FINANCIAL MANAGEMENT AND SERVICE DELIVERY IN PUBLIC INSTITUTIONS

CASE STUDY: WAKISO DISTRICT LOCAL GOVERNMENT

MAWANDA MICHAEL

2014-M102-20113

UGANDA MARTYRS UNIVERISTY

OCTOBER, 2016

FINANCIAL MANAGEMENT AND SERVICE DELIVERY IN PUBLIC INSTITUTIONS

CASE STUDY: WAKISO DISTRICT LOCAL GOVERNMENT

A POSTGRADUATE DISSERTATION PRESENTED TO FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT IN THE PARTIAL FULFILLMENT OF REQUIRMENTS FOR THE AWARD OF THE DEGREE MASTER OF BUSINESS ADMINISTRATION FINANCE OPTION

UGANDA MARTYRS UNIVERSITY

MAWANDA MICHAEL

2014-M102-20113

OCTOBER, 2016

Dedication

This research work is dedicated to my beloved family for being there for me whenever I needed them. I would not have finished this dissertation without their love, support, understanding and financial support.

Special thanks go to my late beloved father Mr. Jjuuko Joseph and Mother Mrs. Jjjuuko Mary Nantubiro for ensuring a constant tuition since my primary level of education up to University.

To my supervisors Mr. Kibrai Moses and Mr. Ssonko George Wilson (Phd) for your immense guidance and assistance

Thank you!

Acknowledgement

I am most grateful to God, for seeing me through to the completion of my research dissertation. It is not easy but by His Grace I have conquered.

I am grateful to my mum, for giving me humble time and all the support needed to enable me finish my Master's Degree. I thank Mr. Wassajja Henry my elder brother for being a modal in our family, my other brothers Juuko Joseph and Kiweewa Elvis, and my dear Sister Nassuuna Gloria for providing me support I cherish so much my brethren.

I thank my course mates Kamisya Irene Sylivia, Tumwesigye John, Kanaabi Joseph Zziwa and Tugume Amon and others for without their support; I would not have maintained the motivation to finish my work on time.

My sincere gratitude goes to my supervisors Mr. Kibrai Moses and Mr. Ssonko George Wilson for their guidance, critique and insights to make this work successful. They also challenged me to make it the best it should be and they also helped me through the development of a researchable topic. I thank them for their help and encouragement.

Finally, I thank the administration of Wakiso District Local Government for granting me the opportunity to conduct research in their organisation. Thank you so much.

Table of Contents

List of Tables

List of abbreviations

CIPFA	Chartered Institute of Public Finance and Accountancy
FASB	Financial Accounting Standards Board
FINMAP	Financial Management and Accountability Programme
FM	Financial Management Model
GAAP	Generally Accepted Accounting Principles
HLGs	Higher Local Governments
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Accounting Reporting Standards
IPSASB	International Public Sector Accounting Standards Board
MDGs	Millennium Development Goals
MOES	Ministry of Education and Sports
NCSS	National Council of Social Service
NGO	Non Government Organisation
NPM	New Public Management
OECD	Organisation for Economic Cooperation and Development
PAC	Public Accounts Committee
PFM	Public Financial Management
SC	Sub County
SEC	Securities Exchange Commission
SPSS	Statistical Package for Social Science
TC	Town Council
UNDP	United National Development Programme

Abstract

The study was conducted in Wakiso District Local Government. The main purpose was to investigate the relationship between financial management and service delivery in public institutions. Specific objectives were; to establish the relationship between budgeting and service delivery in public institutions; to assess the relationship between financial records and service delivery in public institutions and to examine the relationship between financial reporting and service delivery in public institutions. Financial management was looked at from various dimensions including budgeting, financial records and financial reporting, while service delivery was determined by reliability, assurance, responsiveness, tangibility and empathy.

The research design was a case study based on both quantitative and qualitative approaches in relation to cross section, correlation and regression as research designs. The methods used for data collection were questionnaires and interviews. The sample study involved Administration and Heads of departments, District Finance, and Sub County & Town Council Finance Departments, Internal Audit, District Public Accounts Committee, Resident Auditors, District Executive, Sub County & Town Council Executive with a population of 111 and a sample of 103 respondents. Data was analyzed through the use of SPSS Version 20 for quantitative purposes and grouped into categories and themes for qualitative analysis. The conclusions were drawn from tables.

Based on the data and research findings, there was a positive relationship between budgeting, financial records, financial reporting and service delivery in public institutions.

The study established a positive relationship between financial management and service delivery in public institutions. Hence, it made recommendations such as; Leaders and managers of Local Governments should ensure that there is effective financial management to facilitate realistic budgets, up-to-date records on finances that could be traced in service areas and they should facilitate regular financial reporting and follow-ups in Local governments so as to identify areas that they could address and ensure that services related to the reports are verifiable..

The study, therefore, concludes with a call to the stakeholders in Wakiso District Local Government to enhance financial management in form of budgeting, financial records and financial reporting since it enhances service delivery.

CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

This study focused on explaining the relationship between financial management and service delivery in public institutions. Financial management, the independent variable- explained in form of budgeting, financial records and financial reporting whereas service delivery explained in form of reliability, responsiveness and assurance, empathy and tangibility.

Chand et al (2010), there is an increasing focus on improving the quality of public financial management around the globe, making important and impressive achievements in strengthening public financial management and governance. Nonetheless, Naidu et al (2010) a lot still remains to be done as the public sector landscape is rapidly changing with an increasing emphasis on fiscal management and discipline, prioritization of expenditure and value for money. As a result, it is even more important that international donors, governments, national and local institutions, including regulators and professional accountancy bodies, work together in partnership to achieve long-lasting improvements, transparency and accountability in public financial management so as to ensure effective service delivery (ACCA, 2010).

Mutabwire (2013) elements of service delivery designs such as responsiveness, dependability, empathy, authenticity and others should improve service delivery as part of their responsibility to the people, hence, local governments such as Wakiso District Local Government should evaluate citizens' needs, priorities and decisions; continuously improve service delivery mechanisms to meet changing needs and demands of the citizens; increase collaboration and cooperation between local governments and central government agencies; and share responsibility with all actors engaged in service delivery.

In this study, the researcher presented the Background of the Study, Problem Statement, Objectives, Research Questions and Hypothesis of the study, Scope of the Study, Significance of the Study, Justification of the Study, Operational Definitions and Conceptual Framework.

1.1 Background of the Study

In most countries of the world public service organizations underwent rapid changes after the Second World War. Many countries of the world are seriously implementing public service management reforms especially finance reforms through financial management with a focus of enhancing efficiency and effectiveness of public service delivery (Lufunyo,2013). From the onset the reforms were focused on defense sector, economic sector, administrative, political and law enforcement.

Osborne and Gaebler (1992) reforming public service management most especially in the financial management has been an on-going process in many countries of the developed such as the United States, United Kingdom, Russia, Germany and developing region for over two decades. International organizations with an intention to transform the old administration (The Weberian Ideal Model of Administration) which was rule bound, hierarchical, unresponsive and inefficient.

The emergence of these reforms were therefore a deliberate effort to transform the government in terms of its functions and organizational structure, improving financial management policies and providing institutional support for government decentralization and managing the process through which these reforms could be implemented and bring change on service delivery (Lufunyo 2013 adopted from Pollitt, 2003).

