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**COLLEGE OF BUSINESS AND ECONOMICS**

**MASTERS OF ARTS IN PROJECT MANAGEMENT**

***Effect of Project Monitoring and Evaluation Practice on project performance: The***

***Case of Performance-Based Financing in Addis Ababa***

***A Final Project Work submitted to Addis Ababa University College of Business and***

***Economics, department of project management, for the partial fulfillment of the***

***Requirements for the Award of Masters of Arts in Project Management.***

***By***

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SCHOOL OF GRADUATE STUDIES

This is to certify that the project work prepared by Surafel Getachew Entitled:  
**“Effect of monitoring and evaluation on project Performance: the case of  
Performance Based Financing in Addis Ababa.”** and submitted in partial fulfillment of  
the requirements for the Degree of Master of Arts complies with the regulations of the  
University and meets the accepted standards with respect to originality and quality.

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## Abstract

*Performance Based Financing is a system strengthening form of result-based financing that incentivizes improved performance in various sectors, and when it is applied in the health sector, it is defined as the transfer of money to health facilities after predefined results have been achieved. It is a project led by CORDAID an Organization owned by the kingdom of Netherlands. The project is applied in different regions of Ethiopia such as Oromia, Amara, Somali, SNNP, and Addis Ababa. This study tries to find out the effects of monitoring and evaluation on project performance in one of the newly implemented areas which is Addis Ababa. The study is conducted in 8 health facilities that the project is implemented and stakeholders that are involved in the project. The study used mixed research design, combining both quantitative and qualitative data collection methods to comprehensively investigate the effects of monitoring and evaluation on project performance. Sample of 202 individuals was targeted using purposive sampling technique which included M&E professionals, management staffs, department and facility heads from stakeholders involved in the project including CORDAID, Ministry of Health, Ethiopian Health Insurance Service, AARHB and the 8 health facilities. Self-administered questionnaire and key informant interview was used to get the quantitative and qualitative data and 176 respondents was involved in the study with 26 non respondents. The quantitative data was analyzed using SPSS version 26, by which descriptive analysis, correlation and multiple linear regression was done. Thematic analysis was done for the qualitative data from the key informant interviews, where recurring themes and patterns are coded and categorized to highlight key insights. The results of the study of the quantitative data analysis show strong positive correlations between the variables M&E Practices, Key Performance Indicators, Stakeholder Engagement and PBF Project Performance; and a non-significant very weak to almost no linear relationship between challenges and project performance which can be translated as mitigation of challenges faced in the M&E system through other variables. The results from the qualitative analysis show that there is perception of positive impact of monitoring and evaluation practices on project performance with challenges such as non-alignment of the KPIs with MOH guideline, inappropriate weighting of some of the KPIs, capacity difference of the M&E professionals and lesser engagement of some of the stakeholders as some of the challenges raised by the key informants. From the findings the researcher recommends aligning the KPIs with the guideline, reassessment of some of the weights of the KPIs, more engagement of the involved stakeholders and capacity building through comprehensive targeted training to the M&E professionals. And future studies involving secondary data analysis and incorporation of other regions that the project is implemented will give improved and more tangible findings to the study.*

**Key words** – Performance Based Financing, Monitoring and Evaluation, Project Performance, Key Performance Indicators, Stakeholder Engagement

## DECLARATION

I, the under signed, declare that this Project work is my original work and has not been presented for a degree in any other University, and that all sources of materials used for the Project Work have been duly acknowledged.

Declared by: Name: Surafel Getachew

Signature \_\_\_\_\_

Date \_\_\_\_\_

## LETTER OF CERTIFICATION

This is to certify that Surafel Getachew has conducted this project work entitled “Effect of monitoring and evaluation on Project Performance: the case of Performance Based Financing in Addis Ababa.” under my supervision. This project work is original and suitable for the submission in partial fulfillment of the requirement for the award of Master of Arts Degree in Project Management.

Name of research advisor: Dr. Seifu Mamo

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## List of Acronyms

PBF – Performance Based Financing

M&E – Monitoring and Evaluation

HMIS - Health Management Information System

SNNP - Southern Nations Nationalities and Peoples

OECD - Organization for Economic Cooperation and Development

UNISDR - United Nation Office for Disaster Risk Reduction

UNDP - United Nation Development Program

UNDP IEO- United Nation Development Program Independent Evaluation Office

NGO - Non Governmental Organization

MOH - Ministry of Health

EHIS - Ethiopian Health Insurance Service

AARHB - Addis Ababa Regional Health Bureau

HC - Health Center

KPI - Key Performance Indicator

SD - Standard Deviation

MNE – Monitoring and Evaluation Practices (variable)

KPI – Key Performance Indicators

SHE – Stakeholder Engagement

CHA - Challenges

PRF – Project Performance



## CHAPTER 1 – INTRODUCTION

### 1.1. Background of the study

Monitoring and evaluation (M&E) are fundamental components in the management of development projects, providing a systematic approach to assessing the performance, progress, and outcomes of projects. Monitoring refers to the continuous process of collecting and analyzing information to compare how well a project, program, or policy is being implemented against expected results. It involves regular tracking of project activities and outputs to ensure they are on course and align with the set objectives (Jody Zall Kusek, 2017). Evaluation, on the other hand, is a systematic and objective assessment of an ongoing or completed project, program, or policy, including its design, implementation, and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact, and sustainability (UNDP, 2009).

Performance Based Financing (PBF) also known as pay-for-performance is a funding approach that incentivizes improved performance in various sectors; it moves away from simply allocating funds based on inputs or needs and focuses on focuses on rewarding desired outcomes. When this approach is applied in the health sector, it becomes incentivizing facilities based on the desired health outcomes. According to performance based financing project implementation manual (MOH, Strategic Affairs EO, 2023)), PBF is defined as the transfer of money to health facilities and providers after predefined results have been achieved such as health services that meet protocols and standards. The incentives are received at regular intervals based upon verified results.

PBF is a system strengthening form of result-based financing characterized by three conditions, where Incentives are directed to health service providers, not beneficiaries; Payments made are purely financial where payment is by fee-for-service for specified services; and that Payments depend explicitly on the degree to which services are of approved quality, as specified by protocols for processes or outcomes (MOH, Strategic Affairs EO, 2023). It is a project introduced to Ethiopia by CORDAID, which is an internationally operating value based organization owned by the kingdom of Netherlands, whose main objective is improving quality of health care in low socio economic status countries.

The project was launched in 2015 in Borena zone by Cordaid in collaboration with the Oromia regional health bureau and borena zonal health department. Low quality health care and low health service utilization were few of the many characteristics of the area before implementation of the project. After three years the project saw significant improvement in the quality and access to health care, reliability of data and motivation of staff. Due to these improvements the project was scaled up to cover 8 districts in Borena zone in 2018, 13 districts in jimma in 2019, and reached 21 districts in jimma in 2021. (Cordaid([pbfethiopia.org](http://pbfethiopia.org)), n.d.). weighing in on those positive results the project was further scaled up into 3 regions, Somali, SNNP and Addis Ababa in 2023. In Addis Ababa, the project has been implemented on 8 health facilities since September 2023, 7 of them being health centers and one being a general hospital.

Monitoring and Evaluation (M&E) of PBF is an ongoing process from the onset of the project at the health facility and community levels. PBF introduced a strong data

verification system whose basis is the national HMIS. The M&E processes includes of both ex-ante and ex-post verification measures as well as utilizing the existing routine health information management system. Data collected is validated and used at the facility, Woreda, Zone, Regional and National levels. Verification of quantity and quality of health services by health facilities engaged in each of the project areas are conducted monthly and quarterly respectively under the supervision of the regions. (MOH, Strategic Affairs EO, 2023).

Many researchers suggest that PBF can have a positive impact on health service delivery. Studies in Nigeria, Rwanda, and the Democratic Republic of Congo have shown that PBF leads to increased quantities of services, improved quality of care, and higher staff motivation. For instance, a study in Rwanda found that PBF improved the quality of treatment for poor children, while a study in Nigeria showed a significant increase in antenatal care visits and skilled deliveries. Furthermore, PBF has been linked to increased effort by health workers to attract more patients and improved satisfaction among staff. (Paulin Basinga\*, 2011) (Martha Priedeman Skiles1\*, 2015)

In Ethiopia, a study in PBF implemented health facility demonstrated that incentivizing health facilities to improve quality of care, coupled with coaching and mentorship, effectively improved the quality of service for pregnant women in labor and delivery (Polite Dube, 2014). However, a Malmquist productivity index analysis in Ethiopia found that PBF implementation did not lead to improved productivity levels in health facilities. which suggests that PBF may lead to increased resource utilization for

similar outputs, contradicting the anticipated efficiency improvement. (Mideksa Adugna, 2024).

As it is clearly stated on the PBF project implementation manual, monitoring and evaluation is the main part of the project. The whole project is about an intensive monitoring and evaluation done via monthly and quarterly verifications on quantity and quality of health services. Even though the studies that are done in different parts of Africa and specially Ethiopia show impacts of PBF as whole on different aspects of the health service, the sole effect of the M&E practices on the health service outcomes has not been well studied. And this study tries to find out the M&E practices and its effect on project performance in Addis Ababa, which is one of the regions that the project is newly implemented and which has 8 health facilities that the project is applied on.

## **1.2. Statement of the problem**

Effective monitoring and evaluation (M&E) is critical for the successful implementation of PBF project. A robust M&E system allows for tracking progress towards achieving program objectives, identifying areas for improvement, and ensuring accountability for resource utilization. Existing researches, notably in Jimma and Borena, has illustrated that PBF can significantly enhance the quality and efficiency of health services (Mideksa Adugna, 2024) (Polite Dube, 2014)). Though there are studies that assess the impact of PBF in different areas of the health care system, there is lack of studies on the sole effect of the M&E practices on project performance which can be seen in the health facilities. This study seeks to explore the current practices of M&E, and its effect on project performance in Addis Ababa, which is one of the newly PBF

implemented region and include 7 health centers and one general hospital. By conducting a comprehensive analysis of existing M&E frameworks, processes and outcomes, the study aims to generate evidence based recommendations for improving the effectiveness and efficiency of PBF implementation. Therefore, by identifying the gap that there is lack of studies in the project monitoring and evaluation practices, this study tries to fill the gap by investigating the existing M&E practices, the level of stakeholder engagement in the M&E processes, challenges faced in the M&E system and their effect on project performance.

### **1.3. Research Questions**

This study tried to answer the following questions

- How does the quality and effectiveness of monitoring and evaluation practices affect the performance of PBF project?
- How does the KPIs affect the performance of the project
- What are the challenges faced in implementing M&E systems for the PBF project?
- How is the stakeholder engagement in the M&E processes of PBF project?

### **1.4. Research Objectives**

#### **1.4.1. General Objectives**

- to assess the effect of M&E practices on the PBF project performance

#### **1.4.2. Specific Objectives**

- to examine the relationship between M&E and PBF project performance

- to analyze the current M&E practices employed in PBF project
- to assess how the KPIs used in M&E affect project performance
- To assess the level of stakeholder engagement in the M&E processes of PBF projects
- To assess the challenges faced in implementing M&E systems for the PBF project

### **1.5. Significance of the study**

This study holds significant implications for improving the effectiveness of the PBF pilot project in Addis Ababa, Ethiopia, and ultimately contributes to strengthening the Ethiopian healthcare system as a whole. The findings will provide valuable insights for a range of stakeholders, informing their decision-making processes and guiding the development of more effective and sustainable health programs.

