ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

DEPARTMENT OF PROJECT MANAGEMENT

Assessment of Project Identification and Selection Processes in Government and International Non-governmental Organizations in Ethiopia

A Project Work Submitted to Addis Ababa University School of Commerce of in Partial Fulfillment of the Requirements for the Degree of Master of Art in Project Management

By

Firesenbet Adela

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DECLARATION

I, the undersigned, declare that this thesis is my original work and has not been presented as a whole a degree in any other university and that all sources of materials used for the thesis have been duly acknowledged.

Firesenbet Adela June, 2020

The Project work has been submitted for examination with my approval as university Advisor

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AdaneAtara (Ph.D.) June 2020

Statement of Certification

This is to certify that Firesenbet Adela has carried out his project work on the topic “Assessment of project identification and selection processes in Government and International Non-government Organizations in Ethiopia”. In my opinion, this work qualifies for submission in partial fulfillment of the requirements for the award of Degree of Master of Art in project management.

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June 2020

Addis Ababa

Ethiopia

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List of Abreviations

CRDA----------Christain Relief and Development Association

CSO----------Civil Society Organization

IBM SPSS----------International Business Machines Statistical Package For Social Sciences

NGOs----------Non-Governmental Organizations

PASDEP---------- Plan for Accelerated and Sustained Development to End Poverty

PCM---------- Project Cycle management

PMBOK----------Project Management Body of Knowledge

PMI----------Project Management Institute

PM----------Project Management

PSRC----------Policy Study and Research Center

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Abstract

Ethiopia is incredibly work to get out the scoieties from poverty and meet the growing demand through various development policies, plans, and projects. Several studies described that both government and international non-governmental organizations works on different development projects to realize socities development. Ethiopia is also one of these countries with poor project execution, number of failed projects and few successful projects. Despite several causes can be enlisted to these inefficiencies, factors related to project management take the lion share. Particulalry, the project identification and selection phases of the project management cycle is the key stage for both the success and failure story of the project. Therefore this study aimed at assessing the project identification and selection processes in selected governmental and International non-governmental organizations in Ethiopia. The research is designed to produce both qualitative and quantitative information through a cross-sectionall study design. A set of criteria was developed to select relevant sample units in government and international non-governmental organizations. 56 respondents are participated on the study. A structured questionnair is designed, distributed and collected using Google online survey form. The finding of the study showed that government projects have less engagenment to stakeholder identification, communication, community need assessment, and participation. Moreover non-government organization gives higher team focus or team selection in the identification phase of the project. Government organizations are also have better feasibility assessment practice than non-governmental organizations. The non-government organizations uses government plan and police as a good source of project identification in addition to other sources and have a good team composition.Besides these, most government projects lack robust project identification and selection compared to non-governmental organizations. Government projects should focus on stakeholder identification; inviting stakeholders to contribute their ideas; the needs of the stakeholder, and communicating with stakeholders before implementing and commissioning the project.Further studies should be done on how team members of government development projects are recruited. Therfore, Peoject identification, screening, selection, feasibility and prefeasibility study sould be done in depth in both non-government and government organizatoions.

Keywords

Project identification, project selection, Process, feasibility study, NGOs, project cycle, development projects, International

Chapter One
Introduction

1.1 Background of the Study

“A project is a temporary endeavor undertaken to create a unique product, service, or result. The temporary nature of projects indicates that a project has a definite beginning and end. The end is reached when the project’s objectives have been achieved or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists” (PMBOK, 1996).

Managing a project has a sequence of phases or cycles. In the project management lifecycle, the primary and essential step is the identification and selection process. A project can go through different stages from its initially identified as potentially inviting to its feasibility study and ultimately it passes into commissioning.This is a substantial step such that it can impact the entire process of the project even after the project completion. Project identification is apreoccupybeginning determination of the nature, size, and scope of potential projects and the establishment of their possible precedence in the country’s development program(Yemanu, 1971). Project identification is a process of evaluating individual projects or groups of projects and then choosing them so that the objectives of the organization will be achieved(Meredith et al, 2017).

Once the potential projects are identified. The next step is selecting a project that can return a good result. Project selection is the process of analyzing the new project opportunities to make a decision in which one will be taking up those Countries or organizations gets the most benefit.

According to(Meredith et al., 2017),Project identification and selection of employee diverse models and use of either of the project selection model brings that the decision-making procedure takes place in a reasonably rational organizational environment. Such is not always the case. In some organization nature of project identification and selection look as if to be the result of a political process, and occasionally engages questionable ethics complete with winners and losers. In other organizations, the organizations are so stiff in their approach to decision making that it attempts to reduce all decisions to an algorithmic proceeding and so that humans have minimum participation and accountability.

As noted by (Gacheri et al, 2001)30% of all projects are canceled while the projects are on midstream, over 50% of completed projects end in up to 190% over budget and 220% late because of the poor handling of the project identification and selection process.

Countries and organizations invest a vast amount of capital on different development projects. Projects are a big opportunity for countries, organizations, and individuals to attain their business objectives more efficiently through applying changes and which reduces the probability of failure. Countries or organizations need to make sure that these funds are secure and will return benefits for them. Therefore analyzing all these development projects is very important to justify the decision for making the needed monetary investment.

There are the large development projects financed by Ethiopian governments and Non-governmental (NGOs) such as the World Bank,UNDP that focus on infrastructure and improvements in the education, health, agriculture, power/energy, and justice systems, and international humanitarian organizations that support development activities ranging from a community organization, welfare support, health, education, small-financial loans and protection of the environment.

1.2 Background of Government and Non-government Organizations Project in Ethiopia

According to Article 51/2 The Federal government of Ethiopia shall formulate and implement the country's policies, strategies, and plans in respect of overall economic, social, and development matters. The national policies are central to the development process of any nation or group of people. The government of Ethiopia has made efforts in providing infrastructure (power, roads, communications, training and education, industrial zones, and parks), incentives, institutions, and policies to attract foreign investors. Moreover, government organizations run different projects to meet the social, cultural, political, and economic needs of the peoples of Ethiopia. Some of the top ongoing projects owned by the federal government of Ethiopia including Grand Ethiopian Renaissance Dam US $4.8bn, Addis Ababa-Djibouti railway US $4bn, Lapsset project, GenaleDawa III hydroelectric power plant, largest Airport in Africa, and Mesob Tower. However, these government-owned projects face different challenge to be realized.

Major government projects that cost billions of dollars have failed due to inefficient and unprofessional management, corruption, and nepotism. The 327 pages document prepared by the Policy Study and Research Center (PSRC) 73% of the government sugar projects were not realized and none of the 10 sugar factories have become operational. The document says the projects have miserably failed as they were run by people with no knowledge of project management and people who were given the job due to their connections with those in power.

NGOs themselves both national and international began to appear around 1960 when neither the various self-help groups found in all levels of Ethiopian society nor the governments were able to meet the growing demands of the population. The then-current efforts of the emperor to "modernize" the national system had resulted in a more widespread awareness that his government was failing to provide what people needed for advancement and development. NGOs began a small way to help fill the perceived void. International NGOs trace their Ethiopian root to the catastrophic famine crises of 1973-74 and 1984-85. The NGOs of those years were overwhelmingly focused on emergency relief operations and were largely foreign entities. During the initial famine 1973-74, various groups engaged in relief operations formed what become known as CRDA(Christain Relief and Development Association), the first NGO umbrella organization in Ethiopia.CRDA was organized bt a coalition of catholic charities, other religious affiliates, and a few outsides, secular NGOs. By 1995, the government provided Guidelines for NGO Operations to classify groups and provide guidance on the priority areas for NGO programming. The areas designated were broad and included *agriculture, environment, education, health, women's empowerment, infrastructure*, and the like(Yemanu, 1971).

The bulk of NGO resources have gone into human development (health, education, agriculture child welfare) and food security. These are the same priority areas emphasized by the government's poverty reduction program as set out in Plan for Accelerated and Sustained Development to End Poverty (PASDEP). In the Agriculture and rural development, NGOs have invested about 3.8 billion Birr between 2004 - 2008, and this amount is 1.6 billion Birr more than the aggregate amount (2.2 billion) assumed to be generated from the private sector, and communities for implementing the agricultural and rural development components.

According to (Muluken, 2018) the long term strategic plan, internal processes of sample NGOs, and the government's requirement have enhanced NGO's integration management. There was no

funding without project proposal/charter and each project must be closed formally after the grand it completed.

This research study is about assessing issues of identification and selection process of projects in both Government and International Non-Governmental Organizations (NGOs) development projects in Ethiopia. The findings compare the project identification and selection practices of these two types of organizations.

1.3 Statement of the problem

The Federal government of Ethiopia is undertaking massive construction projects (such as sugar development, fertilizer plants, renaissance dam, commercial farming, and road) in the country. If human values are not duly considered, then the development will be short-lived. That is why buildings collapse and bridges are cracked because they did not properly take into account the values of beneficiaries and project identification and selection phase. But why is it so? Is it corruption? Is it sheer negligence? Are projects adequately and knowledgeably initiated, selected, and evaluated with intensive parameters? Are all stakeholders involved during the planning, approval, and implementation stages? Were they really meant for the people? These questions require serious and clear answers.

The lack of the whole image of the problem can lead to defining wrong project objectives that are not focused on beneficiaries and consequently to unsuccessful products. Partial views on the project are related to many risks, as well. The organization‘s management has a crucial role in customer-focused project management. It enables us to manage projects empowered by the high degree of information exchange and to connect different key elements aiming at project performance. All of this creates a question on the identification and selection practices of the projects and their effect on the project implementation. Based on these facts the research was concerned about the inception stages of the project which is the identification and selection stage of the project.

Projects that are undertaken by the Federal Government of Ethiopia face different challenges to meet their deliverables. Some of the grand projects are failed in the process of the implementation due to different factors such as lack of experience in managing projects,

corruption, incompetency, and inappropriate leadership. For example sugar projects including Metehara Sugar Factory, Omokuraz, and Tehdaho Sugar Factory.

Other projects are failed since the identification and selection of the project. The identification and selection of projects include technical feasibility. For example the Yayu fertilizer project had a technical failure in the beginning. The soil test for the foundation for the project was not tested and the project is terminated.

Some other projects are failed after commissioning the project such as Bishoftu (Debrazaite) Donkey Slaughtering project, to slaughter up to 200 donkeys per day. Such a project is opened after 80 million birr investment. Lately the project closed during the unrest in the Oromia Regional State. One of the reason was it is a taboo and very unethical to slaughter donkey in the community. If these communities are considered as part of the project and having a detailed discussion with them, the project may be rejected or diverted to other project ideas. identifying the relevant stakeholders, their needs, inviting them to contribute their ideas and communicating with them, etc.

For many years, the NGOs in Ethiopia have significantly contributed to county development. They developed their roles and operational directions on development projects. NGOs often play the function of intermediate between governments and the communities nurturing voluntary participation in the development projects and programs. NGOs have derived experiences on how to identify and implement projects from their work and learning process with local people who are mostly rural and urban disadvantaged groups. Most NGO projects are successful due to various reasons, including designing a logical framework for the projects which enables them to control the relationship between their objective and deliverables, competency of the managers are tested with their work experience or PMI certification, team development, PM process, stakeholder involvement, and satisfaction are assured. NGOs learn to share experiences among themselves together with promoting a network of community leaders and organizations to exchange viewpoints on development and experiences. Mutual learning with communities would enable NGOs to gain a deeper understanding of the situation in local communities.

1.4 General Objective of the Study

The general objective of this study is to assess the process of development project identification and selection for selected governmental and International non-governmental organizations in Ethiopia.

1.4.1 Specific Objectives

To address the general objectives the study includes the following issues as a specific objective.

- to assess the identification, screnning and selection process of projects in Government and International NGOsal development project
- to collect data on project identification and selection practice of Government and International NGOs organization development project
- to assess feasibility study practice of Government and International NGOs organization for development project
- to analyze and compare the governmental and NGOs development project identification and selection practice.

1.5 Research Questions

In answering the project objectives, the study will specifically respond to the following research questions:

- What are the challenges of the project identification and selection process of government and NGO development projects?
- Does the identification and selection process relate or differ between Governmental and International NGOs' development projects?
- Does project identification and selection have a noticeable difference between Government and International NGOs organizations' practice?

