



**UNIVERSITY OF NAIROBI**

**DEPARTMENT OF DIPLOMACY AND INTERNATIONAL STUDIES**

**THE ROLE OF IFMIS IN ENHANCING TRANSPARENCY AND ACCOUNTABILITY**

**IN THE EAST AFRICAN COMMUNITY: A CASE STUDY OF KENYA**

**BY**

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**R50/39499/2021**

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF MASTER OF ARTS IN INTERNATIONAL  
STUDIES**

**2023**

## DECLARATION


As the author of this paper, I affirm that it is my original work and has not been presented to any institution other than the University of Nairobi for academic purposes.

Signed: .....  


Date: 14-11-2023 .....

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This paper is hereby submitted for examination with my consent as the supervisor.

Signed: .....  


Date: 23rd November 2023 .....

**Dr. John Ltalipen Lekuton**

## **ACKNOWLEDGEMENT**

This project would have been impossible without the help of God, the Almighty, who provided me with the resources and opportunity to carry out every single task involved in the entire process. God has made it possible to reach the completion of this study by granting me his grace, good health and inspiration which have carried me through this research.

My sincere gratitude goes to my supervisor, Dr. John Lekuton, who guided through the different milestones to the point of completing this project. His expertise, guidance and astute feedback have helped me to navigate through the complexities of this study. I also acknowledge the involvement of all lecturers in the Department of Diplomacy and International Studies for the extensive knowledge they imparted in me throughout my studies.

I would also like to thank members of my family including my father Hannington Ogombe Ajwala, my mother Patricia Auma Migot, my wife Linda Valentine, my son Hawi Magufuli, my sister Judith and my brothers Jared, John, Joseph and George, for the invaluable support they have accorded me during the entire period of my studies. I am forever indebted to them all for the help that made this research project a tremendous success.

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## ABSTRACT

This research focus on the role of IFMIS in enhancing transparency and accountability in the east African community with a case study of Kenya. Enhancing information systems in public finance is crucial for more efficient delivery of public services in the East African Community. By embracing such reforms, nations can promote job creation and wealth generation. Due to the reforms, a more transparent and accountable management and spending of public resources by governments and their departments is now possible. The people have benefited from this improvement. For instance, Kenya's government has undertaken multiple public finance reforms in pursuit of greater accountability and transparency since its 2010 Constitution was promulgated. These reforms have successfully attained their objectives. In the current study, a mixed-methods research design has been used. Therefore, it combined qualitative and quantitative data to conclude the research objectives. The study population includes employees from the accounts, finance, and audit departments, procurement workers at the Ministry of Finance in Kenya who utilize IFMIS, and members of staff at the World Bank, IMF, and USAID offices in Nairobi. The research results could uncover whether the implementation of IFMIS has genuinely bolstered transparency and accountability relating to public financial management. Through users' experiences and opinions on the system, we will gain insight into how effective IFMIS is in accomplishing these goals. Uncovering the costs of implementing IFMIS may pose challenges in utilizing it as an independent anti-corruption measure, a likely outcome of the study. The study's discoveries are a tremendous enrichment to comprehend IFMIS's contribution to enhancing transparency and accountability in public finance management, affecting future policy decisions and system enhancements.

## **CHAPTER ONE**

### **INTRODUCTION AND BACKGROUND**

#### **1.0 Introduction**

This study sought to examine the role of IFMIS in enhancing transparency and accountability in the East African Community. With Kenya being the case study, this study pursued three specific objectives: to determine the impact of IFMIS in public finance management, establish the effectiveness of IFMIS in managing transparency and accountability of public finances, and evaluate the challenges and opportunities experienced in the implementation of IFMIS in public institutions in Kenya. Chapter One, therefore, covers the background of the study, the problem statement, the general and specific objectives, the research questions, the justification of the study, its scope, the literature review, and the research methodology.

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

Technology plays an essential role in bolstering transparency and accountability in public finance management all around the world. The global landscape of general financial management has transformed tremendously in recent years through modernized systems. Thus, the foundations of an efficient public finance management regime are the implementation of sound systems, solid legal frameworks, skilled employees, and experience in civil service. In East Africa, public finance management reforms have been identified as important drivers for the efficient delivery of services to the public and for creating wealth and jobs for the people. One of the significant reforms that different governments in East Africa have implemented is the Integrated Financial Management Information System (IFMIS).

Transparency and accountability are crucial to exceptional governance, as they contribute to the efficient use of public financial resources, the prevention of bribery, embezzlement, and corruption, and the realization of sustainable development objectives. According to Apaza, many inefficiencies have been witnessed in traditional financial management systems and other problems, including information asymmetry, fraudulent activities, and lack of real-time data<sup>1</sup>. In the realm of public finance, transparency can be defined as the transparent, open, and accessible presentation of financial information, decisions, policies, and actions of government officials to the members of the public and other relevant stakeholder. On the other hand, accountability is defined as the obligation of government agencies, officers, and institutions to take responsibility for their actions, decisions, and management of public funds. Thus, these two concepts are differentiated because transparency entails providing comprehensive and timely disclosure of financial data, budgets, expenditures, revenue sources, debt obligations, and other monetary matters. At the same time, accountability involves answering for the outcomes and consequences of financial activities and ensuring that resources are used efficiently, effectively, and in accordance with established laws, regulations, and policies.

Most countries forming the East African Community, including Rwanda, Tanzania, Kenya, South Sudan, and Uganda, are implementing IFMIS systems that computerize and automate critical accounting and budget operations. Development agencies such as the IMF and the World Bank have been playing a leading role in ensuring these systems are correctly through technical assistance, financial assistance, training of users, and procurement support. In fact, in recent years, the World Bank has been supporting developing countries in East Africa in training

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<sup>1</sup> Apaza, Carmen R. "Ensuring accountability and transparency through integrated public management systems." PS: Political Science & Politics 45, no. 3 (2012): 435-441.

government operatives to use IFMIS to ensure reform and modernization of public finance management.

Modern IFMIS platforms help governments comply with domestic and international regulations surrounding the handling and reporting of financial information and enhance decentralized operations through the web-based solution, hence allowing access to vast numbers of authorized budget users at different levels. According to the World Bank report of 2021, whenever financial management information systems and other public finance management information systems, such as the payroll, share a centralized database to make records and reports of all financial transactions, there are more reliable outcomes for supporting decision-making, and monitoring performance, they can be deemed as "integrated" information systems.

Regarding Rwanda, the country has benefitted immensely from implementing the Integrated Financial Information Management System (IFMIS). The Rwandan genocide of 1994 brought together the international community to help the country in both political and economic stabilization. The intervention of international organizations such as USAID, EU, IMF, and World Bank did not come without conditions. To avoid the misuse of finance directed to help the victims and survivors of the genocide, the international financial organizations agreed that the country had to adopt an Integrated Financial Information Management System (IFMIS). The system was first launched in Rwanda in 2003. In 2011, President Paul Kagame launched the IFMIS Re-engineering Strategic Plan, which was aimed at revamping IFMIS to make it more effective in managing public finances. The World Bank has been instrumental in Rwanda's implementation of IFMIS. It has given the country crucial financial assistance, technical support, and training users in using and maintaining the system.

In South Sudan, the IMF has been actively training government officials in using IFMIS to carry out financial transactions and procurement processes. South Sudan has had a rough post-pandemic financial crisis, which has forced the international community to intervene. The coronavirus pandemic affected the global economy and caused oil prices to plummet. As a result, South Sudan, which heavily relies on oil for government revenue, had to look for other sources of finance, which made the country seek the help of the International Monetary Fund. IMF agreed to assist South Sudan with finances, but it imposed conditions that would ensure that the loans and grants given to the country are managed transparently and accountable. One such situation was that South Sudan had to adopt IFMIS<sup>2</sup>.

The implementation of IFMIS is a crucial priority for Kenya's government as part of its ongoing reform efforts, as IFMIS is commonly used to improve how financial management is carried out within governmental organizations and promote their transition towards contemporary finance management approaches aligned with international benchmarks. Some researchers believe IFMIS elevates the levels of transparency and accountability within different governmental tasks. Therefore, this research seeks to establish the role of IFMIS in enhancing transparency and accountability in the East African Community.

## **1.2 Statement of the Problem**

Over the past couple of decades, countries in the East African Community have been seen to increasingly embark on efforts to digitize government operations, primarily public finance management. The most common of these efforts has been the introduction of IFMIS. The

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<sup>2</sup> Apaza, Carmen R. "Ensuring accountability and transparency through integrated public management systems." *PS: Political Science & Politics* 45, no. 3 (2012): 435-441.

governments of Kenya, Rwanda, South Sudan, Uganda, and Tanzania have introduced this particular system that may act as the sole system of managing public fund transactions to ensure greater levels of transparency and accountability in their operations. Of all the reasons for adopting IFMIS, the benefits envisaged from its use and the facilitation of public finance management with regard to transparency and accountability have made governments embrace IFMIS.

Nevertheless, over a decade since these countries started using the system, its benefits have not fully been reaping. In most of these East African Community nations, high-interest rates, incorrect use of public resources, and overdue payments have all been caused by the inadequate management of software packages and manual processing in developing nations' public financial management systems. According to an IMF report of 2022, critical procedures like budget planning, control audit, and report generation are not functioning reliably, and timely data is unavailable in most East African Community countries, further obstructing accountability measures<sup>3</sup>. The result significantly impedes service delivery efficiency, and governments struggle to provide necessary financial information, thwarting transparency efforts.

Besides, the unique context of public institutions adds a layer of complexity to implementing IFMIS. The varying institutional structures, capacities, and regulatory frameworks across public entities can impact the degree to which IFMIS effectively contributes to transparency, accountability, and overall financial governance. As such, a comprehensive analysis of the impact, effectiveness, challenges, and opportunities of IFMIS in public finance management is essential to inform policy decisions, improve implementation strategies, and ultimately enhance the quality of financial management within public institutions.

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<sup>3</sup> Harelimana, J. "Impact of integrated financial management information systems on performance of public institutions in Rwanda." *Enterprise Risk Management* 3, no. 1 (2017): 38-51.

Although IFMIS, as a technological innovation, promises to revolutionize how governments manage, monitor, and report on their financial activities, only a handful of researchers looked at it from the perspective of its impacts and implementation challenges in the light of accountability and transparency. While there is a growing body of literature on the potential benefits of IFMIS implementation, there remains a notable gap in understanding the nuanced impact of IFMIS on public finance management, transparency, and accountability, particularly within the context of public institutions.

### **1.3 Research Questions**

- i) What is the impact of IFMIS on public finance management?
- ii) How effective is IFMIS in contributing to transparency and accountability of public finances?
- iii) What are the challenges and opportunities experienced in implementing IFMIS in public institutions?

### **1.4 Research Objectives**

#### **1.4.1 General Research Objective**

This research strives to establish the role played by IFMIS in improving accountability and transparency while managing public sector finances.

#### **1.4.2 Specific Research Objectives**

- i) To determine the impact of IFMIS in public finance management.

- iv) To establish the effectiveness of IFMIS in managing transparency and accountability of public finances
- ii) To explore the challenges and opportunities experienced in implementing IFMIS in public institutions.

## **1.5 Literature Review**

### **1.5.1 Impact of IFMIS on Public Finance Management**

Integrated Financial Management Information Systems (IFMIS) has been adopted, with differing outcomes in different countries within the East African bloc. Kenya implemented IFMIS in 1999 and has made notable strides in integrating the system into various government entities, improving budget planning, expenditure control, and financial reporting. Tanzania, however, opted for IFMIS in 2005, successfully automating budget preparation, cash management, and expenditure control, paving the way for better transparency and accountability in public financial management. Introduced in 2003, IFMIS was implemented by Uganda with mixed success. Although the system was designed to enhance financial reporting and budget execution, expenditure control and budget formulation challenges still exist. Meanwhile, Rwanda implemented IFMIS in 2005 to achieve financial management advancement. Their goal was to promote transparency and accountability, which led to remarkable success.

In order to smooth out financial management processes, many countries have conducted multiple investigations. In their book on information systems and how they are used for fiscal management by governments, Hashim et al. assert that IFMIS adoption rates fluctuate across countries, with some fully accepting the program while others confront implementation



difficulties<sup>4</sup>. Factors influencing adoption encompass political will, institutional capacity, financial resources, and technical expertise. Besides, numerous studies have showcased the advantages of IFMIS adoption, such as increased financial accountability, improved efficiency, and better decision-making.

### **1.5.2 Effectiveness of IFMIS in Managing Transparency and Accountability of Public Finances**

Financial management transparency and integrity are critical features of the internal control systems within IFMIS, which have sparked interest in their effectiveness among researchers. According to a book by Flower and Ebbers, clear financial procedures, segregated duties, and detailed audit trails are just some of the benefits of robust internal control mechanisms, as studies have shown<sup>5</sup>. Moreover, integrating IFMIS with other government-related systems, like procurement and payroll, provides an all-encompassing financial view that reduces the chances of any fraudulent activity. Internal control systems may face ineffective results due to issues such as inadequate training, data privacy, and system vulnerabilities that pose a challenge.

Accountability is an essential aspect of public sector financial management, and IFMIS can play an important role in addressing accountability issues. A critical analysis report on IFMIS and its application in Kenya by Atemba and Otuya shows that implementing an IFMIS can improve financial accountability by providing accurate and timely financial information, facilitating oversight and controls, and enabling effective audit processes<sup>6</sup>. By automating financial

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<sup>4</sup> Hashim, Ali, and Bill Allan. "Information Systems for Government Fiscal Management." World Bank. United States of America (2007).

<sup>5</sup> Flower, J., and G. Ebbers. "Global financial reporting": Macmillan International Higher Education." (2018).

<sup>6</sup> Atemba, Laban, and Rev Willis Otuya. "Integrated Financial Information System (IFMIS) and National and County Government Performance in Kenya-A Critical Analysis." International journal of Multidisciplinary and Current research 5 (2017).

processes, IFMIS reduces the risk of human error, fraud, and corruption, thereby increasing transparency and accountability in the public sector. However, the research also highlights challenges related to data quality, system reliability, and resistance to change that may hinder the full potential of IFMIS in addressing accountability issues.

### **1.5.3 Challenges and Opportunities Experienced In the Implementation of IFMIS In Public Institutions**

The World Bank and IMF have emerged as some of the critical stakeholders in promoting the adoption of IFMIS all around the world. According to the World Bank's Annual Report 2022, these international bodies recognize the importance of effective public financial management and how it can help sustain a country and push it towards economic development<sup>7</sup>. IMF and World Bank help countries manage their public finance by offering financial assistance programs. For instance, when the country sought to digitize its financial management system in Kenya, the IMF supported it by providing loans and grants for the government to invest in deploying the IFMIS infrastructure, software, and various training programs.

Due to the complexity of implementing IFMIS, governments must establish specialized expertise. The World Bank and the IMF have extensively provided such expertise, hence offering crucial technical support. According to a review paper on the dynamics of public debt in Malawi by Saungweme, these international bodies give governments experts who can evaluate their specific needs and then come up with tailored IMF solutions and show them the best practices for ensuring successful implementation<sup>8</sup>. These organizations also provide policy recommendations and advocacy. They have actively been advocating for the adoption of IFMIS

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<sup>7</sup> World Bank. "Financial management information systems (FMIS)." 4 Aug. 2022

<sup>8</sup> Saungweme, Talknice. "The dynamics of public debt in Malawi: A review." (2022).

in different countries as a way of improving financial management practices across the world. As such, these organizations offer support by providing research, releasing annual reports, and issuing policy recommendations to convince governments of the merits of adopting IFMIS. Such efforts inspire policymakers to prioritize IFMIS as part of their public financial management reforms.

