



ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
DEPARTMENT OF PROJECT MANAGEMENT

ASSESSING THE PRACTICE OF MONITORING AND EVALUATION ON  
NEW PRODUCTS

THE CASE OF BERHAN BANK S.CO

A RESEARCH THESIS SUBMITTED IN PARTIAL FULFILLMENT FOR THE  
REQUIREMENTS OF MBA IN PROJECT MANAGEMENT

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## DECLARATION

This research project is my original work and has not been submitted to any other academic institutions for the requirement of any degree or diploma to the best of my awareness.

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## CERTIFICATE

This research project has been submitted for an examination with my approval as University supervisor.

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# CONTENTS

DECLARATION .....	ii
CERTIFICATE.....	ii
ACKNOWLEDGEMENT .....	iii
LIST OF TABLES .....	vii
LIST OF FIGURES .....	viii
ABBREVIATIONS AND ACRONYMS .....	ix
ABSTRACT.....	x
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1 Background of the Study.....	1
1.2 Statement of the Problem.....	4
1.3 Research Questions .....	5
1.4 Objective of the Study.....	5
1.4.1 General Objective .....	5
1.4.2 Specific Objectives .....	5
1.5 Scope of the Study .....	5
1.6 Significance of the study.....	6
CHAPTER TWO .....	7
2. REVIEW OF RELATED LITERATURE .....	7
2.1.1 Monitoring .....	8
2.1.2 Evaluation .....	10
2.2 The purpose of Monitoring and Evaluation .....	11
2.5.2 Types of Monitoring and Evaluation Frameworks .....	16
2.6 Challenges of Monitoring and Evaluation .....	18
2.7 E-Banking products .....	19
2.7.1 Types of E-Banking products .....	20
2.7.1.1 Internet banking .....	20
2.7.2.2 Mobile Banking .....	21
2.7.2.3 Point of Sale Terminal (POS) .....	22
2.7.2.4 Automated Teller Machine (ATM).....	22

2.7.2	Benefits of Electronic Banking .....	23
2.7.3	Economic Rationale of E-Banking .....	25
2.10	Summary of Literature Review .....	27
CHAPTER THREE .....		28
RESEARCH METHODOLOGY .....		28
3.1	Introduction.....	28
3.2	Research Approach and Design .....	28
3.3	Data Type and Collection Methods .....	28
3.4	Sample Design and Techniques .....	29
3.5	Data Collection Instrument .....	29
3.6	Validity and Reliability .....	29
3.7	Data Analysis and presentation.....	30
3.8	Ethical Considerations .....	30
CHAPTER FOUR.....		31
4.	DATA PRESENTATION, ANALYSIS AND INTERPRETATION.....	31
4.1	Introduction.....	31
4.2	Questionnaire Response Rate.....	31
4.3	Presentation, Analysis and Interpretation of Data.....	31
4.3.1	Demographic Data .....	31
4.3.1.1	Gender of the Respondents .....	31
4.3.1.2	Duration Worked in the Bank .....	32
4.4	Monitoring and Evaluation .....	32
4.4.1	Monitoring and Evaluation Practice.....	32
4.4.2	Major challenges of Monitoring and Evaluation .....	37
CHAPTER FIVE .....		40
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS .....		40
5.1	Introduction.....	40
5.2	Summary of Findings.....	40
5.3	Conclusion .....	40
5.4.	Recommendation .....	41
5.5	Suggestions for Further Research .....	42
REFERENCES .....		43



## LIST OF TABLES

Table 4.1 Response Rate.....	29
Table 4.2: Gender of the Respondents.....	29
Table 4.3: Duration Worked In the Bank .....	30
Table 4.4: Monitoring and Evaluation System.....	31
Table 4.5: New Products Performance Monitoring and Evaluation.....	32
Table 4.6: Separate Budget for Monitoring and Evaluation.....	36
Table 4.7: Challenges in Monitoring and Evaluation .....	36



## LIST OF FIGURES

Figure 1: Conceptual framework of the study.....	26
Figure 2: Experienced and permanent M&E Staff.....	34
Figure 3: Monitoring and Evaluation Plan.....	35
Figure 4: Involvement of Stackholder.....	37

## **ABBREVIATIONS AND ACRONYMS**

ATM - Automated Teller Machine

ICT - Information Communication Technology

M&E - Monitoring and Evaluation

OECD - Organization for Economic Co-operation and Development

POS - Point of Sale

S.Co – Share Company

UNDP - United Nations Development Program

WHO - World Health Organization

## ABSTRACT

*The banking system of Ethiopia is shifting from conventional banking to electronic banking by adopting state-of-the-art technology. Berhan Bank S.Co, one of the private banks in the sector has implemented several new products and strategies to mobilize resources from different sectors. The study emphasizes on Assessing the Practice of Monitoring & Evaluation on New Products. The following major questions were addressed in this study, what are the basic challenges the bank faces while monitoring and evaluating new products, how does the Monitoring and Evaluation practice of Berhan Bank S.Co looks like, and how effective is the practice of Monitoring and Evaluation in Berhan Bank S.Co. Census sampling method is used and the target population of this research is all the e-banking department staff of Berhan Bank s.co. A questioner is distributed to all members of the e-banking department. Finally, 24 out of 25 respondents filled in and returned the questioner properly. This research employs descriptive research design for acquisition of data. The data is analyzed using Excel and interpreted in percentage, and frequency. The findings of this study reveal that: the bank doesn't have experienced and permanent monitoring and evaluation staff and there is no project monitoring and evaluation system and separate budget is not allocated for monitoring and evaluation activities. In addition, majority of the subjects confirm encountered challenges such as lack of expertise, inaccuracy in data collection, Failure in planning and Failure in appropriate evaluation design while monitoring and evaluating new products. This study in general shows that the bank has not developed good M&E practice and faces numerous challenges when implementing M&E. The implications of the study and relevant recommendations are forwarded.*

*Key words: Monitoring and Evaluation (M&E), Share Company (S.Co)*



# **CHAPTER ONE**

## **INTRODUCTION**

This study assesses the practice of monitoring and evaluation on new products in Berhan Bank S.Co.

This chapter outlines the background to the study, statement of the problem, research questions, general objectives and specific objectives, significance of the study, justification of the study, scope of the study, limitation of the study and organization of the study.

### **1.1 Background of the Study**

The financial sector has taken a stronghold in the economic development of Ethiopia as the economy shifts its dependence to industrial production from agricultural production. The role of banks, at this point, remains fundamental in financing economic activities in general and different segments of the market in particular. The sector is a source of fund to industrial zones, mega projects the country is currently undertaking, Small and Medium Enterprises (SME) projects (Annual Report Berhan Bank 2019/20).

The banking sector dominates the financial sector of Ethiopia in terms of value, market share and services offered to the public. Today, the banking system of Ethiopia is shifting from conventional banking to electronic banking by adopting state-of-the-art technology (Annual Report Berhan Bank 2019/20). Subsequently, several electronic banking services i.e. mobile banking, internet banking, ATM & POS machine services are embraced in the product & service menus of banks to further make service use effortless. (Annual Report Berhan Bank 2019/20)

Progressions in ICT have enabled a lot of commercial banks globally to adopt electronic banking so as to remain a significant player in this technological age (Penninah Wausi M. 2016). Nowadays, the banking industry is making use of new online communication platforms to offer its customers value added services conveniently (Zimucha, 2012). Many organizations in the banking industry have quickly implemented internet proficiencies, and are making use of technology as a worthwhile opportunity for interface between financial service firms and their clients. A lot of financial institutions have invested in internet banking tools to avail to their

customers various e-banking services with increased accessibility of information and efficiency for carrying out transactions (Rotchanakitumnuai & Speece, 2004).

Berhan Bank S.Co, one of the private banks in the sector, has been actively moving to boost its market share and also contribute to the economic development of the country at large. The Bank has addressed all zonal cities of the country through branch network. The Bank has also implemented several new products and strategies to mobilize resources from different sectors of the economy. (Annual Report Berhan Bank 2019/20)

Berhan Bank S.Co was formed in accordance with Article 304 of the Commercial Code of Ethiopia with the objective of operating in the banking industry. The Bank was registered and licensed by the National Bank of Ethiopia on 27th June, 2009 with an authorized capital of Birr 300 Million.

Berhan Bank S.Co have developed several products with the objective of reaching its customers easily, the Products developed are presented as follows; ATM, Mobile Banking, Internet Banking, and POS.

Since developing new products are essential for company development, setting appropriate monitoring and evaluation measures is also necessary. This study assesses the practice of monitoring and evaluation on new products in Berhan Bank S.Co.

Monitoring and evaluation is an orderly process, which measures the development of ongoing tasks and identifies limitations for prompt remedial action (WHO, 2008). Mainly, the aim of M&E is to propose trustworthy choices grounded on data that can be collected to aid in decision making. It permits ongoing learning and feedback during all the stages of project development such as designing, planning and proper implementation. It also includes critically assessing the results achieved and relating them to the initial objectives set out for the project in question (Wagner, 2005).

Implementation of monitoring and evaluation seeks to guarantee ultimate project success through the achievement of immediate project outcomes such as conformity to standards and the achievement of budget and schedule as well as long-term objectives such as fit for purpose (impact). The collective achievement of all immediate outcomes indicates that M&E are

effective and therefore the success of the project is achieved (Papke-Shields, 2010; Chin, 2012; Ika, 2012).

In addition, the study by Papke-Shields (2010) revealed that conformity to project specification (quality) would be achieved when projects are effectively monitored and evaluated. The study further accentuates the achievement of projects within the approved budget (cost) and project duration (time) when monitoring and evaluation are effectively undertaken (Papke-Shields, 2010). Further, human organizational capacity and that of stakeholders are developed through effective monitoring and evaluation along with effective communication (Papke-Shields, 2010).

