Addis Ababa University

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The Challenges of Project Implementation in Urban Local Government Development Program II (ULGDP II): the Case of Ministry of Urban Development and Housing (MUDHo)

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By

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DECLARTATION

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

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Abbreviation

HF	Human Factors
MF	Management Factors
MUDHo	Ministry of Urban Development and Housing
OS	Organization Structure
PM	Project Management
PMBOK	Project Management Body of Knowledge
PP	Project Planning
TF	Technical Factors
WBS	Work Breakdown Structure
OBS	Organization Breakdown Structure
PERT	Program Evaluation and Review Technique
ULGDP	Urban Local Government Development Program

ABBSTRACT

The purpose of this study was to examine the challenges of Urban Local Government Development Project implementing by MUDHo. In order to meet the objectives of the study, descriptive survey method was employed. 86 respondents were selected for the study by Simple random and purposive sampling technique. Questionnaire containing open and close-ended items constructed in terms of Likert scale were employed in the process of data gathering. The data obtained through the questionnaires were analyzed using frequency, percentages, mean and SD. The information obtained through closed and open-ended questionnaires were organized and analyzed to give meaning for the study by SPSS version 20. Findings from the data analysis revealed that delayed payment to contractors, poor subcontracting, and inconsistent task reviews, poor relations between engineer and contractor, inadequate work inspection ability to anticipate short-term disruptions were constraints related to project management of ULGDP II, differences in reporting formats and timeframes and payment documentation and approval procedures were the major challenges of ULGDP II project implementation of the ministry. The study also concludes that without addressing the multivariate challenges identified by the study it is too difficult to attain the objective set by ULGDPII. The study recommends that. MUDHo, Urban Revenue Enhancement Fund Mobilization and Finance Bureau, regional municipality should develop the human resources, ensure progressive and continuous project planning, designing effective communication channel, provide appropriate timely and constructive feedback, ensuring smooth relationship with all concerned bodies, conducting proper and legal procurements and avoid delay of fund disbursement at all level so that project implementation become effectiveness and efficient.

***Key words**: project, implementation, challenges, management*

CHAPTER ONE

1. INTRODUCTION

This chapter consists of Background of the study, Statement of the Problem, Research questions, Objectives of the study, Significance of the study, Delimitation of the study, limitations of the study and Organization of the study.

1.1 Background of the Study

Ethiopia's economy has enjoyed a high rate of economic growth for the past decade. In order to maintain this achievement for continual growth, Ethiopia seeks to provide more electricity, more roads and expansion of sanitation facilities, telecommunication networks, as well as large scale investment to expand its infrastructure. These projects have a major role to play in the economic development of a country. They are the building blocks for generating additional capital and for ensuring flow of goods and services to the nation. We have been investing large amount of money in projects related industries with a view to improve the socio-economic conditions of the people. These projects are designed with the aim of efficient management, earning adequate return to provide for future development with their own resources. Despite any types of project significant contribution to the economy of developing countries and the critical role it plays in the development of the countries, the performance of the project outcome in developing country still remains generally low/poor/. As Idoko (2008) noted, **"**…many projects in developing countries encounter considerable time and cost overruns, fail to realize their intended benefit or even totally terminated and neglected before or after their completion …"

Similar to the case with other developing countries, any types of projects in Ethiopian shares many of the problems and challenges the project is facing in other developing countries. Given the critical role the project plays in Ethiopia and other developing countries, improving the implementation of the project ought to be a priority.

Previous research works by (Whittaker 1999), (Dvir, Raz and Shenhar 2003) and others have indicated poor project implementation to be one of the reason for project failure in developing countries. Regarding the factors influencing the project outcomes, Whittaker (1999) revealed three common reasons for project failures the first reason is poor (lack of) project planning or the

project plan was weak. The paper by Aladwani (2002), Dvir, Raz and Shenhar (2003)] also reported a positive relationship between project planning and project implementation. Their results indicated that there is a high correlation between the planning efforts and overall project success. Although their studies have considered many factors that influence project outcomes, but implementation was mentioned as an important factor for project success.

ULGDP II designed based on the lessons learnt from the first phase, which was successful in getting funds out to the local (city) level for investments in core urban infrastructure and services, delivery of numerous infrastructure investments, and in enhancing the capacity of the participating cities in planning, budgeting, financial management, procurement, accountability and social and environmental systems management. The Program also address the challenges identified in the first phase such as the timing of the annual performance assessments (APAs), the need to involve and strengthen the regional governments, and the need to supplement the supply driven capacity building support with a more demand-driven approach, ensuring that cities can respond to the capacity weaknesses identified and the incentives provided in the performance-based allocations, the need to strengthen own source revenue mobilization, and the need to strengthen the intra-governmental coordination, monitoring, evaluation and oversight in this area. It also further strengthens the incentives of all actors in the Program through the result-based budget allocations.

ULGDP will enhance the institutional performance of participating ULGs in developing and sustaining urban infrastructure and services, through provision of three interlinked and mutually strengthening tools: (i) Performance-based investment grants, (ii) objective and neutral annual performance assessments, linked to the size of allocations and (iii) comprehensive capacity building support to the cities and to the regions to enhance their capacity in supporting ULGs as well as support to the implementing agency. The Ministry of Urban Development and Housing will be the agency in charge of the Program, as under ULGDP.

Therefore, systematic improvement in project implementation is required to improve the overall project outcome. In addition, identifying the main problem areas in project implementation activities and taking appropriate action is required. As far as the research is concerned, little or no research has been done in the country concerning Urban Local Government Development Project (ULGDP) carried out by Ministry of Urban Development and Housing (MUDHo)

collaboration with World Bank. This thesis research is thus undertaken to fill the gap, by focusing more on the challenges of project implementation. Therefore, the purpose of this study is to assess the challenges of Urban Local Government Development Project (ULGDP) implementation in Ethiopia.

1.2 Statement of the Problem

Projects are needed to be completed within the time frame, budgeted cost and required quality. However, unfortunately many projects take longer time to complete, cost more than necessary and some projects are cancelled because of various factors directly and/or indirectly related with it. Project failures have significant effect from economic as well as political points of view**.** In most cases, if not all if the project takes longer time it requires additional resources, and budgets and this increases labor, material, machinery and equipment cost. This affects the budget of other projects and in general, it affects the economy of the country. Similarly, due to delay in project implementation the people and the economy have to wait for the provision of public and services facility longer than necessary. Thus failure of project limits the growth of the economy because the output provided by infrastructure, construction, manufacturing. In addition, information technology (IT) projects serve as input for many other sectors of the economy.

The performance problems of project (cost overrun, time delay, quality deficiency) are caused by either in selection, planning, execution or control phase of the project and other factors. However, according to Raymond (2007) one of the main reasons of project failure in developing countries is lack of effective implementation. Similarly, the execution of the project is often started without developing project plan or poor project planning. Project execution without proper/poor/ development of a project plan often causes delays, high costs and general execution problems in the project. Without a decent plan and estimate, resources cannot be managed or organized, risks cannot be mitigated, dates and budgets cannot be forecasted, effective reporting cannot take place, and the measures of success will be imperfect from the beginning. In most projects ill project planning lead to problems in all project management areas and has made it impossible for the management team to have the required control of project activities.

Therefore, even if all the resources are available poor project implementation will result to project failure. The researcher believed that Meaningful project success in ULGDP requires careful study of the projects implementation challenges. Therefore, this study will identifies

project implementation challenges and forward recommendations to address the issues thoroughly.

1.3 Research Questions

The main research questions of this study are the following:-

1. To what extent Urban Local Government Development Projects successfully implemented?
2. What are the major factors that hinder the successful implementation of Urban Local Government Development Projects?
3. What are the mechanisms being employed to improve Urban Local Government Development Project implementation?

1.4 Objective of the Research

This study sets the following general and specific objectives

1.4.1 General objective

The general objective of the study is to examine the challenges of Urban Local Government Development program Projects implementing by Ministry of Urban Development and Housing. (MUDHo)

1.4.2. Specific objective

1. To assess Urban Local Government Development program Projects implementation successes,
2. To identify factors that hinder the implementation of Urban Local Government Development program Projects,
3. To identify the mechanisms help to improve Urban Local Government Development program Projects implementation.

1.5 Scope of the Research

As it is discussed in the problem statement, there are many causes that affect the performance of project outcome. This study mainly focuses on Urban Local Government Development program Projects implementation. Even though the research aims on country level, due to time and

financial limitation, this research focuses on projects being implemented in 44 Ethiopian cities by the Ministry of Urban Development and Housing (MUDHo) and World Bank.

1.6 Significance of the study

As a research, the primary merits of the study goes to Ministry of Urban Development and Housing (MUDHo) since the results of the study helps to improve its projects. Second public and governmental organization participating in any types of project will get important concepts project implementation challenges and use the finding of the study as remedies if they find out the recommendation fit their purpose. The study also used as a stepping stone for other researchers want to conduct research in similar or related issues. Finally, as a result of the study, the researcher will acquire better knowledge regarding project implementation scenarios.

1.7 Limitation of the study

The extended time taken by respondents to fill the questionnaires, caring out research with routine office work, lack of current local studies related to the topic researched and shortage of time had not been the problems, the research would have been comprehensive.

1.8 Organization of the Study

This study organized into five chapters. Chapter one provides background of the study, statement of the problem, objectives of the study, significance of the study, delimitation of the study, limitations of the study, and organization of the study were included. In the second Chapter relevant review of the related literature was incorporated. The third Chapter presents research design and methodology which include research method, data sources, sample population and sampling technique, instruments of data collection, procedures of data collection, and data analysis. The fourth Chapter dealt with presentation, analysis, and interpretation of data. The last

CHAPTER TWO

REVIEW OF THE RELATED LITERATURE

2.1 Concept of Project

Many authors and references have defined project in different ways emphasizing its different aspects. Summarizing those definitions given, this research defines a project as: A temporary endeavor (that has definite beginning and end time) undertaken following specific cycle of Initiation, Definition, Planning, Execution and Close to create a unique product, service, or result through novel organization and coordination of human, material and financial resources (PMI, 1996). A project has a defined scope, is constrained by limited resource (time, budget), involves many people with different skill and, usually progressively elaborated throughout its life cycle [(Stanleigh, 2007), (Cleland & Ireland, 2002), (Wheatley), (Gray, C.F and Larson, 2008)]. It is a sequence of unique, complex, and connected activities that have one goal or purpose and that must be completed by a specific time, within budget, and according to specification (Robert.K,). In general, a project is a unique, well-defined effort to produce specified results within a set timeframe, at a given cost, in a multifunctional environment and under special management (Berry, A.D and T.Duhig, 1987).

