Assessing the Life Cycle of Projects in Commercial Bank of Ethiopia Program Management Office

By: Freezer Fetena Mamo

Advisor: Wubshet B. (PhD)

A Project Work Submitted to Addis Ababa University College of Business and Economics School of Commerce in Partial Fulfillment of the Requirements for the Degree of Master of Arts in Project Management (MAPM)

August 2018
Addis Ababa, Ethiopia

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Approved by:

Advisor	Signature	Date
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External Examiner	Signature	Date
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Acknowledgement

I sincerely acknowledge the dedicated intellectual guidance, supervision and academic support I have received from my advisor Dr. Wubshet B. throughout the entire research period. It is this guidance and support that enabled me to produce this project work.

Special thanks go to my beloved wife for her motivation, inclusive encouragement and overall support she gave me throughout the study period. In preparing this thesis I have drawn on materials from different sources that have bearing on different facet of project management knowledge areas and practices. I owe a profound intellectual debt to various authors whose idea and contribution have shaped my thinking on this subject matter.

Last, but not least, I would also like to thank my Respondents who gave their precious time and effort.

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Acronyms/ Abbreviations

AAU	Addis Ababa University
ANCSPM	Australian National Competency Standards for Project Management
APM	Association for Project Management
APMBoK	The Association of Project Management Body of Knowledge
BOK	Body of Knowledge
CBE	Commercial Bank of Ethiopia
CBE– PMO	Commercial Bank of Ethiopia-Project Management Office
ENAA	Engineering Advancement Association of Japan
ERP	Enterprise Resource Planning
ICB	IPMA Competence Baseline
IPMA	International Project Management Association
IT- PMO	Information Technology- Program Management office.
P2M	Project and Program Management for Enterprise Innovation
PIR	Post Implementation Review
PM	Project Management
PMBOK	Project Management Body of Knowledge
PMI	Project Management Institutes
PMO	Program Management offices
PMTT	Project Management Tools And Techniques
PRINCE2	Project IN Controlled Environments

Abstract

This study aims at assessing the different project management practices and project life cycle in Commercial Bank of Ethiopia. The research aims to assess project management practices across project life cycle/phases in Commercial Bank of Ethiopia-Program management office (CBE-PMO).

In order to achieve the objectives of this study; a literature review, unstructured interview and questioner survey was carried out among Project Mangers, Project team leaders and project team members of the organization. A simplified project life cycle/phase with project initiation, planning, execution and closure is selected and assessment on each phase is conducted. Based on the assessment of responses, each life cycle/phase is leveled on a defined scale (very high, high, moderate, low, very low and extremely low). Accordingly, project identification, project formation (both are initiation phase), project planning, project execution and closure score very high, moderate, low, low and moderate respectively. Generally, the assessment of projects lifecycle in CBE-PMO projects score moderate level on the defined scale. This research indicate that performance of the projects start with high level and continues to drop to low level. It implies that much improvement in managing the project is needed after project identification phase. the later stages of the project lifecycle almost indicate low level of project management practice. In addition to improving in each project knowledge areas, the organization is recommended to use standard project management framework such as PMI, Prince2 and so on to manage its projects effectively and efficiently.

Keywords: Project life cycle, Project Management, CBE PMO, PMI, PMBOK, BOK

Declaration

I, Freezer Fetena Mamo, declare that this work Entitled— Assessing The Life Cycle of Projects in Commercial Bank of Ethiopia - Program Management Office, is outcome of my own effort and study that all sources of materials used for the study have been duly acknowledged. I have produced it independently except for the guidance and suggestion of the research advisor.

This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of Masters of Art in Project Management (MA).

By: Freezer Fetena
Signature _____
Date_____

Advisor: Dr. Wubshet B.
Signature _____
Date_____

CHAPTER ONE
INTRODUCTION

1.1. Background of the Study

According to the world bank, Ethiopia is one of the poorest countries in the world. However, in recent decade it is transforming its development in higher rate. The world Bank report states that the county's economic experience strong, broad-based growth average of 10.3 a year from 2005/06 to 2015/16, compared to a regional average of 5.4%. Such kind of growth and development is manifested through implementation of various kinds of projects in different sectors (The World Bank, 2017). However, the success of the projects, based on various project management criterions, is very low. Ayalew's research revealed that in construction projects unsatisfactory level project management practice in terms of adapting general project management procedures, project management functions, tools & techniques, time and cost management of projects. Particularly, the level of practice in terms of safety, risk and time management was found to be very low. (Ayalew et al, 2016).

The focus of this study is to select a project from a major and influential government organization and study the various aspect of project management concepts, practices and evaluate the projects based on academic and best practice point of view of project management discipline in the Information technology industry in the banking sector.

Many authors and references have defined project in different ways emphasizing its different aspects. Comprehensive definition of various literatures is defined as follows: Project is a temporary endeavor (that has definite beginning and end time) undertaken following specific cycle of Initiation, Definition, Planning, Execution and Closure to create a unique product, service, or result through novel organization and coordination of human, material and financial resources (PMI, 2008). The basic characteristics of projects are its defined scope, time, cost, and quality. Projects are constrained by limited resource, involves many people with different skill and, usually progressively elaborated throughout its life cycle (Turner, 2013).

Another aspect of project management is its Lifecycle. A project life cycle can be defined as "an orderly sequence of integrated activities, performed in phases, leading to success". The concept of a project life cycle provides a useful framework for looking at project dynamic overtime. Within its life cycle, a project is typically divided into phases where extra control is needed to effectively

manage the completion of a major deliverable. The complex nature as well as the diversity of projects results in industries, or even companies within the same industry sector, failing to agree on the life cycle phases of a project. Various project life cycle approaches therefore exist in literature, Furthermore, there is no consensus on the number of phases, which constitute a project life cycle, neither on the names used to describe these phases. (Labuschagne, 2005).

The phases can be sequential, overlapping, or spiral. While the sequential and overlapping models are common to most projects, the spiral model is widely used in software development and information system projects (Snyder and Fox, 1985; Belanger, 1997).

Project management is archived via processes. A Project Management Process is described as "a set of interrelated actions and activities that are performed to achieve a pre-specified set of products, results, or services". Such processes have identical nomenclature as the project life cycle. These Processes/process groups deal with initiation, planning, execution, monitoring & control, and closing a project. (PMI, 2008). Almost all projects usually use the same set of processes to accomplish project management successfully. The Project Management team is responsible for selecting appropriate processes to meet/comply with project requirements and balance the "triple constraints" (time, scope, and budget) of a project. Each process and its inputs and outputs should serve as a high-level guide for a project management team. All processes interact throughout the project via their constituent inputs and outputs. "Successful project management includes actively managing these interactions to successfully meet stakeholder requirements."

According to PMI (PMI, 2008), there are nine Project Management Knowledge Areas. These areas are grouped under 44 Project Management Processes. The following are PM Knowledge Areas: Integration, Scope, Time, Cost, Quality, Human Resources, Communication, Risk, and Procurement Management. Thus, project management is the application of knowledge, skills, tools, techniques and application of management processes required undertake to project activities to meet project requirements. Successful Project management is accomplished through efficient and effective utilization of the processes and following the proper life cycles of projects as mentioned above.

To lead a project successfully, a project manager has to become adept at initiating, planning, executing, monitoring and controlling and closing (PMI, 2008). To do so, project managers

typically use several tools and techniques to help them orchestrate activities along a project life cycle. This seems to be the correct approach since several studies have suggested that the proper use of project management tools and techniques impacts the success of a project (Peerasit, 2010). On the contrary, the inappropriate use of tools and techniques can also be counterproductive to project management outcomes (Peerasit, 2010). In practice, there are many project management tools and techniques (PMTT) available to project managers and project team members.

1.2. Background of the Organization

Commercial Bank of Ethiopia (CBE), formerly called The State Bank of Ethiopia, was founded in 1942 with twin objectives; performing the duties of both commercial and central banking. In 1963, the commercial bank of Ethiopia was legally established as Share Company to take over the commercial banking activities of the state bank of Ethiopia. In the 1974 revolution, commercial bank of Ethiopia got its strength by merging with privately owned Addis Ababa bank. Since then, it has been playing significant role in the development endeavor of the country. (Temesgen, 2010).

The commercial Bank of Ethiopia is striving to embark into a world class bank rendering state of the art and reliable services to its millions of customers both locally and abroad. (CBE's 75th Adversary Profile, 2017). The business strategies of the bank focus on the stakeholder it serves. The state owned commercial bank of Ethiopia, dominants the market in terms of assets, deposits, and capital and customer base and branch network, despite the growing completion from private banks over the last 15 years (CBE's 75th Adversary Profile, 2017 and Temesgen, 2010). This makes it one of the most reliable and strong commercial bank, both in the country and region. Its strong capital base, above 75 years of rich experience in the market and having 1230 branch networks throughout the country enabled the bank to accommodate large demands for banking services, both from private and public companies, and to increase its overall revenue on a sustainable basis. In addition, the bank had two branches in Djibouti and in Juba, Southern Sudan (CBE's 75th Adversary Profile, 2017).

