



**Addis Ababa University**

**School Of Commerce**

**Assessment of Planning Practices in Addis Ababa Housing projects, specific  
Case of 40/60 Housing Projects**

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A thesis submitted to Addis Ababa University School of Commerce in partial  
fulfillment of the requirements for the degree of Master of Arts in Project  
Management

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**A project work submitted to Addis Ababa University School of Commerce in  
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**Assessing the planning practices of the Addis Ababa housing  
projects: Specific case of the 40/60 housing projects.**

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## Declaration

I, Ermias Mulatu Habtemariam have carried out a project work titled **“assessment of planning practices in Addis Ababa housing projects specific case of 40/60 housing projects”** independently as a partial requirement for a master’s degree in the field of project management. I declare that this research is my own work and has not been submitted for a degree or any other purpose to any university or educational institution and all references used have been properly acknowledged.

Name:- Ermias Mulatu

Signature:-

Date:- June 2020

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## Abbreviations

PMI:- Project Management Institute

PMBOK:- project management body of knowledge

SPSS:- statistical package for social sciences

IMF:- International Monetary Fund

UN:- United Nations

AAHDPO:- Addis Ababa Housing Development Project Office

AAIHDPO:- Addis Ababa Integrated Housing Development Project Office

GTZ-IS:- German Agency For Technical Cooperation-International services

PERT:- Program Evaluation Review technique

## Abstract

*Projects are very essential for the economic growth of any nation, especially construction projects because infrastructures and other developmental activities are executed through these projects. Even though these projects play a crucial role in the development of the nation, the level of attention given to them in terms of the effectively and efficiently completing them has been unsatisfactory.*

*There are so many factors that determine the success of projects. One of these factors is preparation of a sound project plan. Projects with a good project plan are the ones that most likely to be successful. Given the importance of project plan for the success of projects, it's a must that all projects have a sound and clear plan. Delay, cost overrun, dissatisfaction of beneficiaries and sponsors are some of the problems witnessed in the 40/60 saving and housing development project. This purpose of the study is to assess the planning practices of the Addis Ababa housing project specifically the 40/60 housing project.*

*This study answers the questions such as how is the current planning practice of the Addis Ababa housing project, what tools and techniques are used, and last how is the stakeholder participation in the project planning process? The study employed survey in its descriptive research design. After doing a questionnaire survey it was found that the planning practices of the projects was poor, many of the tools and techniques of project planning are not used and also stakeholder participation is really low in the project planning stage of the projects. Recommendations are put forward in order to improve the planning practices of the housing Projects.*

**Key Words;** *Project, project planning, Planning components, housing projects*

# Chapter 1: Introduction

## 1.1 Background of the Study

Ethiopia's economy experienced strong, broad-based growth averaging 9.4% a year from 2010/11 to 2019/20, Ethiopia's real gross domestic product (GDP) growth slowed down to 6.1% in 2019/20 due to COVID-19. Industry, mainly construction, and services accounted for most of the growth (IMF, 2020). With more than 112 million people (2019), Ethiopia is the second most populous nation in Africa after Nigeria, and the fastest growing economy in the region. With this growth and huge population came a high rate of urbanization and migration in the country, people started to move from the rural areas to the cities looking for better opportunities and a better life for themselves and their family. This level of migration can be witnessed where ever you go in the city and the data also show the same thing between 2013 and 2018, rural to urban migration accounted for 37% of all migration, while urban-to-urban migration accounted for 18% of all population flows.

Despite the significant pace of migration in the country, Ethiopia remains one of Africa's least urbanized countries; only 20 per cent of the population reside in cities while the other 80% of the population lives in rural areas that is only 1 in 5 people lives in the city. However, it is projected that the rate of urbanization in the country will double in the following twenty years. With this rate of urbanization there comes a high demand of basic necessities in life, and one of those basic necessities is housing. Even without the added burden of migration it has been difficult to provide housing to people in the cities and the current migration just makes the problem worse. With the current rate of migration to urban areas it has been almost impossible to provide adequate housing to people. The pressures of urbanization and fast population growth necessitate rapid government action to limit and regulate the country's urbanization rate. No urban center in Ethiopia has been affected more by these two factors than Addis Ababa, since it's the capital city and the majority of both rural to urban and urban to urban migrations takes place to the capital.

According to the United Nations Universal Declaration of Human Rights (1948), Article 25 (1): "Everyone has the right to a living standard that is adequate for his or her health and well-being, including food, clothing, housing, and medical treatment." Mekonen (2008), This means that the UN recognizes the right to live in a modest house as a human rights and the house must at least include basic elements for the welfare and wellbeing of the occupants. However, in Ethiopia most houses don't fulfill the basic requirements for a house to be considered safe and livable. According to Mekonen (2008), even in the

capital city Addis Ababa, where 80% of the total housing stock is found, The majority of the dwelling units are outdated, poor, and overcrowded, with no kitchen, toilet, or bathing amenities. As a result, they are considered dangerous and unfriendly by many measures.

To solve this problem of inadequate and substandard housings the administration of Addis Ababa has been engaged in many different housing projects in order to solve the problem. Ethiopia has been conducting the Integrated Housing Development Programme, (IHDP) an ambitious government-led low- and middle-income housing development, since 2005. The program's primary objective was to build 400,000 condominium apartments, create 200,000 employment, encourage and support the establishment of 10,000 micro- and small-scale businesses, improve the construction sector's capability, revitalize inner-city slum regions, and promote homeownership for low-income families. (UN-HABITAT, 2011).

The Addis Ababa administration launched the Integrated Housing Development Program to address the city's housing scarcity, which is a result of the city's high pace of urbanization and migration, which has resulted in overcrowding. The administration also hopes that through implementing these housing projects, it would be able to increase the standard of living for the city's poorest residents by ensuring that all dwellings have a toilet, kitchen, and bath.

To this end, the construction of condominium houses is under way. The word "condominium" is derived from two Latin roots that indicate "shared ownership or control." It refers to a legal form of ownership rather than a specific structure or property. (Hawaii Real Estate Commission, 2009). In the Condominium Proclamation Number 370/2003 of the Federal Democratic Republic of Ethiopia it defined condominium as a residential or other building with five or more independently owned units and shared components, whether in a high-rise building or a row of dwellings, and included the building's land holding.

AAHDPO, formerly known as IHDPO, was founded after the successful completion of the Bole Gerji pilot flats project in the years 1999-2002 E.C. The Ethiopian and German governments agreed to give technical, managerial, and financial help for the low-cost housing project.

Following the successful completion of the first condominium construction project in Bole Gerji, the city government launched a number of similar housing projects throughout Addis Ababa, one of which is the Addis Ababa Integrated Housing Development Program (AAIHDP), which was launched in 2004 E.C. to address the housing shortage.(UN-HABITAT, 2011).The program includes four different payment systems based on percent of advance payment modalities such as 10/90, 20/80, 40/60 and housing association. This research paper will focus on the planning process of these four projects with special attention given to 40/60 condominium housing in Addis Ababa.

## 1.2 Statement of the problem

The cost, time, and quality of a project are used to evaluate its success. Typically, projects fail owing to issues with the project's selection, planning, execution, or control phases. A failure in one of the phases could lead to the project's failure as a whole. Project failure in developing nations is primarily due to a lack of effective and efficient planning processes or inadequate project planning practices. (Yardley,2002; Richard, 2012).

Ethiopian projects, like those in other developing countries, have ineffective planning procedures and processes, and projects are usually implemented without a detailed project plan. Project execution without a proper/poorly formulated project plan typically leads in delays, unnecessary expenses, and other execution concerns. Resources cannot be managed or structured, risks cannot be reduced, dates and budgets cannot be anticipated, and effective reporting cannot take place without a good plan and estimate. As a result, projects cannot be completed. The lack of a well-executed project plan has caused problems in all elements of project management, making it hard for the management team to retain the required level of control over project activities.

One of the most common reasons for project failure is poor project planning. As a result, project planning procedures should be refined and systematized so that projects can attain the level of success that they desire, or merely meet their objectives.

Many experts agree that the planning stage of any project is the most important and crucial, and the actions carried out during this stage have a greater impact on the project's success than the latter stages. Higher levels of project planning effort have been shown in studies to result in significant cost and schedule savings, whereas poor planning has been linked to project failure and cost increases. All project stakeholders want their projects to be completed effectively, according to their plan and timeline. However, they fall short of their goals due to problems they create or are unable to overcome during the project's planning phase. (Yu-Ren and Edward, 2008; Raza and Shenhar, 2005; Whitaker, 1999; Pedro 2013; Donnelly, Ivancevich and Gibson 1998)

When it comes to inadequate and improper project planning practices, developing countries are the ones that suffer the most. One of the key causes for the poor performance of African projects has been recognized as a lack of planning and implementation.(Moradat, Merrery, Seshoka and Sally, 2005). By definition, if you don't have a plan, you don't have control, because your plan is what tells you where you're supposed to be in the first place. Furthermore, you can't have control if you don't know where you are. (Lewis 2005). This is to imply that the project plan is a road map for the project management team

and normal team members and it helps them navigate through the project with ease. African countries simply lack the institutional structure and qualified staff needed to properly design and implement programs (Lavangon, 2014). Poor project planning techniques in Africa cause initiatives and projects to fail.

Ethiopia is investing huge part of its limited resources in order to improve its population' living standards and socioeconomic conditions. These projects are built and started on the idea and basis that they will be well-managed. Despite the fact that projects contribute significantly to a country's economic development, the majorities of them has failed or are failing to be finished as intended. Ethiopia, like many other African countries, suffers from a lack of project planning. According to Tekalign (2014), the performance of the project plan developed has a significant impact on project success. Despite the country's best efforts, the majority of its initiatives continue to fail or go behind schedule due to a lack of planning. (Tekalign, 2014).

However, policymakers and project planners have found it difficult to work on and improve the planning process of organizations in the country due to a lack of studies conducted in the planning process of projects, particularly in the planning process of Addis Ababa Housing Projects. This paper will try to assess in detail the planning practice of the Addis Ababa Housing Projects and in doing so it's the researcher's hope that it will help to see the gaps in the planning practice of the organization and will create awareness about the problems being faced and help to fill some gaps.

