



**EFFECTS OF PROJECT MANAGEMENT PRACTICES
ON ORGANIZATIONAL PERFORMANCE: THE CASE
OF FINFINE FURNITURE FACTORY (3F)**

BY
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PROJECT MANAGEMENT

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DECLARATION

I, Mikias Amare, hereby declare that this thesis is a result of my own independent research work, under the guidance and supervision of Fesseha Gebreanania (Ph.D.) on the topic entitled “**Effects of Project Management Practice on Organizational Performance: The Case of Finfine Furniture Factory (3F)**” in alliance to the partial fulfillment of the requirements for the Masters of Art in Project Management at Addis Ababa University. Corresponding to this, the references and sources used in this research are all properly acknowledged. The research thesis on hand has not been presented for any graduate program at any other institute.

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Statement of Certification

This is in clarity of that Mikias Amare has carried out this study on the topic titled “Effects of Project Management Practice on Organizational Performance: The Case of Finfine Furniture Factory (3F)”. Under my supervision, this work is authentic by its nature and has not been presented for a degree in any University or institute, thus it is eligible for submission as partial fulfillment for the requirements of project management Master of Arts degree.

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THESIS APPROVAL FORM

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List of Acronyms

CEO	Chief Executive Officer
KPIs	Key Performance Indicators
OGC	Office of Government Commerce
OPM3	Organizational Project Management Maturity Model
PM	Project Management
PMBok	Project Management Body of Knowledge
PMI	Project Management Institute
PRINCE	Project in Controlled Environment
ROI	Return on Investment

Abstract

Evidently the purpose of this research was to analyze the project management practice of Finfine furniture factory (3F), thus the effects of projects management practices are examined by the success of projects of the company under study. The research employed the use of descriptive research type, which helps to practice both qualitative and quantitative data analysis, the target population of the study was 35 employees. Questionnaires, interview, as well as observation were used to collect primary data, then the collected data was analyzed by using SPSS such as percentages, frequencies, mean and standard deviation and the analyzed data were presented in tables and charts. Different types of tools and analysis were used to authenticate the research hypotheses, to develop and farther examine the organizations practice and approach towards project management tools and technique for assuring project success. Project management practices that are evaluated in this study are projects scope management, risk management, cost management and communication management. The findings showed that With respect to project scoop management, it's evident that Respondents generally believed that project scope management is very important followed by cost and communication management, while respondents believe that risk management is moderately significant as evidenced in the study. Given that Furniture factories operate on order from prospective clients where projects have a specific work setting, thus integration of manufacturing practices with project management practices are needed for project success. Even though like many researches this study had limitations, the study is conducted to create awareness about the concept, tools, techniques, principle and efficiency of project management practices towards attaining ultimate project success. Thus it is recommended that Finfine furniture factory (3F) should have effective and efficient project management training and use of established project management practices to improve overall organizational success.

Key words: *project management, project management practices, projects scope management, risk management, cost management and communication management.*

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Businesses are looking for better ways to gain competitive edge over competitors these days, and the ability of each functional department to improve an organization's effectiveness is being examined. The majority of organizations presently manage projects in a highly complex setting. The primary efforts of an organization include the introduction of new products, the establishment of innovative policies, outsource, and a competent adoption and development framework. For this reason, implementation plan in organizations and businesses are carried out utilizing a variety of project management approaches that are carried out by multiple project managers on a daily basis, therefore within a project, there may be a variety of objectives that might be achieved once the project is completed.

The capacity to successfully execute project implementation is seen as a measure of organizational performance. Cost, timing, and quality are regarded the most desires in all projects, and so all of these elements must be addressed while analyzing the project's performance (Yong and Mustaffa, 2017). Most project management methods are investigated and tested as a consequence of lessons and experiences that have been consistently practiced and evolved to generate better results, and then they are identified and recorded as examples, measures, and baselines (Ollows, 2012).

Organizations that effectively complete projects use authentic and appropriate project management strategies as instruments to achieve their business objectives and aims. Successful projects have such a strategic effect on organizations and businesses, which necessitate efficient management practices that assess risks and progress, as well as identifying relevant projects, are delivered by coordinating organizational priorities to achieve better organizational performance. Price, performance, and time are regarded the most significant project objectives; however, all of these aspects must be considered when reviewing and monitoring the effective application of any project (Yong and Mustaffa, 2017).

Finfine Furniture Factory (3F) began operations in 1959 and with an even substantially longer history. It has been about five decades as it was founded, by

producing and designing new design furnishings and spring mattresses, the organization is providing a vital role in the creation of furniture sector. The company was acquired by an Ethiopian businessman and employs around 600 people on a permanently and temporary basis. With the wide choice of furniture items accessible in the company catalogues and designing department, Finfine Furniture Factory (3F) is one of the greatest places to get high-quality products at affordable prices.

1.2 Background of the Company

Furniture has developed in to becoming part of lifestyle for mankind around the world, many societies incorporate furniture in their lifecycle and define it more than just as furniture, and it is used to personify economic status of individuals. The more special the furniture means more expensive and exclusive, then it will be more prestigious for individuals. Finfine Furniture Factory (3F) is a widely recognized furniture company throughout Ethiopia, dating back to 1959, Finfine Furniture Factory (3F) has been producing furniture products for more than five decades and has developed its name through gradual change of modernizing the furniture industry from traditional to modern and up-to-date products, thus its brand (3F) has been unique and presumed in the industry for pioneering, quality manufacturing as well as excellent in sale and after sale services. The company is a large producer of household and office furniture manufacturing enterprise integrating design, manufacturing and marketing of modern furniture, thus it has advanced wooden and metal furniture production lines with machineries and high tech production methods, incorporating tested and approved techniques from the experience of countless professionals.

Finfine Furniture Factory (3F) began its operations in 1959; it was owned by the government and operated under the branch of the government under the name Fortune until 1976 it was sold to a private investor. After the company was acquired by an Ethiopian businessman it has developed to a mage factory, and now it employs around 600 people on a permanently and temporary basis. With the wide choice of furniture items accessible through the company catalogues and custom based designs, by producing and designing new design furnishings and spring mattresses, the organization has played a vital role in the creation of development of furniture sector in Ethiopia.

Nowadays in Ethiopia the furniture industry has developed into a large sector which has led to the development of new companies that make custom products that are high in quality and prolific in nature providing countless job opportunities throughout the country, the organization produces countless office and house hold furniture products on monthly bases, roughly the company produces over 500 beds, 100 chest of drawers, 180 dressing tables, 100 dining tables and 80 cupboards, just to mention a few. Even though the ROI of the company are non-disclosed the company's financial health is recognized by the managers. The company has expanded its market share by opening a new show room in Adama and is planning on opening a new one in Hawassa. The company is always updating its products annually to gain momentum and competitive advantage over its competitor's. Hence Finfine Furniture Factory (3F) can be recognized as a pioneer for the development of the sector and the company is still operating under a high scale of production further dignifying the development of the industry.

1.3 Statement of the Problem

Companies are continually developing their staff and project managers to come up with the required skills to involve them in issue solving, decision making, and enable them to think creatively in workgroups in order to follow standards and guidelines(Omidvar et al., 2011). It is advantageous for a project manager to become fitted with problem-solving (technical ability) and leadership (soft/skill) skills for circumstances that demand him as well as her to make different choices, such as ability to enhance inquisitiveness, or input that presents challenges to gaining knowledge and behavior changes(Nigatu, 2019). Effective leadership and project management talents contribute in the development of the workforce's capacity to effectively manage a variety of scenarios (EL-Annan, 2015).

There are various project management tasks within the scope of a specific project. Several methods for conducting the activity emerge, and they become commonplace. The necessity to address distinct environmental and social difficulties, such as those faced by a certain business, may lead to the adoption of specific project management approaches. Personnel working in managing projects may also adopt and adhere to particular project management techniques for reasons that are unrelated to the project's success. As a result, certain approaches are used in project management but

are not recognized as project management practices. The need of successfully implementing projects necessitates the implementation of best practices.