1.2.1. PMO in CBE

As a major deriver of the country's economy, CBE, takes the lion's share in transforming the country's economic development in taking and implementing many large initiatives. It has implemented many large projects in the past ten years. (CBE's 75th Adversary Profile, 2017). Some

of the major ones are: - Core Banking, Network & IT Infrastructure, Enterprise Resource Planning (ERP), CBE Birr, Contact/Call center project, Construction of new buildings, New Datacenter contraction project and so on. Currently, the bank is implementing other mega projects such as: - construction of new forty-six story Head Quarter building, construction of Disaster Recovery datacenter outside Addis Ababa and reforming the organizational structure. Many of such projects are managed by the president and two Program Management offices (Construction PMO and IT PMO).

1.3. Statement of the Problem

In the past ten years, many project management practices are observed in Ethiopia. According to growth and transformation plan II, numerous large and grand projects that are currently taking place in the country have a significantly improved the nation's economy (GTPII, 2016). Currently, phase two of the plan is implementing and the country is investing a huge amount of money on construction of dams, power stations, highways, bridges, industrial parks, telecommunication & IT infrastructure, and so on. One of the major contributing factor for the country's development process is the modernization of the financial and banking sector. Thus, the beginning of various initiative projects that are taking place in the finance and banking sector will have significant contribution for the development of the country. (GTPII, 2016).

From the researcher's personal experience in various government organizations, many projects are implemented far from the common project management life cycle phases and does not meet project constraints. In Ethiopia, 79.06 percent of projects had failed to meet their objectives (Lemma, 2014). Moreover, 72 percent of projects financed by Development Bank of Ethiopia (2013) were under failure category. Implementation delay, overestimation of project return and poor manpower quality of projects were found to be statistically significant cause of project failures to meet their objectives (Getachew, 2015).

Unfortunately, adequate research had not been done in evaluating effectiveness of project management processes on performance of projects in Ethiopia (Hailu, 2016). Investigating the relations between the extent of implementation of project management processes against that of project success or failure is mandatory in identifying and understanding which project management processes are highly effective then it will give a lesson to be drawn by other projects. The researcher believes that this study will be an input to Commercial Bank of Ethiopia and many

similar organizations in the county in identifying their strength and weakness regarding the management of projects in their life cycles.

1.4. Research Questions

The paper studies and evaluates the project life cycle, project management tools and techniques, and process and process groups on CBE's various projects. It will address the following question:

- ✓ How Does Commercial Bank of Ethiopia-Project management office (CBE-PMO) practice project management across project life cycle?

1.5. Research Objectives

General Objective

To access project management practices in CBE's projects across project life cycle. In addition, to identify and analyze the gap in project management practice between the real-life (practical PM) with that of the theoretical or best-practice project management.

Specific Objective

- ✓ To assess the practice of project identification phase
- ✓ To assess the practice of project planning phase
- ✓ To assess the practice of project execution phase
- ✓ To assess the practice of project closure phase

1.6. Significance of the Study

The findings of this study could be used by Banks and similar organizations in Ethiopia to see the gap and address issues in project management practice and project knowledge areas. In addition, it helps to achieve better project implementation practice in similar projects. Furthermore, it serves as an input to a new IT infrastructure construction projects in its various life cycles. It also contributes significantly to the development of other researches, and it can be an input to the other governmental infrastructure projects.

1.7. Scope of the Study

This research is to do an assessment on the life-cycle/phases of projects and project management practice in the Commercial Bank of Ethiopia. The projects under this study are related to information and communication technology that are implemented under program management office (IT-PMO) of the bank with in the past ten years. Other project that are implemented under the functional units are not included in the study.

1.8. Limitations of the Study

The main limitations or challenge of this research is on the availability of adequate past project documents, project manager' decision and meeting minutes. In addition, analyzing the performance of the past project in high employee turnover environment may create unavailability of project team members and project managers for interviews and discussions. Furthermore, employees may not be willing to give information due to privacy and time constraint issues.

1.9. Organization of the Study

This research report has five chapters containing introductory part with background of the study and the organization, statement of the problem, research questions and objectives, scope and limitations of the study are included in chapter one. Chapter two is composed of the review of the relevant literature. Various books and journal articles were reviewed to base the study on existing literature, discuss relevant issues to build understanding of the subject matter. Chapter three contains the details of the research methodology and the steps used to gather and analyze data from which findings are drawn. Chapter four contains the analysis of the data gathered by means of data collection methods and instruments indicated in the methodology part. The last chapter discusses about summary, conclusion and recommendation. The references used in the study are listed at the end. Questionnaire used are also included in the Appendix part.

CHAPTER TWO
LITERATURE REVIEW

2.1. Project and Project Management

2.1.1. Definition of Project

The term project is described in different ways in the research literature. This is illustrated below:

- Project is defined as a temporary endeavor undertaken to create a unique product or service, Temporary means that the project has a definite ending point, and unique means that the product or service differs in some distinguishing way from all similar products or services (PMI, 2008)
- Project has been termed as a human endeavor and may legitimately be regarded by its stakeholders as a project when it encompasses a unique scope of work that is constrained by cost and time, the purpose of which is to create or modify a product or service so as to achieve beneficial change defined by quantitative and qualitative objectives (Cooke-Davies, 2001).
- Project is described as a "value creation undertaking based on specifics , which is completed in a given or agreed timeframe and under constraints, including resources and external circumstances" (Ohara, 2005)
- A project is a regarded as a business case that indicates the benefits and risks of the venture, demonstrating a unique set of deliverables, with a finite life-span, by using identified resources with identified responsibilities (Bradley, 2002).

The common themes in these definitions is that projects are unique in their output, having a definite starting and ending point, are temporary in nature and are carried out to manifest the organization's strategic objectives. These temporary structures are playing a vital role in today's modern organizations and a growing interest is recorded in the significance of these temporary structures in organizations.

Another definition of a project that incorporates the concept of having business value beyond being completed within the stated constraints is given by Robert K. Winsock. It is stated as "A project is a sequence of finite dependent activities whose successful completion results in the delivery of the expected business value that validated doing the project". Other known authors on the field also

agree on this concept of implementing a project having business value to deliver at its completion either immediately or after some time of its completion. A project will be of no value or the effort made to implement it will be wasted if it could not deliver the required business value at the end.

2.1.2. Project Management

Project management is a type of management discipline that focuses on managing projects. The Project Management Institute (PMI) formally defines project management as: "The application of knowledge, skills, tools and techniques to project activities to meet the project requirements" (PMI, 2004). It doesn't necessarily mean that every organization having implementing a project or projects is practicing project management or uses its principles, techniques, tools and templates. Some organizations manage projects using the traditional hierarchical structure and others incorporate the project structure in to their existing structure and there are also organizations with pure project organizational structure. Organizations also differ in their project management maturity level depending on extent of their project management practice (Kerzner, 2011).

Project management can mean different things to different people. Quite often, people misunderstand the concept because they have ongoing projects within their company and feel that they are using project management to control these activities. In such a case, the following might be considered an appropriate definition: Project management is the art of creating the illusion that any outcome is the result of a series of predetermined, deliberate acts when, in fact, it was dumb luck. Although this might be the way that some companies are running their projects, this is not project management. Project management is designed to make better use of existing resources by getting work to flow horizontally as well as vertically within the company. (Kerzner, 2011).

In defining project management, it is also worth considering the definitions of programs and portfolios and to see their difference with projects. A program is defined as a collection of related projects. For a program considered to be completed, the projects may be required to be completed in a specific order. In most cases programs are of larger scope than a single project since they comprise multiple projects. Unlike projects, programs can have many goals (Wysocki, 2014).

2.1.3. Project Management Practices in the World

The foundation of the project management can be traced back to as early as civilization itself. But the modern project management has its roots in the Second World War and is developed in

construction and defense industry during the industrial revolution. Most recently the demand for project management has increased as number of projects is increased dramatically in a broad range of industries (Cooke-Davies and Arzymanow, 2003).

By the end of the 1960s there was an increased understanding to recognize project management as a separate discipline (Benitez Codas, 1987). This recognition led to the creation of the two major professional bodies in the field of project management. The International Project Management Association (IPMA) was founded in Europe in 1965. The vision behind the formation of IPMA was to promote project management and to lead the research in the development of the profession (IPMA, 2009). In 1969, the Project management Institute (PMI) in United States was formed to serve the interests of the project management industry. The premise of PMI is that the tools and techniques of project management are common and they can be used across different industries (PMI, 2008).

2.2. Project management life cycle /phases

Every program, project, or product has certain phases of development known as life-cycle phases. A clear understanding of these phases permits managers and executives to better control resources to achieve goals. (Kerzner, 2009). The complex nature as well as the diversity of projects results in industries, or even companies within the same industry sector, failing to agree on the life cycle phases of a project. Various project life cycle approaches therefore exist in literature, e.g. the control-oriented model, the quality-oriented model, the risk-oriented model, a fractal approach to the project life cycle as well as some company-specific project life cycles. Furthermore, there is no consensus on the number of phases, which constitute a project life cycle, neither on the names used to describe these phases. Table 2-1 summarizes project life cycle phases proposed by various researchers, while Table 2-2 shows seven possible generic life cycle phases in a project, together with a basic description and alternative names for each phase. Such a generic project life cycle can be tailored to suit individual projects' requirements. For example, a number of phases can be combined or phases deemed irrelevant to the type of project can be omitted (Labuschagne, 2005).

