Impacts of External Factors on Performance of Urban Productive Safety Net Program in Lemi-Kura Sub-City, Addis Ababa: Implication for Policy Recommendation[1]

Dr. Teshome Tamirat, and Dr. Misgina Asmelash

ABSTRACT

Project performance is impacted by various external factors that significantly determine the success rate of outcome indicators. Our study investigates the impact of different external factors on project performance of outcome indicators to meet the goal. We used descriptive and explanatory research design that draws on data collected from 121 project staff using simple random and cluster sampling methods respectively. Our results indicated that level of education of project staff scored a high mean of 3.9256 which positively impacted the project outcomes aligning with findings that higher education does correlate with improved performance. Additionally, working experience of project staff shows a mean of 1.5950 with significant results (p=0.000) further demonstrating that work experience is crucial for enhancing project performance. Results also indicated that policy and legal framework score a mean of 1.5 indicating that staff perceives the legal factor as less impactful compared to technology, donor and socio-economic aspects. This highlights an urgent need for improved policy implementation aligned with safety-net program. In terms of technology and infrastructure, a significant mean score of 2.5 reveals that staff view these elements as vital for success indicating organizations should prioritize investments in technology infrastructure for data management. Socio-economic and cultural factors indicate a moderate mean of 2.0, showing their impact on performance and emphasizing the importance of community engagement in project strategies. Our findings underscore the necessity for organizations to address disparities in resource access and enhance stakeholder involvement to improve project outcomes. Although the correlation between policy frameworks and donor contributions exists, technology and infrastructure emerge as the most significant factors impacting performance. The regression model reveals that while policy frameworks and donor contributions play roles in project performance, technological advancements are crucial

[1] How to cite this work: Tamirat, T. and Asmelash, M. (2025). Impacts of External Factors on Performance of Urban Productive Safety Net Program in Lemi-Kura Sub-City, Addis Ababa: Implication for Policy Recommendation, *PM World Journal*, Vol. XIV, Issue VIII, August.

© 2025 Teshome Tamirat, Misgina Asmelash

for the impact on project performance. Our findings underscore the need for a multi-faceted approach to development that not only prioritizes technology upgrades and training but also addresses contextual challenges related to policy implementation and technology infrastructure for success of a project. The findings contribute to the ongoing discourse on effective strategies for enhancing project outcomes in Ethiopia and similar contexts across Africa.

Key-Words: Donor, Evaluation, Technology, Outcome, Policy.

1. INTRODUCTION

Government of Ethiopia recognized the contribution of social protection projects and promoted urban safety net program to improve the wellbeing of its citizens for the last two decades (MoARD, 2019[2]). Project performance is attributed by collective functions of various internal and external factors that interplay in a system to achieve the expected goals (Kabeyi, 2019[3]). External factors including government policy and legal frame work contribute to the better achievements of outcome performance (Kamau & Bin, 2015[4]).

The implementation of government policy and corresponding legal frame work has impact on the performance of urban projects to ensure food security (Melese, 2018[5]). The World Bank report in (2018[6]) underscores the importance of involving key stakeholders at every stage of monitoring and evaluation process to ensure project success. Furthermore, Ermias (2017[7]) highlighted the impact of external factors of donor funding, which is critical for maintaining project performance.

[2] MoARD, (2019). Government of Ethiopia recognized the contribution of social protection projects and promoted urban safety net program to improve the wellbeing of its citizens for the last two decades
[3] Kabeyi, M. (2019). Project performance is attributed by collective functions of various internal and external factors that interplay in a system to achieve the expected goals.
[4] Kamau, C. G., & Bin, H. (2015). Efficacy of monitoring and evaluation function in achieving project success in Kenya: A conceptual framework. *Science Journal of Business and Management, 3*(3), 82-94
[5] Melese, M. (2018). The implementation of government policy and corresponding legal frame work has impact on the implementation of urban projects to ensure food security.
[6] World Bank. (2018). Active participation of key stakeholders at every stage of monitoring and evaluation process is very important undertaking for ensuring project success.
[7] Ermias (2017). Impact of external factors of donor funding, which is critical for maintaining project performance.

© 2025 Teshome Tamirat, Misgina Asmelash

Saad et al (2020[8]), have documented that different external factors including donors' participation, technology and socio-economic, cultural variables determine outcome performance of a project. The World Bank report in (2018[9]) documented that active participation of key stakeholders at every stage of monitoring and evaluation process is very important undertaking for ensuring project success. Rahel in (2019[10]) has indicated that government policies and legal frameworks form the backbone of urban safety net programs impacting the implementation and effectiveness of project performance. The delivery of an effective social protection services contributes to social cohesion and the achievement of broader national socio-economic development goals (Seleshi et al, 2019[11]).

