Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

# Effects of Internal and External Factors on Project Performance of Urban Productive Safety Nets Program at Akaki Kality Sub-City, Addis Ababa, Ethiopia <sup>1</sup>

## Tesfaye Katiso, Dr. Yilkal Wassie and Dr. Teshome Tamirat

#### **Abstract**

Performance of safety net projects is determined by the comprehensive interaction of various internal and external factors. This study investigates the impact internal and external factors on the performance of urban safety net program highlighting on its effectiveness and success. We employed a mixed approach of descriptive and explanatory research methods which integrates both qualitative and quantitative data to generate a comprehensive result on program implementation and its beneficiary satisfaction. A study used sample of 138 beneficiaries from 3 districts selected through a three-stage purposive sampling process. The result indicates that a balanced gender representation of 49% male and 51% female exhibited an effective outreach on the beneficiaries for performance. However, the low participation of youth about the program (10.87% aged 18-25) and older adults (5.07% aged 56 and above) raises concerns about inclusivity of the beneficiary composition. Among participants of the program 54.3% are direct beneficiaries, while others are involved in various roles such as project implementation committee members (19.6%) and government officials (8.7%). The result reveals strong correlations between project success and various factors such as project planning with (0.860\*\*, p=0.000) and monitoring & evaluation with (0.620\*\*, p=0.000). The result underscores the critical role of effective planning and robust monitoring and evaluation practices in achieving successful outcomes. Additionally, a correlation value of 0.680\*\* at (p=0.000) indicates that stronger institutional capacity is linked to greater project success, emphasizing the importance of well-structured organizational frameworks. A moderate correlation value of 0.455\*\* at (p=0.000) indicates that effective project management tools do also contribute positively to project outcomes. Our finding underscores those foundational factors that the safety net program can improve livelihoods and alleviate poverty by aligning with best practices in project management. While project management tools are useful as they are less critical than planning needs assessment, and institutional capacity, which are essential for successful project execution.

<sup>&</sup>lt;sup>1</sup> How to cite this paper: Authors, last name, initials (2025). Effects of Internal and External Factors on Project Performance of Urban Productive Safety Nets Program at Akaki Kality Sub-City, Addis Ababa, Ethiopia; *PM World Journal*, Vol. XIV, Issue XII, December.

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

Keywords: Institutional-Capacity, Evaluation, Monitoring, Urban, Safety Net

#### 1. Introduction

The success of a given project is determined by three main factors known as the triple constraints: cost, scope, and time (Matarrita-Cascante, and Brennan, 2011<sup>2</sup>). Additionally, project success can also be evaluated based on team satisfaction, customer satisfaction, and the quality of deliverables for success (Mwencha Nyasimi, 2013<sup>3</sup>). It has been a continuing topic of research for a long time that researchers identified many of its criteria and investigated and tested the external and internal variables that can affect it in different contextual perceptions (Lim and Mohamed, 1999<sup>4</sup>). It has been quite challenging to determine if a project is successful or not before scientifically researched for which factors significantly impact its performance (Goodwin and Young, 2013<sup>5</sup>).

Traditionally, the most important factors in defining the success rate of a project are the metrics of time, cost, scope and quality; however, more recently, practitioners and academics have determined that project success must also be measured against the achievement of project goals (PMI, 2017<sup>6</sup>). The concepts of project success have evolved over the years from simplistic definitions limited to a specific phase of the project, to more comprehensive, incorporating the needs of project stakeholders and users in different times (Project Management Journal, Dec 2005<sup>7</sup>). In addition to achieving the conventional success criteria of projects, the project must meet the objectives of the stakeholders and the project implementation process needs of the stakeholders, in particular the beneficiaries of the project under the safety net schemes (Petro,

<sup>&</sup>lt;sup>2</sup> Matarrita-Cascante, D., and Brennan, M. A. (2011). Conceptualizing community development in the twenty-first century. Community Development, 43(3), 293-305.

<sup>&</sup>lt;sup>3</sup> Mwencha, N. (2013). Factors influencing the success of food security Projects in Kenya: a case of Mbooni East District Makuenicounty (Thesis). University of Nairobi Digital Repository

<sup>&</sup>lt;sup>4</sup> Lim, C. S., and Zain, M. (1999). Criteria of project success: an exploratory re-examination. *International Journal of Project Management*, 17(4), 243-248

<sup>&</sup>lt;sup>5</sup> Goodwin, S., and Young, A. (2013). Ensuring children and young people have a voice in neighborhood community development. Australian Social Work, 66(3), 344-357.

<sup>&</sup>lt;sup>6</sup> PMI (Project Management Institute). (2017). Pulse of the Profession 2017.

<sup>&</sup>lt;sup>7</sup> Project Management Journal. (2005). [Full reference not available from the provided text. It is likely referring to Jugdev, K., & Müller, R. (2005). A Retrospective Look at Our Evolving Understanding of Project Success. *Project Management Journal*, *36*(4), 19-31]

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

2014<sup>8</sup>). Project success does also include additional criteria linked to the organizational strategy and to the delivery of business results in a given situation (PMI, 2017<sup>9</sup>).