During the past few years, there has been at least partial agreement about the life- cycle phases of a product. (Kerzner, 2009). They include: Research and development, Market introduction, Growth, Maturity, Deterioration and Death. Today, there is no agreement among industries, or even

companies within the same industry, about the life-cycle phases of a project. This is understandable because of the complex nature and diversity of projects. The theoretical definitions of the life-cycle phases of a system can be applied to a project. These phases include: Conceptual, Planning, Testing, Implementation, and Closure. (Kerzner, 2009). Hence, after through comparison and evaluation from the various, Researchers, Authors, International Standards and Guides as mentioned above, one should select the proper lifecycle that suits for the organization culture and project nature.

Researcher	No. of Phases	Phases
Bonnal, Gourc and Lacoste	5	Initiation/Concept/Identification; Feasibility Phase; Basic Design; Detailed Design; Construction; Turnover/Start-up
Quality-Oriented	3	Conceptualization, Materialization, Turnover
Stage-Gate ® (Cooper and Edgett)	7	Discovery Stage, Scoping, Build Business Case, Development, Testing and Validation, Launch
Buttrick	7	Idea generation, Pre-feasibility, Feasibility, Development and execution, Commissioning, Launch, Post Implementation Review (PIR)
Merrifield	6	Idea, Feasibility Demonstration, Product/Process Development, Pilot Plant, Semi-Commercial, Full-Scale Production.
Buttrell	5	Concepts, Production Prototype, Field Testing, Marketing, Development, Field Sales
Hoo	5	Strategic Analysis/Planning, Idea Generation /Screening, Development, Test Marketing, National/ Regional Launch
Feldman & Page	6	Exploration, Screening, Concept testing, Business Analysis, Development, Market Testing
Eggers	6	Idea Formulation, Identification, Feasibility Studies, Financing, Implementation, Evaluation
Yahie	5	Identification, Preparation, Appraisal, Implementation, Evaluation
Picciotto et al	4	Listing, Piloting, Demonstrating, Mainstreaming
Ward and Chapman	4	Conceptualization, Planning, Execution, Termination
Morris	4	Feasibility, Planning and Design, Production, Turnover and Start-up

Table 2-1: Phases in the Project Life Cycle (Labuschagne, 2005)

Phase Names	Alternative Names	Description of Phase
Idea generation	• Proposal • Concept • Initiation • Ideation	In this phase, the idea for a new project is generated and the initial proposal describing the business need must be prepared. This phase does not require a formal project plan.
Pre-feasibility	• Initial investigation • Initial assessment • Preliminary Investigation • Evaluation • Research	The goal of this phase is to evaluate the existing proposal in terms of financial, operational and technical viability as well as against the company's strategy. Overlapping or synergy with other projects should also be checked.
Feasibility	• Detailed • Investigation • Definition • Business case • Evaluation • Authorization	The optimum solution to address the business need must be identified and defined. All areas of this solution must be analyzed and assessed to determine killer concerns and risks.
Development and execution	• Implementation • Realization • Production • Construction • Build • Develop and test	This phase involves design, development, creation and building the chosen solution. The supporting system, manuals, business processes and training for the solution must also be developed during this phase.
Commissioning	• Trial • Beta test • Validation	In this phase the solution is tested in an operational environment. The purpose is to validate the solution's acceptance and capabilities.
Launch	• Release • Completion • Implementation • Handover • Acceptance	The project is handed over to the business units and thus released to the operational environment during this phase. This phase also marks the beginning of operational support.
Post Implementation Review (PIR)	• Business review • Project audit • Post project review	After sufficient time, i.e. 9 - 15 months, the project should be assessed to determine whether the benefits were delivered and what the project's impact was on the business. Lessons learned should be captured for future reference.

Table 2-2: Life Cycle Phases in a Project (Labuschagne, 2005)

2.3. Development of International Project Management Standards / Guide

The role of standards for project management profession has been an important issue for many years (Duncan, 1995). A variety of benefits have been identified which accrue from standardization. General benefits which apply to both technological and professional standardization include encouragement of technological innovation, guaranteeing marketplace, competition and convenience. In 1981, PMI Board of Directors authorized the development of a Body of Knowledge (BOK), containing standards and guidelines of practice that can be widely used throughout the profession. This initiative resulted in 1996 by the publication of: A Guide to the Project Management Body of Knowledge commonly referred to as a PMBOK. On the other hand, the IPMA developed the ICB: IPMA (IPMA Competency Baseline). Work on the ICB was initiated in 1993 and first version, in English, French and German, was presented in June 1998 (Crawford, 2004)

There are many standards that are related to project management. These are as follows:

- Project Management Body of Knowledge (PMBOK) by PMI
- Association for Project Management (APM) BOK by UK APM
- Project IN Controlled Environments (PRINCE2) by Office of Government Commerce UK
- Project and Program Management for Enterprise Innovation (P2M) by Engineering Advancement Association of Japan (ENAA)

2.4. Project Management Knowledge Areas, Tools and Techniques

A number of project management associations have formed chapters around the world to encourage the development of project management as a profession. More than fifty years a considerable body of knowledge has built up around the world project management tools, skills and techniques. The purpose of the body of knowledge is to identify and describe the best practices that are applicable to most projects most of the time. There is a common approval about their value and usefulness. In the continuation some bodies of knowledge in project management are briefly discussed. (Gvozdenovic et al, 2008)

2.4.1. PMI's Project Management Body of Knowledge (PMBOK) Guide

Project Management Institute (PMI), based in the USA, has created the oldest and the most often used body of knowledge of project management. It has been complemented during the time. The ascendant of PMBOK was PMI`s ESA (Ethics, Standards and Accreditation) report from 1983, which nominated six basic components: the management of scope, cost, time, quality, human resources and communications.

PMBOK from 1987. was a completely new document and the first published body of knowledge of project management. It added contract/procurement management and risk management to the previous six primary components.

PMBOK Guide from 1996 was a completely processed document to which project integration management was added to the previous eight components. Nine components were later renamed as Project Management Knowledge Areas with special chapters for each one. Each area of knowledge has numerous component processes from which each was examined in advance under conditions of inputs, tools and techniques and outputs. There are thirty-nine component processes altogether. A Guide to the Project Management Body of Knowledge from 1996 PMBOK Guide, Third Edition, from 2004. contains forty-four component processes (Table 2.3)

PROJECT MANAGEMENT		
1. Project Integration Management	**2. Project Scope Management**	**3. Project Time Management**
1. Project Plan Development 2. Project Plan Execution 3. Integrated Change Control	1. Initiation Scope Planning 2. Scope Definition 3. Scope Verification 4. Scope Change Control	1. Activity Definition 2. Activity Sequencing 3. Activity Duration Estimating 4. Schedule Development 5. Schedule Control
4. Project Cost Management	**5. Project Quality Management**	**6. Project Human Resource Management**
1. Resource planning 2. cost estimating 3. Cost budgeting 4. Cost Control	1. Quality Planning 2. Quality Assurance 3. Quality Control	1. Organizational Planning 2. Staff Acquisition 3. Team Development
7. Project Communications Management	**8. Project Risk Management**	**9. Project Procurement Management**
1. communication planning 2. Information Distribution 3. Performance Reporting 4. Administrative Closure	1. Risk Management Planning 2. Qualitative Risk Analysis 3. Quantitative Risk Analysis 4. Risk Response Planning 5. Risk Monitoring and Control	1. Procurement Planning 2. Solicitation Planning 3. Solicitation 4. Source Selection 5. Contract Administration 6. contract Closeout

Table 2-3: The Project Management Knowledge Areas

The PMI (2004) describes that much of the knowledge of tools and techniques or managing projects are unique to project management. However, understanding and applying the knowledge, skills, tools and techniques which are recognized as best practices are not sufficient alone for effective project management. PMI emphasizes that in addition to the knowledge of tools and

techniques, there are various other areas that are also vital in the application of project management. These are:

- Application Area Knowledge, standards and regulations
- Understanding the project environment
- General management knowledge and skills; and
- Interpersonal skills

The PMBOK guide divides the project into the five phases or lifecycles and describes it as a project management process groups. It also advocates that for the project to be successful the project team must select the appropriate processes within the process group to meet the project objectives. These process groups are defined as:

1. Initiating Process Group
2. Planning Process Group
3. Executing Process Group
4. Monitoring and Controlling Process Group
5. Closing Process Group

The guide also provides a matrix that maps project management process onto five project management process groups. The PMBOK has become a de facto international standard for project management knowledge (Crawford and Pollack, 2008). However, it is also acknowledged that it has been developed predominantly for a North American audience (Murithi and Crawford, 2003).