With their limited resources and fast growing technological advancements, furniture factories require a simplified version of project management methods in order to improve organizational performance in terms of increasing market share and profitability from promising companies. Project management approaches in the industry have evolved over time, but the majority of attention has been focused on large-scale projects and project management techniques. Project management in large organizations has quite distinct characteristics than project management in small and medium sized factories(Turner et al., 2012). Small and medium sized businesses demand less bureaucratic supervision and more flexibility. It is well known that project management knowledge areas have to be implemented on the right way to enhance project the organizational performance. The main focus of this research was to study the major project management strategies that are best suited for Finfine furniture factory (3F) and have a beneficial impact on the factories overall performance hence the area is not studied extensively yet the research will try to find suitable performance practices that best assure project success.

1.4 Objectives

1.4.1 General Objective

Initially, the overall objective of the research is to study effects of project management practices on organizational performance: the case of Finfine furniture factory (3F).

1.4.2 Specific objective

The research goals were to assess the influence of:

1. Project scope management on organizational performance.
2. Project cost management on organizational performance.
3. Project communication management on organizational performance.
4. Project risk management on organizational performance.

1.5 Research Hypothesis

The subsequent research hypothesis developed in order to achieve these goals:

- Q1. Does project scope management have positive and significant relationship with better organizational performance?
- Q2. Does project cost management have positive and significant relationship with better organizational performance?
- Q3. Does project communication management have positive and significant relationship with better organizational performance?
- Q4. Does project risk management have positive and significant relationship with better organizational performance?

1.6 Significance of the Study

Project management study is extremely important to policymakers in both of the government and business sectors. In developing economies, wherein projects of all sizes and forms are performed, the adoption of project management methods approaches in both the commercial and public sectors is increasingly becoming an essential issue. The goal of this research is to show that using project management methodology is an important management technique for managers in both the public and commercial sectors who want to achieve better results.

Also this research is helpful to entities in the government: This research aims to promote improved project management methods that national authorities can employ to make better use of public funds and, as a result, provide better service to the general public.

Academics and students interested in learning more about this topic can profit from it because it is theoretically relevant to project management.

1.7 Scope of the study

1.7.1 Conceptual Scope

Specifically the desired objective of the research is to study the effect of project management practices on organizational performance: the case of Finfine furniture

factory (3F). So that all the literature the research going to review is going to be on correspondence with the practices of project management, therefore in terms of conceptuality solely practices of project management and organizational performance are going to be examined.

1.7.2 Geographical Scope

Even though many organizations try to implement effective project management practices thought out the world, the study focused only on project management practice in Finfine furniture factory (3F) in Addis Ababa, Ethiopia.

1.7.3. Time scope

So as to finish this study it takes four months, and the research's time line is presented on chapter four of this research thesis, thus in alignment with the Employs of Finfine furniture factory (3F) in Addis Ababa the study was conducted, and furthermore the study incorporated workers that are working in the time of its conduct.

1.7.4 Methodological Scope

The study incorporated the use of quantitative research method in alignment with non-probability sampling technique in order to assert the incorporation of individuals to be sampled. The populations of this study are employees of Finfine furniture factory (3F) in Addis Ababa. The research focused on studying the effect of project management on organizational performance.

1.8 Organization of the Study

The study is divided into five sections. The first chapter includes back ground of the study, about the company, statement of the problem, general and specific objectives, significance and scope of the study. Theoretical and empirical survey of literatures and the theoretical frame work of the study are presented in chapter two. The research design, methodology, data sources, target population, sampling methods, and data collection and analysis tools are covered in chapter three. The results and explanations of the results are presented in Chapter four. The conclusion and recommendations are depicted in chapter five.

CHAPTER TWO: LITERATURE REVIEW

2.1 Theoretical Literature Review

2.1.1 The Concept of Project Management

A project, as per PMI, is a short-term attempt undertaken to produce just one product, service, or outcome. According to the description, a temporary project has a defined beginning and finish. So when project's goals are reached the project is said to be accomplished or when the project's objectives could no longer be met, the project is terminated. A project is a short-term undertaking with a stated start and end date, usually limited in duration and often bound by money or results (Ollows, 2012), undertaken to achieve certain aims and objectives (Zohrevandi, 2014), usually to bring about advantageous change or additional value. Projects differ from business - as - usual or activities (Dinsmore and Cooke-Davies, 2005), which are repeated, continuous, or quasi functional activities used to provide products or services. In practice, these two systems are frequently managed in quite different ways, necessitating the development of diverse technical abilities and management tactics.

The researcher (Dvir et al., 2006), characterizes projects as transient entities within organizations, as opposed to PMI's since PMI define projects as an effort. PMI recognizes the nature of projects by recognizing that a project team usually outshines the project. PRINCE 2, where it means projects in controlled Environments. It is a broadly used and recognized project management system, defines projects as a short - term plan that is required to produce a distinctive and predetermined output at a pre-specified period utilizing pre-specified assets (Dreyer and Wynn, 2016).

Small and medium sized organizations as per (Messeghem, 2003), are defined by simple organizational structures, the owner-primary manager's function as a driving force, a primarily local market, unstated strategy, and a minimal amount of planning and control. Their assets are modest, and their strategic alternatives are straightforward and limited (Robinson Jr and Pearce, 1984). The value of projects to companies cannot be neglected; this is true not just for huge companies, but possibly even more so for SMEs. Via projects, SMEs play a vital significant role in the economic in many nations (Bowen et al., 2009). According to the European

Competitiveness Report and previous studies, furniture factories and their projects have a substantial impact on businesses and the nation's economy in general (Turner et al., 2012). Projects in these types of businesses account for good turnover. In light of recent developments in research literature, there is only little written on project management of furniture factories management (Turner et al., 2012).

The attention so far has primarily been on project management in major projects. These conventional project management strategies was not work for furniture factories because the characteristics of large projects don't really apply to smaller projects, such as processes; processes are structured and often bureaucracy, methodologies; practices inspire specialization and structured decision making, structure and roles are well defined, and traditional project management is mainly systems but not peoples. The notion that not every projects are similar and that there is no uniform set of managerial qualities to a project was often overlooked in the literature centered on such types of aspects (Frank et al., 2011). Several scholars, have recently expressed dissatisfaction with the global "one-size-fits-all" approach (Ollows, 2012).

2.1.2 Project Management Knowledge Areas

When implementing a project, project management practice shows an effective way that is officially accepted by the project management sector so as to achieve the desired aims; is a concept that affirms that there is a tactic, method, or procedure that is more efficient in delivering a specific result than every methodology, method, or procedure - through study and application - than any method, approach, or procedure (Guide, 2001). Project Management Body of Knowledge describes its project management processes and identifies nine key knowledge areas that apply to all projects, regardless of project management approach.

	Initiating	Planning	Executing	Controlling	Closing
Project Integration Management		Project plan development	Project plan execution	Integrate change control	
Project Scope Management	Initiation	Scope planning Scope definition		Scope verification Scope change control	
Project Time Management		Activity definition Activity sequencing Activity duration estimating Schedule development		Schedule control	
Project Cost Management		Resource planning Cost estimating Cost budgeting		Cost control	
Project Quality Management		Quality planning	Quality assurance	Quality control	
Project Human Resource Management		Organizational planning Staff acquisition	Team development		
Project Communication Management		Communications planning	Information distribution	Performance reporting	Administrative closure
Project Risk Management		Risk management planning Risk identification Qualitative risk analysis Quantitative risk analysis Risk response planning		Risk monitoring and control	
Project Procurement Management		Procurement planning Solicitation planning	Solicitation Source selection Contract administration		Contract closeout

Table 1 Overview of PMBOK Knowledge Areas (Vergopia, 2008)

In this research, the study identified a set of knowledge domains as critical project management practice affecting furniture factories organizational performance: this are project cost management, scope management, projects communication management and the project risk management.

2.1.2.1 Project Scope Management

According to (Saladis and Kerzner, 2011), project scope is the result of recognizing and prioritizing the demands that led to the creation of the project; the aggregate of the project's requirements. Although scope could be determined based on the project's

origins, it must also take into account the expected work, results, and deliverable. (Brandon, 2006) defines scope as a statement of the project's activities in terms of the anticipated outcomes. (Floris and Cuganesan, 2019) define scope as "every project is performed with a collection of deliverables, has such an anticipated closing time, so there are predefined set of processes and projects to be completed before to this closing period."