### 1.3 Research Questions

The following research questions are design to achieve the above intended major objective, this study tried to answer:

1. How is the current Planning practice at Addis Ababa housing project?
2. How is the planning tools application at Addis Ababa housing project?
3. To what extent do the stakeholders of the project participate in the planning process of the project?(i.e Suppliers, Utility providers)

### 1.4 Objective of the study

#### 1.4.1 General objective of the study

The general objective of this study was to assess the project planning practices in the context of Addis Ababa housing project special emphasis given to the 40/60 housing project.



### 1.4.2 Specific objectives of the study

- To assess current project planning practice of Addis Ababa housing projects with emphasis on the 40/60 housing project.
- To identify which project planning tools and techniques are used in Addis Ababa housing projects.
- To assess the awareness and participation of project teams and other stakeholders in project planning process of the Addis Ababa housing projects.

## 1.5 Significance of the study

It is well known fact that Addis Ababa has a high housing demand. The government developed a housing initiative to satisfy this demand. As a result, millions and millions of birr is now being invested in the 40/60 project program by registered city dwellers seeking to become home owners within the specified time frame. As previously stated, the planning process is the foundation for any project's success or failure; a good planning process can make or break a project, so understanding the planning process is critical for the organization to understand and build on its strengths while also being able to work on its weaknesses.

The significance of this study is that it has the potential to add to the existing knowledge on planning procedures in 40/60 condominium housing complexes in Addis Ababa. After assessing of the planning practices, this thesis will identify the major drawbacks of the planning process and recommend the project planning practices to the concerned organization and similar project running organizations or simply put a way forward. It will also identify gaps and make recommendations that the government and other planners can use as inputs to improve the planning process and achieve project objectives.

Finally this research will be used as a reference for interested researchers in the area to conduct additional study and analysis.

## 1.6 Scope of the Research

Although the AAHDPO have got different housing projects all over the city of Addis and uses similar planning methods for its projects, this project work will mainly focus on the 40/60 housing projects in order to obtain detailed facts about the planning process in the housing construction. Only individuals who have been involved in these projects, such as contractors, consultants, government officials , project

planners and others, have provided the data for this project work. This paper only focused on the planning stage of the projects and doesn't discuss about the latter stages of the project.

### 1.7 Limitation of the study

Some limitations that were faced were: The research population being too large to cover in the limited time given, thus sampling was required which might have an impact on the general output of the study. But the researcher used all possible ways to decrease the impact of bias. The major problem that was faced was since the project has political implications, the issue of sharing information about the project was not favored by respondents and many people declined to fill out questionnaires especially for AAHDPO workers especially site engineers and controllers and officials. Another major problem faced was the 40/60 project has been abandoned thus making it hard to locate team members that participated in the planning process of the project.

### 1.8 Definition of Terms

**Planning:** is deciding what has to be done, who needs to do it, and when it needs to be done in order to complete one's given job. (Kernzer, 2009).

**Project:** A project is a one-time process that produces a single defined end-result or product. A project has a defined scope and is constrained by resource constraints (time, budget). A project is a short-term undertaking to create a one-of-a-kind product or service.(Cleland & Ireland, 2002).

**Project plan:** A project plan is a formal approved document used to manage project execution. Project plan is also called integrated management plan because it comprises of all other specific plans (PMI , 2009)

**Stakeholder:** A group or individual who can impact or be impacted by the projects by the achievement of the project.

## 1.9 Organization of the Paper

This paper will be organized in five chapters. Chapter one will be an introduction to the study. This provides a background to the study, statement of the problem, research questions, objectives, and significance of the study, scope and limitations. Chapter two is Literature Review. The chapter discusses theories relevant to the study and provides literature previously done by other authors on quality of low cost housing. Chapter three is Research Design and Methodology. This chapter discusses the research design, data collection methods and analyses that would have been used in the research. Chapter four is Results and Discussion of Findings in relation to the research questions. Chapter five is the Conclusion and Recommendation. The findings will be summarized and recommendations and conclusions given based on the results.

## Chapter 2: Literature Review

### 2.1 Introduction

According to the world bank the Ethiopian economy has been showing a very favorable and high growth rate for the past decade with the average annual growth rate of 7.3%(World Bank). Much of this growth came because of major projects in the country, mostly construction projects. As such, construction will play a key role towards achieving the country's economic prosperity goals. According to the National bank Of Ethiopia (NBE) , the construction sector accounts for almost 50% of the nation's GDP, and the more interesting and surprising fact is that it's not showing a sign of decline. Data from the NBE also suggests that during 2013/14 the building sector grew by 37%; that number has been keeping relatively steady up to the present day. Since the role of construction is immense and also because these projects play a major role in the economy and growth of the nation the planning must be done properly and with the utmost care, because the role of project planning is highly important for any project to be completed successfully.

The function of selecting enterprise or project objectives and defining the policies, procedures, and programs necessary to achieve them is best described as planning. Setting a preset path of action within an anticipated environment can be regarded as planning in a project context (Kernzer 2009). This implies that the plan that is set for the project in the beginning will serve as a road map during the entire duration of the project.

### 2.2 Planning in Project

A project is an activity that is undertaken to produce the expected goals that are requested by a party/ sponsor. A project has three major components: scope, budget, and schedule. The term Scope represents the extent to which the project will reach or what the project will try and achieve . Budget refers to costs associated with the project measured in currency and /or labor hours that are put into the project. Schedule refers to the logical sequencing and timing of the work to be performed.

A project is a short-term undertaking that aims to produce a one-of-a-kind product, service, or outcome. Projects' transient character implies that they have a distinct beginning and end. The end is stated to have been reached when the sponsor's or other parties' ,that participated in the project ,objectives have been met, or when the project has been canceled owing to failure to meet the aims or goals set, or when the need for more resources has arisen that cannot be fulfilled by the current capacity of sponsors and donors.

Before starting any project the planning comes first. Planning is a very wide concept and different scholars define it in different ways. But there are major agreements about planning that all discuss. All consider planning as a guide to the execution and as a means of a course of action.

Planning is a constant process of making future-oriented entrepreneurial decisions and meticulously structuring the effort required to carry them out. Furthermore, methodical planning allows for the structuring of predetermined objectives. Decisions based on history are an alternative to methodical planning. Planning entails establishing what has to be done, by whom, and when in order to achieve a specific goal making sure everyone fulfills their assigned responsibility (Kernzer 2009).

The most basic role of management is planning. It is defined differently by different institutions and individuals. However, the following is a popular definition of planning: “Planning is the process of deciding in advance on the organization's short and long-term objectives, as well as the courses of action for achieving them.” The primary purpose of planning is to minimize the risk or obstacles surrounding future operations. Planning, in this context, can be defined as the process of preparing for change and coping with uncertainty by establishing strategies for achieving objectives. Anticipatory decision-making creates organizational goals and describes how they will be achieved.(Mssridhar 2009).

Planning is the cornerstone of management: it serves as the framework for all subsequent management responsibilities. It takes precedence over other administrative activities such as organizing, staffing, directing, and controlling because none of these can be carried out without a plan in place. It should be highlighted, however, that management roles are intertwined in the sense that no one individual function can properly work without the other. (Charles 2003). But having said that the planning function takes precedence from any other management functions and it will always be used to guide the other functions of management.

Determining objectives, formulating programs and courses of action to achieve them, defining timelines and timing of action, and assigning responsibilities for their implementation are all part of planning. (MS Sridhar 2009).

### 2.3 Types of Plan

Depending on the type and nature of the activities we do, there are several types of plans. In an organization or a particular corporation, there may be long-term, short-term, and mid-term plans. So, when we say plan, we're referring to the three primary areas listed above. According to Rosen (1972). The scope/dimension of plans is a means of categorizing plans according to the range of activities they cover.

Some plans are quite wide and long-term, focused on the most important organizational goals. Others describe how the organization will use its resources to attain these goals. As a result, based on their extent or scope, plans are divided into three types. They are: strategic, tactical, and operational.

**Strategic plans:** Determine the organization's mission objectives, primary courses of action, and main resource allocations required to attain the organization's goals. As a result, strategic plans provide the business with a long-term vision and guide policy creation. Environmental dangers and opportunities, as well as interdependencies, are generally factored into strategic planning. It also considers the impact of internal strengths and weaknesses. Strategic plans are a sort of planning that provides overall direction to the organization and are usually performed by top level managers. They are primarily long-range in their time frame, presented in rather general non-specific terms, and performed by top level managers.

**Tactical plans:** focus on the process of creating action plans for putting strategy into action. Strategic plans, as previously said, concentrate on what the organization will be in the future, whereas tactical plans concentrate on how this will be accomplished. Tactical plans refer to the activities that must be carried out and the resources that must be allocated in order for the organization's goals to be met. They concentrate on short-term activity implementation and resource allocations.

Some typical tactical planning examples include: Developing annual budgets for each department, division, and project, as well as determining precise methods for implementing strategic plans and determining a course of action for enhancing current operations.

**Operational plans:** are the most exact and thorough plans, focused on the organization's daily activities. Production timetables, sales plans, education plans, and so on are examples of such plans. So, as previously described and described, we can make a short-term, mid-term, or long-term strategy. So, when it comes to project planning, we may create a general plan that will be used throughout the project or a specific plan that will be used for a certain phase of the project.

## 2.4 The planning process

Planning is a method of accomplishing things in a systematic and scientific manner, as well as anticipating the future. When we plan a project, we must use a systematic and scientific approach. When it comes to planning, different people employ different methods. The process of planning refers to the specific steps followed in developing organizational plans (Alexander 2010) the following are the major steps that a planning process should follow:

### 1) Understanding the existing situation

The impact of the external environment on planning is a huge issue. As a result, being aware of external opportunities and dangers that may affect the project is critical in the planning process. As a result, when participating in the planning process, the organization must consider the situations on the ground and other environmental situations.

Analyze the economic situation (industry, market, demand, supply, and so on), the political situation (government policies, tax, security and stability), and the social and cultural situations (societal culture, trend of cultural change).

Furthermore, it is critical to assess internal circumstances and establish the organization's current strengths and shortcomings. As a result, planning necessitates a realistic assessment of the organization's current strengths, weaknesses, opportunities, and threats.

## **2) Forecasting**

The act of planning entails deciding what should be done in the future. As a result, having knowledge of what the future might look like becomes critical. As a result, in order to plan appropriately, the management must make certain assumptions based on future estimates.