The impulse for such reforms came as a result of a combination of a number of factors. These included; market determination, public dissatisfaction with service delivery, growing demand for citizen participation in decision making, and disillusion with the standard of public sector resource management (Njunwa, 2005).

Pollitt (2003), other concerns like cost effectiveness, efficiency, accountability, focus on results, contestability of advice and services, better performance management and decentralization of service delivery also contributed significantly to create pressure for change and reform.

In Africa, during the two decades, most African countries have embarked on comprehensive public sector reform programs in the areas of financial management, and in many cases have received assistance from international institutions. However, despite the tremendous efforts and resources which have been allocated to this endeavor, progress remains scanty and less impressive (Willis, 2005).

Massoi (2010), most of the public sector reform programs that have taken place in developing countries during the last two decades were introduced as part of the Structural Adjustment Programs (SAPs) of the World Bank in the 1980s. However, most of the more recent reforms, under the influence of the New Public Management (NPM), have been driven by a combination of economic, social, political and technological factors, which have triggered the quest for efficiency and for ways to cut the cost of delivering public services. Additional factors, particularly for Africa, include lending conditionality and the increasing emphasis on good governance (Massoi, 2010).

ECA (2003), since the 1980s, developed and developing countries have been embarking on public sector management reforms. The role and institutional character of the state has been questioned, and the public sector has been under pressure to adopt private sector orientations. The earlier reforms aimed at shaping public administration that could lead to national development, were based on the same institutional peculiarities inherited from the colonial period.

More recently, the World Bank and other donors in Africa have been concerned with finding alternative ways of organizing and managing public services and redefining the role of the state to give more prominence to markets and competition, and to the private and voluntary sectors. The alternative vision, based on issues of efficiency, representation, participation and accountability, has sought to create a market-friendly, liberalized, lean, decentralized, customer-oriented, managerial and democratic state (Willis, 2005).

In Uganda, Rob and Richard (2007) case studies from Sub- Saharan Africa have almost all referred to the problem of how to develop (or restore) loyal, capable and efficient civil services. Civil services have been described as oversized, unresponsive, rule-bound or with not enough (effective) rules, low incentive, driven by corruption or patronage and red tape. Rugumyamheto (2005), the public service (ministries, local authorities and departments) has always been the tool available to African governments for the implementation of developmental goals and objectives. It is responsible for the creation of an appropriate and conducive environment in which all sectors of the economy can perform optimally, and it is this catalytic role of the public service that propelled governments all over the world to search continuously for better quality of public service delivery and sustained economy.

According to Betley et al (2012), Public Financial Management (PFM) Reform Strategy, a number of improvements have been recorded such as improvement in the classification of the budget, comprehensiveness of budget documentation, public sector entities are gradually recording improvements in submission of accounts and public access to fiscal information has been consistently good effectiveness of internal controls for non-salary expenditure which have enhanced service delivery in public institutions.

The CIPFA FM Model, CIPFA, (2004) and (2007), the Chartered Institute of Finance and Accounting (2010), a number of models have been introduced to assist in assessing financial management such as the Financial Management (FM) Model which is an online diagnostic toolkit for assessing the financial management of your public sector organisation. With reducing resources, but increasing pressure to deliver services, effective financial management has never been more important for public sector organizations.

CIPFA Model (2010), the FM Model can be tailored to focus on a particular aspect of financial management that you wish to improve, or conduct a full review of your whole organization's financial management. A wide-range of organizations in local government, central government and beyond has used the well-established FM Model over the years to help with their financial management.

CIPFA FM Model (2010), it helps with:- sound decision-making and accountability, improves understanding of finances and enables businesses of all kinds to manage their risks, an assessment of overall financial management capability, providing the finance function with focus, identifying cost-cutting opportunities and efficiency gains, by accurately pinpointing weaknesses and acknowledging strengths.

According to Wakiso District Five Year Development Plan 2011-2015, Wakiso district is found in Uganda and was created by the act of the Parliament of November 2000. Wakiso is part of the famous Luwero Triangle, which was plundered during the five year struggle in the early mid 1980. It was curved out of Mpigi district with the aim of improving service delivery (Wakiso District Five Year Development Plan 2011-2015).

According to 2014 national census figures, Wakiso district had a population of approximately 2,000,000 people making it the second-top populated district in the country. The district carries out financial management following the public financial management Act 2015, local government financial regulations and service delivery in form of service provision such as education, health, sanitation, agricultural, road construction, poverty trainings, community mobilization to eradicate poverty however over the years the district has continued to register good financial management envisioned in the Audit reports of the 2011,2012,2013, 2014 with unqualified reports (Auditor General Report, 2014).

The service provision is deteriorating in those areas indicated by the shady works, poor road construction, lack of medical supplies in the facilities, and low funding to the education sector leading to more of children to attain low quality education leading to registering poor performance in the Primary leaving Examinations in its Universal Primary Education schools. Thus, it was upon this background that the researcher examined the relationship between financial management and service delivery in public institutions; case study of Wakiso District Local Government.

1.2 Problem Statement

Governments have done a tremendous role in ensuring proper financial management. Public sector entities are gradually recording improvements in submission of accounts, improvement in the classification of the budget, comprehensiveness of budget documentation and public access to fiscal information (FINMAP Midterm Review Consolidated Interim Report, 2010). Nonetheless, governments still have a challenge such as low levels of awareness of funds received for service provision at local levels (Sundet, 2008). For example in Uganda and Tanzania, tracking of school capitation grants revealed that significant levels of funds had not found their way to intended schools, something not previously known to local communities.

Nakabugo (2011) contends previous Uwezo reports have raised the red flag about Uganda's poor record on learning outcomes despite a huge investment in education. In 2011 the annual report said only three out of 10 pupils in Primary Three and Primary Four could write. There has been no meaningful improvement in learning outcomes over the years in the three countries, only that Uganda has also continued to perform worse than her counterparts."

Although Uganda has almost attained Universal Primary Education for all (94% net enrollment according to MoES, 2014 and 96% enrollment according to Uwezo (2014), stark regional disparities in access to primary education persist despite the investment of funds in the programme. For example, Universal Primary Education is far from being achieved in the Karamoja region. There are large proportions of children aged 9-16 years in Kotido, Nakapiripirit, Moroto and Kaabong districts who have never been to school.

The Auditor General's report (2014) established procurement anomalies, unaccounted for funds, under collection of local revenue and under-staffing in the Local Government Audits. According to the report the Auditor General's opinion on the financial statements enhances the credibility of the financial statements but does not guarantee the future viability of the entity; does not guarantee the efficiency or effectiveness with which management has conducted the affairs of the entity; and does not guarantee that the entity is free of fraud and provides quality services.

Despite the above, anecdotal evidence suggests that proper financial management does not necessarily translate into quality service delivery. For example, in Wakiso District Local Government there is proper budgeting, good financial reporting and financial records management yet the service provision or delivery remains inadequate especially in areas of sanitation, education, health and road construction.

It is from this background that the researcher picked interest to examine the relationship between financial management and service delivery in public institutions.

1.3 Objectives of the Study

1.3.1 Major Objective

The major objective of the study was to examine the relationship between financial management and service delivery in public institutions; a case study of Wakiso District Local Government.

