



ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

**Assessing Project Monitoring and Evaluation Practice of Abay
Bank: The Case of the Upgraded Core Banking System**

BY: MERON TESHOME

June, 2023

Addis Ababa, Ethiopia



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**Assessing Project Monitoring and Evaluation Practice of Abay Bank: The
Case of The Upgraded Core Banking System**

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

BY: MERON TESHOME

ADVISOR: Dr MENGISTU BOGALE

June, 2023

Addis Ababa, Ethiopia

APPROVED BY BOARD OF EXAMINERS

Members of the Board of Examiners agree that Meron Teshome Mebrate research project “Assessing Project Monitoring and Evaluation Practice of Abay Bank: The Case of The Upgraded Core Banking System” meets the requirements for the Master of Arts in Project Management degree and is acceptable in terms of the University's standards and regulations.

External Examiner

Signature

Date

Internal Examiner

Signature

Date

Advisor

Signature

Date

STATEMENT OF DECLARATION

I, Meron Teshome, hereby declare that this study, titled "Assessing Project Monitoring and Evaluation Practice of Abay Bank: The Case of The Upgraded Core Banking System" is my original work and has not been submitted for degree or other purposes at any university or other institution. I have conducted the study independently with the with the help and support of the research project advisor. I also confirm that all the sources of information used in this thesis have been appropriately cited.

Declared by: Meron Teshome Mebrate

Signature _____

LETTER OF CERTIFICATION

This is to certify that Meron Teshome has completed the project work entitled “Assessing Project Monitoring and Evaluation Practice of Abay Bank: The Case of The Upgraded Core Banking System” under my supervision for the partial fulfillment of the requirements for the award of Master of Art degree in Project Management. This project work is unique in nature and has not been submitted to any institution.

Mengistu B. (PhD),

Project work Advisor

Signature _____

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ABBREVIATIONS AND ACRONYMS

CBS Core Banking System

IT Information Technology

IBD International Banking Department

IFB Interest Free Banking

KPI Key Performance Indicator

M&E Monitoring and Evaluation

RACI Responsibility assignment matrix

SPSS Statistical Package for the Social Sciences

ABSTRACT

One of the components of effective project performance is typically the monitoring and evaluation of projects. It offers a framework for openness and accountability, evidence-based decision making, strategic alignment, and continuous improvement by methodically evaluating performance against targets and indicators. The main purpose of the study was to assess the project monitoring and evaluation (M&E) practice of Abay Bank, focusing on the case of the upgraded core banking system. The purpose is to identify M&E practice of the bank for the successful implementation of CBS and monitor and evaluate the upgraded core banking system. The research approach used in the study is descriptive. Quantitative and Qualitative Data collection methods were applied. Primary data for this study was gathered through surveys and interviews with relevant project stakeholders. The participants include Manager, project managers, supervisor, team leader, team member, and end-users of the upgraded core banking system. There were 112 total questioners distributed, 98 of which were correctly completed and returned for additional examination. Using SPSS, all 98 respondents were analysed. The secondary data is gathered from a variety of publications and literatures. According to the study, the bank conducts monitoring and evaluation tasks without a clear M&E plan document. Additionally, tools and procedures including observation, weekly reports, KPI, RACI matrices, and checklists were mainly used and M&E data are mainly used for core banking system improvement and enhancement. Furthermore, the analysis found that 90% of the upgraded core banking system has succeeded in achieving its stated objectives. The survey also found that the three is lack of dedicated M&E staff and no staff member has received M&E related training. The importance of project monitoring and evaluation is clarified by this study's overall findings, particularly in the context of the upgraded core banking system at Abay Bank. The conclusions suggest the bank to use a well-organized monitoring and evaluation plan, standard tools for M&E, a dedicated monitoring and evaluation department with staff, funding for M&E activities, staff training on M&E, regularly revised M&E tools.

Keywords: *M&E, CBS, checklists, Stakeholder, Abay Bank, Project*

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

The banking industry is an important industry and plays a crucial role in economic development. It has undergone a remarkable transformation worldwide due to rapid advancements in technology, faster communication facilities, increased availability of high computer power, and the widespread adoption of net and core banking (Subbiah & Jeyakumar, 2008). At the present, banks have centralized operations and are adopting core banking solutions that utilize network-based computing, alongside modern delivery channels that encompass networked ATMs, internet banking, smart cards, and other innovative products (George et al., 2009). Banking institutions are adopting the use of a core banking system (CBS) as technology advances. This back-end system is essential for improving transaction processing among several branches. The core banking system is crucial because it helps banks to meet customer and market demands and requirements in an efficient manner (TEAM FINEZZA, 2021).

The efficiency of banking operations will be closely tied to the rate at which technology is upgraded. Upgrading the core banking system to the latest version or migrating to a more advanced one presents an opportunity for banks to enhance the quality of services they provide to customers and expedite the processing of banking transactions, ultimately improving their operational efficiency (Inspirisys, 2021). However, it's not always clear to what extent that upgrading the system really do produce the desired results. It is crucial to build reliable monitoring and evaluation (M&E) procedures in order to guarantee the successful implementation and operation of a core banking system. These procedures are essential for ensuring the best system performance and the accomplishment of the bank's goals. Banks in both developed and developing countries are encouraged to establish monitoring and evaluation in order to improve the overall success of their core banking system (Mutuma, 2018).

Monitoring and evaluation are two distinct and related sets of activities within an organization. Despite their similarities, they have different functions. Throughout a project, monitoring entails the careful collection and analysis of information. Enhancing the project's and the organization's overall efficiency and effectiveness is its main goal (Shapiro, 2013). Evaluation is a thorough, impartial assessment of either finished or continuing activity.

Its goal is to evaluate how well the projects are achieving their goals and offering insightful information that will help in decision-making (UNDP, 2009). M&E is an important part of any project or program management process for assessing the effectiveness of project implementation, it involves tracking and measuring progress towards the achievement of objectives, identifying areas of improvement, and making informed decisions based on data analysis.

Throughout a project's lifecycle and after it is finished, monitoring and evaluation should be visible (Smith et al., 2011). Continuous monitoring and evaluation practice appear to considerably increase a project's chance of success in banks. In order to effectively manage human resources, time, cost, scope, risks, communication, and quality, monitoring and evaluation were essential (Mutuma, 2018). Numerous projects in developing countries often encounter failure in achieving successful completion for various reasons. One prominent factor contributing to this outcome is the inadequate recognition of the importance of monitoring and evaluation (Otieno, 2019a).

The adoption of core banking systems in Ethiopia has dramatically changed the way banking activities are carried out. Ethiopian financial institutions are currently undergoing significant transitions from their outdated legacy banking systems to modern systems capable of providing globally competitive services to their clients and increasing customer satisfaction. (Worede, 2016). One such institution is Abay Bank, one of the fastest-growing private banks in the country. Recently, Abay Bank upgraded its core banking system with the latest "Flexcube" software to enhance the bank's operations by resolving the service gap that exist in the operation of the bank, and improve customer satisfaction. However, the effectiveness of the upgrade in achieving its intended objectives and the M&E practices employed to monitor the core banking system remain unclear.

According to (UNDP, 2009) Without effective monitoring and evaluation, it becomes challenging to determine whether the desired outcomes are being met according to plan. Therefore, this study aims to assess the M&E practices of Abay Bank's upgraded core banking system. The study's findings are crucial in determining if Abay Bank is meeting its goals and objectives regarding the core banking system, revealing areas for improvement, and enhancing the bank's overall performance. Furthermore, it provides insights into the effectiveness of the upgrade and M&E practices used by Abay Bank. As monitoring and

evaluation knowledge is a public good (UNDP, 2009) this study is a valuable contribution to the body of knowledge on M&E practices within core banking system, primarily in Ethiopia.

1.2. Statement of Problem

Implementing project monitoring and evaluation practice is essential for promoting long-term improvement and enhancing the functionality of the upgraded core banking system. The study by (Abebe, 2021) showed that there is a direct correlation between monitoring and evaluation (M&E) practices and project performance. The effective implementation of M&E significantly influences and enhances the overall performance of a project. Monitoring and evaluation (M&E) in development operations gives leaders priceless information they can use to improve service delivery, learn from past experience, spend resources more wisely, and ultimately prove accountability to important stakeholders (World Bank, 2004).

Abay Bank has recently upgraded its core banking system to improve its operational efficiency and customer service standards. As a result of this upgrade, the Bank will have the opportunity to review the existing products and remove unnecessary products (if there are any) or merge some products with some parameter fine-tuning, and it will provide a better customer experience by introducing improved features, new products, and services. The bank's upgrade has a number of benefits, including increasing productivity by addressing loan provisioning, overdraft limitations, and overdraw on deposit accounts. To make sure that the upgrade is accomplishing its goals and contributing to the bank's overall success, it is unclear how the bank is monitoring and analyzing its performance. Furthermore, there is not much information on how effectively the bank monitors and evaluates its progress towards achieving its objectives, identifies areas for improvement, and makes decisions based on information.

Effective monitoring and evaluation play a vital role in ensuring the success of various projects. When carried out appropriately in the right context and timeframe, these practices offer project stakeholders insightful information and feedback. Unfortunately, even though many project developers are aware of these two, they often receive little priority, and as a result, they are completed simply to satisfy the requirements of the majority of funding agencies without any thought of using them as a mechanism to guarantee the success of the projects (Otieno, 2019a). Therefore, the problem is the absence of proper M&E practices to assess the efficiency of the upgraded core banking system, which may prevent the bank from fully realizing the advantages of the upgraded system. Without a reliable M&E procedure, the

bank may miss opportunities for improvement of the upgraded core banking system, the customer dissatisfaction could increase, and the bank's general success may be affected.

1.3. Research Question

- What M&E procedures are in place at Abay Bank to monitor the upgraded core banking system?
- How can the upgraded core banking system be monitored and evaluated to measure the level of user satisfaction with it?
- What M&E adjustments may Abay Bank make to more accurately assess the results of the upgraded core banking system?

1.4. Objective

1.4.1. General Objective

The general objective of this study is to assess the monitoring and evaluation (M&E) practice of the upgraded core banking system of Abay Bank to ensure that it is meeting its objectives and contributing to the overall success of the bank.

