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# Effect of Monitoring and Evaluation on Success of Economic Recovery Fund Project in Business Development Fund (BDF), Kicukiro District

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**ABSTRACT** This study titled : effect of Monitoring and evaluation on success of Economic Recovery fund Project in Kicukiro district. The objectives of the study was to establish the extent to which the strength of monitoring team influence success of Economic Recovery fund project in Kicukiro district ,Determine the influence of budgetary allocation on success of Economic recovery fund project in Kicukiro district, establish the influence of Monitoring and Evaluation plan on success of Economic recovery Fund project and evaluate the influence of selection of tools and technics on success of Economic Recovery fund project. This study used a descriptive survey research design and targeted 210 respondents and a sample of 138 respondents of the target population were considered. Stratified sampling technic method was used, and primary data were collected using questionnaires. A pilot study was conducted to pretest the validity and reliability of instrument for data collection. The research supervisor's opinions were obtained to ensure content validity of the research instrument. The data were analyzed using SPSS and presented using frequency tables to facilitate comparisons and conclusions. Data collected were analyzed and interpreted based on the identified independent and dependent variable. The data were analyzed using correlation regression where the study used Pearson's correlation to relate the variables, this was used to establish if there is a correlation between dependent variables Project success against independent variable strength of monitoring team and its influence on project success, Budgetary allocation and project success, M&E plan and project success and selection of tools and technics and project Success. The study revealed that strength of monitoring team, budgetary allocation, M&E plan and selection of tools and techniques played an important

role in determining the success of Economic Recovery fund projects. After this research we discovered how Monitoring and evaluation is contributed on success of Economic Recovery Fund project in Kicukiro.

## **1.INTRODUCTION**

Country worldwide including Rwanda, have been grappling with how to ensure success of the project. There is evidence of growing number of countries perusing the path of results orientation by building or strengthening their projects monitoring and evaluation system (Mackay,2006). While monitoring has been described as the systematic and routine collection of information from projects and programs (Scriven ,1991), evaluation is a systematic process used to determine the merits or worth of a program or strategy in a specific context (Guskey,2000).

Monitoring and evaluation strategies are essential components of any project and are crucial to is success. The challenges are not the making of an M&E system or framework but to perform an effective monitoring and evaluation (Nyabuto,2010). Several studies have been carried out with an aim of determining the critical success factors which contribute to project success (Charles K.and Human ,2015)

The key to a successful Monitoring and Evaluation system is to utilize the collected data correctly ; Monitoring is seen as a continuous function that uses systematic collection of data on specified indicators to provide management and main stakeholders of on-going development intervention which indications of the extent of progress and achievement of objectives. Evaluation on the other hand is the systematic and objective assessment of an ongoing or completed project, program or policy which is aim to determine relevance and fulfillment of objectives, development efficiency, effectiveness, impact, and sustainability (UNDP,2009).

# .2. STATEMENT OF THE PROBLEM

Covid 19 is global pandemic that devastated the economy of countries ,and on 14<sup>th</sup> March 2020 first case appeared in Rwanda ,therefore different measures have been taken to reduce the spreading of virus ,where by the government of Rwanda decided to keep people in their homes( lockdown period ) different times and this have caused the fall down the economy of Rwanda ,and in order to up head the economy of Rwanda ,Government has introduced The project to boost the economy of Rwanda and BDF was in charge of Monitoring and evaluation of its success and the impact is having on the economy of Rwanda and that project is Economic Recovery Fund Project.

The Economic Recovery Fund (ERF) was established by the Government of Rwanda to support the recovery of businesses hardest hit by COVID19 so that they can survive, resume operations and safeguard employment, thereby modulating the economic effects of the pandemic, and expand domestic production of essential goods during Covid 19 and Post Covid 19 period. Business Development Fund (BDF) would oversee monitoring and evaluation of this project and National Development Bank as Fund manager.

In Kicukiro, BDF disbursed 199,000,000 Rwf in 200 beneficiaries through 10 Sacco located in Kicukiro District. The success of Economic recovery Fund project in Rwanda is measured by number of Economic activities boosted ,Number of jobs created ,the difference in business before and after receiving the fund but in terms of sales and benefits , the capacity of client to repay a loan in bank and also by hope they have on sustainability of their projects or business .