1.3.2 Specific Objectives

The specific objectives of the study were;

i) To establish the relationship between budgeting and service delivery in public institutions

ii) To assess the relationship between financial records and service delivery in public institutions

iii) To examine the relationship between financial reporting and service delivery in public institutions

1.4 Research Questions

The study was guided by the following research questions namely;

i) What is the relationship between budgeting and service delivery in public institutions?

ii) What is the relationship between financial records and service delivery in public institutions?

iii) What is the relationship between financial reporting and service delivery in public institutions?

1.5 Research Hypothesis

H_1: There is relationship between budgeting and service delivery in public institutions.

H_2: There is relationship between financial records and service delivery in public institutions.

H_3: There is relationship between financial reporting and service delivery in public institutions.

1.6 Scope of Study

1.6.1 Subject Scope

This study examined the relationship between financial management and service delivery in public institutions at Wakiso District Local Government. Financial Management was studied under three main dimensions: budgeting, financial records and financial reporting and how they foster service delivery in public institutions. Service Delivery was studied based on dimensions of reliability, responsiveness, assurance, tangibility and empathy.

The moderating variables such as financial management Act 2015, Local government financial regulations, and the political atmosphere much as the researcher recognized them, he did not research on them.

1.6.2 Geographical Scope

This study was carried out in Wakiso District Local Government. It is Located on P.O Box 7218, Kampala and lies in the Central region, bordering Kampala, Mpigi, Luweero, Nakaseke and Mityana Districts in the North; Mukono in the East and Kalangala District to the South. The researcher chose Wakiso District Local Government as a public institution that carries out financial management and service delivery to its populace and also because of its proximity to the researcher.

1.6.3 Time Scope

The period of assessment was from August 2015 to May 2016 and the data collected from the literature ranged from 2000 to 2016. This was because the selected time period covered the complete operation years for which financial Management greatly affected service delivery at Wakiso District Local Government.

1.7 Significance of the Study

The study will provide strategies of improving financial management, and service delivery in the public institutions by Government and also add to existing literature on financial management and service delivery in public institutions.

The findings of the study or research will help the management of Wakiso District Local Government in designing better policies regarding financial management and service delivery so as to meet stated objectives.

The findings will be used by other researchers to enhance on the existing knowledge about financial management and service delivery in public institutions.

The study will lead to the partial fulfillment of the requirements leading to the award of a Master of Business Administration of Uganda Martyrs University.

1.8 Justification of the study

Prior studies have been done on financial management and service delivery worldwide; such as those in Malawi and Sierra Leone. In Uganda there is paucity of research about financial management and service delivery in public institutions. Therefore, the basis for the choice of this study is to empirically establish the relationship between financial management and service delivery in public institutions such Wakiso District Local Government. The result of this study is hoped to contribute positively to the field of financial management in Wakiso District Local Government and other districts that will have access to read this dissertation.

1.9 Operational Definitions

Financial management refers to the budgeting, financial records and financial reporting.

Service delivery refers to reliability, responsiveness, assurance, tangibility and empathy for service providers, and consumers of those services, and encompasses both services and their supporting systems.

Public institution refers to an institution such as a local government that provides goods and services to the community using internally generated funds such as taxes, government funds and grants.

1.10 Conceptual Frame Work

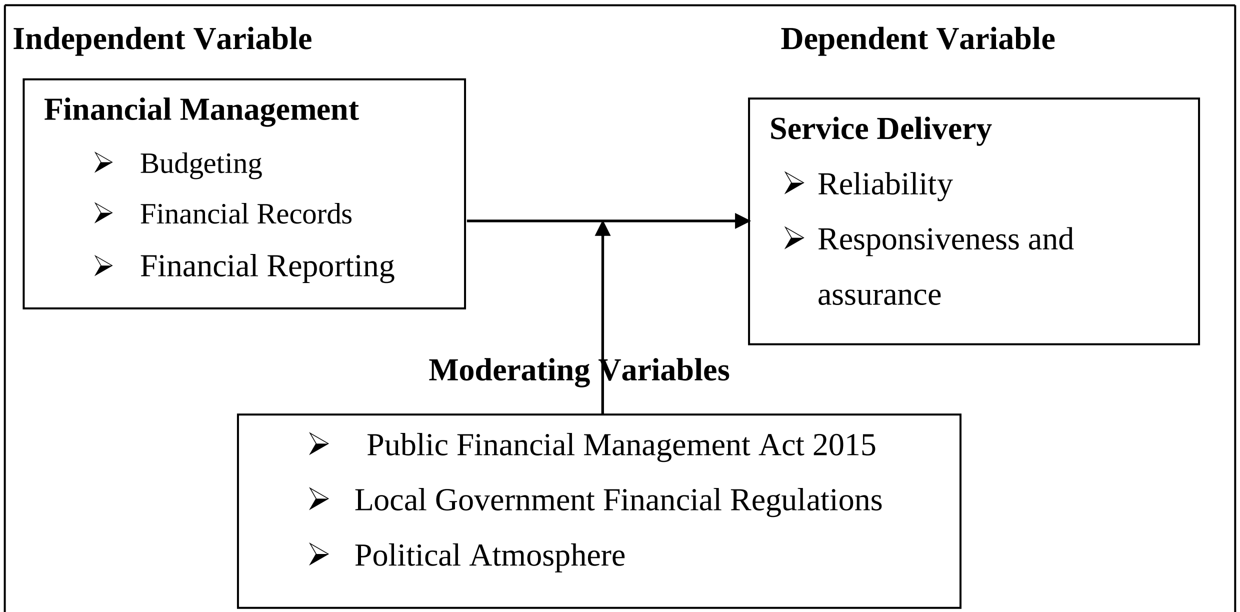
According to Mugenda and Mugenda (2003) conceptual framework is a diagrammatic presentation of the relationship between dependent and independent variables.

Eze, et al (2013), contends budgeting leads to a national flexible instrument (budget) amenable to reforms in the face of its inability to actualize the fundamental goals of any development plan. According to Dreyer-Lassen et al. (2006); financial management entails the budgeting, financial records and financial reporting which are the ways in which decisions about the use and funding of public resources are made, from the drafting of a budget law to its implementation.

Wisniewski (2001), the SERVQUAL model proposes that customers evaluate the quality of a service on five distinct dimensions: reliability, responsiveness, assurance, empathy, and tangible.

In this study, independent variable is financial management and dependent variable is service delivery.

Figure 1: THE RELATIONSHIP BETWEEN FINANCIAL MANAGEMENT AND SERVICE DELIVERY



Source; Adopted and Modified from Eze, et al. (2013), Dreyer-Lassen et al. (2006), & Wisniewski (2001)

Description of the Model

Figure 1 described the relationships between the variables of the study. The independent variable of the study is financial management conceptualized in the form of budgeting, financial records and financial reporting. All these were studied in relation to the dependent variable of service delivery. The dependent variable of service delivery has indicators. These are reliability, responsiveness, assurance, tangible and empathy.

On the other hand, there were the moderating variables the public financial management act 2015, the local government finance regulations and the political atmosphere that would affect financial management and service delivery. For example, better budgeting is expected to lead quality services but because of the strict public finance management Act 2015 on expenditures, there could not be any improvement in the services provided to the public this could lead to decline in service delivery. However, the moderating variables were kept constant.