2.2Project management

Similar to the case for project, many and different definitions were given for project management. Summarizing those definitions this research defines Project management as: The application and integration of modern management and project management knowledge, skills, tools and techniques to the overall planning, directing, coordinating, monitoring and control of all dimensions of a project from its inception to completion, and the motivation of all those involved to produce the product, service or result of the project on time, within authorized cost, and to the required quality and requirement, and to the satisfaction of participants.[(Atkinson R, 1999), (Kerzner, 2003)] Project management deal is mainly with coordinating resources and managing people and change. Generally “Managing a project includes: Identifying requirement Establishing clear and achievable objectives, Balancing the competing demands for r quality,

scope, time and cost; Adapting specifications, plans, and approach to the different concerns and expectations of the various stakeholders" (Project Management Institute (PMI), 2004).

2.3 Project Management Process

The functions of project management include defining the requirements, establishing the extent of work, allocating the resources required, planning the execution of the work, monitoring the progress and adjusting deviations from the plan (Munns and Bjeimi, 1996). As described in Project Management Body of Knowledge Guide there are five types of management processes: initiating, planning, executing, controlling and closing (PMI, 2000). These processes are described below.

1. **Initiating processes** include defining and authorizing a project or project phase. To initiate a project or just the concept phase of a project, someone must define the business need for the project, must sponsor the project and take on the role of project manager. Initiating processes take place during each phase of a project. Therefore, you cannot equate process groups with project phases. Recall that there can be different project phases, but all projects will include all five process groups.
2. **Planning processes** include devising and maintaining a workable scheme to ensure that the project addresses the organization's needs. There normally is no single "project plan." There are several plans, such as the scope management plan, schedule management plan, cost management plan, procurement management plan, and so on, defining each knowledge area as it relates to the project at that point.
3. **Executing processes** include coordinating people and other resources to carry out the various plans and produce the products, services, or results of the project or phase.
4. **Monitoring and controlling processes** include regularly measuring and monitoring progress to ensure that the project team meets the project objectives. The project manager and staff monitor and measure progress against the plans and take corrective action when necessary. A common monitoring and controlling process is performance reporting, where project stakeholders can identify any necessary changes that may be required to keep the project on track.

5. **Closing processes** include formalizing acceptance of the project or project phase and ending it efficiently. Administrative activities are often involved in this process group, such as archiving project files, closing out contracts.

2.4 Project Planning

Many authors and references have defined project planning in different ways emphasizing its different aspects. Summarizing those definitions given, this research defines project planning as:
The extent to which timetables, milestones, workforce, equipment, and budget are specified or estimating the effort, time, cost and staff resources needed to execute the project (Slevin and Pinto, 1986, Chatzoglou and Macaulay 1996). It is the systematic arrangement of project resources in the best way to achieve project objective (Hore et al. 1977 and Faniran et al. 2000). It is described by Naoum et al. (2004) "as one of the key tools that stakeholders use to ensure that projects are successful".

Faniran, Oluwoye and Lenard (1998) describe it as the process of determining the appropriate strategies for the achievement of predefined project objectives. It can also be described as the process of defining project objectives, determining the framework, methods, strategies, tactics, targets and deadlines to achieve the objectives and communicating them to project stakeholders.

PMI (2008) has a similar definition for the planning. "The Planning Process consists of those processes performed to establish the total scope of the effort, define and refine the objectives, and develop the course of action required to attain those objectives." project planning is defined as the systematic arrangement of resources and processes of defining project objective and determining the framework to achieve project objective.

2.5 Project Planning Knowledge Areas

In Project Management body of Knowledge nine knowledge areas of project management are identified namely: - scope, time, cost, risk, quality, human resources, communications, procurement and integration knowledge areas (PMI, 2008). Each knowledge area in PMBOK is composed of processes that are expected to be addressed to attain the objective of the knowledge areas. For the nine knowledge areas a total of 39 processes are identified in PMBOK. Project Management is accomplished through the use of all the processes. However, all the 39 process are not meant to be performed uniformly in the management of all projects. The project manager and the project teams need to decide which processes to employ, and the degree of rigor that will

be applied to the execution of those processes (PMI, 2004). Since the focus of this study is on the planning phase of the nine knowledge areas and this will be described in detailed in this section of the paper. All the 21 processes are described in table1 below.

2.5.1 Project Integration planning knowledge areas

Project integration planning knowledge areas coordinates the various elements of the project and it is an important part in planning processes. Prioritizing between competing objectives and alternatives are an important task in the integration management. The objective of the development of the project plan is used to create a consistent, coherent document that can be used to guide project execution and control (Gupta, Aha, Nau, & Munoz-Avila, 2008). The plan should include general plans regarding all areas of the project such as; project objectives, time schedule, budget, etc (PMBOK, 2004). Since project plan is the main document developed in the planning process and it is very important to allocate sufficient amount of time and resources for this process. A project with a poor developed project plan is most likely to be poorly executed with high costs and delays as a result (Antvik & Sjöholm, 2007). The integration between the different elements of the plan is a complex process and is therefore often required to be iterated several times in order to reach a complete and integrated project plan (Antvik & Sjöholm, 2007).

2.5.2 Project Scope planning knowledge areas

Project scope management planning is a process to ensure that the project includes all the work required, and excludes the work that is not required, to complete the project successfully. This planning knowledge area consists of scope planning, scope definition, and creates WBS (PMBOK, 2004). The importance of a well formulated scope of work has been shown several times in different projects. It is not unusual that a project is rushed into start without the proper planning and preparation. This often leads to problems as extra costs and delays are likely to occur (Antvik & Sjöholm, 2007). A clear project scope facilitates for the project organization to realize the actual magnitude of the work and creates an understanding for the achievements that are required in the project (Briner, Hastings, & Geddes, 1996).

Scope planning is the process of elaborating the work that is needed to deliver the product of the project. It should be based on the product/output/ description and requirements from the customer (PMBOK, 2004). The outcome from the scope planning is the scope management plan that mainly describes how the project scope will be managed and how scope changes will be integrated into the project (Gupta, Aha, Nau, & Munoz-Avila, 2008). Defining the project scope

significantly influences the project's overall success. The development of the project scope management plan and the detailing of the project scope begin with analysis of information contained in the project charter, the preliminary project scope statement, the latest approved version of the project management plan, historical information contained in organizational process assets, and any relevant enterprise environmental factor

In the scope definition, the project's major deliverables/products/ and conditions documented in the scope statement are analyzed. The analysis should be based on needs and expectations from stakeholders, and thereby generate requirements of the project (Gupta, Aha, Nau, & Munoz-Avila, 2008). When more specified requirements are known, the deliverables are subdivided into smaller, more manageable groups, through the use of a Work Breakdown Structure. By dividing major tasks into smaller work packages, the accuracy of cost, time and resource estimates are improved. A WBS also makes it easier to assign clear responsibility to each group of tasks, which is necessary in order for the project organization to gain control of the project (Antvik & Sjöholm, 2007).

2.5.3 Project Time planning knowledge areas

Project time planning knowledge area includes all planning processes that are required to ensure a timely completion of the project The planning processes in time knowledge area are activity definition, activity sequencing, activity resource estimating, activity duration estimating and schedule development (PMBOK, 2004). The time schedule is one of the most important plans in a project. The development of time schedules should be based on the previously developed WBS. According to (Antvik & Sjöholm, 2007) in order to develop realistic and achievable schedules, it is important that activities are sequenced accurately. The activity sequencing involves identifying logical relationships and dependencies between the project activities (Guoli, 2010). The process of activity resource estimation involves determining what resources and what quantity of each resource that will be used in the project. Required resources can be personnel, equipment and material. This process also includes determining when each resource will be available to the project (PMBOK, 2004). There are in general two methods of resource estimation; top-down and bottom-up. If the project has limited detailed information, the top-down method is often used. It is carried out by the higher management of the project and is based on experience from similar projects. The bottom-up method is also called qualitative based estimations and involves each specific work category in the process.

The bottom-up method is more time consuming to perform, but often generates a more accurate result (Guoli, 2010). The activity duration estimation should be based on the project scope, required types of resources, estimated resource quantities and the availability of resources. The result of the process is later used to develop schedules. To get an accurate estimation of duration it should be carried out by a person or group who is familiar with the specific activity (Antvik & Sjöholm, 2007). The development of schedules is often carried out through the use of project management software. If the previous estimations are made correctly the schedule development mostly consists of aggregating the information into one document (Antvik & Sjöholm, 2007). To develop an efficient schedule it is important that the critical chain is identified and that the lags in the schedule is used to allocate the projects resources effectively (PMBOK, 2004).

A time schedule without control is fairly useless to the project organization. The control must be carried out regularly and relatively often in order to detect deviations early. This makes it possible for the project team to take necessary actions to avoid longer delays (Antvik & Sjöholm, 2007). The schedule control and development must be an iterative process in order for the project team to have updated schedules throughout the project (Guo-li, 2010). Estimating schedule activity durations uses information on scope of work, required resource types, estimated resource quantities, and resource calendars with resource availabilities. Inputs originate from the person or group on the project team who is most familiar with the nature of the work content in the specific schedule activity. Duration estimates are progressively elaborated, and the process considers the quality and availability of input data.

2.5.4 Project Cost planning knowledge areas

Project cost planning knowledge area includes the processes of cost estimating and cost budgeting. The main objective of cost planning knowledge area is to complete the project within the approved budget (PMBOK, 2004). The project budget is very important and influences all areas in both planning and execution of a project. It is important to keep track of total costs as well as costs for different work packages in a project (Guoli, 2010). A professional developed budget does not only control the project costs, but also creates good conditions for development of a well-functioning cash flow in the project. The consequence of insufficient cash flow in a project is often connected to large extra costs and delays, as there is a high risk for a temporary stop of the whole project (Antvik & Sjöholm, 2007). The cost estimation should be based on the project scope, the WBS and be connected to the project plan. To reach a correct estimation it is

important that each activity is estimated based on the conditions of the execution of the specific activity. Since there often are several factors that are uncertain in a project, a reserve cost can be assigned to activities with a low level of detailed information or work packages with potential high financial risks (Adisa Olawale & Sun, 2010).