Donor participation determines implementation and success of the project performance (Jjemba, *et al.,* 2016[12]). On the other hand, technology and infrastructure including data management system play significant role for the determination of performance of project (McCallum *et al.,* 2015[13]). The interplay between technology, infrastructure, and socio-economic factors significantly influences the outcome indicators of urban projects. Hence, understanding the correlation and relationships among the external factors is crucial for improving project performance, including time, cost, quality, health and safety, and customer satisfaction (Shirowzhan, 2019[14]). Various social factors, such as education levels, local employment opportunities, and community engagement play a critical role in project outcomes (McNelly and Edens, 2003[15]). Despite the fact that Ethiopian urban safety net projects have brought significant achievements in reducing socio-economic

[8] Saad et al (2020). Different external factors including donors' participation, technology and socio-economic, cultural variables determine outcome performance of a project.
[9] World Bank. (2018). Active participation of key stakeholders at every stage of monitoring and evaluation process is very important undertaking for ensuring project success.
[10] Rahel (2019). Government policies and legal frameworks form the backbone of urban safety net programs impacting the implementation and effectiveness of project performance.
[11] Seleshi et al, (2019). The delivery of an effective social protection services contributes to social cohesion and the achievement of broader national socio-economic development goals.
[12] Jjemba et al., (2016). Donor participation determines implementation and success of the project performance
[13] McCallum et al., (2015). Technology and infrastructure including data management play significant role for the determination of performance of project.
[14] Shirowzhan (2019). The interplay between technology, infrastructure, and socioeconomic factors significantly influences the outcome indicators of urban projects.
[15] McNelly, T. L., & Edens, P. S. (2003). Social factors, such as education levels, local employment opportunities, and community engagement, play a critical role in project outcomes.

© 2025 Teshome Tamirat, Misgina Asmelash

problems (Ababe, 2018[16]), The urban safety net projects need to prove and measure the impacts of external factors to maximize the project outcome performances (Misgina,2018[17]).

Hence, failure to apply appropriate and pertinent information on the impacts of external factors on performance management leads to reduced results in meeting the objectives of a given project (Bosibori & Otieno, 2021[18]). This study fills methodological gaps of previous studies on safety net program which makes in-depth analyses of quantitative correlations between external factors and project performance to show the causal mechanisms and underlying relationships. Therefore, the present study is aims to investigate perceived effect of applying policy frame work and other external factors on outcome performance of urban safety net program at Lemi-kura sub-city of Addis Ababa city administration.

2. MATERIAL AND METHODS

The present study was conducted at Lemi-Kura sub-city which is located in Eastern part of Addis Ababa city administration of Ethiopia. The study area comprised 10 districts with an estimated area of 7,860.7 hectares and population size of 382,843 inhabitants. The Urban safety net and job creation program was being implemented and scaled up consecutively from 2016-2030 benefiting urban youth employment and poor households.

In our study primary and secondary data sources were used to analyze the impact of different external factors as M&E practices on project outcome indicators. The quantitative data were collected using survey closed ended questionnaire from respondents of the project staff and leaders of the project. Survey questionnaire is designed and conducted based on ordinal measurements of perceived responses of the project staff using likert scale noted as strongly agree, agree, neutral, disagree and strongly agree respectively. Crombach alpha were used to measure the correlations and efficiency of the independent and dependent variables yielding 92% relationships before conducting the actual survey. Secondary data were also used to collect additional

[16] Ababe, A. (2018). *Ethiopian urban safety net projects have brought significant achievements in reducing socio-economic problems*.
[17] Misgina, A. (2018). The urban safety net projects need to prove and measure the impacts of external factors to maximize the project outcome performances.
[18] Bosibori, O. B., & Otieno, M. (2021). Influence of Project Management Practices on the Implementation of Environmental Non-Governmental Organizations' Projects' Projects.

© 2025 Teshome Tamirat, Misgina Asmelash

information from different social and safety net policies documents and procedural manuals, journals, annul reports and periodic progress reports and publications.

One hundred twenty one (121) respondents were sampled from 10 districts of the Lemi-kura sub city administration. Simple and cluster random sampling methods were applied for sample size determination and selection. The Sample size is determined by using Taro method, (2006[19]) with the following formula,

Equation- 1 Equation used for sample size is determination (1) $$n=\frac{N}{1+N(e)^2}$$

n = the sample size,
N=the study population,
e = the level of precision

$$N=\frac{175}{1+175(0.05)^2}=121$$

Our study used independent variables as external factors include government policy and legal framework, donor participation, technology infrastructure and data management system and socio-economic and cultural factors responded by the project staff to investigate their impact on outcome indicators. The dependent variable of different outcome indicators was used to measure project performance because of implementation of project external factors. These outcome indicators are increased family income, financial inclusion, food security and enhanced health care of the beneficiaries in the project.

Our research used descriptive and explanatory research design applied to investigate the effect of external factors as key M&E practices on the outcome performance The quantitative data was analyzed using as rigid approach of descriptive and inferential statistics to explain the perceived effect of independent variables on outcome performance.

The data for analyses are encoded on the excel sheet then transferred for detail analyses using the SPSS-22 software. Descriptive statistics of frequency, percentage, mean, standard deviation were used to analysis and interpret data. Further inferential statics of correlation and regression analysis were used to compare and explain the relationships

[19] Taro, Y. (2016). Statistical approach used to determine the sample size from a given population, Statistical book, London publishing.

© 2025 Teshome Tamirat, Misgina Asmelash

of independent and dependent variables through regression model and tables. The model used for regression analyses is $Y = \beta0 + \beta1X1 + \beta2X2 + \beta3X3 + \beta4X4 + \varepsilon$.

3. RESULT AND DISCUSSION

3.1. Impact Demographic Variables of Project Staff on Performance of Outcome Indicators

Result in Fig-1 shows the impact of gender on project staff on performance with mean value (1.4545), standard deviation (0.50). The gender distribution of the respondents is roughly equal with a slight majority of male staff are involved in the monitoring and evaluation process of the project. The gender composition is balanced showed with no significant skewedness towards gender domination as project staff. The impact of gender on performance has been studied extensively with varying results. According to Eagly and Carli, (2003[20]), that the gender differences in leadership styles and effectiveness had influenced project outcomes, but the effects are context-dependent and less significant than experience and education of the project staff.