1.6 Significance of the Study

Failing to plan is planning to fail. Mainly the identification and selection process is very important because it affects the whole life of the project implementation activity. The main significance of the study:

- is to contribute ideas that help government projects' success.
- Is to help government project managers and others in project identification and selection for development projects.
- to help the government officials understand that having a professional project manager playsan important role in project selection and identification.
- The study will form a basis on which academic researchers can do further study on project identification and selection.

1.7 Scope of the Study

The scope is limited to the project identification and selection phase only from the project lifecycle management. It includes a feasibility study of the projects, and stakeholder identification and analysis practices as well as the objective and situational analysis processes that enable to make the final decision of project approval. It is focused on purposely selected government and international non-governmental organizations' development projects. For this study, I select Secular and non-advocacy NGOs working on Agriculture, Energy Health, Education, and Urban/Rural Development.

The target population for government projects also focused on federal government projects owned by different federal government offices. For this study selected minster offices are selected based on the following criteria's:

- ✓ Working on Agriculture, Energy, Health, Education, and Urban/Rural construction development projects.
- ✓ Must be under the federal government.

For this study inclusion or selection criteria were developed to select relevant NGOs. The following criteria were used:

- ✓ Secular NGOs working only Agriculture, Energy, Health, Education, and Urban/Rural construction development projects.
- ✓ NGOs having office abroad and liaison office at Addis Ababa
- ✓ It has more than at least two years of service in Ethiopia.
- ✓ Must be operational NGO not advocacy NGO

1.8 Organization of the Study

The study is organized into five major chapters to make presentable to readers. Chapter one starts with an introductory part composed of the background of the study, the background of Government and International NGOs in Ethiopia, Research Objectives, research problem and questions, the significance of the study.

The second chapter presented the Review of documented studies on project lifecycle, project identification and selection phase, government development projects in Ethiopia, and international non-governmental development projects. Chapter three deals with the method that was used to obtain data that involved research design, target population, sample and sampling procedure, and data collection and analysis methods used in the research study. In chapter four, the data collected from the field is analyzed, presented, and discussed with the major inferences being given. Chapter five presents a summary of the major findings, conclusions, and recommendations of the study.

Chapter Two

Review of Related Literature

2.1 Introduction

In this chapter, an effort has been through a different extensive review of literature on, Project Management (PM), project and project cycle management, project identification and selection, stages in project identification and selection, Criteria's for effective project selection, models of project selection, Development projects identification and selection, project management in NGOs, Features of NGOs in Ethiopia context, Project and PM in NGO setting; aimed to give background information about the development project identification selection in government and international non-government organization in Ethiopia.

2.2 Project, project management and Project Cycle management

A project is well-defined, with a Project Charter that spells out exactly what the scope and objectives are for the project and it represents a single effort. As noted in (PMBOK, 1996)"A project is a temporary endeavor undertaken to create a unique product, service, or result. The temporary nature of projects indicates that a project has a definite beginning and end. The end is reached when the project's objectives have been achieved or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists". (Avison et.al , 2009)define project "is a complex, non-routine, one-time effort limited by time, budget, resources, and performance specifications designed to meet customer needs".

As specified by (Phillips, 2009)stated that "Project management is the practice of initiating, planning, executing, controlling, and closing the work of a team to achieve specific goals and meet specific success criteria at the specified time. The primary challenge of project management is to achieve all of the project goals within the given constraints".According to (PMBOK, 1996)"Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements."

Although all the definitions above have different details in them, we can observe that from it that projects are *short term*, have a *well-defined scope* and are unique with a set of interrelated activities to achieve a specific goal and objective.

According to (Meredith et al., 2017), Most projects go through similar stages on the path from origin to completion. We define these stages as the project's *life* ***cycle.*** The project is born (its start-up phase) and a manager is selected, the project team and initial resources are assembled, and the work program is organized. Then work gets underway and momentum quickly builds. Progress is made. This continues until the end is in sight. But completing the final tasks seems to take an inordinate amount of time, partly because there are often several parts that must come together and partly because team members "drag their feet" for various reasons and avoid the final steps.

The project management life cycle describes high-level processes for delivering a successful project. A **project life cycle** is the sequence of phases that a project goes through from its initiation to its closure. The number and sequence of the cycle are determined by the management and various other factors like the needs of the organization involved in the project, the nature of the project, and its area of application. The phases have a definite start, end, and control point and are constrained by time. The project lifecycle can be defined and modified as per the needs and aspects of the organization. Even though every project has a definite start and end, the particular objectives, deliverables, and activities vary widely. The lifecycle provides the basic foundation of the actions that have to be performed in the project, irrespective of the specific work involved.

As clearly stated by (PMBOK, 1996) "A project life cycle is the series of phases that a project passes through from its initiation to its closure. The phases are generally sequential, and their names and numbers are determined by the management and control needs of the organization or organizations involved in the project, the nature of the project itself, and its area of application. The phases can be broken down by functional or partial objectives, intermediate results or deliverables, specific milestones within the overall scope of work, or financial availability. Phases are generally time-bounded, with a start and ending or control point. A life cycle can be documented within a methodology. The project life cycle can be determined or shaped by the unique aspects of the organization, industry, or technology employed. While every project has a definite start and a definite end, the specific deliverables and activities that take place in between will vary widely with the project. The life cycle provides the basic framework for managing the project, regardless of the specific work involved."

According (Blackman.et.al, 2003) "Project cycle management (PCM) is the term given to the process of planning and managing projects, programmers, and organizations. It is used widely in the business sector and is increasingly being used by development organizations. Development projects sometimes fail because they are badly planned and do not take account of some important factors, particularly the needs and views of stakeholders. PCM is based around a project cycle, which ensures that all aspects of projects are considered. A central value of the PCM method is that aspects of the project are reconsidered throughout the project cycle to ensure that any changes which have occurred are included in the project design. As a result, projects are more likely to be successful and sustainable".

As mentioned in (van der Waarde,et.al,2007)research article “Project cycle management is an approach that is now being broadly applied in the development and divides project management intoseveral distinct phases, each having a specific function in the project. These phases constitute the so-called project cycle.”

All the authors agree that project cycles will be there in the implementation of projects but they do not agree on the number of lifecycles the project should adopt. Many of the pioneers of agreeingon the adoption of a cycle, which is customized for the specific project.

According to the (PMBOK, 1996), the foundation of project management rests upon the five phases that every project goes through:

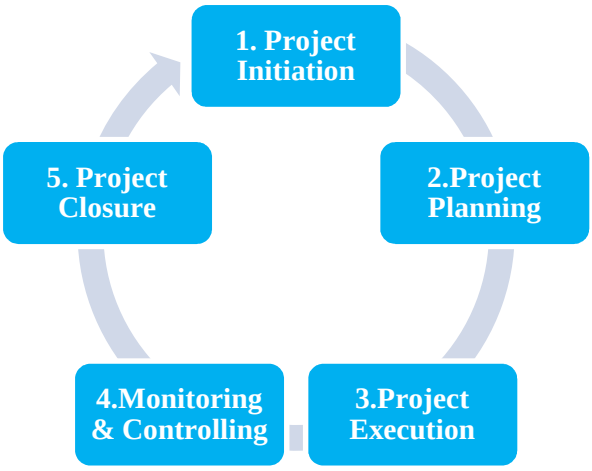


Figure 2.1Project management lifecycle(Source PMBOK,2009)

These phases are called process groups**,** and they generally occur in chronological order except for Monitoring & Controlling which occurs simultaneously with number execution.

1) Initiating Process Group. The process performed to define a new project or a new phase of an existing project by obtaining authorization to start the project or phase.

2) Planning Process Group. The process required to establish the scope of the project, refine the objectives and define the course of action required to attain the objectives that the project was undertaken to achieve.

3) Executing Process Group. The process performed to complete the work defined in the project management plan to satisfy the project requirements.

4) Monitoring and Controlling Process Group. The process required to track, review, and regulate the progress and performance of the project; identify any areas in which changes to the plan are required, and initiate the corresponding changes.

5) Closing Process Group. The process performed to formally complete or close a project, phase, or contract.

As stated by (Kerzner, 2017)more companies are preparing procedural manuals for project management and structuring work using life-cycle phases. There are several reasons for this trend:

- ✓ Clear delineation of the work to be accomplished in each cycle may be possible.
- ✓ Pricing and estimating may be easier if well-structured work definitions exist.
- ✓ Key decision points exist at the end of each life-cycle phase so that incremental funding is possible.

From different scholar's points of view we can conclude that following a project cycle to manage (PCM) different projects becoming a common phenomenon in project management. The PCM alleviates the complexity ofa project through all of its phases while maintaining alignment with the strategy and objectives agreed upon by stakeholders at the onset. Through cycle management, projects are protected from wasting valuable resources by deciding if they can be realistically achieved and are worthwhile before execution, as well as noting if the benefits of the project are sustainable.

2.3 Project Identification and Selection

Project identification is the process of selecting a topic to be developed further into a project concept. At a minimum, project identification outlines the location where the project will occur, the broad approach the project will take and the problem to be addressed (IUCN, 2014).

The first step in the project cycle is to identify an issue that a project could address. The initiating phase of the project life cycle starts with recognizing a need, problem, or opportunity for which a project or projects will be identified to address the need. These can be identified in various ways; during an organization's strategic planning, as part of its normal business operations, in response to unexpected events and or as a result of a group of individuals deciding to organize a project to address a particular need. It is important to clearly define the need. This may require gathering data about the need or opportunity to help determine whether it is worth pursuing. Sometimes organizations identify several or many needs but have limited funds and people available to address all those needs. In such cases, the company must go through a decision-making process to prioritize and select those projects that will result in the greatest overall benefit.

The purpose of project identification is to develop a preliminary proposal for the most appropriate set of interventions and course of action, within a specific time and budget frames, to address a specific development goal in a particular region or setting.

According to (MShamim A ., 2020) All development projects run through a cycle which consists of five stages. These are:

(1) Project identification,

(2) Project Preparation and Formulation,

(3) Project Authorization,

(4) Project Implementation and

(5) Project Evaluation.

All five stages are interconnected and each stage has to be completed before one can move on to the next one. Thus, the project planning process in the country is comprised of a series of chain events. Since the strength of the system depends on the weakest links such links must be identified and the necessary corrective policy action be taken.

Project selection involves evaluating various needs or opportunities, and then deciding which of those should move forward as projects to be implemented. The benefits and consequences, advantages and disadvantages, plusses and minuses of each opportunity need to be considered and evaluated. These factors can be quantitative and qualitative, tangible, and intangible. Each person's decision will be a combination of quantitative evaluation and gut feelings based on experience. The steps taken into consideration in project selection are to alignment with company goals; anticipated sales volume; increase in market share; establishment of new markets; investment required; estimated manufacturing cost per unit; technology development required; return on investment; human resources impact; public reaction and competitors' reaction.

It should also be noted that the idea of project identification as transparent, purely technocratic, and objective does not always hold. Project identification can be highly political, involving powerful groups that conflict and bargain in their attempts to manipulate the agenda for public action.

Project identification is greatly dependent on both the qualitative and quantitative assessment of the development needs of an area or a region. This calls for enormous efforts at the collection, collation as well as coordination of data on the part of functionaries in the process which require highly technical studies. It becomes, therefore, imperative to take into account the development needs as well as certain preconditions to translate the project idea into operational (MShamim A ., 2020).

2.4. Stages of project identification and selection

As in the book (Chandra, 2019) Project, identification and selection is a scientific process. This process is based on certain essential conditions. It may differ from project to project. The essential conditions which should be taken into consideration for identification and selection of production projects are as follows:

- ✓ The project should conformto the economic needs of the area;
- ✓ It should take into account the depriving factors which might have an adverse impact
- ✓ The input-output ratio should be optimum
- ✓ The purpose of the project is to increase the production and employment of the area.

Thus, the above said conditions will differ due to resource availability, use patterns and other relevant conditions of the area. Besides, the project should also consider certain national priorities.

Conceptual Stage: Several project ideas may be generated either by those officials or non-officials and Entrepreneurs individually or collectively who are conversant with the area. In this context, one has to examine the potentialities of development and the problems, needs, and aspirations of the people of the concerned area.