Cost budgeting involves aggregating the estimated costs of individual schedule activities or work packages to establish a total cost baseline for measuring project performance. The project scope statement provides a summary budget. However, schedule activity or work package cost estimates are prepared prior to detailed budget requests and work authorizations. Management contingency reserves are budgets reserved for unplanned, but potentially required, changes to project scope and cost.

2.5.5 Project Quality planning knowledge areas

Project quality planning knowledge area involves all processes and activities in the project organization to determine quality policies and control that the performed work is of a satisfying quality. The major processes in quality management are quality planning, quality assurance and quality control (PMBOK, 2004). The project team must identify which quality standards those are relevant in the project in order to perform quality control. The identified standards should be considered the baseline in the development of a quality plan. It is important that the quality plan not only consist of required levels of quality in different activities, but also methods to achieve the requested quality (Wei & Yang, 2010).

2.5.6 Project Human Resources planning knowledge areas

Human resource planning knowledge areas is the processes used to ensure that the project organization is established in a way that provides the project with good conditions to succeed. Major processes in human resource management are human resource planning, acquire project team, develop and manage project team (PMBOK, 2004).

In the early phases of a project it is necessary for the project management to plan how the project team should be organized and determine what roles that is required (Al-Maghraby, 2008). Each role in the project team should be assigned with areas of responsibility, authority and required competence (Antvik & Sjöholm, 2007). It is important that a role with a defined area of responsibility also has the authority to make decisions within that area. Responsibility without authority makes it very hard for middle management to influence the work, which most likely will affect the project negatively (Walker, 2007). Human resource planning Determining project

roles, responsibilities, and reporting relationships culminating in the staffing management plan Acquire project team Process of obtaining the human resources needed for completing the project

2.5.7 Project Communication planning knowledge areas

Project communications management planning is the processes used to ensure that required information is distributed to the right person at the right time. The major planning processes in communications management are communications planning (PMBOK, 2004). How communication in a project is handled must be planned in order to perform effective work and minimize the risks. A communication plan is necessary to ensure that both internal and external project communication is carried out effectively. The plan should contain details regarding what type of information that need to be distributed, who needs to receive the information, the purpose of the information, the frequency of the distribution and the responsible person to issue the information (Ramsing, 2009). The communication plan should also include what meetings are required within the project and a specification of participants, purpose and frequency for each type of meeting (PMBOK, 2004).

It is important that the project management performs frequently progress reports, mainly to inform clients and other stakeholders of the status of the project but also for the management team to keep control of all areas of the project. A progress report should focus on deviations from the project plan and contain current status of the project, executed and planned actions, uncertainties and forecasts regarding cost and time (Antvik & Sjöholm, 2007). When deviations from the baseline are identified in the progress report, the management team should include recommended corrective actions in order to bring the project in line with the project plan (Ramsing, 2009) as stated in the Project

Management Book of Knowledge (PMBOK) from the Project Management Institute, communication planning involves “Determining the information and communications needs of the stakeholders: who needs what information, when will they need it, and how will it be given to them.

2.5.8 Project Risk planning knowledge areas

The main objectives of project risk management is to increase the probability and impact of events that are positive to the project and decrease the probability and impact of events that are

negative to the project. Risk planning includes risk identification, qualitative and quantitative risk analysis, and risk response planning, (PMBOK, 2004).

All projects have uncertainties that can either turn out to be an opportunity or a risk. Uncertainties often occur in areas where the management has little information of the current conditions. By effective management many uncertainties can be evolved into an opportunity rather than a risk (Antvik & Sjöholm, 2007). Risk analysis is often carried out early in a project when the information is highly limited within several areas. To manage risks and opportunities effectively, the analysis must be iterated throughout the project as more and more information becomes clear to the management team (Kululanga & Kuotcha, 2010).

The purpose of a risk analysis is to gain control of the uncertainties in the project. When risks are identified it is therefore important that a strategy is developed in order to response to the risk (PMBOK, 2004). A response strategy can be to eliminate the probability or impact of a risk, or to accept the risk and calculate with a potential extra cost if the risk occurs (Kululanga & Kuotcha, 2010). A common and effective approach to analyze risks is to estimate the probability and impact of a risk. The risk response is then based on the combined value of each risk, which leads to a risk management where the response is in relation to the magnitude of the risk (Briner, Hastings, & Geddes, 1996). Risk identification determines which risks might affect the project and documents their characteristics. All persons associated with a project should be encouraged to identify risks. It is important to have the project team involved in the identification process so that they can develop and maintain a sense of ownership and responsibility for the project risks and associated risk response actions. Quantitative risk analysis is performed on risks that have been prioritized by the qualitative risk analysis process as potentially and substantially impacting the project's competing demands. Quantitative risk analysis assigns a numerical rating to risks and applies quantitative approaches to making decisions in the presence of uncertainty using such techniques as Monte Carlo simulation and decision tree analysis.

2.5.9 Project Procurement planning knowledge areas

Procurement management planning is the processes to control and administrate contracts and purchase orders from sources external to the project organization. The major processes in procurement management planning are developing procurement (identifying which project needs can be best met by procuring products or services outside the project organization) and

solicitation planning (preparing the documents needed to support solicitation/request) (PMBOK, 2004).

The planning of procurement management should be carried out early in the project and focus on analysis of which products or services that need to be purchased. After the initial planning a procurement plan should be developed that includes all major procurements that are needed in the project (PMBOK, 2004). The procurement plan is an important tool for efficient procurements throughout the project. It should be developed based on the project´s WBS and time schedule in order to include all procurements and to be timely integrated in the project. The procurement plan includes budgeted cost and required finish date for each procurement (Eriksson & Westerberg, 2011)A poorly developed procurement plan is likely to cause high procurement costs and in worst case even force the production to be stopped (Antvik&Sjöholm, 2007).

In larger projects there are often a procurement manager assigned to control and handle procurement activities. The procurement manager is responsible to plan and execute purchases. An important part of the procurement manager's work is to evaluate quotes in order to achieve cost effective contractors (Eriksson & Westerberg, 2011). To keep control of the cost forecasts in the project the procurement manager must follow-up the actual cost in relation to budgeted cost for each purchase (Antvik & Sjöholm, 2007).

2.6 Project Planning Major Outputs

Out of the 39 processes listed, 21 are identified by the PMBOK as related to planning. If a project is to be properly planned, these 21 processes have to be properly executed. This implies that a major part or 48% of a project manager's tasks revolves around planning (Zwikael & Globerson, 2004, Zwikael & Globerson, 2006).In order to evaluate the quality of planning process implementation, the products of each single process need to be evaluated. Although each process may have multiple set of outputs, and each set may have multiple products as well, one major product can be identified for each planning process.

Table 1. Lists the major product for all the planning processes

No	Knowledge Area	Planning Processes	Major product
1	Integration	Project Plan Development	Project Plan
2	Scope	Scope planning	Project Deliverables
		Scope definition	Work Breakdown Structure
3	Time	Activity definition	Project Activities
		Activity sequencing	PERT or Gantt Chart
		Activity duration estimating	Activity Duration Estimates
		Schedule development	Activity Start and End Dates
4	Quality	Quality planning	Quality Management Plan
5	Cost	Resource planning	Activity Required Resources
		Cost estimating	Resource Cost
		Cost budgeting	Time-phased Budget
6	Human resource	Organizational planning	Role and Responsibility Assignments
		Staff Acquisition	Project Staff Assignments
7	Communication	Communication planning	Communications Management Plan
8	Risk	Risk management planning	Risk Management Plan
		Risk identification	Risk List
		Qualitative risk analysis	Project Overall Risk Ranking
		Quantitative risk analysis	Prioritized List of Quantified Risks
		Risk response planning	Risk Response Plan
9	Procurement	Procurement Planning	Procurement Management Plan
		Solicitation Planning	Procurement Documents

2.7. Progress Monitoring and Control

In the project planning stage, a means of monitoring and controlling the progress of the projects must be established. Serious thought about how to track the projects evolution and keep the work flow on schedule is fundamental to this phase. Project monitoring is the gathering of information to determine the current state and progress of the project in relation to its expected state and progress (Shumate and Snyder, 1994; Al-Jibouri, 2003; Navon and Goldschmidt, 2003). We track a project to make sure that it's following our plan that it meeting its schedule, cost, and quality targets. This helps to detect problems early, when there still time to do something about them. If we don't track our project, we can't control it. And, if a project isn't being controlled, it's out of control.

2.7 Importance of Planning

There are different causes for project failure or to fall short of realizing its full potential. It is major and most common problem faced by many projects and become abundant on some stage of its completion. Mostly, such problems result from a lack of planning. Annie, I. Anton (2003) said, "If you don't know where you are going, you will probably end up somewhere else." A complex project will likely fail without a plan. Annie, I. Anton (2003) again stated that for who wants to satisfy customers' needs, that plan is a complete, consistent, and correct expression of the stakeholders' requirements. Planning can be a good way to achieve a goal, because without planning, we do not have a specific path to follow and our efforts can leads us towards undesired objectives or results. Without adequate planning, it is difficult to really understand what it will take to complete a project successfully. Planning is used to put the project back on track if it deviated from the plan and also it is used to control a project and establishing a baseline with which to gauge progress. Without planning, there is no control. (Guru.Prakash.P)

Bigelow (2001:1) claims that planning is the most important yet most undervalued element of project management. It is perceived as being the map that sets the direction for a project. It is critical to the project management process because it forms the basis for the project scope, schedule, resources, quality, risk and integration. Griffith and Gibson (1995) and Griffith et al. (1998) in their research have shown that greater project planning efforts lead to improved performance on projects in the areas of cost, schedule, and operational characteristics.