.Result in table-1 also shows age is one of the critical demographic factor indicated with mean (1.9174) and standard deviation (0.70222). The t-statistic is 21.475 and the p-value (Sig. 2-tailed) is 0.000 shows it is statistically significant at the 1% level. The result indicates that the age of the respondents (project staff) has a significant positive impact on project performance. The mean value of 1.9174 indicated that the respondents have a relatively mature age distribution, which contributes to the positive performance outcomes.

Result in table-1 indicates the level of education as other key demographic factor in the project with mean (3.9256) and standard deviation (0.72071) respectively. The relatively high mean value of 3.9256 indicates that the project staff has a high average level of education and has impact on project performance. A study by Ng and Feldman (2008**[21]**) documented that older workers do bring valuable experience but may also face challenges adapting to new technologies, which impacts performance. McNelly and

[20] Eagly, A. H., & Carli, L. L. (2003). The Female Leadership Advantage: An Evaluation of the Evidence. *The Leadership Quarterly*, *14*(6), 807-834

[21] Ng, T. W. H., & Feldman, D. C. (2008). The Relationships of Age with Job Attitudes: A Meta-Analysis. *Personnel Psychology*, 61(3), 441-468.

© 2025 Teshome Tamirat, Misgina Asmelash

Edens (2003[22]) found that work experience positively influences job performance. Their meta-analysis indicated that increased experience correlates with improved performance metrics.

Result in table-1 indicates the working experience of the staff with mean value (1.5950) and standard deviation (0.79140). The t-statistic is 59.153 and p-value (Sig. 2-tailed) is 0.000 is statistically significant at the 1% level. The result indicates that the working experience of the respondents has a significant positive impact on project performance. . For instance, a study by Schmidt and Hunter (1998**[23]**) demonstrated that cognitive ability and education level are strong predictors of job performance across various fields.

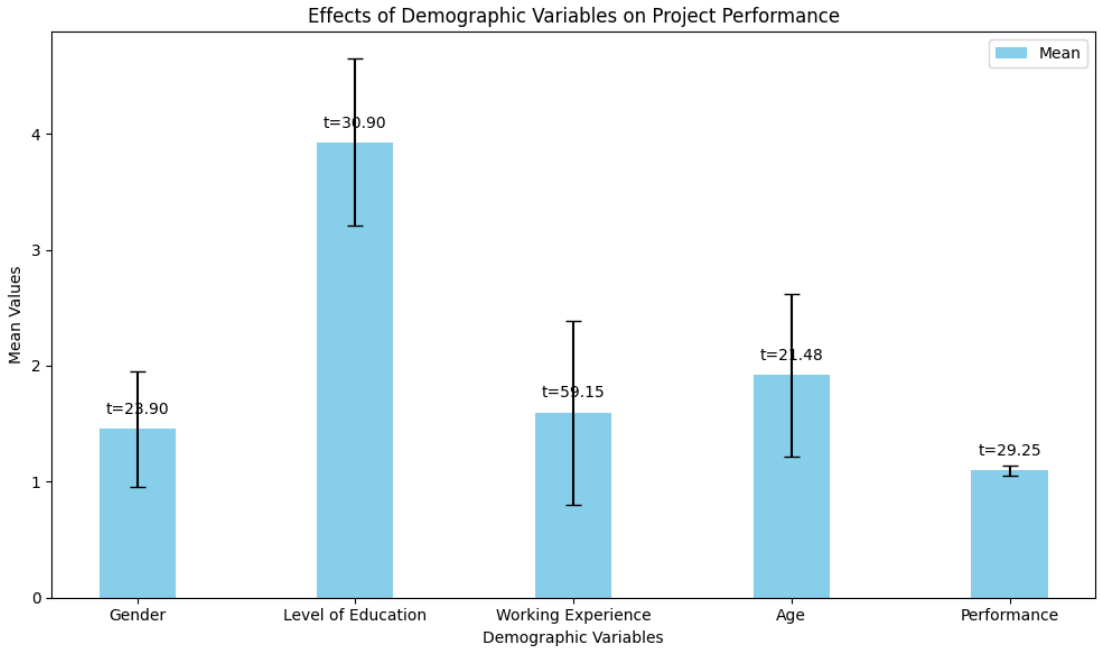


Figure 1- shows Demographic Variables on Performance of Outcome Indicators

[22] McNelly, T. L., & Edens, P. S. (2003). Social factors, such as education levels, local employment opportunities, and community engagement, play a critical role in project outcomes.
[23] Schmidt, F. L., & Hunter, J. E. (1998). The Validity and Utility of Selection Methods in Personnel Psychology: Practical and Theoretical Implications of 85 Years of Research Findings. *Psychological Bulletin*, *124*(2), 262-274.