Monitoring and evaluation is a vital part of e-banking projects' design and implementation and the outcomes from them comprise of summaries of performance from a retrospective viewpoint considered to date, and also update on making decisions prospectively to enhance program or institutional performance (GAVI Alliance, 2011). Therefore, it is essential to assess the practice of monitoring and evaluation on e-banking projects in the banking industry in order to enhance the quality of service through identifying problems and recommend possible solutions respectively.

So far, no concrete study has been carried out in Berhan bank S.C. regarding neither the management of e-banking projects in general, nor on the practice of monitoring and evaluation system of these projects, which successively has a negative effect on the success and overall image of the bank. No tangible framework is set by the bank for monitoring and evaluation practice of e-banking projects. Therefore, there is a need to conduct a profound study to identify key challenges and problems for proper implementation of monitoring and evaluation process. This research is intended to investigate the existing practice of monitoring and evaluation process of Berhan Bank S.C. and recommend on the problems that are currently observed.

## 1.2 Statement of the Problem

Various factors including customer service, demographic considerations and competitive costs encourage banks to appraise their existing technology and evaluate their e-Banking methods (UNDP, 2009). The main undertaking for banks is to maximize the benefits of electronic banking technology and ensure that they are higher than the risks and cost associated with carrying out business on the internet. Thus, in absence of proper monitoring and evaluation, it is challenging to pinpoint if indeed the envisioned outcomes are being achieved as per plan, the level of remedial action needed to guarantee completion, and determine if the outcomes are creating a positive influence (UNDP, 2009).

On the other hand, Monitoring and evaluation assists organizations in extracting pertinent data from the historical and current undertakings such that they may be useful as the foundation for programmatic future planning, reorientation and adjustment (UNDP 2009). Recently, growth in the study of monitoring and evaluation has been rapid, moving away from conventional methods to result-based methods. Monitoring and evaluation programs have developed into a large business in the development industry, however, are less established in the profit-making sector.

As such, despite the importance of developing new products and services in many financial institutions, no solid research studies have been done on monitoring and evaluation of the implementation of these products. Hence, an empirical gap, which this study intends to seal by assessing the practice of monitoring and evaluation on new products.

It is important to ask what the existing practice and challenges looks like in the bank and also asses the possible coping mechanisms that are being used to enhance their project performance.



### **1.3 Research Questions**

This study sought to offer answers to the following research questions:

1. How does the practice of Monitoring and Evaluation look alike?
2. What are the basic challenges the bank faces while monitoring and evaluating new products?
3. How effective is the practice of Monitoring and Evaluation in Berhan Bank S.C?

### **1.4 Objective of the Study**

#### **1.4.1 General Objective**

The objective of this research is to assess the Monitoring and Evaluation practices of new products developed in Berhan Bank S.Co.

#### **1.4.2 Specific Objectives**

1. To explore the current practice of monitoring and evaluation,
2. To find the challenges of monitoring and evaluation in the bank, and
3. To check the effectiveness of monitoring and evaluation practice of Berhan Bank S.Co.

### **1.5 Scope of the Study**

The study is confined to assess the monitoring and evaluation practice of new product developed by Berhan Bank S.Co. The study is carried out at Berhan Bank S.Co Addis Ababa, Ethiopia. The study carried out a census of the bank's e- banking department employees in order to obtain a representative view in monitoring and evaluation practice of new products.

## **1.6 Significance of the study**

The main aim of this study is to assess the practice of monitoring and evaluation on new products. Thus the findings of this study would be of significance to bank monitoring and evaluation staff, as it may increase emphasis on the role of monitoring and evaluation of new products implementation. In addition, the study would be of value to policy makers like the National Bank of Ethiopia, the Bankers Association and the Government of Ethiopia to develop policies on monitoring and evaluation of new product programs and other banking projects.

Finally, this study would be of significance to scholars and researchers who may use the study findings to identify study gaps not covered by the research.

## **1.7 Limitation of the Study**

Absenteeism of the informants was anticipated; where some of the key employees would have tight schedules, and would not avail themselves to participate in the research. However, the researcher liaised with the firm's management and established the appropriate time to carry out the study. Lack of cooperation and hostility was also anticipated since most respondents considered research an invasion to their privacy or an investigation into their work life. However, the researcher guaranteed the respondents of privacy, and informed them of the nature of the study, being only for academic and educational purposes, thereby seeking support from the firm's officials.

## **1.8 Organization of the Study**

The organization of the study is into five chapters. Chapter one details an introduction part, which contains background of the study, statement of the problem, objectives of the study, research questions, significance of the study, limitation of the study, and organization of the research paper. Chapter two gives a review of literatures, with a focus on the theoretical and empirical literature. While, Chapter three provides detail information on the methodology used by the study, which includes the choice of research, data type, sample design, research instrument, method of data analysis and so forth. Chapter four presents the data analysis and summary of findings of the study. Last but not least, chapter five presents the conclusions and recommendations reached based on the study finding.

## **CHAPTER TWO**

### **2. REVIEW OF RELATED LITERATURE**

This chapter focuses on the manner in which the theories of Monitoring and Evaluation have been incorporated in the practice of e-banking.

Firstly this chapter evaluates Monitoring and Evaluation with respect to its nature and classification and highlights the unique nature of the field that has accounted in its broad scope in respect of methodology and approach. This is followed by an analysis of e-banking. An assessment of this concept is necessary in order to fully grasp its logic, emerging from a historical background. Thirdly, how the principles of M&E have been incorporated in e-banking is looked.

#### **2.1 Monitoring and Evaluation**

Monitoring and evaluation serve several purposes. In the absence of effective monitoring and evaluation, it would be difficult to know whether the intended results are being achieved as planned, what corrective action may be needed to ensure delivery of the intended results, and whether initiatives are making positive contributions towards human development. Monitoring, as well as evaluation, provides opportunities at regular predetermined points to validate the logic of a program, its activities and their implementation and to make adjustments as needed. Good planning and designs alone do not ensure results. Progress towards achieving results needs to be monitored. Equally, no amount of good monitoring alone will correct poor program designs, plans and results. Information from monitoring needs to be used to encourage improvements or reinforce plans. Information from systematic monitoring also provides critical input to evaluation. It is very difficult to evaluate a program that is not well designed and that does not systematically monitor its progress. (UNDP, 2006)

### **2.1.1 Monitoring**

Monitoring can be defined as a continuing function that aims primarily to provide the management and main stakeholders of an ongoing intervention with early indications of progress, or lack thereof, in the achievement of results. An ongoing intervention might be a project, program or other kind of support to an outcome. (UNDP, 2002)

Monitoring is the day-to-day management task of collecting and reviewing information that reveals how an operation is proceeding and what aspects of it, if any, need correcting. Monitoring is a continuing function that uses the systematic collection of data on specified indicators to inform management and the main stakeholders of an ongoing International Federation or national society operation of the extent of progress and achievement of results in the use of allocated funds. (IFRC: 2002) Reporting is an integral part of monitoring. Monitoring information is

- Compiled in standard and ad hoc reports;
- Shared with implementing partners, donors and beneficiaries
- Used to draw conclusions in evaluations

#### **2.1.1.1 Computerized Systems for Monitoring**

Computerized systems for monitoring offer opportunities for the following: efficient data storage, flexibility and speed of analysis, cross-comparisons, trend analysis, and preparation of simple graphs. However, before deciding on what computer program to use you should check the following:

- Do existing manual systems work efficiently? If yes, then computerization may not be an immediate concern.
- Will data be collected extensively for a significant period of time, and be analyzed quantitatively? If yes, then computerization is likely to offer considerable efficiency gains. What is the best program or software to use? This will depend on the staff skills, equipment and funds available, the type of data required, and the type of analysis planned. Relatively simple computerized systems using Microsoft Excel or Access exist and information on existence, strengths and weaknesses of such systems can be accessed.

Whatever system is chosen, the organization should ensure detailed plans for computerization should be prepared as part of the monitoring and evaluation system design, to ensure that the necessary physical and financial resources are provided for and ensure provision for back up to the system in case of computer breakdown. In addition, skilled staff will be required to operate and maintain the system, and to undertake the necessary analysis. (UNDP: 2002)

### **2.1.1.2 Conducting Good Monitoring**

The credibility of findings and assessments depends to a large extent on the manner in which monitoring and evaluation is conducted. Good principles (also called —minimum standards‡) for monitoring are as follows:

- Good monitoring focuses on results and follow-up. It looks for —what is going well‡ and —what is not progressing‡ in terms of progress towards intended results. It then records this in reports, makes recommendations and follows-up with decisions and action.
- Good monitoring depends to a large measure on good design. If a project is poorly designed or based on faulty assumptions, even the best monitoring is unlikely to ensure its success. Particularly important is the design of a realistic results chain of outcome, outputs and activities. Offices should avoid using monitoring for correcting recurring problems that need permanent solutions.
- Good monitoring requires regular visits by staff that focus on results and follow-up to verify and validate progress. In addition, the program manager must organize visits and/or bilateral meetings dedicated to assessing progress, looking at the big picture and analyzing problem areas. The program manager ensures continuous documentation of the achievements and challenges as they occur and does not wait until the last moment to try to remember what happened.
- Assessing the relevance, performance, lessons learned and success of projects also enhances monitoring. The organization should ask critical questions about the continued relevance of the support to the activity and strives to judge performance and success—or lack thereof—based on empirical evidence. The findings are used for decision-making on programming and support.

- Monitoring also benefits from the use of participatory monitoring mechanisms to ensure commitment, ownership, follow-up and feedback on performance. This is indispensable for outcome monitoring where progress cannot be assessed without some knowledge of what partners are doing. Participatory mechanisms include outcome groups, stakeholder meetings, steering committees and focus group interviews.