1.11 Conclusion

Chapter one established the fundamental bases on which other chapters this study relied, particularly chapter two on establishing empirical studies and the theoretical framework of the study. It clearly put into light the key concepts and issues of the study as regards the variables to be studied

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviewed the theory of the study and the related literature. The content of the literature based upon the studies carried out by various scholars in the field of financial management and service delivery that provided an insight on the problem of the study. While reviewing literature, gaps and trends on factors affecting financial management and service delivery were evaluated.

2.1 Theoretical Framework

2.1.1 The public choice theory

The Theory argues that governments need to be constrained by strict rules while property rights and market transactions are upheld, on the basis of individual preferences, market solutions should be employed wherever possible(Hepple,1989).

Hepple (1989), Individual liberties should be immune from the tyranny of the majority with the state as a passive provider of voters' demands and from the vote and revenue maximizing behavior of politicians and civil servants who are capable of setting agenda, manipulating budgets and expanding their own public sector empires.

The crux or the core of the public choice argument is that public officials, both elected and non-elected, must not be assumed to be acting in the public interest. As rational human beings, public officials are self interested. They maximize their selfish gains or at best those of powerful interest groups at the expense of the general public (Turner and Hulme, 1997). They are self-seekers which impairs efficient and effective delivery of public goods and services.

Jutting (1999), simply put, unlike private officials, public officials are ‘rent-seekers’. The rent-seeking nature of public officials impairs efficient and effective delivery of public goods and services. Hence, the introduction of market mechanisms will substantially enhance the supply of public services.

2.1.2 Criticism of Public Choice Theory

Shapiro et al (1994), the theory over emphasizes the self-centeredness of public officials. Some public officials may be altruistic and humanitarian. Their actions are grounded on concern for the welfare of society.

2.1.3 Relevance of the Public choice theory to the Study

The public officials are presumed to be acting in the interest of the public in order to achieve better service delivery; however, this is done using financial resources. Hence, service delivery can only be achieved once there is proper financial management envisaged in form of budgeting better financial records and financial reporting.

2.2 Review of the related literature

2.2.1 Financial Management

According to Kengne (2015), financial management is concerned with raising the funds needed to finance the enterprise’s assets and activities, the allocation of these scarce funds between competing uses, and with ensuring that the funds are used effectively and efficiently in achieving the enterprise’s goal.

The study by Turyahebwa et al (2013) stressed that financial management is made of fixed assets management, capita structure management, financial planning, working capital management, financial reporting and accounting information system.

However, according to Ssekajugo et al (2013), financial management is concerned with all areas of management, which involve finance not only the sources, and uses of finance in the enterprises but also the financial implications of investment, production, marketing or personnel decisions and the total performance of the enterprise.

Falahati and Paim (2011); financial management includes practices relating to cash, credit and savings management.

Xiao (2008) indicated that an effective behavior refers to a positive or desirable behavior as a way to decrease the likelihood of financial problems, as recommended by consumer economists.

Joo (2008) indicated that effective financial management should improve financial well-being positively and failure to manage personal finances can lead to serious long-term, negative social and societal consequences.

2.2.2 Budgeting

The word 'Budget' means the money bag or the public purse which serve as a receptacle for the revenue and expenditure of the state (Ugoh and Ukpere, 2009). In Britain for example, the term was used to describe the leather bag in which the Chancellor of the Exchequer carried to parliament the statement of the government's need and resources. In a simple meaning, it is the documents which are contained in the bag-plans for government finances submitted for the approval of the legislature.

Thus, Cheng-Tsung (2011), a budget is a comprehensive document that outlines what economic and non-economic activities a government wants to undertake with special focus on policies, objectives and strategies for accomplishments that are substantiated with revenue and expenditure projections.

According to Ugoh and Ukpere (2009), there are certain fundamental principles that accompany the budgeting process. This is because of its importance in the overall development of a country. These principles aimed at making the entire process transparent and participatory. They include; Comprehensiveness: Budget should be able to contain all financial estimates that government intends to work with. There is need to ensure that no other funds or extra budgetary expenditure is entertained. Clarity: The document called budget should be very clear for the people to understand and be able to make an input.

Exclusiveness: Budgeting should be seen as an exclusive financial process and nothing else and According to Cliché (2012), Accuracy there is needed to ensure that the revenue and expenditure in a budget is correctly estimated. In essence, the estimates should be close enough to reality and Adequacy: Budget estimates should represent the needs of the government and the citizens. Budget also should be able to identify altogether the aspirations and problems of the government and the economy.

Ugoh and Ukpere (2009), Regularity should be maintained in the budget process. It means to present budget at a time suitable to tally with the beginning of every fiscal year and also to last for a specified period and Publicity where it should be given an open publicity. The reason is that it affects the lives of the people and how their wealth is distributed and expended.

The budget of a government is a summary or plan of the intended revenues and expenditures of that government. There are three types of government budget: the operating or current budget, the capital or investment budget, and the cash or cash flow budget **(**Akinboye, 2006).

2.2.3 Financial Records

According to the International Accounting Standards (2007), they typically include basic financial statements, accompanied by a management discussion and analysis. A balance sheet, also referred to as a statement of financial position, reports on a company's assets, liabilities, and owner's equity at a given point in time. A cash flow statement reports on a company's cash flow activities, particularly its operating, investing and financing activities (International Accounting Standards, 2007).

According to Krafchik (2011), an income statement, also known as a statement of comprehensive income, statement of revenue & expense, P&L or profit and loss report, reports on a company's income, expenses, and profits over a period of time. A profit and loss statement provides information on the operation of the enterprise.

These include sales and the various expenses incurred during the stated period a statement of changes in equity, also known as equity statement or statement of retained earnings, reports on the changes in equity of the company during the stated period (Krafchik, 2011).

2.2.4 Financial reporting

According to Lasher (2008), financial reporting is the "communication of financial information useful for making investment, credit, and other business decisions". Wild, Shaw, & Chiappetta, (2009); Such communications include general purpose financial statements such as income statements, balance sheets, equity reports, cash flow reports, and notes to these statements. Additionally, items such as Security Exchange Commission filings, press releases, meeting minutes, and auditor's reports are also included in financial reporting (Wild, Shaw, & Chiappetta, 2009).

Many financial reports, or the accounts and data they represent, are subject to various regulations and standards from organizations such as the Securities Exchange Commission (SEC), the Financial Accounting Standards Board (FASB), and the International Accounting Standards Board (IASB) (Wild et al, 2009). Much like any language, financial statements could have their own "dialect" so to speak. For example, knowing about the use of cash-based accounting versus accrual based accounting could impact some very serious business or investment decisions. The various regulations, standards, and Generally Accepted Accounting Principles (GAAP) helps to make sure we are all on the same page.

2.3 Service Delivery

According to Parasuraman et al. (1988), service quality can be defined as an overall judgment similar to attitude towards the service and generally accepted as an antecedent of overall customer satisfaction or the ability of the organization to meet or exceed customer expectations. It is the difference between customer expectations of service and perceived service (Zeithaml et al., 1990).

Perceived service quality results from comparisons by customers of expectations with their perceptions of service delivered by the suppliers (Zeithaml et al., 1990). If expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman et al., 1985; Lewis and Mitchell, 1990).

Nyeck et al (2002) states that the SERVQUAL measuring tool “appears to remain the most complete attempt to conceptualize and measure service quality”.