The project's scope is defined by these tasks. The scope of a project is defined by the Project Management Institute (Guide, 2001), a supplier of clear project methodologies, as the totality of the commodities, services, and outcomes to be given as a project. According to PMI (2004), project and product goals, product or service prerequisites and attributes, product requirements specification, project limitations, project requirements and deadlines, project constraint, projects assumption, project initiation, defined risks, schedule achievements, initial Work Breakdown Structure (WBS), sequence of magnitude estimation, and project confidence are all examples of project scope milestones.

2.1.2.2 Project Cost Management

Cost project management, according to PMI (2004), is defined as the method that guarantee that a project is done within an established budget, involving resource planning, cost planning, price financing, and cost assigning and monitoring. Projects cost management, according to (Langfield-Smith, 2008), is the process of improving an organization's cost effectiveness by identifying and managing the causative factors of cost across a lifecycle of the project. They argue that, while cost management is primarily concerned with expenses, it also seeks to enhance other areas of performance, including quality and delivery.

The researcher (Drury-Grogan, 2014) characterizes project cost management as measures undertaken by project managers to minimize project costs, resulting in a more efficient and appropriate process with apparent cost reduction results, process optimization, and the optimal scenario being to take some action that decrease project costs while also increasing customer satisfaction. According to (Annor-Asubonteng et al., 2018), cost of the project management is an approach of maximizing customer value at a lower cost, a mindset that all cost of the project are the result of

management decisions, and a reliable set of procedures for increasing value and lowering project costs. Cost management, according to (PETROSKA-ANGELOVSKA and ACKOVSKA, 2017), discovers, gathers, analyzes, categories, and delivers information that managers may use in pricing, planning, monitoring, and decision-making.

Project cost management is described the measures performed by project managers to estimate, allocate, and control expenses within the organizations project for purposes of this research.

2.1.2.3 Project Communications Management

PMI defines Project Communication Management as the knowledge area that applies the procedures to make sure the timely and appropriate production, gathering, dissemination, storage, access, and ultimate disposition of project information (2004). According to Gould (2009), it is the institution and control of information conveyed by whichever means to meet the project requirement, and it contains the procedures of transmitting, filtering, obtaining, analyzing, or interpreting data using abilities suitable to the project's application. Project communications, according to PMI (2004), entails the acquisition, execution, and monitoring of all information important to the requirements of all project participants Progress report, achievements, events that may impact other stakeholders or projects, and so on are all examples of information.

According to Heerkens (2001), substantial project communications management entails communication planning, which entails assessing the partners' information and communication requirements, such as who requires what knowledge, when they require it, and how it will be delivered. Identifying stakeholders, preparing communication, disseminating information, maintaining stakeholder expectations, and evaluating performance are among the five steps introduced by PMI (2004) for enterprise communication management.

2.1.2.4 Project risk management

Projects risk management is a projects management activity that is becoming more important as firms move toward globalization and face increased competition (Ahmed et al., 2007). Understanding the context, identifying, evaluating, analyzing,

addressing, tracking, and communicating risks all are processes within risk management plan that allow for continual decision-making improvements (Standards Australia, 1999). Project risk management is a systematic technique to identifying, assessing, and prioritizing risks, as well as resource planning to reduce, monitor, and control the likelihood and effect of unfavorable events (Smith and Merritt, 2002).

Risk management, according to PMBOK (2000), is the systematic approach of recognizing, analyzing, and dealing to project risk. It entails optimizing the likelihood and implications of favorable events while reducing the likelihood and repercussions of events that are detrimental to the project's goals (PMI, 2004).

2.2 Project Management Practices and Organizational Performance of Furniture Factory

Two constructs are used to assess performance of the organization: project performance and business performance (Mir and Pinnington, 2014). Achievement of a project has typically been measured in terms of completion of the project on schedule, under budget, and with high quality. Because projects are completed by teams, one of the metrics of success is how delighted the teamwork was with their collaboration (Yim et al., 2015). Meeting specified goals and sticking to a budget are determined to be the most efficient; effectiveness, from the other side, is linked to satisfaction indicators (Dvir et al., 2012). Project performance can be measured by two components depending on this research: project efficiency and project effectiveness, also a Achieving time and budget goals is a key component of project effectiveness. Customer happiness and team engagement are two factors that determine the success of a project.

According to Nahm et al. (2018), revenue growth, return on equity, share of the market gain and total competitiveness were used to gauge an organization's performance. Dvir et al. (2006) utilized comparable project success criteria, including whether a project brought in a new product or service edge: Savings gains of projects, projects that result in revenue growth and overall profitability relative to the prior year are all internal organizational success indicators.

Organizational effectiveness in SMEs necessitates understanding of how strategy, structure, procedures, and project management methods interact (Filippov and Mooi,

2014). The majority of projects designed with a business viewpoint and purpose in mind are focused on improving results and organizational performance (Shenhar et al, 2016).

The demand for more effective means to realize organizational plans, as well as increasing pressure on project managers' competency, are main factors for a growing attention in project management practices.

2.1.3 Organizational Performance Measurement

Throughout this research, project success is an estimate for measuring organizational achievements in a flexible way by determining what project management approaches are appropriate for a certain firm. The overall organizational success will be determined by the accomplishment of particular project goals in terms of time, money, and quality. Chan and Chan (2004) used key performance metrics in their investigation towards the use of key performance indicators in project success assessment; Chan and Chan (2004) used key performance indicators (KPIs) in their study, thus farther exemplifying the efficiency towards the use of KPIs for project success assessment. The methods used to measure project effectiveness were influenced, among other things, by four primary areas. The areas selected reflect the measuring dimensions that were used.

2.2 Empirical Literature review

Project management and organizational performance has been the subject of several empirical researches. As a result, the most relevant empirical data from linked literatures are described as follows.

In West Java, Indonesia, Listiani & Kartini (2015) carried out an empirical study investigated the effects of project management on organizational performance. Performance management is monitored in three ways, according to the research: performance planning, performance measurement, and feeding it back. Monetary viewpoints, consumer perspectives, operational effectiveness, and continuous improvement perspectives are all used to assess organizational success. The results indicate that in the workplace, a project management system has an impact on an organization's performance.

The project management system, according to Kumar, Nirmala, and Mekoth (2015), is the most important system in the firm. The relationship between the project management system and the performance of the firm of manufacturing and service enterprises in India was investigated in this study. A questionnaire is used in this study to perform a survey. A statistical comparison of project management approaches and organizational performance reveals a link. This suggests that project management approaches like this support an organization's long-term growth. This relationship could also be investigated further, as it shows that in order to increase organizational performance; firms may need to rethink their entire project management system, thus to incorporate the main variables of practice of the company four objectives and research questions were thus set out in order to achieve the research aim.

The impact of project scope management on organizational performance was deemed considerable. Most of respondent agreed that addressing the influence of scope change within stated time, cost, and quality restrictions to fulfill project goals was the most important scope management approach, with a weighted mean of 4.65. Most respondents believed that the most important practice in budgetary control was guaranteeing that budget were estimated so that budgets could be prepared and approved cost management practices could be applied at proper levels all throughout the projects. The importance of project communication management to organizational success was typically regarded as moderate. But even so, many of respondent agreed that the communication of gathering, storing, retrieving, analyzing, and disseminating information by project staff and stakeholder within defined process and practices to aid in making decisions throughout the life cycle of the project is extremely important (mean of 4.9) for ambitious programs and thus improved organizational performance. Most respondents rated ensuring key risks and recommended adjustments were recognized and recorded as the most important project risk management activity, with an average score of 4.25. These findings are consistent with the research (Howell et al. 2010) reviewed, which indicates that identifying, analyzing, and controlling risks is critical to achieving successful project completion and better organizational performance.

2.3 Conceptual Framework

Then after the description of the theoretical framework is in place on the preceding chapters, a conceptual framework is established, with practices assumed to be the project management knowledge domains (PMI, 2008) as the independent variables. Evidently the construct of the conceptual framework is to describe the conceptual rationality and path of the research, thus employs primary concepts of project management practices and explain the significance of this researches concepts. This framework consists of four main components of knowledge: projects scope management, project risk management, projects cost management and projects communication management, as well as how such practices impact organizational performance as affected or dependent variable.