Monitoring does more than look at what projects deliver. Its scope includes assessing the progress of projects, programs, partnerships and soft assistance in relation to outcomes as well as providing managers with information that will be used as a basis for making decisions and taking action. (UNDP, 2002)

## **2.1.2 Evaluation**

Evaluation is the systematic and objective assessment of an on-going or completed operation, program or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, as well as efficiency, effectiveness, Impact (overall Goal) and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons into management decision-making. (IFRC, 2002)

### **2.1.2.1 Types of Evaluation**

#### **2.1.2.1.1 Ex-ante evaluation (Start-up evaluation):**

A form of evaluation conducted prior to start-up of implementation of a project/program. It is carried out in order to determine the needs and potentials of the target group and its environment, and to assess the feasibility, potential effects and impacts of the proposed program/project. At a later stage the effects and impacts of the program/ project can be compared with this base line data (EMI, 2014).

#### **2.1.2.1.2 Mid-term evaluation:**

This type of evaluation takes place while the implementation of the planned project is on-progress. Such evaluations are conducted relatively early in the mid-way of the project life and are usually external assessments. What distinguishes it from terminal and ex-post evaluations is that correction to the current project still can be made on the basis of findings and recommendations (EMI, 2014).

#### **2.1.2.1.3 Terminal/Summative evaluation:**

It is conducted when the funding for the intervention or the whole project activity comes to an end. But this may not mean that the services and inputs being supplied by the program/project terminate. In the terminal evaluation, in addition to the existing records, documents and outputs, an inquiry should be made for secondary data that are relevant for comparison. Recommendations from terminal evaluation are primarily directed to improve the planning and design of future projects.

#### **2.1.2.1.4 Ex-post /Impact evaluation:**

It is designed as in-depth studies of the sustainable impact of a program/project that has been already executed. It is carried some time (in most cases 3-5 years) after the program/project activity has been terminated in order to determine its impact on the target group and the local area. However, it is rarely done due to lack of willingness to fund from the financiers of the program/project.

## **2.2 The purpose of Monitoring and Evaluation**

There is a myriad of ideas on the meaning of Monitoring and Evaluation and what is meant to achieve. The most notable views are from the ones that see Monitoring and Evaluation supporting a profitability function. This is aligned to the areas of compliance, audit and performance management (Cook, 2006).

With Monitoring and Evaluation expected to lead to a high level of profitability, there is a lot of control, and assessments are made in accordance with explicit rules and standards that have been outlined for performance areas. It includes personnel, regulatory compliance, legal and the critical management of budgets. The inability to follow these patterns shows nonperformance and leads to the categorization of departments based on these indicators. In this context Monitoring and Evaluation is seen to support a management function. Cook (1997) thereby points out that "Monitoring and Evaluation covers all management, operating systems and culture of an institution." The need to keep management on their toes is the reason why Monitoring and Evaluation is adopted (Davies, 2006). It is therefore not surprising, why Monitoring and Evaluation is an important component for e-banking products. Moreover, the

importance given to it by banks, as part of its process to be profitable, recognizes the fact that profitability cannot be guaranteed without adequate tools.

Monitoring and Evaluation is supposed to promote learning when results are presented. When organizations are presented with results, they are expected to reflect on it and make amends in areas they were found lagging. It is however not always the case mainly because it is not easy to operationalize learning in the light of complex bureaucracy and management culture (Preskill & Russ-Eft, 2005) Mayne (2000) claims that Monitoring and Evaluation is influenced by a lot of factors notably bureaucratic, contextual and technical factors and until all these factors are aligned, learning in organizations can be very difficult.

Monitoring and evaluation serves several purposes. In the absence of effective monitoring and evaluation, it would be difficult to know whether the intended results are being achieved as planned, what corrective action may be needed to ensure delivery of the intended results, and whether initiatives are making positive contributions towards human development. Monitoring, as well as evaluation, provides opportunities at regular predetermined points to validate the logic of a program, its activities and their implementation and to make adjustments as needed. Good planning and designs alone do not ensure results. Progress towards achieving results needs to be monitored. Equally, no amount of good monitoring alone will correct poor program designs, plans and results. Information from monitoring needs to be used to encourage improvements or reinforce plans. Information from systematic monitoring also provides critical input to evaluation. It is very difficult to evaluate a program that is not well designed and that does not systematically monitor its progress (UNDP, 2006).

### **2.3 Collecting and Analyzing M&E Data**

Both qualitative and quantitative methods are used. The methods respond to different objectives and use different instruments and methodologies yet are highly complementary. Preparing for an evaluation normally requires a combination of both types of methods.

Qualitative methods can be used to inform the questions posed by the evaluators through interviews and surveys, as well as to analyze the social, economic and political context within which development changes take place.



Quantitative methods can be used to inform the qualitative data collection strategies by, for example, applying statistical analysis to control for socio-economic conditions of different study areas. Local NGOs for acquisition of quantitative monitoring and evaluation data often employ the following three methods (Samuel, 2010). These are:

**Material distribution registry books:** - These are records of materials that were distributed during implementation of the project. It is applicable in local NGOs project monitoring and evaluation process in order to track the distribution of material inputs and valuing how inputs were distributed.

**Service recording:** - This method entails recording attendance of participants in project activities, for instance health service beneficiaries, awareness creation campaign participants etc... It helps to determine how many beneficiaries have reached by the services of the project.

**Questioners:** - This method is very handy in determining the perceptions of the project stakeholders about the implementation and can be used in monitoring and evaluating progress and impacts of the project.

Monitoring and evaluation data collection methods could generate better results if they are simple, clear, short and focused. Hence appropriate methods have to be identified and used based on the extent and the type of information expected.

## 2.4 Monitoring and Evaluation System

Monitoring and evaluation systems have been in existence since the ancient times (Kusek & Rist, 2004), however today, the requirements for M&E systems as a management tool to show performance has grown with demand by stakeholders for accountability and transparency through the application of the monitoring and evaluation by the NGOs and other institutions including the government (Gorgens, 2010). Development banks and bilateral aid agencies also regularly apply M&E to measure development effectiveness as well as demonstrate transparency (Briceno, 2010).

Monitoring and Evaluation is a combination of two processes which are different yet complementary (Gorgens and Kusek, 2009). It is therefore a process of systematically collecting

and analyzing information of ongoing project and comparison of the project outcome/impact against the project intentions (Hunter, 2009). An M&E system, on the other hand is a set of components which are related to each other within a structure and serve a common purpose of tracking the implementation and results of a project (SAMDI, 2007). It is therefore an integrated system of reflection and communication that support project implementation. An M&E system is made up of four interlinked sections, which are: setting up of the M&E system, implementation of the M&E system, involvement of the project stakeholders, and communication of the M&E results (Guijt, 2002). Theoretically, \_an ideal M&E system should be independent enough to be externally credible and socially legitimate, but not so independent to lose its relevance (Briceno, 2010). It should therefore be able to influence policy making from recommendations of lessons learned as well as be sustainable overtime for it to be responsive to the needs of the stakeholders.

## **2.5 Monitoring and Evaluation Framework**

### **2.5.1 Laying the Foundation for M&E Framework**

Before you dive into M&E, key questions, approaches and indicators, it is useful to have the following three things in place in your research project:

1. A good theory of change (ToC)
2. Identified knowledge roles and functions
3. Clear M&E purposes/framework

These first two aspects are essential parts of the project strategy and provide an understanding of, and a plan for, where, why and how research is expected to contribute. Clear M&E purposes make sure there is a shared understanding of what and how M&E will be used. Having all these things in place will support the design of a coherent and fit-for-purpose M&E framework. (Pasanen & Shaxson, 2016).

#### **2.5.1.1 A Good Theory Of Change**

A well-thought out and regularly revisited ToC (also known as a program theory‘) can be a very useful tool, and provides the backbone’ of your intervention and M&E structure. If you aim to influence policy, it is essential to think through how you expect change to happen. A ToC will also guide your choice of key evaluation questions, which are expected to address critical points

in the ToC. This will in turn make sure that your indicators are set up to measure all relevant steps and processes, and not only to address one level, such as outputs. A strong ToC also helps review processes – whether these are mid-term reviews or end-of-project/program evaluations – and allows you to put any unanticipated or unintended outcomes (if they arise) in context. (Pasanen & Shaxson, 2016).

A theory of change defines the pieces and steps necessary to bring about a given long-term goal. A theory of change describes the types of interventions (whether a single program or a comprehensive community initiative) that bring about the results hoped for. A theory of change includes the assumptions (often supported by research) that stakeholders use to explain the process of change.

A theory of change: • demonstrates the pathway of how to get from here to there (i.e. what is needed for goals to be achieved) • requires underlying assumptions to be detailed out in a way that they can be tested and measured • puts the emphasis first on what the organization wants to achieve rather than on what the organization is doing Source: Adapted from Theory of Change by Act Knowledge (<http://theoryofchange.org>)

### **2.5.1.2 Identified knowledge roles and functions**

Identifying knowledge roles and functions of project personnel and partners is an important part of strategic planning – and this makes it an important component of monitoring. The process of engaging with policymakers is not a simple one: there are different roles that need to be played to ensure the information is available, understandable and that it is actively used to inform policy debates. Clarifying who should play each role and what they should do makes it easier to monitor the contributions each stakeholder makes to the aim of the project (Pasanen & Shaxson, 2016).

### **2.5.1.3 A Clear M&E Purpose/Framework**

Thinking through and agreeing on the purposes, or the uses, of an M&E system will help develop a common understanding of why it is being done. Is it for accountability to the funder? Will it support the decision-making or inform the next phase of the project? Or is it mainly meant for

wider, external learning? Thinking through the purpose of the M&E system can be a way to build relationships between partners and other key stakeholders (Pasanen & Shaxson, 2016).