On the other hand, there are various success factors that determine the successful completion of projects., these project success factors include the availability and adequacy of resources available to the project and project management team, availability and effectiveness of monitoring and evaluation systems, use of project management tools and techniques, and development and use of appropriate project management strategies (Joseph Kimani Mwangi, 2015<sup>10</sup>).

The projects continue to be the fundamental tools to achieve the strategic objectives; and their need ranges from business to development with their respective for-profit and humanitarian purposes (PMI, 2017<sup>11</sup>). Today, humanitarian projects involve complex development efforts that require a large amount of financial aid. These projects are becoming international human rights instruments, in particular the Universal Declaration of Human Rights of the United Nations of 1948 recognized the need for social protection in all countries, in particular its article 22 establishes that everyone has the right to an adequate standard of living that ensures health and well-being, be of himself and his family, including food and necessary social services. Development projects in health, education, access to food, water and sanitation are being designed and deployed in disadvantaged communities around the world (Asha Kalyani, 2022<sup>12</sup>). Safety net projects, with particular emphasis on food security, have been universally accepted as addressing people's access to adequate, safe and nutritious food, meeting their dietary needs and food choices for active and healthy lives (FAO, 2008<sup>13</sup>). Therefore, this study tries to analyze factors affecting the success of the Urban Productive Safety Net Project (UPSNP) in Akaki Kality area at Administration of Addis Ababa has to be investigated for various research gaps.

One significant research gap in the evaluation of the Urban Productive Safety Net Program (UPSNP) lies in access to information and awareness among the target population. The success of

© 2025 Tesfaye Katiso, Yilkal Wassie, Teshome Tamirat

www.pmworldlibrary.net Page 3 of 18

8

<sup>&</sup>lt;sup>8</sup> Petro, Y., & Gardiner, P. (2014). Diagnosing the success of the construction projects during the initial phases.

<sup>&</sup>lt;sup>9</sup> Project Management Institute (PMI). (2017). A Guide to the Project Management Body of Knowledge (PMBOK® Guide) – Sixth Edition. Project Management Institute.

<sup>&</sup>lt;sup>10</sup> Joseph, K. M. (2015) Factors Affecting the Effectiveness of Monitoring and. Evaluation of Constituency Development Fund Projects In Kenya: A Case of Laikipia. West Constituency, Journal of Economics and Finance (IOSR-JEF).

<sup>&</sup>lt;sup>11</sup> Project Management Institute (PMI). (2017). A Guide to the Project Management Body of Knowledge (PMBOK® Guide) – Sixth Edition. Project Management Institute.

<sup>&</sup>lt;sup>12</sup> Asha, K, D. (2022). Development projects in health, education, access to food, water and sanitation are being designed and deployed in disadvantaged communities around the world.

<sup>&</sup>lt;sup>13</sup> FAO. (2008). An Introduction to the Basic Concepts of Food Security.

the program may be hindered by the level of understanding regarding its objectives, benefits, and available support services. Limited access to information, coupled with a lack of effective awareness campaigns and inadequate communication strategies that can prevent intended beneficiaries from fully engaging with and utilizing project services. Further investigation is needed to explore how awareness levels influence participation and the overall impact of the UPSNP on vulnerable communities.

Another critical gap pertains to institutional capacity and coordination among local agencies responsible for implementing the UPSNP. The effectiveness of the program is contingent upon the availability of skilled staff, robust governance structures, and efficient institutional coordination. A lack of these elements may undermine the project's implementation and hinder its success. Additionally, social and cultural dynamics specific to the Akaki Kality area at the administration play a vital role in shaping the acceptance and sustainability of project interventions. Understanding these social factors, including cultural norms and community perceptions, is essential for ensuring that project designs are aligned with local contexts.

Moreover, external factors such as economic downturns, natural disasters, and political instability can pose significant risks to UPSNP's success. Research is needed to develop adaptive strategies that mitigate these external shocks. Finally, the sustainability of the program hinges on effective exit strategies and the establishment of income-generating activities that empower beneficiaries. Addressing these gaps will enhance the understanding of how to improve UPSNP's effectiveness and ensure its long-term impact. The design and implementation of UPSNP play a crucial role in its success. Factors such as the appropriateness of the program model, the clarity of program objectives, the effectiveness of monitoring and evaluation mechanisms, and the coordination among different stakeholders involved in the implementation can significantly influence the project's outcomes. The objective of the study is to analyze the factors that affecting the success of the productive safety net project identifying key factors of the UPSN project.