Knowledge Area Processes	*Initiating Process Group*	*Planning Process Group*	*Executing Process Group*	*Monitoring Process Group*	*Closing Process Group*
Project Integration Management	• Develop Project Charter • Develop Preliminary Project Scope Statement	• Develop Project Management Plan	• Direct and Manage Project • Execution	• Monitor and Control Project Work • Integration Change Control	• Close Project
Project Scope Management		• Scope Planning • Scope Definition • Create WBS		• Scope Verification • Scope Control	
Project Time Management		• Activity Definition • Activity sequencing • Activity Resource Estimating • Activity Duration Estimating • Schedule Development		• Schedule Control	
Project Cost Management		• Cost Estimating • Cost Budgeting		• Cost Control	
Project Quality Management		• Quality Planning	• Perform Quality Assurance	• Perform Quality Control	
Project Human Resource Management		• Human Resource Planning	• Acquire Project Team • Develop Project Team	• Manage Project Team	
Project Communication Management		• Communications Planning	• Information Distribution	• Performance Reporting • Manage Stakeholders	
Project Risk Management		• Risk Management Planning • Risk Identification • Qualitative Risk Analysis • Quantitative Risk Analysis • Risk Response Planning		• Risk Monitoring and Control	
Project Procurement Management		• Plan Purchase and • Acquisition • Plan Contracting	• Request Seller • Response • Select Sellers	• Contract • Administration	• Contract Closure

Table 2-4: Mapping of the PM Processes to the PM Process Group and the Knowledge Areas (PMI, 2004)

2.4.2. The Association of Project Management Body of Knowledge (APMBoK)

Association of Project Management (APM) from UK launched its body of knowledge in 1988 which was quite different from PMI`s. It incorporates not only inward focused project management topics (such as planning and control techniques), but also broader topics in which the project is being managed (such as social and ecological environment), as well as specific areas (such as technology, economics, finance, organization, procurement and people, as well as general management).

One of the key differences between the PMI and APM approaches is that, in its own words, the PMBOK Guide's Knowledge areas include only knowledge and practices that "are applicable to most projects most of the time", with contextual issues and are discussed separately in its Framework section. The APMBOK includes knowledge and practices that may apply to some projects and/or part of the time which is much more inclusive approach.

APMBoK		
1. General	**2. Strategic**	**3. Control**
1. Project Management 2. Program Management 3. Project Control	1. Project Success Criteria 2. Strategy/Project mgt.Plan 3. Value Management 4. Risk Management 5. Quality Management 6. Health, safety, environment	1. Work content and scope mgt. 2. Time Scheduling /phasing 3. Resource management 4. Budgeting and cost mgt. 5. Change control 6. Earned value Management 7. Information management
4. Technical	**5. Commercial**	**6. Organizational**
1. Design implementation, and handover management 2. Requirements management 3. Estimating 4. Technology management 5. Value Engineering 6. Modeling and testing 7. Configuration management	1. Business Case 2. Marketing and Sales 3. Financial Management 4. Procurement 5. Legal Awareness	1. Life Cycle Design and mgt. 2. Opportunity 3. Design and Development 4. Implementation 5. Handover 6. (Post-) Project Evaluation Review 7. Organization Structure 8. Organization Roles
7. People		
1. Communication 2. Teamwork	3. Leadership 4. Conflict management	5. Negotiation 6. Personnel Management

Table 2-5: The Association of Project Management Body of Knowledge

The fourth edition of APMBOK from 2000 consists seven main titles, with forty-two items that are shown in the table 2-5. In this body of knowledge, a short examination of all titles and topics as well as recommendation for each topic are given. (Gvozdenovic et al, 2008)

The APM describes that project management is the discipline of managing projects successfully. Project management can and should be applied throughout the project lifecycle, from the earliest stages of concept definition into operations and maintenance. It comprises the management of all that is involved in achieving the project objectives safely and within agreed time, cost, technical, quality and other performance criteria. Project management provides the single point of integrative responsibility needed to ensure that everything on the project is managed effectively to ensure a successful project deliverable.

The APM BOK the book is divided into four major categories:

- Project management
- Organizational Issues
- Tools and Techniques
- General Management

These four categories are then subdivided into 40 elements / process of project management. Willis argues that any document of this nature that covers such a wide range of subjects will inevitable contains few anomalies but what's important is that all project management-associated aspects are covered in this BOK.

This model above, from APM has worked well over the decade since it was launched in 1993 and is now widely used as the basis of competency assessment by many companies in Europe (Morris et al. 2000). In 2005 the APM has revised its Body of Knowledge and produced a 5th edition of APM BOK. According to Morris et al. (2006) the new addition of APM BOK is broader in scope and its broadness is explicitly based on the success and failures of research that lead to the management of projects paradigm. The 5th edition of BOK is based on an extensive review of literature and survey of professionals views on the knowledge considered necessary for professionals. The latest approach of APM to project management is illustrated in table 2.6.

Project Management in Context		
Project Management	Programme Management	Portfolio Management
Project Sponsorship	Project Context	Project Office
Planning the Strategy		
Project Success Criteria	Benefits Management	Project Management Plan
Stakeholder Management	Risk Management	Value Management
Quality Management	Health, Safety and Environment	

Executing the Strategy	Techniques	Business and Commercial	Organization and Governance	People and the Profession
• Scope Management • Scheduling • Resource Management • Budgeting and Cost Management • Change Control • Earned Value Management • Information Management and Reporting • Issues Management	• Requirements Management • Development Management • Estimating • Technology Management • Value Engineering • Modelling and testing • Configuration Management	• Business case • Marketing and Sales • Financial Management • Procurement • Legal Awareness	• Project Life Cycles Concept • Definition • Implementation • Hand-over and Close-out • Project Reviews • Organization Structure • Organizational Roles • Methods and Procedures • Governance	• Communication • Teamwork • Leadership • Conflict Management • Negotiation • Human Resource Management • Behavioral Characteristics • Learning and Development • Professionalism and Ethics

Table 2-6: The APM BOK 5th Edition (Morris et al. 2006)

It is cleared from the above table that in the 5th edition the APM has expanded its knowledge areas to provide a holistic approach to project management.

2.4.3. The IPMA's BOK - The International Project Management Association (IPMA)

The International Project Management Association (IPMA), a federation of national project management associations, mainly European was spawned by the APM and registered as an international organization in Switzerland in 1998.

The IPMA developed an IPMA Competence Baseline (ICB) in 1999. which primary purpose is to provide basic recommendations for its members of the associations for development of their own National Competence Baselines. Most members have developed their own baselines, which provide a base for the certification of their project managers. The other purpose of ICB was a harmonization of previously existed European bodies of knowledge.

ICB contains forty-two elements e.g. twenty-eight basic and fourteen additional elements of knowledge and experiences of project management. Each member of National Competence Baseline-s must have twenty-eight basic elements.

2.4.4. Japan's P2M: - Project and Program Management for Enterprise Innovation

Japan's Engineering Advancement Association (ENAA) founded a committee for the introduction, development and research on project management in 1999, which created A Guidebook of Project and program Management for Enterprise Innovation – officially abbreviated P2M in 2001. Development of P2M and certification system appeared as the result of Japan's enterprises needs to develop more innovative approaches for the development of their business. P2M has the following chapters in project management:

1) Project Strategy Management
2) Project Finance Management
3) Project Systems Management
4) Project Organization Management
5) Project Objectives Management
6) Project Resources Management
7) Risk Management
8) Project Information Technology Management
9) Project Relations Management
10) Project Value Management
11) Project Communications Management

Bredillet (2008) states that P2M proposes a framework based on a Mission Driven Approach and an insightful thinking. This enables solving complex ambiguous problems in uncertainty. Furthermore, the P2M approach integrates multi/interdisciplinary knowledge and methodologies. The approach of P2M is to recognized three kinds of projects consisting of concept development (Scheme model), implementation (System model), and operation (Service model) and to generate diversified, creative and synergistic business models. This could also be called as a domain of P2M.

The scheme model means a conception plan to develop a mission into multiples scenarios, with a scheme report concerning the feasibility as a deliverable. The key attributes of the scheme model are the definition of feasibility, internal structure and external relationship, and flexible adaptation to the owner request to changes (Ohara, 2005).

The system model is based on the systems approach. This method principally pursues optimization with project engineering techniques, of which typical cases are program design and EPC (Engineering, Procurement, and Construction) for projects. This method focuses on control with the phase approach that divides work process by the time axis and by the work breakdown concept.