## **3) Establishing objectives/goals**

The next phase in the planning process is to determine the organization's objectives and goals. The established objectives must clearly state what is to be accomplished, where action should be done, who will do it, how it will be carried out, and when it will be completed. Measurable goals are also required. Thus, scheduled completion dates, quantity standards, cost limitations, quality specifications, should be established in advance while trying to achieve the objectives.

## **4) Determine and evaluate alternative plans (course of actions)**

Alternative strategies are generated and fully assessed after the objectives are set. As a result, after various courses of action have been identified, they must be assessed. Typically, cost, risks, benefits, organizational facilities, and other considerations are considered while evaluating alternative plans or courses of action.

## **5) Selecting the course of action and formulate derivative plans**

The selection of the most ideal plan and the production of derivative plans are both part of this stage of the planning process. The planning process becomes inflexible when one course of action is chosen to address future issues. As a result, because the future is unclear, it is necessary to take multiple courses of

action. After a decision has been made and a master plan has been created, to support it, derivative plans must be produced. Within the framework of the core plan, derivative plans are prepared in each functional area. The masterplan's division into departmental, sectional, and individual plans provides a realistic picture of future events. The planning process should include a system for receiving input in order to be effective.

#### **6) Implementing the plan**

Following the selection of the best alternative plan or course of action, the management must create an action plan to put it into effect. The manager must decide on the following issues at this level of the planning process: What will be done by whom? When are the duties going to be started and completed? What human and non-human resources will be available for the process? How will the plan be evaluated? What are the reporting procedures to be used? And what type and degree of authority will be granted to achieve these ends?

#### **7) Controlling and evaluating the results**

The manager is in charge of monitoring and evaluating the progress made once the strategy has been implemented. Based on the evaluation results, he or she may be forced to make the necessary changes. Environmental conditions are likely to have an impact on planning. Modification of plans becomes critical in such a case. According to Bender (2008), there are nine fundamental processes to planning.

- **Identify overall objectives:** Prior to starting anything, we must first define our goals. When we strive to do something, we have a specific goal in mind. As a result, we must define and specify our objectives.
- **List the assumptions:** There are things that we will consider as things that might have an impact on our plan this might be both positive and negative impacts. So we should list all the factors that we assume will have an impact on our plan.
- **Define the work effort:** We must clearly specify the amount and type of effort required to carry out the strategy we have devised to reach our goals.
- **Define the tasks and products in detail:** After determining the amount of effort required, we must also identify the kind of tasks that must be completed in order to meet the anticipated objectives and complete the assignment.
- **Estimate the work effort**



- **Select resources:** resources are needed to complete the tasks and efforts that we've defined. Thus we must clearly identify and select the amount and type of resource required to carry out our strategy.
- **Develop the schedule:** After we've identified the resources we'll need to carry out the plan, we'll need to create a timeline for each activity we are going to undertake and the goal we'll attain.
- **Estimate costs:** We need to figure out how much it will cost to put the strategy into action. So, after determining the budget, we must also calculate the cost of putting the plan into action in order to achieve the goal.
- **Secure approval and funding:** Finally we have to get the approval of the concerned party or sponsor and we have to ask for a fund to implement the plan.

## 2.5 What is construction planning?

Construction is a dynamic sector with a lot of moving parts. It entails the effective coordination of many separate business entities, such as experts, tradespeople, manufacturers, trade unions, investors, local governments, specialists, trade contractors, and others. Because the construction industry is such an important part of a country's economic development and prosperity, there is a special sort of planning that is utilized for constructions called construction planning.

Construction planning is the process through which project managers lay out how they will manage and execute a construction project, from designing the structure to procuring materials to dispatching workers and subcontractors to fulfill various tasks. A construction plan lays out each step that must be completed in order to attain the intended outcome.

### **Step 1: Create the project**

Every construction project, no matter how big or little, must start with a business case that defines the project's feasibility as well as the resources needed to finish it. Create a Project Initiation Document (PID) that explains the project in broad, non-technical language.

### **Step 2: Draft an initial plan**

Set S.M.A.R.T. and C.L.E.A.R. targets to turn the project initiation document into a more specific plan. You'll use the specific resources you specified in the previous stage to develop a larger strategy that will direct how you actually carry out the project.

### **Step 3: Execute the plan**

Now is the moment to put your plan into action. Begin by convening a team meeting to go over the strategy and assign assignments. This meeting is critical to your strategy's success. You won't be able to achieve your objectives until your entire team is on board.

To manage your teams, you'll need to appoint project managers. Even if you're the lone project manager on a small team, you should have a schedule made up of what you'll be monitoring and when.

### **Step 4: Track your performance**

It's critical to keep track of your team's work on a construction project and ensure that they're on track to reach the objectives. It also ensures that if a project is delayed, you have data to look into to figure out why it happened and how to avoid it happening again. Successful managers typically use key performance indicators (KPIs) to monitor the performance of a project.

Some typical KPIs that have to be tracked include:

- Project objectives
- Project performance
- Quality

### **Step 5: Close out and evaluate the project**

The planning process isn't finished just because the project is finished. Take thorough notes during a brainstorming session to get ideas on how you may have done things better. The team is your eyes and ears, so take advantage of the opportunity to learn from them. Make a final project budget and compare it to the starting budget, then produce a final project report to communicate with key stakeholders.

Most construction projects, including housing developments, follow the above five planning processes to completion. Housing projects mainly go through this type of project planning process to bring about the completed project (building)

## 2.6 Tools and techniques of a project plan development

As previously noted, developing a project plan is a difficult task. It will involve a lot of people working together as well as some methodical ways. There are many tools and tactics to select from when it comes to establishing project plans. Some of these tools and strategies are listed below.

### **Project planning methodology**

We can't just sit down and write a project plan without using some kind of technique. A methodology is a method of preparing a project plan that is intended to make the process easier. Any systematic strategy used to help the project team during the preparation of the plan is referred to as a project planning methodology. It may be as simple as standard forms and templates or as complex as a series of required simulations. Most planning methodologies make use of a combination of hard tools such as project management software, and soft tools such as facilitated startup meetings (PMI 2009).

### **Stakeholder's Skill and Knowledge**

Participation of various project stakeholders is one of the approaches for producing a strong project plan. It is possible to obtain a plethora of ideas and abilities as a result of doing so, which will aid in the development of a solid project strategy. Every stakeholder possesses skills and knowledge that can be applied to the project plan's development. The project management team must develop an environment that allows all stakeholders to contribute effectively. It will depend on who gives what and when (PMI 2004).

### **Project management information system (PMIS)**

One of the instruments and approaches used in project planning is the project management information system. It's a piece of software that's used for a variety of functions throughout the project. It aids in the development of a good and consistent strategy. PMIS assists project managers in making less risky and costly decisions. It assists them throughout the project's various stages. PMIS aids project managers in the phases of project selection, planning, organizing, and control.(Karim 2011).

## 2.7 Components of a project plan

Project plan is a combination of different distinct plans. These specific plans include project integration management plan, project scope management plan, project time management plan, project procurement management plan, project communications plan, project human resource management plan, project

quality management plan, project cost management plan, project risk management plan, project stakeholder management plan and value chain management plan.

### **Project integration plan**

The procedures that must be followed to ensure that all project aspects are properly integrated, ensuring that the entire project benefits. (Ricardo 2008). The project integration plan aids in the coordination of the project's numerous aspects and is an important aspect of the planning process. In the integration management process, prioritizing competing objectives and alternatives is critical. The goal of creating a project plan is to establish a consistent, cohesive document that can be used to guide project execution and contingency planning. (Gupta et al 2008). Integration management focuses on bringing all of the regions together into a single whole. As a result, the project integration plan assists us in determining how to combine the project's various components into a unified entity.

### **Project scope management plan**

It is a method of ensuring that the project contains all of the work that is required and excludes the work that is not required in order to properly execute the project. Scope planning, scope definition, and creation are all part of this planning knowledge area. (WBS PMI 2004).

### **Project time management plan**

When a project begins, it has a set deadline for completion. If a project is finished on time and on budget, both the sponsor and the contractor will benefit. There should be a comprehensive project time management plan in place in order to accomplish it. Project time management is the practice of keeping track of and controlling the amount of time spent on a project. (PMI 2003).

### **Project cost management plan**

Project cost is the main issue in projects. Every project activity necessitates some investment of time and money. As a result, each activity's spending should be anticipated and anticipated in order to determine the project's budget. The goal of a project cost management strategy is to figure out how much money each task will require. Project cost management is the process used to minimize the cost of the project while maintaining acceptable levels of quality as well as the scope of the deliverables for the duration of the project. A detailed description of client objectives, project requirements, quality expectations, resource constraints, funding structure, acceptance test details, administrative milestones, and the

anticipated delivery date are all examples of project information that forms the foundation of a progress monitoring and cost management system.(Parviz 2002).

### **Project quality management**

Quality management is the process of ensuring that all project activities required to develop, plan, and implement a project are effective and efficient in terms of the goal and its accomplishment. Quality management is a continuous process that starts and ends with the project Plan. As a result, having a sound project plan is critical for any project because one of the markers of project failure is failing to complete the project within the timeframe stated.

### **Project human resources management plan**

Projects are run by humans. Without human knowledge and expertise, no project, regardless of its scale or type of resources, can be accomplished. As a result, each project should have a well-thought-out human resource management strategy in place. HRM is critical in projects, and it differs from HRM in the general environment due to the unique characteristics of projects and project-oriented companies. Because projects are by their very nature transient and one-of-a-kind, HRM is likewise distinct and more challenging than HRM in traditional enterprises. As a result, a well-prepared project plan based on the project's kind is required.

### **Project communications management plan**

A project communication strategy is a strategy that ensures that the necessary information is given to the appropriate person at the appropriate time. Deliverables are project plans. As a result, the communication tools used reflect the need to demonstrate a clear grasp of both the project's objective and the expected outcomes. A project communication strategy defines how information in the project is communicated from one point to another in detail. A well-thought-out communication strategy is critical to any project's success.(Pitchard 2004). Communications are necessary both to link the stages of a project and to facilitate progress within each stage. Communication is so important to project management that it can be viewed as a significant risk that jeopardizes the project's success if not done properly(Martin 2006).