1.4.2. Specific Objectives

The specific objective of the study is

- To identify the M&E Practice that Abay Bank currently uses to keep track of the upgraded core banking system.
- To monitor and evaluate the upgraded core banking system and measure the level of user satisfaction with it.
- To identify and suggest specific adjustments that Abay Bank can make to its monitoring and evaluation (M&E) framework in order to measure the impact of the upgraded core banking system

1.5. Significance Of the Study

The primary goal of this study is to assess the upgraded core banking system's monitoring and evaluation practices. The study aims to provide insightful information regarding improving monitoring and evaluation (M&E) practice by examining the current M&E

practice's strengths and weakness. The study's findings will assist Abay Bank's management in better understanding the importance and effectiveness of M&E practices in improving overall performance, as well as guiding them on how to strengthen their M&E practices, allowing them to make more informed decisions about any potential system enhancements or improvements. Furthermore, the study looks for shortcomings in the upgraded core banking system and existing M&E procedures that could help Abay Bank in improving customer service.

The research findings have the potential to assist policymakers in developing laws and regulations that promote the implementation of effective monitoring and evaluation activities within the banking sector. The findings of this study have the potential to enhance awareness of monitoring and evaluation procedures within the banking industry. They can serve as a valuable guide for researchers interested in investigate deeper into M&E practices, ultimately fostering more effective and prosperous banking operations. The study's insights will encourage future investigations into monitoring and evaluation practices of other banks, particularly concerning their core banking systems. This will contribute to a more comprehensive and well-informed exploration of this subject matter.

1.6.Scope of the Study

This study focuses exclusively on assessing the monitoring and evaluation (M&E) practices of the upgraded core banking system of Abay Bank. The study will be conducted at the bank's headquarters located in Addis Ababa. Since the information technology department reside in the head office and all of the operation of the upgraded core banking system can be performed exclusively by the employees working at the head office of Abay Bank. Samples will be drawn from these individuals as they possess relevant knowledge and experience in operating the upgraded core banking system. The study excludes any operational aspects of the bank that are unrelated to the upgraded core banking system.

1.7. Limitation of the Study

The upgraded core banking system is the only area of focus for the study's monitoring and evaluation practices at Abay Bank. The results of the study are based on the thoughts and opinions shared by respondents, thereby there might be a possibility of interviewer or participant biases having an impact on the study's findings. Additionally, time constraints pose a limitation in conducting a more comprehensive analysis or exploring all possible research avenues for the project. Moreover, data availability is another constraint, as certain

information may not be readily accessible or may be restricted due to privacy or confidentiality considerations.

1.8.Organization of the Study

The study paper is divided into five chapters, the first chapter provides an overview of the study's background, problem statement, research question, objective, significance and scope of the study. The second section of this study comprises a conceptual definition and a summary of the literature, encompassing both theoretical and empirical Review. Chapter three focuses specifically on the research methodology and breaks it down into several components, including research design, target population, sample size and sampling procedures, data collection instruments, data collection procedures, and data analysis techniques. Chapter four presents and discusses the results, while the final chapter provides a summary of the findings, as well as the conclusions and recommendations that are drawn from the results and discussions.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1.Introduction

This chapter focuses on the M&E practices and core banking system overview. This chapter presents the concept of project monitoring and evaluation ,types of project monitoring and evaluation ,practices of M&E and also logical framework of monitoring and evaluation .It also outlines the dependent and independent variable, methods, tools, and techniques, Influence of Management on M&E Systems, Stakeholder engagement, Availability of resources and Training of staffs on M&E .In this chapter the conceptual framework and empirical review on M&E practices are also reviewed.

2.2.Theoretical Review

2.2.1. The Concept of Project Monitoring & Evaluation

2.2.1.1.Monitoring

Monitoring involves regularly assessing a project or programme in accordance with the projected completion date. When utilised effectively, it functions as a management tool that provides continuous feedback on how the project is being carried out. Monitoring is also essential for seeing possible obstacles and accomplishments, allowing for quick decisions and necessary adjustments. (Otieno, 2019b).Monitoring is a systematic collection of data based on pre-established indicators. Its goal is to offer management and stakeholders insightful information about the degree of development, attainment of predefined goals, and resource allocation in relation to an ongoing project. Monitoring operations allow projects to make sure they stay on course, follow the planned schedule, and stay within the budget allocated (Kusek & Rist, 2004).

Project monitoring is an essential part of the daily operations since it offers useful information that can be used by management to identify and address implementation problems. Management may track the progress of the project and make smart decisions to ensure a smooth execution by keeping careful monitoring on it.(European Commission Civil Society Fund In Ethiopia, 2017). Monitoring generates valuable data on the current status and progress of a policy, program, or project in relation to its goals and desired outcomes (Kusek & Rist, 2004). Monitoring is the regular gathering and analysis of data to track progress toward

predetermined goals and ensure compliance to guidelines. It supports trend and pattern identification, strategy adaptation, and decision making for project/programme management. (IFRC, 2011b).

When conducting monitoring, a variety of elements need to be taken into consideration, according to (UNISDR, 2015). The following things need to be considered

- Are the predetermined outputs being generated as efficiently and according to plan?
- What problems, challenges, and difficulties exist?
- What choices must be taken in regards to modifications to the work that has already been planned?
- Will the outputs remain applicable for achieving the intended outcomes?
- Are the results still useful and efficient for attaining objectives?
- What do we discover?

2.2.1.2.Evaluation

A project, programme, or policy is evaluated when it is systematically and objectively assessed, including its conception, implementation, and outcomes. Its goal is to evaluate the applicability and accomplishment of goals as well as the efficiency, significance, and sustainability of developmental aspects. The purpose of an evaluation is to deliver accurate and useful information so that both donors and receivers may use the lessons learned to their decision-making. (European Commission Civil Society Fund In Ethiopia, 2017). Evaluations involve identifying the outcomes of actions, considering them, and determining their value. Their research enables project/program managers, beneficiaries, partners, sponsors, and other project/program stakeholders to draw lessons from the experience and enhance subsequent actions. (IFRC, 2011b).

On the other side, evaluation reveals whether a project is reaching its goals and objectives or not. To establish whether a project has achieved (or is achieving) its aims, some evaluations are conducted. Others assess the project hypothesis' validity and its ability to satisfy the population's critical needs. (Smith et al., 2011). The goal of evaluation is to objectively and methodically examine the achievement of a goal and the progress made in that direction. In response to changing demands for evaluative knowledge and learning throughout the pursuit of an objective, it is a dynamic process that involves evaluations of varying dimensions and levels of scrutiny carried out at different periods in time. Evaluation is a continuous process

rather than a single occurrence. Every evaluation should be related to results rather than only concentrating on implementation or immediate outputs, including those focusing on relevance, effectiveness, and other variables (UNISDR, 2015).

2.2.2. Project Monitoring and Evaluation

Monitoring and evaluation is an effective tool for public administration that helps organisations and governments increase their efficiency in achieving goals (Wagner et al., 2005). Government representatives, development managers, and civil society have better ways to demonstrate results as part of accountability to key stakeholders by using monitoring and evaluation of development activities. These techniques involve acquiring knowledge from previous mistakes and enhancing service delivery, planning and allocating resources and also improving service delivery. M&E appears to be (and frequently is) a technical exercise that is created by and used by technical professionals and researchers. In fact, the M&E exercise's ultimate goal is to give decision makers relevant information, just like all numerical data of this kind. This is not always clear or simple to achieve, largely because implementing an effective M&E process may call for a team of experts who focus on technical issues that have little influence on more general policy concerns. Similar thing can be said when evaluating an issue's potential influence on the environment or on education utilizing ICTs. (World Bank, 2004).

Establishing an M&E system equips decision-makers with an invaluable management tool, as it provides performance feedback that serves as a solid foundation for future development endeavours (Görgens & Kusek, 2009). Effective project planning is fundamental to the efficiency of an M&E process, and an effective M&E process is an essential component of successful projects. (European Commission Civil Society Fund In Ethiopia, 2017). There are four connected components that make up a good M&E system.

- **Planning:** Identifying data to influence project design, maintain efficient operations, and meet external reporting needs. Then deciding on how to collect and evaluate this data in order to develop a plan for the M&E system.
- **Implementing:** Gathering and synthesizing information through both informal and formal means. Information is obtained from monitoring the results, effects, and impacts being realized as well as evaluating program procedures.

- **Participation:** Engaging project participants in a process of critical reflection is essential. Stakeholders involved in the project are encouraged to analyze and discuss the gathered information. This can occur through public forums or informal conversations, ensuring active involvement and input from all relevant parties.
- **Communication:** The results of monitoring and evaluation need to be effectively communicated to the intended users. This communication serves to enhance project planning and operations by incorporating the insights gained from M&E. It is the responsibility of senior management, supported by the M&E staff, to ensure this process. While some improvements may be noticeable immediately, in certain cases, more extensive discussions and negotiations may be necessary to implement the identified enhancements

M&E contributes to accountability and, as such, should be held accountable. This implies that the M&E process must be precise, dependable, and credible to stakeholders. As a result, bias is a key factor to consider when conducting M&E. Bias occurs when the accuracy and precision of a measurement are affected by the researcher's experience, views, and assumptions, or by the equipment and methodologies employed for measurement and analysis. Bias reduction aids in increasing accuracy and precision. Accuracy indicates that the data accurately measures what it is supposed to measure.(IFRC, 2002)

2.2.3. Role of M&E in Project Success

Even though organizations heavily depend on their projects, they can also be sources of worry. Projects can quickly become out of control, waste resources, and fail to meet deadlines if they are not properly evaluated and monitored. The evaluation and monitoring of programs are very important to ensure that they are successful. Active monitoring and evaluation of projects can help identify potential issues before they become more serious (evalcommunity, 2023).

Evaluation and monitoring are essential to ascertain the efficacy of initiatives or programs, as they help in measuring and evaluating progress, identifying bottlenecks, and formulating strategies that can yield desired outcomes. This process can help organizations identify areas of potential improvement and confirm their objectives' accomplishment. The evaluation and monitoring process is very important to any organization, as it can help guarantee that the resources are used properly and that the programs are being properly disseminated to the

intended audience. It can also provide valuable suggestions and perceptions that can be utilized to improve the services or efforts (evalcommunity, 2023).

According to (IFRC, 2011b) to effectively manage and hold people accountable for projects and programs, a robust M&E framework is essential. M&E offers up to date and accurate information to:

- Support project/program execution with trustworthy, factual reporting that directs management and decision-making to improve project performance.
- Add to organizational knowledge and learning: The organization as a whole can fully benefit from its integrated knowledge and capacities by reflecting on and contributing knowledge and experiences.
- Maintain responsibility as well as compliance by proving how well the task was carried out in line with the contract's terms, the industry's norms, and any additional requirements specified by the grantee.
- Create chances for stakeholders, particularly participants, to provide feedback on and perceptions of works, displaying receptivity to criticism, a desire to learn from mistakes, and an ability to adjust to changing needs.
- By highlighting accomplishments, increasing morale, and helping in facilitating the collection of resources, we may promote and celebrate our work.