Grönroos (2001) explains that service encounters are human interactions. They suggested that customers and service providers have roles to play during and possibly after service encounters and that these roles are based on “interpersonal interactions” between organizations and customers. Service quality in all service encounters is thus intrinsically affected by the perspectives of both the service provider and the service receiver. The SERVQUAL model proposes that customers evaluate the quality of a service on five distinct dimensions: reliability, responsiveness, assurance, empathy, and tangibles (Wisniewski, 2001).

2.3.1 Reliability

This refers to the extent to which O’Neill and Palmer (2003), the service provider (the dealership) delivers on the promises made to the customer, the service provider are trustworthy while delivering services.

Chowdhary and Prakash (2007), dealerships are known to contact the customer, promising that the vehicle will be ready for collection at a specific time. Upon arrival at the dealership, the customer is told that the vehicle is “nearly ready”, much to their frustration. Reliability is regarded as the most important dimension of service quality where the employees are dependable when delivering services (Chowdhary and Prakash, 2007; Zeithaml et al., 2006).

2.3.2 Assurance

This refers to the degree of confidence and trust that the dealership is able to engender in the customer, based on the interactions between the parties (Zeithaml et al., 2006; O’Neill and Palmer, 2003). In the case of the dealership, the main source of assurance is with the service adviser, their knowledge and manner of interaction with the customer inspires trust in the organisation (O'Neill and Palmer, 2003).

2.3.3 Tangibles

This refers to the physical cues that are part of the service delivery process; they are used to communicate to the customer about the service that can be expected. Tangible cues that form part of this dimension include the signage, parking and layout of the dealership itself (Zeithaml et al., 2006; O'Neill and Palmer, 2003).

2.3.4 Empathy

Here, the customers are treated in such a way that they feel important to the organisation, and that their needs are important to the organisation, such that they receive caring, individualized attention and the staffs provide up to date services to the citizens; (Zeithaml et al. 2006, O'Neill and Palmer, 2003). In the case of the motor dealership, this can be seen in the interactions between the organisation and the customer, and the nature of this interaction.

2.3.5 Responsiveness

This refers to the willingness on the part of the service provider to deliver assistance to the customer (Zeithaml et al., 2006; O'Neill and Palmer, 2003). In the case of the motor dealership, this refers to the changes that have been observed in service hours from just being weekdays to include weekend and night services, due to the changes in the needs of customers. While service quality has been identified consistently as being relevant in service industries (Kang et al, 2004; Grönroos, 2001), there is no agreement on the specific dimensions or on the number of dimensions associated with it. There is little agreement on the exact nature and content of the dimensions of service quality (Kang, 2006). Further, it has been suggested that there are between one and eight dimensions (Chowdhary and Prakash, 2007; O'Neill and Palmer, 2003).

2.4 Actual Literature Review

In this section, literature was reviewed according to the specific objectives as laid down in chapter one of the study.

2.4.1 The relationship between budgeting and Service Delivery in public institutions

Budget is to an inclusive plan that an organization uses to obtain and consume financial as well as nonfinancial resources during a period of time. It describes an organization's actions plans in a quantifiable format (Cheng-Tsung, 2011) cited in Kenis, 1979). Budgeting encourages managers to think about the future and communicates future actions plans to organization members (Subramaniam and Mia, 2003).

Budgeting also makes an organization aware of operation bottleneck and is able to efficiently allocate resources (Davila and Wouters, 2005). In addition, it enables an organization to coordinate activities through integrating departmental budgets.

Effective budgeting motivates members to work toward organizational goals, which could as well serve as control criteria of departmental performance. Budgeting is successful when it receives full support by top management and well perceived by members of its initiation and implementation (Ugoh and Ukpere, 2009).

Akinboye (2006), Budget is a financial plan embodying an estimate of proposals, which include expenditure and the proposed means of financing them, for a given period. It is a short-term financial plan, a political document couched in fingers, a management tool used for both planning and control, a device for ensuring a continuous monitoring procedure, reviewing and evaluating performance with reference to previously established standards, as an overall method of improving operations.

Akinboye (2006), it is, therefore, a national instrument for periodic (normally one year) implementation and evaluation of national development plans from various government departments including local governments. Consequently, it is a flexible instrument amenable to reforms in the face of its inability to actualize the fundamental goals of any development plan (Eze et al, 2013).

Improving transparency Vesci M (2012), many countries set improving accountability to the legislature that has the executive committee that discusses the draft budget, budget laying to the council by the District Chairperson or delegate secretary finance and to the public as one of the key objectives of their reform initiatives. These reforms have improved budgeting and transparency by increasing the amount of information provided to the legislature and to the public on the performance of the public sector, as was found in 24 out of 30 OECD countries.

According to Verhoest, Koen (2005), there has been a renewed interest in providing objective performance information to show that the government's efforts are becoming more efficient, effective and accountable. Politicians' interest in these initiatives in some countries stems from the hope that the provision of more quantitative information on performance will provide a visible affirmation that they are fulfilling electoral promises of improving public sector performance.

While there is strong evidence that transparency has increased, the provision of information is not an end in itself. Supporters of this approach have argued that the provision of objective information in the public domain should shift the nature and quality of public debate (Verhoest, Koen, 2005).

According to Dreyer-Lassen et al. (2006), the budget itself is the result of the budgeting process, the way in which decisions about the use and funding of public resources are made, from the drafting of a budget law to its implementation. We define budgeting institutions generally as the collection of the formal and informal rules and principles governing the budgeting process within the executive and the legislature.

Juergen (2007), Budgeting institutions divide the budgeting process into different steps, determine who does what and when in each step, and regulate the flow of information among the various actors and in doing so, such institutions distribute strategic influence and create or destroy opportunities for collusion and for holding individual agents accountable for their actions. The constitutional role of the budgeting process is to provide a framework in which all competing claims on public funds are manifested and reconciled with each other, hence, leading to service delivery in public institutions.

Talukder et al, (2011), Potential benefits of this type of models include increased allocative efficiency and accountability resulting from greater citizen participation and information exchanges between authorities and final users. However, some authors suggest that these mechanisms are prone to local capture and exacerbation of preexisting inequalities and to losses of technical efficiency resulting from “shifting the locus of decision making downwards”.

According to Ocailap (2014), Energy development; the budget strategies in the last three financial years have aimed at increasing access to sufficient and affordable electricity and promotion of alternative sources of energy especially solar and biogas, among others. This was to be achieved through increasing Uganda’s power generation capacity, transmission and distribution of electricity through construction of large Hydro Electric Power Stations, expansion and rehabilitation of transmission lines and connection of under-served parts of the country through the Rural Electrification Programme thus leading to service delivery since funds can be allocated for a specific service such as electricity as explained above.

According to Sama (2011), budgeting has resulted in a greater emphasis on planning where all the stakeholders are involved in management and implementation of the budgeted items by the departments and budgeting, and a move towards outcome focus in policy design and delivery. Kengne (2015), there is more emphasis on long-term planning through the introduction of three-year to five-year strategic plans and proper budget. The use of planning in budgeting has become more systematic. Combined with medium-term expenditure frameworks, which in theory inform agencies of their funding for the next two or three years, this makes it easier to plan the spending available to achieve goals.