### **Project risk management plan**

There are various types of risks and uncertainties in projects that can obstruct the achievement of the project's goal. As a result, any project's risk and uncertainty should be prepared before the project's

implementation. The fundamental objectives of project risk management, as part of the project management body of knowledge, are to improve the chance and impact of good project events while decreasing the chance and impact of unfavorable project events. Risk identification, qualitative and quantitative risk analysis, and risk response planning are all part of risk planning. (PMI 2004)

### **Procurement management plan**

Procurement management is one of the most essential sets of knowledge in project management, and it plays a significant role in determining a project's success. Therefore, putting together a solid project procurement strategy is critical. If well planned, it raises the likelihood of a project's success; if not, it may be one of the project's failure factors.(Morris and Pinto 2007) It's defined as a set of processes that connect vendors, producers, and customers along the supply chain, as well as the work activities, people, organizations, and technologies that go along with it.

As a result, a project plan is made up of the individual plans described earlier in this work. The PMI categories of project stakeholder management and contract management were recently introduced, bringing the total number of PMI categories to 11. As a result, the project plan should incorporate stakeholder and contract management plans.

## **2.8 Planning and Project Managers**

The project manager is the key to successful project planning. The project manager should be involved from the beginning to the end of the project. Project planning must be systematic, flexible enough to accommodate unusual operations, disciplined through reviews and controls, and ready to absorb multifunctional inputs. Successful project managers understand that project planning is an iterative process that must be carried out throughout the project's life cycle. One of the goals of project planning is to completely define all required work (perhaps through the creation of a documented project plan) so that any project participant can easily identify it. This is critical in a project context because: If the task is thoroughly understood before it is carried out, most of the work can be planned ahead of time; If the task is not understood, new knowledge is obtained during the job execution, which leads to changes in resource allocations, timelines, and priorities. (Kernzer 2009).

## **2.9 Stake Holders and Planning**

Stakeholders are a major part of any project thus their participation would be of a paramount importance in the success or failure of a project

According to Olander (2007), Specific parties are involved in the construction industry from the start of planning through the final operation and completion of a project, and their expectations and participation will influence or be influenced by the project's implementation. Among these are: Client, Project Management team, Consultant and designing team, Contractors and Subcontractor, Supplier, Local communities, Funding Bodies, Government authorities. Each of these parties has a major impact in the success and failure of a project thus their participation in the project planning is mandatory to ensure success of the project.

Stakeholder participation in project planning activities specifies the project's work requirements, quality, and objective, as well as the specification of resources required and their allocation, the establishment of a timetable, risk assessment, and delivery methods. The benefit of involving stakeholders early in the planning process is that it helps project managers to improve the project's implementation process or outcome.(Sekou et al., 2019).The benefits of participation of stakeholders in the planning process includes: distrust reduction in project outcomes, commitment improvement on project objectives and improvement on credibility performance, logical networking of activities, and estimation of the project budget and formalization of the approval process(Hagos, 2020).

Inadequate management of stakeholders' concerns might lead to debate and disagreement over the project's implementation.(Olander & Landin, 2008). One example of a component that has been demonstrated to be crucial when planning and locating a development project is community perceptions.(Rogers, 1998). Varied stakeholder groups have different demands, and a project can benefit one stakeholder group while negatively impacting others. Understanding the perspectives of various stakeholders aids the project manager in developing partnerships and avoiding preconceived notions and assumptions. (Watson et al., 2002). Various analysis and mapping methodologies are available to ensure stakeholder participation, particularly from stakeholders in the external environment. ( Olander & Landin, 2005; Bourne & Walker, 2005; Olander, 2007).

Ineffective participatory practices may result in a failure to address the public's demands and concerns, as well as a failure to improve the quality of decisions and include a diverse variety of stakeholders. (Innes & Booher, 2004). Arnstein (1969) suggested that real participation models must protect stakeholders' needs and concerns during the decision-making process. Even the most well-intentioned experts, however, are prone to being unfamiliar with stakeholders' issues and goals.(Arnstein, 1969). Furthermore, researchers claim that there is no universally successful technique of involvement because different

strategies are extremely dependent on the project's contextual and environmental elements.(Smith et al., 1997).

As we can see from the descriptions above, planning in this context encompasses all aspects of a project, including time, cost, quality, communication, contract, stakeholder, human resource, scope, and procurement.

## 2.10 Planning and Performance of Ethiopian Housing

### 2.10.1 Introduction

Ethiopia's building industry is one of Africa's most thriving. The conditions are ideal for a building boom across the country. The Ethiopian government is quite interested in modernizing and creating new infrastructure links, residential complexes, and so on. Indeed, the nation's Second Growth and Transformation Plan prioritizes development in these sectors.(GTP II).

Addis Ababa is the largest city in Ethiopia with a population of nearly 7 million people. This number gains more prominence in the context that Addis' population is 10 times that of Dire Dawa, the next largest city with less than 700,000 inhabitants. In addition to being the nation's economic and political capital, it is also the "diplomatic capital" of Africa, being the center for UNECA and African Union main offices . Yet, despite its economic and political importance in the country and the region, Addis is faced with more than its fair share of problems.

The rapid pace of urbanization has brought with it high levels poverty and unemployment, and the city's infrastructure is very inadequate to manage the increasing demand of its increasing population. Making matters worse is the lack of accurate data, to make proper estimations about actual current status of the city.

Until 2003, the concept of a condominium house as a distinct form of ownership was unfamiliar in Ethiopia. In 2005, the Ethiopian government launched a National Integrated Housing Development Program, recognizing housing provision as one of the primary developmental responsibilities for reducing poverty and enhancing the livelihoods of slum residents, and therefore promoting sustainable socio-economic development under the then MWUD later renamed as the Ministry of Urban Development, Housing and Construction, (MUDHC, 2017).



## 2.10.2 Housing Stock

Housing which constitutes a living space with physical structure and basic infrastructure facilities is not only one of the basic necessities but also a right for human being survival. But the housing situation of Addis Ababa indicates that housing shortage, poor quality of housing and poor living and working environment have remained as a critical problem of the majority of the population for more than 30 years. According to Sacha Delz( 2018) “Almost 60% of the houses in Addis Ababa were identified as severely damaged , and thus in need of high level maintenance service or total replacement.” To grasp the intensity of the problem of housing shortage in Addis Ababa, it is enough to see what Felix Heisel notes in his paper, “Addis Ababa was burdened by a housing shortage of an estimated 700,000 units” in 2017. During the last few years, both rural to urban and urban to urban migrations have been impacting the cities, especially this migration has been very high when it comes to Addis Ababa. Therefore, the question of providing housing is becoming even more pressing.

Measures taken to alleviate the problem by public and private sectors could not bring about a solution especially for the lower class dwellers of the city. The city administration had difficulties to supply standard housing, in quantity as well as in quality terms, and basic services. Housing production of the private sector was also unsatisfactory for the reason that the construction cost of the units is unreachable to the low income group of the city. The issue of successful housing supply for low income households of the city therefor rests mainly on strategies applied to increase availability of financial resource and reduce construction cost. So the question is what are the possible strategies that can enable the low income of the city to build decent dwelling?

More than 80% of Ethiopia’s housing market is owner-occupied . There is, however, a notable difference between urban and rural areas: only 39% (1.8 million) of all urban units were owner-occupied, compared with 95% (13.9 million) of all rural units. While rental tenure accounts for a small share (15%) of Ethiopia’s 19.4 million total housing units, it accounts for 54% of all urban housing units; in the capital city, Addis Ababa, this share is even higher, rising to 61%. (MUDHC, 2020) And according to the ministry of urban development(2020) 25% of the total housing stock in urban areas is under the ownership of the government. Of the total rented houses that are under government ownership, houses under Kebele administration accounted for 93% of this rental accommodation (UNHABITAT, 2010)

### 2.10.3 Housing Deficit and Government Actions

As reported by the UN HABITAT (2015), the estimated number of deficit in housing was 900,000 to 1,000,000 units in urban centers the majority of this huge deficit is found in the capital city Addis Ababa , and that 70 per cent of the current housing stock is in need of total replacement. In Addis Ababa alone, 300,000 units are required to meet the deficit. According to Fortune News letter (2014),for the 40/60, 20/80 and 10/90 schemes, around 865,000 people have been registered and started saving through blocked accounts they opened at the CBE in connection with the recently conducted registration for second round condominium housing in Addis Ababa.

The housing deficit is estimated to increase due to the high population growth and urbanization that the country is going through. To accommodate future growth, the Urban Sector Millennium Development Goals Needs Assessment (2004) predicted that to meet the Millennium Development Goals (MDGs) in 2015 requires a total of 2,250,831 units, which means that 225,000 units must be constructed each year to address the situation.

The Addis Ababa City administration is committed to address the housing crisis and improving the physical, social and economic aspects of the city. In order to reduce this massive housing demand and upgrade the existing slum areas, Ethiopia has been implementing an ambitious government-led low- and middle-income housing program. AAHDPO is an Ethiopian government-led and funded housing provision initiative for low- and middle-income families. Brownfield sites or slum areas that have been cleared and residents re-housed are used for projects. Each project has a common feature in that it has built a different type of condominium housing: multi-story housing complexes for many homes with communal amenities owned and managed jointly(MUDHC, 2013).

The Ethiopian low-cost housing policy has two primary goals: first, it aims to expand the market for low-income households who are not covered by the private housing market by increasing the supply of affordable low-cost housing; and second, it aims to increase the supply of affordable low-cost housing. In many developing countries, the vast majority of low-income households are unable to afford the cheapest homes on the market. This is especially troublesome in developing countries, where in-migration by rural households, many of whom lack the financial means to engage in official property markets, is the primary driver of urban growth. In the current Ethiopian setting, only households earning above the 95th percentile of the income distribution can afford to buy a home in the formal private housing market due to current housing prices and financing mechanisms.

In such economies, the only possibilities for low-income households are to rent under unstable and unpredictable lease conditions, double up with family, or build some type of housing in prohibited areas, which worsens the spread of slum regions. As a result, low-income families not only live in substandard housing, but also have limited access to basic public services and financial services because they are often deemed uncreditworthy due to their employment, which is often in the informal economy, or a lack of collateral for mortgage lending when it is available.(Alebel, 2016).