#### **General objective**

The general objective of this study is to find the effect of monitoring and evaluation on success of Economic recovery fund project in Business Development Fund (BDF), in KICUKIRO District

#### **Specific objective**

i. To establish the effect of monitoring team on success of economic recovery fund projects in Kicukiro district.

#### **Research questions**

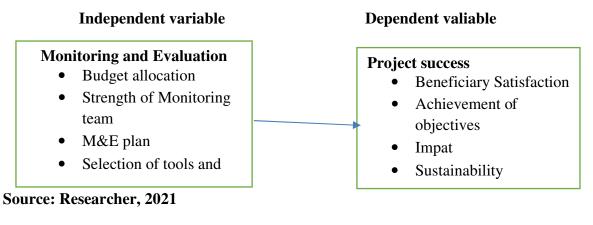
**1.** To what extend does the strength of monitoring team influence success of economic recovery fund project in Kicukiro districtResearch Hypothesis

**H1:** There is effect of monitoring and evaluation on success of economic recovery fund project in BDF. Case study: Kicukiro district

### 2. Literature

Conceptual framework

The study was based on the following conceptual framework



#### The Theory of Change

A theory of change explains how the activities undertaken by an intervention (such us a project, a program or policy) contribute to a chain that leads to the intended or observed impacts. A theory of change is often developed during the planning stage but can also be useful for monitoring an evaluation. A good theory of change can help to: Develop better key evaluation Questions, identify key indicators for monitoring, identify gaps in available data, prioritize additional data collection, and provide a structure for data analysis and reporting .Your intervention might already have a theory of change that was developed in the planning stage. The theory of change as it can be developed during planning but it don't predict what strategies will be used when the situation or environment will not allow the researcher to use this theory.

A theory of change can provide a framework for a performance story. A coherent narrative about how the intervention makes contributions. This can be useful for communicating about the intervention to potential partners, participants and policy makers, and for also providing a consistent point of reference for those involved in implementing and managing it .A theory of change is not just a list of activities with arrows to intended outcomes. It needs to explain how these changes are understood to come about and the role the intervention will play in this, and the role of other factors, including other interventions. While the core of the theory of change focuses on the links between activities and impacts, it is more useful if it does not only cover focuses on the link between activities and impacts.

#### **Empirical Review**

#### **Monitoring Team and Project Success**

Providing support and strengthening of M & E team is a sign of good governance. Providing support and strengthening of M&E team will also play a key role in ensuring that the M & E team adds value to the organizations operations (Naidoo, 2011). A motivated team usually achieves high performance (Zaccaro et<sup>e</sup> al, 2002). This implies that the more a team is strengthened, the better the performance and value addition to the organization. This also applies to the monitoring and evaluation teams in project management. Interestingly Pretorius et<sup>e</sup> al (2012) observed that there was no significant association between the maturity of quality management practices in project management organizations and the results of the projects that they produce. Nevertheless, it is the view of the researcher that managers should indeed aspire to achieve quality in all the aspects and processes, including quality monitoring team, so as to achieve project success.

The literature reviewed identifies the various aspects which are used in assessing the strength of monitoring team which is perceived to be one of the factors influencing project success. These aspects include: Financial availability, number of monitoring staff, monitoring staff skills, frequency of monitoring, stakeholders representation, Information systems (Use of technology), Power of M & E Team and teamwork among the members (Naidoo, 2011; Ling et" al, 2009; Magondu, 2013; Hassan, 2013; Georgieva & Allan, 2008; Gwadoya, 2012) evaluation is at its maximum.

#### **3. MATERIALS AND METHODOLOGY**

A descriptive research design combing both quantitative approach was used. The target population of this study was 200 beneficiaries of Economic Recovery Fund Project and 10 sacco managers. From which a sample size of 138 respondents was drawn using the Yamane Taro formula. Stratified random sampling was used to select the respondents. The Stratified Random Sampling technique ensured that different groups of a population is adequately represent in the sample since it is divided the population into homogenous groups such that the elements within each group are more a like than the elements in the population as a whole (Albert, 2012).

The sample in this study was set up using the formula of Yamane Taro

### Formula

N=N/1+Ne<sup>2</sup> Where the margin error is 95% and

n; Sample size

N: Research population size

e; Confidence or Level of precision of 5%

 $n=210/1+210(0.05)^2=137.7$  around 138.

