found to be significant factor of project performance.
- Similarly, lack of communication in the project between all parties was the main factor decreasing their performance that refers interconnection is poor among the respective parties. And all the others except sequence of the tasks had their own negative effect on the performance of the project.

- Insufficiency of the control mechanism was found to have more respondents to agree. Respondents didn't agree that performance of different parties in the project is inadequate but all of the other indicators found to be very influential.
- The final technical question was tried to assess the political instability, the overall inflation, construction material availability, exchange rate of variation and the physical are preventing them from performing well.
- And finally, the overall performance in the view of the respondents was believed to be that most of the professionals in the projects thought they are executing their tasks adequately beside those factors that are preventing them from performing more

5.3 Conclusion

Depending on the findings of the study, the researcher was able to draw the following conclusion. The project performance is highly affected by the tight construction time frame and inflexibly of the projects with the economic environment. The contractor is not given suitable time to finish the construction. Further the project is inflexible to change with the economic environment. Even if communication is very important in finishing construction projects since there are more crews than other construction types (Barrett, 2000), based on this study communication between all parties is not enough. And employees are not paid adequately which causes demotivation to be productive. On the other hand, the contractor expect higher profit rate from project than expected which is among the factors that is affecting the project performance. Lower control mechanism and quality assessment was also one of the main factors influencing the project performance. Furthermore, it can be seen that the contractor isn't providing the important construction materials on the site in the appropriate time and does not conform the specification. Also the contractor faces delay in claim approval and payment which leads to overall construction delay. Almost all the environmental factors are affecting the construction performance especially the current political situation is greater one. Overall inflation, availability of resources, exchange rate variations and physical area (site) of the projects has negative impacts almost equally on the project performance.

5.4 Recommendation

This chapter indicates the recommendation provided by the researcher to the owner, the Construction Company and future researchers who would want to study in similar areas.

The contractor:

The results show that lack of communication in the project between all parties was the main factor decreasing their performance that refers interconnection among the respective parties is poor. Hence, the contractor should facilitate communication practices in order to increase the connection between all parties such as formal meetings, formal site visits and look forward to the feedbacks to take corrective actions and minimize the gap between them.

As mentioned above, employees are not paid adequately which causes demotivation to be productive. Hereafter, the construction company should pay appropriate payment to the employees to be motivated and work productively and effectively and the profit expected by the contractor should not be more than it should be which is affecting the project performance.

It is clearly stated that the contractor isn't providing the important construction materials on the site in the appropriate time and does not conform the specification. In order to attain effective performance from the employees, the contractor should provide relevant construction materials prior to commencement of the construction process in order to facilitate and speedup the construction and prevent delay in completion.

Almost all the environmental factors are affecting the construction performance especially the current political situation is greater one. Overall inflation, availability of resources, exchange rate variations and physical area (site) of the projects has negative impacts almost equally on the project performance. So estimation that helps how to face the environmental changes should be done by the contractor considering environmental factors whether they are political or others. Besides there have to be a plan to use if the first one fails in all aspects.

The owner/ the client

Results from respondents clearly show that there is lack of communication in the project between all parties that decreases the performance. The owner should be effective in all management aspects for instance communication among all parties, quality control and control mechanisms in order to attain expected performance from the contractor and others.

As mentioned on the results found from the questionnaire, the contractor faces delay in claim approval and payment which leads to overall construction delay. In order to prevent this

consequence and attain a better performance, the client should approve or respond to any claims or payment requests to prevent delay in project completion time.

Furthermore, almost all the environmental factors are affecting the construction performance especially the current political situation, overall inflation, availability of resources, exchange rate variations and physical area (site) of the projects has negative impacts almost equally on the project performance. Considering this factor is not the contractor's responsibility but also the owner should take into consideration the external environment while proposing new branches for remodeling finishing construction works (especially, the political issues, overall inflations and exchange rate of variations) in the economy.

Future researchers:

Performance of project needs in-depth and detail understanding of project activities and it needs to be seen in detail associated to the project management. But this study was done in limited time range that the researcher was constrained to involve only the office data and was not able to cover all project performance issues. Project performance in construction projects should be studied in detail since it led to for successful completion of projects.

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Appendices

QUESTIONNAIRES

Dear Sir/Madam

Request for Participation in a Research Study

I am a Postgraduate student and as partial fulfillment for the MA Program in Project Management, I am conducting a research study on factors affecting project performance in the case of United Bank Share Company Finishing Construction and Civil Works.