Second, the housing strategy intends to stabilize rental markets in urban Ethiopia by boosting both the general housing stock and the construction of low-cost housing units aimed at lower-income households. The current housing gap in Ethiopia's metropolitan regions is estimated to be approximately a million units, with only 30% of the current housing stock in "acceptable" condition and the remaining 70% in desperate need of renovation.

The housing shortage is significantly worse in larger cities like Addis Ababa, where the need is expected to worsen as the population grows rapidly. As a result, the demand for rental property in metropolitan areas has increased significantly, pushing rental costs higher and posing economic issues for working-class people. The restricted rental housing options for renters are causing housing affordability problems in the private sector. To keep rental housing costs constant and affordable, the supply of new housing stock must increase to keep up with the constantly expanding urban housing demand. (Alebel, 2016).

Poor project planning has harmed many developing countries throughout the world. One of the key reasons for the poor performance of African projects has been highlighted as a lack of planning and implementation (Moradat , Merrery, Seshoka and Sally, 2005)

#### 2.10.4 Current Housing Projects

The low-cost housing program comprises three types of housing schemes, each with a different minimum down payment requirement: Schemes 10/90, 20/80, and 40/60. Beneficiaries of the 10/90 housing programs must pay 10% of the transfer price when they take possession of the home, with the remaining 90% paid in installments over a period of 25 years. Those who are registered for 20/80 and 40/60 are required to pay 20% and 40% as a down payment, respectively, and the rest in 15 to 20 years. These programs are expected to be suitable for homes of various income levels.. (Alebel, 2016).

Bank loans, city budgets, and down payments from project recipients are among the funding sources for the three housing projects (10/90, 20/80, and 40/60). The Commercial Bank of Ethiopia (CBE) is an independent financial source for the housing initiative, offering direct funding and loan services to the

program's beneficiaries. The design, supply of construction materials, and implementation phases of the project were all done in cooperation with private enterprises.. (UN-HABITAT, 2011). The program aims to improve the construction industry by mass-constructing buildings, introducing new technology, increasing contractor capacity (financial and technical support), developing skilled and semi-skilled professionals, and micro and small businesses, as well as raising living standards, reducing slums, and creating job opportunities. (UN-HABITAT, 2011). So there's no denying the program's importance or the pressing necessity to provide completed residences as quickly as feasible. The 40/60 housing project, on the other hand, has been delayed due to a variety of causes, while registered city people are saving money for housing by deducting from their basic income.

According to a report published by Gebremeden Y(2018), there are almost 39,000 condominium units under development on 13 separate locations. However, most of the projects are behind schedule due to a lack of capacity among contractors and consultants, as well as insufficient government oversight and proper planning. Only under 25% of the total required dwelling units are currently under construction. The company, which has been chastised for delaying condominium deliveries, plans to develop about 80,000 new condominium apartments under the 40/60 program over the next five years, or until 2023.

On more than 200 hectares of land, 38, 790 dwellings in the scheme are said to be in the process of being built till the end of Ethiopia's last financial year. So far, the initiative has provided more than 20,000 jobs, and it continues to create work for more than 10,000 citizens each year. In addition, the initiative has built a market link of over 208 million Birr for Micro and Small Scale Enterprises and Associations, surpassing the sum by more than 139 million Birr as compared to the same time previous year.

More than 1,292 condominium houses under the 40/60 housing scheme have been completed as of now, according to the Addis Ababa Saving Houses Development Enterprise. The Sengatera and Crown-Akaki-Kaliti sites, in particular, are nearly complete. At both the Sengatera and Kality Crown sites, work on installing power and water pipelines has begun. Another remarkable aspect about the situation is that 154,000 of the 164,000 people who signed up for the program have been saving money on a monthly basis. Nearly 13,000 of these individuals have already paid the full amount. It was also frequently said that individuals who paid in full would be given first priority when condominium units were handed over or transferred to home owners.

The fact that these initiatives are falling behind their contracted schedules is the most common complaint. The Enterprise recently stated that housing developments on 13 distinct locations are progressing at

varied rates. And the majority of the construction projects that started in 2013 and 2014 are considerably behind schedule. At this time, the 1,292 residences at the Sengatera and Crown sites in the Lideta and Akaki Kality districts have completed over 97 and 95 percent of their construction. However, they were expected to be finished ahead of schedule. The delay in completing the 40/60 houses are usually attributed to the incomplete infrastructural works, including roads and electricity, shortage of reinforcement bars, cement and gravel as further reasons. In fact, despite better prices being offered to gravel makers, they were still not supplying an adequate amount.

The Head of Crown Akaki project office in the Enterprise said close to 38, 000 houses are planned to be transferred to the beneficiaries over the coming two years' time which should have been completed by the end of 2018

In addition, according to a study published on September 30, 2019, According to intimate sources in the Addis Ababa Housing Project Office, (AAHPO) some 9,000 40/60 condo houses with one to three bedrooms will be transferred in the next three months. The houses are spread across 12 separate construction sites for condos. They're nearing the end of the process. Those who save at least 40% of the total cost will be entered into the lottery.

The office is currently negotiating a contract with the second-round condo winners, and so far, 40 of the 17,000 have honored the deal with the Commercial Bank of Ethiopia. The office is waiting for the contractual agreement on the houses drawn last fiscal year to be finalized. Following the completion of the agreement, the third round 40/60 condo draw will be held on the 9,000 properties in accordance with the present rules and regulations.”

According to the sources, the office is preparing to begin construction of 300,000 houses in Addis Ababa's center and outskirts in order to resolve the city's housing shortage. 200,000 of the 300,000 new homes planned are in the 20/80 projects, while the rest are in the 40/60 projects.

## 2.11 Research Gap

Ethiopia is investing major part of its scarce resources in the construction sector to improve the standard of living and increase the quality of life. One component of these projects is housing and the government is putting a lot of investment both in capital and labor thus the success of these projects is crucial for the development and betterment of the nation. One way to achieve success in projects is by properly

establishing an effective project plan. An effective and efficient plan of projects is a key factor for the success. This research assess the impact of the planning process of the housing project in the project's success. There are relatively small number of researches done in the 40/60 housing projects since the project is relatively new , thus making it hard for researchers and professionals to see the impact that the planning practices are having in the project success rate. Thus this project work tried to put some directions which can help in future planning of projects.

# CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

## 2.1 Introduction

This chapter describes the methodology that was used in order to conduct the study. It describes the types of methods selected for data collection and analysis and allows the readers to understand the methods used to reach to the results and conclusions that are presented in the next chapters.

## 3.2 Research Approach and Design

Research approach refer to the methods of data collection, methods of data analysis, interpretation, methods of communicating findings, validation and the questions to be addressed, the selected strategy of inquiry equally determines the research methods.

The decision to use a certain research approach is influenced by a number of factors. The nature of the subject under investigation, the setting in which the research is conducted, the availability of sources, and the researcher's background and inclination are only a few of them. The link between methodology and study objectives is a critical aspect in determining the data quality in this regard.(Denzin & Lincoln, 1994).

As mentioned earlier, the major concern of the study is examining the planning process of the project. The goal of this study was comprehensive understanding of the ways in which the planning of the housing projects in Addis Ababa is conducted. Therefore, descriptive design was used in order to emphasize on analyzing and explaining the actual situation.

According to Reswell (2003) when conducting research, there are three ways that are used. There are three types of research methods: quantitative, qualitative, and mixed. The development of quantitative data is the primary focus of the quantitative research technique, and quantitative data is a systematic record that consists of numbers generated by researchers using measurement and imposing structure(Kent, 2007). Quantitative research employs quantifiable measurements, whereas qualitative research cannot be quantified. (Bryman& Bell, 2007). In mixed research approach inquirers draw liberally from both qualitative and quantitative assumptions (Creswell, 2009).

The method that was chosen for the study is Quantitative research method, and used quantitative information for the analysis. Quantitative data was gathered using distributed questionnaire by taking the

representative sample from project participants such as, Contractors and Consultants, project team and other stakeholders.

### 3.3 Population and sampling techniques

A population is a well-defined group of items, services, people, households, groups, or items that are being studied. In the population, there should be observable traits on which the researchers will base their findings. (Mbachu, 2004). The study target populations will be project teams, contractors, stakeholders, suppliers and project team members that were part of the 40/60 housing projects. Individuals who participated in the planning of all the 40/60 housing projects were considered as part of the population. Samples were taken from these groups to understand the planning practices of the housing project.

Regarding the application of data, the sampling method that is going to be used in this study is purposive sampling. All the respondents were selected on the basis that they have experience in the planning of housing projects or were a part of the 40/60 housing project in Addis Ababa. High priority was given to individuals and engineers that were part of the planning process and also engineers that are part of the current construction of the 40/60 houses.

Based on the above given descriptions a sample of 50 individuals was selected to fill out the questionnaire established. These 50 respondents included individuals from all aspects of the 40/60 housing projects. The list included contractors, site engineers, AAHDP employees and other government officials that were part of the housing project.

### 3.4 Sources of data

Both primary and secondary data was employed to conduct this research study. Primary data was collected through structured questionnaire and secondary data gathered through review of literatures, Addis Ababa housing development project office work documents, and file of different sites.

Professional referral networks and professional relations were used to distribute the questionnaires and get response. All 50 questionnaires were distributed either through personal approach of target individuals or through the professional networks working in different site of Addis Ababa housing development project office as project contractors, consultants, and clients.

All 50 of the respondents that were included in the survey were engineers, project controllers and supervisors and government officials and engineers in Addis Ababa housing corporation office.



All the respondents were selected on the basis that they have experience in the planning of the housing projects. A questionnaire survey was developed to get the opinion and understanding from the experienced respondents with regard to housing projects planning.

The other source of research data is secondary data which was used to assess the current situation on the ground, for this the researcher used documents that are available in the Addis Ababa housing projects office.

### 3.5 Data Collection Method

There were two ways of collecting data to complete this research the first is questionnaire which was used to collect data from people that directly participated in the 40/60 housing projects. The questionnaire distributed had questions that were going to be answered by using the Likert scale and open-ended questions to understand what each respondent's subjective opinion about the planning process.

The Second method of data collection is document review; data was obtained through the use of published and unpublished documents of project reports of the AAHDPO, MUDHC, and different publication of the city Addis Ababa. Journals, Magazines, Newsletters and Publications from other sourced were used. The review of documents included reports and assessment of the plans, any supporting journals and articles that helped the researcher to understand the key facts about of the organizations.