The study will provide the Ministry of Health with crucial evidence on the impact of M&E on the performance of PBF projects in Addis Ababa. This evidence will inform decision-making processes regarding the design, implementation, and scaling-up of PBF at a national level. MOH will be able to use the study's findings to optimize M&E systems, ensuring greater effectiveness and efficiency in data collection, verification, and reporting..

The study will also provide the Purchasing Agency (EHIS) with practical insights to enhance their role in monitoring and evaluating PBF projects. The findings will help EHIS to improve verification processes, ensuring greater accuracy and objectivity in data collection and analysis. The study will also enable the EHIS to design targeted training

programs for their staff and healthcare providers, strengthening M&E skills and improving data management practices.

### **1.6. Scope of the study**

The study is limited to investigating the effects of M&E practices on project performance within the PBF project implemented health facilities in Addis Ababa, Ethiopia. Specifically, it will focus on eight health facilities including 7 health centers and 1 general hospital that the project has been implemented on since September 2023. The study also collected both quantitative and qualitative data from stakeholder organizations such as MOH, EHIS, AARHB and CORDAID. However, it will not delve into other areas where the PBF project is operational, such as Somali and SNNP regions.

### **1.7. Limitation of the study**

The PBF project is newly implemented in 21 health facilities Somali region, 22 health facilities in SNNP and 8 health facilities in Addis Ababa, but this study is limited only to health facilities in Addis Ababa and doesn't include other PBF implemented areas in Ethiopia. This might have an impact on the generalizability of the study. The other limitation of the study is inability to incorporate secondary data analysis due to restrictions on data access as the project is on its pilot stage and the stakeholders were not willing to release data to the researcher. Furthermore, the study was conducted within a limited resource framework, which may have constrained the depth and extent of data collection and analysis. These limitations suggest that while the findings of the study are valuable, they should be interpreted with caution and viewed within the context of the study's specific scope and methodology.

## 1.8. **Organization of the study**

This study is organized in to three chapters. Chapter one is introduction which has background of the study, statement of the problem, research questions and objectives, scope and limitation of the study. Chapter two is the review of related literatures where different literatures, journals, articles and books which are related to study are reviewed. It has theoretical & empirical review and conceptual framework. Chapter three is the research methodology where the way in which study was conducted is described in detail. It involves the research design, sample and target population, data collection instruments, description of the study variables, reliability and validity of the study and ethical considerations. Chapter four deals with the results and discussions of the study and the final chapter concludes the findings of the study, gives recommendations and puts forward areas of future research.

## Chapter 2 – Review of Related Literatures

### 2.1. Theoretical Review

#### 2.1.1. Monitoring and Evaluation

Monitoring is a continuing function that uses the systematic collection of data on specified indicators to inform main stakeholders and management of an ongoing intervention with early indications of progress, or lack thereof, in the achievement of results. (Osman, 2002), . An ongoing intervention might be a project, program or other kind of support to an outcome. It involves observing a project frequently, regularly and collecting project information on a timely basis and sharing it with project stakeholders in the project under focus. Monitoring is a mandatory requirement for government sponsored projects where governments use them to determine efficient use of their funds by organizations (Muchelule Y. Wanjala, 2017).

Evaluation is a selective exercise that attempts to systematically and objectively assess progress towards and the achievement of an outcome. ((UNISDR), 2015). It is a systematic “assessment of the design, implementation and outcome of an on-going or completed intervention” in order to assess value where the results of an evaluation should be provided to stakeholders with the information they need. (OECD, 2021)

Monitoring seeks to determine how well results are being achieved, spur decisions that will raise the possibility of success, and improve responsibility and learning. All monitoring efforts should, at a minimum, address the following; Progress towards outcomes, which entails periodically analyzing the extent to which intended outcomes have actually been achieved or are being achieved. Factors contributing to or impeding achievement of the outcomes—which necessitates monitoring the country context and the

economic, sociological, political and other developments simultaneously taking place and is closely linked to risk management; Individual partner contributions to the outcomes through outputs—These outputs may be generated by programmers, projects, policy advice, advocacy and other activities. Their monitoring and evaluation entails analyzing whether or not outputs are in the process of being delivered as planned and whether or not the outputs are contributing to the outcome. (UNDP IEO, 2021)

According to UNDP evaluation Report 2021, Evaluation is defined as an assessment, conducted as systematically and impartially as possible, of an activity, project, programmer, strategy, policy, topic, theme, sector, operational area or institutional performance. It examines the results chain, processes, contextual elements, and causality to analyze the degree to which expected and unexpected results were achieved.

Appropriate criteria, including relevance, coherence, effectiveness, efficiency, impact, and sustainability, are used to guide this analysis. An evaluation should deliver reliable, useful, evidence-based information that allows the timely incorporation of its findings, recommendations and lessons into the decision-making processes of organizations and stakeholders. (UNDP IEO, 2021).

Evaluation on the other hand is the systematic and objective assessment of an ongoing or completed project, program, or policy, including its design, implementation, and results whose aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact, and sustainability (Mary Hall, 2012). It is an exercise involving assessments of differing scope and depth carried out at several points in time in response to evolving needs for evaluative knowledge and learning during the effort to achieve an outcome. All evaluations, even project evaluations that

assess relevance, performance and other criteria need to be linked to outcomes as opposed to only implementation or immediate outputs. ((UNISDR), 2015)

Although monitoring and evaluation are viewed as related, they are distinct functions. Monitoring is viewed as a process that provides information and ensures the use of such information by management to assess project effects – both intentional and unintentional – and their impact. It aims at determining whether or not the intended objectives have been met. Evaluation draws on the data and information generated by the monitoring system as a way of analyzing the trends in effects and impact of the project. (OTIENO, 2019)

The difference between monitoring and evaluation is that Monitoring provides managers and key stakeholders with regular feedback on the consistency or discrepancy between planned and actual activities and program performance and result while Evaluation is an independent judgment based on set criteria and benchmarks. The importance of monitoring for evaluation resides in the availability of relevant and reliable data which can and should be used for evaluation. (UNDP IEO, 2021)

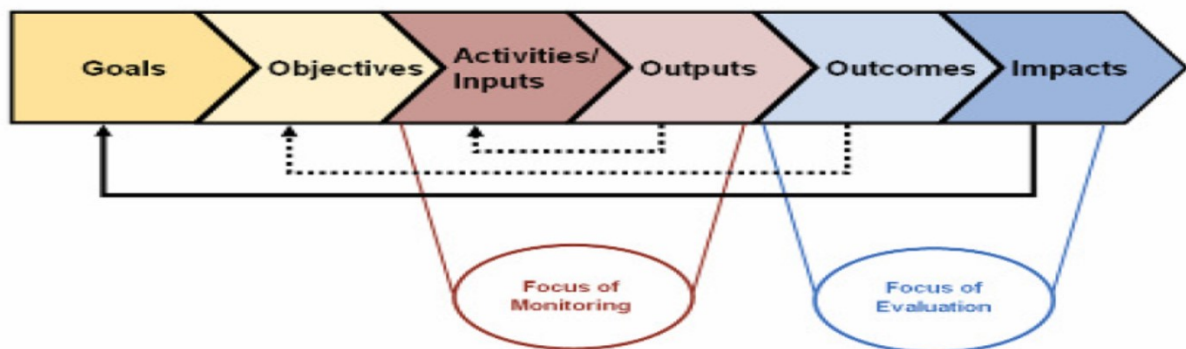
**Table 1** Difference between Monitoring and Evaluation

<b>Monitoring</b>	<b>Evaluation</b>
Continuous	Periodic
Part of regular management	Independent from management
During implementation	Before, during or after implementation
Process-oriented and focused on progress achieved according to implementation	Impact-oriented, objectives assessed at higher levels

plans	
Routine data collected as per results matrix	Monitoring data used. Data from multiple sources collected, analyzed, interpreted and triangulated
Casual questions are not necessarily raised	Causal questions and theory of change are analyzed and questioned
Not independent (internal)	Independent (external)

(UNDP IEO, 2021).

Furthermore, Monitoring tracks mainly the use of inputs (activities) and outputs, but in some degree also tracks (intermediate) outcomes. In contrast, evaluation takes place at specific moments, and permits an assessment of a program’s progress over a longer period of time. Evaluation tracks changes and focuses more on the outcome and impact level. (UNISDR, 2015) which can be seen in the following figure below.



**Figure 1** Focuses of Monitoring and Evaluation

As we can see from the figure above, the main focus of monitoring is on inputs and outputs, while the main focus of evaluation is on outcomes and impacts.

## **2.1.2. Frameworks for monitoring and evaluation**

A lot of frameworks exist for project monitoring and evaluation, but the most commonly used ones are the logical framework (log frame) and result based framework

### ***2.1.2.1. Logical frame work (log frame)***

The Log frame is a crucial instrument for designing effective monitoring and evaluation systems. It is a matrix that presents a project's overall design and scope, providing a framework for monitoring project implementation. It is based on the causal relationships between impact, outcome, output, and activities. Its main function involves summarizing the project's intended impact and approach, describing the key outputs and outcomes to be monitored and evaluated and clarifying the key assumptions underlying the project's design and how it is intended to work. (Mitigation Action Facility, 2023).

It consists of a 4 by 4 matrix which includes

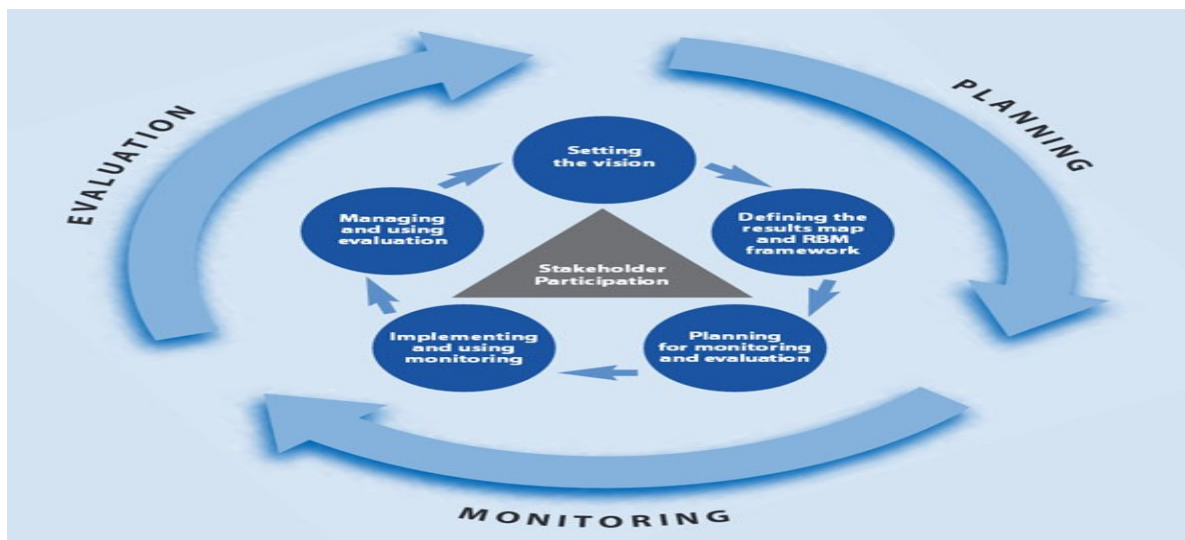
- Hierarchy of the log frame (comprising input(activities), output, outcome(purpose) and impact(goal))
- Performance indicators
- Means of verification and
- Assumptions and risks

### ***2.1.2.2. Result Based Framework***

The Global Affairs Canada (Global Affairs Canada, 2022) defines RBM as “a means to improve management effectiveness and accountability by involving key stakeholders in defining realistic expected results, assessing risk, monitoring progress

toward the achievement of expected results, integrating lessons learned into management decisions and reporting on performance.” And monitoring and evaluation are an integral aspect of results-based management and not just something that occurs after an intervention is made in order to find out if the results were achieved (Farrell, 2019). It is a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the achievement of desired results.