Where n= stands to the desired sample size, e = stands for probability of error (the desired precision, 0.05 for 95 % confidence level), N= the estimate of the population size.

A closed ended questionnaire was used to collect data from the respondents. Data was processed for both descriptive and inferential statistics using Statistical Package for Social Sciences (SPSS) version 17

3.RESEARCH FINDINGS AND DISCUSSION

Perceptions of the Respondents on on strength of monitoring team's effect on Success of Economic recovery Fund project

Table 1 Respondents point of view on strength of monitoring team's effect on Success ofEconomic recovery Fund project.

Statements	Strongly	Agree	Agree		السمامينام	d	Disagree		Strongly	Disagree	Total	
Statements	F	%	F	%	F	%	F	%	F	%	F	%
Number of M&E team played a role on success ERF project	48	34.7	90	65.3	0	0	0	0	0	0	138	100
The frequency of M&E is playing its role on success of ERF Project	42	30.4	72	52.2	0	0	24	17.4	0	0	138	100

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During M&E												
,Beneficiaries are given												
time to express their	65	47.1	73	52.9	0	0	0	0	0	0	138	100
point of view on												
success or ERF project												

Source: Primary Data (2022)

For this question, the researcher intended to assess the appreciation level of respondents on effect of monitoring team on success of Economic Recovery Fund Project from BDF in Kicukiro district As indicated in table, the most agreed Monitoring team affected on success of Economic Recovery fund project from business Development fund project in Kicukiro district.

The respondents agreed that the number of Monitoring team affected the success of ERF project p that and this was agreed at 65.3% and strongly agreed at 34.7%; the fact that the frequency of Monitoring and Evaluation played a role on success of Economic Recovery Fund project from Business Development Fund in Kicukiro District was also agreed at 52.2% and strongly agreed at 30.4% and was disagreed by respondents at 17.4%. In addition, the fact that during Monitoring and Evaluation, beneficiaries were given time to express their point of view on success of Economic Recovery Fund project in Kicukiro District was strongly agreed at 47.1% and agreed at 52.9% of the respondents.

From the presented study results, since all the statements set were both agreed and strongly agreed, it is enough to understand that there is evidence of that monitoring team played a role on success of Economic Recovery Fund Project in Kicukiro district.

### **Testing Hypothesis**

This sub section indicated the results which were used to test null hypothesis one.

**Research Objective:** To establish the effect of monitoring team on success of economic recovery fund projects in Kicukiro district

H1: There is significant role of budget allocation and project performance of media projects Rwanda

Statistical results are presented in the form of stepwise regression models where they are in three

phases namely: (1) model summary which indicates the overall effect using adjusted  $R^2$  to measure the multiple regression results (2) ANOVA which is analysis of variance in the results which helps to test the null hypothesis and (3) coefficients of explanatory variables individual effects as used in the multiple regression model.

 Table 2: Model Summary on budget allocation

			Adjusted	Std. Error of the
Model	R	R Square	R Square	Estimate
1	.844 <sup>a</sup>	.712	.707	.246

a. Predictors: (Constant), Monitoring and Evaluation

The results in above table indicated that the Adjusted  $R^2$  is .712 which means the monitoring and evaluation (Strenght of monitoring team, Budget allocation, Monitoring and evaluation plan and selection of tools and technics ) jointly affect on success of Economic Recovery Fund Project in this study

Table 3: ANOVA<sup>a</sup>on budget allocation

		Sum of				
Model		Squares	df	Mean Square	F	Sig.
1	Regression	49.228	4	12.307	4.105	.000 <sup>a</sup>
	Residual	398.750	133	2.998		
	Total	447.978	137			

a. Predictors: (Constant), Monitoring and Evaluation

b. Dependent Variable : Project Success

The results in Table above show that the F-test is positive 4.105 and that it is significant at 5% because its significance level is 0.000a. Therefore, based on the results of this test, we cannot accept the null hypothesis stating that "Monitoring and Evaluation (Strenght of Monitoring team, Budget allocation, Monitoring and evaluation plan and Selection of tools and technics) does not have significant effect on Success of Economic Recovery Fund Project ". This is due to the fact that the ANOVA results indicated that there is positive and significant effect on Success of

Economic Recovery Fund project at in Business Develpment Fund (BDF) in this study.