#### **1.5.4 Research Gap**

Based on the reviewed literature, it is evident that there is an immense lack of empirical evidence on the influence of IFMIS on the management of public sector finances, especially concerning accountability and transparency. In addition, it remains crucial to investigate the influence of IFMIS on the quality of financial reporting and the strength of its internal controls.

#### **1.6 Significance of the Study**

##### *Governments*

The current study provides important recommendations and research analyses that can provide more unique improvements to the financial management of East Africa's public sector. East African governments can use these insights to bridge gaps and refine public service delivery more effectively. With these actions put in place, betterment towards transparency and accountability of general financial management can be achieved giving the public more confidence in how the government manages public funds.

##### *Investors*

The findings of this study reach beyond just the government and impact potential investors in the private sector, too. Private investors can use this research to become more secure in the public

financial system, highlighting the government's responsibility for tax payments and fiscal organization. This added assurance in the government's economic management is vital for encouraging continued investment from various private companies, an integral aspect of maintaining a prosperous and thriving country for years to come.

#### *Donors/ International Financial Bodies*

This research will be crucial to international financial bodies which play an essential role in shaping these systems through various interventions such as technical and financial assistance, procurement support, and training to the East African Community.

### **1.7 Hypotheses**

The hypotheses for this research are as follows:

- i) IFMIS significantly impacts public finance management by enhancing budget allocation, expenditure monitoring, and revenue collection.
- ii) IFMIS effectively enhances transparency and accountability in public finances by providing real-time financial data, reducing opportunities for corruption, and enabling better auditing mechanisms.
- iii) The challenges and opportunities experienced during IFMIS implementation significantly impact its effectiveness, with technical integration issues, data security concerns, and training gaps. In contrast, options include improved data-driven decision-making and streamlined financial processes.

## **1.8 Theoretical Framework**

Several theories can be used to establish the role played by IFMIS in improving accountability and transparency while managing public sector finances. This study will apply the unified theory of acceptance as its main theory of analysis. However, other theories such as the use of technology theory will also be looked into.

### **1.8.1 The Unified Theory of Acceptance and Use of Technology (UTAUT)**

The Unified Theory of Acceptance and Use of Technology (UTAUT) is a renowned theoretical model used in adopting technology and its acceptance. It was pioneered by Venkatesh and Davis in 2003<sup>9</sup>. The theory seeks to illustrate and predict how people accept and use technological innovations. Therefore, this theory integrates prior acceptance models and frameworks; hence, it is a comprehensive theory for explaining the adoption of technology in society.

The theory incorporates certain critical constructs that make it what it is. The first construct is performance expectancy, which is the extent to which a person is persuaded that using a particular technology will help them attain better job performance<sup>10</sup>. Thus, it concerns the perceived usefulness of the technology in question. The second tenet is effort expectancy, defined as the extent of ease of using the technology. Thus, users will tend to accept and use a form of technology that they have found easy to use. The third tenet of social influence, defined in the context of technology adoption, is the extent to which a person believes a technology is essential to others, hence the need to use it. Other tenets of this theory include facilitating conditions, behavioral intention, and usage behavior. In this regard, reducing conditions entail

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<sup>9</sup> Momani, Alaa M. "The unified theory of acceptance and use of technology: A new approach in technology acceptance." 79-98.

<sup>10</sup> Williams, Michael D., Nripendra P. Rana, and Yogesh K. Dwivedi. "The unified theory of acceptance and use of technology (UTAUT): a literature review." 443-488.

the extent to which a person perceives that an organization can technically sustain using a particular technology. Behavioral intention and use behavior relate to the user's willingness to adopt the technology and its actual use.

Regarding financial management in the public sector in East African countries, the unified theory of acceptance and use of technology serves as an invaluable instrument for assessing the factors influencing the acceptance and use of IFMIS. Policymakers and implementers can employ this theory to identify the particular aspects of technology adoption, such as performance expectancy and social influence, which could impact the successful assimilation of Integrated Financial Management Information Systems (IFMIS). For countries such as Rwanda, Uganda, and Kenya that have already taken leaps and bounds in using IFMIS, this understanding can promote accountability and transparency as it permits applying targeted approaches to overcome any resistance to the adoption and continued use of the technology.

### **1.8.2 The Dependency Theory**

The dependency theory emerged in the mid-20<sup>th</sup> century and was fundamentally presented as a response to the skewed relationship between developed and developing nations<sup>11</sup>. Unlike the unified theory of acceptance and use of technology, the dependency theory does not stress technology adoption. Still, it looks at disparities and relationships between developed and developing countries from economic and political perspectives. The theory suggests that poor nations are structurally reliant on the rich for essential things such as financial capital. In most cases, the developing countries rely on the developed nations, which are often the powers that colonized them in the past.

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<sup>11</sup> Ghosh, Baidyanath N. *Dependency Theory Revisited*. Routledge, 2019.

The dependency theory is founded on several fundamental tenets. The first crucial tenet of this theory is economic imbalance. This theory argues that the world financial system perpetuates significant inequality between developing nations and their developed counterparts<sup>12</sup>. This imbalance fundamentally arises from the colonization legacy and the fact that most developing countries have natural resources that can be exploited. The second tenet of the dependency theory is unequal exchange. Here, the theory explains that the terms of trade between developed and developing nations are unfavorable, pushing the developing countries to economic dependence. The third tenet is political influence. Developed nations have a tremendous political impact. As such, they use international institutions such as the IMF and World Bank, as well as foreign debt and aid, to politically control the developing nations. Other tenets of the dependency theory are limited industrialization and the perpetual cycle, whereby it is clear that multinational corporations dominate developing countries and that the endless dependency cycle establishes a long-term structural disadvantage for low-income nations.

In the context of the application of IFMIS for better public sector financial management in East African Countries, it is a fact that these countries face complex economic imbalances. They are known to rely on loans and foreign aid from developed nations and international financial institutions such as the World Bank and the IMF<sup>13</sup>. In many cases, this reliance has created a dependency relationship whereby East African countries find themselves economically beholden to external financial support sources. Besides implementing IFMIS, countries such as South Sudan and Rwanda have had to rely on the expertise of foreign companies in implementing and maintaining the IFMIS system. Such foreign companies charge high fees, which cause unequal

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<sup>12</sup> Alami, Ilias, Carolina Alves, Bruno Bonizzi, Annina Kaltenbrunner, Kai Koddenbrock, Ingrid Kvangraven, and Jeff Powell. "International financial subordination: a critical research agenda." 1360-1386.

<sup>13</sup> Wokabi, Victoria Wanjiku, and Olanrewaju Isola Fatoki. "Determinants of financial inclusion in East Africa." *International journal of business & management* 7, no. 1 (2019): 125-143.

exchange, whereby the developed nations benefit more economically than the developing ones where the technology is being used. Moreover, there have been concerns about whether the IMF, USAID, and World Bank are acting in the best interest of developing countries when they impose conditions on the loans and grants they provide for these countries. For instance, When South Sudan applied for IMF aid to cushion itself against the consequences of the coronavirus pandemic, the IMF forced the government to rapidly adopt and implement IFMIS without considering whether the country was ready for such technology.

### **1.8.3 Diffusion of Innovations Theory**

The diffusion of innovations theory was pioneered by Everett Rogers in 1962. This theory seeks to explain how and why new technological innovations spread comprehensively and are adopted within a social system. This theory is, therefore, of great relevance when discussing innovations within the context of technology adoption and implementation. The IFMIS is a technology that fits best in applying the diffusion of innovations theory as it is clear that its adoption in East African countries did not co-occur but was instead a process<sup>14</sup>.

Several tenets make up this particular theory. The first tenet includes innovations, products, services, or practices. For instance, the IFMIS is an example of such innovation. The second tenet has adopters who form the people or the entities that decide to embrace. The adopters can be categorized into innovators, early, early majority, late majority, or laggards. Another tenet of this theory includes channels of communication, which are responsible for disseminating information concerning innovation. Mass media and social media are among such channels of communication. Time is another crucial element of the diffusion of technologies theory, as such

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<sup>14</sup> Lentiyo, Daniel Moss. "Strategic factors affecting implementation of integrated financial management information system by county governments in Kenya: a case of Samburu County government." PhD diss., Africa Nazarene University, 2022.



diffusion takes place over time<sup>15</sup>. Social systems and the perceived characteristics of the specific innovation are also essential tenets of this theory as they determine the adoption rate.

In the context of the use of IFMIS in East African Countries to enhance transparency and accountability in public sector financial management, the diffusion of innovations theory comes in handy as it would help explain the levels of adoption of the IFMIS technology in different East African countries. The World Bank and the IMF have intervened in adopting and using IFMIS in several East African Countries, including Uganda, Kenya, Rwanda, Burundi, and South Sudan. These countries can be classified as early adopters. However, they have differing levels of readiness and willingness to implement the conditions these international financial institutions have attached to the use of IFMIS and the financial support they offer.

## **1.9 Research Methodology**

### **1.9.1 Research Design**

A mixed methods research design was implemented in this study—the mixed methods research design combined quantitative and qualitative methods to comprehensively understand the research problem. In the current study, the technique collected numerical and non-numerical data to completely understand the impacts, effectiveness challenges, and opportunities associated with using IFMIS<sup>16</sup>. The mixed methods research design was justified in this study as it enabled cross-validation of findings to establish their reliability and validity.

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<sup>15</sup> Benhabib, Jess, Jesse Perla, and Christopher Tonetti. "Reconciling models of diffusion and innovation: A theory of the productivity distribution and technology frontier." *Econometrica* 89, no. 5 (2021): 2261-2301.

<sup>16</sup> Creswell, John W., and J. David Creswell. *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications, 2017.

### 1.9.2 Study Population

The population, the hypothetical set of people being studied, includes all its members in the research's generalization of findings. Akhtar et al. assert that a population consists of all components that fit the requirements for being included in the analysis<sup>17</sup>. The study population consists of all IFMIS users working at the Ministry of Finance in Kenya and members of staff at the World Bank, IMF, and USAID offices in Nairobi. The World Bank, IMF, and USAID are among the most influential stakeholders in implementing IFMIS in Kenya and other East African Countries. Staff members belonging to the accounts, finance and audit departments, and procurement are included explicitly in this population.

**Table 1.1 Sample Size and Sampling Procedure**

<b>Subgroup</b>	<b>Sample Size</b>
Finance	17
Procurement	23
Accounts	20
Audit	20
<b>Total</b>	<b>80</b>

This study's primary unit of analysis comprised individuals who use IFMIS and implementation stakeholders from the World Bank, IMF, and USAID offices in Nairobi. A sampling frame was implemented to locate the subset of the population that accurately represents the whole. This selection method was used for choosing the central unit of data aggregation and interpretation

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<sup>17</sup> Ibid [17]

based on specific research inquiries. According to Lohr, when a population subset represents the whole lot, that becomes a sampling frame<sup>18</sup>.

A pretty standard technique known as probability sampling was frequently used in quantitative research. It functions by randomly hand-picking a significant number of units from the given population, all done with the explicit intention of selecting population members determinedly<sup>19</sup>.

The researcher opted for the more refined stratified probability sampling variety, which involved classifying the population into multiple subgroups and randomly selecting our subjects from each.

For this study, 80 respondents were used as the sample. This figure was arrived at following Yamanes formula below:

$$n=N/(1+N(e)^2)$$

Where:

n=sample size

N=Population size

e= margin of error/precision level

Substituting in the formula:

$$N= 100$$

$$e= 0.05$$

Therefore, the formula will be substituted as follows:

$$100/ 1+100(0.05)^2$$

$$= 80$$

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<sup>18</sup> Lohr, S. L. "Sampling design and analysis (Second edi)." (2019).

<sup>19</sup> Ibid[13]

#### **1.9.4 Data Collection**

A researcher gathers factual information and numerical figures from the target population, collectively known as data. Data comes in two major forms. These include primary and secondary. Preliminary data is acquired through field research, whereas secondary data already exists. For this research, firsthand data was collected by administering a questionnaire to chosen workers from Kenya's Ministry of Finance, the World Bank, IMF, and USAID offices in Nairobi. The questionnaire was structured, with questions ordered according to Mugenda and Mugenda's method. Implemented in this study were questionnaires that combined both closed and open-ended queries. Each questionnaire was partitioned into four sections, the first aiming to collect demographic data. The following sections included essential five-point Likert scale items to address the project goals. To guarantee a sufficient response rate, participants were given enough time to complete their surveys, and a drop-off and pick-up system was utilized for easy access. The researchers obtained essential results and insights for their study using this method, which allowed them to collect primary data from the chosen workers at the Ministry of Finance, World Bank, IMF, and USAID offices in Nairobi.

#### **1.9.5 Data Analysis**

Quantitative analysis was conducted on the gathered data using descriptive statistics. Statistical measures, including median, mode, percentages, variance, mean, and frequency distributions, will be calculated using the MS Excel software. The findings were visually represented through figures and tables for presentation.

### **1.9.6 Ethical Consideration**

Research involving human participants within the context of IFMIS requires stringent consideration of ethical issues. First and foremost, informed consent was obtained from all research participants. This was done by providing detailed information about the research project and its purpose, any risks involved, and the freedom to decline to participate at any point. Participants were provided the opportunity to ask questions and seek clarification where necessary. Additionally, confidentiality was maintained throughout the research process as per the Data Protection Act of 1998.

The research was conducted with respect for the autonomy of research participants, and their privacy and dignity will be maintained throughout. The study was conducted to ensure the safety and well-being of all participants, including providing an environment free from exploitation, discrimination, and harm. Furthermore, the research was performed according to ethical principles that respect the rights and freedoms of those taking part in the study, including the right to privacy, confidentiality, and anonymity. Any potential conflicts of interest were declared and managed appropriately, and data was collected, analyzed, and reported accurately and unbiasedly.

### **1.10 Research Scope and Limitation**

This research focused on the IFMIS and its influence on transparency and accountability within East African public sector financial management. This study collected data from the Kenyan Ministry of Finance, the World Bank, IMF, and USAID offices in Nairobi. This study aimed to conduct an all-encompassing review of IFMIS literature, assess IFMIS implementation within

Kenya, analyze the system's contribution to transparency and accountability, and review the challenges Kenyan public services face in adopting the innovative IFMIS system.

The scope of this study was limited to IFMIS and the aspects that relate to its use for transparency and accountability within the public sector in East Africa. This research included a review of the existing literature on the IFMIs and their present state of use in Kenya, their role in improving accountability and transparency, and the various challenges that exist when it comes to the effective adoption of the IFMIS for managing finances in the public sector in Kenya. This study was limited to studying the implementation of IFMIS in East African countries in enabling transparency and accountability in general financial management.

Several factors limited this study. First, the research was limited because the data collection was mainly done through secondary data. This kind of data is limited and may not be reliable since it is collected from sources outside this research's control. Second, the study was limited because there was limited access to the IFMIS system, which is a crucial data source for this research. Third, this research was limited in terms of time and resources, which hindered the ability of the researcher to effectively and thoroughly carry out the study.