Using both tools of data collection allowed the researcher to get a clearer understanding of the project planning environment and also made the researcher be able to remove biases and any misinformation that might occur during the research data collection process.

### 3.6 Research Instruments

A questionnaire survey was designed based on the objectives of the study. The survey done through a questionnaire exercised to evaluate the perception of parties involved in the planning process in Addis Ababa housing development project office.

The questionnaire was designed based on the research questions and has 3 major parts the first part identifies the major characteristics of the respondents and was used to identify their general characteristics including age, gender etc. The second part of the questionnaire assessed the planning practices of Addis Ababa housing project by asking respondents to give responses based on the Likert scales given by the

researcher, while the last part had open ended questions in which the respondents gave personal feedbacks about the projects planning process.

The second part of the questionnaire is also divided into 3 parts to answer the research questions clearly: the first part tried to assess the current planning practices in the housing project by checking what kind of plans were implemented, the second part was used to understand the planning tools and techniques used by the Project planning team and the third part was used to assess the level of participation and impact of stakeholders in the planning process.

### 3.7 Methods of data analysis

As explained above, the research was designed to follow a quantitative method. After the data was gathered by using of questionnaire (which is prepared using Likert scale) it was edited, classified and tabulated by using different techniques. Data analysis was done using SPSS (version 20) for the data collected using the questionnaire. The SPSS is used to find out percentages, frequencies and means. As main means of summarizing the data, so mainly frequencies and means were used to analyze the response.

### 3.8 Reliability Test: Cronbach's alpha ( $\alpha$ ) coefficient

The questionnaire survey's reliability and consistency were assessed using Cronbach's alpha coefficient. Cronbach's alpha is affected by the number of questions, their interconnectivity, and their dimensionality. (Tavakol, 2011).As the amount of questions, interconnectedness of questions, and dimensionality diminish, the alpha value drops. The alpha value varies from 0 to 1, and it must be more than 0.70 in order to pass the reliability and consistency test. SPSS was used to calculate the Cronbach's alpha values.. Taking components such as current planning practices, tools and techniques used, stakeholder participation and the  $\alpha$ -values were 0.912, 0.807, and 0.912 respectively. All  $\alpha$ -values were greater than 0.70, which is the minimum level for reliability (Fellows& Liu, 2007).Therefore, it can be concluded that the questionnaire survey is reliable and consistent.

### 3.9 Research Ethical Consideration

The necessary permissions were requested prior to distributing the questionnaires and interviews for the selected candidates and participants have the awareness that no information was made public and the study was utilized for academic purposes only.

## Chapter 4: Results and Discussions

### 4.1 Introduction

This chapter deals with the analysis and presentation of the data collected through questionnaire. Descriptive statistics like frequencies were used to analyze the data. Interpretations are made based on the frequency and percentages of the data. The findings from the questionnaires were analyzed using SPSS (version 20). The results from the study are presented in the form of frequency table.

Among the 50 questionnaires that were distributed to respondents as a representative of the total population 48 questionnaires were properly filled and returned which is 96% response rate. The first part of the questionnaire consists of the demographic information of the participants related to personal and professional characteristics. Whereas the second part intended to obtain respondents opinion and perception regarding project planning practices of the study organization. This analysis is conducted based on the knowledge areas developed in chapter two.

The distribution of the questionnaire was conducted on various locations where the respondents were found providing service. The questionnaire was given to Addis Ababa housing corporation employees, site engineers, consultants and governmental offices. The professions of the respondents included surveyors, site engineers, resident engineers, team leaders, contractor, consultants and directorate directors.

The data collected is interpreted as one to five Likert scale response the mean value greater than or equal to three has been interpreted as disagreement with the raised question. In analyzing the data from interviews, Descriptive approaches will be used. Also responses to the open ended questions at the third part of the questionnaire will be used to analyze and describe the questions raised by the researcher.

**Table 4.1: Distribution of questionnaires**

<b>Organization</b>	<b>Questionnaires given</b>	<b>Questionnaires returned</b>
AA housing corporation Employees	20	19
Site engineers	17	16
Consultants and Contractors	8	8
Other Governmental Organizations	5	5

## 4.2 Characteristics and Demographic Features of Respondents

The demographic characteristics of the respondents includes variables such as gender and age of respondents the gender variation of the respondents was 64.6% male and 35.4% female respondents. The following table (Table 4.2) shows the gender structure of the respondents.

**Table 4. 2: Gender Distribution of Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	31	64.6
Female	17	35.4
Total	100	100

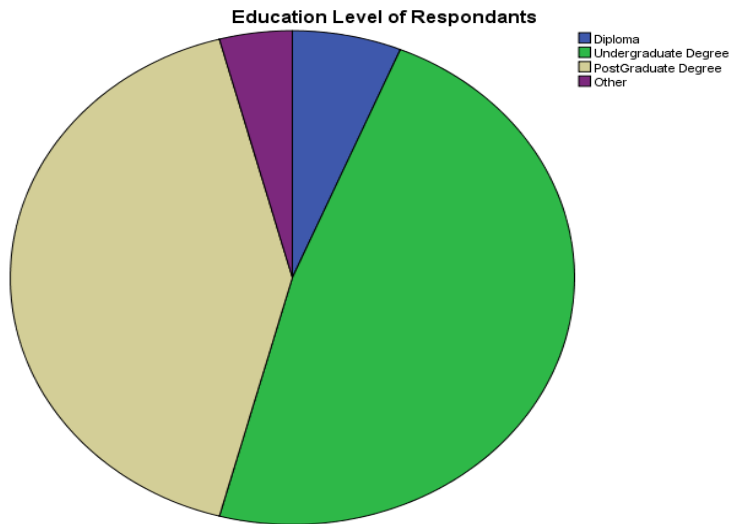
The other Variable to be considered while talking about demography is age of respondents and when we talk about age the questionnaire tried to group the respondents into 4, the first was 20-30, second 31- 40, third 41-50, last 50+. Since the employees of Addis Ababa housing Corporation and most of the site engineers were young majority of the respondents were between the age of 31 and 40.

**Table 4.3: Respondents age**

<b>Age</b>	<b>Frequency</b>	<b>Percent</b>
20-30	16	33.3
31-40	23	47.9
41-50	5	10.4
50+	4	8.3
<b>Total</b>	<b>48</b>	<b>100.0</b>

The third and another major indicator of the demography characteristics of respondents is highest level of Education achieved by the respondents, according to the survey majority of the respondents were either a bachelor's degree or Postgraduate degree holders with only 2 doctoral candidates and 3 diploma holders. Almost 95% of the respondent's has level of education that is higher than or equal to a bachelor's degree. Of the 48 respondents only 3 had a diploma level of education while the other 45 have attained some kind of degree. Table 4.4 shows the level of education among respondents

**Figure 4.1: Education Level of Respondents**



The fourth indicator showing the characteristics of respondents is work experience or tenure in their respective organizations. The next table shows 83.3 % of the respondents have experience ranging from 0-10 years making them a good fit to know about the 40/60 housing projects well and clearly. Since the 40/60 housing project was started in 2013 it allowed respondents to have an in depth knowledge about the project and its process. Table 4.4 shows respondents' tenure in the respective organizations.

**Figure 4.2: Tenure of Respondents**



### 4.3 Current planning practices of the 40/60 housing project

Even though the 40/60 housing project is no longer in place the planning practices used in the project is still found in other housing projects of Addis Ababa, so understanding the planning practices of the organization will be of paramount importance when drawing conclusions.

In the questionnaire distributed there were 12 questions that were used to assess the real life situation about the current planning practices of the housing construction in Addis Ababa city.

**Table 4.4: Current Planning Practice of Addis Ababa Housing Projects**

Question	Agree	Neutral	Disagree	Mean
Schedules are well developed	22	11	15	2.83
Activities are well defined	33	14	1	2.79
Resources are determined before hand	26	7	15	2.83
Project risk identified	6	13	29	3.56
Integrated Project schedule prepare	12	14	19	3.29
Scope well Defined	19	13	15	2.87
Human Resource planning done	14	16	18	3.15
Procurement plan is prepared	18	9	21	3.06
Communication plan is prepared	16	12	20	3.15
Project cost planning is well made	25	13	10	2.69
Duration of each activity is determined	16	20	12	2.90
Plan is done well and clearly	20	14	14	2.94

Using the five Likert scale response if the mean value for a specific question is greater than three it's going to be interpreted as the respondents disagree with that specific idea or question while mean values less than 3 will be interpreted as being agreeable to that specific question.

The open ended questions responses will be used to strengthen the data collected through the Likert scale thus the description part of the analysis will include not just the mean values of the quantitative data but also the opinions raised by the respondents in the open ended questions part.

According to the questionnaire 7 of the 12 questions have a mean of less than 3 meaning the respondents agree with the points raised by the researcher while 5 questions had a mean that was greater than 3 this indicates that the respondents didn't agree with the questions that were raised. Next we will see each aspects of the current planning process individually:

#### 4.3.1 Schedules and Activity planning

In both aspects of clearly and well defining and preparing of schedules and individual activities majority of the respondents seem to agree that it is done properly and well. For both questions used to analyze the Schedule planning 68.8% of the respondents had a positive answer meaning they agree with schedules being properly planned and 54.2% of the respondents agree that each individual activity is well defined before the project is started, but when it comes to the third question in this subsection only 33.3% of the respondents believe that the duration of each activity is properly determined in the project planning and a major portion of the respondents gave a neutral answer for that specific question.

These replies from respondents show us that even though the project scheduling and activity defining aspects are very good in the planning stage when it comes to putting a specific amount of time for each activity there is a lot to be done yet. But generally speaking we can say that the scheduling and activity defining aspects of the planning process are good and done properly.

#### 4.3.2 Scope

When it comes to scope there were mixed views by respondents some 40% believed that the scope was well defined but the others disagree with this point pointing that the scope of the project always changes based on the demand of the government at any time, and said the scope is not a definite thing that is put on paper but a kind of guideline to help the project move along and might and will be changed during the process of construction. Thus making it hard for project managers and teams involved in the project complete the tasks on hand.