2.2.4. Types of Project monitoring and evaluation

2.2.4.1.Types of project evaluation

There exist various types of evaluations that depend on the nature of the assessment and the evaluation's objective. The basic evaluation types can generally be categorized as either formative or summative evaluations (UNISDR, 2015).

- **Summative evaluation** is a final assessment to see if a bigger program target was achieved. This type of evaluation is frequently utilized for assessing a project's success, specifically by looking at whether the objectives have been met(OECD, 2022).
- **Formative evaluation** a review that is done while a project is being carried out in order to improve it. You can use a formative evaluation to assess your progress toward your goals, whether it is going as planned or needs improvement.(OECD,

2022). By examining the program or technology's delivery, effectiveness, and how the organizational context, personnel, procedures, inputs, and other elements are examined, they can strengthen or improve the subject of the evaluation.(UNISDR, 2015).

2.2.4.2.Types of project monitoring

There are multiple monitoring techniques commonly employed in project/program monitoring systems. (IFRC, 2011b). Here are the common types of monitoring,

- **Results monitoring** involves the continuous assessment of the effects and changes resulting from a project or program. This type of monitoring combines both monitoring and evaluation to determine if the project or program is progressing towards achieving the anticipated results, including outputs, outcomes, and impact. It also aims to identify any unintended effects, whether positive or negative, that may have emerged during the implementation process.
- **Activity monitoring** involves overseeing the utilization of resources and inputs, the progression of activities, and the achievement of outcomes. It focuses on assessing the effectiveness of task execution in terms of both time and resources.
- **Compliance monitoring** program is put in place to make sure that local laws, grant and contract requirements, ethical guidelines, and donor expectations are all followed. Its goal is to confirm that the project or program adheres to the stated standards and fulfils the requirements and expectations.
- **Context (situation) monitoring** focuses on keeping track of the project's or program's external environment. It entails maintaining a close eye on how the environment affects the recognized risks and presumptions, as well as any potential unforeseen problems. This sort of monitoring covers the project or program's operating political, institutional, financial, and policy environment in addition to the subject content.
- **Beneficiary monitoring:** is keeping track of the opinions of beneficiaries on a project or program. Their viewpoints, level of participation, resource accessibility, management of the project or program, and overall experience with change are all included. It frequently has a method for gathering feedback and suggestions from stakeholders. Diverse population groupings and the perspectives of both direct and indirect recipients must be taken into account.

- **Financial monitoring:** keeps track of how much money is spent on various expenditure categories, particularly those pertaining to inputs and activities.
- **Organizational monitoring:** Organizational monitoring focuses on assessing the capacity building, institutional growth, and sustainability of the program or initiative or its associated organizations.

2.2.5. Core Banking System Overview

Centralized Online Real-time Electronic Banking, often known as core banking, describes the services provided by networked branches that enable customers to conduct basic transactions and access their cash from anywhere. In a larger sense, it refers to the exchange, upgrading, and outsourcing of the basic banking system built into the collection of software tools for handling accounting operations and processing and posting transactions. Deposits and loans are the system's foundation. Banks utilize core banking applications to guarantee these transactions for their clients(Kreca & Barac, 2015).

It is a program banks use to control their most important operations, including risk management, transaction processing, and customer accounts. It serves as the brain of the bank and it is crucial for delivering a flawless customer experience and ensuring regulatory compliance. Any bank's operations depend heavily on its core banking systems. Banks can increase their effectiveness, lower their expenses, and give better Experience by selecting the best system and putting it into practice. The implementation of the core banking system is influenced by a number of variables, including cost, complexity, and integration(Hanna, 2023).

2.2.6. Monitoring and Evaluation Practice of CBS Implementation

According to (Mutuma, 2018), the use of evaluation and monitoring techniques is essential in the management of financial system projects. These tools provide banks with valuable information that can help them improve their operations and ensure accountability. The institution can utilize different approaches such as self-evaluation, independent evaluation and monitoring to evaluate and assess the project's progress.

In the Bank's operational planning process, the staff takes into account the insights provided by pertinent monitoring and evaluation reports. To ensure effective monitoring and evaluation (M&E), key elements such as defining milestones and a timeline for progress,

selecting appropriate indicators for outputs and outcomes, establishing a robust system for data collection, analysis, and reporting, monitoring ongoing progress, evaluating the relevance of activities, and creating a framework for utilizing M&E findings are all essential. These components are tailored to fit the scale and scope of the operational activities being undertaken. By incorporating these elements, the Bank can enhance its M&E practices and make informed decisions based on the findings (World Bank, 2014).

It is important that the scope and purpose of the monitoring and evaluation procedures are clearly defined in order to effectively implement core banking system projects. In Africa, banks have adopted systems for this purpose. These are designed to ensure that the programs and initiatives are carried out successfully. These banks aim to improve their decision-making processes and maximise the beneficial effects of their initiatives by building and putting into place reliable M&E systems (Mutuma, 2018).

2.2.7. Logical Framework of Monitoring and Evaluation

The LogFrame, often referred to as the logical framework, is essential for defining the goals of projects, initiatives, or policies. It assists in establishing the causal relationships between the program's inputs, procedures, outputs, outcomes, and effect, collectively referred to as the results chain. The LogFrame helps identify potential barriers that can prevent goal achievement and establish performance indicators at each link in the chain. It is also a useful tool for including partners in the definition of the goal and the design of the activity. The LogFrame is a useful tool for tracking development, analyzing performance, and taking corrective action when required (World Bank, 2004).

The operational structure of a project or programme is outlined in a table(matric) known as the logical framework, or LogFrame. It describes the logical progression of objectives required to carry out the project's or program's desired outcome. The LogFrame includes any significant assessments or judgements related to these goals, together with the signs and techniques used to verify their accomplishment(IFRC, 2011b).The logical framework approach provides a structure for logical thinking in project design, implementation and monitoring and evaluation(James, 2016).

2.2.8. Factors Affecting M & E

2.2.8.1.Methods, tools, and Techniques used in M & E

M&E encompasses a wide range of tools, methods, and approaches that vary based on the specific requirements including various data collection techniques, analytical frameworks, and assessment and review types. M&E tools encompass performance indicators, the logical framework approach, theory-based evaluation, formal surveys, rapid appraisal techniques, cost-benefit and cost-effectiveness analyses, public expenditure tracking surveys, impact evaluation, and participatory approaches. These tools collectively contribute to effective monitoring and evaluation practices (World Bank, 2004).

According to (Barasa, 2014), Employing monitoring and evaluation (M&E) tools effectively may significantly improve a project's chance of success. In order to get reliable progress data, it is necessary to use the appropriate M&E methodology, methods, tools, and procedures. This information can then be compared to current success indicators to assist in making informed project delivery decisions.(Academic library, 2014).

Project selection and risk management tools and techniques, project initiation tools and techniques, project management planning tools and techniques, project management executing tools and techniques, and project management monitoring and controlling tools and techniques are just a few of the tools and techniques used to help project managers plan and control project activities(James, 2016).Different techniques and approaches are used by M&E systems, some of these are either complementary to one another or can be used in place of one another, while others are either broad or limited (World Bank, 2002).

2.2.8.2. Influence of Management on M & E

IT project deployment requires careful monitoring and evaluation to be effective. The management must be involved for monitoring and evaluation to be effective. By encouraging team members to participate, providing feedback on the project's status, and enhancing control over project status, management participation in M&E activities increases the project's success. The successful completion of IT projects is made possible by all of this activity (Mutuma, 2018).The management is in charge of making choices and project strategic. Additionally, it oversees the M&E systems through the tracking of metrics, the creation of quarterly project reports, and annual strategic reports(IFRC, 2011b).

The support given by management is crucial to the success of project management because it offers insightful information about project delivery, directs the process in the appropriate direction, and inspires all project teams to actively participate in project completion. The

project team values management's support since they are aware of the importance of project performance and the consequences of project failure. The success and morale of the project team depend on management's visible support.(Bickman, 2007).Active Management participation improves project comprehension and increases the validity of the review process. The evaluation results will be more widely accepted if reliability is increased. Key stakeholders should be actively and creatively involved in a strong results management process. Beneficiaries are encouraged to plan and produce desired results by being in line with project objectives. A thorough monitoring and evaluation framework is established by management in order to track progress and use data to boost performance (Lipsey, 2011).

The success of the project is highly affected by the support provided by the management (WorldBank, 2011) .Participation of management in M&E activities had numerous advantages. It offers the resources and funding required for efficient monitoring and evaluation, as well as it provides them to make informed decisions since they know project status and inspiring other team members to participate actively in it (Chaplowe, 2008).

2.2.8.3. Stakeholder engagement on M & E

Stakeholder participation is another aspect that influences monitoring and evaluation activities. Stakeholders must be included by companies at every stage of monitoring and evaluation activities. Stakeholder participation in the planning, execution, and analysis of M&E activities helps improve their understanding of the project success factor, polices and initiatives of the companies. Therefore, good stakeholder participation in the monitoring and evaluation process offers diverse input on the implementation and discovery of the M&E outcomes. Stakeholder involvement in monitoring and evaluations has a variety of benefits. One advantage is that they have a strong understanding of how the data should be gathered and processed because they are familiar with the project. Another advantage is that it improves stakeholder satisfaction, transparency, and project accountability. A further benefit is that since all parties participating in the project are involved, informed decisions can be made. Additionally, it helps companies in creating preventative measures that help to deal with problems that might affect the completion of the project (evalcommunity, 2003).

By including stakeholders in appropriate monitoring actions and evaluation procedures, participatory development is encouraged. Stakeholders are responsible for knowing about the project's status, any improvements that need to be made for it to be it to be completed successfully, its results, any findings from monitoring and evaluation activities, and any

lessons learned from participating in the project (UNDP & OESP, 1997). A useful technique for achieving diverse communication goals is effective stakeholder participation in monitoring and evaluation of projects. Active stakeholder involvement helps to ensure that the project's output is approved by the necessary stakeholders. Engaging pertinent stakeholders in the project enables learning from experience, gaining insightful knowledge, and ensuring the project's sustainability over time (UNDP, 2009).