Hamilton and Gibson (1996) have shown the importance of project planning on projects and its influence on project success. Findings of their study have proven that higher levels of project planning effort can result in significant cost and schedule savings. Success in any endeavor requires careful preparation and planning and without proper planning and preparation, failure is almost guaranteed. Anyone who has ever undertaken a complex task already has learned the importance of careful planning. Good planning conserves resources, prevents wasted effort, and saves time and money, prevents small problems from becoming big problem, it establishes a solid foundation for the remaining managerial functions.

Therefore proper planning is a key project driver for success. The success of any organization's project implementation depends on thoughtful planning. Dr. Tomlinson states, "Without such planning, a project implementation can easily run over budget and still not provide any measurable benefits to the organization (Tomlinson, 2001)

2.8 Project Planning Techniques

One of the most important phases of project management is the "Planning phase", in which all work to be done is determined and defined. Planning is the most time consuming set of activities but valuable if done properly. In this phase, many different techniques are used, such as tables, work breakdown structure (WBS), charts and networks. Tables are used to present the project activities and relevant information such as the duration, dependency, and cost, starting, ending, and required resources. It is used during the planning and controlling phase and can be used for implementation and monitoring.

WBS (Work Breakdown Structure) is an organizational chart that breaks the project into subsystems, components and tasks that can be readily accomplished. It is used for scheduling, pricing and resource planning. It simplifies summarizing and reporting progress and costs. Organization Breakdown Structure (OBS) is a model that organizes resources into groups for better management. It can be used to keep track of resource allocation and specific work assignments. There is a strong interdependency between OBS and WBS (Badiru and Pulat, 1995). The Gantt chart is one of the oldest and most useful techniques of planning. It is clear, simple and easy to use and understand. The interdependency between activities is not easily represented, especially in large projects, hence networks are used. Networks are a graphical display of the project activities showing their interdependency. Several network techniques have

been introduced and used over the years. Mainly two types of networks can be used, depending on the type of project under consideration: deterministic and probabilistic methods. For representation, either activity-on-arrow (AOA) or activity-on-node (AON) are used to model the project. The probabilistic method is known as the program evaluation and review technique (PERT), while the deterministic method is called either the precedence diagramming method (PDM) which uses the AON method for representation, or the arrow diagramming method (ADM) which uses AOA method. All of the methods use what is known as the critical path method for determining the project duration, critical path(s), floats and other relevant data.

2.9 Project Estimation Techniques

Project estimation implies to predict the effort required to successfully execute the project. Lack of project estimates makes the project boundaries quite vague. Estimates serve as a compass, navigating the project team throughout the project lifecycle. Making estimations are not difficult, but to establish accurate and realistic estimates is one of the most important activities in project planning (Raymond M. Henry, 2007). Three estimating techniques (analogous estimating, parametric estimating, and definitive estimating) are described and discussed in more detail below.

The first method, analogous estimating, is a commonly used method of estimating early in the project life cycle when there is a limited amount of information about the project. Analogous estimating, also referred to as top-down estimating, is a technique ‘‘that uses the values of parameters such as scope, cost, budget and duration or measures of scale such as size, weight and complexity from a previous, similar activity as the basis for estimating the same parameter or measure for a future activity or entire project.

There are limitations to the use of analogous estimating, however. For example, analogous estimating is deemed most reliable when the previous activities are similar in fact, and not just appearance. Further, analogous estimating is a form of expert judgment and should only be used by those project managers and professionals with requisite experience and knowledge. Project managers with experience on similar projects are anticipated to be able to use analogous estimating to improve predictability. It is therefore expected that Experience on projects similar in cost, size and complexity is positively related to the predictability of project cost and duration.

The second method parametric estimating ‘‘uses a statistical relationship between historical data and other variables to calculate an estimate for activity parameters, such as scope, cost, budget, and duration. This technique can produce higher levels of predictability depending upon the sophistication and the underlying data built into the model. More than 20 software-based models appear in the literature with numerous evaluations as to their robustness. These include such familiar approaches as the constructive cost model (COCOMO) and Function point analysis. One commonality (a share characteristic) across formal modeling approaches is the systematic method to creating estimates. Although there are certainly differences between the underlying models used for parametric estimations, the analytical approach and the reliance on a standard measure can be expected to increase predictability.

The other method is definitive estimating, often referred to as bottom-up estimating, is a technique in which elements of work are decomposed into smaller components and ‘‘an estimate is prepared of what is needed to meet the requirements of each of the lower, more detailed pieces of work and these estimates are then aggregated into a total quantity for the component of work. The accuracy of bottom-up estimating is driven by the size and complexity of the work identified at the lower levels. The essence of this technique is to divide and conquer (take over); large deliverables are broken down into smaller sub-deliverables, followed by further division into the work tasks necessary to develop those deliverables. By aggregating these smaller, more accurate estimates, improved predictability is attained in project cost and duration for bundles of deliverables.

2.10 Criteria for Evaluating Successes or Failure of Project

There are different criteria for evaluating project performance. This section will summarize the results of different studies on the criteria’s for project evaluation. Project success was measured on the bases of time, cost and quality (Navarre and Schaan, 1990). (Atkinson, 1997) identified these three criteria as the ‘Iron Triangle’. He further suggests that while some different definitions about project management have been made, the criteria for success, namely cost, time and quality remain and are included in the actual description. Apart from these three basic criteria (Pinto and Pinto, 1991) supported that measures for project success should also include project psychosocial outcomes, the satisfaction of interpersonal relations with project team members. The inclusion of satisfaction as a success measure can also be found earlier in the

work of Wuellner (1990), Kumaraswamy and Thorpe, (1996) included a variety of criteria in their study. These include meeting budget, schedule, and quality of workmanship, client and project manager's satisfaction, transfer of technology, friendliness of environment, health and safety. Different literature suggests that different criteria were hypothesized (offered) by different researchers.

Balancing the elements of a complex project - time, money, scope and people - is one of the jobs of a project manager. Project management training is an essential step for managing the unexpected obstacles project managers can face on a daily basis. To help put things in perspective, here is an overview of the top 10 project management challenges that project managers can encounter on the job.

Project Management Challenges within Corporate Projects

1. **Undefined Goals** – When goals are not clearly identified, the whole project and team can suffer. When upper management cannot agree to or support undefined goals, the project in question typically has little chance of succeeding. The project manager must ask the right questions to establish and communicate clear goals from the outset.
2. **Scope Changes** – Also known as scope creep, this occurs when project management allows the project's scope to extend beyond its original objectives. Clients and supervisors may ask for changes to a project, and it takes a strong project manager to evaluate each request and decide how and if to implement it, while communicating the effects on budget and deadlines to all stakeholders.

Working with a Team: Challenges for Project Managers

3. **Inadequate Skills for the Project** – A project sometimes requires skills that the project's contributors do not possess. Project management training can help a project leader determine the needed competencies, assess the available workers and recommend training, outsourcing or hiring additional staff.
4. **Lack of Accountability** – A project manager's leadership qualities can shine when each member of the team takes responsibility for his or her role in achieving project success. Conversely, a lack of accountability can bring a project to a complete halt. Finger-pointing and avoiding blame are unproductive, but all-too-common features of flawed

project management. Learning to direct teams toward a common goal is an important aspect of project management training.

Project Management Challenge: Dealing With Risk

5. **Improper Risk Management** – Learning to deal with and plan for risk is another important piece of project management training. Risk tolerance is typically a desirable project manager trait because projects rarely go exactly to plan. Gathering input, developing trust and knowing which parts of a project are most likely to veer off course are aspects of the project manager's job.
6. **Ambiguous Contingency Plans** – It's important for project managers to know what direction to take in pre-defined "what-if" scenarios. If contingencies are not identified, the entire project can become mired in an unexpected set of problems. Asking others to identify potential problem areas can lead to a smooth and successful project.

Project Management and Communication Challenges

7. **Poor Communication** – Project managers provide direction at every step of the project, so each team leader knows what's expected. Effective communication to everyone involved in the project is crucial to its successful completion.
    - Project management training includes an emphasis on written and oral communication skills
    - Proper communication can help increase morale by establishing clear expectations
    - Good project managers keep communication and feedback flowing between upper management and team leaders

Managing Expectations: An Important Project Manager Attribute

8. **Impossible Deadlines** – A successful project manager knows that repeatedly asking a team for the impossible can quickly result in declining morale and productivity. The odds of successfully completing a project under unreasonable deadlines are generally not feasible expectations.

9. **Resource Deprivation** – In order for a project to be run efficiently and effectively, management must provide sufficient resources. Project management training shows how to define needs and obtain approval up front, and helps project managers assign and prioritize resources throughout the duration of a project.
10. **Lack of Stakeholder Engagement** – A disinterested team member, client, CEO or vendor can destroy a project. A skilled project manager communicates openly and encourages feedback at every step to create greater engagement among participants.

2.11 Urban Local Government Development Program (ULGDP) II

ULGDP- has a total budget envelope of US$ 416 million .it was preceded by a series of Bank supported interventions, which aimed to build capacity at urban local governments Based on local government capacity enhanced through these projects, the ULGDP was introduced as a performance-based programmatic fiscal transfer to urban local governments in 2008. The overall goal of the government program is to support improved performance in the planning, delivery, and sustained provision of urban services and infrastructure by local governments. It aims to fulfill this goal by providing grants to urban local governments based on their performance across a range of areas including fiduciary management, management of environmental and social systems, budgeting practices, governance, transparency and participation, among others. The program funds are disbursed against institutional and implementation performance and the size of the ULGs (number of inhabitants) and are earmarked for expenditure on local urban infrastructure.

All ULGDP funds are allocated according to a simple population-based formula. The actual disbursement from these allocations to each local government is determined by the performance of that local government, as measured in the annual local government performance, and takes into account the population amount in the said local government. A simple average of US$ 16 per capita per annum has been disbursed using IDA funds over the life of the program (2008/09-2013/14). These funds are complemented by 20% matching funding from the ULGs and 20% from the regional governments. Depending on the performance of ULGs in each program year, the specific per capita amount disbursed for that year changes. For instance, in the most recent assessment year, the program disbursed a total of US$ 68 million IDA funds to 17 ULGs, which passed the minimum set of conditions to qualify for the grant for that year. The total amount,

divided by the total population by these ULGs, indicate an average US$ 26.4 per capita per annum disbursement for this year.