Ocailap (2014), prioritizing of certain services for the benefit of the citizens in the country for example in Uganda Health infrastructure and services: all the budget strategies have been prioritizing construction, rehabilitation, staffing and equipping of health facilities, improving the delivery, administration and monitoring of drugs at all levels and salary enhancement and also

Education and skills development: priority has been on improving access to quality education and training facilities with emphasis on Universal Primary and Post Primary education, Business, Technical and Vocational institutions. The key interventions under the sector included provision of teaching materials; construction of classrooms, staff houses, science and computer laboratories and so on which impact on the common man (Ocailap, 2014).

Sterck and Scheers (2006), in theory, budgeting can contribute to aggregate financial discipline through improvements in operational efficiency, hence, better service delivery. In practice, at a central government level, it has been difficult to find empirical data to support the claim that budgeting contributes to aggregate financial discipline. Certainly no country in this study perceived the improvement of aggregate financial discipline as the main aim of a PB system, nor did any country provide evidence in support of its contribution to this objective. Countries use other instruments to achieve this goal, such as fiscal rules and medium-term expenditure frameworks.

Make Long- and Short-Term Projections, Lewis et al (2006) argue that budgeting would help you plan for short-term expenses, both for the individuals like your monthly bills, and mid-term expenses, like vacations, as well as long-term expenses, like buying a house, paying for a child's college education and putting money away for retirement. When you have a spreadsheet or notebook in front of you showing how much money you expect to make over the next few months (or years), how much of that money goes out every month and how much you have left to save each month, you will always know when you need to cut back on spending, when you can afford to loosen the reins and how long it will take to save for major goals.

Lewis et al (2006), if you are not happy with the numbers, knowing what they are will help you take steps to improve your situation, whether that means focusing on paying off credit cards to increase your monthly cash flow, or getting a promotion or switching companies so you can make enough money to afford everything you need and want.

Emerging work by Krafchik (2011) highlighted the institutional, policy and practical changes that promoted improvements in budget transparency and participation in different settings. The volume included statistical and multi-country comparative analyses as well as case studies of Brazil, Mexico, Peru, India, South Korea, Vietnam, Uganda, Senegal and South Africa. These countries were selected to enable comparisons between pairs of good and bad OBI performers sharing other characteristics, in an attempt to isolate the factors that lead to greater budget transparency.

However, according to the United Nations Children's Fund (2010), the Poverty Reduction Programmes (PRPs) and other specific strategies have been set by government to address the challenges that the poor face. Whilst there is notable improvement in terms of pro-poor budgetary allocation, ensuring proper utilization of these resources remains problematic.

United Nations Children's Fund (2010), there are still inadequate formal policies and governance processes which do not promote proper utilization of pro-poor budgetary resources. Zambia currently has a legal framework in place which includes the Public Finances Act of 2004 which provides for the following: Management of Public Finances; Control of Public Finances; Surcharges; Control of Statutory Corporations; Audit and the General Provisions.

Okeke-Uzodike (2015) contends that access to information about financial flows and other inputs, outputs and outcomes are essential at local levels to inform local constituents and to encourage peoples' participation in the development process. A communication strategy for publicizing budgetary disbursements to districts appears to be non-existent.

As noted by Okeke-Uzodike (2015), in the 10 districts were CSPR conducts budget tracking and service delivery monitoring, there is no information flow at the district, constituency and ward level on the budget let alone utilization of funds to citizens. This is compounded by the absence of any fiscal law to publicize financial disbursements which makes it difficult for citizens to monitor the use of public funds.

According to Ocailap (2014), poor communication regarding budget cuts which impacts service delivery for instance Sector heads within HLGs frequently complained that the funds received are less than given by the indicative planning figures. Budget cuts are not officially communicated to officers. This leads to failure to make payments to contractors and delays expenditure as budget priorities are hastily debated.

Long process of approval for large procurements: Sector heads within HLGs found that the biggest delay in award of contracts was the need to seek authority from the Solicitor General for large procurements. This can add several months to the procurement process (Ocailap, 2014).

Araujo J (2012), this problem arises from poor planning and focusing on spending rather than on outcomes. Poor absorption of funds by institution negating the argument that funds are always inadequate. This is a result of many factors namely; Poor project preparation. MDAs have limited capacity to prepare bankable projects that are economically and financially sound and over commitment to multiple projects by contractors which affect contractors' capacity to beat the deadlines. This specifically applies to small projects around local governments.

According to Ocailap (2014), poor planning and allocative efficiency which negatively affects service delivery as a result of budgeting; there is a common tendency for spending entities to allocate and spend more funds on consumptive items such as workshops, seminars and travel abroad and inland which limits the funds available for provision of basic services. This is due to the new trend of lengthy consultations and benchmarking that are used as justifications for the above expenditures.

ACCA (2010), Budgeting facilitates public financial management which is absolutely critical to improving the quality of public service outcomes. It affects how funding is used to address national and local priorities, the availability of resources for investment and the cost-effectiveness of public services. Also, it is more than likely that the general public will have greater trust in public sector organizations if there is strong financial stewardship, accountability and transparency in the use of public funds.

It is important for governments to get it right because it impacts on a broad range of areas including; aggregate financial management – fiscal sustainability, resource mobilization and allocation, operational management – performance, value-for money and budget management and governance – transparency and accountability (ACCA, 2010).

In summary, in countries which have reported better service delivery, it has been as a result of proper budgeting but, however, there have been some setbacks as explained above, which have impacted on service delivery especially where they have presented better financial reports yet what is on the ground is inadequate .

2.4.2 The Relationship between Financial Records and Service Delivery in Public Institutions

According to World Bank (2000), record keeping is a fundamental activity of public administration. Without records especially financial records such as; Vouchers, Vote books and Cash books, there can be no rule of law and no accountability especially when it comes to the financial records such as the financial statements because they are essentially needed by the officials when making accountabilities for the goods or services undertaken.

World Bank (2000), public servants must have information to carry out their work, and records represent a particular and crucial source of information. Records provide a reliable, legally verifiable source of evidence of decisions and actions. They document compliance or non-compliance with laws, rules, and procedures which relate to service delivery in public institutions.

World Bank (2000), without accurate records of actual expenditures such as the statement of financial position and statement of comprehensive income, the process of preparing budgets can become almost meaningless. Poor record keeping affects the entire accounting function, with the result that reporting and auditing may become virtually impossible. Fraud becomes difficult to detect.

Debt management also suffers because records of borrowing may be held by different government offices or may be incomplete. Virtually, all approaches to improved financial management rely upon more efficient use of information, but these approaches cannot succeed if financial records are badly managed, hence, a relationship between financial records and service delivery (World Bank, 2000).

According to ACCA (2010), the link between financial records and service delivery is explained where both the developed and developing countries continue to struggle with the increasing complexities of public financial management and the pace of change. Not least, finance professionals working within the public sector are concerned with improving financial management and budgeting, responding to changes in financial records and financial reporting, securing better regulation, strengthening institutions, improving risk management and governance, and eradicating fraud and corruption. In addition, the spotlight is currently on public financial management as governments across the world increasingly struggle with achieving fiscal sustainability and managing fiscal risk. New and more sophisticated models and tools will be required to help governments deal with fiscal management. Also, there will be more than ever a focus on achieving effective resource allocation, particularly, in resource constrained environments. Governments will have to become smarter to ensure budgets are effectively linked to policy objectives and value for money is secured.