#### 4.3.3 Resource, Cost and Procurement planning

Of the 48 individuals 28 or 54% of the respondents agree that resource planning is done well and integrated into the project plan, and 25 individuals or 52.1% of the respondents also believe that the cost planning is done. This shows us that the project planning in Addis Ababa housing development projects takes into account the resources and cost requirements that are needed to complete each project, this will

allow the project managers and team members to know what to expect before getting in or starting the project.

But when it comes to procurement planning only 37% of the respondents believe that it is part of the planning process and in the interviews conducted with the respondents some respondents didn't even know if there was a plan for the procurement of products, they said they always buy products from whoever is providing at the time of need. Even though the Resource and cost planning are well made the inexistence of the procurement plan nullifies any positive attribute that the previous plans might bring.

#### **4.3.4 Risk**

In the Addis Ababa housing projects office project risks are not well identified and analyzed so that it is possible to control and manage them. 61% of the respondents didn't agree with the point that risk plans are made and proper responses are prepared in order to mitigate them. Risk management planning is not well done initially when projects are being planned thus leaving project managers to fend for themselves whenever a problem arises in the project. In the best practicing projects risks are planned, identified, quantified, qualitative risk analysis made, response plan is prepared and finally monitoring and control is done. But some of these process like risk identification, qualitative analysis and monitoring and control are not practiced in the case of Addis Ababa housing projects. Form the company documents review it is observed that some of these risk planning processes are not made.

Since risk planning is not a part of the planning process risk maps are also not prepared for projects and this makes it hard for project managers and teams to anticipate and prepare to face problems that may arise in the project. And makes them only take reactive measures whenever problems arise.

#### **4.3.5 Human resource, Communication**

Both human resource and communication planning don't receive that much attention when planning the project. Both this planning elements received a low score of under 35% agreeableness with the respondents. And individual responses of the respondents corroborates that fact, planning is not done for human resources because the project might be changed in a second to fulfill a political need that is much important. The government might end its contract with private contractors any day and decide to use its own contractors, like the one happening in the Megenagna (Around 24) site. And the respondents who



agreed that there is some kind of Human resource planning share the view that it's not implemented properly and used.

Seeing the Current planning practices of Addis Ababa housing project 41.7% of the respondents agree that Project plan is well and clearly done while 29% of the respondents disagree that project plans are properly and clearly one the remaining 30% are neutral about the fact but from the observations and response of respondents it's safe to say that the current planning practice of the Addis Ababa housing project has good strong point sit should uphold and some mistakes that need to be rectified. When it comes to the mean value of the last question its 2.94 which indicates that the respondents agree that the project plan is done clearly and well

#### 4.4 Tools and Techniques used while planning

The 5 tools that are being considered in this questionnaire are WBS, Gantt chart, PERT, Critical Path, and SWOT analysis. Let see individual responses to all to understand what is being used in the planning Process

**Table 4.5: Tools and Techniques Used for Planning**

Question	Agree	Neutral	Disagree	Mean
WBS is Used	32	9	7	2.27
Gantt Chart is used	26	10	11	2.57
SWOT analysis is done	26	7	14	2.53
PERT method is used	9	12	26	3.51
Critical path method is used	8	7	33	3.77
Risk map is prepared	7	5	36	3.65
Continuous integration of planning	9	7	32	3.67
Planning was a onetime thing	27	2	16	2.51

As mentioned above a mean value of less than 3 indicates a positive feedback or agreement with the respective question while a mean value that is greater shows disagreement, and in this part of the questionnaire the respondents agreed that WBS, Gantt chart and SWOT analysis were made and disagreed with the use of PERT and Critical path methods

#### 4.4.1 Work breakdown structure (WBS)

Work breakdown structure is one tool of planning that allows project participants to know what to do before engaging in a project and it clearly puts each individual work that needs to be done and allows project team members to understand each parts of the project. When it comes to the Addis Ababa housing project this is the one planning tool that most of the respondents agree was in use 67% of the respondents believed that the housing projects used WBS as a tool for planning the project and only 14% disagreed to it being used in the planning process. Using WBS allows project team to know about each individual activity that is going to take place in the planning process and makes it easier for every team member to do their task properly.

#### 4.4.2 Gantt chart

Project management timelines and tasks are translated into a horizontal bar chart in a Gantt chart, which shows start and end dates, dependencies, scheduling, and deadlines, as well as how much of the task is accomplished per stage and who is the task owner. When there is a large team and various stakeholders involved, this might help keep work on schedule.

It's possible to check on progress with a quick scan because it's in bar chart format. You can readily see: a visual representation of the entire project, including task timelines and deadlines, relationships and connections between activities, and project phases.

According to respondents the Gantt chart is the next mostly used tool of planning next to WBS. 55.3% of the respondents said that the Gantt chart was used in the planning process of Addis Ababa housing projects while 23% of the respondents disagree with that idea.

#### 4.4.3 Strength, weakness, Opportunity, Threat (SWOT) analysis

Another widely used planning tool, this tool allows planners to know the pros and cons of a project before even starting it and it allows them to understand their strength and weakness that might help or hinder them in the implementation of the project and also assess the opportunities and threats that might have a positive or negative impact on the project.

Just like Gantt chart this planning tool has been said to be used by the Addis Ababa housing projects by 55.3 respondents but there were some oppositions too, 30% of the respondents disagree to the point that SWOT analysis is used when planning this projects. Respondent saying that the only SWOT analysis that will be done is a political one and not related with the project at all.

#### 4.4.4 Program Evaluation And Review Technique (PERT) method is used

The Program Evaluation and Review Technique (PERT) is a technique for examining a schedule's tasks and determining a Critical Path Method variation (CPM). It determines the minimum time to accomplish a project by analyzing the time required to accomplish each activity and its associated dependencies. PERT Analysis provides Program Managers and project staff with information on the project's tasks and the projected time to perform each activity. A Program Manager will be able to estimate the lowest amount of time required to accomplish the project using this information. This aids in the development of more realistic schedules and budgets.

Every activity along the Critical Path is given three time estimates (optimistic, pessimistic, and most likely) to conduct PERT Analysis.

Most of the respondents didn't agree to the use of PERT as a planning tool in the Addis Ababa housing projects with only 19.1% of the respondents agreeing with PERT being used

#### 4.4.5 Critical path method

The critical path method (CPM), also known as critical path analysis (CPA), is a scheduling method that depicts a project and the sequences of jobs required to finish it using a network diagram. In project management, the critical path method (CPM) is used to construct project schedules and to assist project managers in developing a project timeline. The critical path method includes:

- Identifying every task necessary to complete the project and the dependencies between them
- Estimating the duration of the project tasks
- Calculating the critical path based on the tasks' duration and dependencies to identify the critical activities
- Focusing on planning, scheduling and controlling critical activities

- Setting project milestones and deliverables
- Setting stakeholder expectations related to deadlines

Following these factors, you'll have a better idea of which activities should be prioritized. Then you can allocate the resources required to complete these critical activities. Tasks that aren't on the critical route have a lower priority in your project plan and may be postponed if they're causing the project team to become overburdened.

Just like the PERT method critical path method is one of the least used planning techniques that is being used in the planning process. Only 16.7% of the respondents agree with the fact that Critical path method is used to plan a project.

#### 4.5 Stakeholder Participation in planning

Stakeholder participation has a great impact in the general success or failure of a business and that participation should start from the planning stage of the project. In this part of the questionnaire the researcher tried to see the participation of stakeholders including contractors, suppliers, project managers and other governmental organizations.

*Table 4.6: Stakeholder Participation in Project Planning*

<b>Question</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Mean</b>
Project managers were part of the planning	22	7	19	2.92
Team members were well experienced in the planning process	10	16	22	3.31
Team members well were committed in the planning	12	15	21	3.19
Project Managers and Sponsors were communicating during planning	18	10	20	3.08
Team members are clear about the project before it starts	30	3	15	2.60
Customers were part of the planning	6	1	41	4.02
Suppliers were part of the planning	7	6	35	3.77
Other governmental organizations were part of planning	15	21	12	2.98
Contractors are part of the planning	19	10	19	2.92

When it comes to stakeholder participation four questions had a mean that was less than three while the other 5 questions had a mean value that was greater than 3 especially the question about participation of customers in the planning process had a mean value greater than 4 which indicates high disagreement with the question. Let's see each component individually

#### 4.5.1 Project Managers and Contractors

The response from the respondents about the project managers was close 45% of the respondents agreed that project managers participated in the planning process while 40% disagree. While when it comes to contractors the 39.6% of the respondents agree with contractors participating in the planning process and an equal number of respondents or 39.6% of respondents disagree with contractors participating in the planning process.

But one idea was prevalent while filling this part of the questionnaire almost all of the respondents said that projects being planned by a politically motivated agenda and team it's kind of hard to know who exactly participates in the planning of projects and even the ones that agreed with the project managers and contractors participating said that the participation didn't take place in the first planning but in the amendments done after the projects were started.

#### 4.5.2 Team members

Most respondents disagree with the point that team members were a part of the planning process, for instance only 20% of the respondents believed that team members were experienced in the planning process of the projects. But Even though the project team is not part of the planning process most respondents, 62%, agree that team members were actually familiarized the project plan before the projects started.

This would help the project in a huge way because though the team was not part of the planning process knowing the plan will reduce the effect of them not participating in the project. And allows the team to prepare themselves for what's to come in the future

### 4.5.3 Customers and Suppliers

This was the two stakeholders that almost all the respondents agreed were NOT part of the planning process 73% of the respondents disagreed to the point that suppliers were part of the planning process and 85.5% of the respondents disagreed that customers were part of the planning process.

This meant that the customer and suppliers almost had no say in the planning process, which would lead to a project that doesn't fit the consumers demand and needs and also a cost plan that might be inaccurate because supplier's ideas were not incorporated into it.

### 4.5.4 Other Governmental Organizations

When Building a housing project the buildings are not the only things that are going to be erected other facilities like power, water and other facilities also need to be provided in order to say the housing project was a successful one. But even though their participation in the project is irreplaceable and very important the project planning process in the Addis Ababa housing project doesn't take much input from these organizations while planning these projects.

Only 30% of the respondents agree with the idea that these organizations are part of the planning process while the rest disagreed or just stayed neutral to the point.

All in all the planning in the Addis Ababa housing project has many upsides and downsides. One upside is that even though some of the components are missing the Addis Ababa Housing projects has some good plans on housing projects, there is a good plan for resources needed in the projects But it has some strong downsides too the first one is that planning is a onetime thing, most of the time planning is done in the initial stage of the project and not a continuous process. 60% of the respondents agree that planning was a onetime thing and isn't revised.