### Table 4: Coefficients on Monitoring and Evaluation

Table	4.12:	Coefficients
Lanc	7.14.	Coefficients

	Unstanc	lardized	Standardized		
	Coeffi	cients	Coefficients		
Model	B Std. Error		Beta	Т	Sig.
(Constant)	1.702	.027		.420	1.000
Strength of monitoring team	2.791	.022	.410	.303	.013
Budget allocation	.833	.039	.558	.157	.000
Monitoring and Evaluation plan	.167	.044	.208	.211	.037
Selection of tools and technics	1.131	.044	.428	1.031	.020

a. Dependent Variable : Success of ERF

Based on the regression equation and findings, it was revealed that holding of Economic recovery fund project in Business Development Fund (BDF) to a constant zero, Success of ERF would be 1.702. Indeed, this constant called y-intercept is not realistic but it is a needed parameter in the model.

As per the findings, there is positive and significant effect of Strength of monitoring team on Success of ERF ( $\beta = 0.410$ ; t-test = 0.303; p-value < 5%). This implies that a unit increase in Strength of monitoring team would lead to an increase in Success of ERF by a factor of 0.410. Likewise, there is positive and significant effect of Budget allocation on Success of ERF ( $\beta = 0.558$  t-test =0. 157 ; p-value < 5%). This implies that a unit increase in Budget allocation would lead to an increase in Success of ERF by a factor of 0.558.

Furthermore, there is positive but insignificant effect of Monitoring and Evaluation plan on Success of ERF ( $\beta = 0.208$ ; t-test = 0.211; p-value > 5%). This implies that a unit increase in Monitoring and Evaluation plan would lead to an increase in Success of ERF by a factor of 0.208.

Finally, there is positive and significant effect of Selection of tools and technics on project on the

Success of ERF ( $\beta = 0.428$ ; t-test = 1.301; p-value >5%). This implies that a unit increase in Selection of tools and technics would lead to an increase in Success of ERF by a factor of 0.428. From these presented regressions analysis results in which each component of monitoring & evaluation would contribute to project success in BDF by a big range, this evidences that all the variables were statistically significant in contributing to Success of ERF especially in Kicukiro District.

#### CONCLUSION AND RECOMMENDATIONS

The general objective of this study was to find the effect of monitoring and evaluation on success of Economic recovery fund project in Business Development Fund (BDF).

The study used descriptive and analytical research design for the effect of funds monitoring and evaluation on success ERF project. In this framework, the questionnaire was used to collect primary data from sampled respondents and it was assisted by documentation review method for further understanding of the problem under study. The study based its findings on the data collected from 138 respondents who filled the questionnaires. This represented a response rate of 100% of the total sampled number; which was an excellent indicator to draw conclusion from. The study considered Success of ERF as dependent variable and strength of monitoring team, Budget allocation, Monitoring and Evaluation plan, selection of tools and technics as its independent variables.

According to the research findings, 55.1 % (majority) of the respondents were males with 44.9% being females. This indicates that ERF employees are competent when it comes to gender balance due to the fact that both males and females meet the percentage of 30% as the government policy of promoting both gender but most especially the females. As for the education level, the study revealed that 21.7% of the respondents are for primary level, 40.5 % high school, 28.9 % with bachelors' degree, 4.3% with master's degrees and 4.3 % otherwise qualified. As for working experience, 18.8 % have the experience of less than 3 years, 34 % are experienced between 4 and 6 years while 47.1 % (the majority) have 7 years of experience and above.

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#### Recommendations

Referring to the study results, the following are the suggestions and recommendations:

Concerning on the role of frequency of monitoring and evaluation on success of economic recovery fund project, the top management of Business Development fund (BDF) should put in place the effective measures on to upgrade the frequency of monitoring and evaluation of ERF project. This could be done through increasing the number of field visit of project.

Regarding to costing estimation, the top management should take it into consideration and the monitoring and evaluation team from BDF have to look at it in order to not over costing the project that can lead on deviation of money.

Concerning on Data collection methods, Monitoring and Evaluation team from BDF have to think again on data collection methods that can allow the team to get all information necessary on effect of monitoring and evaluation on success of Economic Recovery fund project.

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