Screening Stage: In the second stage project ideas generated above are screened in a preliminary exercise to weed out the bad or unviable ideas. All project ideas would not pass the screening test. Some project ideas may be imaginary to warrant any serious consideration.

Identification and feasibility stages are the third and fourth stages which can be called as investment opportunity study. This study is necessarily preliminary and is a broad one and has a limited objective of providing planners with a choice of projects from which they can make a selection. Prefeasibility study can be differentiated from opportunity study and a detailed feasibility study mainly based on information required for respective stages.

The selection stage:is the process of evaluating proposed projects or groups of projects, and then choosing to implement some set of them so that the objectives of the parent organization will be achieved. This same systematic process can be applied to any area of the organization's business in which choices must be made between competing alternatives. Each project will have different costs, benefits, and risks. Rarely are these known with certainty. In the face of such differences, the selection of one project out of a set is a difficult task.

2.5. Criteria's for effective project selection

Choosing several different projects, a portfolio, is even more complex. When a firm chooses a project selection model, the following criteria, based on (R.Meredith, 2017), are most important.

a) ***Realism*** The model should reflect the reality of the firm's decision situation, especially the multiple objectives of both the firm and its managers, bearing in mind that without a common measurement system, a direct comparison of different projects is impossible. The model should also take into account the realities of the firm's limitations on facilities, capital, personnel, and so forth, and include factors that reflect project technical and market risks: performance, cost, time, customer rejection, and implementation.
b) **Capability:** The model should be sophisticated enough to deal with the relevant factors: multiple periods, situations both internal and external to the project (e.g., strikes, interest rate changes), and so on.
c) **Flexibility:** The model should give valid results within the range of conditions that the firm might experience. It should be easy to modify in response to changes in the firms. environment; for example, tax law changes, new technological advancements that alter risk levels, and, above all, organizational goal changes.
d) **Ease of use*:*** The model should be reasonably convenient, not take a long time to execute, and be easy to use and understand. It should not require special interpretation, data that are difficult to acquire, excessive personnel, or unavailable equipment.
e) **Cost*:*** Data-gathering and modeling costs should be low relative to the cost of the project and less than the potential benefits of the project. All costs should be considered, including the costs of data management and of running the model.
f) **Easy computerization**: It should be easy and convenient to gather and store the information in a computer database, and to manipulate data in the model through the use of a widely available, standard computer packages.

2.6 Models of project selection

There are two basic types of project selection models, numeric and non-numeric. Both are widely used. Many organizations use both at the same time, or they use models that are combinations of the two.Non-numeric models, as the name implies, do not use numbers as inputs. Numeric models do, but the criteria being measured may be either objective or subjective. Models do not make decisions-, people do. The manager, not the model, bears responsibility for the decision. The manager may "delegate" the task of deciding on a model, but the responsibility cannot be abdicated.

A. Nonnumeric Selection Model

a) **The Sacred Cow:** The project is suggested by a senior member of the organization, the boss. The project is therefore undertaken.

b) **The operating necessity:** This is necessitated by the daily operations of the organization that threatens its functioning. E.g. switching from analog TV to Digital TV,

c) **The competitive necessity:** This is necessary to maintain a competitive advantage. This is evident in the banking industry where the micro-finance are continually being upgraded to full banks

d) **The product line extension:** Filling in the gap, or strengthening the existing production and Adding on to what you already have to make it better.

e) **Comparative benefit method:** Which project will benefit you more than in the set of projects. You can rank the project base on the perceived benefits or what meets your objectives best.

B. Numeric Model – Profitability

a. **Payback period (PBP):** This is the most basic tool applied by investors to compare projects or development options. Pay Back Period is the amount of time taken to recoup your invested capital in the project. It is presented as a ratio of the total investment cost to its annual income which is assumed fixed over the life of the project.

PBP = (Cost of Project/Annual income) Years.

b. **Return on Investment (ROI):** Return on Investment measures the profitability of the project. Again this is a basic tool applied by investors to compare projects, or development options. It is presented as a percentage of the annual income to the total investment cost.

ROI = (Annual Income/Cost of Project) x 100%.

c. **Internal Rate of Return (IRR)**

If there are two sets expected cash flows, one for expected cash inflows and other for expected cash outflows then the Internal Rate of Return is the discount rate that equalizes the present value of the two sets of flows.

d. **Profitability Index**

The net present value of all future expected cash flows divided by the initial investment is referred to as the profitability index. The profitability index is also called the benefit-cost ratio. The project may be accepted if this ratio is higher than 1.0.

2.7 Features of NGOs in the Ethiopian context

The term non-governmental organization (NGO) normally refers to organizations that are neither a part of a government nor conventional for-profit businesses. Usually set up by ordinary citizens, NGOs may be funded by governments, foundations, or businesses.

While the term NGO is very widely used, definitions of what constitutes an NGO tend to vary. There are also frequent references to other similar terms such as non-profit‘, voluntary‘ and civil society‘ organizations, to name just a few. NGOs take various forms in terms of structure, that they may be large or small, formal or informal, bureaucratic, or flexible. They can also be varied in terms of registration and status of organizations, funding source, staff type, and motivation. Voluntary, and even if it does not use volunteer staff as such, there is at least some degree of voluntary (Sharew, 2018).

Ethiopia, a long history of associational life. Traditional society organizations are idder, mahbier, senbete, iqub,etc. But their roles in development activities were not realized. Traditional voluntary humanitarian practice in Ethiopian society is a common phenomenon, the burden of catering for the needy and disadvantaged was the responsibility of the extended family, the religious institutions, indigenous social organization. This is a traditional non-governmental method of voluntary action (Sisay, 2011).

The evolution of NGOs/CSOs in Ethiopia indicates that both national and international NGOs began to appear in Ethiopia in 1960 following the growing demands of the population for the fulfillment of various societal needs. Most NGOs trace their roots in Ethiopia to the famines in 1974 and 1984.The laws governing their registration and operations were first drawn up in the early 1950s and were based on the 1952 Ethiopian Civil Code and Regulation 321/1959(Yemanu, 1971). The Proclamation No.621/2009 for the registration of Charities and Societies came into force on February 13th, 2009, and on November 9th 2009, the Council of Ministers also issued Regulation No.168/2009 to ensure its implementation transparently. Overall it is indicated that the legislation will help ensure clarity and predictability in the

operations of all charities and societies and NGOs in Ethiopia(Sharew, 2018). In Ethiopia, their non-governmental organizations are classified into local NGOs and International NGOs based on the nature of their establishment and funding source(Sharew, 2018).

a. National NGOs

More traditional national NGOs first formed in Ethiopia in the 1960s but emerged as potentially significant players in the nation's development only after the 1991 fall of Mengistu and the Derg. After a slow start, the NGO community has of late demonstrated expansion in size and impact, as well as sector coherence. Compared with Sudan, Eritrea, Djibouti, Somalia, and Somaliland, the NGO sector in Ethiopia is large. Compare with countries elsewhere in Africa it is small... Due to the hostile policy environment during the previous regime most [NGOs] have limited capacity. A few national NGOs, however can easily match with sister organizations elsewhere. At present, national NGOs are more likely to be found operating in Addis Ababa or other urban centers. Areas such as the Afar, Gambella, and Benishagul regions are particularly underserved by NGOs. A large bloc of local NGOs deals with the problems of street children, women, and youth. There is also a number that centers on democracy and governance issues such as civic education(Yemanu, 1971).

b. International NGOs

Approximately 120 international NGOs are functioning in the country today The groups, from the United States, Canada, and the European countries, for the most part, were critical in the spasms of famine and food emergencies sweeping across Ethiopia in the 1970s and 1980s. Most have increasingly focused on long-term development strategies as a result of the changed circumstances in the country and steady government pressure. The international NGOs vary widely in their interest in and in skill at constructing mutually beneficial partnerships with local counterparts. CARE, Catholic Relief Services, World Vision, and Save the Children are United States-based examples of the larger international relief and development groups carrying out programs in the country. Many are increasingly forging partnerships with various national NGOs and supporting efforts to increase the institutional capacity of these partner groups.

NGOs in Ethiopia have built up valid development experience, especially in working with poor categories of people such as the landless, cattle less, widows and orphans, in ways that are

complementary to state and private sector activity.The relationship between Government and International NGOs is very complex. Several resources show that the national, as well as local government, acknowledges the positive impact and value of NGO activities. However, at the same time, there is some disagreement between Government and International NGOs (primarily due to political reasons) especially the issue of advocacy on the right issue; it assumed that the responsibility of the government. But Ethiopia highly dependent on foreign aid according to the (World Bank, 2007), aid flows are equivalent to about eight percent of the country's GDP, and in 2008, external assistance covers one-third of the country's national budget (Sisay, 2011).

2.8 Project Management in NGOs

It is important to remember that each development organization is unique. Furthermore, within a single organization, projects will vary considerably in terms of value, complexity, and risk. Even in situations where two projects seem to be similar, the environments in which projects are implemented are unpredictable and field realities can vary significantly from the scenarios anticipated in plans made. The Five Principles of PM in the Development Sector are:

1) **Balanced** – projects should be managed in a balanced way

2) **Comprehensive** - project management disciplines should be applied consistently and deliberately in all work of the project

3) **Integrated** - all aspects of project management should be aligned and coordinated to ensure that all elements of project design, planning. monitoring and implementation run smoothly

4) Participatory - include a variety of stakeholders in all phases of the project, and

5) **Iterative** – revisit and repeat project management processes through the life of the project to confirm that the project designs, project plans, and intended results are still relevant.

Successful project managers and their teams in non-governmental organizations are true heroes, delivering benefits to external stakeholders whose lives may very well depend on them. The World Bank classifies NGOs as either operational NGOs, which are primarily concerned with development projects, or advocacy NGOs, which are primarily concerned with promoting a

cause. Although usually out of sight and out of mind, one doesn't have to look far to see their work (Muluken, 2018).

2.9 Development Projects and Development Project Management

The (European Commission, 1997) defines a development project as "a multi-dimensional intervention which is intended to develop human, physical and economical potentials of a country to bring about the change leading to the improvement of economy, environment, communities, and institutions". (Gittinger, 1982) sees a development project as a model that aims primarily to add value through internal inputs/resources that are organized and operated by the project owner. Thus, the development project consists of an optimum set of investment-oriented actions based on comprehensive and coherent sector planning through which a defined combination of human and material resources is expected to cause a determined amount of economic and social development. According to (Wedajo, 2014)The components of a project need to be precisely defined as to character, location, and time. The project, in this study, refers to the development project undertaken and implemented through the federal government, at the country level.

(PMBOK, 1996) defines "project management as the application of knowledge, skills, tools, and techniques to project activities to meet project requirements and, further, describes it as an organizational approach to the management of an ongoing operation". (Baum, 1978) lists the logical sequences of the project cycle as problem identification, appraisal, negotiation and approval, implementation, monitoring and control, evaluation, and follow-up. Federal development project management can, therefore, be understood to refer to a deliberate intervention with resources over a defined period to improve the lives and circumstances of beneficiaries at the local level through the effective management of all stages of the project cycle(Wedajo, 2014).

Kawak (2002) classifies factors influencing the effectiveness of development project objectives into ten categories. These are managerial, physical, legal, political, technical, social, corruption, cultural, environmental, and economical. (Williams, 2011) indicates that the lack of project management capacity and poor design are factors responsible for the low performance of development projects. A study by (Ika, 2012) classifies the influencing factors into three

categories: structural/contextual, institutional/sustainability, and managerial/organizational, and in a further collaborative study (Wedajo, 2014) the scholars conclude that the managerial/organizational set of factors is most to blame for development project ineffectiveness or failures.

2.10 Overview of Ethiopian Federal Government Project Management

According to (Workneh, 2017) all developmental projects like the massive ones in Ethiopia should consider all economic, societal, political, cultural, psychological, and religious values if the desired developmental goals are to be met on time. Whenever people think about development, they usually stick to development in terms of money or economic value. However, development is not only economic but also social and psychological. These factors in some projects constitute more than 50 percent of the total value. In some projects key performance indicators (KPI) emanate out of the non-economic ones.

From a global and practical point of view, it is very difficult to find an excellent mega project completed without compromising those parameters. Human beings are endlessly fighting over mega projects to the best of their benefits, and sacrifice themselves in the process. So, should compromisethe identified values of the community be accepted? Or is there another option that boosts every value equally? Who is responsible for generating an optimal mix of financial and non-financial values (i.e. intrinsic and credence values of the community).