The service model draws on a completed systems functions to crate potential value. The service model takes the form of a project in which goods are produced and services are provided by using a completed system through a program or project. The Figure below will illustrate these three models:

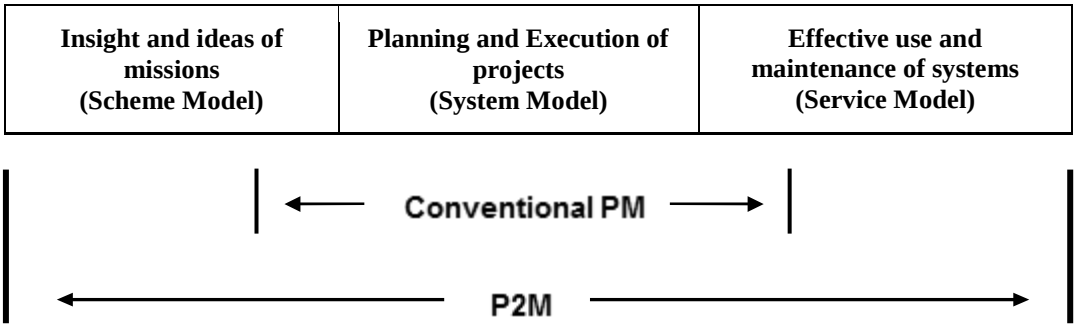

Figure 2.1: Domain of P2M (Source: PMAJ, 2009)

These business models can be seen as a deliverable of program management (Ohara, 2009). The key characteristics of P2M can be summarized in such way that the first step of Project Management Entry of P2M describes how to make a first step as a Mission-achievement professional. The second step of Project Management explains the basic definition and framework of project management. The third step of program management introduces program management that organically combines multiple projects. The fourth step of segment management offers 11 domains of project management. Project management domains are used in a standalone or combined manner for individual tasks and challenges of project and program management (ENNA, 2005).

2.4.5. The AIPM's Australian National Competency Standards for Project Management (ANCSPM)

The Australian Institute for Project Management (AIPM) developed and documented their standards in 1977 as the Australian National Competency Standards for Project Management (ANCSPM). The format of ANCSPM emphasizes performance-oriented recognition of competence in the workplace, and includes the following main components (Dinsmore and Cabanis, 2006):

- Units of competency: the significant major functions of the profession.
- Elements of competency: the building blocks of each unit of competency.
- Performance criteria: the type of performance in the workplace that would constitute adequate evidence of personal competence.
- Range indicators: describe more precisely the circumstances in which the performance criteria would be applied.

Elements of competency are shown in the following words: determine, conduct, guide, implement and others. There are three main elements of competency foe each unit. The ANCSPM incorporated the nine knowledge areas of the PMI`s PMBOK directly into the knowledge part of their qualification program. (Gvozdenovic et al, 2008)

2.4.6. Project in Controlled Environments 2 (PRINCE2)

PRINCE stands for Projects IN Controlled Environments and is a management approach owned and promoted by the Office of Government Commerce (OGC, part of UK treasury). PRINCE was initially published in 1989 and has derived its roots from an earlier method called Project Resource Organization Management and Planning Technique PROMPT (a project management method created by Simpact Systems Ltd in 1975). In 1996 a consortium of some 150 European organizations contributed and published a version 2 of PRINCE. PRINCE2 was originally aimed at the public sector; however, it is now being adopted faster in the private sector and is growing in importance internationally (Fox et al., 2007).

PRINCE2 is described as a structured method for effective project management (Wideman, 2002). The project management process in PRINCE2 is divided into four stages. These stages are:

- Pre-project stage,

- Initiation Stage,
- Continuation Stage, and
- Closing Stage

The model further divides these stages between seven main processes called Starting up a project(P1), Initiating a project (P2), Directing a project (P3), Controlling a stage (P4), Managing product delivery (P5), Managing a stage boundary (P6), and Closing a Project(P7). The three main sections are called Directing, Managing and Delivering.

In addition to these seven processes and three main sections, there are different themes in PRINCE2. These themes are used as a tool by project managers for the execution of the processes. They are also used to organize and direct the project.

These themes are:

- Business Case (Why)
- Organization (who)
- Planning (where, how, when and how much)
- Controls
- Configuration management
- Risk management (what if)
- Quality
- Change management

The PRINCE2 guide provides recommendations to use the PRINCE2 approach within a closed organization. It further states that the PRINCE2 approach is a single unified (closed) methodology starting from developing the initial product breakdown structure through to identifying the corresponding network scheduler. It is because of this unified approach the monitoring is carried out in a closed and organized way. In addition, PRINCE2 also contains suggestions for the adaptation of the project so that each project can be precisely customized (Atif, 2010)

2.5. Conceptual Framework

Even though there are many project life cycle models with various phase names and numbers of phases, this paper uses the four common project life cycle. According to (Westland, 2006) the project life cycle consists of four phases: initiation, planning, execution, and closure. Theses phases are shown in Figure 2.3. The phases are adopted in many private and government organizations in many countries. Thus, the author utilized this life cycle model in this study.

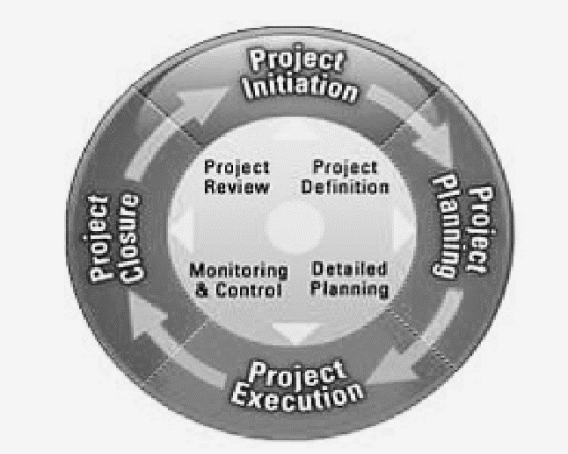

Figure 2.2: Project Life Cycle

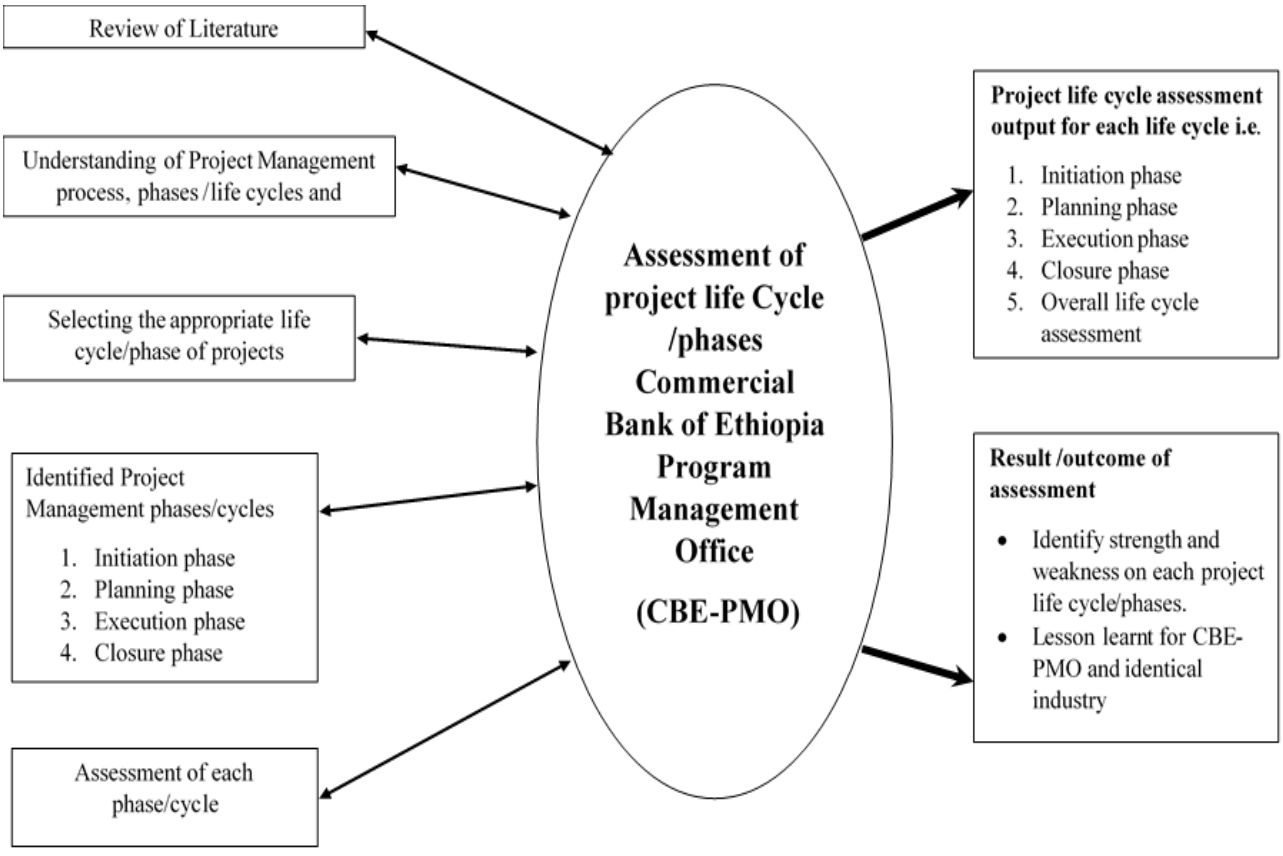

Figure 2.3: Conceptual Framework of the research

2.6. Project management and the Banking Industry

In the past ten years' project management has become integral to many financial services firms such as banks, insurance companies, and investment houses. The business climate demands aligning projects with strategic planning methods. The financial services industry is an intangible industry with invisible products so seeing the need for project management has been more difficult than for other industries.