RBM is seen as taking a life-cycle approach. It starts with elements of planning, such as setting the vision and defining the results framework. Once partners agree to pursue a set of results through a program, implementation starts and monitoring becomes an essential task to ensure results are being achieved. M&E provide invaluable information for decision-making and lessons learned for the future. (UNDP IEO, 2021)



**Figure 2 RBM lifecycles**

Source: UNDP, Handbook on Planning, Monitoring and Evaluating for Development Results, 2009

Results-based M&E systems are designed to address the “so what” question and provides feedback on the actual outcomes and goals of government actions, which answers questions like What are the goals of the project or organization? Are they being achieved? And if so, How can achievement be proven? (OECD, 2015).

### **2.1.3. Performance Based Financing**

PBF is a type of Result based financing which differs from traditional financing in that the financing of a health facility is linked with its performance on identified key performance indicators rather than relying on input financing for its activities that are not linked to any results produced by the health facility. It relies on Results-based M&E to define clear and measurable performance targets that form the basis for calculating financial incentives. It is one of the tools in which its implementation gives serious consideration to efficiency and effectiveness of the health system so that it can be used as an instrument to improve efficiency in the health system. PBF is a system strengthening approach intend to address specific categories of challenges in the health system aligning its project output to address some basic causes or challenges of poorly functioning service delivery systems targeting the following key areas (MOH, Strategic Affairs EO, 2023).

**1. Increased service Utilization** - improving actual health service delivery and utilization, including equipment, infrastructure, a motivated workforce, effective management and engaged communities.

**2. Increased Quality of services** - improved delivery of good quality services and increased equity in access.

### **3. Enhanced Health Information System - Increased Reliability of data**

(Information revolution for evidence-based decision-making through strict verification)

### **4. Improved Governance - through increased Transparency and Accountability**

PBF can also be referred to as the transfer of money to health facilities and providers after predefined results have been achieved such as health services that meet protocols and standards and it has 6 principles (MOH, Strategic Affairs EO, 2023)

- 1. Linking payments to results** - financing is related to certain predefined indicators of performance (output / results) rather than linking the payment to activities or available infrastructure. y. Indicators for performance are related to quantity of services and quality of health services
  - 2. Contracting** - a tool to determine what is expected from different actors in the health system and outline the predetermined and predefined results. After signing the contract, service providers implement the routine service and report the results on a monthly, quarterly and annual bases according to the agreed reporting system. The reported results are verified to confirm accuracy and authenticity on a monthly basis for quantity results and on a quarterly bases for quality results then payments are distributed on a quarterly basis directly to the health facilities through their individual bank accounts.
  - 3. Separation of functions** – is where different functions are allocated to different entities and it promotes power sharing and introduces checks and balances to promote transparency and accountability within the health system.
- Few of the main PBF functions include

- ❖ **Fund holder** - will receive PBF funds from Development partners, the Ministry of Finance and mobilize additional resource from Region and Woreda through co-financing. Currently CORDAID is the fund holder which is responsible for receiving all invoices from regions and make payment through the strategic affairs division of MOH.
- ❖ **Purchaser** – which is the responsibility of Ethiopian Health Insurance Service, is responsible for contract signing with community verifiers, health centers, hospitals, Woreda Health Office, and ZHD; carrying out monthly quantity verifications, training, coaching and technical assistance to health facilities and Wereda health offices, preparing quarterly PBF invoices and requesting payments from the fund holder.
- ❖ **Regulator** – undertaken by regional health bureau, zonal health department and wereda health office and is responsible for ensuring quality service is provided at the health facilities. Few of the many roles include regular supportive supervision of health facilities, support in quality verification of the health facilities, timely verification and submission of monthly health facility claimed quantity indicators data to DHIS portal.
- ❖ **Service providers** – are the health facilities which provide health service for the clients/patients.

- ❖ **Ministry of Health (Strategic Affairs)** – responsible for the promotion, and technical implementation and management of the overall PBF project at all levels of the health system in a financially and technically sustainable manner.
- 4. **Autonomy** – health facilities are able to shape their activities according to their specific context
- 5. **Community engagement** – involvement of the community through meetings and surveys which ensures transparency and accountability
- 6. **Equity** – subsidizing certain groups or geographical areas to address equitable access to health services.

Monitoring and Evaluation (M&E) of PBF is an ongoing process from the onset of the project at the health facility and community levels. PBF introduced a vigorous data verification system whose basis is the national HMIS. The M&E processes include ex-ante and ex-post verification measures as well as utilizing the existing routine health information management system. Data collected is validated and used at the facility, Woreda, Zone, Regional and National levels. Verification of quantity and quality of health services provided by health facilities engaged in each of the project areas is conducted monthly and quarterly respectively under the supervision of the regions. (MOH, Strategic Affairs EO, 2023)

**Table 2 Data Collection and Verification system in PBF**

The following table is data collection and verification system in PBF from HMIS, quantity and quality verifications, community satisfaction survey and external verification

<b>Instrument</b>	<b>Data source</b>	<b>Responsible agency</b>	<b>Frequency of measurement</b>	<b>Level of administration</b>	<b>outcome</b>
<b>HMIS</b>	Registers maintained at the facility, with standard reporting format	Health Facility reporting to Woreda and Zone, collated through routine channels	Monthly	Health Facility	Quantitative data for triangulation through verification
<b>Ex Ante Verification</b>					
<b>Quantity verification</b>	Primary and secondary registers maintained at the facility	Zone: data entered in web-based application	Monthly	Health Facility	Provides quantity information for the purchase of services
<b>Quality checklist</b>	Quantitative quality checklist completed based on quarterly facility visits	Zonal and Regional; data entered in the PBF web-based application	Quarterly	Health Facility	Triggers decision on performance payment along with Quantity Verification

Ex post verification					
Community client satisfaction survey	Sample survey data of communities served by contracted health facilities. The initial model will use a paper based approach with options for use of mobile technology with data in future	Third party (grassroots NGOs/CSOs) contracted by the ZHD	Quarterly	Sample of clients who have used the facility	Counter verification of service utilization, payments and perceptions of quality of care
External evaluation/counter verification	Primary and secondary registers maintained at the facility. Quantitative quality checklist.	Universities	6 monthly	Health Facility	Reports on the quality of verification results by the ZHD showing the discordance between verified and

					counter verified claims. Triggers decision for sanctioning of ZHD and facilities based on the levels of discordance
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Source: PBF Project implementation Manual, MOH, 2023

## 2.2. Empirical Review

A lot of studies have been done on the effectiveness of project monitoring and evaluation practices and its role in improving project performance. In the article ‘Effective use of monitoring and evaluation systems in managing HIV/AIDS related projects’ (Dr Charles Kamau, 2014), the authors concluded that the Project monitoring and evaluation process implementation has helped in ensuring that the funds are properly used and the staff has adequate training to enable them tackle health issues which in turn have helped reduce the challenges being faced by these projects.

(JAMES T. G. KINYUA\*, 2021) in their study on impact of monitoring and evaluation on project performance, found out that baseline survey helps in understanding project expectation, enhances the project performance and that it informs decision makers on the project’s impact. The study also emphasizes that performance review enhances the project performance and that it helps in giving the management an accurate picture of the project progress.

Hubert.N and Mulyungi.P (N. Hubert, 2018) in their study of influence of monitoring and evaluation planning on project performance, concluded that M&E planning is the blue print of project monitoring and evaluation that lead to influencing project performance and that it has a direct influence on it. And suggests that Without an M&E plan it would be very difficult to conduct any meaningful project monitoring and evaluation tasks, as there would be no organized way of doing that, no identified key performance data to collect, no schedule to collect data, no delegated responsibilities and no agreed upon method of data analysis. They also emphasized that for monitoring and evaluation to have influence on project performance, there has to be an M&E plan that

guides what should be done and how it should be done to keep project performance in check.

PBF schemes are considered to be effective if they can significantly improve targeted healthcare supply, healthcare coverage and health outcomes. This statement seems straightforward but it is difficult to evaluate and prove the effectiveness of PBF programs in practice,. This is due to many potential confounding factors that may play a role between implementing a PBF scheme and observing its results, and that may have an impact on the targeted healthcare supply, healthcare coverage and health outcomes. Therefore in order to rigorously evaluate the effectiveness of the project we have to effectively monitor and evaluate the project and the confounding factors. (Grittner, 2013)

Various studies has been done in various areas to see the effect of PBF on the outcome of the health facilities. A study done in Adamawa state in Nigeria to see the effect of PBF on health service delivery found out that The PBF implemented facilities significantly increased the quantity of most of their service delivery indicators, such as antenatal care visits and deliveries by skilled personnel compared with the comparison group where PBF is not applied which shows PBF is highly effective in increasing the quantity of health services. (Ryoko Satoa, 2021)

A study done in Rwanda on impact evaluation of PBF on illness, care seeking and treatment among children in 2015 showed that PBF played a key role in improving the quality of treatment received by poor children on patients seeking care (Martha

Priedeman Skiles<sup>1\*</sup>, 2015) while another study done on effect of PBF on maternal and child health services showed a 23% increase in the number of institutional deliveries and 56% increase in the number of preventive care visits by children younger than 2 years and 132% increase in children between 2 and 5 years. (Paulin Basinga\*, 2011)

PBF not only improve health care outcomes but also improve staff motivation. A study done in Democratic Republic of Congo in 2014 revealed that PBF led to increased effort by health workers to attract more patients for health services that were included in performance measure, without crowding out non targeted services and service quality nor generating new conflicts within the facilities which shows that PBF has a significant effect in increasing satisfaction and motivation of health facility workers. (Seban, 2014)