Megaprojects by their very nature are enormous and bring about a broader impact on the livelihoods of the community in question. But if all values of the community are not properly addressed then the outcome will be dismal. Ethiopia is undergoing perpetual economic growth and development and part of that growth narrative is the extensive mega projects. However, the fact on the ground shows that there are gross loopholes in the implementation of addressing every parameter. Multibillion birr investments in road infrastructural development are underway in every region of the country. The country is heading to be East Africa’s economic and political hub. However, these projects are being been undertaken in the community that is closely intertwined with social values.

Strange as it may seem, some projects deliberately omit these values to reduce the cost of the project. It is done at the expense of the communities. Compromised community values eventually surface out and the hidden cost sometimes is about 25 percent of the overall project. For instance, that is why we do not see properly constructed sidewalks, working escalators for passengers of the Addis Ababa Light Rail, and green areas in condominiums.A case is a point is the housing project in Addis Ababa. This mega project, which commenced over a decade ago, is yet to meet the ever-growing demand. Home seekers are psychologically defeated because the project is not progressing well. It is a clear manifestation of failing to address psychological values.

When people move to newly constructed neighborhoods, they sacrifice their social integration, customs, and rituals. However, both community psychologists and social and industrial psychologists argue that any development is to the people and from the people. If all things are considered before approval and implementation, the social fabric will be intact.

Another case in point is the Grand Ethiopian Renaissance Dam. All Ethiopians support the project because economic, political, religious, social, and psychological values are addressed to a large extent. However, it is difficult to say the same when it comes to other mega projects sugar development projects, fertilizer plant projects, commercial farming, and road projects in Addis Ababa. It seems that experts missed these variables at the time of forwarding their professional opinion on these development projects. Adding insult to injury, the situation will be more complicated when corruption is involved. So, the question remains, who is responsible? Is it the government local and/or federal?

True to form, the government takes a fair share of the blame, but all stakeholders are to blame. Disregarding these values has serious negative effects on nations' building. They are intrinsically incarnated with the overall value system in the country.Traditionally, project analysts try to design a system that will facilitate teamwork by dividing up the work and parceling out responsibility for decision-makers, policymakers, regulators, and leadership on various levels.

We, as a nation, have experienced failure and tragedies in epic proportions. Good examples are the Dire Dawa flashfloods and the Koshe landfill collapse tragedy. So the question is; how can we avoid incidents of the sort? In my view, every project should incorporate those values if we

want to see a developed Ethiopia and avoid calamities and failures. The banker should not approve a project if it fails to address societal values. By the same token, insurers should abandon any project that is being undertaken without adequately considering the extent of risk and its mitigating factors.

2.11 Data Analysis and Interpretation

Data analysis and interpretation is the process of assigning meaning to the collected data, information, and drawing the conclusions, importance, and indications of the findings. It is asignificant and exciting step in the process of research. Data analysis is a process that relies on methods and techniques to taking raw data, taking out for approaches that apply to the research's primary goals, and drilling down into this information to transform metrics, facts, and figures into initiatives for improvement. Data interpretation refers to the implementation of processes through which data is reviewed to arrive at an informed conclusion.

According to (C.R.Kothari, 2004) "The term analysis refers to the computation of measures along with searching for patterns of relationship that exist among data-groups". Data analysis is a process of cleaning, transforming, and modeling data to discover useful information for decision-making. The purpose of data analysis is to extract useful information from data and taking the decision based upon the data analysis.

The objective of this study is to assess the process of development project identification and selection of selected governmental and International non-governmental organizations in Ethiopia. The required data and information are collected from the respondents of both categories (i.e Government and International NGOs), analyzed, and interpreted to make a decision.

CHAPTER THREE

The Research Methods and Materials

This study is a cross-sectional research study. This chapter addresses the methodology (i.e. description of the study, research design and approach, the target population, sampling techniques, data types, sources of data, data collection method, methods of presentation and ethical issues) employed to assess the process of project identification and selection process of government and NGOs working in Ethiopia.

3.1. Description of the Study Area

The study was conducted in Addis Ababa, the capital city of Ethiopia. Most International NGOs and all government minister offices (i.e which are the sources of different projects) based inthis city. Both Government and International NGOs have development projects at the country, woreda, kebele level.

3.2. Research Design and Approach

The research study uses a cross-sectional study. In this study a combination of both qualitative and quantitative research design was used to assess and describe project identification and selection process of Government and International NGOs by assessing knowledge use of tools and techniques and their impact of NGOs that fit international development projects. This used to identify and select the project which is a good theoretical framework. Both qualitative and quantitative data were collected to complement each other.

3.2.Target Population

This study targeted only Government and International NGOs working on development projects based inEthiopia.According (agency for civil society organizations, 2011) to there are 1,780 national NGOs, International NGOs, and Unions functioning in Ethiopia.Out of this 324 are international, 1425 are local NGOs and 31 are unions. The numbers of forging NGOs are 324. These International organizations can be classified into secular NGOs and Religious NGOs.

The World Bank differentiates two main categories of NGOs with which it interacts:

1. *Operational NGOs*, the primary purpose of which is the design and implementation of development-related projects.

2. *Advocacy NGOs*, the primary purpose of which is to defend or promote a specific cause, and influence the policies and practices of international organizations.

The target population for government projects also focused on federal government projects owned by different federal government offices. For this study selected minster offices are selected based on the following criteria's:

- ✓ Working on Agriculture, Energy, Health, Education, and Urban/Rural construction development projects.
- ✓ Must be under the federal government.

For this study inclusion or selection criteria were developed to select relevant NGOs. The following criteria were used:

- ✓ Secular NGOs working only Agriculture, Energy, Health, Education, and Urban/Rural construction development projects.
- ✓ NGOs having office abroad and liaison office at Addis Ababa
- ✓ It has more than at least two years of service in Ethiopia.
- ✓ Must be operational NGO not advocacy NGO

3.3. Sampling Design

According to (Roscoe, 1969), successful research can be conducted with samples as small as between 10 to 20.However, for most studies sample sizes between 30 and 500 are most appropriate whereas sample sizes of less than 10 are not recommended. According (Daniel & Cross, 2018) the sample size of n:

$$n = N*X / (X + N - 1), \text{ where, } \quad X = Z_{\alpha/2}^2 * p*(1-p) / MOE^2, \ldots\ldots\ldots\ldots\text{eq (3.1)}$$

and $Z_{\alpha/2}$ is the critical value of the Normal distribution at $\alpha/2$ (e.g. for a confidence level of 95%, α is 0.05 and the critical value is 1.96), MOE is the margin of error (confidence interval), p is the sample proportion, and N is the population size. Note that a Finite Population Correction has been applied to the sample size formula.

For NGOs

The total population for NGOs was N=30 according to my selection criteria out of 324. To apply equation (3.1), for a confidence interval of 95%, α would 0.05 and its critical value is 1.96. The margin of error for this population was 5% and the sample of proportion was 50%. The sample size selected for this study n=28. From the total population N=30 the sample size n=28 is selected using the lottery method.

For Government Organizations

The same technique was applied to calculate the sample size from the given total population of 40 offices; N=30 according to the selection criteria applied to government project offices. By applying equation 3.1. For a confidence interval of 95%, α would 0.05 and its critical value is 1.96. The margin of error for this population was 5% and the sample of proportion was 50%. The sample size selected for this study n=28. From the total population N=30 the sample size n=28 is selected using the lottery method.

3.4. Data types, source, and methods of data collection

This subsection of the study discusses the study data types, major sources of data and information retrieved, and the method of data collection.

3.5.1 Types and Sources of Data

For this study both primary and secondary sources are used. The qualitative and quantitative data are collected using a questionnaire. The secondary data are collected from different books, different reliable web portals, literature, and Electronic journal databases. For this study top-level and middle-level managers are reached to collect the relevant data.

As part of the methodology, the study collects and analyzes both quantitative and qualitative data. Quantitative data includes closed-ended responses such as found on questionnaires while qualitative data is open-ended without predetermined responses. Both government and INGOs are clustered by their project type into the following sector:

- ✓ Agriculture
- ✓ Energy/power
- ✓ Health

- ✓ Education, and
- ✓ Urban/Rural Development.

3.5.2 Methods of Data Collection

To collect the data relevant personnel are contacted to fill the structured closed and open-ended questionnaire. The questionnaire has five parts part one was prepared to gather general information about the respondents' demographic information (gender, age, education, responsibility, year of experience in project identification,and selection process). Part two and three were prepared to get the detailed issues of the project identification and selection practices and its effect. For part four and five response questionnaire five-point,Likert-scale ranging from Strongly Agree (5) to Strongly Disagree (1) was used.

3.5.3 Research Materials

A questionnaire is designed for a Google survey form builder available by Google company which is open for everyone. The questionnaire was distributed to peoples via their email address and the responses are collected automatically by this form builder in the form of an Excel spreadsheet format.

3.6 Methods of Data Analysis

Comprehensive data analysis was done on both qualitative and quantitative parts of the questionnaires to investigate the research problems. For data analysis; data are organized into different categories and interpreted in line with the objectives of the study. Data collected through open-ended questionnaires were analyzed by using qualitative analysis techniques by creating a detailed relationship with the main idea under study.

The data collected for quantitative study analyzed using descriptive statistics and inferences. The result wasdistinguishing the structure of the project sector, tools, and techniques applied in the identification and selection process.

Qualitative research is concerned with describing phenomena in words to gain an understanding of the issues being researched. This type of research is concerned with the subjective assessment of attitudes, opinions, and behaviors, and the data generated are not subjected to rigorous

quantitative analysis. Qualitative data collected are interpreted accordingly with the research under the study.

3.7. Ethical Issues

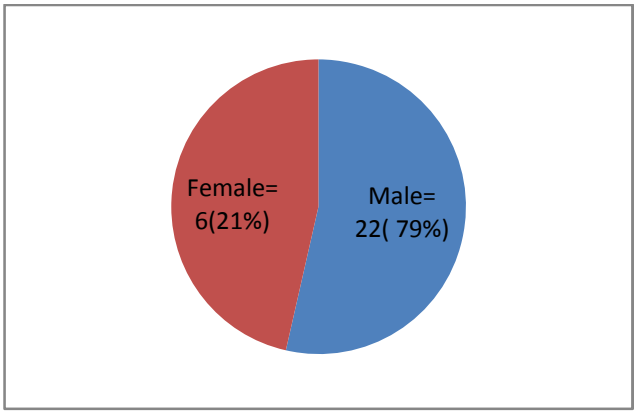
The willingness of individuals to disclose the necessary information plays a significant role in the successful completion of this research. For this reason, while conducting this research the researcher agreed to make sure that treating both the respondents and the information they provide with honesty and respect. These are some vital ethical principles that the researcher strictly complies with: (a) Do No Harm safeguarding an individual participating in the study against doing anything that harm. (b) Privacy and Anonymity - any respondents participating in this study are guaranteed. (c) Confidentiality - any information provided by an individual participating in this study have been treated confidentially.