Currently, the banking industry is intensively utilizing the project management concepts and tools for different projects. Particularly in the infrastructure construction and installation, software development, human resource development, core banking solutions, Enterprise Resource management and planning, data center construction and so on. The success or failure of the projects depends on many project managements related factors. The Project managers have three basic responsibilities in managing the project: to be on or under budget, to be on or ahead of schedule, and to meet the customer's performance criteria. The lack of project and program management skills has long been known to be a major factor for many project failures. It has become apparent that placing individuals with strong training in the breadth of project management skills significantly improves the likelihood of bringing a project in successfully on time, and on budget. This growing awareness is leading to increased demand for skilled project and program managers.

As one of a major deriver of the country's economy, CBE, takes the lion's share in transforming the country's economic development in taking and implementing many large initiatives. It has implemented many large projects in the past ten years. Some of the major ones are: - Core Banking, Network & IT Infrastructure, Enterprise Resource Planning (ERP), CBE Birr, Contact/Call center project, Construction of new buildings, New Datacenter contraction project and so on. Currently, the bank is implementing other mega projects such as: - construction of new forty-six story Head Quarter building, construction of Disaster Recovery datacenter outside Addis Ababa and reforming the organizational structure. Many of such projects are managed by the president and two Program Management offices (Construction PMO and IT PMO). The researcher selected IT PMO to study the life cycle of projects.

CHAPTER THREE
RESEARCH METHODOLOGY

This chapter aims to provide an overview of the methodological approaches and research design selected to assess the different project management processes and practices followed by Commercial Bank of Ethiopia particularly within Project Management Office (PMO).

To achieve the objective of the research paper, the researcher has used an applied research target to describe the role of research area in interpretive positions and used the following methodologies. In the first place, related literatures review has been conducted regarding to the concept of project, project management, project management practice and the various life cycles in different countries. Main research tools are used in conducting the research process. Both primary and secondary data have been collected. A questioner, unstructured interview, and direct observation on information technology related projects are incorporated. Then secondary data has been collected and analyzed to relate the practical issues and theatrical aspect under the research topic area.

3.1. Research Design

Burns and Grove (1993) state that designing a study helps researchers to plan and implement the study in a way that will help them obtain the intended results, thus increasing the chances of obtaining information that could be associated with the real situation. The design used in this research was mixed method given equal value for qualitative and quantitative data. So, both qualitative and quantitative data have given weight in this research.

3.1.1. Types of research methods

Burns and Grove (1993) describe quantitative research as a formal, systematic process that describes and tests relationships and examines causes among variables. However, qualitative methods seek to explore phenomena and instruments used in more flexible ways whereby semi structured methods such as in-depth interviews and focus groups are utilized (Price, 2009).

For this study, quantitative and qualitative approach was adopted. Therefore, information was collected through questionnaires and an in-depth interview were distributed to the respondents by the researcher.

3.1.2. Target population

Castillo (2009) defines target population as, referring to the entire group of individuals or objects to which researchers are interested in generalizing the conclusions. For this research, the target populations are projects that are implemented under project management office of Commercial Bank of Ethiopia. To get information regarding their project life cycle, Commercial Bank of Ethiopia-Project Management Office (CBE– PMO) staffs who were participated in two or more completed project are considered as the population. According to the office, the number of staffs who were working in CBE-PMO office in the past ten years are two hundred forty-nine. Many of these staffs transferred to the functional unit with the project they were working on. Some of them are assigned to other project and continue working in the office. Currently, the number of staffs who are working under the office are seventy-nine.

3.1.3. Sampling and Sampling techniques

According to Price (2009), purposive sampling is a form of non-probability sampling in which decisions concerning the individuals to be included in the sample are taken by the researcher, based upon a variety of criteria which may include specialist knowledge of the research issue, or capacity and willingness to participate in the research. Some types of research design necessitate researchers taking a decision about the individual participants who would be most likely to contribute appropriate data, both in terms of relevance and depth. In addition, this method is used when the members of the entire population do not present same performance.

Purposive sampling was preferred in this study, and participants were project managers, team leaders and project team members who have more than three years of experience in the PMO-office and who have completed two or more projects in the office. Thus, the selected samples are assumed to have sufficient knowhow and experience on project management and project life cycles. Based on these selection criterion, fifteen staffs who are currently working in CBE-PMO office are selected and considered as a sample. Thus, the sampling technique used for the selection of questionnaire respondents is purposive sampling technique.

3.2. Data Collection Methods

In order to present clear ideas about project management practices in Commercial Bank of Ethiopia, it was decided to conduct two stages of study. The first was a comprehensive review of the relevant literature, starting with an overview of the topics concerned in this research. The second stage included data collection by preparing questionnaire and conducting a direct questionnaire survey. In addition, conducting direct interviews which used to highlight and explore project life cycle.

3.2.1. Questionnaire

The questionnaire was modified from related research by Sajeda Rashed in Palestine and Workineh Wondimu in Addis Ababa as a main tool to meet the research aims and objectives. (Sajeda, 2011 and Wondimu, 2016). First, the information presented in the previous chapter helped to widen the researcher knowledge and create an awareness of other issues that might not otherwise have been taken into account. A provisional version of the questionnaire was then developed to cover all aspects needed to accomplish the purpose of the research. However, it was also necessary to ensure that the questionnaire is reliable. For this reason, the quality of the questionnaire was checked and approved by the research advisor.

The questionnaire consisted of two sections: The first section consisted of personal data about the study sample (qualification, job title, years of experience and age). The second section consisted of thirty items to measure the reality of project management cycle.

The scores of responses of the participants to each item were calculated according to the five-point-scale, “Likert scale”, in which strongly agree = 5 points, agree = 4 points, neutral = 3 points, disagree = 2 points, strongly disagree = 1 point.

3.2.2. Questionnaire Writing, Distribution, and collection

The questionnaire was written in one format to be distributed in to staffs that participated in different projects at CBE-PMO office. Three points were considered in order to obtain a high level of response: see Appendix A

1. Structuring the questionnaire in a smart and attractive design.
2. Presenting the questionnaire in a multi-options format.

3. Keeping the questionnaire as short as possible, but comprehensive enough so that it could be completed within 15 to 20 minutes.

To obtain a speedy interaction, the questionnaire was distributed and collected by hand. This method was effective as there was direct communication between the researcher and respondents.

The researcher distributed the questioners to the available staff at the PMO office and other who are operating in their functional units. The researcher explained the purposes of the study while distributing the questionnaire forms.

To estimate the sample response towards the questionnaire, the researcher modified and used the percentage scale used in other researcher (Atif , 2010) and it is shown as follow:

- 90-100% and more is a very high degree.
- 80-89.99% is high degree
- 70-79.9% is a moderate degree.
- 60-69.99 is a low Degree.
- 50-59.9% is a very low degree.
- less than 50% is Extremely low degree.

3.2.3. Direct Interviews

In this research, the unstructured interview and experience from other projects on the bank was adopted to get the needed detailed information and data for the project management practices. The key of successful unstructured interviews is learning how to probe effectively; that is, to stimulate an informant to produce more information without injecting the researcher's words, ideas or concepts into the conversation.

3.3. Methods of Analysis

Data collected from the survey was analyzed using descriptive statistical techniques. A good mathematical analysis method was needed to arrange the large body of data in a systematic, fast and reliable way. For this purpose, the computer software called Microsoft Excel was chosen as the good and easily available option for some statistical analysis. Particularly Means, frequencies, percentages, and standard deviations.

CHAPTER FOUR
DATA ANALYSIS AND DISCUSSION

This chapter presents a comprehensive analysis and discussion of the results obtained from the direct questionnaire survey distributed among staffs of the Commercial Bank of Ethiopian-Program Management Office, where the design of the analysis is such that it elaborates and summarizes the answers of the study questions that were stated in chapter one and three. The Research question will be answered by presenting and discussing the results obtained from the data analysis appropriate for each particular question. Moreover, analysis of researcher experience and observations was presented and discussed. This chapter described and analyzed data related to the project life cycle.

4.1. Data Gathering

Table (4.1): Distribution of sample according to Qualification

Qualification	Frequency	Percentage %
B.A /B.Sc.	11	73.33
M.A	4	26.67
Total	**15**	**100**

Table (4.2): Distribution of sample according to Job title

Job title	Frequency	Percentage %
Manager	2	13.33
Team Leader	4	26.67
Team Member	9	60.00
Total	**15**	**100**

Table (4.3): Distribution of Sample According to Years of Experience

Years of Experience	Frequency	Percentage %
3 to 5 years	2	13.33
5 to 10 years	7	46.67
11 to 15 years	3	20.00
More than 15 years	2	13.33
Total	**15**	**100**

Table (4.4): Distribution of Sample According to Age

Age	Frequency	Percentage %
From 25 to 35	10	66.67
From 36 to 45	4	26.67
More than 45	1	6.67
Total	**15**	**100**

4.2. Discussion of Results

As noted earlier, the survey was distributed to the CBE-PMO staffs. The researcher chose well experienced project staffs as the main representative of the banks project handling experience.