- **Projects scope management**: refers to the entirety of work that must be completed in order to deliver a product, service, or result with specified functions and features.
- **Project risk management**: is the identification, evaluation and prevention or mitigation of risks to a project that have the potential to impact the desired outcomes.
- **Projects cost management**: is a process by which estimating, allocating, and controlling of project costs is portrayed, thus encompasses the whole activities of spending across a project's life cycle
- **Projects communication management**: is a collection and integration of actives laid to cohesively transport ideas and information throughout the entirety of an organization.



Figure 1 Conceptual Framework (The researcher, 2022)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research Design

The booming industry of furniture production in our county and the prolific nature of the abundance of resources initiated the desire to investigate project management practices in this study. The research directly studied the variables of project practices which are project cost, scope, communication and risk management. Hence, the research on hand integrated the use of explanatory as well as descriptive research design. Commencing to the correlation of information from the works of the company was inevitable to lay the design of descriptive study, thus it was evident the study was enabled to specify the variables in practices.

3.2 The Research Method

The research method that the researcher employed in this research was descriptive method, Descriptive research is a type of quantitative research that involves finding descriptions of educational phenomena, concerned primarily with determining an answer for the question “what is” (Gall and Borg: 2003). It is helpful to show the way in which project management dimensions impact organizational performance. Respondents in the study area filled a questioner and that data was used as a main source of information to conduct the research. Quantitative approach was emphasized because investigating; the impact of project management practice on organizational performance could better be understood by primary data, in a formal, structured and constructed manner.

3.3 Data source

The Sources of data for this study are 35 managerial level employees found in Finfine Furniture Factory (3F) given that the study is elevated in constricting the variables of practice of the organization, it was prudent to select from the bodies of individuals directly in association with the implementation of the activities, then after the study employed the use of primary and secondary data sources.

3.4 Population and Target Population

Assuming that it was the intent of the research to investigate and put fourth finding in alliance with furniture and its project management practices, selection of the organization was made from its preceding reputation for its experience and overall market performance. The target populations of this research were all employees of the company under project management department. This gave the study the direction for selecting the right approach, since the amount of employees is small the research took the tool of non-representative population,

3.5 Sample Size and Sampling Procedure

The research employed census methods of sampling so all employees in project management department were sampled. A census is an attempt to gather information about every member of the population, **Census method** is the method of statistical enumeration where all members of the population are studied. A population refers to the set of all observations under concern. The research samples all 35 individuals from the project management division. The PM department is critical, and the sample was collected from it, that include project consultant, projects leader, and project participants who worked on specific projects.

3.6 Data Collection Instruments

Qualitative data collection instruments were used to further enhance and shape the authenticity of data, thus the study incorporated open-ended survey, observation and one-on-one interviews with the project managerial team with a questioner. The study used questioners to structure its study and enhance its findings to reliability, and given that questioners are anonymous, it helps to give employees or targeted respondents to give data freely without pressure and worry. Evidently this led to the collection of immense data to give the research its sharp assessment of the variables and there practices.

3.7 Data Collection Procedure

The procedures of data collection aid and abide the successes of the any research, it is the process by which a set of steps taken to conduct the collection of data for the use of constricting a researches best possible outcome, thus in this study census method of was used in order to set sample unit. Therefor questioners were despatcher to respondents and data was collected, through the proses of collecting the data the researcher took precautions not to confuse respondents by checking terminology and other concerns.

3.8 Data Analysis Technique

Given that it's eminent to employ the analysis of data from the respondents, tools of statistics were crucial in the analysis of data. The research commenced and entered into SPSS and analyzed. Frequencies, significance, Percentage, mean, standard deviation were used to describe mean value difference of variables. Since the research is going to use both descriptive and inferential statistics in the analysis process, descriptive analysis was chosen because of its simplicity and clarity. Therefore person correlation was used from inferential statistics. In addition, linear multiple regressions were also used as inferential statistics.

3.9 Validity and Reliability

A research cannot be buyable without the consideration of validity; the validity of this research can be attributed to the prissiness of the methodology in play. Considering the findings of this research provide unique and new dimension in the sector it's eminent to consider its reliability, thus to address the issue of validity questionnaires items were prepared and a pilot study was conducted. The research takes into consideration of the respondents comment on the questioner to construct and guide it consideration upraised questions to incorporate in the study to give reliability.

The research took proper precautions to avoid the obstacle of respondents not understanding the questions, thus the research made sample questioners to pretest and apprehend the biased and ambiguous questions. Also by clarifying the question to the respondents, the research gained a free and conducive communication which helped

in the data collection process immensely. Consistency of the results can be attributed to the similarity of findings to be put forth in comparable situations.

Variables	Number of items in the scale	Cronbach's Alpha value	
Project scope management	7	Reliability Statistics	
		Cronbach's Alpha	No. of Items
		0.833	7
Project cost management	9	Reliability Statistics	
		Cronbach's Alpha	No. of Items
		0.828	9
Project communication management	8	Reliability Statistics	
		Cronbach's Alpha	No. of Items
		0.879	8
Project risk management	8	Reliability Statistics	
		Cronbach's Alpha	No. of Items
		0.722	8
Organizational performance	5	Reliability Statistics	
		Cronbach's Alpha	No. of Items
		0.708	5

Table 2 Measurement of Reliability Analysis (The researcher, 2022)

3.10 Ethical Considerations

Drown from the prolific nature of academics researches of the past ethical consideration is empirical; this study was conducted under the recognition of the organization and the consent of its managerial body's. For The better construct of respondents, clarity to what the research was going to portray and provide was given. The protection of anonymity was also provided to the respondents so as they give free and clear information to help this research's successes, so as to the data collected the research kept true to the findings and provided clear and actual findings in an ethical manner.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

In this section, the findings of the study were analyzed, with an emphasis on the research question, which would be to test the influence of project management methods on organizational performance in Finfine furniture factory (3F). The research findings are reported by focusing on the four sections below, which aligned to the design of the research questioner: The first step was to determine how crucial it would be to link various practice of project management; the second step was to determine which project management practices had a substantial impact on organizational performance.

The first step was to determine how important it would be to link different project management procedures (practices); the next step was to identify project management methodology that have a crucial impact on organizational performance and the third step was to determine find out the impacts of the project time, cost, and quality on organizational performance; and at last, the effect of project management practices on organizational performance was about to be analyzed. The results were presented in form of tables and percentage distribution, with descriptive and inferential statistics utilized to show and interpret the results.

4.2 Response Rate

Out of 35 questioners distributed only 33 questionnaires were filled correctly returned. This shows a response rate of 94.3%.

Roles of Respondents	Frequency	Percent (%)
Project consultant	3	9.1
Project leader	11	33.3
Project team member	19	57.6
Total	33	100.0

Table 3 Respondents Composition (The researcher, 2022)

Based on table 3 there were 33 study participants consisting of three project consultants, eleven project leaders and the nineteen respondents were project team members, which represented 9.1%, 33.3% and 57.6% respectively of respondents.

4.3 General Information of the research participants

Experience level of the research participants was presented in table 4. It depicts that most of the respondents had worked between 6 and 10 years representing 48.5% of the respondents, and 39.4% of the respondents has 0-5 year of work experience. Three respondents have experience of 11-20 years and there was only one respondent who had work experience of above 20 years.

Experience Level	Frequency	Percent (%)
0-5 years	13	39.4
6-10 years	16	48.5
11 -20 years	3	9.1
More than 20 years	1	3.0
Total	33	100.0

Table 4 Years of Experience (The researcher, 2022)

Number of Projects the respondents participate	Frequency	Percent (%)
0-3 projects	4	12.1
4-7 projects	10	30.3
8-12 projects	17	51.5
More than 12 projects	2	6.1
Total	33	100.0

Table 5 Number of Projects the respondents participate (The researcher, 2022)

As depicted on table 5 majorities of the respondents (51.7%) work on 8-12 projects. On the other hand, 30.3% of the respondents had worked on 4-7 projects, While 12.1% of the respondents had worked on 0-3 projects. The remaining respondents work more than 12 projects.

4.4 Descriptive Analysis

The research attempted to explore the respondent's perceptions of the specified dependent and independent variables in this subtopic. As a result, the outcomes of the descriptive study were given and examined in this sub chapter after evaluating the data gathered from the questioners dispatched.