This research is aimed to investigate the main factors contribute to performance issues of construction projects in the United Bank Share Company Finishing Construction and Civil Works. It has vital importance to conduct analysis and subsequent recommendation of the possible solutions towards minimizing the problem.

To successfully undertake this research, it is mandatory to look into the issues from those who are involved in the construction area in United Bank Share Company Finishing Construction and Civil Works. In this respect, you are the one who can give me the correct and necessary information. Hence, I kindly request you to complete the accompanying questionnaire.

I would like to confirm you that your response will be kept strictly confidential and it will be used exclusively for the purpose of this research. Besides, your quick response is vitally important in order to finalize the research timely and I would appreciate if you return the completed questionnaire within a day of your receipt of same.

Your assistance will be highly appreciated and I would like to say thank you in advance.

Yours Sincerely,

Rahewa Gebremadhin

Post Graduate Candidate, MA in Project Management

Addis Ababa University, School of Commerce

Addis Ababa

Part One: General Information

Please mark (X) in appropriate box.

1. Gender:

   ☐ Male ☐ Female

2. Age in years:

   ☐ Less than 30 ☐ 31-40 ☐ 41-50 ☐ Above 50

3. Years of Work Experience

   ☐ 0 to 5 years ☐ 6 to 10 years ☐ 11 to 15 years

   ☐ 16 to 20 years ☐ Above 20 years

4. Respondent Designation in the organization

   ☐ Project Manager ☐ Site Engineer ☐ Subcontractor

   ☐ Consultant manager ☐ Foreman

5. Number of executed projects in the United Bank Share Company Finishing Construction and Civil Works

   ☐ 1 to 2 ☐ 3 to 5 ☐ More than 5

Part Two: Factors Affecting the Performance of Construction Projects

Below, there are numbers of factors affecting the performance of construction projects. From your experience, please express your opinion on the importance of the following factors as key performance indicators of construction projects within the United Bank Share Company Finishing Construction and Civil Works.

Please tick (X) in the appropriate box.

5= Strongly Agree, 4= Agree, 3= Neutral, 2= Disagree and 1= Strongly Disagree

The project	1	2	3	4	5
The projects are a low cost project.					
The projects are owned by non-government organization.					
Low attention has been given to quality.					
Project time frame is not appropriate to complete the project as per the schedule, budget and specification.					
The project is inflexible to changes with the economic environment.					
Before commencement of the construction	1	2	3	4	5
The contractor expect high profit rate from project.					
The employees are demotivated due to lower payments.					
Trainings are not provided to the employees.					
Tasks are not sequenced according to the schedule of the project.					
Project team leaders have low experiences and technical skills.					
There is lack of communication in the project between all parties.					
All the parties	1	2	3	4	5
The contractor faces delay in claim approval and payment.					
Important project materials are delivered late by the contractor.					
The contractor does not conform the specification.					
There is weak quality assessment system in the project.					
There is insufficient control mechanism throughout the project.					
Performance of different parties involved in the project (e.g. associations, contractors, consultants, and clients) is inadequate.					
External factors	1	2	3	4	5
Exchange rate variations in the economy affect the project performance.					
Overall inflation in the economy has negative impact on the project performance.					
Labor market inefficiency to supply qualified employees has negative impact on the project performance.					
Political instabilities have negative impact on the project performance.					
Physical area (site) of the projects has negative impact on the project performance.					

Availability of resources as planned through project duration has negative impact on the project performance.					

Part Three: Please mark (X) in appropriate box.

1. Overall performance of Construction Projects executed in United Bank Share Company Finishing Construction and Civil Works.

Very Good Performance ☐ Good Performance ☐ Moderate Performance ☐

Low Performance ☐ Poor Performance ☐

Appendices

Own survey data analyzed using SPSS (version 20), 2021

Background information of respondents

No.		Frequency	Percentage
	Gender of the respondents		
	Male	36	76.6
	Female	11	23.4
	Total	47	100
	Age of respondents		
	<30	18	38.3
	31-40	24	51.1
	41-50	4	8.5
	>50	1	2.1
	Total	47	100.0
	Years of work experience		
	0-5	21	44.7
	6-10	19	40.4
	11-15	7	14.9
	Total	47	100.0
	Respondent designation in the organization		
	Project manager	2	4.3
	Site engineer	6	12.8
	Consultant manager	1	2.1
	Foreman	13	27.7
	Manager of subcontractor	25	53.2
	Total	47	100.0
	Number of executed projects in the United Bank Share Company Remodeling Finishing Construction and Civil Works		
	1-2	9	19.1
	3-5	29	61.7
	>5	9	19.1

Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+ D	Neutral	Agree (A)	Strongly agree (S.A)	S.A +A
Statement	%	%	%	%	%	%	%
The projects ate low cost projects.	31.9	42.6	**74.5**	8.5	12.8	4.3	**17.1**
The projects are owned by non-government organization.	40.4	36.2	**76.6**	19.1	4.3	0	**4.3**
Low attention has been given to quality.	17	38.3	**55.3**	25.5	19.1	0	**19.1**
Project time frame is not appropriate to complete the project as per the schedule, budget and specification.	0	19.3	**19.3**	14.9	23.4	42.6	**66**
The project is inflexible to changes with the economic environment.	2.1	14.9	**17**	17	34	31.9	**65.9**

Percentage of response for elements

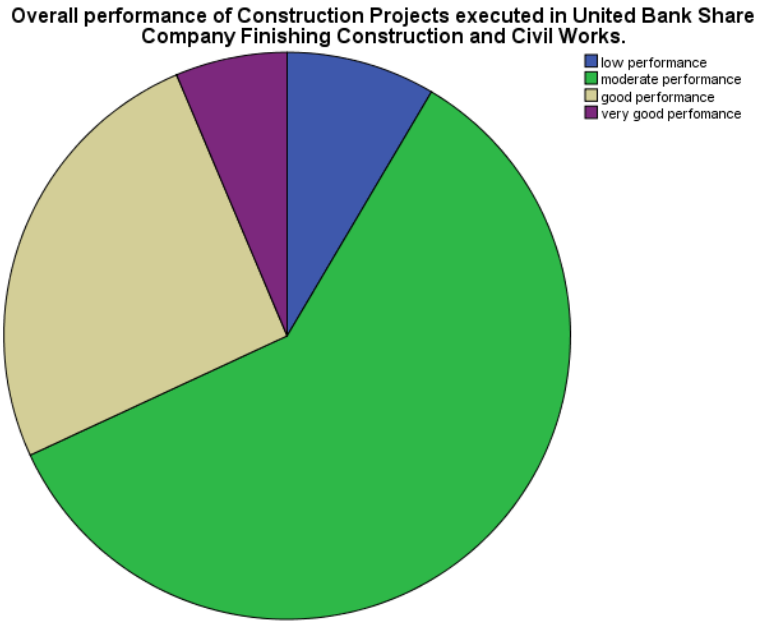
	Strongly disagree (S.D)	Disagree (D)	S.D+D	Neutral	Agree (A)	Strongly agree (S.A)	S.A+A
Statement	%	%	**%**	%	%	%	%
The contractor expect high profit rate from project.	10.6	21.3	**31.9**	17	29.8	21.3	**51.1**
The employees are demotivated due to lower payments.	4.3	23.4	**27.7**	19.1	34	19.1	**53.1**
Trainings are not provided to the employees.	0	25.5	**25.5**	36.2	23.4	14.9	**38.3**
Tasks are not sequenced according to the schedule of the project.	14.9	53.2	**68.1**	27.7	4.3	0	**4.3**
Project team leaders have low experiences and technical skills.	17	36.2	**53.2**	14.9	19.1	12.8	**31.9**

There is lack of communication in the project between all parties.	2.1	19.1	**21.2**	4.3	42.6	31.9	**74.5**

Percentage of response for elements

	Strongly disagree (S.D)	Disagree (D)	S.D+D	Neutral	Agree	Strongly agree	S.A+A
Statement	%	%	%	%	%	%	%
The contractor faces delay in claim approval and payment.	10.6	17	**27.6**	12.8	40.4	23.4	**63.7**
Important project materials are delivered late by the contractor.	4.3	36.2	**40.5**	4.3	40.4	14.1	**54.5**
The contractor does not follow the specification.	-	10.6	**10.6**	40.4	38.3	10.6	**48.9**
There is weak quality assessment system in the project.	2.1	6.4	**8.5**	29.8	42.6	19.1	**61.7**
There is insufficient control mechanism throughout the project.	-	4.3	**4.3**	31.9	31.9	31.9	**63.8**
Performance of different parties involved in the project (e.g. associations, contractors, consultants, and clients) is inadequate.	14.9	44.7	**59.6**	31.9	6.4	2.1	**8.5**

Overall performance of construction projects



Response rate of distributed questionnaire