Disbursement of the allocations is made after ULGs undergo an annual assessment. The assessment is carried out by an independent private firm, procured by the government. The performance of local governments is measured in the areas of financial management, participatory planning, investment, operation and maintenance of infrastructure, and transparency and accountability in operations. Under ULGDP, ULGs need to perform a certain level in order to access the program funds. They cannot access the ULGDP funds if they fail to meet certain conditions, or perform below 50 percent in the overall assessment. This is necessary to ensure that the funds are used effectively, efficiently, and with integrity. Those ULGs, which fulfill this requirement, receive their full allocation. If they perform above the expected target score, they are rewarded by an amount equal to their allocation plus 20 percent acceleration. Through this system, the program was able to accelerate the use of funds compared to the original targets

2.12 ULGDP Challenges

The ULGDP is not without challenges. The chief shortcoming of the system has been the delay in the procurement of the independent annual performance assessment (APA) by the government, specifically by the Ministry of Urban Development, and Housing (MUDHo). Since the findings of the assessment determine the amount of program funds to be allocated to local governments, the delay in the procurement of the assessment has caused significant challenges with aligning the allocation with the budgeting cycle and the regional and city council approval of the overall budget including ULGDP funding on time (i.e. June of each year). Additionally, while the performance orientation of the program has been a major strength, some of the indicators used to measure performance, and determine disbursements has, at times, been complex for the assessors to determine and/or not been sufficiently targeted at core development objectives of the program. There is, therefore, a need to carry out the performance assessment on time, sync the grant cycle with local government budgeting period (ensure that results are ready prior to the start of the ULG planning and budgeting process), streamline and sharpen the performance measures to eliminate subjectivity and to provide a stronger focus.

Secondly, differently than the 18 ULGs, the program has faced a challenge in leveraging the intended institutional performance of Addis. The primary reason is that while the level of financial incentive the program has offered has been attractive in these 18 ULGs, it has remained too low for Addis. Due to this factor, Addis has recorded satisfactory performance only twice over the implementation period, each time with relatively low scores (score of 51 over 100 in 2008/09 and 61 over 100 in 2011/12).

Thirdly, while capacity in the 18 program local governments has increased, there is need for further improvements particularly in the areas of (i) municipal planning and budgeting – in ensuring the quality of and consistency among local government budgeting and planning tools such as CIP, revenue enhancement plans and budgets, (ii) OSR enhancement, (iii) social and environmental systems management and (iv) procurement.

Fourthly, while the program fund transfers are captured in the national public financial management system at the federal level and the expenditure of funds are tracked, it is often done by using an excel based system, which runs parallel to the national public financial management system, IBEX. This makes it challenging to centrally track the use of funds at the decentralized level. Therefore, there is a need to further integrate program funds expenditures at the regional and ULG levels in IBEX, with an accompanying coding system to capture main local government expenditures.

Finally, there is a need for a stronger involvement of the regions in capacity building of ULGs and supporting and monitoring their core mandates such as municipal revenues, financial audit and compliance with the national environmental and social safeguards regulations, and to strengthen the entire capacity building support to ULGs from the Program in the light of the expansion of the Program and the end of other CB programs such as the previous PSCAP.

In sum, the government program has made tangible progress in enhancing the institutional capacity of urban local governments for service delivery, while a number of areas including the administration of the performance assessments, refinement of performance measures, capacity at the local level, reporting structure of program expenditures and a more direct involvement of regional governments require continued focus and improvement.

2.14. Conceptual Frameworks

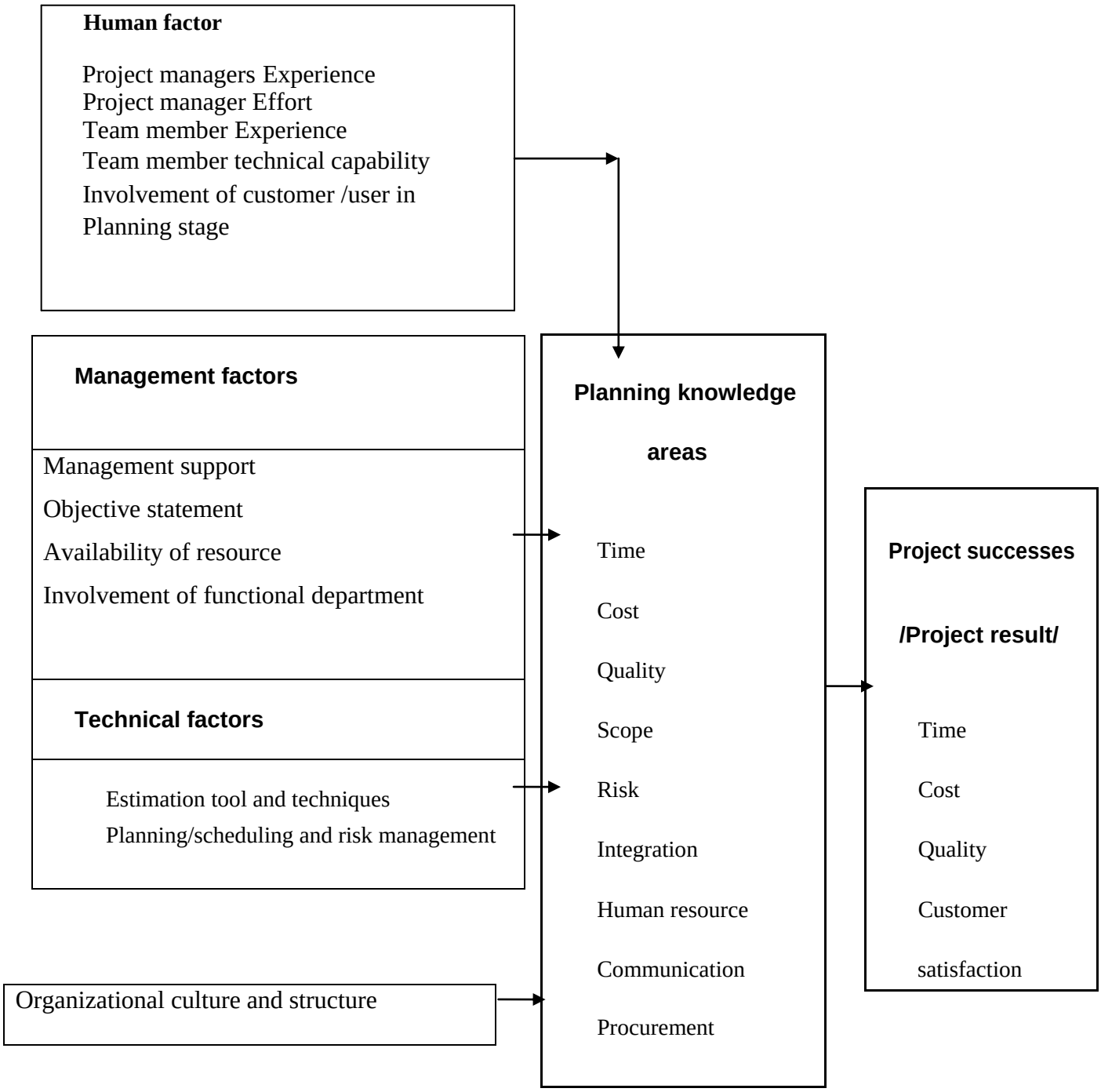

Figure 1: Conceptual frameworks: project planning knowledge areas and project successes

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter briefly describes and answer the questions of where the study focused on and what are the population and how the sample drawn from and what techniques of the data collections used and also what methods have been used to analyze and interpret the data's. And finally, the chapter discusses reliability and ethical issues followed in this study.

3.1 Research Methods

According to Parahoo (2006), the design selected for research should be the one most suited so as to achieve an answer for the research question. For the purpose of the research question, the researcher chose to carry out a descriptive qualitative research design hoping to examine things as they are. Qualitative research is a systematic, subjective approach to describe life experiences and give them meaning. Hence, in this study, descriptive survey was used. Descriptive studies help to discover a new meaning, describe what currently exists, verify the rate of which something occurs, and categorize the information. Thus the researcher chose this design for the study as it facilitates the precise actions the researcher aims to achieve such as examine the challenges of Urban Local Government Development program Projects implementation, in the Ministry of Urban Development and Housing.

3.2 Data sources

In this study, both primary and secondary sources of data were used to gather adequate information about challenges of Urban Local Government Development Project implementation. The primary source was experts; consultants project coordinators, and directorates involving Urban Local Government Development program Projects implementation. The secondary sources include but not limited to monitoring and evaluation reports, Annual Performance Assessment (APA), World Bank mission report and recommendations, journals, articles. Etc.

3.1 Sample and Sampling Techniques

Simple random and purposive sampling techniques were used in this study. In simple random sampling technique, each member of the population has an equal chance of being selected. In Ministry of Urban Development and Housing (MUDHo) there are 520 employees among them

110 employees directly involving in Urban Local Government Development Project implementation. Hence to manage the study, 86 employees were selected for the study through simple random sampling technique. Purposive sampling technique was applied to select the project coordinator as respondent.

To calculate sample size, simplified formula provided by Taro Yamane (1967) is used i.e.

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

Where, n = number of sample size

N = Total number of study population

e = level of confidence

$$n = \frac{110}{1 + 110(0.05)^2}$$

$n = 110/ (1+ 110 (0.05)^2$

$n = 110/ (1+ 110 (0.0025)$

$n= 110/ (1+0.3)$

$n= 110/ 1.3$

$n= 86$

3.2 Instruments of Data Collection

Two types of instruments were used in the process of necessary data gathering for the study. These were questionnaire, constructed in terms of closed and open ended items and structured interview. Questionnaire was used to collect data from experts, consultants and directorates while interview was conducted to gather information from project coordinator.

3.5 validity and reliability

Validity test was conducted to select and assess the final items of the construct that are finally used for statistical usage. The content validity of the instrument for the present study was ensured as items are identified from extensive review of related literature and reviewed by professionals and academicians. Pilot tests were conducted for 8 employees who were not the part for the final analysis of the study. The purpose of the pre-testing was to refine the questionnaire and to assess the validity of the measurement. Reliability refers to a condition in which similar results was achieved when an instrument designed for measuring variable is used

in different places or at different time under similar conditions. In this study the reliability of the questionnaire was statistically calculated by using Cronbach's Alpha using SPSS and its value was ≥0.6.