Agreed among the key stakeholders at the end of the planning stage, is essential in order to carry out monitoring and evaluation systematically. This framework serves as a plan for monitoring and evaluation, and should clarify:

- What is to be monitored and evaluated
- The activities needed to monitor and evaluate
- Who is responsible for monitoring and evaluation activities
- When monitoring and evaluation activities are planned (timing)
- How monitoring and evaluation are carried out (methods)
- What resources are required and where they are committed

In addition, relevant risks and assumptions in carrying out planned monitoring and evaluation activities should be seriously considered, anticipated and included in the M&E framework. (USAID, 2012)

## **2.5.2 Types of Monitoring and Evaluation Frameworks**

Though there is no ideal framework and different frameworks are used for different situations, three of the most common are conceptual frameworks, results frameworks and logical frameworks/logic models. (Frankel & Gage, 2007)

### **2.5.2.1 Conceptual Framework**

Conceptual frameworks are diagrams that identify and illustrate relationships among relevant organizational, individual and other factors that may influence a program and the successful achievement of goals and objectives. They help determine which factors will influence the program and outline how each of these factors (underlying, cultural, economic socio-political etc.) might relate to and affect the outcomes. They do not form the basis for monitoring and evaluation activities, but can help explain program results. (Frankel & Gage, 2007)

### 2.5.2.2 Results Frameworks

Results frameworks sometimes called strategic frameworks illustrate the direct relationships between the intermediate results of activities all the way to the overall objectives and goals. They show the causal relationship between program objectives and outline how each of the intermediate results/ outputs and outcomes relates to and facilitate the achievement of each objective, and how objectives relate to each other and the ultimate goal. Results frameworks do form the basis for monitoring and evaluation activities at the objective level. (Frankel & Gage, 2007)

### 2.5.2.3 Logical Frameworks

Logical frameworks or logic models provide a linear, —logical interpretation of the relationship between inputs, activities, outputs, outcomes and impacts with respect to objectives and goals. They show the causal relationship between inputs, activities, outputs, outcomes and impact vis-à-vis the goals and objectives. Logical frameworks outline the specific inputs needed to carry out the activities/processes to produce specific outputs which will result in specific outcomes and impacts. Logical frameworks do form the basis for monitoring and evaluation activities for all stages of the program.

Logic models are valuable tools for: Program Planning and Development: The logic model structure helps think through your program strategy—to help clarify where the program is and where the program should be.

Program Management: Because it "connects the dots" between resources, activities, and outcomes, a logic model can be the basis for developing a more detailed management plan. Using data collection and an evaluation plan, the logic model helps track and monitor operations to better manage results. It can serve as the foundation for creating budgets and work plans.

Communication; A well-built logic model is a powerful communications tool. It can show stakeholders at a glance what a program is doing (activities) and what it is achieving (outcomes), emphasizing the link between the two. Logical frameworks are presented as diagrams connecting program inputs to processes, outputs, outcome and impact as they relate to a specific problem or situation.

Logic models show what resources the program will need to accomplish its goals; what the program will do; and what it hopes to achieve, emphasizing links between these aspects. A series of —if-then relationships connect the components of the logic model: if resources are available to the program, then program activities can be implemented; if program activities are implemented successfully, then certain outputs and outcomes can be expected.

The logical framework does not try to account for all of the factors that may influence a program's operation and results like a conceptual framework. Instead, the logic framework focuses on the program's inputs, activities, and results. This narrow focus assists program managers and monitoring and evaluation planners as they clarify the direct relationships among elements of particular interest within a specific program. (Adapted from Gage & Dunn, 2009 and PATH M&E Initiative)

## **2.6 Challenges of Monitoring and Evaluation**

Despite all of the Monitoring & Evaluation resources that are available, project managers still face numerous practical Monitoring & Evaluation challenges. Within the real- life context of implementing Monitoring & Evaluation, there simply may not be enough funding, staff, time, or political condition will to support all of the Monitoring & Evaluation activities a project wants to implement (PATH, 2013).

Accordingly PATH, (2013) identified lack of baseline data, Budget, little time available for evaluation, weak political will to support comprehensive evaluation as a challenge for Monitoring & Evaluation and listed their practical field-tested ideas to overcome them. Peersman (2014) agrees on the common challenges in data collection and analysis can relate to poor choices of methods as well as poor implementation of methods.

Additionally Costa (2012) explained the challenge in communicating Monitoring & Evaluation in harnessing new communications tools and applications (such as social media, blogs and video) to optimize the engagement with the public to share evaluation evidence.

Lack of adequate monitoring and evaluation expertise or capacity is one area that has been highlighted by several scholars (Hughes d'ach, 2002). Monitoring and evaluation requires specific skills and expertise such as monitoring and evaluation design skills particularly log

frame design, indicator setting: both qualitative and quantitative, design of data collecting instruments including questionnaires, focus group discussion guides. Other necessary skills include data collection skills such as conducting interviews, conducting focus group discussion, data.

Lack of adequate financial resources to carry out monitoring and evaluation is another challenge faced. Most organizations lack adequate funding for their activities: this means that the little resources available are channeled to actual implementation of project activities: monitoring and evaluation are looked at as an expense that they cannot afford. If any is done then it is done superficially, just recording a few activities and irregularly (Hughes d'Aeth, 2002). Lack of funds means that organizations may not be in position to bring in external evaluators: they may not be able to adequately collect all the necessary data. It may also mean that they may not be able to afford computers and any other technology to serve the monitoring and evaluation function. Even in the case I am studying, there is not enough attention or if there is there is little attention to go and visit the project site at least once in a year (Hughes d'Aeth, 2002).

## **2.7 E-Banking products**

According to Mohammed Shamsuddoha (2008), electronic Banking is transforming the financial services industry through various innovations. It has been made possible by technology, particularly information technology to generate, collect and process information about bank operation and bank customers efficiently and effectively. It provides the ability to create more effective systems of controls in individual institutions and in the market themselves. Compared to the paper based operation, Electronic Banking Systems, in their most proficient form, offer instant verification and transfer and reduces the flow of costly paper in the record keeping process. Application of technology in banking offers opportunity for reduction of both paper work and the number of people. Banks have developed electronic banking service for three main reasons:

- To increase market share
- To reduce operating cost by substituting physical capital and technology for labor
- To generate new revenue

According to Singh & Malhotra (2004), E-banking can be defined as the deployment of banking services and products over electronic and communication networks directly to customers. These electronic and communication networks include Automated Teller Machines (ATMs), direct dial-up connections, private and public networks, the Internet, televisions, mobile devices and telephones. Among these technologies, the increasing penetration of personal computers, relatively easier access to the internet and particularly the wider diffusion of mobile phones has drawn the attention of most banks to e-banking.

E-banking includes the systems that enable financial institution customers, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through a public or private network,, including the Internet or mobile phone. Customers access e-banking services using an intelligent electronic device, such as a personal computer (PC), personal 16 digital assistant, automated teller machine (ATM), kiosk, or Touch Tone telephone. Or e-banking refers to the provision f retail and small value banking products and services through electronic channels. Such products and services can include deposit-taking, lending, account management, the provision of financial advice, electronic bill payment, and the provision of other electronic payment products and services such as electronic money (Singh & Malhotra 2004).

### **2.7.1 Types of E-Banking products**

Electronic banking consists of the following products:

- Internet banking,
- Mobile banking,
- Point of Sale Terminal (POS) and
- Automated Teller Machine (ATM).

#### **2.7.1.1 Internet banking**

Internet banking involves conducting banking transactions such as account enquiry printing of statement of account; funds transfer payments for goods and services, etc on the internet (World Wide Web) using electronic tools such as the computer without visiting the banking hall.



E-commerce is greatly facilitated by internet banking and is mostly used to effect payment. Internet banking also uses the electronic card infrastructure for executing payment instructions and for final settlement of goods and service over the internet between the merchant and the customer currently the most common internet payments are for consumer bills and purchase of air ticket through the websites of the merchants (Littler, 2006).

According to Booz, Allen & Hamilton (1999), Internet banking refers to systems that enable bank customers to access accounts and general information on bank products and services through a personal computer (PC) or other intelligent device.

Internet banking products and services can include wholesale products for corporate customers as well as retail and fiduciary products for consumers. Ultimately, the products and services obtained through Internet banking may mirror products and services offered through other bank delivery channels. Some examples of wholesale products and services include: Cash management, wire transfer, automated clearinghouse transactions, Bill presentment and payment. Examples of retail and fiduciary products and services include Balance inquiry, Funds transfer, Downloading transaction information, Bill presentment and payment, Loan applications, investment activity, other value-added services.

### **2.7.2.2 Mobile Banking**

Mobile banking involves the use of mobile phone for settlement of financial transactions. It supports person to person transfers with immediate availability of funds for the beneficiary. Mobile payments use the card infrastructure for movement of payment instructions as well as secure Short Message Service (SMS) messaging for confirmation of receipt to the beneficiary. Mobile banking is meant for low value transactions where speed of completing the transaction is a key. The services covered under this product include account enquiry, funds transfer, recharge phones, changing of passwords and bill payment which are offered by few institution (Sathye, 1999).

Mobile banking (also known as M-banking or SMS banking) is a term used for performing balance checks, account transactions, payments etc. via a mobile device such as a mobile phone. Mobile banking is most often performed via SMS or the Mobile Internet but can also use special

programs called clients downloaded to the mobile device. The standard package of activities that mobile banking covers are: mini-statements and checking of account history; alerts on account activity or passing of set thresholds; monitoring of term deposits; access to loan statements; access to card statements; mutual funds/equity statements; insurance policy management; pension plan management; status on cheque, stop payment on cheque; ordering check books; balance checking in the account; recent transactions; due date of payment (functionality for stop, change and deleting of payments); PIN provision, change of PIN and reminder over the internet; blocking of (lost/stolen) cards; domestic and international fund transfers; micro-payment handling; mobile recharging; commercial payment processing; bill payment processing; peer to peer payments; withdrawal at banking agent and deposit at banking agent (Rahman, 2006).