4.4.1 Importance of linking project management practices

The proportion of respondents ranking the level of relevance of linking diverse project management methods in order to achieve improved organizational performance was a topic of contention for question four, which generated an answer to the first research question. The importance scale went from 1 to 5, with 1 denoting no relevance and 5 denoting extreme importance.

Importance of linking project management practices	Rank	Frequency	Percent (%)
Not Important	1	1	3.0
Slightly Important	2	5	15.2
Average Importance	3	6	18.2
Important	4	15	45.5
Very Important	5	6	18.2
Total		33	100.0
Mean	3.606061		

Table 6 Importance of linking project management practices (The researcher, 2022)

According to table 6, 18.2% of respondents thought that linking project management methods was extremely significant. The respondents believed that connecting the different project management approaches for higher organizational performance was very significant, as evidenced by a grand mean score of 3.6.

4.4.2 Impact of project management practices on organizational performance

In this study four-project management practice areas namely scope management, cost management, communication management, and risk management were investigated to determine their relative importance to organizational performance for project success.

The first variable the researcher studied was project scope management with 7 determinants as explained in table 7.

Parameter of Project scope management	Mean	Standard Deviation
Project authorization confirmed with higher authority.	4.454545	0.711113
Identifying project objectives, deliverables, constraints and principal work activities.	4.030303	1.045372
Establishing designated measurable project benefits and outcomes to enable quantified evaluation of project performance	3.636364	1.194210
Developing scope management plans and implementing them to ensure clarity of understanding and ongoing management of project scope.	3.939394	0.933387
Managing the impact of scope change within established time, cost and quality constraints to meet project objectives.	4.325758	0.855782
Reviewing progress and the results recorded to assess the effectiveness of scope management procedures.	3.484848	1.372070
Ensuring scope management issues and recommended improvements are identified, documented and passed on to higher project authority for application in future projects.	3.151515	1.064225
Over All mean	3.860390	

Table 7 Project Scope Management Rating (The researcher, 2022)

According to table 7, respondents generally believed that project scope management is very important, as evidenced by the **overall mean** score of **3.86**. With a mean score of 4.454545, project authorization validated with higher authority was deemed the most significant criterion in scope management, followed by managing the impact of scope change within established time, cost and quality constraints to meet project

objectives deliverables, restrictions, and major work activities with a mean score of 4.030303.

The second variable the researcher studied was project cost management with 9 determinants as explained in table 8.

Parameter of Project Cost Management	Mean	Standard Deviation
Determining resource requirements for individual tasks to provide a basis for attributing expenditure.	4.375000	1.099853
Ensuring project costs are estimated to enable budgets to be developed and agreed cost management processes implemented at an appropriate level throughout the project life cycle.	4.626667	0.645497
Ensuring cost management plans are developed and implemented to ensure clarity of understanding and ongoing management of project finances.	3.393939	0.467834
Implementing agreed financial management procedures and processes to monitor actual expenditure and to control costs.	4.060606	0.788170
Selecting cost analysis methods and tools to identify cost variations evaluate options and recommend actions to higher project authority.	3.666667	1.216210
Implementing agreed actions, monitoring and modifying them, to maintain financial and overall project objectives, throughout the project life cycle.	4.636364	0.488504
Conducting activities to signify financial completion	3.909091	0.384353
Reviewing project outcomes to determine the effectiveness of cost Management processes and procedures	4.000000	0.450694
Ensuring cost management issues and recommended improvements are identified, documented and passed on to higher project authority for application in future projects	3.848485	0.364110
Over All mean	4.060606	

Table 8 Project Cost Management Rating (The researcher, 2022)

With an overall mean of **4.060606** from the findings, this indicated that project cost management is strongly significant in ensuring project success and corner stone for maximum organizational performance. The most important parameter was

implementing agreed actions, monitoring and modifying them, to maintain financial and overall project objectives, throughout the project life cycle with mean score of **4.060606**.

To assess the perception of the respondents towards project communication management, the researcher used eight parameters as shown on table 9.

Parameter of Project communication management	MEAN	Standard Deviation
Identifying Information requirements and ensure they are documented and analysed as the basis for communications planning.	3.575758	0.613917
Implementing the designated project management information system, structure and procedures to ensure the quality, validity, timeliness and integrity of information and communication.	3.636364	0.488504
Managing the generation, gathering, storage, retrieval, analysis and dissemination of information by project staff and stakeholders within established systems and procedures to aid decision-making processes throughout the project life cycle.	3.636364	0.603023
Ensuring designated information validation processes are monitored and controlled, and agreed modifications implemented to optimise quality and accuracy of data.	3.636364	0.603023
Implementing processes to promote continuous improvement of staff and overall project effectiveness.	3.787879	0.415149
Maintaining customer relationships within established guidelines to ensure clarity of understanding of objectives and to reduce conflict throughout the project life cycle.	3.818182	0.391675
Ensuring finalisation activities are conducted to ascertain agreed ownership of and responsibility for information	3.818182	0.391675
Ensuring project outcomes are reviewed to determine the effectiveness of management information and communications processes and procedures.	3.727273	0.516764
Over All Mean	3.704545	

Table 9 Project Communication Management Rating (The researcher, 2022)

As depicted on table 9, project communication management was also important with overall mean score of **3.704545**. The most significant determinant in communication

management was maintaining customer relationships within established guidelines to ensure clarity of understanding of objectives and to reduce conflict throughout the project life cycle. Also ensuring finalization activities to ascertain agreed ownership of and responsibility for information was most significant determinant in communication management.

To assess the perception of the respondents towards project risk management, the researcher used eight parameters as shown on table 10.

Parameter of Project risk management	MEAN	Standard Deviation
Identifying potential, perceived and actual risk events as the basis for risk management planning.	3.575758	0.662868
Using established risk management techniques and tools to analyse risk events, assess options and recommend preferred risk approaches.	3.606061	0.555619
Developing plans agreed with stakeholders and communicating to ensure clarity of understanding and ongoing management of risk factors.	3.636364	0.488504
Ensuring the project is managed in accordance with established project and risk management plans.	3.666667	0.478714
Monitoring progress against project plans to identify variances and recommend responses to higher project authority for remedial action.	3.696970	0.529437
Ensuring agreed risk responses are implemented and plans modified to reflect changing project objectives in an environment of uncertainty	3.606061	0.555619
Ensuring project outcomes are reviewed to determine effectiveness of risk management processes and procedures.	3.636364	0.488504
Ensuring risk issues and recommended improvements are identified and documented.	3.696970	0.529437
OVER ALL MEAN	3.640152	

Table 10 Project Communication Management Rating (The researcher, 2022)

As depicted on table 10 the findings shows that the research participants found risk management to be moderately significant as per over all mean score of **3.640152**. Based on the above data analysis the project management dimension that were found

to be the most important to come up with better organizational performance were project cost management followed by project scope management with over all mean of **4.060606** and **3.860390** respectively.

4.5 Inferential Statistics analysis

4.5.1 Correlation Analysis

A correlation is a well-known analysis tool for determining the strength or weakness of a link between two variables, as well as the direction in which the relationship moves (Almquist, 2006). The relationship's strength is expressed as a coefficient (Pearson's r), which can range from -1 to 1. This indicates that the coefficient can be positive or negative. The designations "negative" and "positive" simply refer to the direction of the relationship. The research used Pearson correlation analysis with SPSS to determine the impact of project management variables on organizational performance, so Pearson correlation analysis was also used to determine the relationship between project management variables and organizational performance, as shown on table 11.

First, the research reviewed the data to ensure that the assumptions behind the correlation analysis were met. If the data passes these assumptions, the study will invariably produce a legitimate result. Both variables should be continuous, according to the first assumption, since the variables are ratings (on a scale of 1 to 5), they can be considered as continuous variables. The second assumption was that no outlier should be used. This indicates that the data being studied should not have any extreme low or high values. There is no exceptionally high or low value in this study because all rating responses are between 1 and 5; the gap between the data is too narrow.

The correlation analysis output from SPSS of the dependent variable (organizational performance) and the four independent variables (project cost, scope, communication and risk management) is shown in Table 11. As it is stated earlier, the focus is on the Pearson Correlation row. The correlation between organizational performance and project management is perfect ($r=1$).