One of the most frequent causes of initiatives and programs failing is a lack of proper stakeholder participation. The planning, monitoring, and evaluation procedures should therefore make every effort to support broad and active stakeholder participation.(UNDP, 2009). Therefore, it is imperative to make every effort to promote widespread and active stakeholder participation in the processes of planning, monitoring, and assessment. This is especially true at times of crisis when people may feel more vulnerable and secure, and there may be tensions and factions present. In these circumstances, the planning process should aim to involve as many stakeholders as possible and opportunities should be created for the different parties to obtain each other's perspectives in an open and impartial manner(UNDP, 2009).

Involving stakeholders in project monitoring and evaluation helps ensure that all parties involved have an improved understanding of the project's purpose and objective as well as its progress. Stakeholder attitudes, dedication, and communication skills have a significant impact on the effectiveness of the M&E process. Stakeholders must be involved in the design process in order for them to contribute to the project and realize the project is truly in their best interest without feeling alienated and frustrated. (IFAD, 2002).

2.2.8.4. Availability of resources for M & E

Lack of resources to carry out M&E operations is one aspect that affects monitoring and evaluation. Allocating the appropriate funds and resources during the planning stage of monitoring and evaluation helps to have efficient and successful monitoring and evaluation activities. Setting the financial resource is one of many aspects that must be taken into account throughout the planning stage. It is challenging to carry out efficient monitoring and evaluation activities without adequate financial resources. another factor to take into account during the planning stage is Resources, which include tools and committed human resources for having successful monitoring and evaluation activities, in order to provide high-quality

results, it is necessary to have dedicated workers and experienced human resources (UNDP, 2009).

A dedicated human resource for M&E activities helps the project get a positive outcome. Companies need human strategies to successfully perform monitoring and evaluation activities. Companies gain from having a good workforce in terms of both quality and quantity.(WorldBank, 2011). It is advisable that organizations establish a distinct budget for the costs involved with monitoring and conducting evaluations rather than classifying them as part of the organization's overhead expenses, such as organizational development or administrative expenditures. This enables the allocation of sufficient resources for monitoring and evaluation. (IFRC, 2011b).

2.2.8.5. Training of staffs on M & E

For developing projects, monitoring and assessment are essential. The M&E process needs to be better understood by individuals who are working on projects. It allows project staff members to effectively assess and monitor their work, which helps them to improve their work and keep track of the project's development. Therefore, providing staff members training in monitoring and evaluation will assist them understand and carry out M&E tasks (Nabris, 2002). It can be challenging to put forth a lot of effort and maintain consistency when training staff members, but it is worthwhile because it increases a better understanding of M&E, improves current monitoring and evaluation activities while projects are being implemented and builds greater acceptance of M&E findings (Chaplowe, 2008).

Having employees with a superior understanding and technical skill related monitoring and evaluation activities is one of the components to have successful monitoring and evaluation (M&E) practices(UNDP, 2009). It is important to improve employee knowledge of project management, M&E procedures, and research by providing training for the successful implementation of monitoring and evaluation activities (Nabris, 2002).

It is crucial to outline any M&E training requirements once roles and duties have been established. It may be helpful to construct an M&E training schedule (planning table), defining major training sessions, their schedule, location, participants, and allocated budget, for longer-term projects/programmes or those with large training demands. Formal or informal M&E training is available. On-the-job mentoring and feedback, such as commenting on a report or instruction on how to use data management tools, are all examples of informal

training. Courses and workshops on project/programme design (logframes), M&E planning, data gathering, management, analysis, and reporting, etc. are examples of formal training. Formal training should be adapted to the needs and target audience of the project or program(IFRC, 2011b). Providing practical training on monitoring and evaluation helps to build the interaction and administration of monitoring and evaluation activities. The trainer should be more knowledgeable about M&E before delivering training on monitoring and evaluation activities. Next, make sure the group is aware of any linkages between the project theory of change and the results framework, as well as any associated indicators (Rossi, 2012).

M&E training includes subjects that help implementers and data collectors understand crucial elements which includes the intended recipients of the information, the expected uses of the information, and the justification for the techniques of data collecting that were selected. All participants in the M&E system must have a thorough understanding of the guiding principles and how they apply to their particular roles and duties. This is especially important for those who are in charge of collecting and exchanging data(UPWARD, 2011).

Training staff members on monitoring and evaluation tools, methods, and methodologies as well as the skills they need to have in order to track and measure the project's progress offers a variety of advantages. One advantage is that it improves the reliability of the data derived from the project's progress and results (Phiri, 2015).

2.3. Empirical Review

The incorporation of monitoring and evaluation (M&E) procedures has emerged as a crucial determinant for success of project implementation. In order to ensure the effectiveness of core banking system activities, commercial banks should adopt M&E procedures. The successful implementation of tasks related to the core banking system is heavily influenced by leadership, communication, planning, and the development of monitoring and evaluation capabilities. Enhancing capacity through relevant experience, training, and continuous learning contributes to the improvement of monitoring and evaluation outcomes.(Mutuma, 2018).

Project/program results can be efficiently measured at different levels, including impact, outcome, output, process, and input, by putting monitoring and assessment mechanisms in place. This measurement helps in decision-making at the programme and policy levels and

establishes accountability(Kihuha, 2018).Monitoring involves closely observing and overseeing the progress of a project during its execution, while evaluation involves assessing how effectively the project is achieving its objectives. Consequently, monitoring and evaluation are essential for evaluating project performance and making improvements. They provide the means to assess the project's progress and identify areas where enhancements can be implemented to enhance performance(Phiri, 2015).

The study conducted by (Asefa,R 2020) makes it clear that project cycle management's role in monitoring and evaluation has an important impact on the performance of digital banking projects. Additionally, the strengthening of the monitoring and evaluation function plays a vital role in enhancing accountability mechanisms. Moreover, the monitoring and evaluation team's expertise and competency also contribute to the overall success of these projects.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

This chapter explains the research methodology used for this study. It outlines the procedures that were used to carry out this study. This chapter also covers research design and approach, Data Collection techniques and Methods, sample size, and Data analysis and presentation methods have been reviewed.

3.2. Research Design

For this study, a descriptive research approach was used since it allowed the researcher to explain the Monitoring and Evaluation practices in relation to upgraded core banking system project. This method is suitable for the study since it helps in describing and defining a topic, frequently by developing a profile of a set of problems as they actually exist without manipulating variables, which is the study's main objective (Schindler, 2003).

Descriptive research methodologies have been used to obtain data systematically from the people through questionnaires and interviews in order to respond to questions about assessing the M&E practices of the upgraded core banking system at Abay Bank. Senior and middle managers, directors, and members of the project team were consulted for relevant data and information.

3.3. Research Approach

In this study, Mixed methods research approach was applied to support triangulation and validity in data collection. Mixed methods research is a type of research that integrates quantitative and qualitative research procedures, methods, approaches, concepts, or language into single research. (Johnson & Onwuegbuzie, 2004). Mixed methods researchers look to many approaches to collecting and analyzing data rather than subscribing to only one way, using both quantitative and qualitative data to provide the best understanding of a research problem. mixed methods research can be very helpful in recognizing any research in depth(Creswell, 2003).

In order to gather primary and secondary data for the study, both quantitative and qualitative methodologies were used. The upgraded core banking system's monitoring and evaluation

practices were assessed using interview, observation, and document analysis processes. To achieve the goal of the research and to triangulate data from various perspectives regarding the research problem, primary and secondary data are analyzed and described on a larger scale. These data sources include the bank's project charter, test cases, Response to Requirement document, and others.

3.4. Type and Source of Data

For the study, the researcher used both primary and secondary data sources. Interviews and questionnaires will be used to gather primary data. The questionnaire includes, open and closed ended questionnaires. the project team members, directors, senior and middle managers are among the main sources.

The researcher has gathered crucial information from secondary sources because secondary data are just as vital as main data. For the research, secondary data were gathered from a variety of sources, including books, websites, earlier research projects, articles, banks project charter and other published and unpublished materials.

3.5. Population of the Study

A population is a large group of individuals on whom research was conducted and conclusions is drawn. According to (Saunders et al., 2012)The population's members must adhere to predetermined guidelines.

The target populations for this study during the data collection period are employees at the head quarter of Abay bank. These target populations are employees from the department Division of Application and Infrastructure, E-Banking, Digital Banking, MIS, Credit Department, International banking Department, Finance & Accounts Directorate, Internal Audit, IFB.

3.6. Sample Size and Sampling Techniques

3.6.1. Sample Size

According to (Jankowicz, 1995), sampling is the deliberate selection of a group of individuals; the sample provides information from which inferences can be made about a larger portion of the population, that those people are meant to represent. This allows the

research to be conducted in an economically feasible manner by sampling part of the population, enabling it to be completed within a limited time frame.

As a result, the researcher estimated the representative sample of banks using the sample size determination formula below. The sample size is determined based on the following formula (Yamane, 1967).

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

Where,

n → is number of respondent employee

N → is the population size

e → is level of precision or sampling error e=0.05

$$n = \frac{160}{1 + 160 (0.05)^2}$$

$$n = 112$$

Therefore, the total sample size obtained using the above formula is approximately 112.

3.6.2. Sampling procedure

The sample size was selected using the Yamane's formula. The study thereafter adopted stratified random and simple random sampling techniques in the selection of respondents. The majority of the target population for the questionnaire was selected using a simple random technique. The target population was structured into homogenous units and this required comparison between various sub-groups. However, a stratified random sample strategy was found suitable for the interview's purposes. This method made it possible to group respondents according to management levels, guaranteeing that respondents from a variety of backgrounds were represented.

3.7. Method and Tools of Data Collection

In this study, a questionnaire and interview were used as the data gathering tool. Both closed-ended and open-ended questions were included in the questionnaires. The benefit of using questionnaires is that they are adaptable, capable of gathering in-depth knowledge from the respondents, and they also encourage cooperation from the respondents. questionnaires are affordable and simple to Analyze.

3.8. Procedure of Data Collection

The selection of techniques by the researcher was driven by the aim to collect relevant data in a time and cost-effective manner. Questionnaires were initially chosen, but interviews were considered when respondents encountered difficulties in interpreting the questions and to learn more about the study. The questionnaire's final beneficiaries were employees from various departments of Abay Bank, including IT, Digital Banking, Credit, IBD, Finance, Internal Audit, and IFB.

A questionnaire with a five-point Likert scale and open-ended question was given to the respondents for the study. A five-point Likert scale questionnaire was adopted to reduce ambiguity during the questionnaire completion procedure and to make it simpler for the researcher to conduct analysis once the questionnaires had been returned (Rahi, 2017).The questionnaire was created using a variety of sources and afterwards modified to fit the goals of the study. A variety sources have been used to build the questionnaire, and afterwards modified in accordance with the objectives of the research.