#### **2.7.2.3 Point of Sale Terminal (POS)**

According to Malak (2007) cited in Ayana (2014) POS system allows consumers to pay for retail purchase with a check card, a new name for debit card. This card looks like a credit card but with a significant difference. The money for the purchase is transferred immediately from account to debit card holder to the store's account.

An advanced payment system, which enables customers to use an ATM card to pay for goods and services, electronically debiting the cardholders account and crediting the account of the merchant (Rahman, 2006).

#### **2.7.2.4 Automated Teller Machine (ATM)**

Automated Teller Machine (ATM) is a device, which offers a range of services to users that are authorized by using a PIN-code. From a cash ATM, user is able to make payments, withdraw money or view account information (Myllynen, 2009).

ATMs have reduced costs per transaction to almost one-fourth as compared to almost the branches. ATMs support a variety of transactions such as cash withdrawal, cash deposits and placement of service requests, including the request for a new cheque book. New technology has facilitated the installation of ATMs in shopping malls or busy commercial localities and has further reduced the transaction and operation costs for banks (Sambamuthy, 2010).

The ATMs were one of the first ICT technologies to be used by banks and it has remained one of the most successful. The ATM is a computerized telecommunication device that provides bank customers with self-service access to their financial accounts. A prototype was first created in 1939, a modern ATM was patented in 1966, an ATM was installed in Barclays Bank in London in 1967 and the United States started productizing ATMs in 1968 (Bellis, 2010).

### **2.7.2 Benefits of Electronic Banking**

Banks just like other businesses are tuning to information technology to improve business efficiency, service quality and attract new customers (Nath, 2001). Al-Sukkar & Hasan (2005) aver that the most important factors encouraging consumers to use online banking are lower fees followed by reducing paper work and human error. Subsequently electronic channels can lead to lower transaction costs which are very competitive (Claessens & Kliengbiel, 2000). Kiang (2000) is of the view that disputes can be minimized between the employees as there is a clear flow of processes. Conducting business outside the normal branch working hours has also been a factor that has been considered convenient for bankers. According to Jayawardhena & Foley (2000) each ATM has the capacity to carry out the same, essentially routine, transactions as do human tellers in branch offices but at half the cost and with a four to one advantage in productivity. Thus banks can provide customers convenient, inexpensive access to the bank 24 hours a day and seven days a week.

Increased availability and accessibility of more self-service distribution channels help bank administration in reducing the expensive branch network and associated staff overheads (Birch & Young, 1997). A reduction in the percentage of customers visiting the banks with an increase in alternative channels of distribution will also minimize the queues in branches (Thornton & White, 2001). According to Thornton & White (2001) this ultimately leads to improved customer satisfaction. Jayawardhena & Foley (2000) observe that electronic banking increases competition within the banking system and also from non-bank financial institutions. Electronic banking also increases the power of the customer to make price comparisons across suppliers quickly and easily and as a consequence this pushes prices and margins downward (Devlin, 1995).

Kerem (2003) observes that banks are responding to electronic banking differently and that those which see electronic banking as a complement and substitute to the traditional channels achieved

better communication and interactivity with the customers. Online banking extends the relationship with the customers through providing financial services right into the home or office of customers (Robinson, 2000). Al-Sukkar & Hassan (2005) support the view that technology can improve service quality for banks and enhance customer satisfaction and loyalty.

According to Nath (2001) provision of high quality services may also lead to high profit consumers for the bank. Polatoglu & Ekin (2001) argue that early adopters and heavy users of internet banking services are more satisfied with the services compared to the other customer groups. According to Joseph & Stone (2003) the ability to deliver services via technology is positively correlated with satisfaction. Smith (2006) emphasizes the importance of human and technology based delivery channels in improving the level of bank customer satisfaction, retention, and switching. E-banking customers do not face problems of handling a lot of money, submission of utility bills and waiting in a long queue for services. In Bangladesh, there is huge demand for e-banking from the business community as well as the urban retail customers.

Electronic banking has been viewed a valuable and powerful tool driving development, supporting growth, promoting innovation and enhancing competitiveness (Kamel, 2005 & Nath, 2001). The evolution of banking technology has been evidenced by transitions from ATMs, phone banking, PC banking to internet banking (Chang, 2003). Other studies show that electronic banking has been adopted by banks to achieve a competitive advantage, reduce costs and maintain a strategic position (Bradley & Stewart, 2003). Zimbabwe also has been part of the worldwide trend into the use of advanced technology, and this has been recognized through growth in the usage of electronic delivery channels such as ATMs and the internet.

Other benefits that have accrued because of the adoption of electronic banking in developed countries include the ability to attract new customers and widening the customer database, improving bank marketing and communication, and having the ability to retain high profit customers (Al-Sukkar & Hasan, 2005). Lack of user-friendly technology, customer demand, high initial set-up costs, redundancy of existing high-cost legacy systems, economic instability, regulatory controls and lack of suitable skills have been highlighted as some of the most important issues delaying the adoption or diffusion of electronic banking (Bradley & Stewart, 2003, Kerem, 2003 & Chang, 2003). In Zimbabwe the adverse sector specific factors hampering

the adoption or diffusion of electronic banking were exacerbated by the economic downturn which started in 1997 and culminated in the economic meltdown of 2008 (Njanike, 2008, Kairiza, 2009).

### **2.7.3 Economic Rationale of E-Banking**

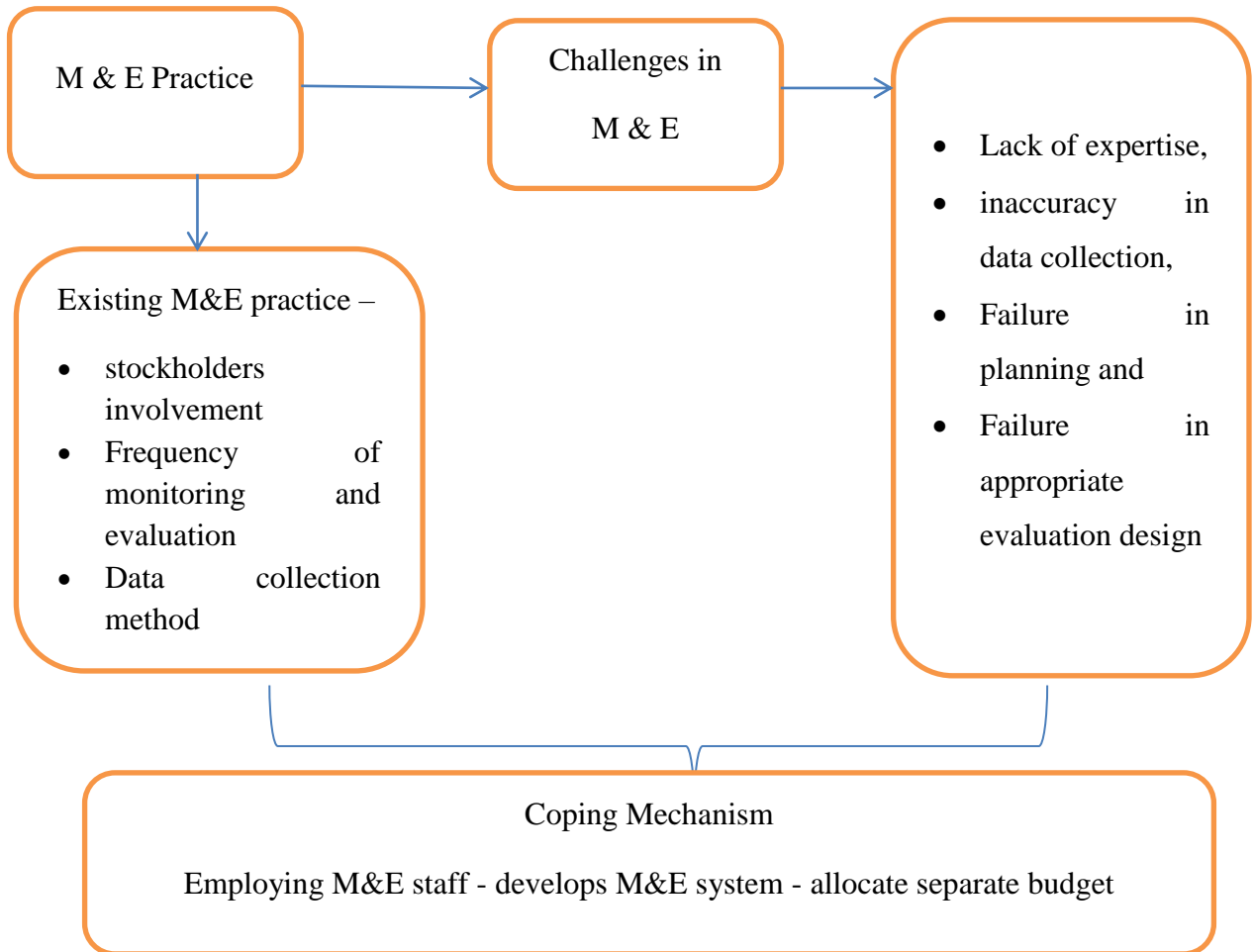
Innovation in Technology has distorted the traditional retail banking business model by making it possible for banks to break their traditional value creation chain so as to allow the production and distribution of financial services to be separated into different businesses. Thus, for example, primarily Internet banks distribute insurance and securities as well as banking products, but not all the products they distribute are produced by their group (Delgado 2012). However, the main economic argument for diffusion of adopting the Internet as a delivery channel is based on the expected reduction in overhead expenses made possible by reducing and ultimately eliminating physical branches and their associated costs (e.g. staff, marketing and rent).