### **1.11 Chapters Outline**

The first chapter of this proposal has introduced the research the researcher intends to do. The chapter has handled essential elements such as the research background, the problem statement and objectives of the investigation, research questions, a review of existing primary and secondary sources, and its theoretical framework, among others. The second chapter will deliberate on the first research objective, while the third chapter will discuss the second research

objective. In the fourth chapter, the third research objective will be addressed. The fifth chapter will conclude the research and provide suggestions for further study.

## CHAPTER TWO

### THE IMPACT OF IFMIS IN PUBLIC FINANCE MANAGEMENT

#### 2.0 Introduction

In this study, the first objective was to determine the impact of IFMIS on public finance management. This chapter provides an analysis of the results obtained from the questionnaires. These results are analyzed against the different theories and concepts discussed in the literature review, after which a conclusion is eventually presented.

#### 2.1 Demographic Characteristics

##### 2.1.1 Response Rate

This study used a sample of 80 participants drawn from different organizations, including the ministry of finance in Kenya, various county governments, the IMF office in Kenya, the USAID office in Kenya, and the World Bank office in Kenya. All those who received questionnaires responded, making the response rate 100%.

**Table 2.1: Response Rate**

Target Population	Number of respondents	Percentage (%)
80	80	100

**Source: Research Field Data (2020)**

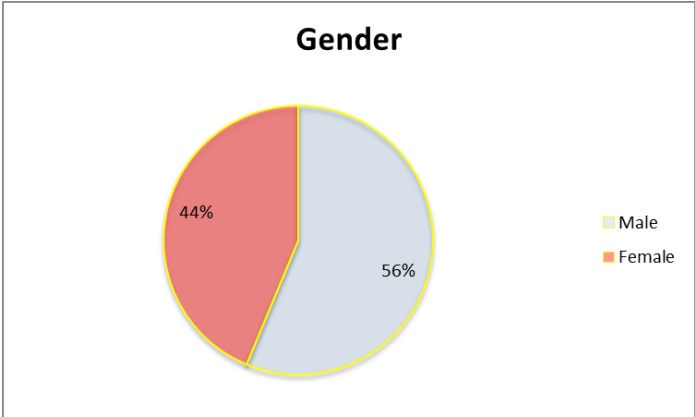
##### 2.1.2 Gender

The gender distribution in the study sample indicates a slight predominance of male respondents, who formed 56.3% compared to female respondents, who were 43.7% of the total number of



participants. While not perfectly equal, this gender balance is reasonably representative and conducive to drawing inclusive conclusions. The table below illustrates the gender of the respondents:

**Figure 2.1: Gender**

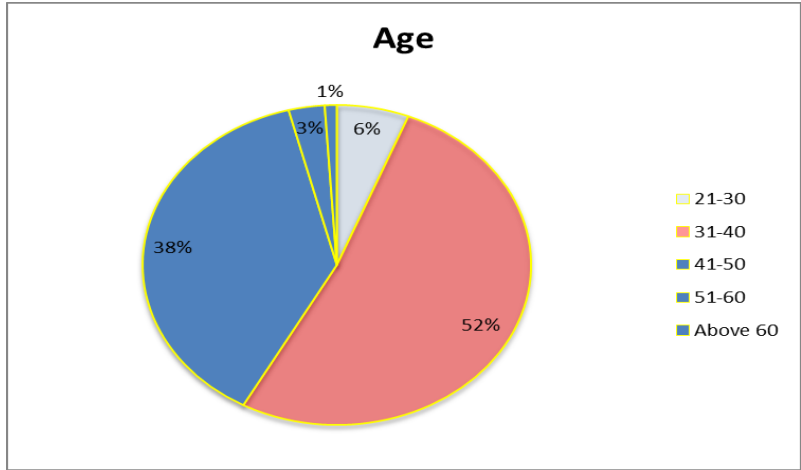


**Source: Research Field Data (2020)**

**2.1.3 Age**

The questionnaire required the respondents to indicate their Age. The results suggest that most respondents were between 31 and 40, forming 52% of the total respondents. This category was closely followed by the group aged between 41 and 50, which comprised 38% of the participants. Thus, these findings indicate that those who participated in the study were old enough to understand the issues being investigated. The table below shows the age distribution of the participants:

**Figure 2.2: Age**

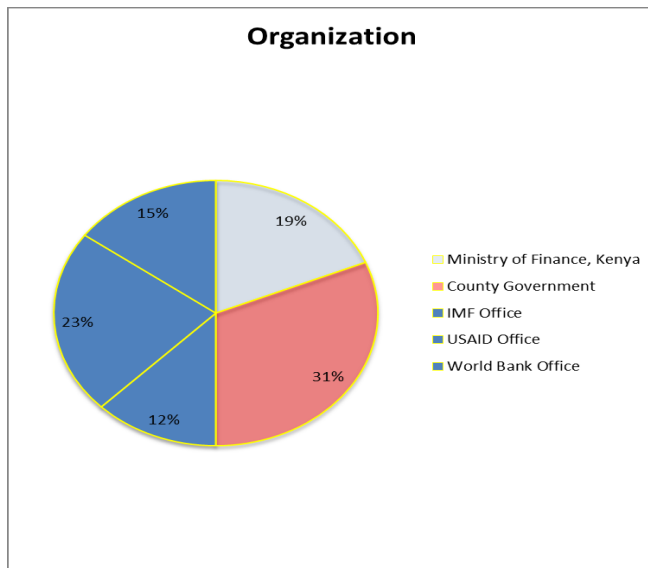


**Source: Research Field Data (2020)**

### **2.1.1 Organization**

The distribution of respondents across various organizations reveals a diverse sample, including government entities (Ministry of Finance, County Government) and international organizations (IMF, USAID, World Bank). This diversity enriches the study by capturing insights from different sectors, enhancing the robustness of the findings. The findings established that most of the research participants were drawn from the county governments as they were more directly involved in the use of IFMIS. The table below illustrates the distribution of the respondents per organization:

**Figure 2.3: Organization**

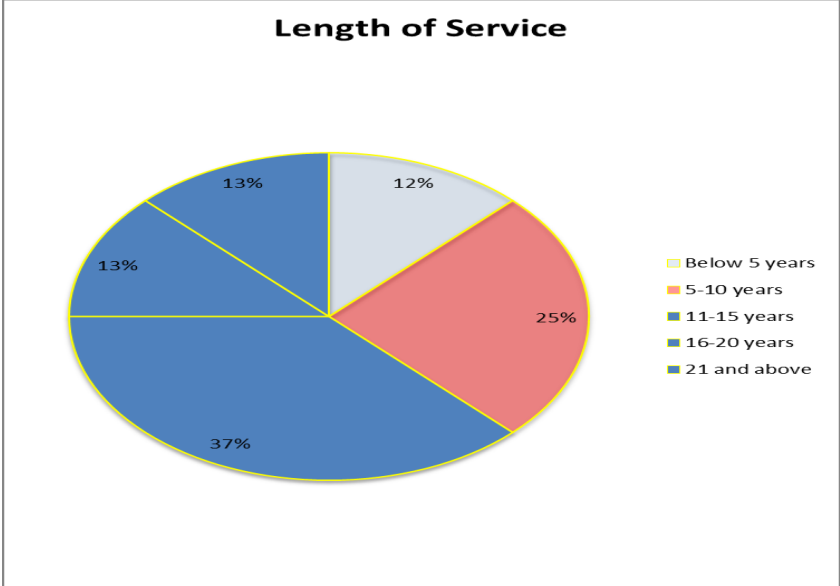


**Source: Research Field Data (2020)**

### **2.1.2 Length of Service**

The length of service among respondents varies, with a distribution spanning from less than five years to more than 20 years. This diversity allows for insights from experienced and relatively new professionals, providing a comprehensive view of the topic under investigation. Nevertheless, most of those who participated in this study had worked for between 11 and 15 years in their organizations, indicating a high level of understanding of the issues under investigation. The table below shows how the length of service was distributed among the different participants:

**Figure 2.4: Length of Service**

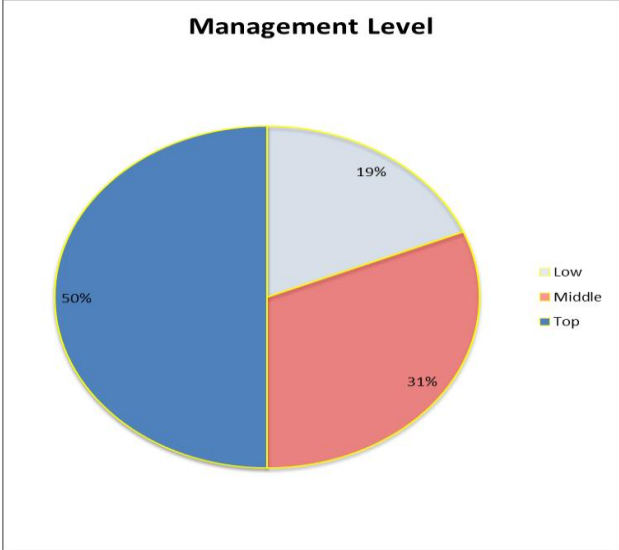


**Source: Research Field Data (2020)**

**2.1.3 Level of Management**

Respondents represent different levels of management within their organizations, including low, middle, and top management. This stratification ensures a holistic understanding of how IFMIS impacts public finance management across organizational hierarchies. The table below is a representation of this distribution:

**Figure 2.5: Level of Management**

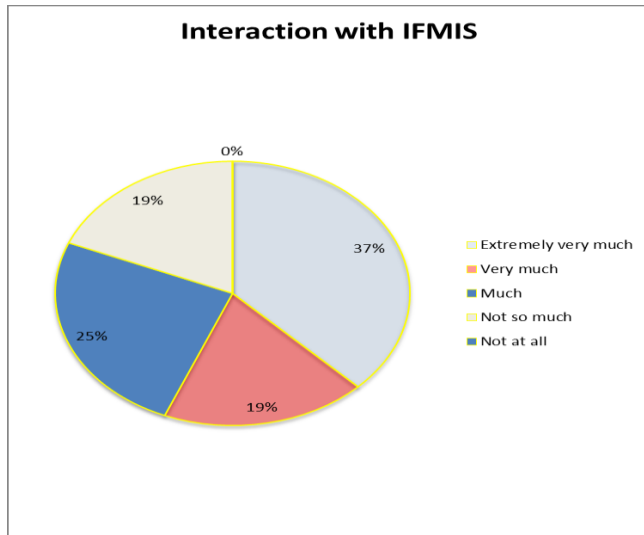


**Source: Research Field Data (2020)**

**2.1.4 Degree of Interaction with IFMIS**

Respondents' degree of interaction with IFMIS varies, with a substantial proportion of 37.5% having extremely high interaction. This distribution ensures that the study considers the perspectives of individuals who are deeply involved with IFMIS and those with less direct involvement. It allows for a nuanced analysis of the impact of IFMIS on different levels of engagement. The table below illustrates the level of interaction with IFMIS among the respondents:

**Figure 2.6: Interaction with IFMIS**



**Source: Research Field Data (2023)**

## 2.2 Accuracy of Financial Data

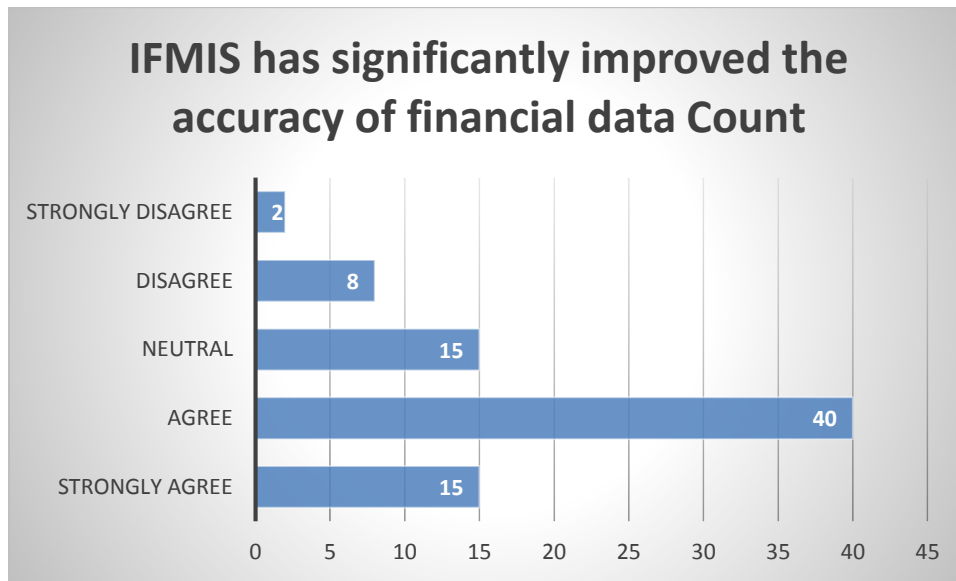
The respondents were asked a question to assess whether the implementation of IFMIS has had a significant impact on improving the accuracy of financial data. Findings revealed that a substantial number of respondents, 55 in total (15 strongly agreed and 40 agreed), believed that IFMIS has improved financial data accuracy. However, 23 respondents (8 disagreed and 15 strongly disagreed) also expressed skepticism about this improvement. Additionally, 15 respondents maintained a neutral stance on this issue. This finding agrees with Hashim et al., who reported that IFMIS has enhanced financial data accuracy in many countries worldwide.<sup>20</sup>

The graph below is a representation of this particular finding:

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<sup>20</sup> Hashim, Ali, and Bill Allan. "Information Systems for Government Fiscal Management." World Bank. United States of America (2007).