Results Related to the Research Questions

In order to answer these questions, the researcher calculated the means, standard deviations, percentages and levels, for items of reality of project cycle management. Tables (4.5, 4.6, 4.7, 4.8 and 4.9) show the results.

4.2.1. Results and Discussion on Project Identification

Table (4.5): Means, standard deviation, percentages and levels of the items of Project Identification

Item	Mean	SD	%age	Level
The projects were convenient with the Bank's Strategy.	4.73	0.46	94.67	Very High
The projects were convenient with the country's Strategy.	4.47	0.64	89.33	High
Total score \Average	4.60	0.55	92.00	Very High

Table 4.5: shows that the total score of Project Identification phase achieved a mean of (4.60) and a percentage of (92.00) which indicates a very High level of identification.

As a result, projects were highly identified in line of the state and the Bank's strategic plans. Identification of any project should be convenient with the Bank's vision and serves the national plans to obtain a high level of project efficiency.

4.2.2. Results and Discussion after Project Identification

Table (4.6): Means, standard deviation, percentages and levels of the items of Project Formulation phase

Item	Mean	SD	%age	Level
Appropriate Feasibility Study was conducted after project identification.	3.80	1.15	76.00	Moderate
Appropriate environmental impact assessment was conducted after project identification.	3.53	0.99	70.67	Moderate
Sufficient risk assessment was conducted on the project after project identification.	3.93	0.59	78.67	Moderate
There was appropriate appointment of Project Team from the Beginning.	3.60	1.06	72.00	Moderate
There were appropriate Set up of dedicated Project Office.	4.13	0.64	82.67	High
There were appropriate Studying of all project requirements.	3.73	0.88	74.67	Moderate
There was appropriate preparation of "Project Charter" which describes scope, objectives, time, budget, and risks.	3.53	1.25	70.67	Moderate
There was appropriate Setting up of "Job Description" for project team.	3.53	0.99	70.67	Moderate
Total score \Average	**3.73**	**0.96**	**74.50**	**Moderate**

Table 4.6: shows that the total score of project formulation phase achieved a mean of (3.73) and a percentage of (74.5%) which indicates a Moderate level of project formulation phase.

According to the above results, the project formulation should be reinforced, and all tools and techniques mentioned above should be studied carefully. Particularly, preparing job description,

project charter preparation and environmental impact assessment show marginal value to be low level of project formulation phase. Hence, the Bank has to work hard on these points.

4.2.3. Results and Discussion on Project Planning

Table (4.7): Means, standard deviation, percentages and levels of the items of the Planning phase

Item	Mean	SD	Percentage	Level
There were preparation of detailed plan that describe how to implement the project.	3.40	1.30	68.00	Low
There were appropriate preparation of financial detailed plan which shows the costs required during the implementation phases of the project.	3.73	0.80	74.67	Low
There were appropriate determination of quality target.	3.33	1.05	66.67	Low
There were developing of quality plan to monitor the quality of the outputs and to identify actions that will be used to achieve the required quality.	3.93	0.80	78.67	Moderate
There were appropriate preparation of procurement plan.	3.80	0.77	76.00	Moderate
There were preparation of clear term of references for tendering documents.	3.40	0.74	68.00	Low
There were appropriate preparation of risk plan for the project.	3.53	1.13	70.67	Moderate
There were appropriate preparation of communication plan for all related parties.	3.59	0.97	71.83	Moderate
Total score \Average	**3.40**	**1.30**	**68.00**	**Low**

Table 4.7: shows that the total score of the planning phase achieved a mean of (3.40) and a percentage of (68.00) with very high standard deviation, which indicates a marginal moderate and low level of planning phase. From the table, financial planning for costs during implementation

and developing quality assurance plane are below the standard i. e low level of performance in planning phase. Besides, preparing risk and communication plan is also weak.

Planning phase is the critical phase of the project cycle management; planning and re-planning must be a way of life for project managers. Due to the dynamic nature of many projects, plans must be regularly reviewed. The level of planning should reflect the complexity of the project – a complex project may need extensive planning while simple projects can be managed with simple planning. Inadequate planning can predispose a project to failure.

The planning and control of project scope is important to avoid budget deficits and late deliveries. Well defined requirements are an important input to control project scope. Based on the results mentioned above, it is noted that risk, financial and quality planning recorded a moderately low level. Actions must be taken to develop these three very important issues.

4.2.4. Results and Discussion on Project Execution

Table (4.8): Means, standard deviation, percentages and levels of the items of the Execution phase

Item	Mean	SD	Percentage	Level
There were appropriate Controlling and management activities carried out by the project team.	4.33	0.47	86.67	High
There were appropriate management of Costs so it does not exceed the allocated budget for the project.	3.13	0.83	62.67	Low
There were effective management of project time.	2.93	0.80	58.67	Very low
There were effective management of bidding processes.	3.40	0.63	68.00	Low
There were effective management Quality assurance and there were Mechanisms to monitor quality during the project implementation.	3.60	1.06	72.00	Moderate
There were appropriate setting of standards for the delivery of project outputs.	3.67	0.82	73.33	Moderate
There were effective management of project risks.	3.53	0.83	70.67	Moderate

There were effective and proper management of changes that arise during the implementation of the project.	3.27	1.16	65.33	Low
There were effective and proper management of changes that arise during the implementation of the project.	3.40	1.06	68.00	Low
There were effective management of problems and issues that arise during the implementation of the project.	3.67	0.98	73.33	Moderate
Total score \Average	**3.49**	**0.93**	**69.87**	**Low**

Table 4.8: shows that the total score of execution phase achieved a mean of (3.49) and a percentage of (69.87) which indicates a low level of execution phase. Since it is on the low value 69.87. we can say that the bank has low level of project execution phase.

As it can be seen from the table values, almost half of the project execution criteria are below the minimum value and the rest half is near or around the border of the low level. Particularly, the two critical project success criteria; time and cost, are not meeting in this sample project and both show a failure of the project.

As a deduction of the above results, monitoring and controlling processes should be strongly need to be developed. To ensure that the project goals are met, the project manager should monitor and control the production of each deliverable. While the project team is physically constructing each deliverable, the project manager undertakes a series of management processes to monitor and control the activities being undertaken.

As shown in the results, little attention is given to risk management. Risk management in a project is another element of project success. Risk management should begin during project planning as mentioned before to identify risks that can cause problems and to put “concrete actions” for treatment and prevention. Some risks can never be totally eliminated and they may change during a project, but ongoing well thought out risk assessment and risk mitigation strategies together with risk contingencies in the project budget are required to avoid unpleasant project surprises.

4.2.5. Results and Discussion on Project Closure

Table: (4.9): Means, standard deviation, percentages and levels of the items of the Project Closure

Item	Mean	SD	Percentage	Level
There were evaluation of the project and determining the level of achievement of the objectives of the project and its success and lessons learned.	3.53	1.13	70.67	Moderate
There was proper dissemination of the lessons learned from the projects and documentation and archival of all documentation for projects after their completion.	3.27	1.16	65.33	Low
Total score \Average	**3.40**	**1.11**	**70.67**	**Moderate**

Table 4.9: shows that the total score of the project closure achieved a mean of (3.40) and a percentage of (70.67) which indicates a marginally moderate or low level of closure phase.

The final step in the project cycle management is to review the project completion. A post-implementation review is undertaken to formally review the project and identify any lessons learnt. As can be seen from the table, almost all the criteria of closure are very poor, especially, lessons learned from the project is very low which indicate that other project failures or successes are not providing input to the preceding projects.

A post implementation review (PIR) is an assessment of the overall success of the project. The PIR is conducted by closely reviewing the project's performance against the original plans and conformance against the project management processes defined for the project. The purpose of the PIR is not only to assess the project's level of success but also to identify lessons learnt and make recommendations for future projects to enhance their likelihood of success.

4.2.6. Results and Discussion on Project life Cycle Management

The table below summarizes the results of the reality of Project Cycle Management.

Table (4.10): Means, standard deviation, percentages and levels of the Project Cycle Management domains

Item	Mean	SD	Percentage	Level
Project Identification	4.60	0.55	92.00	Very High
Project Formulation /After project Identification	3.73	0.96	74.50	Moderate
Planning phase	3.40	1.30	68.00	Low
Execution phase	3.49	0.93	69.87	Low
Project Closure	3.40	1.11	70.67	Moderate
Total score \Average	**3.72**	**0.97**	**75.01**	**Moderate**

Table 4.10: shows that the total score of the reality of Project life Cycle management achieved a mean of (3.72) and a percentage of (75.01) which indicates a moderate level of project life cycle management in CBE-PMO.

Why project cycle management achieves moderate level in CBE-PMO office?

In general, the results show that the absence of strict and clear methodology leads to this level. Most of funds of projects come from the excessive profit that the bank gets. Hence, investing and adapting to new technologies is a major concern for the Bank. Due to this fact, there is no much strict rule and regulation regarding project constraints (time, cost and scope). As long as the project output is what the bank demands; the project will be tolerated in all the phases.