As stated by DeYoung (2012) & Delgado (2013) the Internet delivery channel may generate scale economies in excess of those available to traditional distribution channels. Besides them, Haq (2013) also states that bank exists because of their ability to achieve economies of scale in minimizing asymmetry of information between savers and borrowers. The unit costs of Internet banking fall more rapidly than those of traditional banks as output increases as a result of balance sheet growth. In this context, DeYoung (2012) refer to the Internet banking as a "process innovation that functions mainly as a substitute for physical branches for delivering banking services.

## 2.8 Conceptual Framework

The conceptual framework for this research revolved around monitoring and evaluation strategies and new products developed by the bank.

Figure 1 the conceptual framework of the study:



## **2.9 Research Gaps**

In the banking institutions industry worldwide, the traditional way of offering products and services by way of direct customer interactions are changing by virtual communication to decrease the time used and processing charges of an application for numerous products (Wade Seiford & Zhu, 2004).

Monitoring and evaluation (M&E) remains an important aspect of results based management. Monitoring and evaluation forms the beginning of precise reporting on the achievement of the results by an intermediation (project or program) (IFRC, 2011). In conducting monitoring and evaluation, the main focus will be on the specific areas guided by the actual intervention as well as its stated results. Although, monitoring and evaluation is widely applied in government projects, donor related projects and other public sector development projects, the concept of monitoring and evaluation is yet to take root in the business world hence a gap in literature. In addition, most of the studies on e-banking focus more on the “influence of e-banking on commercial banks financial performance” and on the “factors that influence the adoption and implementation of e-banking”.

## **2.10 Summary of Literature Review**

From the reviewed literature, it is evident that the success of a project is based on carrying out effective monitoring and evaluations which are essential and individually separate parts of the project cycle and M&E is a critical tool for organizational learning, forward-looking, sound management and strategic positioning. In addition, the reviewed literature also indicates that e-banking provides financial institutions additional delivery channels of products and services as well as offering substantial benefits for both banks and customers at a lower cost.

So, for the purpose of this study, the researcher refers studies that are made on the issue of monitoring and evaluation of projects. These studies gives the researcher ideas on how are these projects monitored and evaluated and the challenges faced. And the researcher tries to relate the finding of these literatures with his own findings.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter outlined the methodology used to carry out the research. In this chapter, the research design, sampling method, sample size, sampling procedures, data Source and collection methods are described. This chapter also outlined the techniques of analyzing data and ethical considerations.

#### **3.2 Research Approach and Design**

Research design refers to the logical structure of an investigation or inquiry at hand. It states what data is required, from whom, and how it is going to help answer the research questions posed (Jalil, 2013; Creswell, 2003). Stated differently, a research design is a detailed outline of how a research investigation would be implemented. It implies how the research data will be collected, the data collection instruments to be used, how the research instruments would be administered, and how the data collected would be analyzed (Jalil, 2013; Creswell, 2003). There are many research designs depending on the need of the researcher. The researcher in this research study has adopted the descriptive research design. According to Burns and Grove (2003), a descriptive design enables the researcher provide an image of a situation or circumstance as it happens. For this study the researcher combined quantitative and qualitative (mixed) approaches.

#### **3.3 Data Type and Collection Methods**

The major sources of data in this study are categorized as primary and secondary data sources. The primary sources of the data were serves as main sources of the study; it was collected from respondents by questionnaires. And secondary data were also obtained from different sources like research paper, articles, magazines, published and unpublished materials, books, internet, web sites and different official reports.

Data collection involves getting in touch with the respondents sampled in order to obtain the data required about the study (Cooper & Schindler, 2003). The researcher collects primary data using



questionnaires, by dropping the questionnaires to the sampled respondents and picking after 2 days. The drop and pick method gave the respondents adequate time to read, understand and fill the questionnaires at their own time.

### **3.4 Sample Design and Techniques**

Since the target population and the sample size are the same, the sampling method is Census. All members of the e-banking projects department are included, and a total of 25 professionals are participated in the questionnaires.

A census is an enquiry of all the single elements that make up the population i.e. a total record of the population rather than a sample (Zikmund, 2011).

### **3.5 Data Collection Instrument**

The researcher collected the data for the study using questionnaires, which was carefully designed to cover relevant variables of the study.

A questionnaire refers to set of written questions developed to which respondents indicate their responses (Saunders, Lewis & Thornhill, 2009).

The questionnaire contains structured questions which required a specified response from the respondents developed on a likert scale of 1-5.

### **3.6 Validity and Reliability**

#### **3.6.1 Validity of Data**

Validity is concerned with whether the findings are really about what they appear to be about. Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders, 2003).

Numbers of different steps were taken to ensure the validity of the study:

- Data were collected from the reliable sources, from respondent who has experiences in working in the bank.
- Survey question were made based on literature review and frame of reference to ensure result validity.

- The participant's shall be brief early in advance by the researcher on the need and importance of the study and permission sought for their participation in order to have their full support.
- Guidance on how to answer the questionnaire was available from the researcher. This was ensured high completion rate and accuracy of the information provided.

### **3.6.2 Reliability of the Data**

Reliability is defined as the level to which methods of collecting data and analysis process will be consistent with the findings (Zikmund, 2011). Hair et al. (2007) indicated that “for a scale to be reliable the questions must be answered consistently by respondents in a manner that is highly correlated”. To establish whether the questionnaire is reliable the study used the Cronbach alpha ( $\alpha$ ) coefficient, which represented internal consistency by calculating the average of all possible split-half reliabilities for a multiple-item scale. Above 0.726 Cronbach's alpha coefficient implied that the instruments were adequately reliable for the measurement.

### **3.7 Data Analysis and presentation**

The analysis was done by summarizing or condensing of meanings; categorizing or grouping of meanings and structuring or ordering of meanings. And due to the small sample size, developing statistical data was difficult and no advanced statistical analysis was performed in this study. Instead descriptive analysis and conclusion were drawn from the analysis of specific monitoring and evaluation practices to general or over all Monitoring & Evaluation processes through inductive approach and the findings of the data were presented in tables and figures. Therefore, based on Creswell (2009) the results are presented in descriptive and narrative form.

### **3.8 Ethical Considerations**

To ensure compliance to ethical issues the researcher seeks authorization to carry out research from the relevant offices. In addition, care was taken to assure the respondents that all information will be treated with confidence. Further, all references to work by other scholars or writers will be appreciated and acknowledged.

## CHAPTER FOUR

### 4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.1 Introduction

This chapter presents findings of the survey data analyzed and interpreted in line with the study objectives. The findings are presented in the form of tables, graphs and charts showing frequencies and percentages.

This part of the study deals with presenting, analyzing and interpreting the data gathered from questioners.

#### 4.2 Questionnaire Response Rate

The study used questionnaires as tools for data collection. a total of 25 questioners were distribute and the response rate is presented as follows;

<b>Response Rate</b>	<b>Frequency</b>	<b>Percentage</b>
Successfully filled	24	96
Not filled	1	4
Total	25	100

Table 4.1 Response Rate

The total sample size of this study is 25 employees of Berhan Bank S.Co. A total of 24 questionnaires were successfully filled in time for data analysis, which represented 96% of the total sample size.

According to Mugenda & Mugenda (2003), “a 50% response rate is adequate, 60% is good and above 70% is very good” and therefore the outcome of the collected data is concluded to be appropriate to derive the conclusions based on the study objectives.

#### 4.3 Presentation, Analysis and Interpretation of Data

##### 4.3.1 Demographic Data

The respondent’s information captured includes: gender and the total years worked within the organization.

##### 4.3.1.1 Gender of the Respondents

The gender of the respondents who took part in this research is recorded as presented in the table below;

<b>Gender</b>	<b>Frequency</b>	<b>Percentage</b>
Male	<b>15</b>	<b>62.5</b>
Female	<b>9</b>	<b>37.5</b>
<b>Total</b>	<b>24</b>	<b>100</b>

Table 4.2: Gender of the Respondents

#### **4.3.1.2 Duration Worked in the Bank**

The respondents indicated the number of years they had worked at Berhan Bank S.Co as required, findings of which are presented in the Table below

<b>Duration (in Years)</b>	<b>Frequency</b>	<b>Percentage</b>
Below 3 years	<b>3</b>	<b>12.5</b>
3-5 years	<b>11</b>	<b>45.83</b>
5-10 years	<b>10</b>	<b>41.67</b>
over 10 years	<b>0</b>	<b>0</b>
<b>Total</b>	<b>24</b>	<b>100</b>

Table 4.3: Duration Worked in the Bank

The study outcomes in Table 4.3 demonstrated that 12.5% of the respondents had worked in the Bank for 3 years and below, 45.83% of the respondents worked for a period between 3 and 5 years and 41.67% of the respondents have worked in the bank for a period of 5 to 10 years.

### **4.4 Monitoring and Evaluation**

This study is conducted to assess the practice of monitoring and evaluation on new products developed by Berhan Bank S.Co

#### **4.4.1 Monitoring and Evaluation Practice**

The findings of existing practice of monitoring and evaluation of projects, monitoring and evaluation systems, the stakeholders' involvement in monitoring and evaluation practices are presented below.