World Bank Report (2000), in many countries, government payrolls have been inflated with ‘ghost workers’: non-existent employees who draw a salary, taken by someone else. The personnel file should be the primary source of evidence that a person actually exists, that the grade is appropriate to the salary paid, and that any additional benefits are appropriate and have been authorized. In the absence of complete personnel files, the ‘ghost workers’ problem cannot be addressed in a sustainable manner.

National Council of Social Service Report (2007), Continuity of care; Records provide a case history and a more holistic picture in order to follow-up on services or try different approaches to assist the client. This is especially for clients with long-term or complex needs, or who require multiple services. Accurate and up-to-date recording is important especially when there is an emergency and the staff-in-charge is not available (due to illness, vacation, resignation, etc.). Good records and documentation will facilitate communication between service providers to ensure coordinated, rather than fragmented, service.

Ashbaugh-Skaife et al (2007), clearly understood reporting mechanisms exist to alert senior management to new and changing risks regarding financial statements, reliable controls are embedded in day-to-day operations to manage risks and to enable compliance with relevant legislative financial management requirements , ineffective or unnecessary controls are identified and replaced/corrected to reduce costs and/or reallocate resources and adequate monitoring of internal controls is in place to ensure that they are applied effectively and appropriate action is taken when control breakdowns are identified.

According to Tian-Lih et al (2011), monthly financial reporting that comes as result of better financial record keeping, hence, better practice entities reiterate that the key to the success is the clear alignment of their monthly financial reporting processes with year-end financial preparation processes, including the production of accrual monthly reports.

Altamuro (2010), their year-end process is viewed as only a special month end task; not a problematic one-off event where monthly financial reports are similar in character to annual financial statements, entities experience less difficulty and delay in completing year-end processes because: management has a sound understanding of the financial position of the entity during the year and is able to anticipate and respond to budget pressures, business areas and the finance team are familiar with financial reporting requirements, and work together to achieve common goals to achieve service delivery.

According to National Council of Social Service Report (2007), Service improvement; Well-documented financial records such as the performance monitoring tools can also lead to improved services to the clients by helping the staff organize his/her thoughts. Aggregated client information can also facilitate service planning, service development and service reviews. The information can also form primary data to conduct evidence-based research.

World Bank Report (2008), entries on the payroll database cannot be checked against an authoritative source to ensure that the person actually exists and that payments have been authorized. Head counts and questionnaires provide a temporary solution, but records are an essential aspect of the long term solution, thus, a relationship between financial records and service delivery since the workers are the ones that carry out service provision to the citizens.

According to Alzeban and Sawan (2013), the loss of control of financial records creates opportunities for fraud, leads to loss of revenue, and impedes fiscal planning and it makes it difficult, if not impossible, to preserve an audit trail of decisions, actions, and transactions. The consequences are particularly apparent in the procurement of goods and works and well managed records provide a cost-effective deterrent to fraud and corruption, controls on access to records; track the movement of records through the organization; and provide reliable and authentic audit trails which demonstrate an unambiguous link between an authorization, an individual's actions, and a date. They can serve as evidence to identify abuse, misuse, and non-compliance with financial instructions and other laws and regulations as without well-managed records anti-corruption strategies are impaired (Alzeban and Sawan, 2013).

In many countries around the world, record keeping systems are unable to cope with the growing mass of unmanaged records and this is particularly true in countries with limited financial or administrative resources or where records and archives managers lack training or professional development opportunities (Igwoku, 2008).

Administrators find it ever more difficult to retrieve the information they need to formulate, implement, and monitor policy and to manage key personnel and financial resources, this situation impedes the capacity to carry out economic and administrative reform programs aimed at achieving efficiency, accountability, and enhanced services to citizens (Igwoku, 2008). Moreover, the decline, and in some cases total collapse, of record keeping systems makes it virtually impossible to determine responsibility for actions and to hold individuals accountable (Igwoku, 2008).

Ming-Hsien et al (2011) contends that better practice checklist: Maintaining robust risk management practices and internal controls that have to be recorded so as to ensure service delivery such as risks to achieving reliable and timely financial statements are considered as part of an annual review of the financial management strategy or plan, sufficient time and financial statement resources are devoted to managing risks, roles and responsibilities regarding risk management for financial statement purposes are clearly understood and applied throughout the entity.

Baba (2014) adopted from Iwhiwhu (2005) contends that Management of Human Resources whereby improved human resource management is central to good policy management in government. Yet, in many countries paper-based personnel files are incomplete and difficult to access. Although public sector reform programs typically include a significant reduction in the size of the public service, governments are unable to find the basic information needed to accomplish this task, such as accurate staff numbers, details of their grades, and location or dates of appointment.

Moreover, Iwhiwhu (2005), as governments focus attention on improving the incentive structure of the civil service, the need for accurate and complete records especially the financial records in line with their salaries becomes more critical. Performance-related human resource management – designed to reward the most competent staff and penalize poor performers – is dependent upon information about the present and past performance of individuals. This information is not accessible if the relevant records cannot be located.

According to Adekunle et al (2009), private Sector Investment; chronic weaknesses in government financial record keeping can adversely affect private sector investment which impacts service delivery. For example, large-scale infrastructure investments, such as the construction of gas pipelines, may be delayed or may incur significant additional costs if government land registries cannot provide complete and definitive statements of titles to property.

According to Esse (2002), the loss of control of records especially the financial records has consequences for all citizens, especially for the poorest who are least able to defend themselves. Relevant and accurate public records are essential to preserving the rule of law and demonstrating fair, equal, and consistent treatment of citizens.

Esse (2002), without access to records, the public does not have the evidence needed to hold officials accountable or to insist on the prosecution of corruption and fraud. Moreover, the public suffers when inadequate information systems affect the delivery of programs. All aspects of public service, including health, education, pensions, land, and judicial rights, depend upon well-kept and well-managed records.

Vijayakumar and Nagaraja (2012) assert that accounting and auditing; financial record keeping provides the basis or foundation for accounting and introduces controls that protect essential audit trails. At the most practical level, if records are disorganized, it will take auditors an excessive amount of time to locate needed documents, if they can find them at all. Individuals guilty of embezzlement may deliberately allow financial records to become disorganized or to be stored in unsuitable conditions because this makes it harder for auditors to identify fraud.

Conversely, in some cases government officers have been inappropriately accused of embezzling funds simply because the documents authorizing the expenditure could not be located. Well-organized and well-managed records are essential to combat economic crime and protect the innocent and public goods, hence, service delivery (Funck et al, 2009).

Owojori (2006) argues that reductions in public expenditure have pressured public authorities to maintain services with less money. To achieve cuts, financial managers have had to improve their financial analysis as a basis for improving efficiency and value for money through carrying out proper financial records management.

Traditionally, Sujeer et al (2005), financial management in government has focused on controlling expenditure; the main emphasis has been on keeping public spending down in order to minimize borrowing. For example, the National Audit Office may carry out ‘value for money’ audits by examining the financial records such as the income statements which look beyond whether the money was spent according to the government’s financial regulations to whether the public is getting an economic, efficient and effective service.

Obi (1996) narrowed this down by observing that the poor state of accountability (in the local governments studied) was as a result of interwoven tragedy emanating from the Nigerian factor, weak accounting control mechanism that included poor record keeping, lack of prosecution of offenders, dishonesty, absence of adequately maintained financial records, conflict in role perception by the Chairmen, socio-economic and political instability in Nigeria, and many others which has a relationship on service delivery.