© 2025 Teshome Tamirat, Misgina Asmelash

3.2. Impact of External Factors on Performance of Outcome Indicators

Figure -2- shows the mean score of 1.5 for the policy and legal factor indicates that project staff perceives it as less impactful on outcome performance compared to donor participation, technology and infrastructure, as well as socio-economic and cultural factors. The result indicates that while staff recognize the necessity of regulatory compliance and policy frameworks in the project, they do not view this factor as critical drivers of project success. Involving project staff in policy design and implementation could enhance ownership. Our finding is supported by research indicating that good governance is positively correlated with economic development in Africa (UNECA, 2011[24]). The narrow standard deviation indicates consistent views regarding the limited impact indicate a need to optimize policies and legal implementation. The mean score of 1.5 suggests project staff acknowledge the importance of donor contributions in supplying resources but don't view this factor as significantly impacting overall project performance. The result implies that receiving financial support alone is insufficient for driving project success. Organizations might need to enhance their engagement strategies with donors.

Our finding aligns with studies that link effective governance to improved project outcomes (OECD, 2015[25]). The perception may reflect a disconnection between policy implementation and the tangible benefits experienced in practice. Organizations should aim to ensure that policies not only fulfill regulatory requirements but also promote operational flexibility and foster innovation. Involving project staff in the design and review of policies could enhance their sense of ownership and relevance leading to improved perceptions and effectiveness.

The result is supported by research indicating that donor funding can significantly enhance project outcomes (Easterly, 2007[26]) and highlights the importance of contextual factors in project development and implementation (Bourdieu, 1986[27]). Furthermore, findings from studies have shown a correlation between sound economic policies and income growth, as well as reduced disparities (Ravallion, 2016[28]). The result correlates

[24] UNECA. (2011). Economic Report on Africa 2011: Governing Development in Africa – The Role of the State in Economic Transformation. United Nations Economic Commission for Africa.
[25] OECD. (2015). Governance for Development: A Framework for Policy Evaluation. *OECD Publishing*.
[26] Easterly, W. (2007). Are Aid Agencies Improving? *The Journal of Economic Perspectives*, 21(2), 1-20.
[27] Bourdieu, P. (1986). The Forms of Capital. In J. Richardson (Ed.), *Handbook of Theory and Research for the Sociology of Education* (pp. 241-258). Greenwood Press.
[28] Ravallion, M. (2016). The Economics of Poverty: History, Measurement, and Policy. *Oxford University Press*.

© 2025 Teshome Tamirat, Misgina Asmelash

with earlier research findings demonstrating the crucial role of financial services in alleviating poverty and enhancing economic conditions in a given project (Demirgüç-Kunt et al., 2018[29]).

The narrow standard deviation associated with both the policy and legal factor and donor contributions indicates that staff shares relatively consistent views regarding their influence on performance outcomes. This consensus underscores a collective understanding of the limited impact these factors have in common. While a common perception may facilitate alignment, it may also signal the need for deeper exploration into optimizing policies and donor relationships to enhance their effectiveness.

Organization and project management units need to implement feedback mechanisms to better align policies and donor engagement strategies with project staff that ultimately leading to improved performance outcomes. Regarding donor contributions, the mean score of 1.5 indicates that project staff acknowledge the importance in supplying essential resources. However, the score indicates that they do not view this factor as significantly impacting overall project performance. The result implies that receiving financial support from donors alone is insufficient for driving project success. Project management need to enhance their engagement strategies with donors to ensure that contributions are closely aligned with project goals and objectives, while also demonstrating the tangible impacts on performance. In addition, by improving communication and information sharing with donors regarding project outcomes it is crucial to create better awareness through regularly updating them on progress. The communication can help to build stronger relationships and foster increased donor confidence which potentially leads to more robust future contributions.

In contrast, the mean score of 2.5 indicates that project staff perceives technology and infrastructure as having a substantial positive impact on performance. Project staffs likely believe that access to advanced technology, tools, and infrastructure facilitates efficiency to enhance communication and ultimately drives project success. This strong perception indicates that organizations should prioritize investments in technology upgrades and training that lead to improved operational effectiveness and enhanced project outcomes.

Additionally, fostering a culture of innovation and adaptability in technology usage can further leverage this factor's potential impact. A wider value for standard deviation

[29] Demirgüç-Kunt, A., Klapper, L. F., & Panos, G. A. (2018). Financial Inclusion and Inclusive Growth: A Review of Recent Empirical Evidence. *World Bank Policy Research Working Paper*, 8040.

© 2025 Teshome Tamirat, Misgina Asmelash

indicates that there are differing opinions about the impact of technology and infrastructure on performance. Our result indicates that while technology is viewed positively that the overall disparities of perception do exist in access or training for the project staff. Some staff may have experienced significant benefits from technological investments, while others might lack access to the same resources.

Organizations or project management units should consider targeted training and resource allocation to ensure all staff can leverage technology effectively. Addressing these disparities will not only enhance individual performance but also promote a more cohesive and productive project environment. Lastly, the mean score of approximately 2.0 reflects a moderate perception of the positive influence of socio-economic and cultural factors on project performance. Although this score is lower than that for technology, it indicates that staff recognizes the importance of understanding the socio-economic context and cultural dynamics in which they operate in a project. It highlights the necessity for organizations to engage actively with local communities to grasp their socio-cultural contexts and tailor project approaches accordingly.

Correctly addressing these factors, organizations and project management can enhance stakeholder buy-in and improve the sustainability of project outcomes. The moderate standard deviation indicates a relatively consistent perception among staff regarding the importance of socio-economic and cultural factors, although some variation exists among them. Organizations and management units benefit from conducting further assessments to identify specific socio-cultural challenges faced by different teams or regions. This understanding will enable the development of tailored strategies that resonate more effectively with local contexts, ultimately fostering better project implementation and outcomes (Eshetu & Zeleke, 2018[30]).