Question 1 sought to determine whether the organization currently have experienced and permanent monitoring and evaluation staff and the result is presented in the figure below

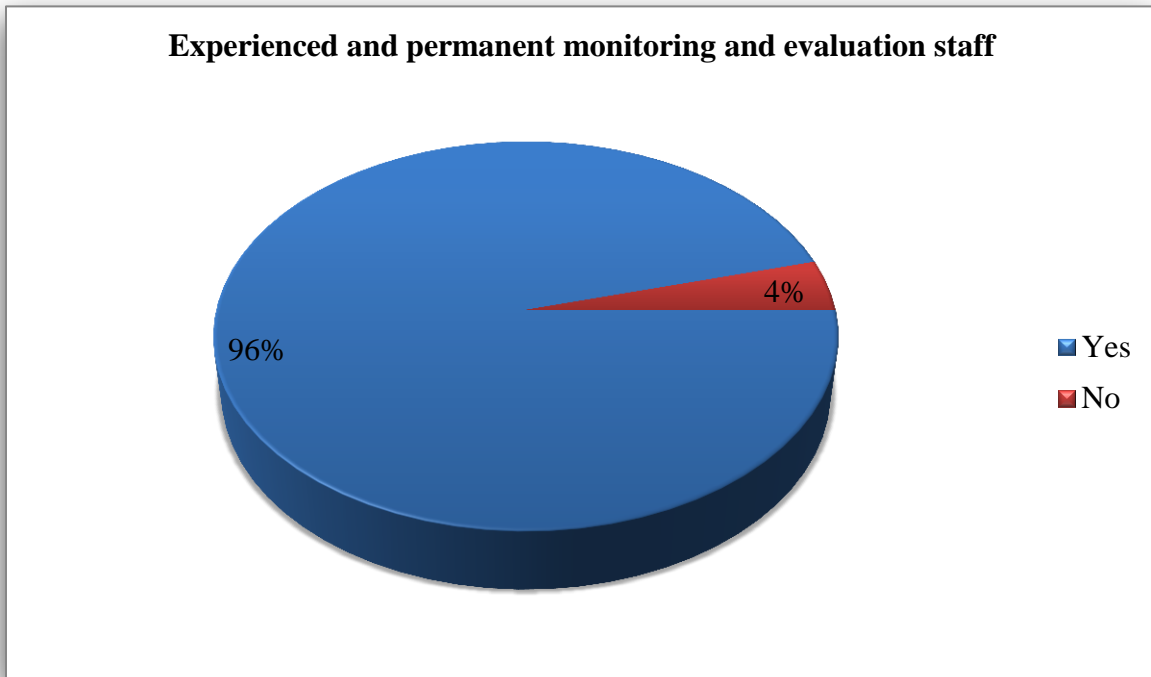


Figure 2: experienced and permanent monitoring and evaluation staff

As shown in the above figure, Majority (96%) of the respondents claimed that the bank doesn't have adequate monitoring and evaluation staff while the remaining (4%) answered that the bank have adequate monitoring and evaluation staff.

This indicates that, whether the monitoring and evaluation practice is covered by the e-banking department in addition to their main duty or there is no monitoring and evaluation practice in the bank.

Question 2 sought to determine whether the organization has effective project monitoring and evaluation system in place and the result is presented in the table below

Response	Frequency	Percent (%)
Yes	2	8.3
No	22	91.7

Table 4.4 monitoring and evaluation system

As shown in the above table, the respondents were asked whether the bank has effective project monitoring and evaluation system in place and 22(91.7%) respondents out of 24 claimed that the bank doesn't have project monitoring and evaluation system in place and the remaining 2(8.3%) respondents claimed that the bank have project monitoring and evaluation system.

This indicates that, the bank doesn't have computerized monitoring and evaluation system which helps in providing the necessary data to guide strategic planning, to design and implement programs and projects, and to allocate resources in better way.

Question 3 sought to determine whether the organization have properly developed plan that guides monitoring and evaluation practice, and the response is presented in the figure below

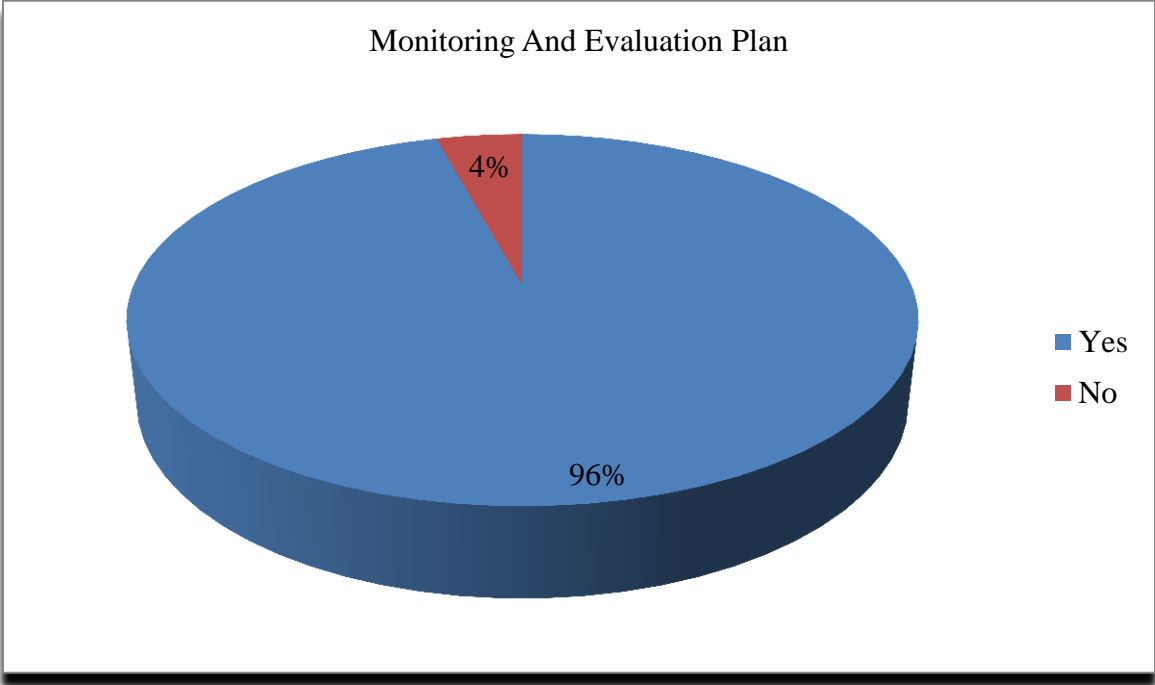


Figure 3: monitoring and evaluation plan

As presented in the above figure, Participants were asked whether their bank has properly developed plan that guide monitoring and evaluation practice and majority (96%) of the respondents claimed that the organization have monitoring and evaluation plan and the remaining (4%) of the respondents claimed that the bank doesn't have monitoring and evaluation plan.

This indicates that, the bank have developed monitoring and evaluation plan which helps as a roadmap that describes how to monitor and evaluate projects and how to use evaluation results for project improvement and decision making. Having monitoring and evaluation plan is very useful as it defines the indicators of the project and the assessment approach. It also enhances project design and allows adequate time to organize personnel and resources well in advance to project execution. Hence it helps identify the areas of improvement.

Question 4 sought to determine whether the new products developed performance gets monitored and evaluated and the response is presented in the table below,

<b>Response</b>	<b>Frequency</b>	<b>Percent (%)</b>
Yes	23	95.8
No	1	4.2

Table 4.5 new products performance monitoring and evaluation

As presented in the table 4.4, respondents were asked whether new products performance get monitored and evaluated and 23(95.8%) respondents out of 24 claimed that new products performance get monitored and evaluated and the remaining claims that the performance of new products never get monitored and evaluated.

This indicates that the bank have applied new products performance monitoring and evaluation practice which helps to assess if progress is made in achieving expected results and acquire end users response.

Question 5 sought to determine whether the bank have separate budget for monitoring and evaluation activities and the response is presented in the table below,

<b>Response</b>	<b>Frequency</b>	<b>Percent (%)</b>
Yes	4	16.7
No	20	83.3

Table 4.6 separate budget for monitoring and evaluation activities

The respondents were asked whether their organization have separate budget for monitoring and evaluation activities and 20(83.3%) of the respondents claimed that the bank doesn't have

separate budget for monitoring and evaluation activities and the remaining respondents claimed that the bank have separate budget for monitoring and evaluation activities.

This indicates that, the bank fails in allocating budget to monitoring and evaluation activities which can lead to project failure. Allocating budget assisted decision-making and facilitated the more efficient allocation of resources for project implementation and performance while also assessing all risks connected with the new products. Lack of funds means that organizations may not be in passion to bring in external evaluators: they may not be able to adequately collect all the necessary data. It may also mean that they may not be able to afford computers and any other technology to serve the monitoring and evaluation function.

Question 5 sought to determine the degree of involvement of stakeholders in project monitoring and evaluation, and the response is presented as follows,

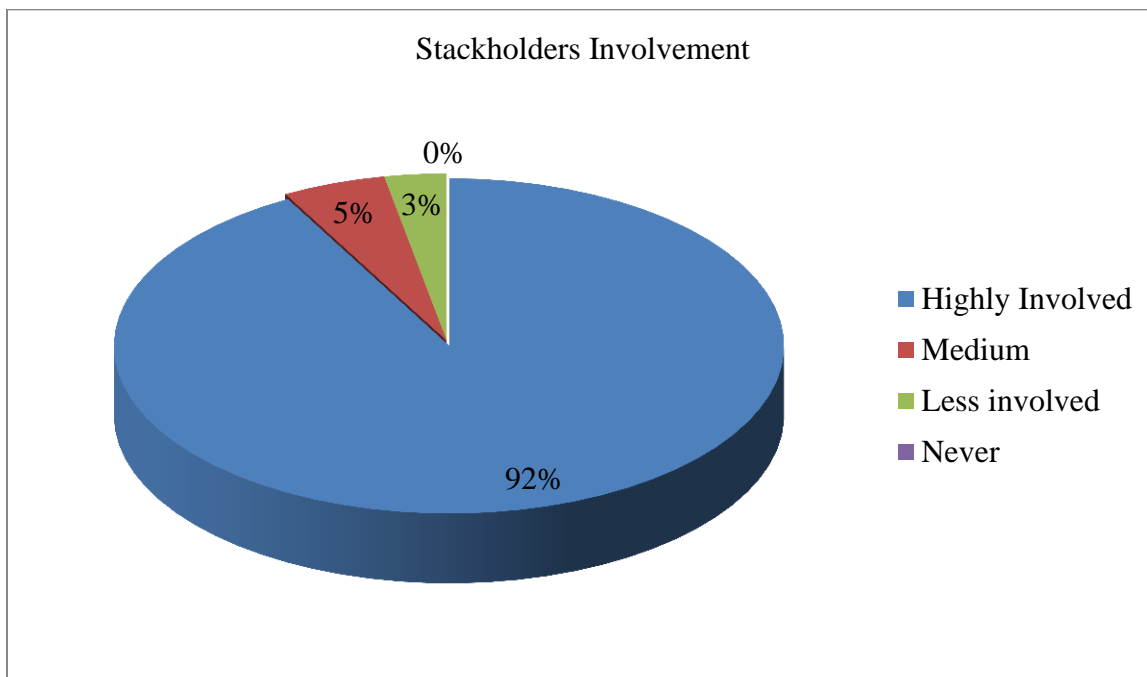


Figure 4: the degree of involvement of stakeholders

Respondents were asked about the involvement of stakeholders and most of the respondents claimed that stakeholders are highly involved in project monitoring and evaluation practice.