3.3 Procedures of Data Collection

A questionnaire was developed in view of the basic questions. The questionnaire was pilot tested in order to ensure the appropriateness of the items. Then, after the feedback obtained, the questionnaire was redesigned, distributed and collected accordingly.

3.4 Methods of Data Analysis

Different statistical techniques were employed on the basis of the nature of the data collected. In analyzing the quantitative data, respondents were categorized and frequencies were tallied. Percentage and frequency counts were used to analyze the response obtained from the respondents. In analyzing the data obtained through an interview and open ended items, first summary sheets were prepared and then responses were analyzed by using SPSS version 20. The five point Likert scale was interpreted as 5= Strongly Agree, 4= Agree, 3= Undecided, 2= Disagree, and 1= Strongly Disagree. For the purpose of easy analysis and interpretation, the mean values of each item and dimension were interpreted. The mean values from 1.00-2.49 were represented as low, from 2.50-3.49 as moderate, from 3.50-4.49 as high, and from 4.50-5.00 as very high.

3.7. Ethical Research

There are certain ethical protocols that were followed by the researcher. The first is soliciting explicit consent from the respondents. This ensures that their participation to the study is not out of their own desire. The researcher also ensured that the respondents were aware of the objectives of the research and their contribution to its completion. One other ethical measure exercised by researcher was treating the respondents with respect and courtesy. This was done so that the respondents were at ease and more likely to give honest responses to the questionnaire.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter deals with the presentation, analysis and interpretation of data collected from the respondents. For this purpose, 90 questionnaires were distributed, out of which 86 were filled out and returned. The data obtained from the respondents were presented, analyzed and interpreted by using statistical tools such as frequency, mean and standard deviation.

4.1Presentation and Discussion of Data

Table 4.1: Characteristics of Respondents by Sex and Age.

No	Item		Respondents	
			No	%
1	Sex	a) Male	65	76
		a) Female	20	24
		Total	**85**	**100**
2	Age	a) Below 20	-	-
		b) 21-30	35	41
		c) 31-40	40	47
		d) 41-50	8	9
		e) ≥ 51	2	2
		Total	**85**	**100**

As shown in Table 1, item 1, about 65 (76 %) of the respondents were male while 20 (24%) of the respondents were female. This indicates that the proportions of female staffs at Urban Revenue Enhancement and Fund mobilization and Finance Bureau were low when it compared with their male counterpart. With regard to age interval of the respondents, it was mentioned that

40 (47 %) of the respondents were between the age range of 31-40. Besides, 35 (41%), 8 (9%), and 2 (2%) of the respondents were the age between 21-30, 41-50 and ≥ 51 respectively

Table 4.2: Respondents by Qualification and Work Experience

No.	Items		Respondents	
			No	%
1	**Educational qualification**	A). B.A/ B.Sc	60	71
		B). M.A/ M.Sc	24	28
		C). PhD	1	1
		D) Other	-	-
		Total	**85**	**100**
2	**Work experience**	a) 1- 5	10	12
		b) 6-10 years	15	18
		a) 11-15 years	20	24
		b) 16-20 years	23	26
		c) 21-25 years	10	12
		d) 26-30 years	5	6
		e) Above 30 years	2	2
		Total	**85**	**100**

As shown in Table 2, item 1, 60 (71 %) of the respondents are BA/ B.Sc holders. This shows that the majority of the staffs in Urban Revenue Enhancement and Fund mobilization and Finance Bureau have first degree. Whereas, 24 (28%) and 1 (1%) of the respondents acquired second degree and PhD respectively. As it is shown in Table 2 item 2, 23 (26%), 20 (24 %) , 15 (18%) ,10(12%) 10(12% 5 (6%)) and 2 (2%) of the respondents served for 16-20 years, 11-15 years, 6-10 years, 21-25 years, below 5 years, years and 26-30 years and above 30 years respectively.

This implies that majority of the staff have been well experienced in the field of project management.

Table 4.3: Items related to project success

No.	Item	Respondents		
		N	Mean	SD
1	The projects were completed on time	85	2.72	1.32
2	The projects were completed according to the budget allocated	85	1.92	1.20
3	The projects were used by intended clients	85	2.82	1.42
4	The projects have directly benefited the intended users	85	3.46	1.14
5	You satisfied with the process by which the projects are implemented	85	2.45	1.13
6	The projects have no or minimal technical start-up problems because they are readily accepted by intended users	85	2.92	1.15

From the data in Table 3 item1, the mean scores of respondents were 2.72. This indicates that the majority of the respondents believed the extent in projects completed on time were low. Similarly, the respondents were also asked to what extent projects were completed according to the budget allocated. Accordingly, the mean score of the respondents is 1.92. This indicates that the majority of the respondents agreed that the situation were projects were not completed according to the budget allocation were very low. Hence, project did not complete as per the budget set in advance.

With regard to item 3 in the same Table, the mean scores of the respondents were 2.82. This shows that the majority of the respondents were believed that the projects implemented by MUDHo and the extent in which projects used by intended clients were moderate. The mean scores 3.46 of the respondents concerning projects have directly benefited the intended users clearly shows that the level projects have directly benefited the intended users is moderate. Similarly, the respondents were also asked to what extent they satisfied with the process by which the projects are implemented. Accordingly, the mean score 2.45 of a respondents indicates that the satisfaction level of the majority of the respondents related to projects implementation by MUDHo were low. As it is indicated on item 6 in Table 3, the computed mean scores of respondents concerning projects have no or minimal technical start-up problems because they are readily accepted by intended users. Accordingly, the mean score of respondents 2.92 shows that the level startup problems of projects at the beginning were moderate.

From previous theories, Manavazhi and Adhikari (2002) also stated that were identified mitigating inflation, managing project complexity, accurate material estimation, financing, change orders, design changes, early submission of illustration, sound specification, correct site information, proper contract management among many others were found to be the determinants of project success.

Apart from these basic criteria (Pinto and Pinto, 1991) supported that measures for project success should also include project psychosocial outcomes, the satisfaction of interpersonal relations with project team members. The inclusion of satisfaction as a success measure can also be found earlier in the work of Wuellner (1990), Kumaraswamy and Thorpe, (1996) included a variety of criteria in their study. These include meeting budget, schedule, and quality of workmanship, client and project manager's satisfaction, transfer of technology, friendliness of environment, health and safety. Different literature suggests that different criteria were hypothesized (offered) by different researchers. So, the findings are supported by previous studies and the situation here in Ethiopia shows that in order a project become successful, it requires client satisfied with the process by which the projects are implemented and the projects have directly benefited the intended users.

Table 4.4: Challenges of Resource Planning

No.	Item	Respondents		
		N	Mean	SD
1	Inadequate funding of the project	85	2.23	1.50
2	There is inadequate dialogue with interlinked agencies early in project preparatory stages	85	4.72	1.42
3	Late changes in scope	85	3.52	1.12
4	Untimely facilitation of access to site by contractor	85	3.56	1.33
5	Delayed payment to contractors	85	4.69	1.23
6	Lack of sufficient and qualified manpower	85	2.92	0.62
7	Poor subcontracting	85	4.57	1.24
8	Complex payment processes	85	1.42	1.21
9	Organizational cash flow problems	85	2.41	1.41
10	Delays in funds disbursement processes	85	3.46	1.32
11	Inconsistent task reviews	85	4.59	1.40
12	Inadequate contractor experience	85	4.72	1.20

In table 4 the respondents were asked about challenges of project implementation related to resource planning. According, (inadequate dialogue with interlinked agencies early in project preparatory stages) the mean score of respondents 4.72, (Delayed payment to contractors) the mean score 4.69, (Poor subcontracting) the mean score 4.57 (Inconsistent task reviews) the mean score 4.59, and (Inadequate contractor experience) the mean score 4.72 were indicate that the aforementioned challenges listed above were rated very high by the majority of the respondents as a major challenges related to resource planning in project implementation. However, (Late changes in scope) the mean score 3.52 and (Untimely facilitation of access to site by contractor) the mean score 3.56 were imply that they were highly challenges resource planning of projects.

Similarly, (Inadequate funding of the project) the mean score 2.23, (Organizational cash flow problems) the mean score 2.41, and (Lack of sufficient and qualified manpower) the mean score 2.92 were rated moderate regarding resource planning challenges for projects implemented by MUDHo. But, (Complex payment processes) the mean score 1.42 shows that it was not major challenges in resource planning.

Question was forwarded regarding the major challenges of resource planning in ULGDP II projects in the ministry, the project coordinator said that in appropriate use of fund, poor relationship with stakeholders and collaborators, poor deliverable planning, extended time to select contractors, delay of disbursement and procurements, poor accounting, poor task organization and review were the major challenges related to resource planning of the projects.

Table 4.5: Challenges of Beneficiaries Consultation

No.	Item	Respondents		
		N	Mean	SD
1	Disputes between parties	85	4.57	0.89
2	Target beneficiaries are not given the opportunity to provide input early in the project development stage	85	4.92	0.67
3	Poor handover interface	85	3.41	1.21
4	The client (intended users) was not informed of the Project's progress	85	3.56	1.32
5	The value of the projects was not discussed with the eventual clients	85	4.59	1.30
6	Target beneficiaries were not informed whether their inputs were assimilated into the project plan	85	4.62	1.40

In table 5 the respondents were asked about challenges related to beneficiary consultation. Accordingly, (Target beneficiaries are not given the opportunity to provide input early in the project development stage) the mean score of respondents 4.92, (Target beneficiaries were not informed whether their inputs were assimilated into the project plan) the mean score 4.62, (The value of the projects was not discussed with the eventual clients) the mean score 4.59 and (Disputes between parties) the mean score 4.57, were indicate that the aforementioned challenges listed above were rated very high by the majority of the respondents as a major challenges related to beneficiary consultation in project implementation. However, (The client (intended users) was not informed of the Project's progress) the mean score 3.56 and (Poor handover interface) the mean score 3.41 were rated high regarding beneficiary consultation challenges of projects.

Based on the interview analysis, fail to make participatory decision with clients overlooked the beneficiary from monitoring and evaluation of the project implementation, poor communication with clients, unable to include beneficiary in project planning and scope change, poor awareness program and project take over were the major challenges related to project implementation.