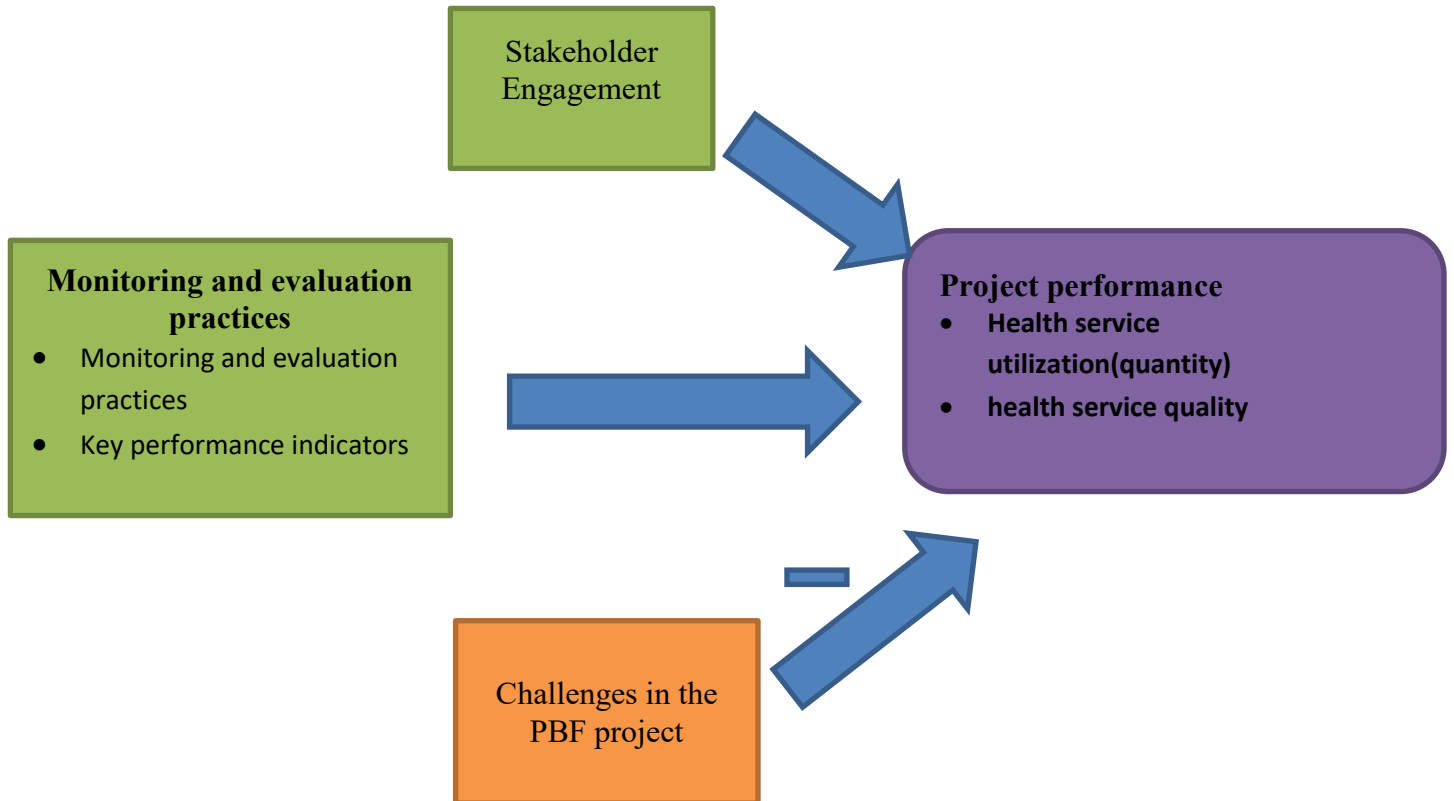
In Ethiopian context a quasi-experimental study done in Jimma and Buno Bedele with review of 7,260 records of mothers from 2018, 2019 and 2021 showed an increase in partograph utilization from 29.2 and 23.5% in 2019 to 87.7% and 41.4% in Jimma and Buno Bedele respectively in 2021 which shows that incentivizing health facilities to improve quality of care coupled with coaching and mentorship of health workers by woreda experts and PBF verifiers is effective in improving quality of service for pregnant women in labor and delivery. (Polite Dube, 2014)

On the contrary, when we look at the study of a malmquist productivity index analysis in Ethiopia, done on 8 health facilities that implemented PBF and 8 that don't, the results showed that healthcare facilities that implemented PBF showed a 1.3% decrease in mean total productivity between 2019 and 2021. Among them, five showed

an increase and three showed a decrease in the total factor of productivity while the mean total factor of productivity of those facilities that did not implement PBF remained stagnant over the same period with four showing an increase and four showing a decrease in total productivity. This led to the conclusion that implementing performance-based financing did not improve productivity levels among healthcare facilities over three years. In fact, productivity decreased among the facilities implementing performance-based financing, while those not implementing it remained stagnant which shows health facilities that implement PBF tend to utilize more resources for similar outputs, contradicting the anticipated efficiency improvement. (Mideksa Adugna, 2024).

### 2.3. Conceptual framework

Based on literature review, the researcher developed the following conceptual framework, by hypothesizing monitoring and evaluation practices and stakeholder engagement has a positive impact on project performance while challenges encountered during the project will have a negative impact.



## **Chapter 3 - Research Methodology**

### **3.1. Introduction**

This chapter outlines the research methodology employed to assess the effect of monitoring and evaluation on project performance in the case of performance based financing in Addis Ababa. It describes the research design, target population, sampling technique, description of study variables, data collection and analysis procedures, reliability and validity test and ethical considerations of the study.

### **3.2. Research Design**

The study employed a mixed research design, combining both quantitative and qualitative data collection methods to comprehensively investigate the effects of monitoring and evaluation on project performance. Mixed study design is selected as this approach will allow for a deeper understanding of the research questions by capturing both the broader trends through quantitative data from self-administered questionnaires and the in-depth experiences and perspectives through qualitative data from key informant interviews.

### **3.3. Target population**

The target population of the study includes all stakeholders that are involved in the PBF project in Addis Ababa, which includes CORDAID, Ministry of Health, Ethiopian Health Insurance Service, Addis Ababa Regional Health Bureau and staff members of the 8 health facilities.

### 3.3. Sampling technique

The study used purposive sampling technique from each of the stakeholder groups involved in the PBF project. This method ensures that individuals who have significant involvement and knowledge regarding the Monitoring and Evaluation practices of the PBF project are included in the study. The samples include management staff and department heads of the health facility(144), staff members working on the PBF project from CORDAID(8), healthcare financing department from MOH(10), claim and provider department from Ethiopian Health Insurance service(34), and 6 individuals from Addis Ababa Regional Health Bureau which are working closely on the PBF project.

**Table 3 Sample size**

<b>Stakeholder</b>	<b>Sample</b>
CORDAID	8
MOH	10
EHIS	34
ARHB	6
Kality Health Center	18
Gelan Health Center	18
Serti Health Center	18
Akaki Health Center	18
Gelan Gura Health Center	18

Selam Fre Health Center	18
Saris	18
Tirunesh Beijing Hospital	18
<b>TOTAL</b>	<b>202</b>

A total of 202 participants were initially targeted, with 26 non-respondents, resulting in a final sample size of 176.

Key informant interviews were also done for 10 key informants with target sample of 12. The interviewees were selected through purposive sampling based on their role and experience on the M&E practices of the PBF project. The key informants include facility heads from the 8 health facilities, managers and/or representatives from the EHIS, MOH, CORDAID and AARHB.

### 3.4. Description of Study Variables

The dependent variable for the study is project performance which is assessed by health service utilization and health service quality while the independent variables are M&E practices, key performance indicators, stakeholder engagement and challenges of monitoring and evaluation practices.

#### **Independent Variables**

**Monitoring and Evaluation Practices (MNE):-** This composite variable captures the overall perception of Monitoring and Evaluation practices within the PBF

project. It is calculated by combining responses from five Likert-scale questions about M&E practices including questions about comprehensiveness of the M&E practices, reliability of the data collection methods, capacity of the staffs involved and implementation of feedbacks from the M&E practices. Each question is scored on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The scores for each question are summed and is divided by the number of questions to create the MNE composite score. A higher MNE score indicates a more positive perception of M&E practices within the project.

**Key Performance Indicators (KPI):-** This composite variable reflects the perception of the clarity, alignment with project goals, relevance, measurement capacity and effectiveness of the Key Performance Indicators used in the PBF project. It is calculated by calculating the mean of the responses about five Likert-scale questions related to key performance indicators of the project. A higher KPI score indicates a more positive perception of the clarity, relevance, and effectiveness of the KPIs.

**Stakeholder Engagement (SHE):** This composite variable captures the perception of stakeholder engagement in the PBF project. It is calculated by combining responses from five Likert-scale questions associated with stakeholder engagement such as regular meetings, regular updates, feedback of stakeholders and improvement of project performance. Each question is scored on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The scores for each question are summed, and

its mean is calculated to create the composite variable (SHE). A higher SHE score indicates a more positive perception of stakeholder engagement in the project.

**Challenges in M&E (CHA):-** This composite variable reflects the perception of challenges faced in the M&E system within the PBF project. It is calculated by combining responses from six Likert-scale questions related to challenges that can arise in a project. Scores of each question is added and its mean is calculated to create the composite variable (CHA). A higher score in this variable represents a greater perception of challenge in the Monitoring and Evaluation practice of the project.

### **Dependent Variable**

**Project Performance (PRF):-** This composite variable represents the overall perceived effect of monitoring and evaluation on effectiveness or performance of the PBF project. It is calculated by combining responses from five Likert-scale questions concerning the effects of M&E on project performance. The variable score is calculated by adding the scores of each question and calculating the mean. A higher score of this variable indicates a more positive perception of effect of M&E on project performance.

### **3.5. Data Analysis Procedures**

The study employed a mixed research approach using both quantitative and qualitative data collection. The quantitative data was collected through self-administered questionnaires to respondents who are involved in the monitoring and evaluation system. The data collected was entered into SPSS version 26 and was analyzed using descriptive

statistics, correlation and multiple regression. The qualitative data was collected through key informant interviews using an in-depth semi structured interviews to a selected group of key informants who are in key positions of the stakeholders of the project. The interview guide was structured to explore themes related to the project, the M&E system, the challenges and effect on the performance of the project. The interviews were translated and then transcribed for analysis. The thematic analysis was done through coding and grouping recurring themes, patterns and insights from the interview. The findings from both qualitative and quantitative data were triangulated to provide a comprehensive and reliable understanding of the research problem.

### **3.6. Validity and Reliability**

#### **3.6.1. Validity**

Validity focuses on the accuracy and truthfulness of the study's findings. Internal Validity is concerned with the causal relationship between the variables. Since the study explores the impact of M&E on PBF project performance, we need to be confident that any observed effects are indeed due to factors related to M&E practices and not any other factor. Threats to internal validity include selection bias due to purposive sampling, potential maturation effects as PBF is relatively new, and possible influences from external events.

External validity, on the other hand, examines the generalizability of findings to other contexts and populations. Threats to external validity include the potential for sampling bias due to the purposive selection. To improve generalizability, aiming for a larger sample size in future research, and encompassing a broader range of health

facilities and regions is crucial. Replication of the study in different settings will also be crucial to validate the findings and assess their generalizability.

### 3.6.2. Reliability

Reliability examines the consistency and dependability of the study's findings. A pilot test of the questionnaire and interview guide was conducted with a group of 10 respondents representing diverse backgrounds of the stakeholders. The pilot test yielded positive results, indicating strong reliability. The Cronbach's Alpha coefficient for the questionnaire was 0.92, suggesting high internal consistency among the items. The high Cronbach's Alpha value, indicating excellent internal consistency among the items means suggesting that the scale is very reliable in measuring the construct of interest. The Intraclass Correlation Coefficient (ICC) shown in the table below for single measure (0.67) and average measure (0.92) indicate a strong reliability, suggesting that there is high level of consistency in the measurements within the group.

**Table 4 Reliability Statistics**

<b>Reliability Statistics</b>	
<b>Cronbach's Alpha</b>	<b>N of Items</b>
.920	5

\*The 5 items include MNE,KPI,SHE,CHA and PRF

**Table 5 Intraclass Correlation Coefficient (ICC)**

Intraclass Correlation Coefficient							
	Intraclass Correlation <sup>b</sup>	95% Confidence Interval		F Test with True Value 0			
		Lower Bound	Upper Bound	Value	df1	df2	Sig
Single Measures	.697 <sup>a</sup>	.526	.844	12.516	19	76	.000
Average Measures	.920 <sup>c</sup>	.847	.964	12.516	19	76	.000

### 3.7. Ethical considerations

This study followed ethical principles for conducting research with the participants. The researcher has permission from Addis Ababa University to undergo the research. The researcher also has permission from the stakeholders of the project such as MOH, CORDAID, EHIS, AARHB and the health facilities. Participants were provided with clear information about the study, its objectives, and their right to withdraw at any point. Informed consent were obtained from all participants before data collection begins. The anonymity and confidentiality of participants was ensured. All data was anonymized, and any identifying information was removed before reporting the findings.