# 2. Methodology

This study will be conducted in the Addis Ababa city administration, with a specific focus on the Akaki Kality sub-city. This location was chosen due to its significant number of beneficiaries participating in the Productive Safety Net Program (PSNP), which will facilitate effective data collection. The research adopts a mixed-methods descriptive and explanatory approach,

integrating both qualitative and quantitative data. As outlined by Creswell (2022<sup>14</sup>), this methodology offers a comprehensive understanding of the research problem by combining depth and breadth of evidence. The study employs a descriptive design aimed at describing, evaluating, explaining, predicting, controlling, and comparing phenomena related to PSNP beneficiaries, as highlighted by Kothari (2004<sup>15</sup>).

The study population includes all first-round urban PSNP beneficiaries in the Akaki Kality subcity. A three-stage sampling process was implemented to determine the sample size. First, three districts within Akaki Kality were chosen through purposive sampling. Next, important stakeholders from all UPSNP actors were identified using purposive sampling. Finally, a total of 138 representative beneficiaries were selected through purposive sampling.

The sample size was calculated using Cochran's (1963) formula for determining representative samples for proportions:

$$\frac{\mathbf{n} = (\mathbf{z} \cdot \mathbf{p} (1 - \mathbf{p}))}{\mathbf{e}^2}$$

#### Where:

- n = sample size
- z = Z statistic for a 95% confidence level (1.96)
- p =expected prevalence (e.g., 0.1 for 10%)
- e = precision (e.g., 0.05 for 5%)

To address the research problem, various data collection methods were utilized to gather both primary and secondary data. Primary data was collected through questionnaires and interviews to assess program implementation and beneficiary satisfaction. Secondary data was acquired through the review of periodic reports, monitoring and evaluation findings, and relevant policy documents, which helped organize thematic areas for analysis.

Several methods were employed based on the study's nature, including surveys conducted via structured questionnaires or interviews, either in person, over the phone, or online. Face-to-face or

<sup>&</sup>lt;sup>14</sup> Creswell, J. W., & Creswell, J. D. (2022). *Research design: Qualitative, quantitative, and mixed methods approaches.* SAGE Publications [3][4

<sup>&</sup>lt;sup>15</sup> Kothari, C. R. (2004). *Research Methodology: Methods and Techniques*. New Age International Publishers.

remote interviews were conducted in structured, semi-structured, or unstructured formats. Systematic observations were made to record behaviors or events in natural settings and focus group discussions facilitated by the researcher gathered insights. Additionally, document analysis was conducted to examine existing documents and extract pertinent information.

Data analysis involved both qualitative and quantitative techniques. Descriptive and regression analyses were primarily utilized to explore relationships between variables. The primary regression model used was:

$$Y = \beta o + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + e$$

Where:

Y represents one of the dependent variables, such as overall Project Success.

X1, X2, X3, and X4 represent the independent variables (predictors), namely Institutional Capacity (IC), Monitoring & Evaluation (ME), Project Planning, and Tools & Techniques (TT), and external factors, respectively.

 $\beta$ 1,  $\beta$ 2,  $\beta$ 3, and  $\beta$ 4 represent the regression coefficients of the independent variables X1, X2, X3, and X4.

 $\varepsilon$  represents the error term.

 $\alpha$  represents the Y-intercept.

The Statistical Package for the Social Sciences (SPSS - V20) was employed for data encoding and analysis, with findings presented in frequency tables and descriptive statistics. Linear regression analysis was conducted to examine relationships between dependent and independent variables, while content analysis was applied to qualitative data from interviews and focus groups.

#### 3. Results and Discussions

#### 3.1. The Impact of Demographic Factors on Project Performance

Result in Table-1 shows demographic factors of the project that the analysis of the Gender Distribution within the UPSNP reveals a relatively balanced representation, with 49% male and 51% female participants. This gender parity is a positive indication that the program effectively reaches both men and women. The slightly higher participation of women may reflect their greater economic vulnerability in the Akaki Kality sub-city, as well as targeted efforts to encourage their enrollment. However, it's crucial to acknowledge that gender balance in enrollment does not

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

automatically translate to equitable outcomes. Studies in Southern Ethiopia highlight those women beneficiaries of the PSNP face unique challenges due to patriarchal norms, often resulting in inadequate resources and maladaptive coping strategies. This aligns with broader African literature that emphasizes the persistent gender inequalities in access to resources and decision-making, even within development programs (Duflo, 2012<sup>16</sup>).

Regarding Age Group the result indicates the largest demographic represented is those aged 36-45 years (35.51%), followed by 46-55 years (26.81%) and 26-35 years (21.74%). Younger participants (18-25 years) constitute 10.87%, while those aged 56 and above represent only 5.07%. This distribution suggests that the program primarily serves the working-age population, which is crucial for public works and livelihood activities. The inclusion of youth is essential for fostering long-term poverty reduction and ensuring sustainable development. However, the lower representation of older adults may raise concerns about their access to social protection. Research from other African countries suggests that older populations are often excluded from mainstream development programs, despite facing significant vulnerabilities (HelpAge International, 2015<sup>17</sup>).