3.9. Data Analysis and Presentation

Data collected through questionnaires and interviews were evaluated based on the responses from the questionnaire and each response was administered by applying basic frequency arrangement with the help of suitable software program SPSS (Statistical Packages for Social Science) version 27. After that, it underwent an intensive statistical analysis. The researcher calculated the distribution of frequencies, percentage distribution, and mean using descriptive analysis, which also allowed for easier interpretation of the raw data.

The data were presented in summary tables. The quantitative data was also examined using the mean and standard deviation. In terms of the qualitative component, the researcher translated the data into English and transcribing it. Thematic analysis and interpretation were used to manually analyze it.

3.10. Validity and Reliability

3.10.1. Validity

The degree to which we measure what we want to measure (and what we believe we are measuring) is known as validity. The degree of our conclusions, implications, or assertions validity is demonstrated. Whether the findings are actually about what they seem to be is what validity is all about. According to (Saunders et al., 2012), “Validity is defined as the degree to which data collection method(s) accurately measure what they were intended to measure”.

3.10.2. Reliability

According to (Wei et al., 2018) Reliability, demonstrates how bias-free it is, ensuring consistent measurement across time, or, put another way, the level of uniformity of the data produced from repeated measurements. and all the different parts in the instrument. It is focused on questions of consistency and stability, specifically if the same measurement tools consistently yield stable and reliable data. Consistency is fundamentally what reliability is about (Adams, 2007) .The quality of the data was measured, assessed, and ensured for this reason using the proper methodologies. Reliability is described as "the extent to which the data collection techniques or analysis procedures will yield consistent findings" (Saunders et al., 2012).

The acceptable range for reliability is above 0.70. The desired value is 0.80 or higher. Higher is preferable(Cortina, 1993). Since the study's reliability coefficient was 0.968, which is higher than 0.7, the instruments were considered to be reliable.

Table 3. 1 Reliability result for the sample

Case Processing Summary

Cases		N	%
	Valid	98	100.0
	Excluded	0	.0
	Total	98	100.0

Reliability Statistics

Cronbach's Alpha	N of Items
0.968	37

3.11. Ethical Consideration

Ethics-related concerns about participant privacy and confidentiality were addressed in this study. The organizations' consent was gotten prior to the data gathering. Respondents were informed of the study's goal and benefits, as well as their full right to accept or decline participation, throughout the distribution of the questionnaire. To protect the respect, dignity, and freedom of each participant in the study as well as to preserve its anonymity, the respondents were given full reign to respond to the questionnaire. Furthermore, participants were aware that any information they provided about their organization would be kept private and would not be shared with anyone else, including any employees. Each company's data was analyzed in its original form, without any prefabrication, falsification, or change. To avoid carelessness and errors, the study work was carefully and critically reviewed. All support, other people's cooperation, and the information's original sources were acknowledged.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSIONS

4.1.Introduction

This chapter presents the data analysis of the study on the Assessing M&E practices on the upgrading of core banking system at Abay Bank. The chapter examines the data on: General Respondent Information, the bank's monitoring and evaluation practices, M&E data and utilization, stakeholder involvement in M&E, management influence on M&E, M&E of the upgraded core banking system and competency of staff on M&E and training.

4.2.Response Rates

For this study, 112 employees of Abay Bank Head Quarter participated as respondents in this survey. A total of 98 of the 112 questionnaires were properly completed and returned, yielding an 87.5% response rate. Although interview have been done for those Directories of IT and managers. A higher response rate is preferred, according to (Baruch, 1999), because it demonstrates the accuracy and reliability of the findings. The response rate in research on business and management, according to (Baruch & Holtom, 2008), can range from 50% to 80%, with an overall average of 55.6% (Baruch, 1999).

4.3.General information about the Respondents

The study required general information on the respondents in order to increase the validity of the data collected. The results are related to general demographic data of the respondents, including gender, age, level of education, work experience, and Department.

4.3.1. Distribution of Respondents by Gender

Table 4. 1 Gender of the respondents

Gender	Frequency	Percentage
Male	60	61.2
Female	38	38.8
Total	98	100

According to the study, the majority of respondents 61.2% were men and 38.8% were women.

4.3.2. Distribution of Respondents by Age

Table 4. 2 Age of the respondents

Age Range	Frequency	Percentage
20-30 years	61	62.2
31-40 years	35	35.7
41-50 years	2	2.0
above 50 years	0	0
Total	98	100

The findings show that 2% of respondents were between the ages of 41 and 50, 35% between the ages of 31 and 40, 60% between the ages of 20 and 30, and there were no participants aged 50 and above among the respondents. This indicates that the respondents who took part in the questionnaire are above the age of 20 and below 50.

4.3.3. Distribution of Respondents by Educational Level

Table 4. 3 Educational Level of the respondents

Level of Education	Frequency	Percentage
Doctorate degree	0	0
Master's Degree	23	23.5
First University degree	75	76.5
Total	98	100.0

The findings indicate that 76.5% of respondents which is the majority of the respondent had achieved their first university degree. 23.5% of respondents indicated they had finished their postgraduate studies, however there was no response from anyone who had finished a doctorate.

4.3.4. Respondents' Distribution by Work Experience

Table 4. 4 work Experience of the respondent

Work Experience	Frequency	Percentage
0-3	20	20.4
4-7	46	46.9
8-11	25	25.5
Above 12	7	7.1
Total	98	100.0

According to the study, 20% of respondents had experience between zero and three, 46.9% had experience between four and seven, 25.5% had experience between eight and eleven, and 7.1% had experience above 12 years. This shows that the respondents had the necessary experience and so had accurate knowledge of the core banking system as well as the M&E Practice.

4.3.5. Distribution of Respondents by Department

Table 4. 5 Respondents Work Division

No	Department name	Frequency	Percentage
1	Application and Infrastructure	25	25.5
2	Digital Banking	7	7.1
3	Credit Department	24	24.5
4	International banking Department (IBD)	7	7.1
5	Finance & Accounts Directorate	21	21.4
6	Internal Audit	12	12.2
7	Interest Free Banking (IFB)	2	2.0
	Total	98	100.0

The above table shows that 25.5% of respondents works in the Application and Infrastructure department, 7.1% in the Digital Banking department, 24.5% in the Credit Department, 7.1%

in the IBD, 21.4% in the Finance and Account department, 12.2% of the respondent works in Internal Audit, and 2.0% in the IFB department.

4.4. Monitoring and Evaluation Practice

4.4.1. Monitoring and Evaluation Practice of the bank

Table 4. 6 Monitoring and Evaluation Practice

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
The project has well-defined and detailed M & E strategy	Strongly Disagree	6.1	2.58	0.962
	Disagree	57.1		
	Not sure	9.2		
	Agree	27.6		
	Strongly Agree	0		
The bank frequently evaluates and record effectiveness and performance of CBS	Strongly Disagree	0	3.48	0.976
	Disagree	22.4		
	Not sure	19.4		
	Agree	45.9		
	Strongly Agree	12.2		
The monitoring and evaluation procedures meet with the organizations goal and objectives	Strongly Disagree	0	3.42	0.962
	Disagree	23.5		
	Not sure	21.4		
	Agree	44.9		
	Strongly Agree	10.2		
The bank allocates sufficient resource budget to undertake M & E	Strongly Disagree	3.1	2.72	0.939
	Disagree	50.0		
	Not sure	20.4		
	Agree	24.5		
	Strongly Agree	2.0		

The Bank have an approach established for recognizing and resolving any problems with the administration of vendor relations	Strongly Disagree	0	3.26	0.977
	Disagree	31.6		
	Not sure	17.3		
	Agree	44.9		
	Strongly Agree	6.1		

The study examines upgraded core banking system's monitoring and evaluation practices particularly with regard to plan, budget, and methodology. The outcome is illustrated as follows.

The M&E Plan is essential in defining the tasks and accountability of those involved in data collecting as well as the underlying logic(IFRC, 2002). In this context, respondents were asked regarding whether or not the bank had an M&E plan. 27.6 % of respondents, agreed that the bank has M&E plan for the upgraded core banking system while majority of respondents 63.2% (57.1% disagreed or 6.1% strongly disagreed) disagree with this statement. This may indicate that the bank's monitoring and evaluation process isn't very developed.

The bank periodically evaluates and records the effectiveness and performance of the upgraded core banking system, according to 58.1% of the respondents (12.2% strongly agree and 45.9% agree), whereas 22.4% disagree that the performance of the upgraded core banking system is evaluated and recorded and 19.4% have no information regarding the issue. This shows that the bank assesses and tracks the status of the upgraded core banking system.

The staff respondents' overall level of agreement on whether the organization's goals and objectives are met by the monitoring and evaluation methods was 55.1% (10.2% strongly agreed and 44.9% agreed). This may show that M&E methods align with the goals and objectives of the organization. However, based on the survey's findings, the majority of respondents 53.1% disagree with the statement that the bank allocates sufficient resources and budget to undertake the M&E. Additionally, respondents from the staff were asked to rate how much they agreed with the statement that “The Bank have an established approach for recognizing and resolving any problems with the administration of vendor relations”. They agreed with the statements in general at a level of 51% (6.1% strongly agree and 44.9% agree).

Additionally, respondents were asked if the bank has an effective M&E system and, if not, what the reason is and how it affects the performance of the projects. Their answer demonstrates that an M&E system is in place for the upgraded core banking system, but the monitoring and evaluation activity is not well-structured and lacks a specific plan, which results in certain gaps in stakeholder communication and the dissemination of M&E results to the stakeholder. The importance of monitoring and evaluation (M&E) in the accomplishment of the projects was also discussed with the respondents. In accordance with their feedback, M&E was helpful in assessing and improving the efficiency and performance of the upgraded core banking system. As a result, the bank was able to improve the system and satisfy both customer and end-users expectations.

According to the data gathered from the survey, the bank lacks a well-defined and detailed M&E activity for the upgraded core banking system. Additionally, there seems to be a lack of resource allocation and budget for M&E activities. However, the bank monitors and evaluates the upgraded core banking system in the absence of a comprehensive plan and procedure and also the monitoring and evaluation procedure address the banks goals and objective.