## **Chapter 4: Results and Discussion**

### **4.1. Introduction**

This chapter presents the findings of a study investigating the effect of project M&E practices on the performance of PBF project in Addis Ababa, Ethiopia. The study employed a mixed-methods approach, combining quantitative data collected through a structured questionnaire with qualitative data gathered through semi-structured interviews with key stakeholders involved in the PBF project. A total of 202 participants were initially targeted, with 26 non-respondents, resulting in a final sample size of 176. This chapter will first describe the demographic characteristics of the participants, followed by a descriptive analysis of the quantitative data followed by correlation and regression analysis of the variables. Then qualitative data of the key informant interview will be. Finally, a comprehensive discussion of the findings will be presented, highlighting implications for improving the effectiveness and efficiency of the PBF project in Addis Ababa.

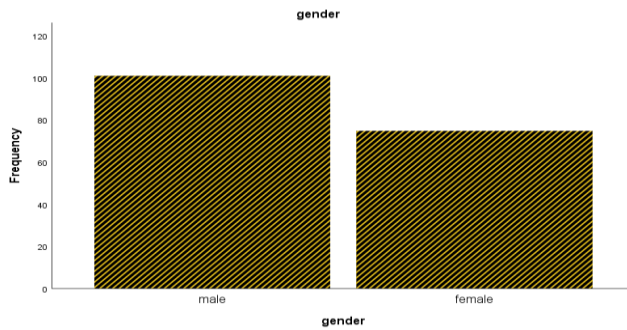
### **4.2 Demographic Information**

In terms of gender, the majority of the participants are male, accounting for 57.4% of the sample, while females make up 42.6%. The age distribution shows that the largest group is between 31-40 years old, comprising 47.2% of the participants. The second largest group is age upto 30 years old (27.8%), followed by 41-50 years old (25%). Regarding academic qualifications, the majority of the participants hold a BA/BSc degree (73.9%), followed by MA/MSc (26.1%). The years of experience with PBF are

also presented in the table. The largest group has less than 1 years of experience (92%), followed by 2 to 3 years (5.7%) and more than 3 years (2.3%).

**Table 6 Gender frequency**

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	101	57.4	57.4	57.4
	Female	75	42.6	42.6	100.0
	Total	176	100.0	100.0	

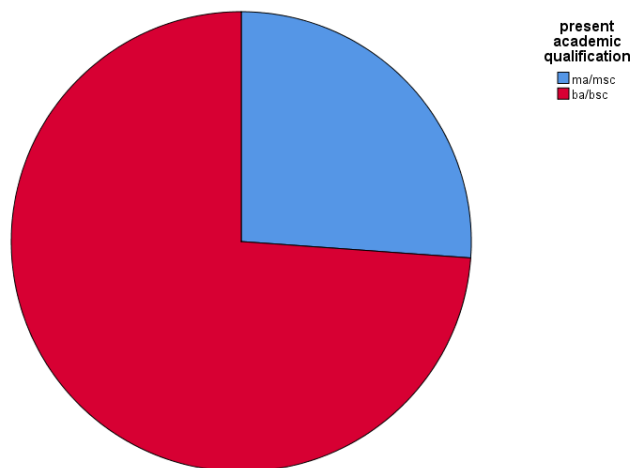


**Figure 3 bar graph of frequency distribution by gender**

From the above table and graph we can see that out of the 176 (57.4%) respondents majority(101(57.4%)) were male and 75(42.6%) of the respondents were female.

**Table 7 Frequency distribution by academic qualification**

present academic qualification					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	ma/MSc	46	26.1	26.1	26.1
	ba/BSc	130	73.9	73.9	100.0
	Total	176	100.0	100.0	

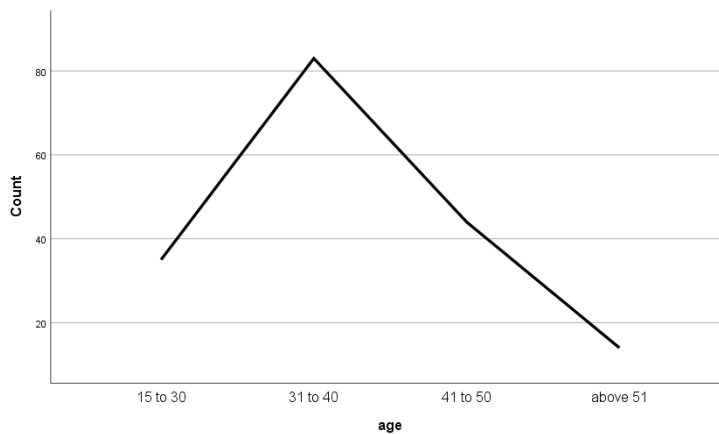


**Figure 4 Pie chart of frequency distribution y academic qualification**

The above frequency table and pie chart shows that from the respondents 73.9 %( 130) had first degree as an academic qualification while 26.1 %( 46) of the respondents has a second degree.

**Table 8 Frequency distribution by age**

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15 to 30	35	19.9	19.9	19.9
	31 to 40	83	47.2	47.2	67.0
	41 to 50	44	25.0	25.0	92.0
	above 51	14	8.0	8.0	100.0
	Total	176	100.0	100.0	

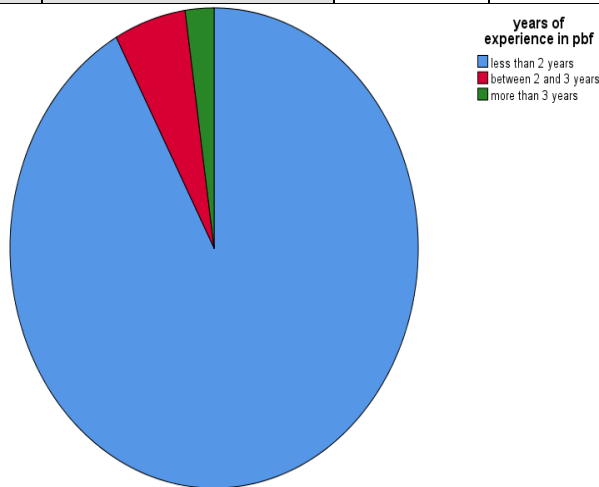


**Figure 5 Line graph of frequency distribution by age**

The table and line graph above show that majority of the respondents (83(47.2%)) were in the age range of 31 to 40; 25%(44) of the respondents were in the age range of between 41 and 50, 19.9%(44) were between the age range of 15 to 30, and 8%(14) of the respondents were aged above 51.

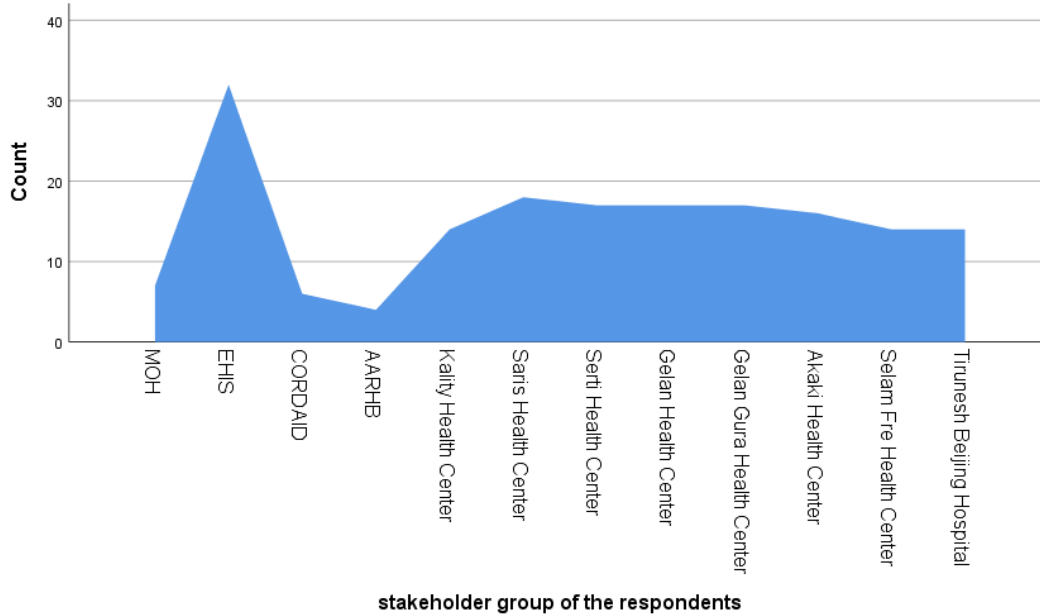
**Table 9 Frequency distribution by years of experience in PBF**

Years of experience in PBF					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 2 years	162	92.0	92.0	92.0
	between 2 and 3 years	10	5.7	5.7	97.7
	more than 3 years	4	2.3	2.3	100.0
	Total	176	100.0	100.0	



**Figure 6 Pie chart of frequency distribution by years of experience in PBF**

The table and the pie chart above illustrate that majority of respondents(92% (163)) involved in the project has less than 2 yrs.’ experience with the project. This can be explained by the project being implemented as a pilot project in Addis Ababa only since September 2023. 5.7%(10) of the respondents has 2 to 3 yrs. experience with the project while 2.3%(4) individuals has been part of the project for more than 3 yrs.



**Figure 7 Area graph of frequency distribution of stakeholder organization of respondents**

The area graph above illustrates the stakeholder group of the respondents. Most of the respondents were from the Ethiopian health insurance service as it is the main stakeholder responsible for the Monitoring and Evaluation. Around 18 respondents were targeted from the health facilities with few non respondents.

### 4.3. Quantitative data analysis

#### 4.3.1 Descriptive analysis

##### Assessment of Monitoring and Evaluation Practices

The composite variable M&E practices capture the overall perception of monitoring and evaluation within the project; and the distribution of the answer of the respondents is presented in the table below

**Table 10 Assessment of M&E practices**

<b>Question</b>	<b>N</b>	<b>Str.agr ee</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Str.disagree</b>	<b>Mean</b>	<b>SD</b>
<b>The current M&amp;E practices in PBF projects are comprehensive and well-defined.</b>	176	58	75	22	16	5	3.94	1.037
<b>Data collection methods used for PBF project monitoring are reliable and efficient.</b>	176	51	78	6	34	7	3.75	1.183
<b>The data analysis procedures for PBF project evaluation are rigorous and provide valuable insights.</b>	176	50	67	37	17	5	3.80	1.049
<b>Feedback from M&amp;E activities is effectively used</b>	176	67	67	13	24	5	3.95	1.123

to improve PBF project implementation.								
There is adequate capacity and resources dedicated to M&E activities within PBF projects.	176	47	88	23	11	7	3.89	1.000
Aggregate mean							<b>3.87</b>	

The survey results reveal a generally positive perception of Monitoring and Evaluation (M&E) practices within Performance-Based Financing (PBF) projects, with a majority of respondents indicating satisfaction with key aspects of M&E implementation. A significant 73% of the 176 respondents believe that current M&E practices are comprehensive and well-defined, demonstrating a solid foundation for effective project monitoring. This is further supported by the high percentage (87%) who find the data collection methods used to be reliable and efficient, signifying a strong focus on gathering accurate and timely data. The effectiveness of the M&E system is also highlighted by the high proportion (84%) who believe that feedback from M&E activities is effectively used to improve project implementation, indicating that M&E findings are actively utilized for project improvement. Furthermore, a substantial majority (94%)

believe that adequate capacity and resources are dedicated to M&E activities, suggesting that the necessary infrastructure for effective M&E is in place.