Chapter Four

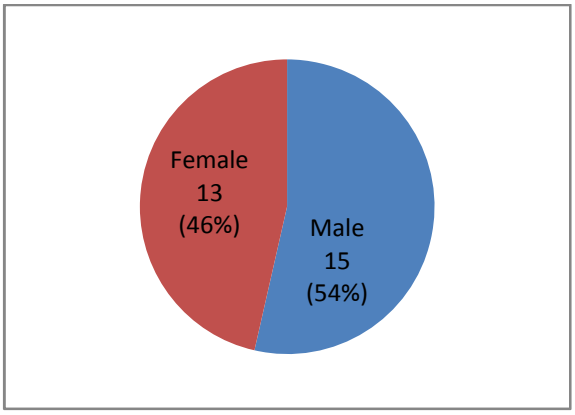
Data Analysis, Interpretation and Discussion

4.1 Organizational setup and Data analysis

4.1.1 Government and Non Governmental Organizations Gender Distribution



NGOs Male and Female Respondents



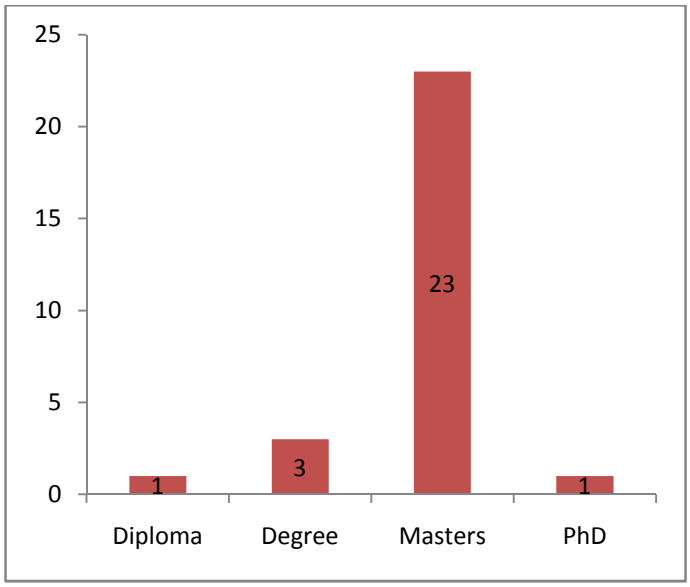
Government OrganizationsMale and Female Respondents

Chart 4.1 Gender distributions between Government and International NGOs offices

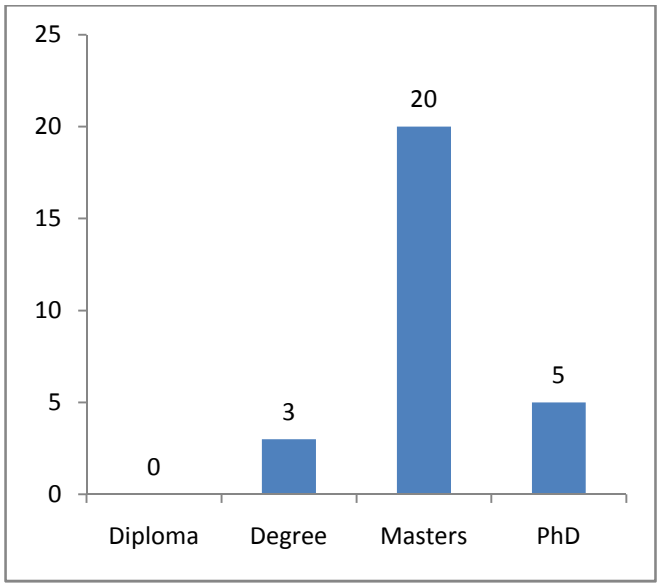
Chart 4.1 for Government and International NGOs shows that the gender of employees responded to the questionnaire. In non-governmental organizations the number of male respondents was 22(79%) and female respondents are 6 (21%) of the total 28 (100%). On the other hand, the number of government office respondents was female 13(46%) and the male was 15(54%) of a total of 28 (100%).

4.2.3 Government and International Non-Governmental Organizations Respondents

Education Level



NGOs Respondents Level of Education

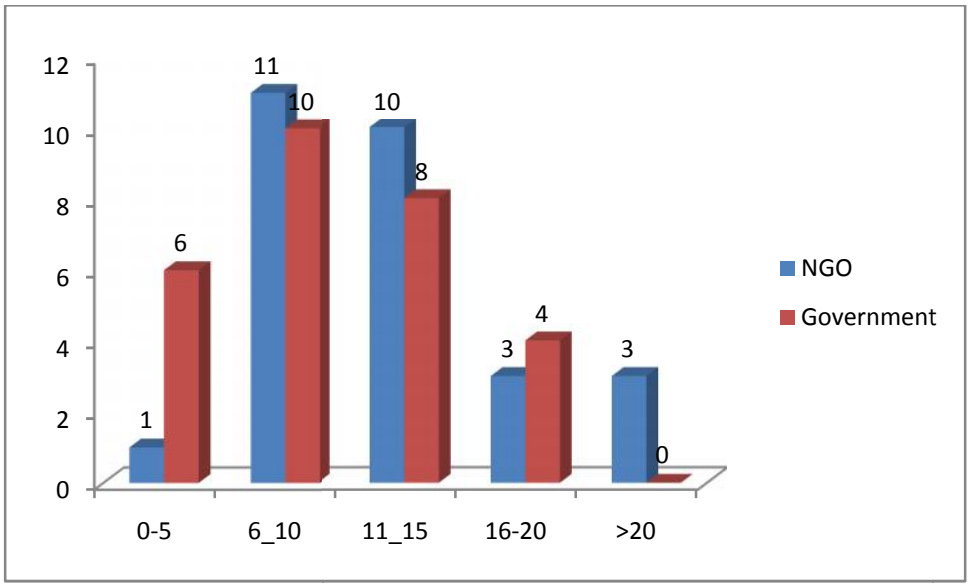


Government organization respondents level of Education

Graph 4.1 Respondents level of Education

The respondents'levels of education for both categories are shownin Graph 4.1. The NGOs'respondents'level of educationcontains diploma 1(3.6%), Bachelor Degree 3(10.7%), Masters Degree 23(82.1%), and Ph.D. 1(3.6%). Government organization respondents' level of education was diploma 0(0%), Bachelor Degree 3(10.7%), Mastersdegree 20(71.4%), and Ph.D. 5(17.6%).

4.2.4 Government and International Non-Governmental Organizations Respondents Work Experience



Graph 4.2 respondents work experience in the organization

Graph 4.2 shows that the respondents' years of service in the organization. As the graph shows that the number of employees working between 0 and 5 years for NGOs was 1(3.6%) and the government was 6(21.4%). Employees who are working between 6 and 10 years for NGOs were 11(39.3%) and government organizations were 10(35.7%). For 11 to 15 years experience NGOs were 10(35.7%) and for government organizations 8(28.6%). NGOs who are working more than twenty years was 3(10.7%).

4.2.5 Government and International Non-Governmental Organizations Respondents Job title

Management level	NGOs Respondents in %	Government organization Respondents in %
Top level	53.6%	57.1%
Middle Level	10.7%	21.4%
Low level	35.7%	14.3%

Table 4.1 Respondents Managerial Position

Figure 4.1 shows the position titles of the respondents for both Government and International NGOs organizations. From the left side of the figure shows the NGOs position; most of the

respondents were country directors 15 (53.6%), program directors were 3(10.7%)and the rest 10 (35.7%) held different work titles such as technical director, managing director, national technical manager, program manager, regional director, secretary-general, technical director, Trust Secretary, and Vice president.

From the right side of the table, 4.1 shows government organization position title of the respondents were project manager was 16(57.1%), program coordinators 6(21.4%), and the rest of the respondents 4(14.3%) have a different working title such as Community Outreach team leader, Coordinator, Environmental Director, Human Resource Director, Inspection officer, Office Engineer, Program Director, Project Coordinator, Project Coordinator, Project Director, Project Team Leader, Reference Head, Senior Programmer, Senior Project Officer, Space date Engineer, and Team Leader.

4.2.6 Government and Non Governmental Organizations Project Category

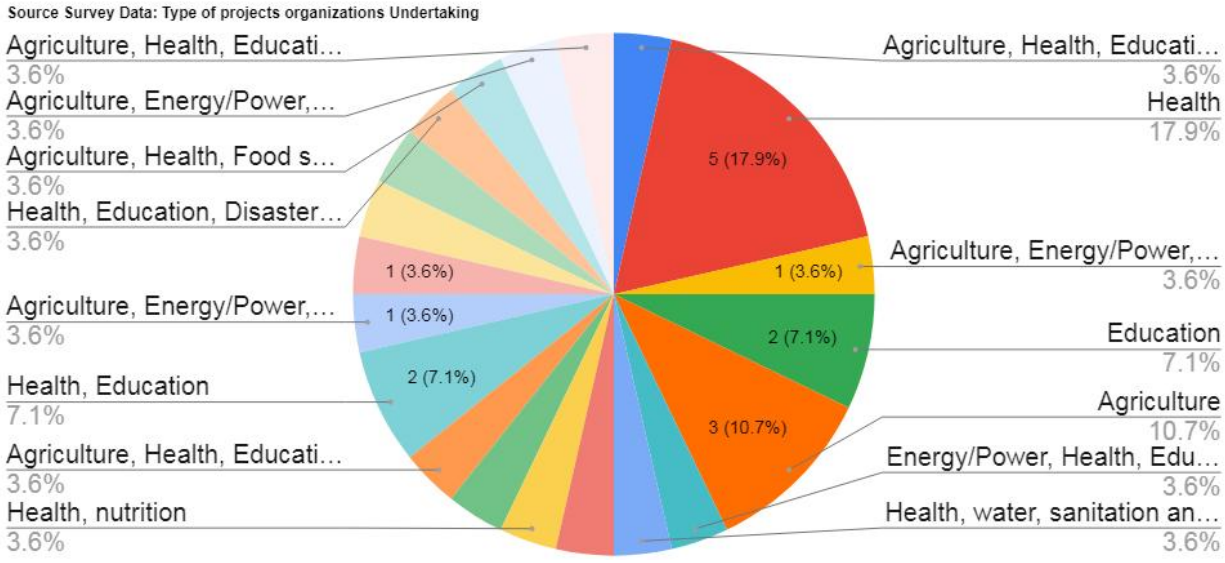


Chart 4.2 Non-governmental organization project types they undertake

The above chart 4.2 shows NGOs' project types by category. From the chart some organizations undertake a single category of projects such as Health only and other organizations run multi-category projects such as they can run Health, Agriculture, education together. The survey data shows that 3(10.7%) organizations working on agriculture projects only, 5(17.9%) organizations working only on health projects, 2(7.1%) organizations working only on education. The rest of

the respondent organizations run multi-category projects. For example 1(3.6%) organizations can have agriculture,health, and education.

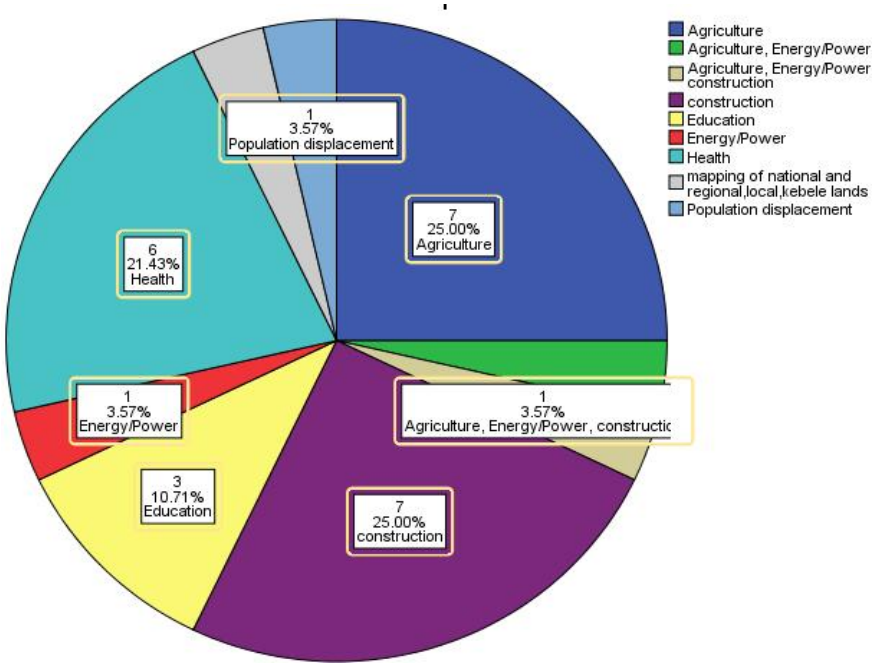


Chart 4.3 Governmental organization project types they undertake

The above chart 4.3 shows government project types by category. From the chart, most organizations undertake a single category of projects such as Health only and very few organizations run multi-category projects such as they can run Agriculture, energy, and construction together. The survey data shows that 7(25%%) organizations working on Construction projects only, 6(21.43%) organizations working only on health projects, 3(10.71%) organizations working only on education, 7(25%%) organizations working on agriculture projects only. The rest of the respondent organizations run multi-category projects. For example 1(3.57%) organization can have energy projects.

4.2.7 Government and International Non-Governmental Organizations Source of the project idea

The following two tables 4.2 and Table 4.3 shows the respondents' sources of the project idea for government and non-government organizations.