Therefore, projects with no participation were looted while projects implemented with participation of people were protected by the community. In addition it creates sense of responsibility. Hence, Participation of people is an effective means to mobilize local resources, organize and tap the energies, wisdom and creativity of people for development activities. In other words project costs can be reduced by sharing among the people it will serve. The Urban Local Government Development program (ULGDP-II) initially designed with such concepts.

Table 4.6: Challenges of Project Management

No.	Item	Respondents		
		N	Mean	SD
1	Allocation of sufficient funds needed for the projects	85	1.47	1.23
2	Allocation of sufficient manpower needed for the project	85	1.52	0.81
3	Inadequate work inspection	85	4.51	1.34
4	Setting clear purposes for the projects	85	3.56	1.34
5	Ability to anticipate short-term disruptions	85	4.52	1.43
6	Management strive to reveal the fulfillment of short-term deliverables to the beneficiaries	85	4.61	0.62
7	Poor relations between engineer and contractor	85	4.62	0.62
8	Management encourages people's creativity and resourcefulness in the projects	85	1.19	1.43

In table 6 the respondents were also asked about project management challenges. Accordingly, (Poor relations between engineer and contractor) the mean score of respondents 4.62, (Management strive to reveal the fulfillment of short-term deliverables to the beneficiaries) the mean score 4.61, and (Inadequate work inspection) the mean score 4.51, (Ability to anticipate short-term disruptions) the mean score 4.52 were indicate that the aforementioned challenges listed above were rated very high by the majority of the respondents as challenges related to project management. However (Setting clear purposes for the projects) the mean score 3.56 also shows that setting clear purpose for project highly conduct during project management conducted by MUDHo. To the contrary, (Allocation of sufficient manpower needed for the project) the mean score 1.52, (Allocation of sufficient funds needed for the projects) the mean

score 1.47 and (Management encourages people's creativity and resourcefulness in the projects) the mean score 1.19 clearly depict that they were not the major project challenges in the ministry.

In relation to project management challenges, Divakar and Subramanian (2009) showed that the role of project participants, planning, monitoring and feedback, decision making, approval and implementation are the critical factors on the for project implementation and if project manager failed to address such issues, the project execution face greater challenges . Besides, Keane & Caletka (2008), explained that inappropriate management of project can substantially increase the risk of any unforeseen or unallocated scope emerging which was not clearly assigned to a work package or a member of the employer's professional team. They also stated that delays and inefficiencies can often result due to circumstances which occur long before the first drawing is produced. Although these early factors are more difficult to identify as delay 'events', typical factors which can result in poor project management and challenge the success of project implementation.

Table 4.7: Challenges of fulfilling Donor Conditionality

No.	Item	Respondents		
		N	Mean	SD
1	Different objectives and interests between donors and partner organization	85	1.57	1.02
2	Funds transfer and disbursement process	85	1.92	1.20
3	Payment documentation and approval procedures	85	4.41	1.04
4	Differences in reporting formats and timeframes	85	4.46	1.14
5	Compliance to legal regulations	85	2.49	1.23

In table 7 the respondents were asked about challenges of fulfilling donor conditionality. Hence, (Different objectives and interests between donors and partner organization) the mean score 1.57, (Funds transfer and disbursement process) the mean score 1.92 and (Compliance to legal regulations) were not the major challenges regarding donor conditionality. However, (Differences in reporting formats and timeframes) the mean score 4.46 and Payment (documentation and approval procedures) the mean score 4.41 indicate that they were the major challenges related to project implementation and fulfilling donors conditionality.

Table 4.8: Project Implementation Approaches

No.	Item	Respondents		
		N	Mean	SD
1	Project team leaders should keep good relationship with all project participants	85	3.57	1.01
2	Learn more on managing human	85	4.92	0.71
3	Contractor should manage his financial resources and plan cash flow	85	4.41	1.30
4	Continuous and proper planning before implementation	85	3.56	1.21
5	Material supply should be readily preserved to avoid insufficient or depleted resources	85	4.79	0.71
6	Upgrade communication system used	85	3.92	1.11
7	Give prompt feedback/action when any matter arises	85	4.51	1.31
8	Encourages people's creativity and resourcefulness in the projects	85	4.62	0.92

In this study, the respondents were asked to rate project implementation approach related to ULGDP II. Accordingly, (Learn more on managing human) mean score, 4.92, (Material supply should be readily preserved to avoid insufficient or depleted resources) mean score, 4.79

(Encourages people's creativity and resourcefulness in the projects) mean score, 4.62, were rated very high. This indicates that managing human well, properly preserving supply and avoiding insufficient or depleted resources, and encouraging people's creativity and resourcefulness in the projects were the major implementation approaches for project implemented by MUDHo. Besides, (Upgrade communication system used) mean score 3.92, (Project team leaders should keep good relationship with all project participants) mean score 3.57 and (Continuous and proper planning before implementation) mean score 3.56 shows that the aforementioned approaches were highly regard as implementation approaches.

Question was forwarded regarding project implementation approaches, the ULGDP coordinator said that developing the human resources, ensure progressive and continuous and proper planning before project implementation, designing effective communication channel, provide appropriate timely and constructive feedback, selecting the right and appropriate contractors, ensuring smooth relationship with all concerned bodies, motivate creativity and innovation, managing financial flow properly, conducting proper and legal procurements and avoid delay of fund disbursement at all level would be project implementation approaches that trigger project execution effectiveness and efficiency.

Study conducted by Saqib (2008) also suggested that by using the management tools, the project managers would be able to plan and execute their projects to maximize the project's chances of success. Then, the variables in project management include adequate communication, control mechanisms, feedback capabilities, troubleshooting, coordination effectiveness, decision making effectiveness, monitoring, project organization structure, plan and schedule followed, and related previous management experience. Besides, he depicted that a number of attributes will affect project success, including the communication system, control mechanism, feedback capabilities, planning effort, organization structure, safety and quality assurance program, control of subcontractors' works, and finally the overall managerial actions. Hence ensuring the presence of such approaches would help to ensure effective project management.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter presents the summary, conclusions and recommendations based on the finding of the research.

5.1 Summary of the major findings

The general objective of the study is to examine the challenges of Urban Local Government Development Project implementing by MUDHo.

Based on the information gathered from respondents, therefore, major highlight of the findings are summarized as follows:

1. Based on data analysis, 76 % of the respondents were male while 24% of the respondents were female,
2. The result of the study revealed that 71 % of the respondents are BA/ B.Sc holders.
3. It was found out that the extent in which projects completed on time were low. Similarly, the mean score of the respondents is 1.92. This indicates that the majority of the respondents agreed that projects were not completed according to the budget allocation.
4. With respect to project implementation, the mean scores 3.46 of the respondents show that projects moderately benefit the intended users.
5. Regarding beneficiaries satisfied with the process by which the projects are implemented, the mean score 2.45 of a respondents indicate that the satisfaction level of the majority of the respondents related to projects implementation by MUDHo were low.
6. Concerning the challenges of resource planning of ULGDP project, inadequate dialogue with interlinked agencies early in project preparatory stages, delayed payment to contractors, poor subcontracting, inconsistent task reviews, and inadequate contractor experience were the major challenges of resource planning in ULGDP II.
7. Besides, the result of the interview shows that in appropriate use of fund, poor relationship with stakeholders and collaborators, poor deliverable planning (poor work breakdown structure /WBS/), extended time to select contractors, delay of disbursement and procurements, poor accounting, poor task organization and review were the major challenges related to resource planning of the projects.

8. Regarding beneficiaries of the projects, not giving the opportunity for clients to provide input early in the project development stage, the value of the projects was not discussed with the eventual clients, and disputes between parties were the pitfalls observed.
9. Poor relations between engineer and contractor, management strive to reveal the fulfillment of short-term deliverables to the beneficiaries, inadequate work inspection ability to anticipate short-term disruptions were constraints related to project management of ULGDP II.
10. With respect to fulfilling donor conditionality, different objectives and interests between donors and partner organization, funds transfer and disbursement process, compliance to legal regulations were not the major challenges regarding donor conditionality. However, differences in reporting formats and timeframes and payment documentation and approval procedures were the major limitations related to project implementation and fulfilling donors' conditionality.
11. The study revealed that managing human well, properly preserving supply and avoiding insufficient or depleted resources, and encouraging people's creativity and resourcefulness in the projects were the major implementation approaches for project execute by MUDHo.
12. Interview results show that developing the human resources, ensure progressive and continuous and proper planning before project implementation, designing effective communication channel, provide appropriate timely and constructive feedback, selecting the right and appropriate contractors, ensuring smooth relationship with all concerned bodies, motivate creativity and innovation, managing financial flow properly, conducting proper and legal procurements and avoid delay of fund disbursement at all level would be project implementation approaches that trigger project execution effectiveness and efficiency.

5.2 Conclusions

Based on the major finding presented above the following conclusions were drown.

1. As per the results of the study, beneficiaries were not satisfied with the process by which the projects are implemented. Hence, without satisfying the ultimate beneficiary of the project it is too difficult to attain the objective of the project as well its ownership.
2. Inadequate dialogue with interlinked agencies early in project preparatory stages, delayed payment to contractors, poor subcontracting, and inconsistent task reviews, and inadequate contractor experience were the major challenges of resource planning. Therefore, ignoring such critical issue of the project at the beginning, the overall exercise will be doomed to fail.
3. It was found that poor relations between engineer and contractor, management strive to reveal the fulfillment of short-term deliverables to the beneficiaries, inadequate work inspection ability to anticipate short-term disruptions were constraints related to project management of ULGDP II. Therefore, without properly managing such decisive factors of project implementation, the overall project management cannot be effective.
4. According to the data analysis, differences in reporting formats and timeframes and payment documentation and approval procedures were the major limitations related to project implementation and fulfilling donors' conditionality. Therefore, poor relation with donors may stifle the success of the project.
5. Developing the human resources, ensure progressive and continuous and proper planning before project implementation, designing effective communication channel, provide appropriate timely and constructive feedback, selecting the right and appropriate contractors, ensuring smooth relationship with all concerned bodies, motivate creativity and innovation, managing financial follow properly, conducting proper and legal procurements and avoid delay of fund disbursement at all level would be project implementation approaches that trigger project execution effective and efficient

5.3 Recommendations

Based on the findings, and conclusions of the study, the following recommendations are forward.