Despite these positive findings, the survey also points to areas for improvement. While a majority (87%) of respondents agree that data analysis procedures are rigorous, a notable proportion (37%) remain neutral, suggesting a potential gap in ensuring that these procedures consistently produce valuable insights that inform project decisions. This highlights the need for further strengthening data analysis procedures to maximize the value of M&E. Additionally, the standard deviations in the responses indicate some variability in opinion, signifying that ongoing efforts to enhance M&E practices and ensure consistent effectiveness across PBF projects are important.

In summary as one can see from the aggregate mean (3.87), the results of the study show that most of the participants are inclined to the agreement with the assumption that M&E practices in the PBF project have a positive impact on project performance.

### **Assessment of Key performance indicators**

The composite variable KPI shows the perception of the respondents regarding with issues such as clarity, relevance, effectiveness and alignment with project goals of the KPIs; and the distribution of the respondents' responses are presented in the table below

**Table 11. Assessment of KPIs**

Question	N	Str.agree	Agree	Neutral	Disagree	Str.disagree	Mean	SD
The KPIs used in PBF project monitoring are clearly defined and aligned with project goals.	176	44	76	24	21	11	3.69	1.156
The KPIs effectively measure the progress and impact of PBF projects.	176	46	89	21	13	7	3.88	1.012
The KPIs are regularly reviewed and updated to reflect changing project needs.	176	44	76	24	19	13	3.68	1.177
The KPIs used in the PBF project	176	52	80	16	15	13	3.81	1.168

accurately measure project performance.								
There is a balanced mix of quantitative and qualitative KPIs used in PBF project evaluation.	176	31	106	17	15	7	3.79	.966
Aggregate mean							<b>3.77</b>	

The survey results reveal a generally positive perception of the Key Performance Indicators (KPIs) used in PBF. A significant majority of respondents express their agreement in the clarity, relevance, and effectiveness of the KPIs of which 68.1%(120) of the 176 respondents strongly agree or agree that the KPIs are clearly defined and aligned with project goals while 18.2% disagree or strongly disagree and 13.6% of the respondent have neutral assumption on the statement. Furthermore, a large majority (76.7%(135)) of respondents strongly agree or agree that the KPIs effectively measure the progress and impact of PBF projects, suggesting that the chosen indicators are indeed capturing the intended changes. This is further supported by the fact that a majority (75%(135)) also

agree that the KPIs used in the project accurately measure project performance, indicating that they are considered to be reliable and relevant while 15.9%(29) of the respondents disagree or strongly disagree with the statement. In addition, a substantial majority (77.8%(137)) of the respondents strongly agree or agree that there is a balanced mix of quantitative and qualitative KPIs used in PBF project evaluation, suggesting a general satisfaction with the comprehensive approach to measuring both quality of care and amount of service given.

The aggregate mean (3.77) shows that most of the participants agree with the positive statements about the KPIs, and that the KPIs have a positive impact on the performance of the PBF project.

### **Assessment of Stakeholder Engagement**

the composite variable Stakeholder Engagement captures the perception of engagement of the stakeholders in the project such as regularity of meetings, updates and feedbacks, and effect on performance of the project. The distribution of responses from the respondents is presented in the table below.

**Table 12 . Assessment of Stakeholder Engagement**

Question	N	Str.a gree	Agree	Neutral	Disagree	Str.disagree	Mean	SD
<b>Stakeholders are actively involved in the planning and design of M&amp;E</b>	176	46	70	25	27	8	3.68	1.153

systems for PBF projects.								
there are regular meetings and discussions with stakeholders regarding M&EUB findings	176	41	65	20	37	13	3.48	1.260
Stakeholders receive regular updates on the progress and results of PBF projects through the M&E system.	176	42	59	28	40	7	3.51	1.195
Feedback from stakeholders is actively sought and considered in PBF project M&E activities.	176	33	77	40	20	6	3.63	1.023
stakeholder engagement in m&e has led to improvements in project	176	57	59	22	24	14	3.69	1.273

performance								
Aggregate mean							3.59	

The table above shows a generally positive perception of stakeholder engagement in the M&E systems of PBF which can be seen from the aggregate mean (3.59). Majority of the respondents indicate that stakeholders are involved in the planning and design of M&E systems(65.9%), receive regular updates(57.4%), and that their feedback is valued and sought(62.5% of the respondents). However, there are concerns regarding the consistency of stakeholder engagement in analyzing M&E findings and the perceived impact of stakeholder engagement on project performance.

However, the survey also reveals areas for improvement. While a majority (60.6%) strongly agree or agree that there are regular meetings and discussions with stakeholders regarding M&E findings with the lowest mean score of the questions (3.48), a substantial amount of the respondents (28.4%) disagree or strongly disagree with the statement indicating a potential lack of consistent involvement in the M&E findings. Additionally, while majority (65.9%) of the respondents strongly agree or agree that stakeholder engagement in M&E has led to improvements in project performance, a notable proportion (21.6%) of them disagree or strongly disagree with the statement which suggests that the impact of stakeholder engagement on project outcomes might be perceived differently.

## Assessment of Challenges

The composite variable ‘Challenges’ reflects the perception of challenges faced in the M&E system within the project. The distribution of the answer of the respondents to the related questions are shown in the table below.

**Table 13 . Assessment of Challenges faced in M&E**

Question	N	Str.agree	Agree	Neutral	Disagree	Str.disagree	Mean	SD
There are challenges in collecting timely and complete data for M&E purposes.	176	38	86	23	22	7	3.72	1.063
There is a lack of skilled personnel to effectively implement M&E systems.	176	21	59	19	66	11	3.07	1.200
There is limited awareness among project staff about the importance of	176	10	60	35	55	16	2.96	1.118

<b>M&amp;E.</b>								
<b>Time constraints limit the ability to conduct comprehensive M&amp;E activities.</b>	176	24	67	35	42	8	3.32	1.117
<b>there are issues related to data quality in the m&amp;e processes</b>	176	9	73	34	47	13	3.10	1.085
<b>there is limited use of m&amp;e findings for decision making and project improvement</b>	176	21	54	34	59	8	3.12	1.138
<b>Aggregate mean</b>							<b>3.21</b>	

The questions related to challenges that can occur during monitoring and evaluation reveal that majority (70.4%) of the respondents agree or strongly agree that there are challenges in collecting timely and complete data for M&E purposes, while only 16.5% disagree or strongly disagree with the statement. Even though most of the

respondents agree that there are challenges related to the M&E system, there seems to be lack of consensus on the specific type of the challenges mentioned on the questionnaire with equivalent number of the respondents being on both the agreeing and disagreeing side of the statements. This can easily be seen on the aggregate mean (3.21) which tells us while some have agreement with the questions related to the challenges, others prefer to disagree. For instance, while 45.5% of the respondents agree or strongly agree that there is lack of skilled personnel to effectively implement M&E systems, almost similar proportion (43.75%) disagree with the statement. Similarly, 39.7% of the respondents think there is limited awareness among project staff about the importance of M&E whereas 40.3% of them disagree. In addition 51.7% of the participants agree that time constraints limit the ability to conduct comprehensive M&E activities while 28.4% doesn't. Overall, the responses on the aspect of the challenges related to M&E show that the respondents have more or less mixed view on different specific challenges.

### **Assessment of Project Performance**

The composite variable 'project performance' shows the overall effect of monitoring and evaluation on the project performance. And the distribution of the respondents' answer is presented in the table below.

**Table 14 . Assessment of Project performance**

<b>Question</b>	<b>N</b>	<b>Str.agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Str.disagree</b>	<b>Mean</b>	<b>SD</b>
<b>The PBF project has</b>	176	69	72	9	19	7	4.01	1.114

improved the quality of healthcare services.								
the m&e practices have a significant impact on the performance of the pbf project	176	53	84	15	21	3	3.93	1.009
m&e practices contribute to the timely achievement of project milestones in the pbf project	176	51	92	11	19	3	3.96	.970
there is clear and positive relationship	176	50	92	13	19	2	3.96	.946

between m&e activities and the overall success of the pbf project								
the data collected through m&e is effectively used to improve project performance	176	49	95	7	16	9	3.90	1.067
Aggregate mean							3.95	

The response from the questionnaire for the ‘performance’ section highlights a generally positive perception of PBF and the role of M&E practices in achieving project goals. A vast majority of the respondents (80%(141) believe that the PBF project has improved the quality of healthcare services, with 69 (39%) strongly agreeing and 72 (41%) agreeing while a small minority (14.8%(26) of respondents disagree or strongly

disagree. The perception of the impact of M&E practices on project performance is also positive, with 77.8%(131) of respondents strongly agreeing or agreeing, indicating a strong belief in the value of M&E. Specifically, 53 strongly agree and 84 respondents agree that M&E practices have a significant impact on the performance of the PBF project. A small percentage of respondents (13.6 %( 24)) disagree or strongly disagree with the question, highlighting potential areas for further investigation and improvement in maximizing the effectiveness of M&E.

When looking at the impact of M&E on project milestones, a significant majority (81.25%(143)) of respondents strongly agree or agree that M&E practices contribute to the timely achievement of project milestones in the project, with 51 (29%) strongly agreeing and 92 (52.25%) agreeing. This demonstrates a strong association between effective M&E and project progress. Similarly, a large majority (80.7% (142)) of respondents strongly agree or agree that there is a clear and positive relationship between M&E activities and the overall success of the PBF project, with 50 (28.7%) strongly agreeing and 92 (52%) agreeing. This shows that there is a strong belief in the value of M&E for achieving project objectives. A small percentage (11.9% (21)) of respondents disagree or strongly disagree with this statement, suggesting that a small proportion of the respondents might not fully perceive the value of M&E in achieving project success. Lastly, large portion (81.8%(144)) of respondents strongly agree or agree that the data collected through M&E is effectively used to improve project performance, with 49 (27.8%) strongly agreeing and 95 (54%) agreeing. This demonstrates a strong perception of respondents in using M&E findings in improving project outcomes.

The mean scores for each question range from 3.90 to 4.01 with an aggregate mean of 3.95, indicating a generally positive perception of the project and the role of M&E, while the low standard deviations suggest a high degree of agreement among respondents. Despite the overall positive perception, addressing the concerns of those who disagree, and potentially identifying areas for improvement in M&E implementation, will be essential for further enhancing the effectiveness of PBF projects and ensuring their continued success in improving healthcare quality.

#### 4.3.2. Correlation

Correlation refers to a statistical measure that describes the extent to which two variables change together where it is called positive correlation if both variables increase, negative correlation if one increase while the other decrease or vice versa, and no correlation if no relationship exists between them. Pearson correlation coefficient measures the linear relationship between two variables and ranges from -1 to 1 with strength of relationship increasing as the value approaches both extremes and decreasing as the value approaches to 0. The following table shows the scale of Pearson correlation coefficient and the strength of the relationship

**Table 15 scale of Pearson's correlation**

<b>Scale of correlation coefficient (r)</b>	<b>interpretation</b>
0 – ±0.19	Very low correlation
±0.2 – ±0.39	Low correlation
±0.4 – ±0.59	Moderate correlation

$\pm 0.6 - \pm 0.79$	High correlation
$\pm 0.8 - \pm 1$	Very high correlation

The composite variables MNE, KPI, SHE, CHA, and PRF were made from the questionnaire from their respective questions during analysis in SPSS version 26 and the results of the correlation analysis is presented below.