Sources of project idea for Government	Frequency	Percent

Government organization	✹ Government policies and plan	12	42.9
	✹ Government policies and plan, ☛ From local leaders	2	7.1
	✹ Government policies and plan, ✓ From local leaders, ☛ Analysis of the performance of existing industries, ➢ Examination of the input-outputs of various industries ❖ Investigation of local materials and resources	1	3.6
	✹ Government policies and plan ✓ From local leaders ☛ Analysis of the performance of existing industries ❖ Investigation of local materials and resources	1	3.6
	✹ Government policies and plan ✓ From local leaders ☛ Analysis of the performance of existing industries ☐ Review of imports and exports ❖ Investigation of local materials and resources	1	3.6
	✹ Government policies and plan ✓ From local leaders ○ From Entrepreneurs ❖ Investigation of local materials and resources	1	3.6
	✹ Government policies and plan ♠ From technical specifications	5	17.9
	✹ Government policies and plan ♠ From technical specifications ☛ Analysis of the performance of existing industries	1	3.6
	✹ Government policies and plan ♠ From technical specifications ○ From Entrepreneurs	1	3.6
	✹ Government policies and plan ♠ From technical specifications ○ From Entrepreneurs ☛ Analysis of the performance of existing industries	1	3.6
	✹ Government policies and plan ♠ From technical specifications ❖ Investigation of local materials and resources	1	3.6
	✹ Government policies and plan ❖ Investigation of local materials and resources	1	3.6
	Total	28	100.0

Table 4.2 Sources of government organizations project idea

Table 4.2 shows that where the government organization getsthe project idea. As shown in table 12(42.9%) of respondents source of the project idea is From government policies and plan, 5(17.9%) responded government policy,plan and technical specifications are the sources fora project idea, 2(7.1%) are used government policies, plan, and local leaders are the source of the project idea. The rest of respondents use multiple sources such as from government policies and plan,from technical specifications, from local leaders, from entrepreneurs, analysis of the performance of existing industries, the examination of the input-outputs of various industries, review of imports and exports, and investigation of local materials and resources.

Sources of Project Idea for NGOs		Frequency	Percent
NGO	✹ Government policies and plan	23	82.1
	✹ Government policies and plan ○ From Entrepreneurs	1	3.6
	✹ Government policies and plan ✓ From local leaders	1	3.6
	✹ Government policies and plan ♠ From technical specifications ✓ From local leaders ☛ Analysis of the performance of existing industries ⅄ Field assessment official reports	1	3.6
	✹ Government policies and plan ♠ From technical specifications ✓ From local leaders ○ From Entrepreneurs ✈ Community need as articulated	1	3.6
	♦ Visit to the Simien Mountains	1	3.6
	Total	28	100.0

Table 4.3 Sources of non-government organizations project idea

Table 4.3 shows the sources where non-government organizations get a project idea. As shown in table 23(82.1%) of the respondents' source of the project idea is from government policies and plan. The rest of respondents use multiple sources a combination of either of these such as from government policies and plan,from technical specifications, from local leaders, from entrepreneurs,

analysis of the performance of existing industries, the examination of the input-outputs of various industries, review of imports and exports, and investigation of local materials and resources.

4.2.8 Pre-feasibility and feasibility study

The following table 4.4 shows respondents' feedback on whether their organization conducts a pre-feasibility and feasibility study.

Organization	Response	Frequency	Percent
NGO	Yes	28	100
	No	0	0
	Total	28	100.0
Government organization	Yes	14	50
	No	14	50
	Total	28	100

Table 4.4 Pre-feasibility and feasibility study

Table 4.4 shows that Government and International NGOs respondents whether they conduct pre-feasibility and feasibility study. From table 28(100%) NGOs perform both pre-feasibility and feasibility study, whereas in government organization 14(50%) respondents conduct both pre-feasibility and feasibility study, on the other hand 14 (50%) responded that they do not conduct the study.

4.2.9 Criteria Used to Screen Projects

This sub-section discusses the respondents' criteria to screena profitable and valid project for NGOs and non-governmental organizations.

	Which of the following criteria are used to screen projects in your organization?	Frequency	Percent
	◆ Compatibility with aims and objectives agreed with the government	1	3.6
	◖ Compatibility with the interest, personality, and resources of the entrepreneur ◓ Consistency with government priorities ✋ Availability of inputs ✶ Adequacy of the market	1	3.6

NGO	◈ Reasonableness of cost ▣ Acceptability of risk level		
	◖ Compatibility with the interest, personality, and resources of the entrepreneur, ◓ Consistency with government priorities ◉ Fitting to the plan for community development and capacity building	1	3.6
	◓ Consistency with government priorities	11	39.3
	◓ Consistency with government priorities ▣ Acceptability of risk level	2	7.1
	◓ Consistency with government priorities ✋ Availability of inputs	4	14.3
	◓ Consistency with government priorities ✋ Availability of inputs ▣ Acceptability of risk level	1	3.6
	◓ Consistency with government priorities ✋ Availability of inputs ◈ Reasonableness of cost	1	3.6
	◓ Consistency with government priorities ✋ Availability of inputs ◈ Reasonableness of cost ▣ Acceptability of risk level	1	3.6
	◓ Consistency with government priorities ◈ Reasonableness of cost	1	3.6
	◓ Consistency with government priorities ◈ Reasonableness of cost ▣ Acceptability of risk level	4	14.3
	Total	28	100.0

Table 4.5 Criteria's used to screen projects in Non-governmental Projects

Table 4.5 shows the list of criteria sued by NGOs to screen projects. As table 4.5 shows that 11(39.3%) of respondents use the "consistency with government priorities" as the soul screening

criteria. This criterion also used by the rest of respondents 17(60.7%) in combination with other screening criteria such as the reasonableness of cost, acceptability of risk level, availability of inputs, compatibility with the interest, personality, and resources of the entrepreneur, and fitting to the plan for community development and capacity building.

Which of the following criteria are used to select projects in your organization?		Frequency	Percent
Government Organizations	◖ Compatibility with the interest, personality, and resources of the entrepreneur	1	3.6
	◖ Compatibility with the interest, personality, and resources of the entrepreneur ▣ Acceptability of risk level	1	3.6
	◖ Compatibility with the interest, personality, and resources of the entrepreneur ◓ Consistency with government priorities ✋ Availability of inputs ▣ Acceptability of risk level	1	3.6
	◓ Consistency with government priorities	15	53.6
	◓ Consistency with government priorities ▣ Acceptability of risk level	1	3.6
	◓ Consistency with government priorities ✶ Adequacy of the market	1	3.6
	◓ Consistency with government priorities ✋ Availability of inputs	1	3.6
	◓ Consistency with government priorities ✋ Availability of inputs ✶ Adequacy of the market	1	3.6
	◓ Consistency with government priorities ✋ Availability of inputs ✶ Adequacy of the market ◈ Reasonableness of cost ▣ Acceptability of risk level	2	7.1

	Consistency with government priorities Availability of inputs Reasonableness of cost	1	3.6
	Consistency with government priorities Availability of inputs Reasonableness of cost Acceptability of risk level	1	3.6
	Consistency with government priorities community problem	1	3.6
	Consistency with government priorities Reasonableness of cost	1	3.6
	Total	28	100.0

Table 4.6 Criteria's used to screen projects in government organizations Projects

Table 4.5 shows the list of criteria used by government organizations to screen select projects. As table 4.5 shows that 15(53.6%) of respondents use the "consistency with government priorities" as the main screening criteria. This criterion also used by the rest of respondents 13(46.4%) in combination with other screening criteria such as the reasonableness of cost, acceptability of risk level, availability of inputs, compatibility with the interest, personality, and resources of the entrepreneur, and fitting to the plan for community development and capacity building.

4.2.10 Selection criteria are applied to select a profitable project

The following subsection shows that the selection criteria for both Government and International NGOs organizations.

Which selection criteria are applied to select a profitable project?		**Frequency**	**Percent**
NGO	Net present value Organizational goal	1	3.6
	Health epedimics or pandemic cases	1	3.6
	Organizational goal	26	92.9
	Total	28	100.0
Government organization	Internal rate of return Organizational goal	1	3.6
	Organizational goal	22	78.6

	Organizational goal Community Satisfaction	1	3.6
	Payback period	1	3.6
	Payback period Internal rate of return Organizational goal	1	3.6
	Payback period Net present value Organizational goal	1	3.6
	Payback period Organizational goal	1	3.6
	Total	28	100.0

Table 4.7 Selection criteria are applied to select a profitable project in Government and International NGOs

Table 4.7 shows that for NGOs which are 26(92.9%) used "organizational goal" as their primary selection criteria, 1(3.6%) used net present value and organizational goal in combination as a criterion and 1(3.6%), whereas government organizations 22(78.6%) organizational goal is used as the primary selection criteria, for the rest 6(21.4%) of government organizations uses organizational goal by grouping it to other selection criteria such as internal rate of return, community satisfaction, net present value, and payback period.

4.2.11 Types of the Feasibility Study conducted by Government and International NGOs

Which types of feasibility studies are conducted for the selected projects?		**Frequency**	**Percent**
NGOs	Economic Feasibility Operational Feasibility	1	3.6
	Operational Feasibility	1	3.6
	Technical Feasibility Economic Feasibility	9	32.1
	Technical Feasibility Economic Feasibility Legal Feasibility	1	3.6
	Technical Feasibility Economic Feasibility Legal Feasibility Operational Feasibility	3	10.7
	Technical Feasibility Economic Feasibility Legal Feasibility	6	21.4

	Operational Feasibility Scheduling Feasibility		
	Technical Feasibility Economic Feasibility Operational Feasibility	6	21.4
	Technical Feasibility Legal Feasibility	1	3.6
	Total	28	100.0
Government Organization	Technical Feasibility	5	17.9
	Technical Feasibility Economic Feasibility	10	35.7
	Technical Feasibility Economic Feasibility Legal Feasibility	1	3.6
	Technical Feasibility Economic Feasibility Legal Feasibility Operational Feasibility	2	7.1
	Technical Feasibility Economic Feasibility Legal Feasibility Operational Feasibility Scheduling Feasibility	3	10.7
	Technical Feasibility Economic Feasibility Legal Feasibility Scheduling Feasibility	2	7.1
	Technical Feasibility Economic Feasibility Operational Feasibility Scheduling Feasibility	2	7.1
	Technical Feasibility Legal Feasibility	1	3.6
	Technical Feasibility Legal Feasibility Operational Feasibility Scheduling Feasibility	1	3.6
	Technical Feasibility Scheduling Feasibility	1	3.6
	Total	28	100.0

Table 4.8 Types of the feasibility study conducted by Government and International NGOs

Table 4.8 shows the type of feasibility studies conducted by Government and International NGOs organizations. As the table shows that in NGOs 26 (92.8%) perform technical feasibility

in combination with other feasibility studies such as economic feasibility, legal feasibility, and operational feasibility, and 2(7.14%) use economic and operational feasibility.All government organizations responded that technical evaluation is conducted to identify a profitable project.

4.2.12 Stakeholder Identification and Selection of Government and International NGOs Organizations

A stakeholder is an individual, group, or organization that is impacted by the outcome of a project. They have an interest in the success of the project and can be within or outside the organization that is sponsoring the project. Stakeholders can have a positive or negative influence on the project. So communicating and identifying the needs and wants of stakeholders in the process of project identification and selection is very critical to the success of the project.