This implies that, there is a shared responsibility in monitoring and evaluation activities. Engaging stakeholders is crucial to the success of the project, it helps translate stakeholder's needs in to the project goals and create the basis of effective strategy development.

#### 4.4.2 Major challenges of Monitoring and Evaluation

Respondents were asked how they evaluate the possible challenges they face in monitoring and evaluation of new products developed by the bank and their response is presented in the table below

S.N	Possible Challenges	Strongly disagree %	Disagree %	Neither agree nor disagree %	Agree %	Strongly agree %
1	Lack of resource	8.33	83.33	8.33	0	0
2	Lack of expertise	0	4.17	12.5	8.33	75
3	Uncommitted management	29.17	33.33	20.83	12.5	4.17
4	Less involvement of stakeholders	12.5	20.83	62.5	4.17	0
5	Less involvement of employees	25	25	20.83	16.67	12.5
6	Inaccuracy In data collection	29.17	16.67	8.33	41.67	4.17
7	Failure to process and analyze data	20.83	12.5	20.83	37.5	8.33
8	Failure in planning	4.17	8.33	16.67	29.17	41.67
9	Failure in appropriate evaluation design	8.33	8.33	16.67	29.17	37.5

Table 4.7: Challenges in monitoring and evaluation

According to the above table 83.33% of the respondents claimed that lack of resource is not a major challenge in the practice of monitoring and evaluation of new products developed by the bank.

This indicates that, the bank have allocated resource for monitoring and evaluation practice which helps to perform the activity very well, because resource is a backbone of project success. Allocating the appropriate resource gives clear picture on the amount of work that has to be done and it also help to schedule ahead and have insight into the teams progress, including allocating the right amount of time to everyone on the team.

According to Table 4.5; 18(75%) of the respondents strongly agreed that lack of expertise is a major challenge in the monitoring and evaluation practice of the bank and 4.17% of the respondents claimed to disagree with lack of expertise is a major challenge in the practice of monitoring and evaluation.

This indicates that the bank doesn't assign experts in monitoring and evaluation. It is important to establish and take in to account relevant knowledge, skills and abilities. Monitoring and evaluation requires specific skills and expertise such as monitoring and evaluation design skills particularly log frame design, indicator setting: both qualitative and quantitative, design of data collecting instruments including questionnaires, focus group discussion guides. Other necessary skills include data collection skills such as conducting interviews, conducting focus group discussion.

According to Table 4.5; Majority of the respondents claimed that uncommitted management is not a major challenge in the practice of monitoring and evaluation of new products developed by the bank.

This implies that, there is direct participation by the top management in all specific and critically important aspects of the project monitoring and evaluation practice. Management support is necessary to access resources and it allows employees to be an active part of the monitoring and evaluation practice.

As shown in table 4.5; 62.5% of the respondents claimed that they neither agree nor disagree on the involvement of stakeholders as a major challenge in the practice of monitoring and evaluation practice of the bank.

According to Table 4.5; Majority of the respondents agreed that inaccuracy in data collection is a major challenge in the practice of monitoring and evaluation practice of new products developed by the bank. And failure to process data is also a major challenge in the banks practice of monitoring and evaluation.

This indicates that, there is poor data collection and processing practice that can lead to failure in project monitoring and evaluation and in accurate decision making which finally have impact in project performance.

Failure in planning and Failure in appropriate evaluation design are found to be the major challenges faced while monitoring and evaluating new products developed by the bank.

## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter entails a summary of findings, conclusions and recommendations of the study based on the objective of the study.

#### **5.2 Summary of Findings**

While analyzing the practice of monitoring and evaluation the following basic findings have been identified.

The bank has developed monitoring and evaluation plan that guides the whole monitoring and evaluation practice and the performance of new products developed by the bank get monitored and evaluated, stakeholders are also involved in monitoring and evaluation practice. On the other hand the bank doesn't have experienced and permanent monitoring and evaluation staff. There is no project monitoring and evaluation system and separate budget is not allocated for monitoring and evaluation activities.

Challenges faced while monitoring and evaluation of new products developed by the bank have also been reviewed and four basic challenges are identified. These challenges are failure in selecting the right performance indicator, lack of expertise, inaccuracy in data collection, failure in planning and Failure in appropriate evaluation design.

#### **5.3 Conclusion**

The objective of the study was to assess Monitoring and Evaluation practices of new products developed by Berhan Bank S.Co. Having this objective in mind, different data was gathered from respondents' and materials was reviewed and finally the following conclusions are made.

- Even though having experienced monitoring and evaluation staff is basic for the success of any project the bank doesn't have permanent and experienced staff in place,
- Developing monitoring and evaluation system that supports any project need is essential for an organization. The bank doesn't have monitoring and evaluation system in place.

- Allocating separate budget for monitoring and evaluation activities supports the goal of any project. Keeping in mind that, the bank doesn't set separate budget for monitoring and evaluation activities.
- While evaluating the effectiveness of monitoring and evaluation practice of the bank, it is found to be poor. Because, it lacks separate budget, no monitoring and evaluation staff, and there is no computerized monitoring and evaluation system.
- Having monitoring and evaluation plan is essential for the success of a project. The bank have developed monitoring and evaluation plan that guides overall activities of the banks projects and every projects performance get evaluated on schedule.
- The involvement of stakeholders is important in evaluating every activities of one project and the stakeholders in the bank are involved in the projects.

#### **5.4. Recommendation**

Based on the findings of this study and the conclusion made, the study makes the following recommendations to address some of the key findings of the study:

- The bank should have to develop computerized monitoring and evaluation system that guides the overall monitoring and evaluation practice of projects. A project monitoring and evaluation system covers all the works carried out during and/or after a project to define, select, collect, analyze and use information. It is where everything comes together, from initial selection of objectives and indicators through to the final evaluation of a project. This can help the bank to have effective monitoring and evaluation practice.
- The bank shall employ experts on monitoring and evaluation of projects and provide capacity building trainings for the existing managers, team leaders and other experts involving in monitoring and evaluation of projects. It is also better to give trainings for the newly employed staffs in the project on the issue of monitoring and evaluation techniques.
- The bank shall have a separate budget for the monitoring and evaluation of projects. Since the success of the project depends on monitoring and evaluation, there should be a dedicated budget for monitoring and evaluation of projects.

## **5.5 Suggestions for Further Research**

This study tried to investigate Monitoring and Evaluation practices of new products developed by Berhan Bank S.Co and strictly scrutinized other studies in the area in order to compare, contrast and add value on them if they exist. However, no concrete study were done on monitoring and evaluation of new products so far, hence, the researcher believes this study be a road show for further studies and recommends other researchers to carry out more investigations.

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## ANNEX

### Questionnaire

#### **Dear Respondent,**

This questionnaire is designed to collect information on the practice of monitoring and evaluation on new products developed by Berhan Bank S.Co. Believing that, your genuine responses will contribute vastly to the quality of this study, Please note that, this research is for academic purposes only and any information provided will be treated as confidential. Your help and support will be highly appreciated.

#### Instruction

- Don't to write your name;
- Put √ mark in the appropriate box;
- If you can't get any satisfying choice, you can write your answer, in the space provided;

#### **Section I: Demographic Data**

1. Please indicate your gender

Male  Female

2. For how long have you been working in the bank?

Below 3 years  3-5 years  5 – 10 years  over 10 years

3. Please indicate your department?

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#### **Section II: Monitoring and Evaluation**

1. Does your organization currently have experienced and permanent monitoring and evaluation staff?

Yes  No

2. Does your organization have effective project monitoring and evaluation system in place?

Yes  No

3. Does your organization have a properly developed plan that guides monitoring and evaluation?

Yes  No

If your answer is no, what is the reason behind?

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4. Does your new products developed performance get monitored and evaluated?

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5. Does your organization have separate budget for monitoring and evaluation activities?

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If yes, what percentage of the total project budget allocated for monitoring and evaluation activities?

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6. How often does project budget get monitored and evaluated?

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7. How do you evaluate the degree of involvement of stakeholders in project monitoring and evaluation practice?

Highly involved  medium  less involved  never

8. How do you personally evaluate the following possible challenges in monitoring and evaluation of new products developed by Berhan Bank s.co?

S. N	Possible Challenges	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
1	Lack of resource					
2	Lack of expertise					
3	Uncommitted management					
4	Less involvement of stakeholders					
5	Less involvement of employees					
6	Inaccuracy In data collection					
7	Failure to process and analyze data					
8	Failure in planning					
9	Failure in appropriate evaluation design					

Please mention any other challenges that you face in monitoring and evaluation practice of new product developed by the bank

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