**Table 16 . Correlation between the Variables**

		Correlations				
		MNE	KPI	SHE	CHA	PRF
MNE	Pearson Correlation	1	.786**	.553**	-.119	.669**
	Sig. (2-tailed)		.000	.000	.116	.000
KPI	Pearson Correlation	.786**	1	.658**	-.152*	.625**
	Sig. (2-tailed)	.000		.000	.044	.000
SHE	Pearson Correlation	.553**	.658**	1	-.053	.614**
	Sig. (2-tailed)	.000	.000		.483	.000
CHA	Pearson Correlation	-.119	-.152*	-.053	1	.033
	Sig. (2-tailed)	.116	.044	.483		.659
PRF	Pearson Correlation	.669**	.625**	.614**	.033	1
	Sig. (2-tailed)	.000	.000	.000	.659	

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

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

The correlation analysis in the above table illustrates the interconnectedness between key elements contributing to the success of the PBF project. The analysis

focuses on understanding how the independent variables, such as M&E practices (MNE), Key Performance Indicators (KPIs) used during M&E, stakeholder engagement in the project (SHE), and challenges faced during M&E (CHA), impact the dependent variable, which is Project Performance (PRF).

### **Relationships between Independent and Dependent Variables**

**M&E Practices (MNE) and Project Performance (PRF):-** there is a strong positive correlation ( $r = .669, p < .001$ ) which exists between Monitoring and evaluation practices and project performance indicating that effective M&E practices are highly associated with improved project performance. This highlights the importance of rigorous M&E systems for attaining the sought project outcomes suggesting that when M&E practices are well-designed and effectively implemented, projects tend to perform better, likely due to the ability to track progress, identify issues, and make adjustments in a timely manner.

**KPIs and Project Performance (PRF):-** A strong positive correlation ( $r = .625, p < .001$ ) is seen between KPIs and project performance, showing that well-defined and effective KPIs which are aligned with project goals are strongly related to improved project performance. This stresses the crucial role of clear and relevant key performance indicators in driving project success. Strong KPIs provide clear targets and benchmarks, allowing for better monitoring, tracking progress, and ensuring alignment with project goals, ultimately contributing to enhanced performance.

**Stakeholder Engagement (SHE) and Project Performance (PRF):** the study also shows that there is a strong positive correlation ( $r = .614, p < .001$ ) that exists between stakeholder engagement and project performance, indicating that stakeholders are actively engaged in the M&E process with regular meetings, updates and discussions is markedly associated with better project performance. When stakeholders are actively involved and their feedback is considered in the M&E activities, their diverse perspectives and insights can lead to more effective project design, implementation, ultimately leading to a better performance.

**Challenges in Implementation (CHA) and Project Performance (PRF):**- a very weak, positive correlation ( $r = .033, p = .659$ ) which is not statistically significant exists between challenges and project performance, suggesting that challenges in M&E process are perceived differently among the respondents and that it may have a negligible impact on project performance. This suggests that while challenges exist, they don't seem to significantly hinder project outcomes.

### **Relationships between Independent Variables**

The study also shows that there is a strong positive correlation ( $r = .786, p < .001$ ) between M&E practices and Key performance indicators which suggests a close relationship between effective M&E practices and well-defined KPIs. This suggests that clearly defined and regularly reviewed key performance indicators will have a great impact in improving the monitoring and evaluation practices of the project as strong

M&E systems often go hand-in-hand with the development of clear and relevant key performance indicators.

The other significant correlation observed is that of stakeholder engagement with both M&E practices ( $r= 0.553$ ,  $p<0.01$ ) and Key performance indicators ( $r=0.658$ ,  $p<0.01$ ) which suggests that actively engaging stakeholders in regular meetings and discussions and incorporating their feedback in the process have direct relation with improved M&E practices and the key performance indicators being clear and aligning with project goals. Overall, the findings emphasize the interconnectedness of various factors contributing to improved project performance. Effective M&E practices, clearly defined KPIs, and active stakeholder engagement are essential for achieving positive outcomes. While challenges in during the M&E process are a reality, well-defined KPIs and active stakeholder engagement can potentially mitigate these challenges, further reinforcing their importance in driving successful PBF project.

#### **4.3.3. Regression Analysis**

Regression analysis is a statistical method used to examine the relationship between dependent and independent variable. It can be simple linear regression, multiple linear regression, logistic regression or polynomial regression analysis. Multiple linear regression is used when there is one dependent variable that is continuous and two or more independent variables. For this study we have one dependent variable and three independent variables so we use multiple regression analysis; and the results of the regression analysis are presented below.

**Table 17 . Coefficients of Multiple Linear Regression Analysis with all the variables**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.579	.289		2.001	.047
	MNE	.423	.081	.437	5.233	.000
	KPI	.080	.084	.089	.952	.342
	SHE	.291	.062	.320	4.666	.000
	CHA	.121	.054	.116	2.225	.027

a. Dependent Variable: PRF

During multiple regression we start with all the variables and remove the variables which don't have significance while selecting models. In the above table we can see that the p values for KPI is greater than 0.05 which makes it insignificant. This doesn't necessarily mean it doesn't have relation with the dependent variable but can happen due to Multicollinearity. Therefore we remove the variable KPI from the model.

**Table 18 . Final Model Summary**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.739 <sup>a</sup>	.546	.538	.57131	.546	68.832	3	172	.000

a. Predictors: (Constant), CHA, SHE, MNE

**Table 19. Coefficients of the final model of the multiple linear regression**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.608	.288		2.115	.036
	SHE	.317	.056	.349	5.655	.000
	MNE	.474	.060	.490	7.893	.000
	CHA	.115	.054	.110	2.131	.035

a. Dependent Variable: PRF

The final model includes M&E practices, stakeholder engagement and challenges as an independent variable and project performance as a dependent variable. The R in the model summary (0.739) multiple correlation coefficient, which measures the strength and direction of the linear relationship between the independent variables (MNE, SHE, CHA) and the dependent variable (PRF) suggesting a strong positive relationship. The R-square (0.546) is the coefficient of determination, which represents the proportion of variance in the dependent variable (PRF) that is explained by the independent variables in the model. Here meaning that 54.6% of the variation in project performance is explained by the model's predictors (MNE, SHE, CHA). The adjusted R-square is a modified version of R Square that adjusts for the number of predictors in the model and helps to avoid over-fitting the model. The other thing we can see from the model summary is the sig. F change, which is the p value for the f statistics and tells us whether the model is

significant or not. In this model it is much lower than 0.01 which tells us the model is significant.

The B coefficient is the standardized regression coefficient which indicates the estimated change in the dependent variable (PRF) for a one standard deviation change in the independent variable, while holding other variables constant. As we can see from the table, both M&E practices (0.47) and stakeholder engagement (0.31) has a moderate positive effect on project performance, while challenges (0.1) has almost no effect on project performance, which can indicate that even though challenges are inevitable in any project, they were mitigated by other variables not to affect the project performance. Or it can also be interpreted as a little amount of challenge might affect a project in a positive way by increasing the problem solving ability of the individuals in the project there by adding to the performance of the project in a long term.

Therefore the model can be written as

$$Y = b_1x_1 + b_2x_2 + b_3x_3 + b_0$$

Where  $b_1$ ,  $b_2$  and  $b_3$  are the beta coefficients,  $x_1$ ,  $x_2$  and  $x_3$  are the independent variables,  $y$  is the dependent variable, and  $b_0$  is the intercept or the value of  $y$  when all the coefficients are 0.

$$\text{PRF} = 0.43(\text{MNE}) + 0.31(\text{SHE}) + 0.1(\text{CHA}) + 0.608$$

#### 4.4. Qualitative analysis

The study also employed a qualitative approach to support the results of the quantitative study through key informant interview. 10 individuals were interviewed out of the planned 12 key informants. The interviewees were selected through purposive sampling based on their role and experience on the M&E practices of the PBF project.

The key informants include facility heads from the health facilities, managers and/or representatives from the EHIS, MOH, CORDAID and AARHB. The interviews were conducted at the working place of the interviewees using Amharic language which later was transcribed and translated for analysis. The transcripts were systematically reviewed to identify recurring themes and patterns and then grouped into categories for analysis based on their significance and implications.

### **Key findings**

#### **❖ Positive impact of the M&E practices**

Almost all key informants think that the M&E practices of the PBF project have a positive impact on the project performance which can be seen by a noticeable improvement on the quality of the health services. Majority of the informants say that it avoids the incompleteness of the registers which increases data quality. One of the key informants stressed that the increase in data quality in turn will greatly help in undergoing researches in the future. One of the interviewees said that ‘the incentives that will be given to the health professionals motivate them to work hard and in turn increases the quality of health care service given to the patients which will indirectly increase patient satisfaction’. Thus, the key informants generally resonate a positive impact of the M&E practices on the performance of the project.

### ❖ **Challenges related to Key Performance Indicators**

Almost all of the key informants agree that the KPIs correctly measure what they are intended to measure, that is the quality and quantity of the health facilities.

But most of the facility heads think that the KPIs are not in line with the guideline provided from the Ministry of Health. One of the facility heads said that ‘the way the key performance indicators are assessed by PBF is different from the guideline given by MOH, for example in the Anti-Retroviral Therapy (ART) indicator, the MOH guideline says to do mid upper arm circumference (MUAC) to pregnant and malnourished patients, while in the PBF, we are obliged to do MUAC for all patients receiving ART which does have a great effect on the scores that can be obtained from the indicator’. Another one said that ‘there are some differences in assessing the KPIs between MOH and PBF, which makes it really difficult for us as to which guideline to follow’.

Another issue raised about the KPIs is about the weight that each KPI holds. Most of the facility heads think that the some of the weights of the KPIs need to be reconsidered as they don’t take into consideration the disease burden of the urban area. One of the key informants said that ‘some of the weights of the KPIs make me think that they don’t want to incentivize the facility as the KPIs that assess rare diseases have way more higher weights than the common ones.’

### ❖ **Capacity difference of the M&E personals**

Some of the key informants raised the issue of different capacity of the monitoring and evaluation professionals (verifiers). One of the interviewee said that ‘there are a lot of verifiers and they all have different way of assessing the

KPIs.’ He added ‘the verifier that come one month tell us to do his way and when the other verifier come for another month, he tells us a different way, which shows different ability of the verifiers.’ And he suggested that capacity building through training should be given for the individuals who are responsible for the monitoring and evaluation. One of the key interviewees said that ‘capacity building through comprehensive training is a must for both the verifiers and the health professional to improve the quality of both the M&E practice as well as the health facilities.’

❖ **Stakeholder engagement**

Associated with stakeholder engagement, most of key informants agree that stakeholders are actively engaged in the M&E process. But few of them said that the Regional health bureau and sub city are involved lesser than the others and need to be involved more. One of the interviewees said that ‘the most actively engaged stakeholders I know is the EHIS and the health facilities since verification is done every month.’ He added ‘Regional health bureaus need to be involved more as the health facilities are under supervision of them and need close follow up.’ Other key informant said ‘at the start of the project implementation, every stakeholder was actively engaged including EHIS, MOH, CORDAID, and the regional health bureau, but lately that has decreased as the EHIS and the health facilities are the ones that are engaged the most.’