1. The effectiveness of any project depend on mainly ensuring beneficiaries satisfaction and ownership so that MUDHo, Urban Revenue Enhancement, Fund Mobilization and Finance Bureau, and ULGDP cities work together to ensure beneficiary satisfaction as a result of project execution. Besides, the study shows inadequate dialogue with interlinked agencies early in project preparatory stages was the major challenge of resource planning. Therefore, MUDHo, Urban Revenue Enhancement, Fund Mobilization and Finance Bureau, regional municipality design a mechanisms were by the above mentioned resource planning pitfalls should be address on time.
2. Delayed payment to contractors, poor subcontracting, and inconsistent task reviews, and inadequate contractor experience were the major challenges project implementation. So, MUDHo, with regional ULGs should establish a quarterly review meeting to solve such problems by a thorough discussion.
3. It was found that poor relations between the consultant engineer and contractor, management strive to reveal the fulfillment of short-term deliverables to the beneficiaries, inadequate work inspection, and ability to anticipate short-term disruptions were constraints related to project management of ULGDP II.
4. Assessment of capacity building activities under the ULGDP shows that current ULG capacity building activities largely focus on backstopping support from the federal MUDHCO contracted team (engineers, procurement and M&E experts) and training – formal training in particular. For the next two years and more ULGDP, this type of supply-driven support will be provided to the ULGs by the regions progressively overtime to align the actual practice with the functional mandates of regional governments, which is to provide support ULGs.
5. MUDHO, in collaboration with regional states, should develop a policy and strategy that govern the relationship between client, consultant and contractor. To implement this policy, proclamations, regulations and directives should be legislated.
6. According to the data analysis, differences in reporting formats and timeframes and payment documentation and approval procedures were the major limitations related to project implementation and fulfilling donors' conditionality. Therefore, MUDHo and Urban

Revenue Enhancement Fund Mobilization and Finance Bureau facilitate review meeting with the donors in order to solve problems encountered during ULGDP II project implementation.

7. MUDHo, Urban Revenue Enhancement Fund Mobilization and Finance Bureau, regional municipality should develop the human resources, ensure progressive and continuous project planning, designing effective communication channel, provide appropriate timely and constructive feedback, ensuring smooth relationship with all concerned bodies, conducting proper and legal procurements and avoid delay of fund disbursement at all level so that project implementation become effective and efficient.
8. Project planning deliverables like Work Breakdown Structure, Activity Duration Estimates, Resource Requirements, Project Network Schedule, Activity Schedule, and Resource Assignments should be well produced from the very beginning.
9. To keep close track of progress on the project, the project manager needs information from his or her team on a timely basis. The ULGs will be responsible for the implementation of the Program activities at their level. The Program therefore provides an opportunity for the participating ULGs to improve their capacity – thus contributing to the achievement of the Program objective;
10. The post-implementation audit is an evaluation of the project's goals and activity achievement as measured against the project plan, budget, time deadlines, and quality of deliverables, specifications, and client satisfaction. This should be done for all portfolios of ULGDP projects.

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APPENDICES

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERECE

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF PROJECT MANAGEMENT

Questionnaire for MUDHo Staff

The purpose of this study is to examine the challenges of project implementation in Urban Local Government Development Program II (ULGDP II) the case of Ministry of Urban Development and Housing. The researcher will use the data gathered through this questionnaire for strictly academic purposes. You are kindly requested to complete the questionnaire honestly. Your response will be kept confidential. Your genuine response to this study is indispensable.

NB: please do not write your names in any part of the questionnaire!

Thank you in advance for your kind cooperation!

PART I: Background Information

Direction: Please place an "X" mark on the space provided against the items

1. **Sex:**

A) Mal…….

B) Female…….

2**. Age:**

A) Below 20…….

B) 21-30…….

C) 31-40…….

D) 41-50 …….

E) ≥51 …….

3. Educational Qualification

A) BA/BSc…….

B) MA/MSc…….

C) PhD…….

D) Other (specify) ……

6. Work Experience

A) 0-5 years……

B) 6-10 years ……

C) 11-15 years…….

D) 16-20 years……

E) 21-25 years ……

F) 26-30 years …….

G) Above 30 years…….

PART II: Items related to ULGDP II project success

MUDHO has implemented various projects in its endeavor to realize the objectives of ULGDP II. On a scale of 1-5, where 1 represents strongly disagree, 2 disagree, 3 Neutral, 4 agree and 5 strongly agree indicate the extent to which the various projects have been successful. Hence, indicate the degree of your opinion by putting **circle** one of the alternative values.

NO	Project Success					
2.1	The projects were completed on time	1	2	3	4	5
2.2	The projects were completed according to the budget allocated	1	2	3	4	5
2.3	The projects were used by intended clients.	1	2	3	4	5
2.4	The projects have directly benefited the intended users	1	2	3	4	5
2.5	You satisfied with the process by which the projects are implemented	1	2	3	4	5
2.6	The projects have no or minimal technical start-up problems because they are readily accepted by intended users	1	2	3	4	5

PART III: Challenges Facing Project Implementation

Various challenges are reported in during ULGDP II Project implementation relating to resource planning, client involvement management support and donor conditionality. On a scale of 1-5, where 1 represents strongly disagree, 2 disagree, 3 Neutral, 4 agree and 5 strongly agree indicate the extent to which your organization experience by putting **circle** one of the alternative values.

N0.	**Variables**					
3.1	**Resource Planning**					
3.1.1	Inadequate funding of the project	1	2	3	4	5
3.1.2	There is inadequate dialogue with interlinked agencies early in project preparatory stages	1	2	3	4	5
3.1.3	Late changes in scope	1	2	3	4	5
3.1.4	Untimely facilitation of access to site by contractor	1	2	3	4	5
3.1.5	Delayed payment to contractors	1	2	3	4	5
3.1.6	Lack of sufficient and qualified manpower	1	2	3	4	5
3.1.7	Poor subcontracting	1	2	3	4	5
3.1.8	Complex payment processes	1	2	3	4	5
3.1.9	Organizational cash flow problems	1	2	3	4	5
3.1.10	Delays in funds disbursement processes	1	2	3	4	5
3.1.11	Inconsistent task reviews	1	2	3	4	5
6.1.12	Inadequate contractor experience	1	2	3	4	5

3.2	**Beneficiaries Consultation**					
3.2.1	Disputes between parties	1	2	3	4	5

3.2.2	Target beneficiaries are not given the opportunity to provide input early in the project development stage	1	2	3	4	5
3.2.3	Poor handover interface	1	2	3	4	5
3.2.4	The client (intended users) was not informed of the Project's progress	1	2	3	4	5
3.2.5	The value of the projects was not discussed with the eventual clients	1	2	3	4	5
3.2.6	Target beneficiaries were not informed whether their inputs were assimilated into the project plan	1	2	3	4	5
3.3	**Project Management**					
3.3.1	Allocation of sufficient funds needed for the projects	1	2	3	4	5
3.3.2	Allocation of sufficient manpower needed for the project	1	2	3	4	5
3.3.3	Inadequate work inspection	1	2	3	4	5
3.3.4	Setting clear purposes for the projects	1	2	3	4	5
3.3.5	Ability to anticipate short-term disruptions	1	2	3	4	5
3.3.6	Management strive to reveal the fulfillment of short-term deliverables to the beneficiaries	1	2	3	4	5
3.3.7	Poor relations between engineer and contractor	1	2	3	4	5
3.3.8	Management encourages people's creativity and resourcefulness in the projects	1	2	3	4	5

3.3.9	Poor relations between engineer and contractor	1	2	3	4	5
3.3.10	Management was responsive to the requests for additional resources, when the need arose	1	2	3	4	5
3.4	**Donor Conditionality's**					
3.4.1	Different objectives and interests between donors and partner organization	1	2	3	4	5
3.4.2	Funds transfer and disbursement process	1	2	3	4	5
3.4.3	Payment documentation and approval procedures	1	2	3	4	5
3.4.4	Differences in reporting formats and timeframes	1	2	3	4	5
3.4.5	Compliance to legal regulations	1	2	3	4	5

PART IV: Project implementation approaches

Following are suggested approaches can help to improve project implementation of ULGDP II On a scale of 1-5, where 1 represents Unimportant, 2 Less important, 3 Important, 4 Very important and 5, very high important. From your experience, indicate the better approaches help in improving implementation of ULGDP II by putting **circle** one of the alternative values.

3.5	**Approaches**					
3.5.1	Project team leaders should keep good relationship with all project participants	1	2	3	4	5
3.5.2	Learn more on managing human	1	2	3	4	5
3.5.3	Contractor should manage his financial resources and plan cash flow	1	2	3	4	5
3.5.4	Continuous and proper planning before implementation.	1	2	3	4	5
3.5.5	Material supply should be readily preserved to avoid	1	2	3	4	5

	insufficient or depleted resources					
3.5.6	Upgrade communication system used	1	2	3	4	5
3.5.7	Give prompt feedback/action when any matter arises.	1	2	3	4	5
3.5.8	Encourages people's creativity and resourcefulness in the projects	1	2	3	4	5
	If you have any other improving approaches, for project implementation of ULGDP II please specify,	1	2	3	4	5
	1.					
	2.					
	3.					
	4.					
	5.					

THANK YOU VERY MUCHA AGAIN !!

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERECE

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF PROJECT MANAGEMENT

Interview for ULGDP II Project Coordinator

The purpose of this study is to examine the challenges of project implementation in Urban Local Government Development Program II (ULGDP II) the case of Ministry of Urban Development and Housing. The researcher will use the data for strictly academic purposes. Your response will be kept confidential. Your genuine response to this study is indispensable.

Background in formation

A) Sex…….

B) Age…….

C) Educational qualification…….

D) Work experience…….

1. What do you observe ULGDP II project success?
2. What are the major challenges related to resource planning in ULGDP II projects?
3. What are the major challenges related to beneficiary consultation in ULGDP II projects?
4. What are the major challenges related to donor conditionality in ULGDP II projects?
5. What are the major challenges related to project management in ULGDP II projects?
6. What are the major approaches of project implementation in ULGDP II?

Thank you for your time and support