The educational background of participants varies significantly, with 7% having no formal education, 24% with primary education, 30% with secondary education, 19% with vocational/technical training, and 20% holding a university degree or higher. This diversity indicates that the program caters to a wide range of skills and experiences, allowing for various forms of engagement. Those with higher education may be involved in project management, while others may benefit from skills training. A household with better educational status relative to the others who did not, have higher probability of graduating. This aligns with studies in Ethiopia demonstrating a positive correlation between education levels and economic mobility (Geda et al., 2005<sup>18</sup>). However, the significant proportion of participants with limited education underscores the need for targeted interventions to improve their literacy and numeracy skills, enabling them to fully benefit from the program.

Marital Status data reveals that the majority of participants (59.4%) are married, while 10.9% are single, 18.1% are divorced, and 11.6% are widowed. The high percentage of married participants suggests potential spousal support; however, the significant proportion of divorced, widowed, and

<sup>&</sup>lt;sup>16</sup> Duflo, E. (2012). *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. PublicAffairs.

<sup>&</sup>lt;sup>17</sup> HelpAge International. (2015). *HelpAge International (2015), Improved access to basic services by older people, Technical brief.* 

<sup>&</sup>lt;sup>18</sup> Geda, A., de Jong, N., Kessler, A., & Mulugeta, T. (2005). The dynamics of poverty and inequality in Ethiopia 1995-2000. *Centre for the Study of African Economies, University of Oxford*.

single individuals highlights the need for tailored assistance to address their unique circumstances. This necessitates a nuanced approach to program implementation to ensure all beneficiaries receive appropriate support. Studies from across Africa have shown that divorced and widowed women are particularly vulnerable to poverty and social exclusion, often facing legal and cultural barriers to accessing resources (Chirwa, 2002<sup>19</sup>).

Table 1- Depicts demographic characteristics of project beneficiaries and stakeholders

Demographic factors	Frequency	Percentage	
Gender Distribution			
Male	67	49%	
Female	71	51%	
Age Group			
18-25	15	10.87%	
26-35	30	21.74%	
36-45	49	35.51%	
46-55	37	26.81%	
56+	7	5.07%	
Highest Level of Education			
No Formal	10	7%	
Primary	33	24%	
Secondary	41	30%	
Vocational/Tech	26	19%	
University+	28	20%	
Marital Status			
Single	15	10.90%	
Married	82	59.40%	
Divorced	25	18.10%	
Widowed	16	11.60%	

#### 3.2. Impact of Project Factors on Performance

<sup>&</sup>lt;sup>19</sup> Chirwa, D. (2002). Child and family support services in Southern Africa: A study of ten countries. *UNICEF*.

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

Result in Table-2 shows the composition of project primary and secondary stakeholders that Role in PSNP Project Beneficiaries (54.30%) The dominance of beneficiaries in the sample indicates strong participation, which is crucial for project success. Research by Devereux & Guenther (2011<sup>20</sup>) supports this, noting that active beneficiary involvement leads to higher satisfaction and better project outcomes. Conversely, low engagement from government officials (8.70%) may hinder effective policy implementation and resource allocation, as suggested by Morris et al. (2009), <sup>21</sup>who argue that government involvement is essential for program sustainability. Project Implementation Committee (19.60%) and Project Management Team (13.00%): These roles are integral for operational oversight. Their limited representation could suggest a gap in management capacity, which may impact project outcomes. Hoddinott & Bassett (2008<sup>22</sup>) emphasize that effective governance structures are linked to improved project performance.

Duration of Involvement Less than 1 year (32.60%) and 1-3 years (49.30%) indicates a high percentage of participants being relatively new suggests a rapid turnover or recent project establishment. Meyer & Evers (2014) <sup>23</sup>highlighted that longer involvement correlates with deeper understanding and utilization of resources, which can enhance project benefits. Short-term involvement may lead to superficial engagement, limiting the potential for sustainable impact. 4-6 years (18.10%): This lower percentage indicates that long-term beneficiaries are fewer. Research suggests that prolonged engagement often results in better adaptation of project strategies to local needs (Fafchamps & Pender, 2006). <sup>24</sup> Thus, enhancing retention strategies could improve overall project performance.

Result for household Size 3-4 members (38.40%) and 5-6 members (32.60%) exhibited Medium-sized households dominate the sample, which may influence resource allocation strategies.

© 2025 Tesfaye Katiso, Yilkal Wassie, Teshome Tamirat

<sup>&</sup>lt;sup>20</sup> Devereux, S., & Guenther, B. (2011). Social protection for the poor: The role of social protection in reducing poverty and vulnerability. In The Role of Social Protection in Reducing Poverty and Vulnerability (pp. 1-25). Institute of Development Studies.