Table 4.7: Planning was a one-time thing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	13	27.1	28.9	28.9
	Agree	14	29.2	31.1	60.0
	Neutral	2	4.2	4.4	64.4
	Disagree	14	29.2	31.1	95.6
	Strongly Disagree	2	4.2	4.4	100.0
	Total	45	93.8	100.0	
Missing	System	3	6.3		
Total		48	100.0		

And 67% of the respondents also disagree to the point that there is a continuous integration of planning based on results achieved which enforces the point that plans are a onetime thing in Addis Ababa housing projects.

Table 4.8: There is Continuous Integration of Planning Based on Results

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Agree	9	18.8	18.8	18.8
	Neutral	7	14.6	14.6	33.3
	Disagree	23	47.9	47.9	81.3
	Strongly Disagree	9	18.8	18.8	100.0
	Total	48	100.0	100.0	

## 4.6 Summary

To make matters worse the respondents reply for the open ended questions indicate that the planning practices of the organization are weak and can be even considered as non-existent. Of the 48 questionnaires that were returned 41 had a well written and answered open ended questions. Out of which 22 replied with saying that the planning process is weak and highly motivated by the political situation of the time these respondents also indicated that politicians are the main planners of the housing projects and the professional team is only called for implementing the plan that they font even understand well. This

will make the planning process ineffective and inefficient. Planning is not done properly since the planning teams are not comprised of professionals that are experienced and have a great know how of the planning process thus making the use of planning tools and techniques highly unlikely. And participation of team members is very low and one respondents from AAHPDO even wrote” we are not part of the planning process and we only know about the projects when its time to start them” this shows that stakeholder participation in the project environment is very low and makes proper implementation very hard and results in delays and unnecessary costs.

The next point that was a major issue with the respondents was that the plans didn't consider the resources at hand and the basic needs of individuals, 9 respondents suggested that the major problem of the housing problem was wrong assumptions, wrong assumptions like financial sources for the projects and also wrong assumptions during the planning phase of the project are major reasons for project failure.

Planning was done only once in the beginning of the project and not revised based on implementation problems faced by the project team. Making the project plan rigid will hinder the implementation process very much and affects the success of the project.

Based on the results we can definitely say that even though there are some positive sides that need to that should be continued the planning practices of Addis Ababa housing Corporation are weak and this will definitely cause a big problem in the latter stages of the project. And true enough the poor planning practices of the corporation can be blamed for the delays change in scopes and budget and all problems that the project currently faces.

It's because of these delays and unsatisfactory project progress that the housing corporation has totally abandoned the 40/60 project. There are nearly 160,000 clients waiting to get their 40/60 houses since 2005 which were promised to be delivered in a period of 18-24 months , but including the ones that are being built the corporation managed to build only 32,000 houses which doesn't even cover the 25% of the demand . And to make matters worse except the ones that are being built the housing corporation is not starting any new 40/60 buildings soon. Instead it is pushing the customers to look for other options rather than wait for their apartments like promising plots of land for groups of people to build their own apartment's.



## Chapter 5: Conclusions and Recommendations

### 5.1 Conclusion

The main purpose of this research paper was to figure out the planning practices of the addis ababa housing project planning process specifically the 40/60 housing project in the city. A questionnaire survey and an informal interview was conducted to find out the planning process of addis ababa and this are the findings:

- Generally good planning practices in theory but still needs some major adjustments and also requires the change in the planning practices of the company. some actions are well prepared such as initial scheduling and action breakdowns this strengths should be kept and developed more to achieve a better plan in future project, but plans that are not given attention such as risk, human resource and communication and procurement plans should be given more attention in order to have a comprehensive and all round plan of the housing project.
- Planning is a onetime thing in the Addis Ababa housing project. Almost all the time planning is done before the initial start of the project and not revised based on the results achieved and the real life situations on the ground, this makes the plans rigid and doesn't allow project managers team members and contractors a level of flexibility that would create the best environment for the proper conclusion of the project.
- Planning is motivated by political reasons rather than actual needs. the major problem stated by most respondents was that the plan and the projects were not actually based on the needs of the people but the political situation at the time of inception thus the projects success is not measured by the actual results on the ground but the perceptions of the political elite. for example due to the upcoming election there is a faster pace of work in the 40/60 projects that are still under construction especially in Megenagna and Ayat sites even the site engineers have said that the pace is really going fast and they too are amazed by it.
- Planning not done by professionals, due to the above mentioned reason that projects being started for the political reasons most of the time the projects are planned by politically motivated people rather than actual engineers and other professionals that have a good knowhow and experience about those kinds of projects
- Planning not in accordance with the need of the people and the financial state of the nation, the projects are not being based on the needs of the people thus making projects unattractive for the society. For example when the plan was put in place the government assumed that only about 35,000 people would take part in the 40/60 scheme of the housing project but contrary to the

governments assumption the demand for the 40/60 housing project was so high. About 160,000 people registered for the 40/60 housing project but currently sites being built and including the houses that are transferred to owners are only around 32,000 which is lower than 20% of the total demand. This mistake and problem can be directly linked to the poor planning's of the housing projects.

- Poor use of planning tools, because the planning is not done by professionals most planning tools are not used in the project planning phase. Use of this tools would have allowed the project plan be more clear, reliable and precise and make implementation of the project easier.
- Low participation of stakeholders in the planning process, not having stakeholders such as suppliers, contractors, utility providers etc. will have an immense negative impact on the plan that will affect the project implementation stage.

## 5.2 Recommendations

After seeing these problems, the researcher puts forth these recommendations

- In a perfect world projects should be initiated based on the needs and demands of the stakeholders or customers. But even if that doesn't happen the plans for projects should be done by professionals in order to ensure success of projects. But if this process continues the cost to the country and government will be so high. Thus professionals should handle every step of the project including the planning.
- Political agendas should not dictate project planning and implementation, this is the case in most underdeveloped nations and Ethiopia is no exception and this practice of using projects for political gain has more of a negative impact thus it should be totally avoided if possible and if not politicians must involve professionals and just participate in a minimal way in the project planning and implementation
- Stakeholder participation should be increased in all aspects, stakeholders should have a leading role in the planning and implementation of the projects not just be called upon when there is a need for them. this will allow for projects to be more successful and make them more feasible sine it will take every aspect of the Project into mind
- More effort should be made at the planning stage of the project. A project with a good project plan is with a good road map. So giving attention and making a good effort in preparing the plan helps in successfully completing the project
- Even if staffs are aware of about the existing project plan, it is low according to the finding of the study. So there should be an effort by the organization for creating a better awareness of the

project plan by the staffs. It is possible to prepare an awareness programs and trainings that could help in increasing the awareness level of staff about the project plan. To close the gap between the practices and the theories, the organization should look in to its practices and take evaluation, restructuring and corrective actions. If the organization takes in to consideration the recommendations, it would be possible to support the organizational performance.

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## Appendix

### QUESTIONNAIRE

TITLE: “ASSESSMENT OF THE PROJECT PLANNING PRACTICES OF ADDIS ABABA HOUSING PROJECT: THE SPECIFIC CASE OF 40/60 HOUSING PROJECT”

**Dear respondent,**

The purpose of this questionnaire is to collect information for the study that assesses the project planning practices of Addis Ababa housing project. The study is a requirement for achieving master degree. Your response to each question is indispensable for the effectiveness of this study.

Your response to the questionnaire would be kept confidential and it has no intention except for academic purpose. All the information gathered will be kept strictly confidential and will be used only for academic research and analysis without mentioning the names of individuals companies involved; hence, I sincerely request you to complete and return the questionnaire in short period of time.

Thank you in advance

**Requested by:** - Ermias Mulatu

May 2021.

#### **Instructions**

Please refer/consider/ the projects in Addis Ababa housing agency that you have participated or are currently a part of and answer the following question. Indicate your response by ticking (√) mark in the space provided for which you believe is the most suitable answer using the given scale. Please also answer all the questions to enhance the objectivity of the research by filling the blank spaces provided, as appropriate. You may kindly use the back side of the paper if the blank space (s) is/are not sufficient

#### **PART I: PERSONAL DETAILS OF THE RESPONDENT**

Q.1. Sex: Male  Female

Q.2. Age: 20-30  31-40  41-50  50+

Q.3. what is your level of education?

Certificate  Diploma  Undergraduate Degree  Post Graduate Degree

Others(specify)

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Q.4. How long have you been working with the organization?

0-5 years  6-10 years  11-20 years  21-30 years  30 +

Q.5. what is your position.

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No	Description	Scale				
		Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
<b><i>Current Planning Practices Of Addis Ababa Housing Project</i></b>						
1	Schedules are well developed (prepared)					
2	Activities are well defined					
3	Resources needed for project determined before hand					
3	Project risk Identified					
4	Integrated Project Schedule Prepared					
5	The project scope is well defined before execution					
6	Human resource planning is performed					
7	Procurement plan is prepared					
8	Communication plan is					



	prepared					
9	Project cost planning is well made					
10	Duration of Each Activity is Well Determined and Planned					
11	Project plan was done well and clearly					
<b><i>Tools and Techniques Used For planning</i></b>						
12	Work break down structure is used during planning					
13	Gantt chart is used for planning					
14	Is SWOT analysis done for projects					
15	Program Evaluation And Review Technique(PERT) method is used					
16	Critical path method is used					
17	Risk map is prepared					
18	There is a continuous integration of planning based on results achieved					
19	Planning was a onetime thing					
<b><i>Stakeholder participation in the planning process</i></b>						
20	Project Managers Were part of Planning Process					
21	Team members were well experienced in planning process					

22	Team members were well committed in planning stage					
23	Project managers and sponsors were well communicating during planning phase					
24	Project team members are clear about the plan before starting the project					
25	Customers/users and other stakeholders were involved in planning stage					
26	Suppliers were part of the planning process					
27	Other governmental organization like utility companies were part of the planning process					
28	Contractors have a part in the planning process					

26) Is there a general guideline for planning the housing project in Addis Ababa or does The planning differ for every project?

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27)In your opinion what are the challenges faced in developing project plan in Addis Ababa housing project?

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28) How can they be solved?

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