	Questions	**Strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
NGOs	Stakeholders identification is part of the projects selection	6 (21.4%)	22(78.6)	0(0%)	0(0%)	0(0%)
	There is clear list of each stakeholders	4(14.3%)	24(85.7)	0(0%)	0(0%)	0(0%)
	The needs of each stakeholder is analyzed and identified clearly before the project	4 (14.3%)	22 (78.6)	2(7.1%)	0(0%)	0(0%)
	Strategies are developed to address the needs of each stakeholders	3(10.7%)	22(78.6%)	3(10.7%)	0(0%)	0(0%)
	There is communication with different stakeholders like land owners and local authorities, etc	6(21.4%)	19(67.9%)	3(10.7%)	0(0%)	0(0%)
	Initial understanding and agreements on the projects was made by the stakeholders	3(10.7%)	25(89.3%)	0(0%)	0(0%)	0(0%)
	There is equal emphasis for all stakeholders	2(7.1%)	16(57.1%)	6(21.4%)	4(14.3%)	0(0%)
	There is room for stakeholders to contribute their idea on the project	4(14.3%)	19(67.9%)	5(17.9%)	0(0%)	0(0%)

Table 4.9 NGOs Stakeholder identification and selection

Table 4.9 shows NGO respondents about stakeholder identification and selection as part of their project process. As table 4.8 shows respondents responded that for the question *Stakeholders*

identification is part of the project selection 22(78.6%) agree and 6(21.4%) strongly agree on the question. For the question *is there is a clear list of each stakeholder?* They responded that 24(85.7%) agree and 4(14.3%) strongly agree on the process. The needs of each stakeholder are analyzed and identified clearly before the project (Strongly agree 4 (14.3%), Agree 22 (78.6), neutral 2(7.1%), Strategies are developed to address the needs of each stakeholder (strongly agree 3(10.7%), agree 22(78.6%), and neutral 3(10.7%)). There is communication with different stakeholders like landowners and local authorities, etc (strongly agree 6(21.4%), agree 19(67.9%), and Neutral 3(10.7%)). Initial understanding and agreements on the projects were made by the stakeholders (strongly agree 3(10.7%) and agree 25(89.3%)). There is an equal emphasis for all stakeholders (strongly agree 2(7.1%), agree 16(57.1%), neutral 6(21.4%), and disagree 4(14.3%)). There is room for stakeholders to contribute their idea on the project (strongly agree 4(14.3%), agree 19(67.9%), and neutral 5(17.9%)).

	Questions	**Strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
Government office	Stakeholders identification is part of the projects selection	2(7.1%)	11(39.3%)	13(46.4)	2(7.1%)	0(0%)
	There is clear list of each stakeholders	1(3.6)	13(46.4%)	14(50%)	0(0%)	0(0%)
	The needs of each stakeholder is analyzed and identified clearly before the project	1(3.6%)	21(75%)	6(21.4%)	0(0%)	0(0%)
	Strategies are developed to address the needs of each stakeholders	1(3.6%)	24(85.7%)	3(10.7%)	0(0%)	0(0%)
	There is communication with different stakeholders like land owners and local authorities, etc	0(0%)	22(78.6%)	6(21.4%)	0(0%)	0(0%)
	Initial understanding and agreements on the projects was made by the stakeholders	1(3.6%)	16(57.1%)	11(39.3 %)	0(0%)	0(0%)
	There is equal emphasis for all stakeholders	1(3.6%)	13(46.6%)	14(50%)	0(0%)	0(0%)

	There is room for stakeholders to contribute their idea on the project	1(3.6%)	12(42.9%)	15(53.6 %)	0(0%)	0(0%)

Table 4.10 Government organizations stakeholder identification and selection

Table 4.9 shows government organization respondents about stakeholder identification and selection as part of their project process. As table 4.9 shows respondents responded that for the question *Stakeholders identification is part of the project selection*(11(39.3%) agree, 2(7.1%) strongly agree, and 2(7.1%) disagree) on the question. For the question *is there is a clear list of each stakeholder?* They responded that 13(46.4%) agree and 1(3.6%) strongly agree,14(50%) neutral on the process. The needs of each stakeholder are analyzed and identified clearly before the project (Strongly agree 1 (3.6%), Agree 21 (75%), neutral 6(21.4%), Strategies are developed to address the needs of each stakeholder (strongly agree (3.6%), agree 24(85.7%), and neutral 3(10.7%)). There is communication with different stakeholders like landowners and local authorities, etc (strongly agree 0(0%), agree 22(78.6%), and Neutral 6(21.4%)). Initial understanding and agreements on the projects were made by the stakeholders (strongly agree 1(3.6%), agree 16(57.1%), and neutral11 (39.3%)). There is an equal emphasis for all stakeholders (strongly agree 1(3.6%), agree 13(46.6%), and neutral 14(50%)). There is room for stakeholders to contribute their idea on the project (strongly agree 1(3.6%), agree 12(42.9%), and neutral 15(53.6%)).

4.2.13 Pre-feasibility and Feasibility awareness assessment

A pre-feasibility study is a preliminary study undertaken to determine, analyze, and select the best project scenarios. In this study, we assume we have more than one project scenarios, and then we want to know which one is the best, both technically and financially. If the selected scenario is considered feasible, it is recommended to continue the study to feasibility to get a deeper analysis of the selected project scenario which is the feasibility study.

	Pre-feasibility and Feasibility studies:-	**strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
NGO	improves project teams' focus	7(25%)	13(46.4%)	7(25%)	1(3.6%)	0(0%)
	provides valuable information for a	7(25%)	21(75%)	0(0%)	0(0%)	0(0%)

	go or no-go decision					
	narrows the business alternatives	4(14.3%)	18(64.3%)	6(21.4%)	0(0%)	0(0%)
	aids decision-making on the project	5(17.9%)	22(78.6%)	1(3.6%)	0(0%)	0(0%)
	enhances the success rate by evaluating multiple parameters	9(32.1%)	19(67.9%)	0(0%)	0(0%)	0(0%)

Table 4.11 Pre-feasibility and Feasibility awareness assessment of NGOs

Table 4.10 shows that NGOs respondents level of awareness about project pre-feasibility and feasibility study. From the table, respondents responded for the question Pre-feasibility and Feasibility improves project teams' focus; strongly agree 7(25%), agree 13 (46.4%, neutral 7(25%), and disagree 1(3.6%), feasibility studies provides valuable information for a go or no-go decision(strongly agree 7(25%), agree 21(75%). Pre-feasibility and Feasibility narrows the business alternatives (strongly agree 4(14.3%), agree 18(64.3%), neutral 6(21.4%)). Pre-feasibility and feasibility aid decision-making on the project (strongly agree 5(17.9%), agree 22(78.6%), and neutral 1(3.6%). Pre-feasibility and feasibility enhances the success rate by evaluating multiple parameters (strongly agree 9(32.1%) and agree 19(67.9%))

	Questions	**strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
Government offices	improves project teams' focus	2(7.1%)	0(%)	8(28.6%)	17(60.7%)	1(3.6%)
	provides valuable information for a go or no-go decision	8(28.6%)	19(67.9%)	1(3.6%)	0(0%)	0(0%)
	narrows the business alternatives	3(10.7%)	19(67.9)	6(21.4%)	0(0%)	0(0%)
	aids decision-making on the project	6(21.4%)	21(75%)	1(3.6%)	0(0%)	0(0%)
	enhances the success rate by evaluating multiple parameters	7(75%)	21(75%)	0(0%)	0(0%)	0(0%)

Table 4.12 Pre-feasibility and Feasibility awareness assessment of Government Organizations

Table 4.11 shows that government organizationsrespondents level of awareness about project pre-feasibility and feasibility study. From the table 4.11 respondents responded for the question Pre-feasibility and Feasibility improves project teams' focus; strongly agree 2(7.1%), agree 0 (0%), neutral 8(28.6%), disagree 7(60.7%) and strongly disagree 1(3.6%).Feasibility studies provide valuable information for a go or no-go decision (strongly agree 8(28.6%), agree

19(67.9%), neutral 1(3.6%)). Pre-feasibility and Feasibility narrows the business alternatives (strongly agree 3(10.7%), agree 19(67.9%), neutral 6(21.4%)). Pre-feasibility and feasibility aid decision-making on the project (strongly agree 6(21.4%), agree 21(75%), and neutral 1(3.6%). Pre-feasibility and feasibility enhances the success rate by evaluating multiple parameters (strongly agree 7(75%) and agree 21(75%))

4.2 Data analysis Interpretation

In this sub-section the collected data is interpreted to meet the research objective.
In this section the research analysis is done to meet these list specific and general objectives. Project identification and selection is the primary step in project management cycle management. Project ideas are initiated from different sources such as problems of the society, government plan, workshops, inspecting inputs and outputs of different industries, innovations of technology, etc.

From the data analysis Government and International NGOs organizations;*government policies and planning* is the primary source for their project identification which takes 96.4% of the sources.Therefore, to make Government and International NGOs development projects to be effective government plan should be:

- ✓ strategic and addressable
- ✓ a catalyst for positive change and progress
- ✓ anticipate future needs on an objective basis
- ✓ sustainable development can be achieved
- ✓ consistent between plan and strategies at different levels
- ✓ central to effective implementation

Once project ideas are identified from different sources the next step is screening. In this study both Government and International NGOs organizations use different screening criteria for the selected projects. For Government and International NGOs organizations "*consistency with government priorities"* takes 100% of the total populationas a primary criterion and other screening criteria (i.e *Compatibility with aims and objectives agreed with the government, reasonableness of cost, acceptability of risk level, fitting to the plan for community development and capacity building*) are used in some of the organization.

Project selection is the next step after filtering or screening project. Project selection criteria are applied such as organizational goal, community satisfaction, payback period, net present value, and internal rate of return.From the data analysis 96.5% of non-governmental organizations use "*organizational the goal*" as the primary selection criteria. The same criteria also applied to government organizations which take 85.7% of the criterion.

Once very few projects are selected feasibility studies are conducted in Government and International NGOs organizations.A feasibility analysis evaluates the project's potential for success; therefore, perceived objectivity is an essential factor in the credibility of the study for potential investors and lending institutions. There are five types of feasibility study Technical Feasibility, Economic Feasibility, Legal Feasibility, Operational Feasibility, and Scheduling Feasibility.

Non-governmental and government organizations asked about which types of feasibility studies are conducted for the selected projects? The respondents replyto the type of feasibility study they undertake to select the final project to be implemented. NGOs give the first choice for technical and economic feasibility (89.3%); but in addition to thisoperational and legal feasibility are also conducted parallel. Least attention is given to feasibility study and this may also the root cause for delay of the projects.A technical feasibility study helps organizations determine whether the technical resources meet capacity and whether the technical team is capable of converting the ideas into working systems. Economic feasibility assessment typically involves a cost/ benefits analysis of the project, helping NGOs determine the viability, cost, and benefits associated with a project before financial resources are allocated. It also serves as an independent project assessment and enhances project credibility helping decision-makers determine the positive economic benefits to the organization that the proposed project will provide.

On the other hand government organizations also give primary attention to technical and economic feasibility which takes 67% of the respondents. The rest of the respondents 32.1% conducted legal feasibility. In government organization schedule feasibility also given less attention than the other feasibility studies. Only 7.1% of respondents conduct schedule feasibility. Both Government and International NGOs organizations also asked about what they think about the root cause of the project; government organization respondents states that even

though there deemed to be a schedule feasibility study projects are not implemented in line with the stated schedule feasibility.

Stakeholder identification is also part of the project feasibility assessment. Stakeholders are usually parties who have a stake in a project and have a great influence on its success or failure. They may be equity or preference shareholders, employees, government agencies, contractors, financial institutions, competitors, suppliers, and the general public. Stakeholders play different roles within a project, depending on responsibilities, rules, and titles formulated during the formation of the project or during its growth. NGOs have undertaken a stakeholder identification is part of their project selection, they have also clear list of each stakeholder and their need before the start of the project, but a significant number of respondents are not sure about they give equal emphasis for all stakeholders and there is room stakeholders contribute their ideas.

A significant number (46.4%) or government organization respondents are neutral about stakeholder identification is part of their project selection and 7.1% of the respondents also disagree stakeholders as part of their project selection. A project is successful when it achieves its objectives and meets or exceeds the expectations of the stakeholders. When we incorporate stakeholders into the project it became a very viable project and can succeed easily. From the total respondents of government organizations 50 % of them are neutral about whether there is a clear list of stakeholders and giving equal emphasis for all stakeholders. The respondent 40% of them are having no idea about the initial understanding as a critical part of stakeholder management. This and other problems such as corruption, lack of stakeholder participation, political involvements, policy problems to implement different projects, lack of appropriate knowledge to manage projects, personality and ethical standards mentioned as a root cause of project failure according to the respondents.

Most of the respondents (71.4%) agree are pre-feasibility and feasibility studies improve teams' focus.It helps to decision-making on the project. Improve achievement time by calculating several restrictions. Respondents 100% of them provide positive response on the importance of pre-feasibility and feasibility provides valuable information for a go or no-go decision. The respondents are also rendering positive feedback on a feasibility study narrows the business alternative aids decision-making on the project; enhances the success rate by evaluating different parameters.