**Figure 2.7: Accuracy of Financial Data**



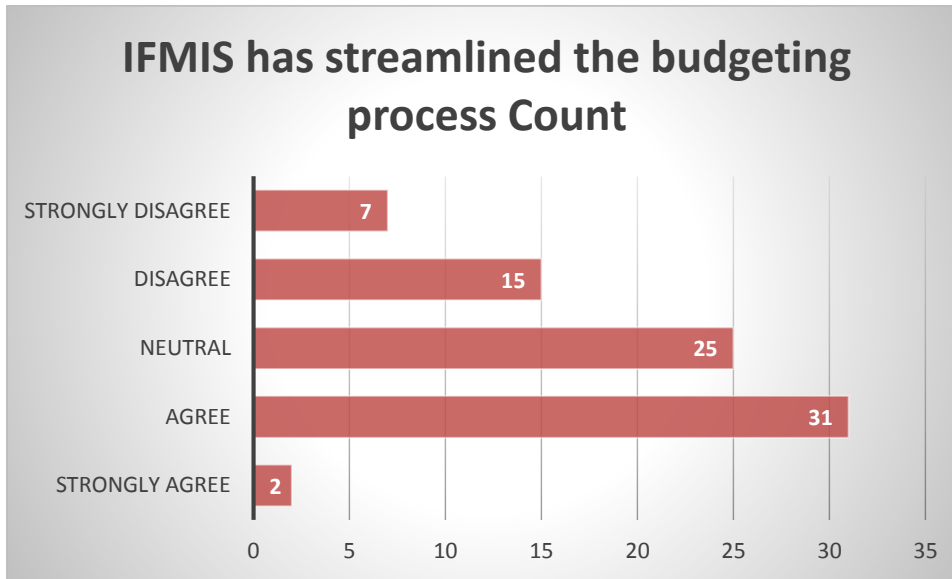
**Source: Research Field Data (2023)**

### **2.3 Efficiency in Budget Execution**

The respondents were asked a question aimed at exploring whether IFMIS has streamlined the budgeting process. The findings on this particular question indicated that 33 respondents acknowledged the positive impact of IFMIS on streamlining budgeting (2 strongly agreed and 31 agreed). Conversely, 22 respondents (15 disagreed and 7 strongly disagreed) did not perceive significant improvements in this regard. Moreover, 25 respondents maintained a neutral position regarding streamlining the budgeting process due to IFMIS. This finding was attested by the research carried out by Harelimana in Rwanda. In the study, Harelimana proved that IFMIS was critical in ensuring that the country's budgeting system was accurate, hence improving the

performance of public institutions as far as financial management is concerned<sup>21</sup>. The graph below is a representation of this finding:

**Figure 2.8: Efficiency in Budget Execution**



**Source: Research Field Data (2023)**

#### **2.4 Enhanced Financial Reporting**

There was also a question that examined whether IFMIS has contributed to enhancing the timeliness of financial reporting. It was found that 53 respondents (21 strongly agreed and 32 agreed) believed that IFMIS has improved the timeliness of financial reporting. Conversely, 12 respondents (10 disagreed and 2 strongly disagreed) did not perceive a significant improvement in this aspect. Additionally, 15 respondents expressed a neutral stance on this matter. These results align with the findings of Muhamud et al., in which it was established that IFMIS had

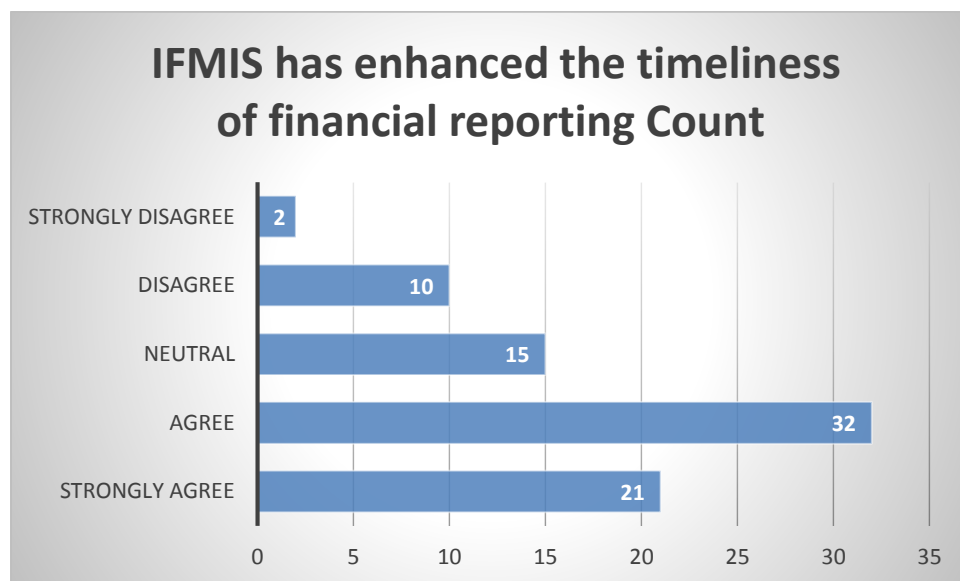
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<sup>21</sup> Harelimana, J. "Impact of integrated financial management information systems on performance of public institutions in Rwanda." *Enterprise Risk Management* 3, no. 1 (2017): 38-51.



increased consistency and effectiveness in financial reporting for different district and local governments in Uganda<sup>22</sup>. Below is a graphic illustration of this finding:

**Figure 2.9: Enhanced Financial Reporting**



**Source: Research Field Data (2023)**

### **2.5 Efficiency in Expenditure**

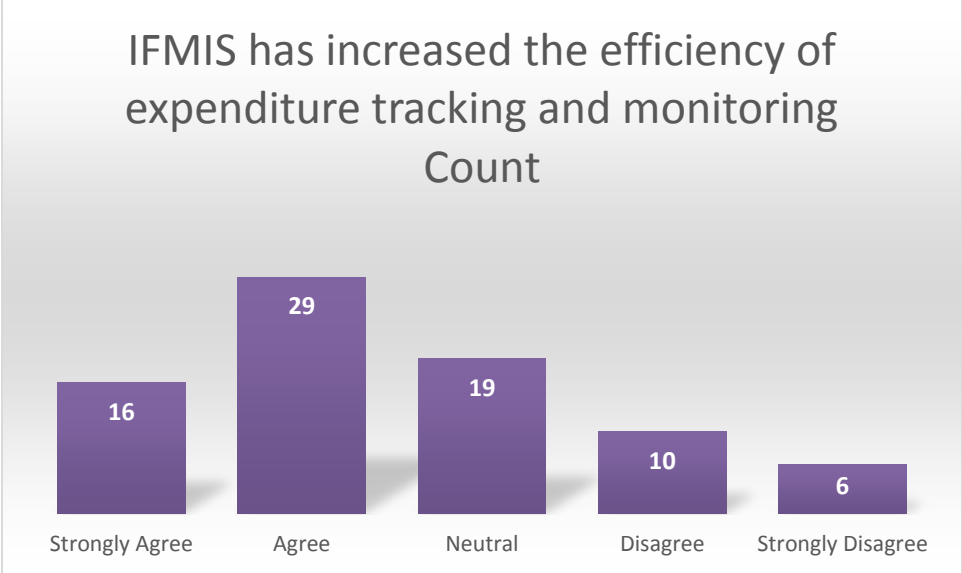
In assessing whether IFMIS has increased the efficiency of expenditure tracking and monitoring, the findings revealed that 45 respondents acknowledged this improvement (16 strongly agreed and 29 agreed), while 16 respondents (10 disagreed and 6 strongly disagreed) did not perceive a significant enhancement in efficiency. Moreover, 19 respondents maintained a neutral position on this issue. The high number of those who agreed that IFMIS has led to an increase in the efficiency of expenditure tracking and monitoring is in line with the findings of Hove et al. concerning the use of IFMIS to streamline expenditure in sub-Saharan Africa<sup>23</sup>. In the study,

<sup>22</sup> Muhamud, Mugaba Muhamad, and Mukokoma Mary Maurice Nalwoga. "Integrated Financial Management Information System and Financial Reporting Effectiveness of District Local Governments in Uganda." (2019).

<sup>23</sup> Hove, Mfandaedza, and Andy Wynne. "The Experience of Medium Term Expenditure Framework & Integrated Financial Management Information System Reforms in Sub-Saharan Africa-What is the Balance sheet?." (2010).

Hove et al. found that IFMIS has been helping sub-Saharan countries such as Kenya, Uganda and Rwanda in providing real-time information on public finance expenditures hence enabling them to make better decisions. The graph below illustrates this particular finding:

**Figure 2.10: Efficiency in Expenditure**



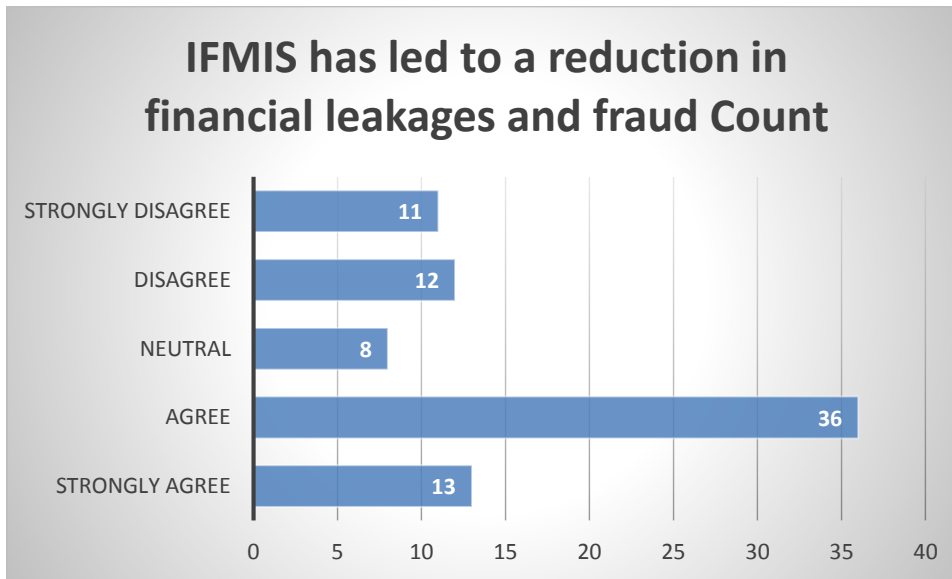
**Source: Research Field Data (2023)**

### 2.6 Reduction in Financial Fraud

There was a question that was asked in order to investigate whether IFMIS has led to a reduction in financial leakages and fraud. From the responses given by the participants, it was found that 49 respondents acknowledged this impact (13 strongly agreed and 36 agreed), while 23 respondents (12 disagreed and 11 strongly disagreed) did not perceive a significant reduction in financial leakages and fraud due to IFMIS. Moreover, 8 respondents maintained a neutral position regarding this issue. Ojao et al. established that IFMIS reduced fraud and financial

leakages in Nigeria<sup>24</sup>. Besides, Atieno also proved that FMIS reduced financial leakages in the County Government of Kisumu in Kenya<sup>25</sup>. Therefore, it is evident that the findings of this study are in line with what other researchers have found.

**Figure 2.11: Reduction in Financial Fraud**



**Source: Research Field Data (2023)**

### 2.7 Improvement of Overall Public Financial Management

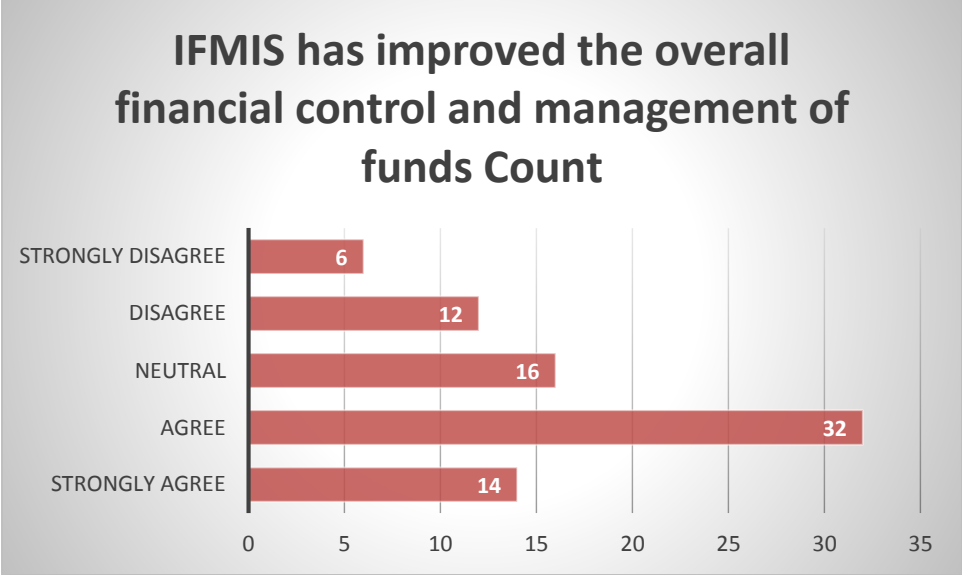
Another question assessed whether IFMIS has improved the overall financial control and management of funds. The findings of this study revealed that 46 respondents acknowledged this improvement (14 strongly agreed and 32 agreed), while 18 respondents (12 disagreed and 6 strongly disagreed) did not perceive a significant enhancement in financial control and management. Additionally, 16 respondents maintained a neutral stance on this matter. Therefore,

<sup>24</sup> Ajao, Owolabi Sunday, Odunlade Olajire Aremu, and Izang Julia Ufuoma. "Government Integrated Financial Management Information System and Fraud Prevention in Nigeria." *Journal of Finance and Accounting* 10, no. 3 (2022): 151.

<sup>25</sup> ATIENO, Millicent. "Effect of Integrated Financial Management Information System on Performance of Public Finance: A Case of County Government of Kisumu." PhD diss., Maseno University, 2019.

these findings are in agreement with Azure et al.'s study "Politics of fiscal discipline: counter-conducting the World Bank's public financial management reforms."<sup>26</sup> In the study, Azure et al. established that IFMIS enhanced overall management of public funds through enhanced transparency and accountability as well as efficient budgeting and planning.

**Figure 2.12: Overall Public Financial Management**



**Source: Research Field Data (2023)**

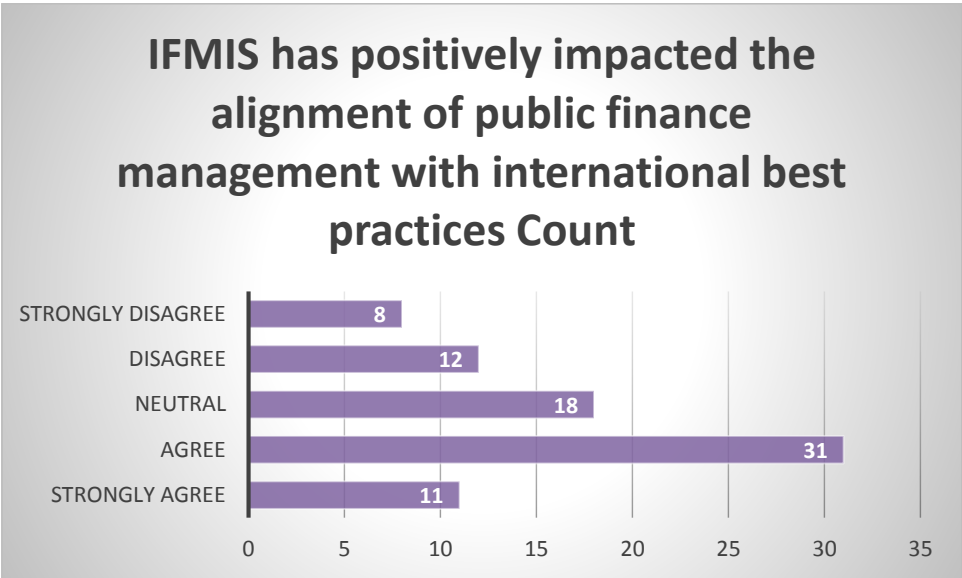
**2.8 Alignment with International Public Financial Best Practices**

Concerning whether IFMIS has positively impacted the alignment of public finance management with international best practices, the results indicated that 42 respondents acknowledged this impact (11 strongly agreed and 31 agreed), while 20 respondents (12 disagreed and 8 strongly disagreed) did not perceive a significant impact in this regard. Additionally, 18 respondents maintained a neutral position on the alignment of public finance management with international

<sup>26</sup> Azure, John De-Clerk, Chandana Alawattage, and Sarah George Lauwo. "Politics of fiscal discipline: counter-conducting the World Bank's public financial management reforms." *Accounting, Auditing & Accountability Journal* (2023).

best practices due to IFMIS. International financial organizations such as World Bank and IMF have preferred best practices for financial management for countries which these organizations have provided funds<sup>27</sup>. For instance, the IMF requires corruption and mismanagement of funds. The results of our current study have added weight to the importance of aligning country financial practices to international best practices.