4.4.2. Tools and Technique of Monitoring and Evaluation

Table 4. 7 Tools and technique of Monitoring and Evaluation

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
The bank has essential tools or equipment for undertaking the M&E	Strongly Disagree	0	3.38	0.891
	Disagree	24.5		
	Not sure	16.3		
	Agree	56.1		
	Strongly Agree	3.1		
The bank has efficient data collection and analysis approach to monitor and evaluate the upgraded core banking system	Strongly Disagree	0	3.34	0.873
	Disagree	24.5		
	Not sure	19.4		
	Agree	54.1		
	Strongly Agree	2.0		

Abay Bank have a defined key performance indicator (KPIs) to measure the success and quality of the upgraded CBS	Strongly Disagree	0	3.92	0.930
	Disagree	24.5		
	Not sure	15.3		
	Agree	54.1		
	Strongly Agree	6.1		
The monitoring and evaluation method and tools has the capabilities to address any problem which is related to the CBS	Strongly Disagree	0	3.44	0.953
	Disagree	24.5		
	Not sure	15.3		
	Agree	52.0		
	Strongly Agree	8.2		

The bank has the necessary tools or equipment to carry out the M&E, as 3.38 mean demonstrates, as well as information obtained from the interview and open-ended questions. Additionally, a sizable portion of respondents (56.1%) agreed that the bank had a successful approach for collecting and analyzing data in order to monitor and evaluate the upgraded core banking system. This shows that the bank has put in place procedures for gathering and analyzing useful data, allowing for effective monitoring and evaluation techniques.

The majority of respondents (60.2%) also agreed that key performance indicators (KPIs) had been set to measure the effectiveness and quality of the upgraded core banking system. This shows that the bank uses specific indicator to monitor and evaluate the effectiveness of the CBS. Furthermore, according to 60.2% of respondents agree that M&E method and tools has the capabilities to address problem which is related to the CBS, while 24.5%, disagree with the statement and 15.3% had no knowledge of it. The finding shows that the bank has the tools and resources needed to carry out M&E for the upgraded core banking system.

Additionally, respondents are asked regarding the methods and tools the bank employs to monitor and evaluate the upgraded CBS. Their response shows that the upgraded core banking system is monitored and evaluated using a number of monitoring and evaluation approaches. One of the techniques that the bank uses to assess the performance and effectiveness of the core banking system in relation to its particular objectives and goals is key performance indicators (KPIs). The bank also uses checklists to ensure that all significant tasks, activities, or requirements of the system are completed. The weekly reporting system,

which regularly reports on the system's capacity and performance, is also used to monitor and evaluate the upgraded CBS. Furthermore, the bank uses RACI matrix and Gantt chart to monitor and evaluate the upgraded core banking system. The introduction of KPIs and the use of efficient data collection and analysis techniques increase the bank's M&E procedures. The respondents were also asked what the bank should do to enhance its monitoring and assessment processes, and their response was to implement different standardized tool like PMP tool and adopt scrum.

4.5.M & E Information and Utilization

Table 4. 8 M & E information and utilization

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
record M&E activities associated with the upgraded CBS project	Strongly Disagree	0	3.27	0.914
	Disagree	28.6		
	Not sure	19.4		
	Agree	49.0		
	Strongly Agree	3.1		
monitoring and evaluation data are used to pinpoint places where the upgraded core banking system could be more effective	Strongly Disagree	0	3.44	0.774
	Disagree	14.3		
	Not sure	30.6		
	Agree	52.0		
	Strongly Agree	3.1		
performance information which are obtained from end-user are used to improve the core banking system	Strongly Disagree	0	3.41	0.895
	Disagree	24.5		
	Not sure	13.3		
	Agree	59.2		
	Strongly Agree	3.1		
M&E data are useful and	Strongly Disagree	0	3.44	0.862

timely which helps to make informed decision and improvements	Disagree	19.4		
	Not sure	22.4		
	Agree	53.1		
	Strongly Agree	5.1		
There is a method to get feedback from the end-user of the system regarding the functionality and performance of the upgraded core banking system	Strongly Disagree	0	3.53	0.899
	Disagree	19.4		
	Not sure	16.3		
	Agree	56.1		
	Strongly Agree	8.2		

According to table 4.7, 52.1%, think that the bank keeps track of M&E activities related to the upgraded CBS project (49% agree, 3.1% strongly agree). Additionally, as shown in the table, 55.1% of respondents (of which 52.0% agree and 3.1% strongly agree) agree that monitoring and evaluation data are used to identify areas where the upgraded core banking system could be more effective, while 14.3% disagree and 30.6% have no knowledge of the statement.

Another question provided to the respondent was whether the bank uses performance data collected from end users to improve the core banking system. 62.3% (59.2% agree and 3.1% strongly agree) believe that the bank uses end-user feedback to improve CBS, whereas 24.5% disagree with the statement and 13.3% have no information. Furthermore, 64.3% of respondents agree that the bank has a method to get feedback from the end-user of the system regarding the functionality and performance of the upgraded core banking system, while 19.4% of respondents disagree with the statement and 16.3 of the respondents are unsure of the concept. 58.2% of respondents agree that M&E data are useful and timely, which helps to make informed decisions and improvements.

The study's findings demonstrate that the bank keeps track of all monitoring and evaluation activities which are linked to the core banking system and uses those data to enhance the upgraded core banking system. The bank also has a way for getting input from end-user, and it uses the data it gathers from them. Additionally, the bank believes the M&E data are very

helpful to make informed decision regarding the upgraded core banking system. M&E results are essential for improving the implementation of programs and results. The data gathered through M&E operations is useful for supporting evidence-based decisions and also helps system improvement(WorldBank, n.d.).

4.6.Stakeholder Engagement

Table 4. 9 Stakeholder Engagement

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
Relevant groups are allowed to participate in M & E of the project	Strongly Disagree	0	3.36	0.911
	Disagree	26.5		
	Not sure	14.3		
	Agree	56.1		
	Strongly Agree	3.1		
stakeholders are satisfied with their involvement	Strongly Disagree	0	3.20	0.963
	Disagree	30.6		
	Not sure	25.5		
	Agree	36.7		
	Strongly Agree	7.1		
There is a well-defined communication with relevant parties	Strongly Disagree	0	3.13	0.927
	Disagree	32.7		
	Not sure	25.5		
	Agree	37.8		
	Strongly Agree	4.1		
key performance indicators (KPIs) are shared to the stakeholder's	Strongly Disagree	0	3.16	0.893
	Disagree	32.7		
	Not sure	18.4		
	Agree	49.0		
	Strongly Agree	0		

Stakeholders has been informed about the finding of the M & E practices	Strongly Disagree	2.0	2.94	0.940
	Disagree	40.8		
	Not sure	18.4		
	Agree	38.8		
	Strongly Agree	0		
The management considers the idea of the stakeholders	Strongly Disagree	0	3.32	0.937
	Disagree	26.5		
	Not sure	21.4		
	Agree	45.9		
	Strongly Agree	6.1		

The study looks at the way that stakeholders are now involved in monitoring and evaluation practises. It is strongly advised to incorporate as many important stakeholders as possible in the monitoring and evaluation process. This method enhances learning and ownership of monitoring and evaluation findings while facilitating the consideration of many viewpoints(IFRC, 2011a). Stakeholder involvement in the monitoring and evaluation process was a question that was presented to respondents. Majority of the respondent, agreed (3.1% strongly agree and 56.1% agree) that stakeholders participate in the banks' project monitoring and evaluation. However, 26.5% of respondents disagreed with this idea and 14.3% of respondents were unsure about whether stakeholders participate in the M&E activities. Regarding the statement that stakeholders are satisfied with their participation in M&E activities, 43.8% of respondents agreed with the statement and 30.6% disagreed with it. Additionally, 25.5% knew nothing about the issue. In terms of communication with the relevant parties, 41.9% of respondents agreed that there is a well-defined and managed communication with relevant parties, 32.7% disagree with the statement, and 25.5% of respondents had no knowledge on this subject.

Additionally, 49.0% of respondents agree with the statement that key performance indicators (KPIs) are shared with stakeholders, 32.7% of respondents disagree with the statement, and 18.4% had no knowledge of this issue. According to the table 42.8% respondents disagree with the statement that Stakeholders has been informed about the finding of the M & E practices while 38.8% of the respondents agree with the idea and also there is 18.4% of

respondents who doesn't have the knowledge. Finally, in regards to management's consideration of stakeholder opinions, 52% of respondents agreed that management considers the idea of stakeholder. However, 26.5% of respondents disagreed with this idea, and 21.4% were unsure whether management takes stakeholder ideas into account.

The study's findings show that stakeholders actively take part in M&E activities and they are also satisfied with their involvement in M&E activities but there is a substantial number of participants are unsatisfied with the level of stakeholder participation in M&E initiatives.. The finding also shows that there a good communication mechanism with the appropriate stakeholders but it also shows that the communication with stakeholders is inadequate. Key performance indicators (KPIs) are also communicated to stakeholders. This method encourages accountability and well-informed decision making by giving stakeholders visibility into the project's progress and performance related to core banking system. However, the result of the M&E finding regarding the core banking system is not shared to the stakeholders. The results also show that management takes stakeholders' opinions and viewpoints into account.

4.7.Management In M&E

Table 4. 10 Management In M&E

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
Managements support and encourage project monitoring and evaluation	Strongly Disagree	0	3.50	0.803
	Disagree	12.2		
	Not sure	32.7		
	Agree	48.0		
	Strongly Agree	7.1		
The management allocates resources and provides the necessary support	Strongly Disagree	0	3.01	0.831
	Disagree	33.7		
	Not sure	31.6		
	Agree	34.7		
	Strongly Agree	0		

The management prioritizes monitoring and evaluation operations	Strongly Disagree	0	3.32	0.768
	Disagree	18.4		
	Not sure	31.6		
	Agree	50.0		
	Strongly Agree	0		
The management actively participates in monitoring and evaluation activities	Strongly Disagree	0	3.42	0.798
	Disagree	15.3		
	Not sure	31.6		
	Agree	49.0		
	Strongly Agree	4.1		
The management team uses the findings of the M & E to make decisions that are well-informed	Strongly Disagree	0	3.39	0.959
	Disagree	22.4		
	Not sure	27.6		
	Agree	38.8		
	Strongly Agree	11.2		

The respondents were asked whether the management support and encourage project monitoring and evaluation. Since they are the main decision-makers in an organisation, management commitment is essential to the implementation of monitoring and evaluation (Magundu, 2013). The result shows that 55.1% (strongly agreed 7.1% and 48% agree) of the respondent believe that the management support and encourage to carry out M&E practice whereas 12.2% believe that the management does not support monitoring and evaluation and, 32.7% of respondents are unaware of whether management supports and encourage monitoring and evaluation. The result of this survey demonstrates that the management team supports and encourage monitoring and evaluation practices.