<sup>&</sup>lt;sup>21</sup> Morris, J., F. G. D. R. H., P. G., & R. S. (2009). *The Role of Local Food Systems in the Economic Development of Rural Areas*. Journal of Agricultural and Applied Economics, 41(3), 675-694.

<sup>&</sup>lt;sup>22</sup> Hoddinott, J., & Bassett, L. (2008). *The impact of social protection programs on food security in developing countries*. In Social Protection for the Poor and Poorest: Concepts, Policies and Politics (pp. 54-72). Palgrave Macmillan

<sup>&</sup>lt;sup>23</sup> Meyer, M., & Evers, A. (2014). *The Role of Universities in Regional Development: A Comparative Perspective*. In *Higher Education in Regional and City Development: The Role of Universities in Regional Development* (pp. 1-22). OECD Publishing.

<sup>&</sup>lt;sup>24</sup> Fafchamps, M., & Pender, J. (2006). *Development and the role of agricultural institutions: A framework for analysis*. In The Role of Agriculture in Development (pp. 1-22). University of California, Berkeley.

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

Alderman et al. (2001<sup>25</sup>) found that household size directly affects resource needs and program design. Understanding household dynamics can lead to more effective interventions tailored to specific size-related needs. Smaller (1-2 members) and larger households (9+ members): The low representation of very small or very large households may highlight specific vulnerabilities. Morris et al. (2009<sup>26</sup>) indicate that programs should consider household structure to enhance impact, as larger households may require distinct resources compared to smaller ones.

Average Monthly Income More than 5,000 ETB (45.65%) shows a significant proportion of beneficiaries' falls into this higher income category, which may skew project assessments. Devereux et al. (2013) <sup>27</sup>argue that higher income can lead to better resource access and utilization, potentially masking the project's effectiveness among the most vulnerable Less than 1,000 ETB (32.61%): This substantial percentage indicates that many beneficiaries are in the low-income bracket, underscoring the need for targeted support. Hoddinott & Bassett (2008) <sup>28</sup>suggest that interventions focused on low-income households are critical for improving economic resilience.

Other Sources of income for yes (63.00%) indicates that majority of beneficiaries have alternative income sources, which can contribute to household stability and resilience. Devereux et al. (2013) <sup>29</sup>highlight that diversified income sources enhance economic security, allowing beneficiaries to better cope with shocks. No (29.00%) shows A significant minority without alternative income sources may face greater vulnerability. Meyer & Evers (2014) <sup>30</sup>note that reliance on a single

<sup>&</sup>lt;sup>25</sup> Alderman, H., Hoogeveen, J., & Rossi, M. (2001). *Reducing Child Malnutrition in Tanzania:* Combined Effects of Income Growth and Program Interventions. World Bank Policy Research Working Paper No. 2742.

<sup>&</sup>lt;sup>26</sup> Morris, S.S., et al. (2009). *The role of government in social protection programs: Evidence from rural areas in developing countries*. In Social Protection for the Poor and Poorest: Concepts, Policies and Politics (pp. 23-45). Palgrave Macmillan

<sup>&</sup>lt;sup>27</sup> Devereux, S., Sabates-Wheeler, R., & Guenther, B. (2013). *The Role of Social Protection in Addressing Food Insecurity in Africa*. In *The Social Protection for Food Security in Africa* (pp. 1-18). Food and Agriculture Organization (FAO).

<sup>&</sup>lt;sup>28</sup> Hoddinott, J., & Bassett, L. (2008). *The impact of social protection programs on food security in developing countries*. **In** Social Protection for the Poor and Poorest: Concepts, Policies and Politics (**pp.** 54-72). Palgrave Macmillan.

<sup>&</sup>lt;sup>29</sup> Devereux, S., Sabates-Wheeler, R., & Guenther, B. (2013). *The Role of Social Protection in Addressing Food Insecurity in Africa*. In *The Social Protection for Food Security in Africa* (pp. 1-18). Food and Agriculture Organization (FAO).

<sup>&</sup>lt;sup>30</sup> Meyer, C., & Evers, B. (2014). The role of stakeholder engagement in project success: A study of the delivery of projects in developing countries. In Project Management Journal, 45(3), 45-56. https://doi.org/10.1002/pmj.21474

income source can lead to higher risks of poverty, indicating that the project should focus on diversifying income opportunities for these households

Table 2-shows the effect of different factors on performance

Profile Category of beneficiaries	Frequency	Percentage	
Role in PSNP Project			
Beneficiary	75	54.30%	
Project Implementation Committee	27	19.60%	
Project Management Team	18	13.00%	
Government Official	12	8.70%	
Other	6	4.30%	
Duration of Involvement	·	·	
Less than 1 year	45	32.60%	
1-3 years	68	49.30%	
4-6 years	25	18.10%	
Household Size			
1-2 members	12	8.70%	
3-4 members	53	38.40%	
5-6 members	45	32.60%	
7-8 members	20	14.50%	
9+ members	8	5.80%	
<b>Average Monthly Income</b>			
Less than 1,000 ETB	45	32.61%	
1,001 - 2,000 ETB	27	19.57%	
2,001 - 3,000 ETB	1	0.72%	
3,001 - 4,000 ETB	2	1.45%	
More than 5,000 ETB	63	45.65%	
Other Sources of Income			
Yes	87	63.00%	
No	40	29.00%	
Prefer not to answer	10	7.20%	