Correlations						
		SMMEAN	CMMEAN	COMMEAN	RMMEAN	OPMEAN
SMMEAN	Pearson Correlation	1	-0.497**	0.066	-0.268	0.557**
	Sig. (2-tailed)		0.003	0.717	0.132	0.001
	N	33	33	33	33	33
CMMEAN	Pearson Correlation	-0.497**	1	-0.134	-0.077	-0.289
	Sig. (2-tailed)	0.003		0.459	0.668	0.103
	N	33	33	33	33	33
COMMEAN	Pearson Correlation	0.066	-0.134	1	-0.504**	-0.117
	Sig. (2-tailed)	0.717	0.459		0.003	0.518
	N	33	33	33	33	33
RMMEAN	Pearson Correlation	-0.268	-0.077	-0.504**	1	0.055
	Sig. (2-tailed)	0.132	0.668	0.003		0.762
	N	33	33	33	33	33
OPMEAN	Pearson Correlation	0.557**	-0.289	-0.117	0.055	1
	Sig. (2-tailed)	0.001	0.103	0.518	0.762	
	N	33	33	33	33	33

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

Table 11 Correlation analysis (The researcher, 2022)

4.5.2 Regression Analysis

The relationship between the mean values of variables is measured using regression analysis. Despite the fact that there are many distinct types of regression analysis, this study used multiple linear regressions. There are multiple independent variables and a continuous dependent variable in multiple linear regression.

The study examined that the data being studied did not break any of the linear regression basic assumptions in advance to multiple linear regression analysis. The normality test is the first step before starting linear regression. The independent variables should be regularly distributed, according to the underlying premise of this test (they should be in line with the normal curve). The independent variables are distributed along a normal curve, as seen in the histogram in figure 4-0-1.

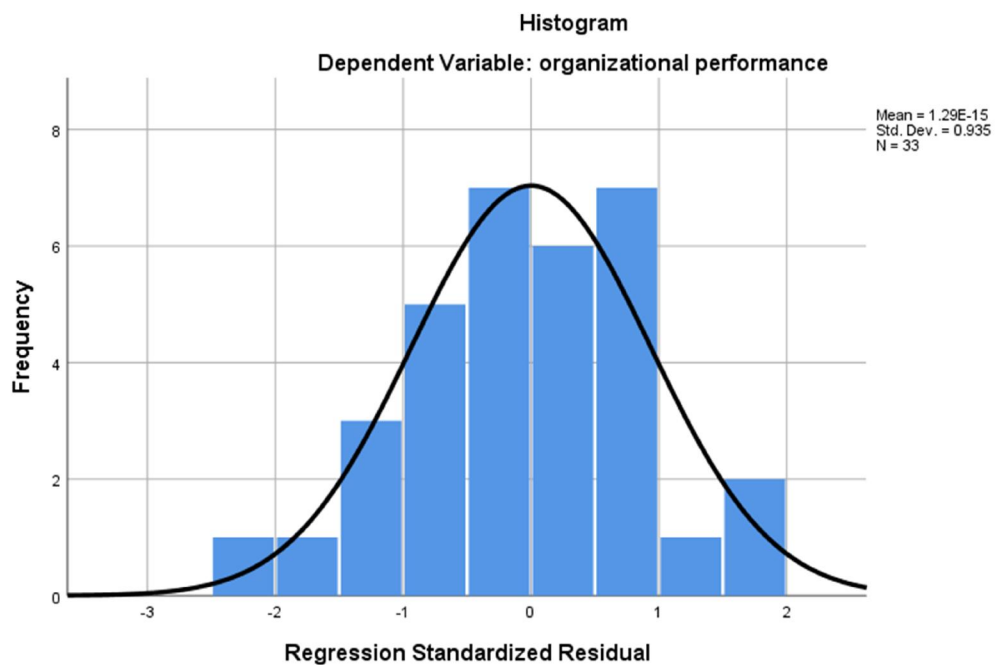


Figure 2 Normality test (The researcher, 2022)

Homogeneity of variables is the second assumption. This shows that the variance around the regression line should be constant in all values of the independent variables. This is an assumption that states a variation in the residuals (amount of error in the model) should be the same at every point of the model. The scatterplots shown in Figure 4.14 depict the assumption of homoscedasticity, the standardized values the study model would predict against the standardized residuals founded. As the

predicted values increase, the variation in the residuals was roughly similar. So the assumption of homoscedasticity has been met.

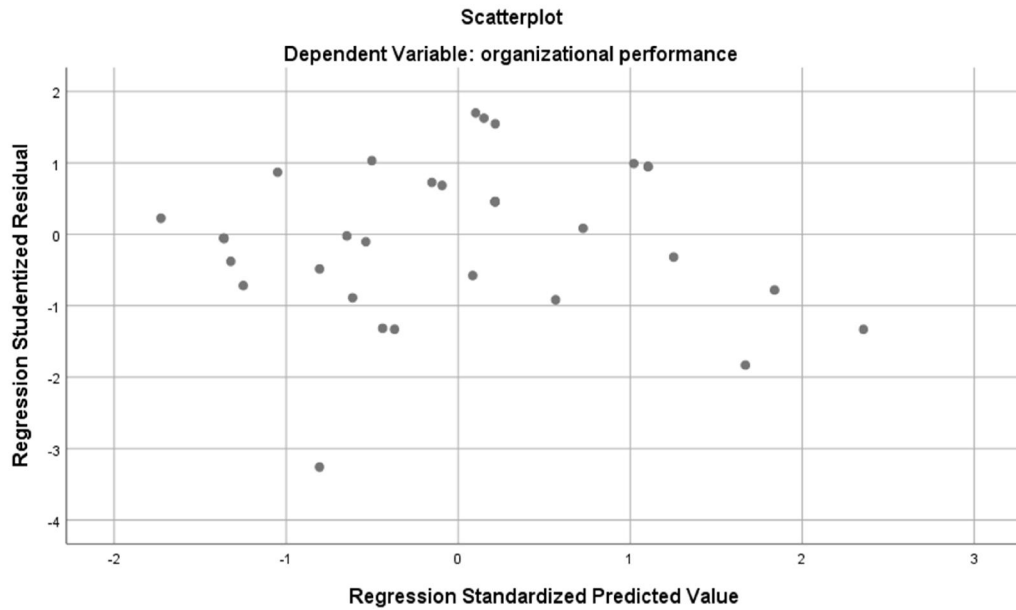


Figure 3 Homoscedasticity Test (The researcher, 2022)

The other assumption is that there should be no multi-collinearity in the data. One way of testing multi-collinearity is that the independent variables should not be highly correlated. That is a correlation of more than 0.8 could be problematic. However, $r=0.504$ is the highest correlation value holding the assumption of multi-collinearity.

The final assumption of multiple regressions is that the relationship between the independent and dependent variable can be characterized by a straight line. As shown in figure 4.15 the assumption of linearity is met.