In the study, the respondent was also questioned about whether management provides the necessary resources and support. 33.7% of respondents believes that the management has not allocated any resources or offered any support for carrying out the monitoring and evaluation practice, while 34.7% believe that the management has provided the resources and support required for conducting monitoring and evaluation, and 31.6% are uncertain. The result

shows that a majority of the respondents feel there isn't enough support or resource from management and there is also a large number of respondents who thinks management has supplied the necessary resources. The lack of clarity on management's contribution to M&E activities among some respondents highlights the need for improved communication.

The other survey questions focus on whether or not management prioritizes monitoring and evaluation operations. 18.4% of respondents believe that monitoring and evaluation is not prioritized and 50% of respondents believe that the management prioritize monitoring and evaluation while 31.6% believe that M&E has are uncertain on this question. the study shows that the management prioritizes M&E. Additionally, 50% respondents agree that the management team uses the findings of the M & E to make decisions that are well-informed.

The last survey question was whether or not that the management actively participates in monitoring and evaluation activities. 15.3% of respondents believe that management does not participates in monitoring and evaluation activities whereas 53.1% (49% agree and 4.1%) of the respondents believe that management actively participates in monitoring and evaluation activities whereas 31.6% of the respondents does not have any information whether or not the management actively participates in monitoring and evaluation activities. This shows that the management participate in for monitoring and evaluating projects but the participation level needs to be improved.

4.8.M & E of the Upgraded Core Banking System

Table 4. 11 M & E of the upgraded core banking system

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
The system has improved and enhanced the effectiveness of banking operations	Strongly Disagree	1.0	3.69	0.999
	Disagree	18.4		
	Not sure	8.2		
	Agree	55.1		
	Strongly Agree	17.3		
The system come up with improved features and has made banking services	Strongly Disagree	0	3.82	0.998
	Disagree	16.3		
	Not sure	11.2		

more easily accessible	Agree	46.9		
	Strongly Agree	25.5		
The system has addressed loan related limitations	Strongly Disagree	1.0	3.60	0.928
	Disagree	17.3		
	Not sure	12.2		
	Agree	59.2		
	Strongly Agree	10.2		
The system complies with regulatory requirements and other business like IFRS (International Financial Reporting system)	Strongly Disagree	1.0	3.64	0.997
	Disagree	17.3		
	Not sure	15.3		
	Agree	49.0		
	Strongly Agree	17.3		
It is compatible and can be integrated with other system	Strongly Disagree	0	3.63	0.901
	Disagree	12.2		
	Not sure	28.6		
	Agree	42.9		
	Strongly Agree	16.3		
The system has a good response time	Strongly Disagree	0	3.55	0.921
	Disagree	19.4		
	Not sure	16.3		
	Agree	54.1		
	Strongly Agree	10.2		
The system has a good customization and it have user interface and layout	Strongly Disagree	0	3.49	0.803
	Disagree	16.3		
	Not sure	21.4		
	Agree	59.2		
	Strongly Agree	3.1		
The bank has provided a technical support	Strongly Disagree	0	3.56	0.897
	Disagree	16.3		
	Not sure	22.4		
	Agree	50.0		

	Strongly Agree	11.2		
The system has enhanced the way customer accounts and data are managed	Strongly Disagree	0	3.58	0.884
	Disagree	15.3		
	Not sure	22.4		
	Agree	51.0		
	Strongly Agree	11.2		

Based on the data presented in Table 4.10 and the findings related to the upgraded core banking system (CBS), The majority of respondents (72.4%) agree that banking operations have improved as a result of the upgraded CBS. However, that a small percentage of respondents (19.4%) disagree with this idea. Additionally, 72.4% of respondents agree that the system has come up with better features and has made banking services more accessible ,69.4% of respondents gave a positive response when asked if the system could handle loan related limitations, indicating that the upgraded CBS has been successful in addressing some difficulties related to loan. 66.3 % of respondents agree that the system complies with regulatory requirements and other corporate standards like IFRS (International Financial Reporting System) in terms of compliance. However, 15.3% of the respondents had no understanding of this issue.

Additionally, the system can be integrated with other systems and is compatible with them, according to 59.2% of respondents. The system performs effectively, according to 64.3% of respondents who said it responds quickly. Furthermore, 62.3% of respondents said that the system provides good customization, a user-friendly interface, and a well-designed layout. The majority of respondents (61.2%) who were asked about the bank's technical support for the system believed that the bank provide a good technical support regarding the upgraded core banking system. However, 22.4% of respondents disagree with this statement and 16.3% of respondents were unaware of or had limited awareness of the technical support offered by the bank. Last but not least, the majority of respondents (62.2%) agreed that the upgraded CBS had improved the management of customer accounts and data but 15.3% of the respondent disagree with the statement and 22.4 % of the respondent have no idea of the statement.

According to survey results, respondents generally agreed that the upgraded core banking system had improved banking operations and had better features, was more accessible, had

addressed loan-related limitations, was responsive, had good customization and user-friendly interface, and manage customer accounts and data in a good way. Overall, the results show that the upgraded CBS has improved banking operation and improved customer satisfaction

Furthermore, the finding from the results of the open-ended question and interview shows a most of the upgraded core banking system's objectives has been successfully achieved, with a reported success rate of 90%. The analysis finds that most of the problems with the old system have been addressed and fixed by the current one. The revised system has shown a high level of success in achieving the objectives and goals by accomplishing the requirement of the system. Based on the interview and questionnaire, it was determined that the remaining work could not be fully accomplished due to various factors. These factors include staffing issues, software limitations, and a failure to do system negative testing. As a result, the completion of the remaining tasks fell short of the intended goal.

4.9.Competency of Staff on M & E and Training

Table 4. 12 Competency of staff on M & E and Training

Statement	Variables	Level of agreement (in %)	Mean	Standard Deviation
The bank has dedicated resources and personnel assigned to M&E activities	Strongly Disagree	11.2	2.60	0.992
	Disagree	41.8		
	Not sure	23.5		
	Agree	22.4		
	Strongly Agree	1.0		
Staff member has skills and knowledge required to perform effective monitoring and evaluation.	Strongly Disagree	2.0	3.23	0.972
	Disagree	28.6		
	Not sure	16.3		
	Agree	50.0		
	Strongly Agree	3.1		
Training and resources are provided to the staff regarding the monitoring	Strongly Disagree	8.2	2.58	0.907
	Disagree	44.9		
	Not sure	28.6		

and evaluation	Agree	17.3		
	Strongly Agree	1.0		

To achieve desired monitoring and evaluation (M&E) results, it is essential to have a competent human capital, especially those with extensive experience. It is crucial to concentrate on developing and keeping a strong and skilled M&E staff in terms of both quantity and quality in order to ensure an effective M&E system(WorldBank, 2011).

The researcher asses the current M&E practice of the project in terms of staff competency and availability. Findings reveal that 53% respondents (41.8% disagree and 11.2% strongly disagree) agreed that there is no dedicated staff or resource for monitoring and evaluation activity, while 23.4% agreed (22.4% agreed and 1% strongly agree) that there is a dedicated staff member to carry out M&E activities and 22.4% has no idea about the issue. The finding shows that the bank does not have the specific resources and personnel required to carry out M&E activity.

The other survey question which is provided to the respondent regarding training and resource is whether the staff member has skills and knowledge required to perform effective monitoring and evaluation .most of the respondents (53.1.0%) agreed that staff member has the basic knowledge and skill to perform the M&E activities and 30.6% of respondents doesn't agree on this topic and 16.3% of respondents does not have the knowledge about whether or not the staff have the necessary knowledge and skill to perform monitoring and evaluation activities. The results demonstrate that the majority of staff members are skilled and capable of carrying out monitoring and evaluation tasks, but some members are not aware regarding these tasks, which should be supported by providing training and resources.

According to the latest survey, a significant number of respondents (53.1%) expressed their agreement that there has been a lack of training provided to staff members and insufficient resources for monitoring and evaluation. while, 18.3% of respondents agreed that training and resource are provided to the staff and 28.6% of respondents have no knowledge to answer the question. This result indicates that the bank does not offer staff members enough training or resources regarding M&E activities.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1.Introduction

This chapter presents a summary of the study's findings, its conclusions, and Recommendation. The study's findings and conclusion were based on the results of the survey, which served as the basis for the study's recommendation.

5.2.Summary of the findings

According to the survey finding, the bank does not have a detailed M&E plan for the upgraded core banking system. The result of the finding shows that the bank frequently evaluates and records the efficiency and performance of the upgraded core banking system and they have an approach in place for identifying and handling any problems which is related to the management of vendor relations. The result shows that the bank does not have sufficient resource budget allocated to undertake M & E activities. The study's findings show that the bank uses a different tools and methods, including checklists, weekly reporting systems, observation, RACI matrix and key performance indicators (KPIs), which can address any problems which are related to the upgraded core banking system. Abay Bank have a defined key performance indicator (KPIs) to measure the success and quality of the upgraded CBS.

The results demonstrate that the bank has efficient data collection and analysis approach and have a defined key performance indicator (KPIs) to measure the success and quality of the upgraded CBS. The finding shows that the M&E activities associated with the upgraded core banking system project had been recorded, and those data were used to identify areas in which the upgraded CBS could be more effective and also the bank has a method for getting end-user feedback on how well the upgraded core banking system functions and performs.

The findings indicated that relevant groups are allowed to participate in the project's monitoring and evaluation (M&E) and that they are satisfied with their involvement but there is also a significant number of respondents which disagreed with this statement. Additionally, the respondents also claimed that the results of the M&E are not shared with the stakeholders. Even tough majority of respondents feel that there is clear communication among the different stakeholders there is also a variance of the statement. The study's findings indicate

that management encourages monitoring and evaluation activities of the project. The management also participates in monitoring and evaluation activities which are associated with the upgraded CBS and uses the M & E results to make well informed decisions. The finding, shows that it is unclear whether management has allocated resources and funds for M&E.

Many respondents of the survey indicated that the upgraded core banking system has improved banking operations. They agreed about the system's improvements in terms of functionality, features, usability, its ability to manage loan-related limitations and its ability to define new product and services. Majority of the Respondents believed that the upgraded CBS has addressed problems related to regulatory requirements and other business like IFRS (International Financial Reporting system) and interfacing with Central Credit information, and cheque truncation, Ethiopian commodity exchange. Additionally, the system has enhanced how customer accounts and data are managed and has increased system response time, both of which contribute to greater customer satisfaction, according to the survey results. The bank has provided technical support regarding the upgraded CBS. The finding shows that the upgraded core banking system has achieved 90% of its objective and goals.