**Figure 2.13: Alignment with International Public Financial Best Practices**



**Source: Research Field Data (2023)**

**2.9 Chapter Summary**

In this chapter, the study examined the impacts of the Integrated Financial Management Information System (IFMIS) on various aspects of public finance management. A set of questions was employed to gather insights from respondents regarding the influence of IFMIS on critical financial processes and practices. The responses provided valuable insights into the tangible impacts of IFMIS in the realm of public finance management. The findings indicated several noteworthy positive impacts of IFMIS on public finance management. Firstly, it was

<sup>27</sup> Kranke, Matthias. "IMF- World Bank Cooperation Before and After the Global Financial Crisis." *Global Policy* 11, no. 1 (2020): 15-25.

evident that IFMIS has significantly improved the accuracy of financial data. Respondents widely concurred that the system plays a vital role in enhancing the quality and precision of financial data within the public sector, a fundamental aspect of financial management. Secondly, while there was a moderate level of agreement, respondents acknowledged that IFMIS has contributed to streamlining the budgeting process. This recognition underscores the potential for further optimization in this area, with opportunities for enhancing budgetary efficiency. Thirdly, IFMIS has positively influenced the timeliness of financial reporting. Respondents unanimously agreed that the system has played a pivotal role in expediting financial reporting processes, contributing to greater efficiency in this critical aspect of financial management. Additionally, IFMIS has been effective in increasing the efficiency of expenditure tracking and monitoring. This outcome is essential for robust financial management and oversight, and the survey results clearly reflect the system's role in achieving this. Moreover, it was apparent that IFMIS has facilitated better decision-making within public finance management. Respondents widely concurred that the system has been instrumental in providing accurate and timely data, which is fundamental for informed and effective decision-making. Furthermore, IFMIS has played a significant role in reducing financial leakages and fraud. Respondents recognized the system's contribution to enhancing financial integrity and minimizing the risk of fraudulent activities. In addition to these impacts, IFMIS has also improved the overall financial control and management of funds. This observation underscores the system's comprehensive influence on financial processes and governance. Lastly, respondents acknowledged that IFMIS has positively impacted the alignment of public finance management with international best practices. This finding reflects a commitment to transparency and accountability in line with global standards. In summary, the findings presented in this chapter reveal that IFMIS has had a substantial and

positive impact on various facets of public finance management. It has enhanced data accuracy, streamlined processes, expedited financial reporting, and improved expenditure tracking, facilitated better decision-making, reduced financial risks, strengthened financial control, and aligned practices with international standards. These outcomes highlight the significant potential of IFMIS in enhancing transparency and accountability in the management of public finances, which is crucial for efficient and effective governance.

## **CHAPTER THREE**

### **THE EFFECTIVENESS OF IFMIS IN MANAGING TRANSPARENCY AND ACCOUNTABILITY OF PUBLIC FINANCES**

#### **3.0 Introduction**

The second objective of this study was to establish the effectiveness of IFMIS in managing transparency and accountability of public finances. This chapter presents the research findings on the effectiveness of IFMIS on various dimensions of financial governance, including the accessibility of financial information to stakeholders, the cultivation of public trust, tracking of financial flows, visibility of government spending, accountability of public finance officials, and monitoring of compliance with financial regulations. From the findings a conclusion is made with regard whether or not IFMIS has any effect on the management of transparency and accountability of public funds.

#### **3.1 Accessibility of Financial Information to Stakeholders**

The researcher asked a question which was meant to assess whether IFMIS has improved the accessibility of financial information to stakeholders. The findings of the study revealed that 51 respondents acknowledged this improvement (25 strongly agreed and 26 agreed), while 17 respondents (10 disagreed and 7 strongly disagreed) did not perceive a significant enhancement in accessibility. Additionally, 15 respondents maintained a neutral stance on this matter. These findings go hand in hand with the findings of Flower and Ebbers whereby they found out that IFMIS brought about more accessibility to financial information to stakeholders as they could now know how their governments were spending their funds<sup>28</sup>. In addition, Majani et al. claims

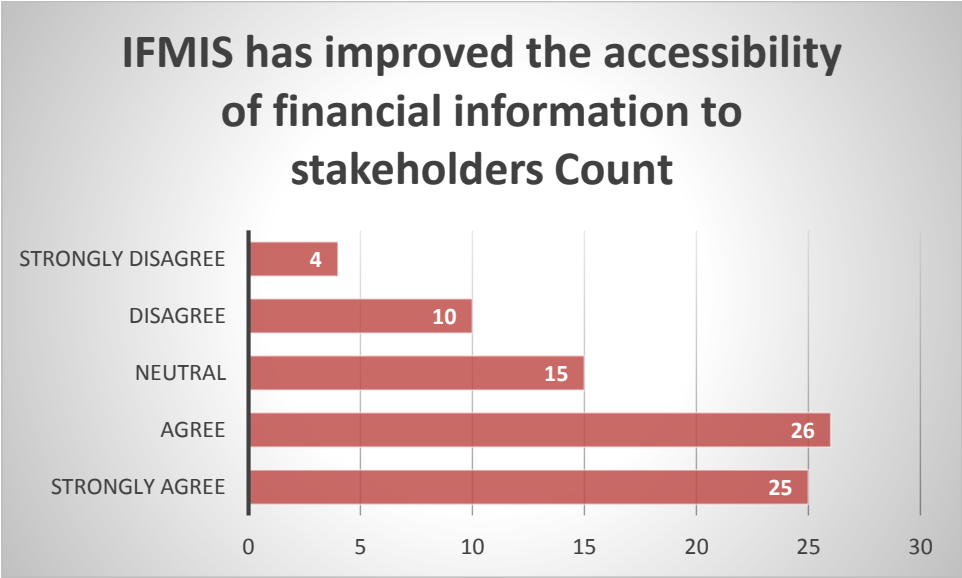
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<sup>28</sup> Flower, J., and G. Ebbers. "Global financial reporting": Macmillan International Higher Education." (2018).



that IFMIS has become the solution to financial accountability as it opens up an opportunity to scrutinize the use of public fund in county governments<sup>29</sup>. The figure below represents these findings:

**Figure 3.1: Accessibility of Financial Information to Stakeholders**



**Source: Research Field Data (2023)**

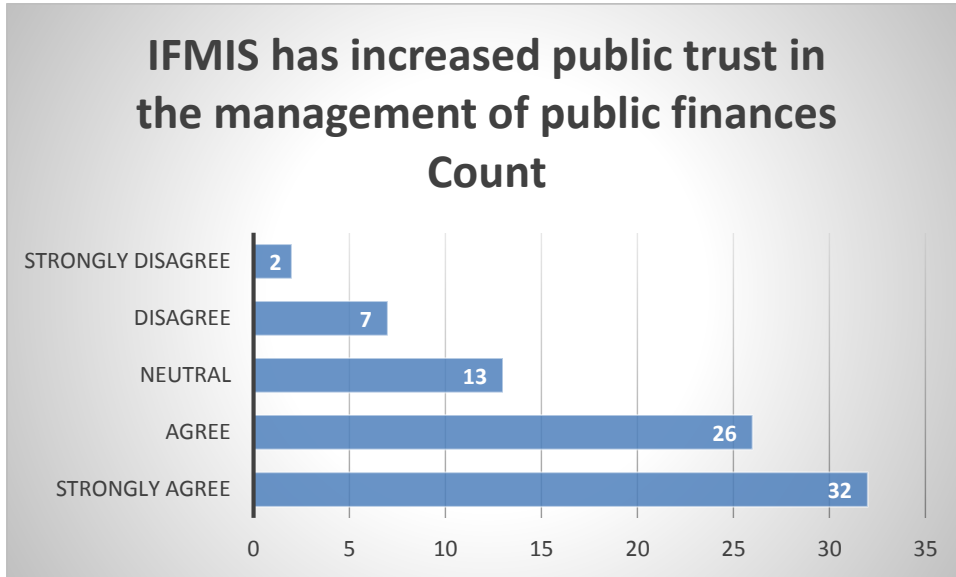
### 3.2 Public Trust in Public Financial Management

In examining whether IFMIS has increased public trust in the management of public finances, it was found that 58 respondents believed in the positive impact of IFMIS in increasing public trust (32 strongly agreed and 26 agreed). Conversely, there were 9 respondents (7 disagreed and 2 strongly disagreed) who did not perceive a significant increase in public trust. Additionally, 13 respondents expressed a neutral stance on this issue. These results are in agreement with the

<sup>29</sup> Majani, D., Atieno, M., & Mackton, S. (2022). Is Use of IFMIS in Financial Reporting the Solution to Financial Accountability? Answers from County Governments in Western Kenya. *American Journal of Accounting*, 4(2), 1-16.

study carried out by Chalu. In the study, Chalu found that IFMIS had brought about increased public trust when it was adopted by Tanzanian local authorities<sup>30</sup>.

**Figure 3.2: Public Trust in Public Financial Management**



**Source: Research Field Data**

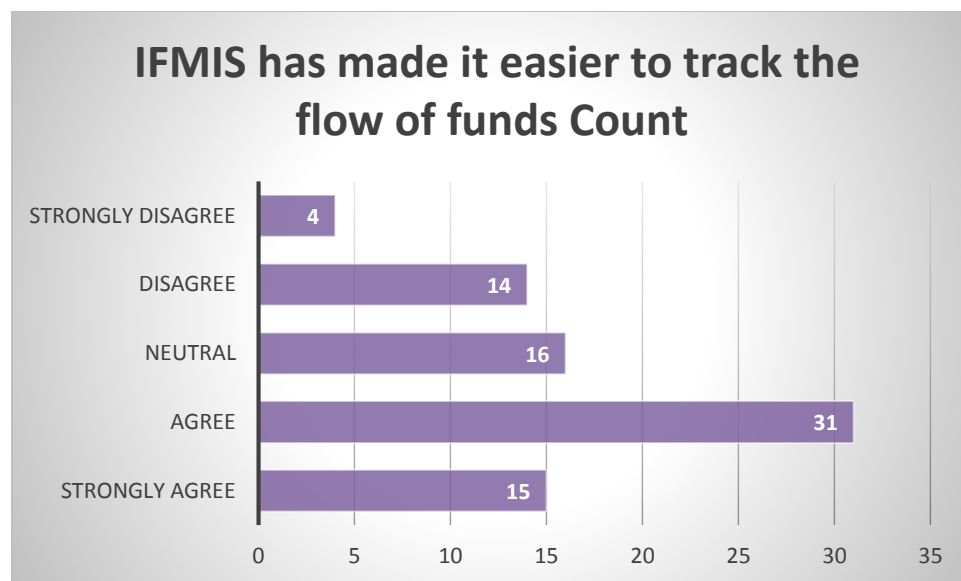
### 3.3 Tracking of Financial Flow

This question explored whether IFMIS has made it easier to track the flow of funds. Results indicated that 46 respondents acknowledged this improvement (15 strongly agreed and 31 agreed), while 18 respondents (14 disagreed and 4 strongly disagreed) did not perceive a significant ease in tracking the flow of funds due to IFMIS. Moreover, 16 respondents maintained a neutral position regarding this issue. These findings are in agreement with Majer and Makuac who proposed, based on evidence, that South Sudan ought to embrace IFMIS so as

<sup>30</sup> Chalu, Henry. "The effect of IFMIS adoption on financial reporting quality in Tanzanian local governments." *Business management review* 22, no. 2 (2020): 1-31.

to effectively track financial flows of public funds<sup>31</sup>. In another study, Ruth established that the adoption of IFMIS in Kabale District in Uganda had made it easier to track financial events including receivables and payables hence increasing transparency and accountability among handlers of public finances<sup>32</sup>.

**Figure 3.3: Tracking Financial Flows**



**Source: Research Field Data (2023)**

### 3.4 Visibility of Government Spending

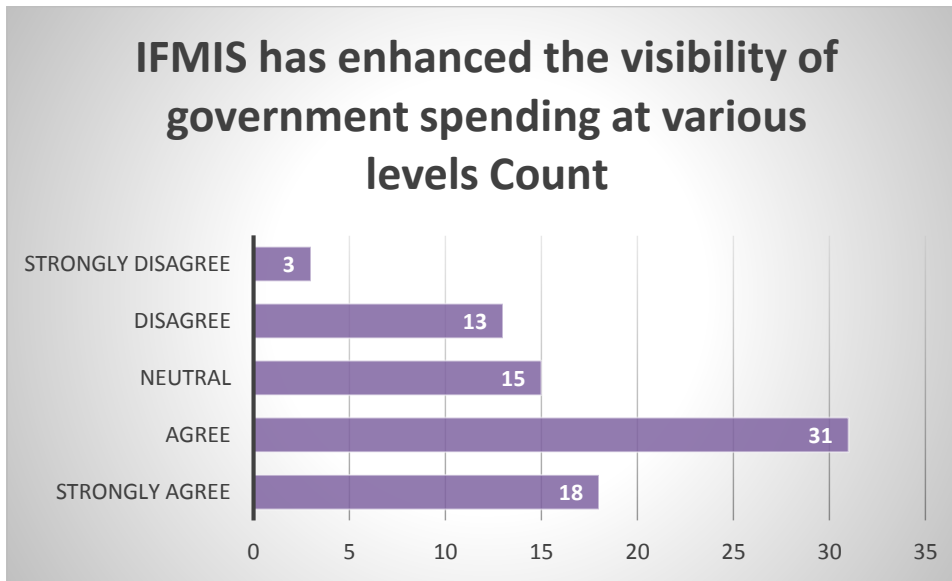
There was a question as to whether IFMIS has enhanced the visibility of government spending at various levels. The findings revealed that 49 respondents acknowledged this enhancement (18 strongly agreed and 31 agreed), while 16 respondents (13 disagreed and 3 strongly disagreed) did not perceive a significant improvement in visibility. Additionally, 15 respondents expressed a neutral stance on this matter. In other words, the findings of this study agree with those of Rugut

<sup>31</sup> Majer, Chol Gabriel, and Lazaro Juma Anyor Makuac. "Analysis of Strategic Public Financial Management Reforms on Effective Service Delivery." *International Journal of Business and Social Science Research* 4, no. 3 (2023): 1-10.

<sup>32</sup> Ruth, Kobusingye. "Adoption of Integrated Financial Management System and Procurement Performance in Uganda A Case Of Kabale District In Uganda." PhD diss., Kabale University, 2022.

who makes it clear that IFMIS has already made people to see what the government was doing with their funds<sup>33</sup>. In a separate study, Maina points out that Meru County in Kenya has made government spending to be visible both at the county level and the national level<sup>34</sup>.