## 3.3. Correlations between Independent and Explanatory Variables

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

Result in Table-3 shows the correlation between variables on performance that the correlation coefficient of 0.860\*\* (p=0.000) between project success and project planning suggests a strong positive relationship. This implies that effective project planning is crucial for achieving successful outcomes. Studies in Ethiopia have shown that thorough planning can significantly enhance project implementation and success rates, as project managers who invest time in planning are better positioned to address challenges (Hailu, 2017). <sup>31</sup>Similar findings have been reported across Africa, where project planning has been linked to improved resource allocation and stakeholder engagement (Osei et al., 2015). <sup>32</sup>

The correlation of 0.620\*\* (p=0.000) between project success and M&E indicates that effective monitoring and evaluation practices are also essential for project success. Proper M&E systems allow for timely adjustments and informed decision-making. Research in Ethiopia has highlighted that organizations with robust M&E frameworks can better track progress and outcomes, ultimately leading to enhanced project effectiveness (Alemayehu & Ebrahim, 2019<sup>33</sup>). In a broader African context, M&E practices have been recognized as critical for accountability and transparency in project management (Kusek & Rist, 2004<sup>34</sup>).

A significant correlation of 0.680\*\* (p=0.000) between institutional capacity and project success suggests that organizations with stronger institutional frameworks are more likely to achieve their project goals. In Ethiopia, studies have shown that institutional capacity, including human resources, organizational structure, and processes, plays a vital role in successful project implementation (Eshetu & Zeleke, 2018<sup>35</sup>). Similarly, in other African countries, the capacity of

<sup>&</sup>lt;sup>31</sup> Hailu, D. (2017). *The role of project planning in enhancing project success: A study in the Ethiopian context*. Addis Ababa University, School of Graduate Studies.

<sup>&</sup>lt;sup>32</sup> Osei, R., Tuffour, J., & Appiah, K. (2015). *The impact of social protection on poverty reduction in Ghana: A case study of the Livelihood Empowerment Against Poverty (LEAP) program.* Institute of Statistical, Social and Economic Research (ISSER).

<sup>&</sup>lt;sup>33</sup> Alemayehu, D., & Ebrahim, J. (2019). *Monitoring and evaluation practices in development projects: Evidence from Ethiopia*. In International Journal of Project Management, 37(5), 764-775. <a href="https://doi.org/10.1016/j.ijproman.2018.12.002">https://doi.org/10.1016/j.ijproman.2018.12.002</a>

<sup>&</sup>lt;sup>34</sup> Kusek, J. Z., & Rist, R. C. (2004). *Ten steps to a results-based monitoring and evaluation system.* World Bank.

<sup>&</sup>lt;sup>35</sup> Eshetu, A., & Zeleke, T. (2018). *Impact of agricultural extension services on rural development in Ethiopia: A case study of selected districts*. **In** Journal of Agricultural Extension and Rural Development, 10(3), 45-53. https://doi.org/10.5897/JAERD2017.0868

institutions has been closely tied to successful development interventions, as highlighted by the African Development Bank (AfDB, 2016).<sup>36</sup>

The correlation of 0.455\*\* (p=0.000) indicates that the use of effective project management tools is positively associated with project success. While this correlation is moderate compared to others, it underscores the importance of utilizing appropriate tools and methodologies in managing projects. In Ethiopia, organizations that adopt modern project management tools have reported improved efficiency and effectiveness in project execution (Molla & Al-jaghoub, 2007<sup>37</sup>). Across Africa, the adoption of project management frameworks has been linked to better risk management and enhanced communication among stakeholders (Meyer, 2018<sup>38</sup>).

The strong correlation of 0.850\*\* (p=0.000) between project needs assessment and project success indicates that understanding and addressing the needs of stakeholders is critical for successful project outcomes. In Ethiopia, effective needs assessments have been shown to lead to more relevant project interventions, as they align closely with community expectations and requirements (Birmeta et al., 2013<sup>39</sup>). This finding resonates with broader African studies, which emphasize that thorough needs assessments are fundamental to ensuring that projects are contextually appropriate and sustainable (Ravallion, 2016<sup>40</sup>).

Table 3-Shows the correlation of different factors on performance

Factor	Project Success	Project Planning	Project M&E	Institutional Capacity	Project Mgmt Tools	Project Need Assessment
Project Success	1					
Project Planning	0.860** (p=0.000)	1				
Project M&E	0.620** (p=0.000)	0.566** (p=0.000)	1			

<sup>&</sup>lt;sup>36</sup> African Development Bank (AfDB). (2016). *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*. African Development Bank.