#### 4.5. Discussion

The results of the study show that most of the participants agree that the M&E practices in the PBF project have a positive impact on project performance. This finding is consistent with (Njeru, 2018) which stated that skilled monitoring and evaluation have a direct and positive impact on project performance. It also consolidates the findings of (Ryoko Satoa, 2021) on their study on effect of PBF on health service delivery which was undergone in Nigeria, which found out that the PBF intervention significantly increased the quantity of most of the service delivery indicators, such as ANC visits and skilled attendant deliveries which implies improvement in performance.

The strong positive correlation between M&E practices and project performance indicates that effective M&E systems play a crucial role in achieving intended outcomes. This underscores the importance of designing and implementing robust M&E systems that are aligned with project goals, track progress effectively, and allow for timely adjustments. This means integrating M&E into the project planning, implementation, and evaluation phases, ensuring that data collection, analysis, and feedback are continuous and integrated processes.

The other finding is that most of the participants of the study accede that the KPIs for the PBF project can measure the project performance. This finding goes in line with the study of (Joseph Kwame Ofori-Kuragu, 2016) which suggests that key performance indicators should measure and benchmark the performance of a project. Although most of the respondents say that the KPIs are aligned with the project objectives, not a few of these respondents are discontented that some of the KPIs are not in line with the MOH guideline. This needs to be looked at deeply with all the stakeholders as it will create

confusions and mismanagement of the scores for the KPIs. The study also demonstrates that well-defined and effective KPIs are strongly associated with improved project performance, emphasizing the importance of aligning KPIs with project goals and ensuring their relevance and accuracy in measuring project outcomes. This might involve consulting with stakeholders, particularly those with expertise in the relevant health domains, to ensure that the chosen KPIs are meaningful, measurable, and aligned with the overall goals of the PBF project.

Another finding from this study is that most of the respondents think the stakeholders of the project are actively engaged in the monitoring and evaluation process and that regular meetings are held between stakeholders which have led to improvement in project performance. This can be clearly shown by the positive correlation between stakeholder engagement and project performance on the quantitative analysis. This finding supports the study of (Tuan Son Nguyen, 2021) which concluded that effective stakeholder engagement in a project is a critical success factor for its success. Promoting a collaborative environment where stakeholders actively participate in the M&E process ensures that their input is valued, and project adjustments can be made to reflect their needs and priorities. This might include strengthening formal channels for stakeholder feedback, enhancing regular meetings and workshops, and involving stakeholders in the design and implementation of M&E activities

While the findings paint a positive picture of the impact of M&E on PBF projects, the study also identifies challenges in implementing these practices. These challenges include non-alignment of KPIs with MOH guidelines, inconsistent weighting of KPIs, variation in the capacity of M&E professionals, and reduced stakeholder engagement. For

instance, most of the respondents suggested that the capacity of the M&E professionals are different, which means that each person might have their own unique approach to verifying data and interpreting results, introducing subjectivity and variability in the scoring process leading to difference in the assessment scores of the KPIs during different periods. This can lead to inconsistencies over time, making it difficult to track genuine project progress and hindering the ability to draw reliable conclusions about the effectiveness of the project. Addressing this challenge requires robust training programs to ensure consistent understanding of M&E methodologies and data verification practices. Addressing these challenges through interventions like capacity building and reassessment of the KPIs by involving every stakeholder involved in the project is crucial to ensure the sustainability and effectiveness of PBF projects.

## **Chapter 5: Conclusion and Recommendations**

### **5.1 Introduction**

This chapter presents conclusions derived from the data; recommendations that the researcher thinks will improve the challenges found from the study and suggestions to encourage further research into the role of monitoring and evaluation functions and its effect on project performance.

### **5.2 Conclusion**

In conclusion this study tried to explore the impact of M&E practices on the performance of the PBF project implemented which is implemented in 8 health facilities in Addis Ababa as a pilot project using mixed research approach.

The findings demonstrate a generally positive perception of the impact the M&E practices on healthcare quality and quantity, with respondents consistently highlighting improved service delivery, increased staff motivation, and improved data quality. The results also confirm the critical role of M&E in driving project success, with respondents strongly believing that M&E practices significantly contribute to the achievement of project goals and the timely accomplishment of project milestones.

The study revealed a strong positive correlation between effective M&E practices, robust KPIs, and active stakeholder engagement, all contributing to improved project performance. This finding reinforces the importance of prioritizing these elements for successful PBF implementation. Effective M&E practices were found to have the strongest impact, indicating that comprehensive and well defined M&E practices that are

aligned with project goals with adequately trained and skilled M&E professionals are essential for enhancing project outcomes.

However, the study also found out challenges such as non-alignment of KPIs with the MOH guideline, KPI weight discrepancies, variability of capacity of the M&E professionals, and reduced stakeholder engagement from some of the stakeholders. These challenges, if not looked into thoroughly and meticulously with the involved stakeholders, can directly or indirectly contribute to decreased project performance.

### 5.3. Recommendations

To address the identified challenges and ensure the sustained success of the PBF pilot project in Addis Ababa, the researcher proposes the following recommendations

- ❖ **Harmonize KPIs with MOH Guidelines** - Conduct a comprehensive review of the KPIs to ensure they align with national healthcare guidelines. Engage every stakeholder in the project in this process to ensure clarity and consensus.
  
- ❖ **Reevaluate weights of some of the KPIs** – reassess the weights assigned to some of the KPIs to reflect the actual health priorities and disease burdens in the project area. This will ensure a more balanced and accurate measurement of project performance.
  
- ❖ **Capacity Building for the M&E professionals** – investing in comprehensive targeted training programs for professionals involved in the monitoring and evaluation to standardize assessment methodologies and reduce variability in KPI

scoring. Continuous professional development will enhance the quality and consistency of the M&E process.

- ❖ **Enhance Stakeholder Engagement** – active participation of all stakeholders including more engagement of regional health bureau authorities is critical for the effectiveness of the M&E practices. This can be attained through regular meetings, discussions, feedback mechanisms and collaborative decision-making processes which will in-turn strengthen and improve project performance.
- ❖ **Continuous Improvement and Adaptation:** Establish a mechanism for continuous feedback and improvement in the M&E practices. This adaptive approach will allow the project to evolve in response to emerging challenges and changing healthcare landscapes.

#### 5.4. Future studies

Future studies should incorporate a more comprehensive analysis of secondary data to assess improvements in both the quality and quantity of health services. This will allow for a more nuanced understanding of the impact of M&E practices on specific health outcomes. By analyzing existing datasets, researchers can identify trends, correlations, and causal relationships that might not be evident through primary data alone. This approach can also help in validating the findings of this study and provide a richer context for interpreting results.

Furthermore, to gain a broader perspective on the effect of M&E on project performance, future studies should incorporate other regions the project has been implemented. This will help the generalizability of the study as well as identifying

regional variations in the effectiveness of M&E practices providing insights into the contextual factors that influence project outcomes. By comparing findings of multiple regions, researchers can develop a more tailored recommendations and strategies for improving the project nationwide.

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## ANNEXE

### Questionnaire

Addis Ababa University

School of commerce

Department of project management

Dear Respondent, my name is Surafel Getachew and I am doing Final year Project work titled Effects of Monitoring and Evaluation on project performance: The case of performance based financing in Kality Health Center. This questionnaire is designed to collect information on areas related to the project work. The information is going to be used as a primary data in my research which I am conducting for the requirement of partial fulfillment of MA degree in project management. Believing that your frank and genuine responses will contribute vastly to the quality of the findings of this study, I would like to ask you kindly to complete this questionnaire, as truthfully as possible. I would like to inform you that the responses you provide will be kept confidential and will not be disclosed to the third party without your consent, I would like to express my heartfelt thanks in advance for taking part in this endeavor. Your name is not required and put '√' mark on the box you think is appropriate for the questions below.

#### **Section I: General Information**

1. Sex: Male  Female

2. Age 15-30  31-40  41-50  above 50

3. Present academic qualification 1. Ph.D.  2. MA/MSc  3. BA/BSc  4. Diploma  5.

If other please specify \_\_\_\_\_

4. Stakeholder group: (Ministry of Health  , Ethiopian Health Insurance  , CORDAID  , Addis Ababa Regional Health Bureau  , Health facility staff  )
5. Years of experience with PBF: less than 2 years  , 2-3yrs  , more than 3 years

## Section II: Monitoring and Evaluation

To what extent do you agree with the following statements about the monitoring and evaluation system of the PBF project?

No	Question	Strongly agree	agree	neutral	disagree	Strongly disagree
<b>Part 1- Current monitoring and evaluation practices in PBF project</b>						
6	The current M&E practices in PBF projects are comprehensive and well-defined.					
7	Data collection methods used for PBF project monitoring are reliable and efficient.					
8	Staff involved in M&E are adequately trained and skilled.					
9	Feedback from M&E activities is effectively used to improve PBF project implementation.					
10	There is adequate capacity and resources dedicated to					

	M&E activities within PBF projects.					
<b>Part 2- KPIs</b>						
11	The KPIs used in PBF project monitoring are clearly defined and aligned with project goals.					
12	The KPIs effectively measure the progress and impact of PBF projects.					
13	There is a balanced mix of quantitative and qualitative KPIs used in PBF project evaluation.					
14	The KPIs are regularly reviewed and updated to reflect changing project needs.					
15	The key performance indicators (KPIs) used in the PBF project accurately measure project performance.					
<b>Part 3- Stakeholder engagement</b>						
16	Stakeholders are actively engaged in the M&E processes of the PBF project					
17	There are regular meetings and discussions with stakeholders regarding M&E findings.					
18	Stakeholders receive regular updates on the progress and results of PBF projects through the M&E system.					
19	Feedback from stakeholders is actively sought and con					

	sidered in PBF project M&E activities.					
20	Stakeholder engagement in M&E has led to improvements in project performance.					
<b>Part 4- challenges</b>						
21	There are challenges in collecting timely and complete data for M&E purposes.					
22	There is a lack of skilled personnel to effectively implement M&E systems.					
23	There is limited awareness among project staff about the importance of M&E.					
24	Time constraints limit the ability to conduct comprehensive M&E activities.					
25	There are issues related to data quality in the M&E processes					
26	There is limited use of M&E findings for decision-making and project improvement					

## Part 5: Project performance

No	Question	Strongly agree	agree	neutral	disagree	Strongly disagree
1	The PBF project has improved the quality of healthcare services.					
2	The M&E practices have a significant impact on the performance of the PBF project					
3	M&E practices contribute to the timely achievement of project milestones in the PBF project.					
4	There is a clear and positive relationship between M&E activities and the overall success of the PBF project.					
5	The data collected through M&E is effectively used to improve project performance.					

- what are the challenges during the M&E process?
- anything you want to add?

### **Section iii: Key informant interview**

1. How do you describe the pbf project as a whole
2. What are the main goals and objectives of the project
3. How are the monitoring and evaluation practices implemented
4. Do you think the monitoring and evaluation practices improve the performance of the health facilities, how?
5. What are your thoughts on the key performance indicators, do they measure the project performance
6. How is the stakeholder engagement in the m&e designing and implementation, and how often do stakeholders meet to discuss the m&e findings
7. What are the challenges you face during the m&e process, and how would you suggest they can be handled
8. Any recommendations

**Thank you**