Normal P-P Plot of Regression Standardized Residual

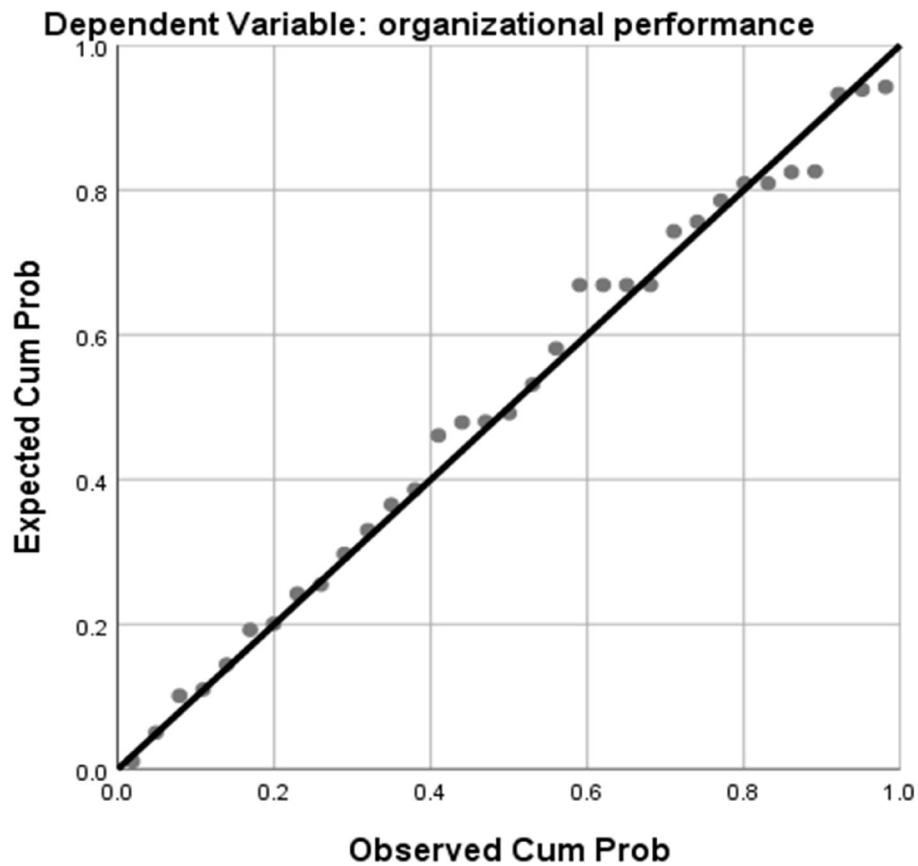


Figure 4 P-P plot (The researcher, 2022)

Looking at the regression analysis summary for the model and the column for adjusted R square, it is visible that how much of the variation in the dependent variable (organizational performance) is explained by the independent variables (project cost management, project scope management, project communication management and project risk management). Consequently, the independent factors account for 26.7% of the variance in organizational performance, While 73.3% of the variance in the dependent variable is explained by other undiscovered variables.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.599 ^a	.358	.267	.18872
a. Predictors: (Constant), project cost management, project scope management, project communication management and project risk management				
b. Dependent Variable: organizational performance				

Table 12 Model summary (The researcher, 2022)

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.279	1.157		1.969	.059
	scope management	.340	.103	.629	3.281	.003
	cost management	.019	.113	.032	.168	.868
	communication management	-.029	.100	-.053	-.290	.774
	risk management	.091	.089	.199	1.017	.318
a. Dependent Variable: organizational performance						

Table 13 Regression model summary (The researcher, 2022)

CHAPTER FIVE: CONCLUSION

5.1 Introduction

The manufacturing industry has been developing astoundingly in the past decade, thus has been the tool for achieving goals in modern society. As the world advances the furniture industry develops into a more complex exotic personification of lifestyle. The art of project management is a mixture of administration, planning, experience, analysis, people skills, leadership and a little bit of panache. The furniture industry in Ethiopia is under pressure to meet existing demands and changes, not merely because of the lack of substantial and adequate raw material supply, the research has tried to contemplate the effects of project management practice from several dimensions of project management scope. In this chapter the research will give conclusions, recommendation, findings and future areas that require farther intervention to attain an ultimate goal of perseverance and elevation of the sector.

5.2. Summary of Findings

Although projects have been managed throughout the evolvement of the world, the recent great uprising in technological development and significant changes in the manufacturing industry forced changes in the way projects are managed. Thus, this study contemplated the practices of project management variables in Finfine Furniture Company (3F) under the construct of scope, risk, cost and communication management to identify the pros and cons in furniture manufacturing projects management.

The following summaries are drawn on the bases of the findings of the data analysis effort:

- This research has suggested a framework to organize the managing of manufacturing of (furniture) project, and to achieve the long and short-term goals of the sectors maximum output, it provides a foundation for a successful management of projects.
- With respect to project scoop management, it's evident that Respondents generally believed that project scope management is very important, as evidenced by the

overall mean score of **3.86**. With a mean score of 4.454545, project authorization validated with higher authority was deemed the most significant criterion in scope management, followed by managing the impact of scope change within established time, cost and quality constraints to meet project objectives deliverables, restrictions, and major work activities with a mean score of 4.030303.

- With respect to the cost management practices, from the findings of the study respondents recognize the significance of cost management with an overall mean of **4.060606**, this indicated that project cost management is strongly significant in ensuring project success and corner stone for maximum organizational performance.
- Communication management was also important with overall mean score of **3.704545**. The most significant determinant in communication management was maintaining customer relationships within established guidelines to ensure clarity of understanding of objectives and to reduce conflict throughout the project life cycle, and also ensuring finalization activities to ascertain agreed ownership of and responsibility for information was most significant determinant in communication management.
- Findings also shows that the research participants found risk management to be moderately significant as per over all mean score of **3.640152**. Based on the above data analysis the project management dimension that were found to be the most important to come up with better organizational performance were project cost management followed by project scope management with over all mean of **4.060606** and **3.860390** respectively.
- This research was prepared to enhance the work of project managers to produce better work that is well-defined between the strategic and operational components towards the significance of organizational performance. This study was conducted using qualitative and quantitative research method. From the research findings, the study can conclude that Finfine Furniture Factory (3F) has been operating for more than five decades. However, project management theories and practices have not been given the amount of attention they require.
- The research made contemplations at project management from the multi-factor perspective and addresses the current situation by indicating the multiple directions of development as well as the broader application of project management methods, which have not been researched much in the furniture manufacturing sector, thus

Taking into consideration the results of the survey conducted as well as the results of other surveys, it is evident that it is high time for innovation in the field of project management in the field of manufacturing.

5.3 Conclusions

It is important to emphasize that the aim of this research was to shed light on the issues of project management practice under the variables of projects scope, cost, risk and communication management in Finfine Furniture Factory (3F) and to identify the positive significance in correlation to organizational performance, thus from the understanding of the study and survey conducted the significance is recognized, the research looked closely at the practices of the company under the paradigms of the employees to best understand the amount of work to be conducted to deliver a given product and specific functions.

- In scope management, Project authorization and validation with higher authority was deemed the most significant criterion followed by managing the impact of scope change within established time, cost and quality constraints to meet project objectives deliverables, restrictions, and major work activities.
- From the data collected, the study recognize the significance of cost management evidently, cost management is strongly significant in ensuring project success and the pillar for maximum organizational performance
- In communication management the most significant determinant was maintaining customer relationships within established guidelines to ensure clarity of understanding of objectives and to reduce conflict throughout the project life cycle, and also ensuring finalization activities to ascertain agreed ownership of and responsibility for information was most significant determinant in communication management.
- Risk management was found to be moderately significant, the project management dimension that were found to be the most important to come up with better organizational performance were project cost management followed by project scope management.

Based on the data analyzed the project management dimension that were found to be the most important to come up with better organizational performance were project

cost management followed by project scope management, and also the research merely portrayed Problems with the industry's infrastructure, such as the supply of materials, lack of training and inadequate communications, Project problems, including changes in instructions and designs, inaccurate information and problems concerning clients and stakeholders. From data collected it can be shown that it is in the assumption of the researches respondents that project scoop, cost, risk and communication management are significant and are related to the performance and success of the organization

5.4. Recommendations

Finfine furniture factory (3F) requires to review most of its existing management practices based on data obtained project scoop management is assumed as highly significant related to the other dimensions, farther more it is essential to incorporate new project management practices in order to change the old settings of the organization. Now in this technologically advanced and forever developing manufacturing industry, change is inevitable to happen, thus the necessary modifications must be made in order to benefit substantial; improved quality, improved response time and improved efficiency or productivity, thus this suggestions are forwarded on the basis of the findings of the study.

- The study indicated that risk management was recognized as the list significant variable, thus it is in the believe of the researcher that adequate PM training or courses should be conducted in the company, to increase the knowledge of risk management and further enhance the significance, also stakeholders should put forward new and improved project management practices to avoid potential failures of projects in the organization, new project management variables should be applied progressively under the organization especially in the lower stages of the company.
- Management staff should support the employee to resolve communication effectiveness for further developing the practices of new and ideal project management practices from the evolvment of perseverance. Furthermore, it is very important to take the workers of Finfine Furniture Factory (3F) opinions into consideration since they will be conducting the necessary changes and recommendations which are presented to them. Without the workers acceptance,

addressing these changes and recommendations is pointless. Moreover, it is also important to take into consideration that the company is in high competing business environments.