**Figure 3.4: Visibility of Government Spending**



**Source: Research Field Data (2023)**

### 3.5 Accountability of Public Finance Officials

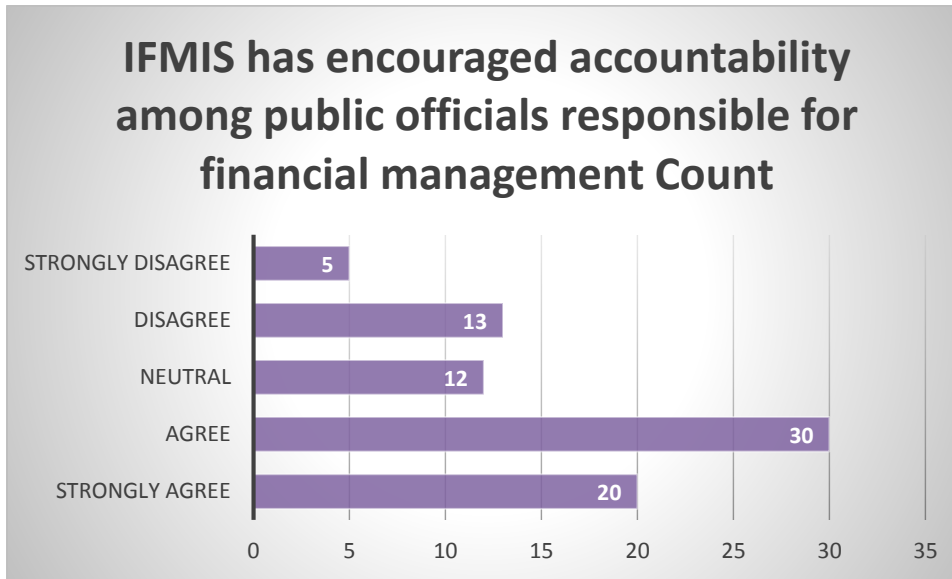
There was a question which examined whether IFMIS has encouraged accountability among public officials responsible for financial management. It was found that 50 respondents acknowledged this impact (20 strongly agreed and 30 agreed), while 18 respondents (13 disagreed and 5 strongly disagreed) did not perceive a significant increase in accountability. Furthermore, 12 respondents maintained a neutral position regarding this issue. Nevertheless, the fact that most of the respondents agree that IFMIS has enhanced accountability among public officials makes this study to agree with the results of the study by Charles "Computerized

<sup>33</sup> Rugutt, Willy Kipngetchi. "Public financial management reform strategies and performance of selected county governments in Kenya." PhD diss., UoK, 2019.

<sup>34</sup>Maina, P. W. (2019). *Determinants of Integrated Financial Management Information System Implementation, in the National Government Departments in Meru County* (Doctoral dissertation, KeMU).

Accounting Systems and Organizational Performance in Local Governments in Uganda A Case Of Rubanda District".<sup>35</sup>

**Figure 3.5: Accountability of Public Finance Officials**



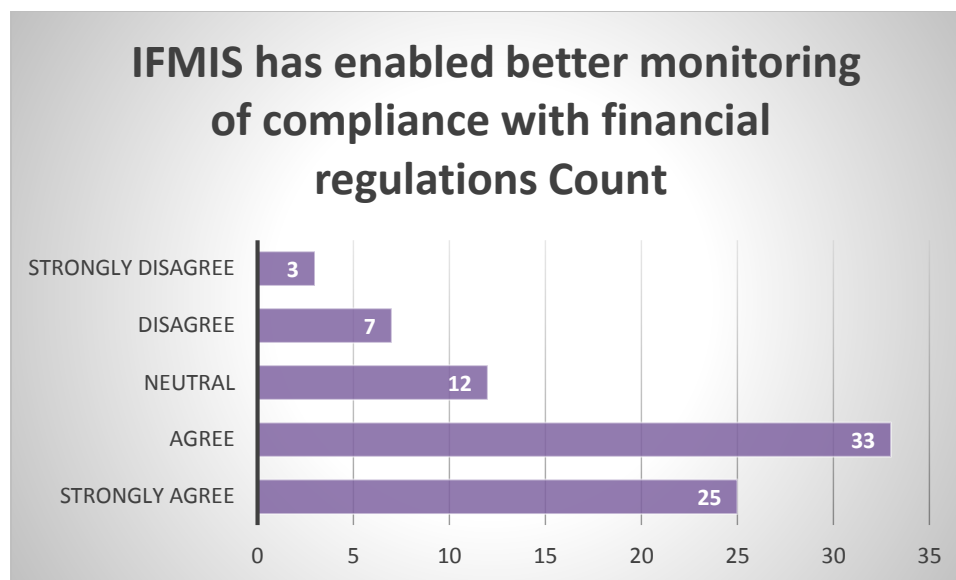
**Source: Research Field Data (2023)**

### **3.6 Monitoring of Compliance to Public Finance Regulation**

This question assessed whether IFMIS has enabled better monitoring of compliance with financial regulations. The results indicated that 58 respondents acknowledged this improvement (25 strongly agreed and 33 agreed), while 10 respondents (7 disagreed and 3 strongly disagreed) did not perceive a significant improvement in compliance monitoring. Additionally, 12 respondents maintained a neutral stance on this matter. These results corroborate the study done by Matto et al. whereby the authors established that the use of IFMIS in Tanzania had made it easier to monitor and comply with public finance regulations in the processing of public tenders.

**Figure 3.6: Monitoring of Compliance to Public Finance Regulation**

<sup>35</sup> Charles, A. (2022). *Computerized Accounting Systems and Organizational Performance in Local Governments in Uganda A Case Of Rubanda District* (Doctoral dissertation, Kabale University).



**Source: Research Field Data (2023)**

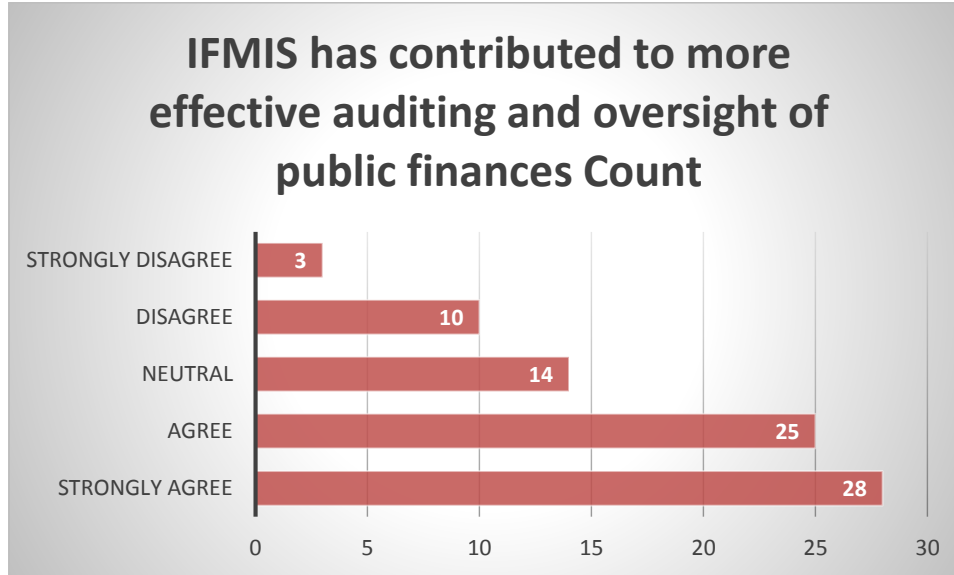
### 3.7 Effective Auditing of Public Finances

A significant portion of the participants, totaling 28 individuals, strongly agree that IFMIS has made a substantial contribution to enhancing the effectiveness of auditing and oversight in the realm of public finances. This strong agreement underscores the belief among a substantial portion of the surveyed population in the positive role played by IFMIS in promoting transparency and accountability in financial management within the public sector. Moreover, an additional 25 respondents expressed agreement with the statement. This strong agreement to the idea that IFMIS has contributed greatly to effective auditing of public finances is in line with the findings of Chinyama where he established that IFMIS made it possible to audit public finances for government institutions in Zambia<sup>36</sup>.

<sup>36363636</sup> Chinyama, Kenneth, And Kenneth Chinyama. "To Investigate The Impact Of Public Financial Management Act. 2018 On The Audit Of Public Finances In Government Institutions To Measure Transparency And Accountability: A Case Study At Provincial Administration Office, Southern Of The Republic Of Zambia- Department Of Finance." PhD diss., 2020.

<sup>36</sup> Chinyama, Kenneth, And Kenneth Chinyama. "To Investigate The Impact Of Public Financial Management Act. 2018 On The Audit Of Public Finances In Government Institutions To Measure Transparency And

**Figure 3.7: Effective Auditing of Public Finances**



**Source: Research Field Data (2023)**

### **3.8 Chapter Summary**

The survey findings reveal a complex landscape of perceptions regarding the impact of IFMIS on the management of transparency and accountability in public finances. Notably, a significant number of respondents (53 individuals) strongly agree or agree that IFMIS has contributed to more effective auditing and oversight of public finances. This widespread agreement underscores the belief in the positive role played by IFMIS in promoting transparency and accountability in the public sector. Furthermore, respondents largely recognize the benefits of IFMIS in terms of improved accessibility of financial information to stakeholders and increased public trust in the management of public finances. These aspects are fundamental in building public confidence and ensuring that financial information is readily available for scrutiny. The study also reveals that a substantial portion of respondents acknowledges that IFMIS has made it easier to track the flow

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Accountability: A Case Study At Provincial Administration Office, Southern Of The Republic Of Zambia- Department Of Finance." PhD diss., 2020.

of funds, which is crucial for financial transparency. Additionally, a majority of respondents believe that IFMIS has enhanced the visibility of government spending, making it more transparent and accountable. In the context of accountability, the survey findings indicate that IFMIS has encouraged accountability among public officials responsible for financial. In summary, these results depict a varied landscape of opinions regarding the effectiveness of IFMIS in managing transparency and accountability of public finances. While there is widespread agreement on its positive impact, dissenting voices and neutral stances highlight the need for further research and analysis to gain a comprehensive understanding of IFMIS's role in financial governance.



## **CHAPTER FOUR: THE CHALLENGES AND OPPORTUNITIES EXPERIENCED IN THE IMPLEMENTATION OF IFMIS IN PUBLIC INSTITUTIONS.**

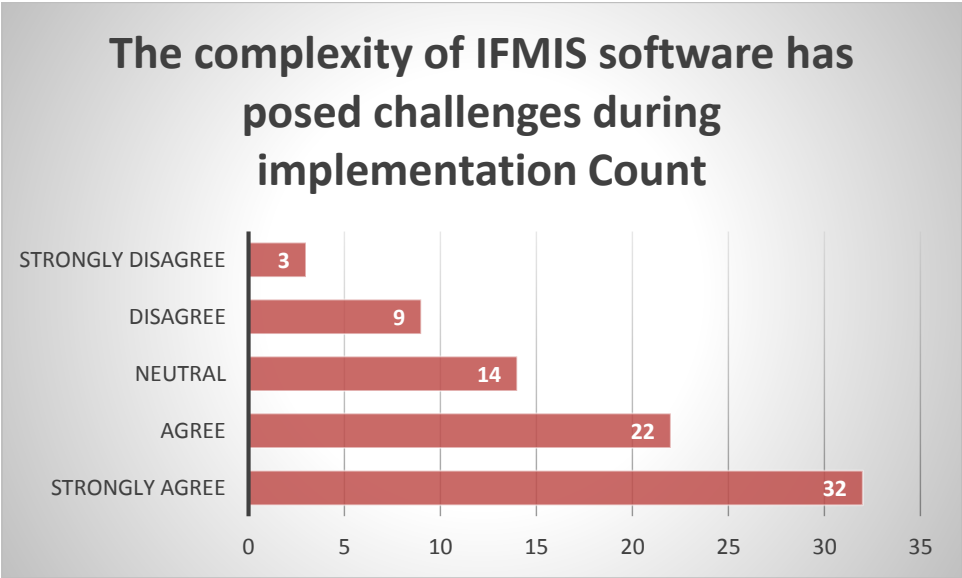
### **4.0 Introduction**

In this chapter, the multifaceted landscape of challenges and opportunities encountered during the implementation of the Integrated Financial Management Information System (IFMIS) in public institutions is explored. The successful adoption of IFMIS is crucial for enhancing transparency, accountability, and efficiency in managing public finances. This chapter presents a comprehensive analysis of the perceptions and experiences of stakeholders, shedding light on the obstacles and prospects associated with IFMIS implementation.

### **4.1 Complexity of IFMIS Software**

The study found that a significant majority of respondents (32) strongly agreed that the complexity of IFMIS software posed challenges during implementation. Additionally, 22 respondents agreed, indicating a widespread acknowledgment of this challenge. A smaller group, 14 respondents, maintained a neutral stance, showing varying perspectives. Conversely, 12 respondents disagreed or strongly disagreed, reflecting differing experiences or contexts where software complexity may not have been as pronounced a challenge. These results are in line with Gcora and Chigona who have named the complexity of IFMIS as one of the post-implementation studies for municipalities in South Africa. This complexity manifests in the form of data integration where different sources and departments have to interact with the system hence giving it diverse data formats and quality. Besides, some IFMIS packages are customized based on the available IT infrastructure. However, these may require experts to implement hence the challenge.

**Figure 4.1 Complexity of IFMIS Software**



**Source: Research Field Data (2023)**

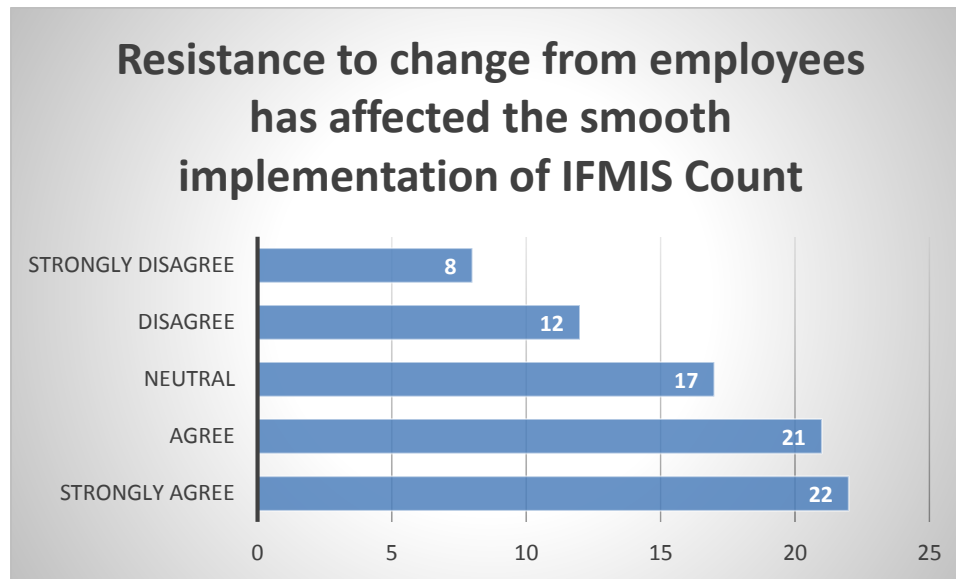
**4.2 Resistance to Change by Users**

The study found that a notable portion of respondents, 22 individuals, strongly agreed that resistance to change from employees significantly affected the smooth implementation of IFMIS. An additional 21 respondents agreed with this perspective. These findings highlight the critical impact of employee resistance on IFMIS implementation. However, 17 respondents remained neutral, indicating varying perspectives. In contrast, 20 respondents disagreed or strongly disagreed, suggesting differing experiences where employee resistance was not as prominent. These results agree with the theory of organizational behavior that states that employees in different organizations tend to resist technological changes due to the fact that such technologies may misalign with the organizational culture.<sup>37</sup> It was not until the World Bank and IMF forced

<sup>37</sup> Griffin, Ricky W., Jean M. Phillips, and Stanley M. Gully. *Organizational behavior: Managing people and organizations*. CENGAGE learning, 2020.