A study by Moyo (2009[31]) argues that donor's aid can foster dependency and hinder long-term growth in Africa. Improving communication with donors regarding project outcomes is crucial. The narrow standard deviation indicates consistent views regarding the limited impact of donor contributions. The mean score of 2.5 indicates that project staff perceives technology and infrastructure as having a substantial positive impact on performance. This strong perception suggests that organizations should prioritize investments in

[30] Eshetu, A., & Zeleke, A. (2018). Policy Implementation Gaps in Ethiopia: An Analysis. *African Journal of Public Administration*, 1(1), 45-58.
[31] Moyo, D. (2009). Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa. Farrar, Straus and Giroux.

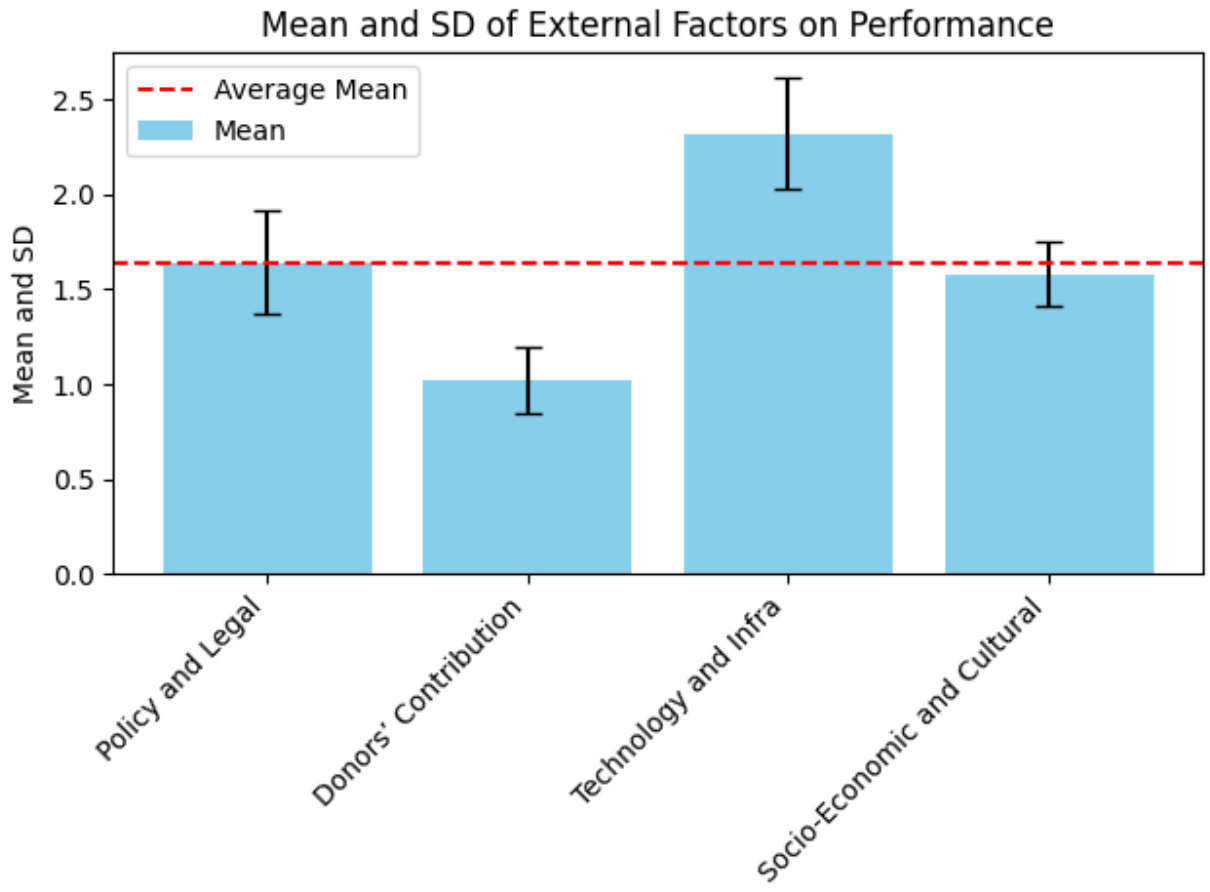
© 2025 Teshome Tamirat, Misgina Asmelash

technology upgrades and training. A study on the impact of ICT on economic growth in Africa found a positive correlation between ICT infrastructure and GDP growth (Eifert & Gelb, 2005[32]).

A wider standard deviation indicates differing opinions about the impact of technology and infrastructure indicating that while technology is viewed positively overall disparities in access or training may exist. Addressing these disparities will enhance individual performance for success. The mean score of 2.0 reflects a moderate perception of the positive influence of socio-economic and cultural factors on performance. This highlights the necessity for organizations to engage actively with local communities. A study in Ethiopia by Birmeta et al. (2013[33]) found that socio-cultural beliefs and practices significantly influence the utilization of institutional delivery services. The moderate standard deviation indicates a relatively consistent perception among staff regarding the importance of socio-economic and cultural factors, although some variation exists. Organizations may benefit from conducting further assessments to identify specific socio-cultural challenges.

[32] Eifert, B., & Gelb, A. (2005). Improving the Investment Climate in Africa. *World Bank Working Paper*, 60.
[33] Birmeta, K., Klinkenberg, E., & Kloos, H. (2013). Utilization of Institutional Delivery Services in Rural Ethiopia: A Study of Influencing Factors. *BMC Pregnancy and Childbirth*, 13(1), 1-10.