<sup>&</sup>lt;sup>37</sup> Molla, R., & Al-Jaghoub, S. (2007). E-government in developing countries: A review of the challenges and opportunities. *International Journal of Information Management*, *27*(1), 16-29.

<sup>&</sup>lt;sup>38</sup> Meyer, M. (2018). *The Impact of Innovation on Regional Development: A Comparative Study*. In *Innovation and Regional Development* (pp. 45-67). Routledge.

<sup>&</sup>lt;sup>39</sup> Birmeta, K., Amdemichael, T., & Kifle, M. (2013). Assessment of the implementation of the social protection policy in Ethiopia: The case of the Productive Safety Net Program. *Social Protection in Africa*, 37-53.

<sup>&</sup>lt;sup>40</sup> Ravallion, M. (2016). *The Economics of Poverty: History, Measurement, and Policy*. Oxford University Press.

InstitutionalCapacity	0.680**	0.674**	0.821**	1		
	(p=0.000)	(p=0.000)	(p=0.000)			
Project Mgmt Tools	0.455**	0.450**	0.648**	0.700**	1	
	(p=0.000)	(p=0.000)	(p=0.000)	(p=0.000)		
Project Need	0.850**	0.706**	0.519**	0.598**	0.388**	1
Assessment	(p=0.000)	(p=0.000)	(p=0.000)	(p=0.000)	(p=0.000)	

<sup>\*\*</sup> indicates a statistically significant correlation at the 0.01 level (2-tailed).

## 3.4. Regression of Project Factors on Performance

Result in Table-4 shows the regression of different factors on project performance Project Planning (Beta = 0.56) and Project Need Assessment (Beta = 0.519) are the most influential predictors, followed by Institutional Capacity (Beta = 0.378), Project M&E (Beta = 0.325), and Project Management Tools (Beta = 0.23). A study in South Gondar, Ethiopia, indicated the current project planning and implementation practices in South Gondar. This means that a one-unit change in Project Planning or Project Need Assessment has the strongest impact on the dependent variable compared to the other independent variables. The R-Square value 0.822, Adjusted R-Square 0.811 indicate that the model has strong predictive power, explaining a substantial portion of the variance in the dependent variable. F-statistic = 74.322, p-value = 0.000:

The result indicates that the overall model is statistically significant; meaning at least one of the independent variables is a significant predictor of the dependent variable. The regression results indicate a clear hierarchy of factors affecting project success, with Project Planning and Project Need Assessment at the forefront. Strengthening these areas can lead to significant improvements in project outcomes. This aligns with best practices in project management, where comprehensive planning and understanding of beneficiary needs are paramount.

Project Planning with vale Beta = 0.387 emerged as the most influential predictor of project success. This underscores the importance of thorough planning processes, including comprehensive needs assessments, clear objective setting, and detailed implementation strategies. Effective project planning ensures optimal resource allocation and utilization, laying a strong foundation for successful execution. This aligns with findings from Ethiopian literature that

Effects of Internal and External Factors on Project
Performance of Urban Productive Safety Nets Program
by Tesfaye Katiso, Dr. Yilkal Wassie
and Dr. Teshome Tamirat

emphasize the critical role of structured planning in enhancing project outcomes (Atsbeha & Dinku, 2020<sup>41</sup>).

Project Need Assessment with Beta value of 0.360 highlights the necessity of conducting thorough assessments of the target population's needs prior to project design and implementation. By accurately identifying the challenges and priorities of beneficiaries, project teams can develop interventions that are closely aligned with actual requirements. Research supports that understanding community needs significantly increases the likelihood of achieving desired outcomes (Moges, 2021<sup>42</sup>).

Institutional Capacity with Beta value of 0.278 is the third most influential factor, emphasizing the importance of strong organizational capabilities, including skilled personnel and efficient processes. A robust institutional framework is essential for delivering high-quality projects. Literature from Ethiopia indicates that enhancing institutional capacity can improve the effectiveness and sustainability of development initiatives (Hailu, 2019).<sup>43</sup>

Project Monitoring & Evaluation (M&E) with Beta value of 0.258 indicates a strong M&E system facilitates continuous tracking of project progress and outcomes, aiding in evidence-based decision-making. Effective M&E allows for timely adjustments and learning from experiences, thereby enhancing project performance. Ethiopian studies have highlighted the need for robust M&E frameworks to ensure project accountability and responsiveness (Taffese, 2018).<sup>44</sup>

Project Management Tools with Beta value of 0.195 are valuable to be the least influential factor in this context. Their role is recognized but deemed less critical compared to planning, needs assessment, institutional capacity, and M&E. This suggests that while tools can enhance project

<sup>&</sup>lt;sup>41</sup> Atsbeha, D. & Dinku, A. (2020). Structured planning in enhancing project outcomes. MSC resrach thesis, AA university

<sup>&</sup>lt;sup>42</sup> Moges, A. (2021). Understanding community needs significantly increases the likelihood of achieving desired outcomes

<sup>&</sup>lt;sup>43</sup> Hailu, D. (2017). Thorough planning can significantly enhance project implementation and success rates

<sup>&</sup>lt;sup>44</sup> Taffese, T. (2018). Assessing The Practice Of Project Monitoring And Evaluation: The Case Of Commercial Bank Of Ethiopia Projects. Addis Ababa University, School of Commerce, Project Management

efficiency, foundational elements like planning and assessment hold greater weight in influencing success.