South Sudan to embrace IFMIS that the country decided to adopt it. This late adoption is a sign of resistance to change to technology<sup>38</sup>.

**Figure 4.2: Resistance to Change by Users**



**Source: Research Field Data (2023)**

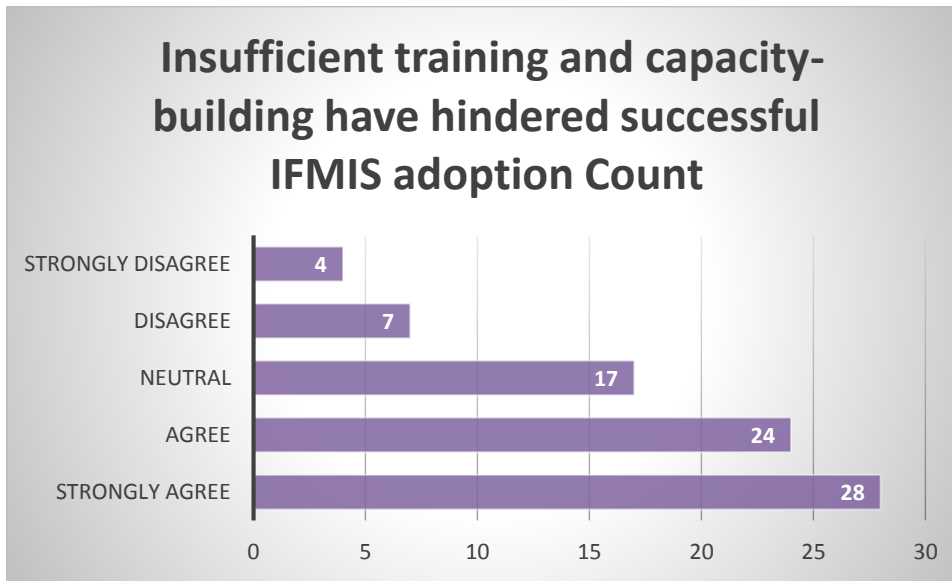
### **4.3 Training and Capacity Building**

The study found that a substantial number of respondents strongly agreed (28) that insufficient training and capacity-building hindered successful IFMIS adoption. An additional 24 respondents agreed with this assessment. These findings emphasize the significance of training-related challenges. However, 17 respondents remained neutral, suggesting a need for more context-specific information or mixed perspectives. Conversely, 11 respondents disagreed or strongly disagreed, indicating different experiences where training challenges were less prominent. These results are in line with the propositions of Makiya's study whereby he proposed the need for training users of IFMIS as some of them find it hard to understand the processes that

<sup>38</sup> Apaza, Carmen R. "Ensuring accountability and transparency through integrated public management systems." PS: Political Science & Politics 45, no. 3 (2012): 435-441

are involved in its use<sup>39</sup>. The IMF and World Bank have been undertaking diverse roles in training users of IFMIS in different countries in East Africa including Kenya, Uganda, Rwanda, Tanzania and South Sudan.

**Figure 4.3 Training and Capacity Building**



**Source: Research Field Data (2023)**

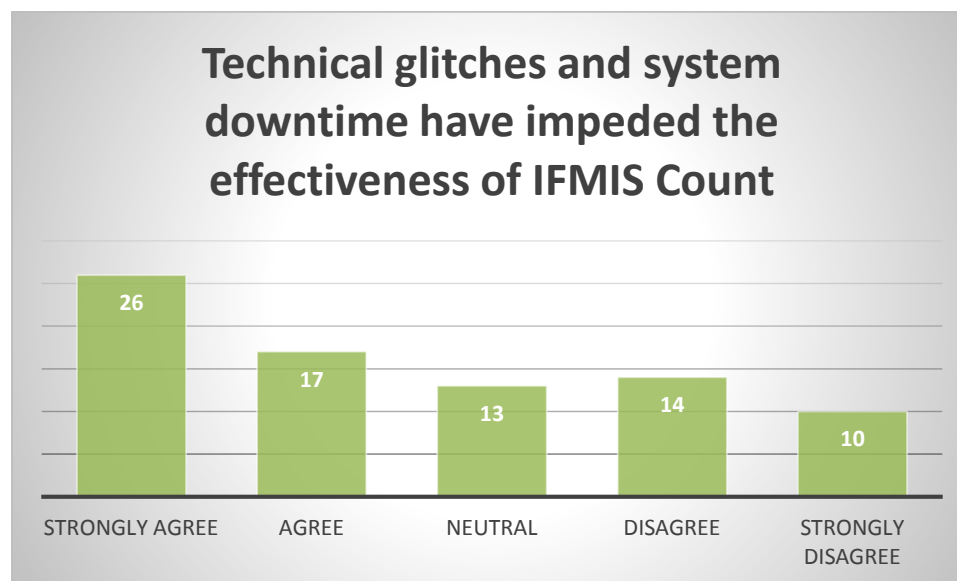
#### **4.4 Technical Glitches and System Downtime**

The study found that 26 respondents strongly agreed, and 17 agreed that technical glitches and system downtime have impeded the effectiveness of IFMIS. These findings emphasize the challenges posed by system-related issues. Furthermore, 13 respondents maintained a neutral stance, indicating varying perspectives, while 14 respondents disagreed and 10 strongly disagreed, suggesting differing experiences or contexts where technical glitches may not have been as prominent. The results are in agreement with the views of Tetteh et al. who noted that

<sup>39</sup> Makiya, Ratemo Cyprian. "Analysis of Factors Influencing Implementation of Integrated Financial Management Information System." (2020).

technological failures are some of the challenges that affected the successful implementation of IFMIS in many countries in sub-Saharan Africa.<sup>40</sup>

**Figure 4.4: Technical Glitches and System Downtime**



**Source: Research Field Data (2023)**

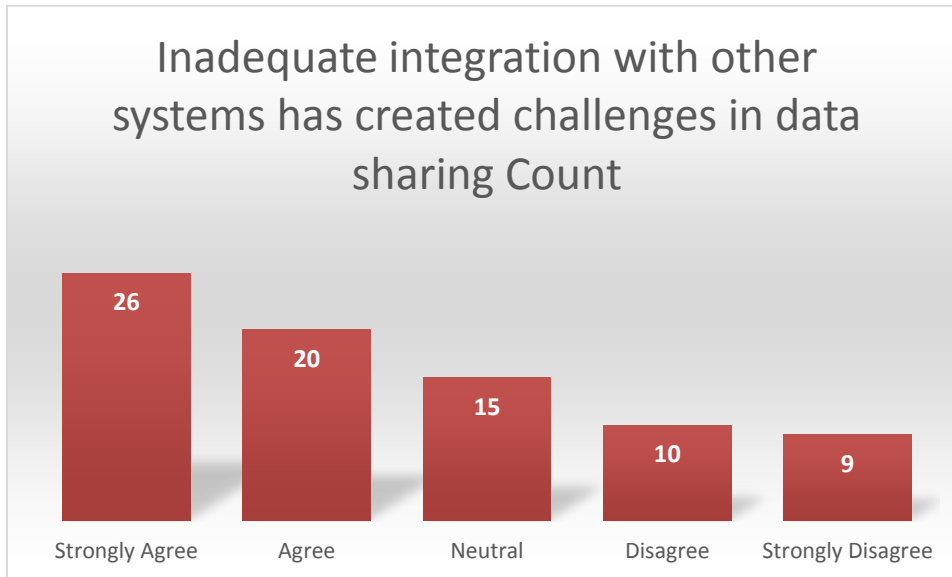
#### **4.5 Integration with other Systems**

The study found that 26 respondents strongly agreed, and 20 agreed that inadequate integration with other systems has created challenges in data sharing. These responses highlight the importance of seamless integration for efficient data management. Additionally, 15 respondents remained neutral, reflecting mixed perspectives, while 10 disagreed and 9 strongly disagreed, indicating differing experiences or contexts where integration challenges may not have been as pronounced. There have been difficulties in integrating IFMIS with other systems for purposes of data sharing. For instance, Maina established that IFMIS was not always compatible with other

<sup>40</sup> Tetteh, Lexis Alexander, Cletus Agyenim-Boateng, Samuel Nana Yaw Simpson, and Daniel Susuawu. "Public sector financial management reforms in Ghana: insights from institutional theory." *Journal of Accounting in Emerging Economies* 11, no. 5 (2021): 691-713.

organizational software which the county government of Meru would use<sup>41</sup>. This lack of compatibility limits the county government from benefiting from the merits of IFMIS.

**Figure 4.5: Integration with other Systems**



**Source: Research Field Data (2023)**

#### **4.6 Lack of Clear Communication with Stakeholders**

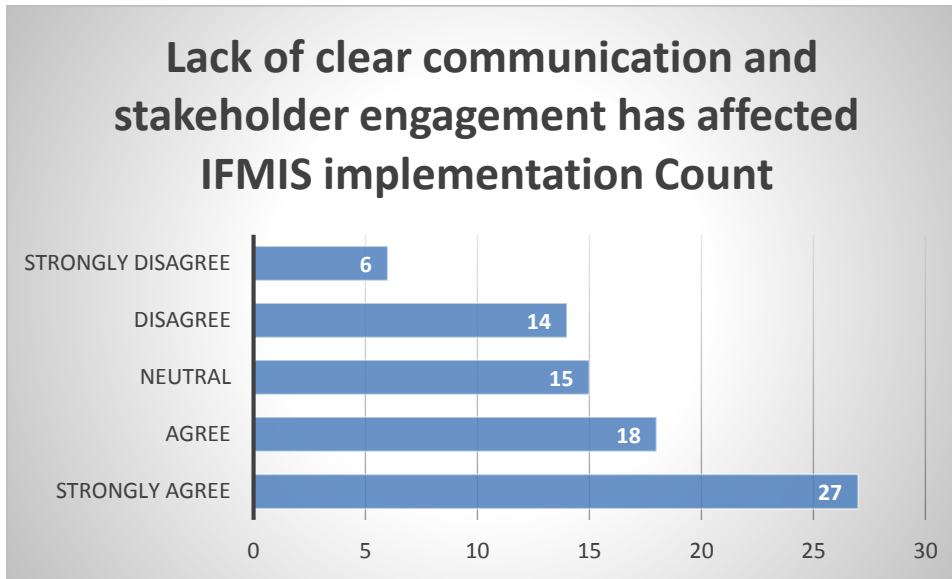
The study found that 27 respondents strongly agreed, and 18 agreed that the lack of clear communication and stakeholder engagement has affected IFMIS implementation. These findings emphasize the crucial role of effective communication and stakeholder involvement. Furthermore, 15 respondents maintained a neutral stance, indicating varying perspectives, while 14 disagreed and 6 strongly disagreed, suggesting differing experiences or contexts where communication and engagement challenges may not have been as prominent. These results agree

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<sup>41</sup> Maina, Patrick Wambugu. "Determinants of Integrated Financial Management Information System Implementation, in the National Government Departments in Meru County." PhD diss., KeMU, 2019.

with the findings of Okomoli et al. in which it was established that the users of the system did not get sufficient communication concerning instances of system downtime.<sup>42</sup>

**Figure 4.6 Lack of Clear Communication with Stakeholders**



**Source: Research Field Data (2023)**

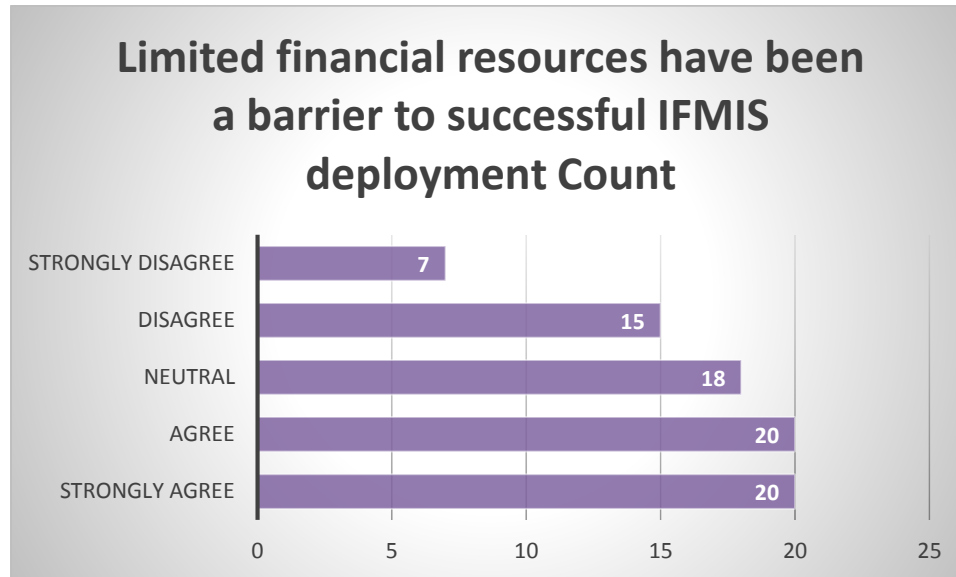
#### **4.7 Limited Financial Resources**

The study found that 20 respondents strongly agreed, and 20 agreed that limited financial resources have been a barrier to successful IFMIS deployment. These responses underscore the financial constraints faced by public institutions. Additionally, 18 respondents remained neutral, reflecting mixed perspectives, while 15 disagreed and 7 strongly disagreed, indicating differing financial contexts or experiences where resource constraints may not have been as prominent. Almost all countries in East Africa suffer from scarce financial resources due to high poverty levels. As such, it is a fact that limited financial resources in East Africa is a barrier to the

<sup>42</sup> Okomoli, Joel B. "Benefits Of The Integrated Financial Management Information System On Expenditure In The Public Sector: A Case Of The Ministry Of Agriculture, Livestock, Fisheries And Irrigation." PhD diss., University of Nairobi, 2019.

successful implementation of IFMIS. Most countries in the region have international debts that consume most of their revenue collections<sup>43</sup>.