© 2025 Teshome Tamirat, Misgina Asmelash



3.3. Correlations of External Factors for the Impact on Project outcome

Policy and Legal Support Framework has a perfect positive correlation with itself (1.000). It shows a statistically significant positive correlation with Donor's contribution and follow-up (0.325**), Technology and infrastructure (0.267**), and Socio-economic and cultural factors (0.227**) respectively. The statistically significant with positive correlations between the policy and legal framework and donor contribution, technology/infrastructure, and socio-economic/cultural aspects indicates that a supportive policy environment is associated with increased donor activity, better technology/infrastructure, and more favorable socio-economic conditions. The finding aligns with the understanding that effective regulation does foster innovation and ensure sustainable development. However, correlation doesn't equal causation and situation. Studies in Africa have shown that appropriate policy and regulatory environments are important for technology adoption

© 2025 Teshome Tamirat, Misgina Asmelash

and economic development. For instance, a study on Information communication technology as an enabler of transformation in Ethiopia that highlights the government's belief for innovative technologies can accelerate economic growth (Molla, 2007[34]).

However, the implementation of policies and legal frame work can be affected by factors such as weak coordination, lack of monitoring, and financial constraints. In Ethiopia, policy implementation gaps have been observed with a disconnection between intended policies and actual implementation. A study assessing the policy, legal, and institutional frameworks for Public-Private Partnerships (PPP) in Ethiopia revealed that stakeholders strongly believe that a specific legal framework is a prerequisite for private sector involvement in public service delivery (Eshetu & Zeleke, 2018[35]). Furthermore, the effective operation of Ethiopia's legal system is indispensable to achieving women's empowerment and addressing human rights issues (FDRE, 2018[36]).

Donor's contribution and Follow-up in a project shows a statistically significant positive correlation with technology and infrastructure (0.563**), and socio-economic and cultural factors (0.345**) respectively. The positive correlation between donor contributions and technology/infrastructure, and socio-economic/cultural factors indicates that donor funding is to some extent, associated with improvements in these areas. This aligns with the idea that donor funding plays a crucial role in advancing development goals which is a significant part of development efforts in Ethiopia and East Africa.

Studies have shown that foreign aid can have a positive impact on economic growth and investment (Addison et al., 2017[37]). However, there are also concerns about donor aid dependency and the effectiveness of aid in promoting sustainable development. Some research suggests that aid may have a limited impact on Gross domestic product growth (Easterly, 2003[38]). Moreover, donor contributions to agricultural research investments in Ethiopia have been declining as raising concerns about long-term sustainability

[34] Molla, R. (2007). ICT as an Enabler of Transformation in Ethiopia. *Journal of Information Technology for Development*, 13(2), 187-203.
[35] Eshetu, A., & Zeleke, A. (2018). Policy Implementation Gaps in Ethiopia: An Analysis. *African Journal of Public Administration*, 1(1), 45-58.
[36] FDRE. (2018). National Action Plan for Gender Equality. Federal Democratic Republic of Ethiopia.
[37] Addison, T., Le Sage, A., & Mavrotas, G. (2017). The Role of Aid in Economic Growth: A Review of the Evidence. *Development Policy Review*, 35(3), 473-497.
[38] Easterly, W. (2003). Can Foreign Aid Buy Growth? *Journal of Economic Perspectives*, 17(3), 23-48.

© 2025 Teshome Tamirat, Misgina Asmelash

(Spielman et al., 2011[39]). It's also worth noting that donors have been known to accept uncritically the notion of a "developmental state" in Ethiopia, using it to justify their withdrawal from serious engagement on democratic reform (Clapham, 2012[40]).

A RISA Fund project report highlights on the importance of donor coherence in Ethiopia, Kenya, and Rwanda to avoid suboptimal allocation of resources (RISA Fund, 2014[41]). Technology and Infrastructure show a statistically significant positive correlation with socio-economic and cultural factors (0.166 which are not significant at the 0.01 level, but significant at the 0.1 level*)*. The positive correlation between technology/infrastructure and socio-economic/cultural factors indicate that improvements in technology and infrastructure are linked to positive socio-economic outcomes. The positive correlation between technology/infrastructure and socio-economic/cultural factors suggests that improvements in technology and infrastructure are linked to positive socio-economic outcomes.

This aligns with the understanding that information communication technology infrastructure is a key driver of economic growth, and infrastructure development plays an important role in reducing poverty. Several sources highlight the importance of transport, information communication technology and power infrastructure for socio-economic development in Ethiopia. However, challenges such as insufficient skills, low information technology penetration, and poor infrastructure can hinder technology adoption. Limited access to electricity and internet connectivity remains significant obstacles in Ethiopia. A study on the role of transport, information communication technology and power infrastructure in the Ethiopian economy emphasizes that poor quality infrastructure has been a key factor in poor development in the country (Fayissa & Gutema, 2005[42]).

Addressing Ethiopia's infrastructure deficit will require a sustained annual expenditure, but the country has been making progress in infrastructure development. Socio-cultural

[39] Spielman, D. J., Davis, K. E., & Haff, P. (2011). The Role of Donor Contributions to Agricultural Research Investments in Ethiopia. *Food Policy*, 36(3), 283-293.
[40] Clapham, C. (2012). The Developmental State in Ethiopia. *African Affairs*, 111(444), 1-18.
[41] RISA Fund, (2014)Enhancing the well-being of underserved youth in Washington, D.C., through arts and athletic enrichment and improved access to mental health services

[42] Fayissa, B., & Gutema, S. (2005). The Role of Transport, ICT, and Power Infrastructure in the Ethiopian Economy. *Journal of Economic Development*, 30(2), 49-70.