On the other hand government organizations,a significant number (64.3%) of respondents are not aware of the pre-feasibility and feasibility study improves teams' focus. Unless a project is focused on the appropriate team the project became failed. Respondents out of which 96.5% are aware of pre-feasibility and feasibility provide valuable information on ago or no-go decision.

4.3 Challenges of the Project Identification and Selection Process

From the survey of the study both Government and International NGOs organizations respondents put forwared the main challenges of project identification and selection. For readability I summarized the response as follows:

- Lack of clear government plan and involvement
- Identifying potential environmental opportunities
- Analysis problem to select a single project from a multiple
- Technical analysis incompetency
- Lack of clear feasibility study
- Stakeholders identification process are the main challenge
- Global reality Vs government priorities

4.5 Causes of Project Failure

The respondents of Government and International NGOs organizations also forwared their possible reasons for the failurity of project. I summarized the reasons as follows:

- Awareness problem of stakeholders, lack of professional project manager
- Lack of clear understanding about project objective
- Unrealistic deadlines, insufficient team skills
- Failure to asses reliable project
- Stakeholders awareness problem, Financial management problem
- Lack of executive management support, improper planning ,incomplete requirements and specifications
- Changing requirements; specification, and lack of user involvement
- Lack of resource, technical illiteracy
- Lack of proper and poor planning
- Incompetent project members
- Lack of client acceptance and troubleshooting ongoing projects problem
- Lack of proper control mechanism and inadequate communication channels

- Lack of top management support

4.6Discussion on the study

In this study both Government and International NGOs organization project identification selection processes are assessed for development projects.

Once project idea is generated by different sources both Government and International NGOs organizations use different sources to identify projects. Government policy and plan is a vital source of the project idea for both organizations. The next step is screening projects from the identified ideas. For Government and International NGOs*consistency with government, priorities* are used as a major screening criterion for the project. Following the project screening step the next step is project selection. Government and International NGOs use *Organizational the goal is* used as a major selection criterion for the project.

A feasibility study is an analysis of the viability of an idea. The feasibility study focuses on helping answer the essential question of "should we proceed with the proposed project idea?" All activities of the study are directed toward helping answer this question. Once very few projects are selected feasibility studies are conducted in Government and International NGOs organizations.A feasibility analysis evaluates the project's potential for success; therefore, perceived objectivity is an essential factor in the credibility of the study for potential investors and lending institutions. There are five types of feasibility study Technical Feasibility, Economic Feasibility, Legal Feasibility, Operational Feasibility, and Scheduling Feasibility.

NGOs give more attention to technical and economic feasibility than the government organization. Whereas government organization gives more focus onthe operational and legal feasibility study. But in both organizations Schedule, feasibility gets little attention than the rest of the feasibility studies.

NGOs have undertaken a stakeholder identification is part of their project selection, they have also clear list of each stakeholder and their need before the start of the project, but a significant number of respondents are not sure about they give equal emphasis for all stakeholders and there is room stakeholders contribute their ideas. A significant number of government organization respondents are not awareof stakeholder identification is part of their project selection.

Government organizations make sure that they don't omit any stakeholders. Find all them, because the future of the project is in danger if government organization gives higher emphasis.

A pre-feasibility study conducted first to help sort out relevant project scenarios. Before proceeding with a full-blown feasibility study, we may want to do some pre-feasibility analysis of the project. It will save time and money. If the findings lead us to proceed with the feasibility study, our work may have resolved some basic issues in the project.

One major finding of this study is government organizations give less emphasis than NGOs to pre-feasibility and feasibility study helps to improve team focuses. Projects which are setup without proper are coordination failed.

The best project teams include stakeholders at all levels, from executives to those individuals at the front line. These individuals have the inside knowledge that will be critical to the success of technical experts from external organizations.The most important element about team composition is having a team that is effectively working together. Collaboration and communication skills are two of the most critical personal skills demanded of all members. The ability and willingness to recognize and value the different roles and contributions of team members are essential. Every team needs problem-solving, influence, process, and compliance behaviors and values if it is to be successful. People possessing those different requirements for group success have very different behaviors and conflict can be a product of their interactions. Team development at the very start of the project should include training in communication skills, and the recognition and value of the different behaviors, values, and personal skills needed for team success.

CHAPTER FIVE
CONCLUSION AND RECOMMENDATIONS

5.1. Conclusion

“A project is a temporary endeavor undertaken to create a unique product, service, or result.” (PMBOK, 1996).Managing a project has a sequence of phases or cycles. In the project management lifecycle, the primary and essential step is the identification and selection process. A project can go through different stages from its initially identified as potentially inviting to its feasibility study and ultimately it passes into commissioning. This is a substantial step such that it can impact the entire process of the project even after the project completion. Project identification is a preoccupy beginning determination of the nature, size, and scope of potential projects and the establishment of their possible precedence in the country’s development program.

The federal government of Ethiopia is undertaking massive construction projects (such as sugar development projects, fertilizer plant projects, Reinesance dam, commercial farming, and road projects in the country, but that should not be a short-lived development. If human values are not duly considered, then the development will be short-lived. That is why buildings collapse, bridges are damaged because they did not properly take into account the values of beneficiaries. But why is it so? Is it corruption? Is it sheer negligence? Are projects adequately and knowledgeably initiated, selected, and evaluated with intensive parameters? Are all stakeholders involved during the planning, approval, and implementation stages? Were they meant for the people? These questions require serious and clear answers.

The general objective of this study is to assess the process of development project identification and selection of selected governmental and International non-governmental organizations in Ethiopia.Failing to plan is planning to fail. Mainly the identification and selection process is very important because it affects the whole life of the project implementation activity. The main significance of this research is to investigate the identification and selection process and practices of projects in both governmental and international non-governmental organization development projects and its genuineness with the best practice and principles of project

identification and selection to contribute ideas for these organizations understand the main problems behind the delays in the development projects.

The first and one of the critical steps in the project cycle management is the identification and selection process.

Once project idea is generated by different sources both Government and International NGOs organizations use different sources to identify projects. Government policy and plan is a vital source of the project idea for both organizations. The next step is screening projects from the identified ideas. For Government and International NGOs *consistency with government, priorities* are used as a major screening criterion for the project. Following the project screening step the next step is project selection. Government and International NGOs use *Organizational the goal is* used as a major selection criterion for the project.

In conclusion, project identification and selection is the relevant part of project cycle managemenet in Government and International NGOs organizations. Both Government and International NGOs organizations are challenged to identify and select development projects. These challenges are political involvement and lack of clear government plan and policy, identifying potential environmental opportunities, technical analysis incompetency, incompatibility of the real need of global situation with government priorities, forgetting some potential stakehokders during identification phase and lack of clear feasibility study. Due to these factors of project identification, Government and International NGOs organizations have different project success performance. NGOs handle most of the problems of identification than government organizations. They have better success performance than government projects. The overall identification and selection process of the project in these two organizations related. However, the detail steps they are undertaking to identify and select the potential project is differ in terms of the technical analysis,stakeholder participation and project team selection.

5.2. Recommendations

In this study an effort has made to assess the process of development project identification and selection of selected governmental and International non-governmental organizations in Ethiopia. Based on the research findings, the following recommendations are forwarded:

- Government policy and plan is a vital source of the project idea for Government and International NGOs organizations.However, government policies and plans should be studied in its logical compatibility for the development project idea.
- The schedule feasibility is about assessing the degree to which the potential time frames and completion dates for a project to meet organizational deadlines. However, schedule feasibility considered as the last agenda; studies should be conducted on why projects work hard to meet the schedule.
- Stakeholders are not only the observer of the project but it includes the beneficiaries. Government projects should take seriously stakeholder identification; inviting stakeholders to contribute their ideas; the needs of the stakeholder, and communicating with stakeholders before implementing and commissioning the project.
- A project team by definition is a temporary team created to deliver a project. This team should be organized into a group of people who are performing shared or individual tasks and goals. However, government projects give little attention to the team's focus on identification and selection. Further studies should be done on how team members of government development projects are recruited.
- The global reality or community needs should be studied in project identification and selection than giving priorities to government need.

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Appendix

Addis Ababa University

School of Commerce

Department of Project management

Dear Respondent

This questionnaire is a part of Master's Degree work being undertaken on the topic ***"Assessment of project identification and selection processes in Government and International Non-government Organizations in Ethiopia"*** under the advisor of AdaneAtara (PhD). I kindly request you to spend your precious few minutes in filling out or answer the questionnaire. Please be assured that your response will be confidential and used for academic purpose only.

The first and one of the critical steps in the project cycle management is the identification and selection process. This is an important stage such that it can affect the whole process including that of sustainability of the project after completion and transferring to operational phase.Project Identification and selection is a process to assess each project idea and select the project with the highest priority.

Thank you in advance for your sincere cooperation, please feel free to contact me if you have any query.

Your acceptance will be highly appreciated

Yours faithfully,

Firesenbet Adela

Section A: Demographic Information

Name of Organization_____

Type of your organization ☐ Government ☐ Non-governmental

Gender Male ☐ Female ☐

Age (Year) 20-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐>60☐

Level of Education Diploma ☐ Degree ☐ Masters ☐ PhD ☐

Number of Years in the Organization 0-5 ☐ 6-10☐ 11-15☐ 16-20☐>20☐

Current position Held in the organization _____

Managerial Level

Top level ☐ Middle level ☐ Low level ☐

Section B: Project Identification

Identification Stage

Type of the project your organization Undertaking? *You can choose more than one*

☐Agriculture ☐Energy Health ☐Education

☐ Urban/rural Development ☐other (please specify)_____

Conceptual stage of project identification

Macro Level Identification

Which of the following is the source project idea for your organization? *You can choose more than one*

☐ From Government policies and plan ☐From technical specifications

☐ From local leaders ☐ From Entrepreneurs

☐other(please specify)_____

Micro Level Identification

☐ From Entrepreneurs

☐ Examination of the input-outputs of various industries

☐ Review of imports and exports

☐Investigation of local materials and resources

☐other(please specify)_____ _____

1.3 Did your organization conduct prefeasibility study? ☐ Yes ☐ No

For question 1.3 if your answer is no, why_____

Screening stages

Which of the following criteria's are used to select projects in your organization? *You can choose more than one*

☐Compatibility with the interest, personality, and resources of the entrepreneur

☐Consistency with government priorities

☐Availability of inputs

☐Adequacy of the market

☐Reasonableness of cost

☐Acceptability of risk level

☐other(please specify)_____

Section C: Project Selection

Selection Stage

Which selection criteria's are applied to select profitable project?

☐ Payback period

☐ Net present value

☐ Internal rate of return

☐ Organizational goal

☐Other (please specify)_____

Which types of feasibility study are conducted for the selected projects? *You can choose more than one*

☐Technical Feasibility ☐Economic Feasibility

☐Legal Feasibility☐Operational Feasibility

☐Scheduling Feasibility ☐Other (please specify)_____

Section D: Stakeholder in project Identification and Selection

Stakeholders are peoples or organizations affected by the project directly or indirectly, positivelyor negatively. Effective stakeholder analysis is important for the overall project activity. Sohow you see the stakeholder analysis process in your organization projects?

Questions	strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Stakeholders identification is part of the projects selection					
There is clear list of each stakeholders					
The needs of each stakeholder is analyzed and identified clearly before the project					
Strategies are developed to address the needs of each stakeholders					
There is communication with different stakeholders like land owners and local authorities, etc					
Initial understanding and agreements on the projects was made by the stakeholders					
There is equal emphasis for all stakeholders					

Section E: Pre-feasibility and Feasibility Study

Pre-feasibility and Feasibility analysis is used to determine the viability of an idea, such as ensuring a project is legally and technically feasible as well as economically justifiable. How you perceive the importance of feasibility and pre-feasibility study.

Questions	strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Improves project teams' focus					
Provides valuable information for a "go/no-go" decision					
Narrows the business alternatives					
Aids decision-making on the					

project					
Enhances the success rate by evaluating multiple parameters					

In your opinion what were the main challenges and problems of the project identification and selection process?_____ _____

In your opinion what are the main causes of project failure? _____

_____

Thank you for your Cooperation