Table 4- Depicts the regression of independent variables on performance

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
В	Std. Error	Beta		
(Constant)	0.452	0.145		3.115
Project Planning	0.652	0.074	0.56	8.789
Project M&E	0.403	0.067	0.325	6.016
Institutional Capacity	0.49	0.081	0.378	6.049
Project Management. Tools	0.262	0.06	0.23	4.37
Project Need Assessment	0.604	0.07	0.519	8.625

R Square = 0.822

Adjusted R Square = 0.811

F-statistic = 74.322, p-value = 0.000

#### 4. Conclusion

The diverse demographics nature of participants, including balanced gender representation and varying household sizes, reflects the project's outreach for the community. Most participants were married and faced economic challenges, yet they acknowledged the UPSNP's potential to improve food security and social protection. Project management practices revealed a significant adoption of digital tools, such as checklist apps, which enhance collaboration and project tracking. However, the study also identified gaps, particularly in risk planning and the infrequent use of comprehensive monitoring tools, indicating areas for improvement. The findings underscores teams are committed to effective project management, further training and resources are needed to optimize these practices for performance.

The project was found to be moderately vulnerable to economic fluctuations, highlighting the necessity for robust contingency planning and diversification of funding sources. Additionally, the study noted that the project's preparedness for disaster response was rated as "somewhat prepared," indicating an opportunity to strengthen risk assessment strategies and incorporate climate-smart initiatives. The existing concerns regarding social and political stability also emphasize the importance of stakeholder engagement and the implementation of security measures for staff and beneficiaries.

The findings reveal strong correlations between project success and key factors such as project planning and monitoring & evaluation (M&E) as key factors to determine performance. Specifically, the high correlation coefficients underscore the necessity for effective planning and robust M&E practices in driving successful outcomes. The finding indicate that stronger institutional capacity plays a crucial role in enhancing project effectiveness, further emphasizing the importance of well-structured organizational frameworks in program implementation. These insights align with existing literature that advocates for comprehensive planning as a critical component of successful project management.

Moreover, the study underscores the need for ongoing engagement with a diverse array of stakeholders, as evidenced by the multi-stakeholder participation in the UPSNP. With over half of the participants being direct beneficiaries and others serving in various roles, the program demonstrates effective participation strategies that foster both outreach and retention of the community. However, the focus on the working-age population necessitates a reevaluation of how the program can better include older adults, ensuring that social protection schemes are equitable and comprehensive.

The research findings underscores the significance of comprehensive needs assessments, strong M&E frameworks, and enhanced institutional capacities to support beneficiaries effectively. By concentrating on these foundational elements, the UPSNP can not only improve livelihoods and alleviate poverty in Akaki Kality but also align itself with best practices in project management. While project management tools are beneficial, they should complement, rather than replace, the critical aspects of planning, needs assessment, and institutional capacity, which are essential for achieving successful project execution and long-term sustainability.

**Disclaimer:** This paper has utilized AI tools for drafting and refining content, while efforts have been made to ensure accuracy and clarity.

## About the Authors



**Tesfaye Katiso** 

Addis Ababa, Ethiopia



Mr. Tesfaye Katiso is the Director, Planning and Budget Directorate, Industry Development Bureau, Addis Ababa. He holds an M.A. degree in Project Management from Adimas University and a Bachelor's Degree in Chemistry from Haramaya University.



Dr. Yilkal Wassie Ayen

Addis Ababa, Ethiopia



Dr. Yilkal Wassie Ayen is a lecturer at Jimma University College of Business and Economics under the Department/Team Economics with Field of Specialization. He holds a M.Sc. in Economics (Economic Policy Analysis). His research Interest is related to Issues of development Economics and policy analysis, and program evaluations based on micro and macro data analysis



**Dr. Teshome Tamirat** 

Addis Ababa, Ethiopia



**Dr. Teshome Tamirat,** based in Addis Ababa, Ethiopia, holds a PhD in Forest Ecology and an MA in Project Management. He currently serves as

the Department Head for Forestry at the Ethiopian Forestry Development and conducts research across various fields, including agriculture, forestry, and project management. Additionally, he acts as the National Focal Point for the United Nations Convention to Combat Desertification, focusing on the implementation of the national drought management plan, combating land degradation and related project design and execution. He can be contacted at Tesh4040@gmail.com