In the other hand, the results proved that project management in the Bank does not follow proper life cycle of project management practice. Frequently, in CBE-PMO office, projects are managed by the project managers and his team individual's technical and managerial skill of the project. Project management becomes depends on background and experience of individuals. Hence, each phase of the project is also affected by project managers, and performance of team leaders and members. In addition, absence of monitoring and evaluation department leads to lose an important and valuable worth of lesson learnt from accomplished projects

CHAPTER FIVE

SUMMERY, CONCLUSION AND RECOMMENDATIONS

This chapter restates the research problem and provides an overview of the methodology used for the study. Discussion of the major findings that were obtained out of the research, and provision of recommendations and suggestions for further research related to project management practices in similar industries.

5.1. Summary

The research was carried out with the following goals: to assess the project management practice and project life cycle/phases in Commercial Banking industry. Particularly, projects that were conducted under CBE-PMO. Well experienced staffs on projects were selected and requested to fill the questioners regarding project life cycle/phases. The study started with a literature review on different project management practice, best practices and standards around the world that are related to the life cycle of projects. It then selected the most suitable project life cycle/phases followed by a survey distributed to decision makers and project team members in each phase/cycle of projects. Each item of the respondent data is analyzed using the five-point-scale, "Likert scale", with mean value, standard deviation and percentage. The result from each phase is analyzed and interpreted according to best practices and standards studied on the literature survey. Finally based on the major findings conclusion and recommendation is made.

5.2. Major Findings

Valuable information was revealed following the conducted survey that helped to draw attention to the outstanding issues in the light of the results obtained. Brief descriptions of major findings are as follows:

5.2.1. Reality of project life cycle practices in CBE-PMO Projects

- During project Identification phase, the bank identifies projects with very high level of percentage in convenience and alignment of the projects with the country's and the banks strategic plans and objectives. This enables CBE and Ethiopia to achieve their vision effectively.

- During project formulation (Initiation) phase there is moderate level of performance in many of the activities in this phase. These tasks and activities include feasibility study, environmental impact and risk assessment, appointment of project team, study on project requirements, project charter preparation, set up of job description. All these fundamental project formulation phase have moderate level on the defined scale. Only one activity, set up of dedicated office, score high on the scale in this phase. It can be deduced that, as the phase continues the performance level of the project scale declines. Many of the major activities that are expected to be perform in the project management office are not conducted as per the expectation and standards.
- The overall score of the project planning phase is the lowest among all the other phases on the scale. The maximum score in this phase is moderate level. Half of the questioner items score moderate level in planning and the remaining half score low on the scale. This indicate that the major activity of project planning in not properly implemented and employees are not performing as their expectation and standards.
- The project execution phase also has lower scored on the scale among project life cycle/phases. It scored very low in project time management and high in controlling of tasks by team members. The rest of the activities are moderate and low on the scale. This indicates that project execution is also not properly handled in the office.
- Overall project closure phase scored moderate level on the scale as. However, it is very close to the low level on the scale.

In general, project life cycle/phases show continuous decrement on the defined scale and becomes less and lesser as the phase continues. Finally, it reaches moderate level at the closure phase. Generally, the assessment on project management practice across the project life cycle/phases result shows moderate level of score on the defined scale.

5.2.2. Contributions to knowledge and practice

This research adds several contributions to the topic which can be summarized as follows:

- Shedding light on the current situation of project management practice in commercial Bank of Ethiopia program management office and similar organizations and offices .
- Exploring the effective tools and techniques required within project life cycle phases.

5.3. Conclusion

The research indicates that at the beginning of the project (initiation phase) there is good project management practice and this practice starts to decline as the project move to project formulation and other phases. The result of not using proper tool and techniques during formulation phase has affected the planning and the execution phase of the project. This poor project management practice continues with relatively better performance at the end of the project (closure phase).

The findings strongly sustain that there is a need to reinforce and develop the project management practices and knowledge in Commercial Bank of Ethiopia program management office. Particularly, project managers and project performers are not performing project tasks of identification, planning and execution as per the best practices and standards. Thus, to identify, plan, execute and close a project a consistence high level of commitment and dedication is needed among all the stakeholders.

5.4. Recommendations

The following main recommendations are to be considered by the CBE-PMO and other similar sectors to achieve exemplary performance:

1. CBE-PMO has adopted ITIL (Information Technology Infrastructure library) to manage and increase the efficiency of the day-to-day operation of the IT in the bank. Similarly, adoption of one of known project management institutes frameworks and practices, such as PMI (PMP), PRINC2 or such similar institutes frameworks, will help the bank to manage and achieve the objectives of the projects effectively and efficiently.
2. Stronger emphasis on project time and cost control should be prepared and implemented. Controlling cost should be carried out in accordance to the strategic plans drawn. In addition, the bank should focus on minimizing the cost and encourage on time completion of the project to support the national vision and the mission of the Bank.
3. Stronger emphasis on the planning process prior to project implementation. Risk management is another critical element of successful projects. Contingencies plans in the project budget are required to avoid unpleasant project surprises.
4. Stronger focus on quality assurance management as well as full attention to define clear, standard specifications.

5. Post-evaluation should be applied, and lessons learned from previous project should be disseminated and documented.
6. Adopting a well-defined, comprehensive methodology in project management is one of the most important strategies that decision makers and project managers must take into consideration. It will improve the performance and close up the gap mentioned earlier with respect to best practices.
7. It is highly recommended to increase motivation and morale among employees through inspiring a shared vision, encouraging team work and applying punishment and reward policies.
8. Build awareness among the stakeholders is an important starting point. All related parties to project management should attend workshops, classes or conferences on project management to build up the formal public awareness.
9. Hierarchy of the senior managers, junior managers and team leaders should embrace and enforce the application of project management effectively in its activities.
10. It is recommended to co-relate with other banks, countries, PMO offices, and projects in order to exchange experiences in project management domains.

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APPENDICES

Appendix A

Questionnaire Form

Dear Sir or Madam:

I am presently preparing a research paper on the title "ASSESSING THE LIFE CYCLE OF PROJECTS IN COMMERCIAL BANK OF ETHIOPIA - PROGRAM MANAGEMENT OFFICE (CBE-PMO)". Hence, I kindly request you to spare some part of your valuable time to fill this questionnaire related to projects that completed under PMO of CBE. The collected data will be statistically analyzed, and a conclusion will be finalized. Your assistance and cooperation will be highly appreciated. Thank you!

SECTION ONE: Questions related to the respondent's experience.

Please respond the following questions either by ticking the appropriate box or by writing your answer in the space provided.

1- **Your Education**: BA/BSc□ Master □ Other _____

2- **Job Title**: Manager□ Team leader□ Team member□ Other_____

3- **Years of Experience**: 3-5 years□ 5-10 years□ 11-15 years□ more 15 years□

4- **Age**: 20-24 years□ 25-35 years□ 36-45 years □ more than 45 years□

Please respond to the following questions by choosing the appropriate answer using a tick (√).

SECTION TWO: Project Cycle Management

When Identification a Project:

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. The projects were convenient with the Bank's Strategy.					
2. The projects were convenient with the country's Strategy.					

After Project Identification:

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
3. Appropriate Feasibility Study was conducted after project identification.					
4. Appropriate environmental impact assessment was conducted after project identification.					
5. Sufficient risk assessment was conducted on the project after project identification.					
6. There was appropriate appointment of Project Team from the Beginning.					
7. There were appropriate Set up of dedicated Project Office.					
8. There were appropriate Studying of all project requirements.					
9. There was appropriate preparation of "Project Charter" which describes scope, objectives, time, budget, and risks.					
10. There was appropriate Setting up of "Job Description" for project team.					

Planning Phase:

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
11. There were preparation of detailed plan that describe how to implement the project.					
12. There were appropriate preparation of financial detailed plan which shows the costs required during the implementation phases of the project.					
13. There were appropriate determination of quality target.					
14. There were developing of quality plan to monitor the quality of the outputs and to					

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
identify actions that will be used to achieve the required quality.					
15. There were appropriate preparation of procurement plan.					
16. There were preparation of clear term of references for tendering documents.					
17. There were appropriate preparation of risk plan for the project.					
18. There were appropriate preparation of communication plan for all related parties.					

Execution Phase:

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
19. There were appropriate Controlling and management activities carried out by the project team.					
20. There were appropriate management of Costs so it does not exceed the allocated budget for the project.					
21. There were effective management of project time.					
22. There were effective management of bidding processes.					
23. There were effective management Quality assurance and there were Mechanisms to monitor quality during the project implementation.					
24. There were appropriate setting of standards for the delivery of project outputs.					
25. There were effective management of project risks.					
26. There were effective and proper management of changes that arise during the implementation of the project.					

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
27. There were effective management of communication among all relevant parties.					
28. There were effective management of problems and issues that arise during the implementation of the project.					

Project Closure:

Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
29. There were evaluation of the project and determining the level of achievement of the objectives of the project and its success and lessons learned.					
30. There was proper dissemination of the lessons learned from the projects and documentation and archival of all documentation for projects after their completion.					