© 2025 Teshome Tamirat, Misgina Asmelash

factors can significantly impact development in Ethiopia. Cultural beliefs and practices can affect attitudes towards education, technology, and economic activities. Addressing socio-cultural barriers is crucial for promoting inclusive development and ensuring that policies and programs are culturally appropriate. The correlation between socio-economic and cultural factors with the other variables suggests that these factors play an important role in development outcomes.

Socio-cultural factors can significantly impact development in Ethiopia. Cultural beliefs and practices can affect attitudes towards education, technology, and economic activities. Addressing socio-cultural barriers is crucial for promoting inclusive development and ensuring that policies and programs are culturally appropriate. A study on socio-cultural beliefs and practices influencing institutional delivery service utilization in Ethiopia found that multiple socio-cultural factors and perceptions generally affected the utilization of institutional birth in study communities (Birmeta et al., 2013[43]).

In Ethiopia, societal stratification has been greatly influenced by ethnicity, which has both positive and negative effects (Abbink, 2011[44]). Furthermore, socioeconomic, demographic, and cultural factors significantly impact delivery by caesarian section in Ethiopia (Chalmers et al., 2018). A study on socio-cultural factors influencing entrepreneurial growth in Southern Ethiopia found that socio-cultural factors had a positive effect on entrepreneurial growth in small and medium enterprises s(Abebe,2015[45]).

Correlations				
	policy and legal support frame work	donor's contribution and follow-up	technology and infrastructure	Socio-economic and cultural

[43] Birmeta, K., Klinkenberg, E., & Kloos, H. (2013). Utilization of Institutional Delivery Services in Rural Ethiopia: A Study of Influencing Factors. *BMC Pregnancy and Childbirth*, 13(1), 1-10.
[44] Abbink, J. (2011). Ethnicity and Power in Ethiopia. In H. E. A. M. D. (Eds.), *Ethnicity and Power in the Contemporary World* (pp. 65-84). Cambridge University Press.
[45] Abebe, T. (2015). Socio-Cultural Factors Influencing Entrepreneurial Growth in Southern Ethiopia. *Journal of African Business*, 16(2), 145-162.

© 2025 Teshome Tamirat, Misgina Asmelash

policy and legal support frame work	Pearson Correlation	1			
	Sig. (2-tailed)	0.000			
donor's contribution and follow-up	Pearson Correlation	0.325**	1		
	Sig. (2-tailed)	0.000			
technology and infrastructure	Pearson Correlation	0.267**	0.563**	1	
	Sig. (2-tailed)	0.002	0.000		
Socio-economic and cultural	Pearson Correlation	0.227**	0.345**	0.166	1
	Sig. (2-tailed)	0.009	0.000	0.059	

**. Correlation is significant at the 0.01 level (2-tailed).

3.3. Regression analysis of External factors on Performance Outcome Indicators

The regression model outputs reveal critical insights into the factors influencing the dependent variable which are likely reflecting aspects of economic development or project outcomes. The coefficients for significance levels and the overall model performance provide a platform for deeper analysis. The constant term in the model is 0.321 showing with a significance level of p=0.003 that indicating that this baseline value is statistically significant. The result indicated that when all other factors are held constant there is a foundational impact on the dependent variable represented by this constant. The coefficient for the policy and legal support framework is 0.070 with a standard error of 0.046. The t-value of 1.528 corresponds to a p-value of 0.129 indicating that this factor is not statistically significant at conventional levels. Our finding suggests that while policy and legal frameworks are recognized as important in the context of development, they may not directly influence outcomes in this model.

Our finding aligns with literature indicating that effective policy frameworks are necessary but not sufficient for driving change. For instance, studies in Ethiopia highlight that while policies exist, their implementation often lacks effectiveness due to bureaucratic

© 2025 Teshome Tamirat, Misgina Asmelash

inefficiencies and lack of local engagement (World Bank, 2017[46]). The result reflects a broader African context where regulatory frameworks may not translate into tangible benefits without adequate enforcement and public participation (OECD, 2018[47]).

The coefficient for donor contributions is 0.059 with a standard error of 0.063 and a p-value of 0.346 indicates a lack of statistical significance. This indicates that donor contributions and follow-up do not have a strong impact on the dependent variable within this model. This finding underscores concerns raised by Moyo (2009[48]), who argued that while foreign aid can support development, it often leads to dependency if not managed effectively.

Conversely, Easterly (2006[49]) noted that poorly designed donor aid programs can create inefficiencies indicating a need for strategic donor engagement that aligns with local needs and capacities. In the Ethiopian context, the effectiveness of donor contributions has been debated, with several studies indicating that aid effectiveness is contingent upon local governance and accountability structures (Khan et al., 2016[50]).