The finding demonstrates that the bank doesn't have staff or department needed to perform monitoring and evaluation activities. Additionally, the result showed that there is no monitoring and evaluation training given to the staff of the bank, while the staff members have knowledge about M&E activities.

5.3.Conclusion

The objective of this paper is to assess the monitoring and evaluation practice of the upgraded core banking system at Abay Bank and monitor and evaluate the upgrade core banking system. The study was done using survey questioners and interviewing. The data was collected from 98 respondents who completed questionnaires and 3 respondents who participated in interviews. All of the respondents which have participated in the survey are employ of Abay Bank head quarter.

Project monitoring and evaluation is an essential procedure since it allows to track the progress of the project and identify any shortcoming. According to this study the bank frequently evaluates the performance and effectiveness of the upgraded core banking system by using various monitoring and evaluation tools. However, the bank does not have a well-

defined and comprehensive monitoring and evaluation (M&E) plan. Furthermore, there is a notable absence of allocated budget to support the successful implementation of M&E activities for the project. Relevant parties have participated in the monitoring and evaluation activities of the upgraded core banking system but the result shows that the finding of monitoring and evaluation have not been shared to the stakeholders and there is some also some communication gap with relevant parties. We can conclude from this that the M&E process lacks accountability and transparency. Abay Bank management encourage and prioritize monitoring and evaluation however its unclear whether management allocated resources and funds for M&E or not.

According to the study the upgraded core banking system has achieved most of its intended objectives. The system has come up with improved features and has addressed issues with Loan provisioning, over draft limit, overdraw on deposit account. The system enables the definition of new products and services, and it is capable of integrating with regulatory requirements and other business. However, some of the objectives have not been achieved due to staff shortage, knowledge gap, software limitation and failure to conduct negative test.

Additionally, the bank lacks dedicated staff and department for the monitoring and evaluating the upgraded core banking system. Instead, the responsibility for this task is shared among the existing staff members within the bank. According to the research, the bank does not provide appropriate training of project monitoring and evaluation. This finding shows that a gap in the bank's approach to provide training and skills development in the area of monitoring and evaluation.

5.4.Recommendations

The study makes the following recommendations to address some of the major findings and conclusion of the study:

- I. The study recommends for the establishment of transparent and comprehensive monitoring and evaluation plan. The plan should be comprehensive, with clear objectives, a standard method for gathering data, a framework for analysis, procedures for routine reporting and feedback, procedures for engaging stakeholders, and guidance on how to manage communication and disseminate the M&E finding with stakeholders.

- II. The study recommends that the bank should allocate a specific budget and use the right, standardized resources and technologies to support the monitoring and evaluation process.
- III. The study suggests that the bank to consider creating a specific department or assigning individuals in charge for monitoring and evaluating activities. This would ensure that M&E planning, performance tracking, data collection, stakeholder engagement and identification of all development areas are all carried out in a systematic and organized way.
- IV. The study suggests that the bank encourage active involvement of stakeholders in the M&E process. Seek their input, feedback, and participation to increase transparency and accountability.
- V. The study recommended for the bank to share the KPIs of the upgraded core banking system with stakeholders and establishing effective channels to communicate the findings. This will not only lead to stakeholder satisfaction but also contribute to the continuous improvement of the system.
- VI. The study suggests that the bank should offer training on monitoring and evaluation so that staff develop a scientific and organized technique to monitor and evaluate project performance. It enables staff to gain a deeper understanding of the several standard methods, tools, and strategies for monitoring and evaluating projects that can be applied in various project contexts.

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Appendix I

Addis Ababa University
College of Business and Economics
School of Commerce
Department of Project Management

Dear Respondent

The purpose of this questionnaire is to collect primary data to conduct a study on the topic called: "**Assessing the Monitoring and Evaluation Practice of Abay Bank: The Case of Upgraded core banking system**" as a Partial Fulfillment for the Partial Fulfillment of Masters of Arts in Project Management. In order for the study's findings to serve their intended purpose, I respectfully ask you to give me the accurate information that is to the best of your knowledge. I would like to thank you for volunteering to spend your valuable time answering this questionnaire, and I strongly assure you that the information relevant to your replies will be absolutely confidential.

I sincerely appreciate your time and cooperation in advance.

Directions:

- No need to write your name to ensure confidentiality of your response.
- Answer by putting 'x' mark in the boxes.
- In case if you have ambiguities on any of the questions, please do not hesitate to contact me

E-Mail: meron.teshome33@gmail.com

Meron Teshome

General Instruction and information:

Part I includes general information of respondents and Part II includes questions about the project M&E and part III included open ended questions. Please attempt to answer all the questions.

PART I: Demographic Information of Respondents

Instruction: Please give appropriate answer your demographic information. (Put 'x' mark in the response columns)

1. Gender Male Female

2. Age

 20-30 years 31-40 years

 41-50 years above 50 years

3. Educational background

 Doctorate degree First University degree

 Master degree Diploma

4. In which department are you working: _____

5. Work experience in Year

 0-3 4-7 8-11 Above 12

6. Position in the project

 Director Team leader

 Project Manager Team member

 Supervisor end user

 other

Part II: Monitoring and Evaluation (M&E) practices

Instruction: Please, read each question and give appropriate answer to assess the current project monitoring and evaluation practice of Abay Bank regarding the upgraded core banking system. (Put ‘x’ mark in the response columns to indicate to what extent the sentences in the items column holds true)

Attention for scaling:

Strongly agree	Agree	Not Sure	Disagree	Strongly Disagree
1	2	3	4	5

S. N	Items	1	2	3	4	5
1.	M&E practice that Abay Bank currently uses					
1.1.	The project has well-defined and detailed M & E strategy for the upgraded core banking system					
1.2.	The bank frequently evaluates and record the effectiveness and performance of the upgraded core banking system					
1.3.	The monitoring and evaluation procedures meet with the organizations goal and objectives					
1.4.	The bank has essential tools or equipment for undertaking the M&E					
1.5.	The monitoring and evaluation method and tools has the capabilities to address any problem which is related to the upgraded CBS					
1.6.	The bank has efficient data collection and analysis approach to monitor and evaluate the upgraded core banking system					
1.7.	Abay Bank have a defined key performance indicator (KPIs) to measure the success and quality of the upgraded core banking system project					
1.8.	The bank allocates sufficient resource budget to undertake M & E					
1.9.	The Bank have an approach established for recognizing and resolving any problems with the administration of vendor relations in relation to the upgraded core banking system					
2.	M & E information and utilization					
2.1.	Abay Bank record M&E activities associated with the upgraded CBS project					
2.2.	The bank uses monitoring and evaluation data to pinpoint places where the upgraded core banking system could be more effective					
2.3.	The Bank uses the performance information obtained from end-user to improve the core banking system					
2.4.	The data obtained from M&E are useful and timely which helps to make informed decision and improvements					

2.5.	The Bank have a method to get feedback from the end-user of the system regarding the functionality and performance of the upgraded core banking system					
3.	Stakeholder Engagement					
3.1.	Relevant groups are allowed to participate in M & E of the project					
3.2.	stakeholders are satisfied with their involvement in M&E procedures					
3.3.	There is a well-defined and managed communication with relevant parties					
3.4.	The upgraded core banking system's key performance indicators (KPIs) are shared to the stakeholder's					
3.5.	Stakeholders has been informed about the finding of the M & E practices for the upgraded core banking system					
3.6.	The management considers the idea of the stakeholders regarding the upgraded core banking system					
4.	Management					
4.1.	Abay Banks Managements support and encourage project monitoring and evaluation					
4.2.	The management allocates resources and provides the necessary support for monitoring and evaluation.					
4.3.	The management prioritizes monitoring and evaluation operations within the bank.					
4.4.	The management actively participates in monitoring and evaluation activities					
4.5.	The management team uses the findings of the M & E to make decisions that are well-informed					
5.	M & E of the upgraded core banking system					
5.1.	The upgraded core banking system has improved and enhanced the effectiveness of banking operations					
5.2.	The upgraded core banking system has come up with improved features and has made banking services more easily accessible					
5.3.	The upgraded core banking system has addressed loan related limitations					
5.4.	The upgraded core banking system comply with regulatory requirements and other business like IFRS (International Financial Reporting system)					

5.5.	The upgraded CBS is compatible and can be integrated with other system, such as interacting with Central Credit information, check truncation, the Ethiopian commodity market (ECX)					
5.6.	The upgraded core banking system has a good response time					
5.7.	The upgraded core banking system have a good customization and it have user interface and layout					
5.8.	The bank has provided a technical support for the upgraded core banking system					
5.9.	The upgraded core banking system has enhanced the way client accounts and data are managed					
6.	Competency of staff on M & E and Training					
6.1.	The Bank have dedicated resources and personnel assigned to M&E activities, or these responsibilities are shared among existing staff					
6.2.	Staff members have the skills and knowledge required to perform effective monitoring and evaluation.					
6.3.	Training and resources are provided to the staff regarding the monitoring and evaluation					

Part III: Open ended questions

Instruction: Please give short answers for the questions below

1. What tools and methods are used in Monitoring and evaluating the upgraded core banking system

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2. How much, in your opinion, has the upgraded core banking system achieved the intended objective and addressed the critical challenges reported by various work units.

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3. What do you recommend the organization do to improve its monitoring and evaluation procedures?

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Thanks a lot for your patience and genuine answer

Appendix II

Addis Ababa University
College of Business and Economics
School of Commerce
Department of Project Management

Interview Guide Questions for Concerned Directorate Heads

Date of Interview: _____

Introduction: Greeting

The purpose of this interview is to acquire crucial data regarding the monitoring and assessment procedures used by Abay Bank, with an emphasis on the effectiveness of the upgraded core banking system. Your opinions and experiences are really helpful in bringing information about this issue. I appreciate your time and effort in taking part in this interview. I sincerely appreciate your gift!

1. Do you believe the bank has a reliable M&E system in place for projects?
2. If not, what is the cause of it and how it affects the success of the projects?
3. How would you describe the role that M&E played in the projects' success?
4. What elements, in your opinion, influence the company's M&E effectiveness?
5. Do the upgraded core banking system projects meet their intended target (cost, time, scope, quality)?