- The lack of previous documentation of the company's project management practices produced a huge gap, thus causing shortness of data available that could have been incorporated into the study, also study only focused on the extent of use of the most common PM practice that are used for project implementation in the company, thus it is the recommendation of the study that for future reference the company should document its practices and introduce new and up-to-date management practices.
- Manufacturing of furniture and its activity have a countless impact on the environment than other industries, its irreplaceable to apply sustainable development principles to its production practices, meanwhile there are few study's like this in our country, Thus it is important to conduct research similar as this one given that our country's underdevelopment to meet the standards of the world market, it is in the believe of the researcher that , with the incorporation of project management practices change for the better can be made, further more study's like this can be carried out in the same context by including other variables for project implementation that might have a significant effect on project success.

5.5. Suggestions for Future Study

Given that it's the nature of many research works, this particular study is also subjected to some limitations. First and for most, this study does not comprehensively capture all aspects project management practices as related to the furniture manufacturing, thus it has deviated in showing the affiliation from the conceptual angles of scoop, communication and risk management and has made emphasis in assessing project management activities of the company. The other limitation is that to have a holistic and integrated insight, it's prudent to have more other similar company perspective in order to consider it as an industry. Also the study lack the capacity to portray the unit of analysis which only used the project management related departments; the study was poorly conducted on the basis of the responses obtained from the employee of the company since it assumed only one perspective.

Reference

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APPENDIX I: QUESTIONNAIRE



ADDIS ABABA UNIVERSITY, SCHOOL OF GRADUATE STUDIES
SCHOOL OF COMMERCE, DEPARTMENT OF PROJECT MANAGEMENT

TO BE FILLED BY FINFINE FURNITURE
FACTORY STAFF _____

Addis Ababa University Postgraduate Program, School of Commerce
Department of Project Management

Dear Respondent:

I am currently pursuing my masters of Arts degree from Addis Ababa University under the study of project management Postgraduate Program, thus to completion of my graduate degree, this research is being conducted under the titled of “The effect of project management on organizational performance, the case of Finfinie Furniture factory (3f)”, therefore I humbly request your assistance to fill the questionnaire with honest regards, under the assurance the information provided will be treated with confidentiality, and will only be used for the purpose of the study. Your fair and impartial feedback will make this research a very successful one. If you need any clarification and information, you can use my e-mail mikegreen44421@gmail.com us well you my cell 0913692034. Your assistance is much obliged

- Please respond by ticking appropriate box (☐)
- Please tell us your suggestion if a blank space is available.

Part I. General Information and level of importance of linking various project management practices in order to realize greater organizational performance.

1. Gender

Male Female

2. Age

3. 18-25 25-35 35-45 more than 45

4. Which of the following best describe your role in Finfine furniture manufacturing factory (3F)?

Project consultant Project leader Project team member

5. Your work experience

0-5 6-10 11-20 More than 20

6. Total number of projects worked on in the last 5 years

0-3 4-7 8-12 more than 12

7. To what extent is it important to link project scope management, project cost management, project communication management and risk management to realize better organizational performance?

(1) = Not important (2) = slightly important (3) = Average importance
 (4) = Important (5) = Very Important

7. Do you understand and think that project management is a critical process?

(1) = Not important (2) = slightly important (3) = Average importance
 (4) = Important (5) = Very Important


8. Do you think Finfine furniture factory (3f) is effectively using the advantages of project management and do you think the organization is benefiting?


(1) = Not important (2) = slightly important (3) = Average importance
 (4) = Important (5) = Very Important

Part II: Ranking significance of project management practices to organizational performance.

Rate the range you agree or disagree on the issues of project management practices correlating with organizational performance, Use this scale of rating as:

- (1) = Not Significant
- (2) = Slightly Significant
- (3) = Moderately Significant
- (4) = Very Significant
- (5) = Exceedingly Significant and put a mark in front of each statement which you agreement on.

*	No	Particulars	1	2	3	4	5
Project Scope Management 	1	Project authorization confirmed with higher authority.					
	2	Identifying project objectives, deliverables, constraints and principal work activities.					
	3	Establishing designated measurable project benefits and outcomes to enable quantified evaluation of project performance.					
	4	Developing scope management plans and implementing them to ensure clarity of understanding and ongoing management of project scope.					

*	No	Particulars	1	2	3	4	5
	5	Managing the impact of scope change within established time, cost and quality constraints to meet project objectives.					
	6	Reviewing progress and the results recorded to assess the effectiveness of scope management procedures.					
	7.	Ensuring scope management issues and recommended improvements are identified, documented and passed on to higher project authority for application in future projects.					
Project Cost Management 	8	Determining resource requirements for individual tasks to provide a basis for attributing expenditure.					
	9	Ensuring project costs are estimated to enable budgets to be developed and agreed cost management processes implemented at an appropriate level throughout the project life cycle.					
	10	Ensuring cost management plans are developed and implemented to ensure clarity of understanding and ongoing management of project finances.					
	11	Implementing agreed financial management procedures and processes to monitor actual expenditure and to control costs.					
	12	Selecting cost analysis methods and tools to identify cost variations evaluate options and recommend actions to higher project authority.					
	13	Implementing agreed actions, monitoring and modifying them, to maintain financial and overall project objectives, throughout the project life cycle.					
	14	Conducting activities to signify financial completion.					
	15	Reviewing project outcomes to determine the effectiveness of cost management processes and procedures.					
	16	Ensuring cost management issues and recommended improvements are identified, documented and passed on to higher project authority for application in future projects.					

*	No	Particulars	1	2	3	4	5
Project Communication Management	17	Identifying Information requirements and ensure they are documented and analyzed as the basis communications planning					
	18	Implementing the designated project management information system, structure and procedures to ensure the quality, validity, timeliness and integrity of information and communication.					
	19	Managing the generation, gathering, storage, retrieval, analysis and dissemination of information by project staff and stakeholders within established systems and procedures to aid decision making processes throughout the project life cycle.					
	20	Ensuring designated information validation processes are monitored and controlled, and agreed modifications implemented to optimize quality and accuracy of data.					
	21	Implementing processes to promote continuous improvement of staff and overall project effectiveness					
	22	Maintaining customer relationships within established guidelines to ensure clarity of understanding of objectives and to reduce conflict throughout the project life cycle.					
	23	Ensuring finalization activities are conducted to ascertain agreed ownership of and responsibility for information.					
	24	Ensuring project outcomes are reviewed to determine the effectiveness of management information and communications processes and procedures.					
Project Risk Management	25	Identifying potential, perceived and actual risk events as the basis for risk management planning.					
	26	Using established risk management techniques and tools to analyze risk events, assess options and recommend preferred risk approaches.					
	27	Developing plans agreed with stakeholders and					

*	No	Particulars	1	2	3	4	5
		communicating to ensure clarity of understanding and ongoing management of risk factors.					
	28	Ensuring the project is managed in accordance with established project and risk management plans.					
	29	Monitoring progress against project plans to identify variances and recommend responses to higher project authority for remedial action.					
	30	Ensuring agreed risk responses are implemented and plans modified to reflect changing project objectives in an environment of uncertainty.					
	31	Ensuring project outcomes are reviewed to determine effectiveness of risk management processes and procedures.					
	32	Ensuring risk issues and recommended improvements are identified and documented.					
Part III: Analyzing the impact of project management practices on organizational performance							
<p>To what extent do you agree with the statement "engaging in project management practices increases organizational performance"? Please tick the appropriate answer (1) = Strongly disagree (2) = Disagree (3) = Neutral (4) = Agree (5) = Strongly agree</p>							
			1	2	3	4	5
1	Reduce project delivery costs and ensures increased profits.						
2	Higher degree of project successes increases the competitive advantage and market share.						
3	Better understanding of project requirement leading to motivated staff.						
4	Produce quality deliverables						
5	Provide customer advantage arising from meeting customer expectations.						

*	No	Particulars	1	2	3	4	5
<p>Please rank importance of the following project management practices on organizational performance of the selected projects. (1) = Not important (2) = Slightly important t (3) = Average importance (4) = Important (5) = Very Important</p>							
			1	2	3	4	5
Project risk management							
Projects scope management							
Project cost management							
Project communication management							