**Figure 4.7 Limited Financial Resources**



**Source: Research Field Data (2023)**

#### **4.8 Potential for a More Streamlined Public Financial Management**

The study found that 20 respondents strongly agreed, and 33 agreed that IFMIS has the potential to create a more streamlined and efficient public financial management system. These responses reflect optimism regarding the ultimate benefits of IFMIS implementation. Additionally, 14 respondents maintained a neutral stance, indicating mixed perspectives, while 10 disagreed, and 3 strongly disagreed, suggesting differing views on the potential benefits of IFMIS. These results are in agreement with Ndegwa and Mungai, who state that IFMIS should be allowed to function in public institutions in order to enable public funds to be used more efficiently.<sup>44</sup> The same has been stated in a study carried out by Iravonga et al. who established that if properly managed,

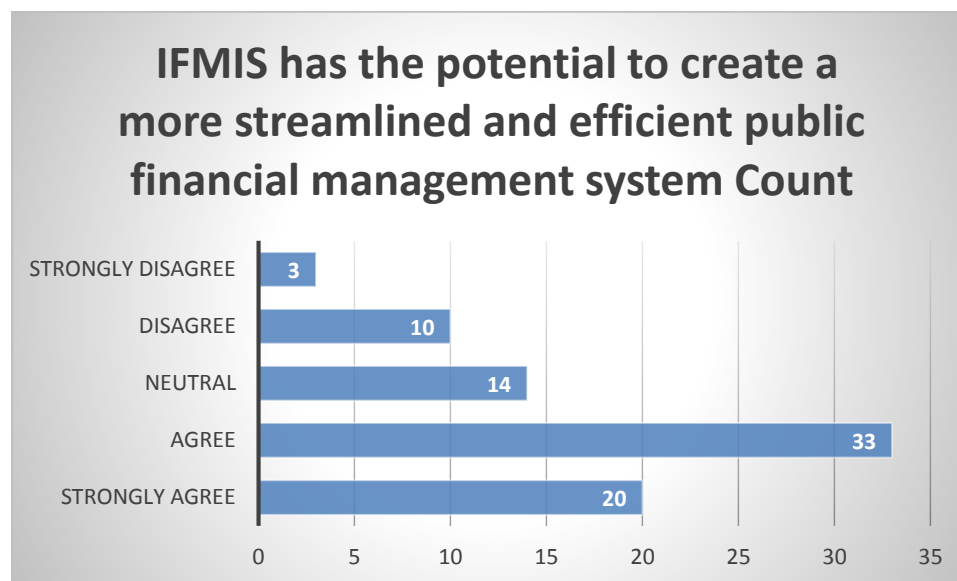
<sup>43</sup> Chindengwike, James. "The effect of foreign direct investment on poverty alleviation in East Africa countries." *Journal of Global Economy* 18, no. 1 (2022): 53-66.

<sup>44</sup> Ndegwa, R. M., and J. N. Mungai. "Influence of internal control system on financial management in ministry of finance, Kenya." *International Academic Journal of Economics and Finance* 3, no. 3 (2019): 266-278.



IFMIS has the power to make the management of public financial resources more efficient such that every citizen benefits<sup>45</sup>.

**Figure 4.8 Potential for a More Streamlined Public Financial Management**



**Source: Research Field Data (2023)**

#### **4.9 Chapter Summary**

Chapter Four delves into the challenges and opportunities encountered during the implementation of IFMIS in public institutions. The study's findings reveal a complex landscape where stakeholders acknowledge significant hurdles while also recognizing the potential benefits of IFMIS adoption. Challenges such as software complexity, resistance to change, training deficiencies, technical issues, integration challenges, communication gaps, and financial constraints are identified as key barriers. These challenges underscore the importance of comprehensive planning and strategic measures in the implementation process. Conversely, the study highlights the optimism surrounding IFMIS, with stakeholders believing in its potential to

<sup>45</sup> Iravonga, J. J., Ngala, C., Alala, B. O., & Maingi, M. (2023). Effect of Integrated Financial Management Information Revenue Systems on Financial Management in County Governments, Kenya. *African Journal of Empirical Research*, 4(2), 23-31.

enhance public financial management. This chapter provides valuable insights into the multifaceted nature of IFMIS implementation, offering guidance for policymakers, practitioners, and researchers seeking to address these challenges and harness the opportunities presented by IFMIS adoption in the public sector.

## **CHAPTER FIVE**

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

#### **5.0 Introduction**

This chapter provides the summary of the outcomes of this research based on the three specific objectives stated in the first chapter. The results of this study are contextualized in the wider research objective of establishing the role played by IFMIS in improving the levels of accountability and transparency in managing public finances in East African Countries with Kenya as the case study. To this end, the study was seeking to determine the impact of IFMIS in public finance management, establish the effectiveness of IFMIS in managing transparency and accountability of public finances, and evaluate the challenges and opportunities experienced in the implementation of IFMIS in public institutions in Kenya. This conclusion, therefore, has policy recommendations which are suitable for implementing IFMIS in Kenya and the rest of East Africa in order to leverage the benefits that IFMIS has in managing transparency and accountability in the public financial sector in East African countries.

#### **5.1 Summary of Findings**

##### **5.1.1 The impact of IFMIS in public finance management**

IFMIS affects public finance management in various financial governance areas. The findings of this study have made it possible to reach several important conclusions by carefully collecting and analyzing data. IFMIS greatly enhanced financial data accuracy. Most responders said IFMIS enhances public sector financial data quality and precision. Accurate financial data supports informed decision-making; therefore this could assist public finance management in East African countries. The study also found that IFMIS simplifies budgeting. East Africans must realize that this area can be optimized further despite agreeing on this improvement.

Budgeting is crucial to fiscal administration, and being effective can enhance resource allocation. Another benefit of IFMIS is speedier financial reporting. All respondents agreed that IFMIS had improved financial reporting and management efficiency. It means that policy makers in Kenya, Uganda, Tanzania and all other East African countries must realize that accountability and transparency in management of public funds necessitate timely financial reporting. Besides, IFMIS boosts expense tracking and monitoring efficiency. Proper financial monitoring and public money utilization necessitate reliable expenditure tracking. Respondents considered IFMIS a substantial financial governance contribution. IFMIS reduced fraud and money leakage, according to the study. Respondents appreciated its financial integrity and fraud prevention role. Financial fraud can generate considerable losses, but IFMIS mitigates such risks. Additionally, our study found that IFMIS improved financial control and management. Its vast impact on financial systems and governance reveals systemic benefits. Finally, respondents said IFMIS increased public finance management congruence with global best practices. This finding demonstrates global openness and accountability. Global best practices lend credibility to public financial management. For East Africans, leveraging these best practices would make it possible for the public sector to manage funds in a more transparent and accountable manner creating benefits and opportunities for all citizens.

### **5.1.2 The effectiveness of IFMIS in managing transparency and accountability of public finances**

Public finance openness and accountability are key to good government. Our study assessed how well IFMIS fosters these key qualities. Most responders said IFMIS improved financial information accessibility. Financial data is more accessible to citizens, policymakers, and monitoring authorities. This improvement gives stakeholders the information they need to hold

the government accountable, increasing openness. IFMIS significantly boosted public finance management trust. Any technique that improves public confidence is essential for good administration. When citizens of different countries in the East Africa Community trust their government to manage finances responsibly, there is an increase in the collaboration and confidence in their governments. Moreover, IFMIS helps in tracking finances. These are essential for financial transparency and fund delivery. Fund tracking avoids misallocation and misappropriation and enhances accountability. This study has shown that IFMIS has boosted government spending visibility at various levels. Government spending transparency reduces misuse and corruption. Transparency of governmental spending promotes accountability. If East African countries cherish transparency through IFMIS, Accountability will also be achieved. All respondents of the current study agreed that IFMIS promotes public financial manager accountability, although some disagreed. The study also found IFMIS improved financial regulation monitoring. For financial discipline and public resource protection, follow financial norms. Financial governance is improved via IFMIS compliance monitoring. Most respondents felt IFMIS improved public financial auditing and supervision. Audits and oversight prevent errors and ensure financial management meets standards. IFMIS boosts financial governance confidence.

### **5.1.3 The challenges and opportunities experienced in the implementation of IFMIS in public institutions**

Public institution IFMIS installation offers positives and downsides. Understand these interconnections to make informed decisions. We found that IFMIS software complexity is a key issue. Participants overwhelmingly agreed that complexity hindered implementation. IFMIS is powerful but complicated, which can limit adoption. IFMIS software must be simplified for

usability to optimize. Many respondents said insufficient training and capacity-building hampered IFMIS adoption. We cannot overstate the importance of training. Staff training is necessary for IFMIS. To overcome employee resistance to change, IFMIS deployment required change management. Address concerns, explain IFMIS benefits, and involve staff in the move using change management. IT difficulties and downtime hampered IFMIS. These issues need reliable technical support. Systems must run smoothly and be available when needed to succeed. Participants also strongly agreed that poor system integration hampered data interchange. Data management and interoperability require system integration. Integration issues and data flow require concentrated effort. Communication and stakeholder participation were crucial to IFMIS deployment, but they were lacking. Communication about IFMIS adoption goals, advantages, and processes should reach all stakeholders. The lack of funds for IFMIS implementation and maintenance hampered its rollout. Policymakers must determine IFMIS' budgetary needs and allocate resources to ensure success.

## **5.2 Conclusion**

This study has illuminated how IFMIS affects public financial management, transparency, and accountability. The findings reveal that IFMIS has improved but also faced problems. IFMIS improves financial data accuracy significantly. Financial management and decision-making depend on reliable financial data, so this enhancement is vital. Financial information reliability matters to internal and external stakeholders. For East African countries that have adopted the technology, this study also shows IFMIS simplifies budgeting. Optimization is feasible, but budgetary efficiency is significant. From the study, it is evident that good budgeting improves government by efficiently allocating public resources.

Also helpful are IFMIS-accelerated financial reporting methods. Timely financial reporting enhances transparency, accountability, and decision-making. It informs stakeholders and promotes financial management transparency. IFMIS enhances spending tracking and monitoring, another key finding. Good financial governance involves accurate expense tracking to avoid misallocation and theft. True money monitoring boosts government accountability at all levels. The study has underlined IFMIS's role in combating financial fraud and leaks. Financial fraud prevention safeguards public funds and encourages ethics. IFMIS improved financial management and control. This broad effect improves financial process oversight. Therefore, for East African countries that have embraced IFMIS, financial management and resource allocation will increase with good financial control.

The study finds that IFMIS follows international best practices for public financial management. International standards value transparency and accountability. For instance, IMF, World Bank and USAID have been portrayed as some of the international organizations vouching for best practices in financial management in low-income countries such as East African nations. As such, IFMIS comes with many benefits for which implementation concerns must be addressed first. Complexity can make IFMIS software hard to use. Solving this challenge requires simplifying the software interface and providing user-friendly tools. Insufficient training and capacity-building limit IFMIS benefits.

Employee reluctance to change has slowed IFMIS implementation in many public institutions in East Africa. Effective change management that involves personnel can solve this problem. Successful change management needs communication, education, and IFMIS benefits understanding. System downtime and technical concerns have impeded IFMIS. Tech support and maintenance are needed to reduce these difficulties. Systems must run smoothly and be available

when needed to succeed. Insufficient system integration hampers data sharing. Effective data management demands system compatibility. Fixing issue requires simplifying integration and data compatibility.

Poor stakeholder engagement and communication have hampered IFMIS rollout. Communication about IFMIS adoption goals, advantages, and processes should reach all stakeholders. Active stakeholder engagement fosters ownership and cooperation. Budget constraints have limited IFMIS deployment. Financial management needs and resource allocations determine IFMIS's sustainability and effectiveness. The study reveals that IFMIS improves public finance management, transparency, and accountability, notwithstanding problems. Financial governance can change with adequate adoption and support. The recommendations outline IFMIS challenges and benefits. This study can assist governments worldwide employ IFMIS to improve good governance, fiscal responsibility, and citizen well-being in financial management.

### **5.3 Recommendations**

In line with the first objective, countries in East Africa should increase its devotion to streamlining financial accountability and transparency through the implementation of IFMIS. Such accountability will come only if the governments and all stakeholders commit to providing IFMIS with more accurate financial data in line with international best practices. It is also important that public institutions across East Africa should prioritize comprehensive training and capacity-building initiatives to equip staff with IFMIS skills and knowledge. To maximize IFMIS, continuous learning and skill improvement are needed.

Based on the findings on the second research objective, it is recommended that public institutions in East Africa should dedicate themselves to enhanced financial reporting and



efficient budget execution. For instance, South Sudan does not have to be challenged by the IMF or the World Bank to embrace IFMIS. The mere fact that IFMIS has been adopted in almost every East African country should be a signal for South Sudan to jump into the wagon. Doing so will make it possible for the remaining countries to enjoy effective auditing of public finances while also monitoring compliance with public sector financial regulations.

In line with the third research objective, East African countries should find ways of managing change and opposition to IFMIS. To overcome employee opposition and ease IFMIS implementation, institutions should establish strong change management techniques. Proactive change management should address concerns and create staff ownership. In addition, there should be adequate technical assistance and maintenance to reduce system problems and downtime. A solid technical support infrastructure keeps IFMIS running properly.

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## APPENDICES

### APPENDIX I: QUESTIONNAIRE

#### PART A

Kindly tick (✓) as appropriate

#### 1. Gender

Male

Female

#### 2. Age

21-30

31-40

41-50

51-60

Above 60

#### 3. Organization

Ministry of Finance, Kenya

County Government

IMF Office

USAID Office

World Bank Office

#### 4. Length of Service

Below 5 years

5-10

11-15

16-20

21 and above

**5. Management Level**

Low

Middle

Top

**6. To what extent do you interact with IFMIS?**

Extremely very  
much

Very much

Much

Not so much

Not at all

**PART B:**

Kindly indicate the extent to which you agree with the following statements. Tick (✓) as appropriate whereby 1=Strongly Agree, 2=Agree, 3= Neutral, 4= Disagree and 5= Strongly Disagree


	<b>Responsible variables</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>RQ1</b>	<b>The Impact of IFMIS in Public Finance Management</b>					
1.	IFMIS has significantly improved the accuracy of financial data in this institution					
2.	IFMIS has streamlined the budgeting process in this institution					
3.	IFMIS has enhanced the timeliness of financial reporting in this institution					
4.	IFMIS has increased the efficiency of expenditure tracking and monitoring in this institution					
5.	IFMIS has facilitated better decision-making regarding resource allocation in this institution					
6.	IFMIS has led to a reduction in financial leakages and fraud in public finances in this institution					
7.	IFMIS has improved the overall financial control and management of funds in this institution					
8.	IFMIS has positively impacted the alignment of public finance management with international best practices					
<b>RQ2</b>	<b>Effectiveness of IFMIS in Transparency and Accountability</b>					
1.	IFMIS has improved the accessibility of financial information to stakeholders					
2.	IFMIS has increased public trust in the management of public finances					
3.	IFMIS has made it easier to track the flow of funds					
4.	IFMIS has enhanced the visibility of government spending at various levels					




5.	IFMIS has encouraged accountability among public officials responsible for financial management					
6.	IFMIS has enabled better monitoring of compliance with financial regulations					
7.	IFMIS has led to a reduction in financial irregularities and corrupt practices					
8.	IFMIS has contributed to more effective auditing and oversight of public finances					
<b>RQ3</b>	<b>Challenges and Opportunities in IFMIS Implementation</b>					
1.	The complexity of IFMIS software has posed challenges during implementation					
2.	Insufficient training and capacity-building have hindered successful IFMIS adoption					
3.	Resistance to change from employees has affected the smooth implementation of IFMIS					
4.	Technical glitches and system downtime have impeded the effectiveness of IFMIS					
5.	Inadequate integration with other systems has created challenges in data sharing					
6.	Lack of clear communication and stakeholder engagement has affected IFMIS implementation					
7.	Limited financial resources have been a barrier to successful IFMIS deployment					
8.	IFMIS has the potential to create a more streamlined and efficient public financial management system					

*Thank you for the assistance*


## APPENDIX II: NACOSTI RESEARCH LICENSE

  
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