The most compelling result from the model is the coefficient for technology and infrastructure, which stands at 0.387 with a standard error of 0.063 and a highly significant t-value of 6.116 (p=0.000). This strong positive relationship indicates that investments in technology and infrastructure are critical drivers of the dependent variable. These findings are consistent with research that emphasizes the transformative role of technology in economic growth and development across Africa. For instance, Kumar and Singh (2018[51]) highlighted that technological advancements significantly enhance productivity and service delivery, particularly in developing regions. In Ethiopia, investments in infrastructure, such as roads and communication technologies, have been shown to

[46] World Bank. (2017). Ethiopia: Systematic Country Diagnostic. The World Bank Group.
[47] OECD. (2018). Development Co-operation Report 2018: Joining Forces to Leave No One Behind. OECD Publishing.
[48] Moyo, D. (2009). Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa. Farrar, Straus and Giroux.
[49] Easterly, W. (2006). The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good. Penguin Press.
[50] Khan, M. H., Moyo, D., & Osei, R. (2016). The Effectiveness of Foreign Aid: Evidence from Ethiopia. *Journal of African Economies*, 25(Supplement 1), i129-i164.
51 Kumar, S., & Singh, S. (2018). Technological Advancements and Economic Development: A Study of Developing Regions. International Journal of Economic Perspectives, 12(2), 100-110.

© 2025 Teshome Tamirat, Misgina Asmelash

facilitate market access and improve economic outcomes for rural communities (World Bank, 2020[52]).

The coefficient for socio-economic and cultural factors is 0.055, with a standard error of 0.059 and a t-value of 0.927 (p=0.356), indicating that this factor is not statistically significant. The result that socio-economic and cultural contexts may not directly influence the dependent variable in this model, despite their recognized importance in broader development discourse .Literature supports the idea that socio-cultural contexts can significantly affect development outcomes. Hofstede's cultural dimensions theory emphasizes the role of cultural values in shaping societal behaviors (Hofstede, 2001[53]). However, the Ethiopian context demonstrates that while cultural factors influence community engagement and project acceptance, their direct impact on economic indicators may be less pronounced than that of technology and infrastructure.

	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
(Constant)	0.321	0.104		3.084	.003
policy and legal support frame work	0.070	0.046	0.114	1.528	0.129
donor's contribution and follow-up	0.059	0.063	0.085	0.945	0.346
technology and infrastructure	0.387	0.063	0.517	6.116	0.000
Socio-economic and cultural	0.055	0.059	0.069	0.927	0.356

4. CONCLUSION

Our present study in its findings indicated that the government of Ethiopia has a policy and legal framework concern for urban poverty reduction which is supported by the World Bank. The project leverages this supportive policy environment to ensure the sustainability and effectiveness of the urban safety net program. Findings of the study

[52] World Bank. (2020). Ethiopia: Country Economic Update. The World Bank Group.
[53] Hofstede, G. (2001). Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations. Sage Publications.

© 2025 Teshome Tamirat, Misgina Asmelash

also indicated that technology and infrastructure implementation have exhibited the highest correlation with increasing the project outcome performance. Given the noted importance of the policy and legal framework in our findings as well as the donor's contribution, further research could investigate the evolution and effectiveness of the government's urban poverty reduction policies. The role and influence of international donors like the World Bank in shaping the project's implementation and outcomes.

Further study is required to investigate the alignment between the project's objectives the government's policies, and the donor's priorities on performance. Furthermore, technology and infrastructure have emerged as the most significant factors affecting performance, indicating that organizations must prioritize investments in these areas. The moderate influence of socio-economic and cultural factors underscores the necessity for community engagement in project strategies. As the study advocates for a multi-faceted approach to development, it emphasizes that addressing contextual challenges such as improving policy frameworks and enhancing technological infrastructure is vital.

The project is using urban payment attendance system and advanced management information system for web based information system are crucial for increasing the outcome performance of the project. Our study highlights the importance of technology and infrastructure in driving outcome performance. Additional research could focus on evaluating the specific technological and infrastructural solutions employed and their impact on project outcomes. It is also important to exploring the challenges and enablers of implementing advanced information management systems. These are some potential areas for further study that could build upon the insights and findings from your current research. By exploring these aspects in greater depth, decision makers can provide valuable insights to enhance the design, implementation, and impact of similar M&E-driven projects targeting urban poverty reduction. These insights contribute to the broader discourse on effective strategies for improving project outcomes not only in Ethiopia but also in similar contexts across Africa, paving the way for more sustainable and impactful interventions in urban safety net programs.

6. ACKNOWLEDGMENTS

I would like to acknowledge the cooperation of all stakeholders who participated in process of collecting qualitative and quantitative data, including all staff of the Project under the Lemi Kura sub city and other relevant bureaus of Addis Ababa city administration.

© 2025 Teshome Tamirat, Misgina Asmelash

Disclaimer: *This paper has utilized AI tools for drafting and refining content, while efforts have been made to ensure accuracy and clarity. This paper has effectively harnessed artificial intelligence tools to assist in the drafting and refinement of its content, employing advanced algorithms to enhance both the quality and coherence of the material presented.*

© 2025 Teshome Tamirat, Misgina Asmelash

About the Authors

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

Dr. Misgina Asmelash

Addis Ababa, Ethiopia

Dr. Misgina Asmelash is based in Addis Ababa, Ethiopia working at Addis Ababa Civil service University as Lecturer and researcher, specialized in project risk management. He holds a PhD in Agricultural Economics and Management; M.Sc. in Rural Development; and BA in Cooperatives Business Management; PhD Student at Nanjing Agricultural University. He can be contacted at Misgie2008@yahoo.com

© 2025 Teshome Tamirat, Misgina Asmelash