Ogden et al (2005), most development scholars agree to the fact that one of the most intimidating problems facing democratic governance in contemporary times is poor ethics and accountability system. This is despite the fact that public accountability in general is duty imposed on public officers assigned, Ofoegbu (2003) various public responsibilities such as Cash book where the expenditures and incomes are written at different levels of government to report on their activities and the way in which such responsibilities have been executed. In addition to this, they are expected to make sure that ethical codes are dully observed and respected.

Iwhiwhu (2005), fraud control the misappropriation of assets, for example, the theft of physical assets or payment for fictitious goods and services will diminish the financial resources of an entity which relates to service delivery.

In addition, Aidemark et al (2009), fraudulent financial reporting, such as the falsification of accounting records and the intentional omission of transactions and misapplication of accounting principles, has the potential to mislead users of the financial statements. Management of an entity should, therefore, implement procedures designed to prevent the occurrence of such circumstances so as to lead to service delivery in public institutions.

Accountability, National Council of Social Service report (2007), it is important to be able to provide relevant client information at any given time and the organization's response to their needs. The information may be needed to respond to queries from stakeholders, who may include the client's family, funders, country, donors or the courts. One important source of information is the client records.

Furthermore; Documentation forms the nature of the professional relationship with the client. Information on problems encountered and the agency's response would assist in the event of a crisis or investigations (National Council of Social Service report, 2007).

Vijayakumar and Nagaraja (2012) assert that accounting and auditing; financial record keeping provides the basis or foundation for accounting and introduces controls that protect essential audit trails. At the most practical level, if records are disorganized, it will take auditors an excessive amount of time to locate needed documents, if they can find them at all. Individuals guilty of embezzlement may deliberately allow financial records to become disorganized or to be stored in unsuitable conditions because this makes it harder for auditors to identify fraud.

Conversely, Esse UOA (2002), in some cases government officers have been inappropriately accused of embezzling funds simply because the documents authorizing the expenditure could not be located. Well-organized and well-managed records are essential to combat economic crime and protect the innocent and public goods, hence, service delivery.

Vijayakumar and Nagaraja (2012), Government itself is a major component of a nation’s economy. Public sector borrowing and expenditure have an impact on the stability of the overall economy. Governments can improve their capacity to manage the economy by introducing reforms of the treasury, budget preparation and approval procedure coupled with proper financial records keeping.

This was in line with Mihret (2010), Governments can no longer justify taking action with little or no reference to past performance or future goals in terms of service delivery when there are area points of reference such as the financial records like abstract of revenue nor can they justify parallel or duplicate services when they can combine services and reduce costs. Client service, quality performance of tasks, and measurable outcomes are increasingly important responsibilities, and these aspirations all depend on accessible and usable records (Mihret, 2010).

Vijayakumar and Nagaraja (2012), Economic Stability; every modern government needs to define an economic policy and then manage its economy according to that policy. Much of a country’s economy depends upon the private sector, but it can also be influenced by the government’s fiscal policies, interest rates and regulatory environment.

More generally, poor record keeping especially the financial records can contribute to a lowering of the general standard of service offered to businesses (Owojori , 2006) for example, there may be delays in replies to written inquires about the registration of businesses, the issue of licenses, and other matters necessary for companies to pursue their business.

Reforms can also be made in tax administration, accounting and audit mechanisms, central bank operations and the preparation of official statistics (Vijayakumar and Nagaraja, 2012). These reforms will help ensure the government manages its finances well and contributes to the overall stability of the nation, hence, leading to service delivery.

Conclusively financial records are closely related to service delivery whereby in order to ensure efficient resource allocation coupled with quality services financial records have to be in place since they are the basis or a foundation of all the other systems such as budgeting, reporting, accounting and auditing, hence, public institutions must ensure that they are kept in place in accordance with the existing laws.

2.4.3 The relationship between Financial Reporting and Service Delivery in Public Institutions

Government financial statements will then list an actually determined amount known as an annual required contribution. In regard to healthcare, this contribution includes the ‘normal costs the amount that needs to be set aside in order to fund future retiree health benefits earned in the current year and unfunded liability costs- the amount needed to pay off existing unfunded retiree health liabilities over a period of no longer than 30 years (Salehi and Abedini, 2009). The spectra of two sets of accounts offering competing numbers, such as the net worth of government, with which to assess the economic performance of government, is unlikely to assist decision making by potential users of either set of accounts unless they can reconcile the differences.

Financial reports are an important source of information for stakeholders, who use them for investing, contracting, and regulating decisions. Low quality reporting can lead to suboptimal decisions and potential misallocation of resources and as such, financial reporting quality is important (Westerfield et al, 2008).

Traditional public administration is internationally wide spread and has been durable, because the ideal of rules ensuring equal service delivery to every citizen has strong popular and political appeal. Moreover it is durable because traditional public administration can continue to operate where bureaucrats do not have highly specialized skills and where they may not be trusted to exercise discretion. The kinds of changes we are talking about are crucially dependent on relatively specialized skills (for example, the transition to and use of accrual accounting) (Machado et al, 2013).

According to Mota (2009), the government financial reporting function seems to have been subjected to the greatest amount of criticism in recent years with regard to its information content and its apparent inability to meet the assumed need of a variety of user-groups. For example, such users include creditors, citizen groups (that is, taxpayers, service recipients or voters), business enterprises and others, yet the Government Financial Reports remain the singular picture of the resources entrusted, how the resources are employed during a fiscal year, and in what form the resources are now held. However, there are overwhelming calls on government to shift emphasis from traditional stewardship financial reporting to the presentation of more informative Government Financial Statements so as to enhance service delivery.

According to Jochen (2011), elaborate financial regulation coupled with proper financial reporting and rigid accounting systems are deliberately designed to guide the actions and conduct of public officers in the conduct of and accounting for scheduled activities. In scope and content the financial regulations appear to be quite adequate. There are sufficient provisions to guide every responsible officer and to safeguard official resources. The cash basis of accounting which the Finance (Control and Management) Act, 1958 imposes would also appear to be realistic going by the traditional activities of government; financial account.

As seen, some tips help innovation strategies to be achieved in all governmental levels, for a greater focus on transparency of financial reporting sheet, which was put in second plan in public administration; prevailing only in the budget of accounting practice. In this context, Jochen (2011) notes, "IFRS gave Brazil a greater volume of investment in international capitals, since convergence has brought greater confidence in the financial statements".

In Reis‟ thoughts (2014), innovation does not mean having a great idea, but to identify the needs and problems of the market and transform them into a process operating in industry, commerce and service delivery thus a relationship between financial reporting and service delivery.

According to Antunes et al. (2012), “The changes seek to improve the quality of accounting information, focusing mainly on its usefulness to the user; improvements to enhance understandability, relevance, reliability and comparability of disclosures, which are the qualitative and useful characteristics of accounting information”. For the innovation process to be successful in any type of organization, it is necessary to establish clearly where the change will occur, and what we must change.

However, Coutinho (2010) says that with the adoption of NBCASP, the public accounts under federal and state will focus more on equity and will provide a series of rulers‟ innovative information about the assets, revenues and expenses, focusing on the accrual basis this important information is relevant to public managers to enhance service delivery.

Under the accrual basis of accounting, transactions and other events in financial statements are recognized when they occur, not only when cash or its equivalent is received or paid. Therefore, transactions and events are recorded in the accounting records and recognized in the financial statements of the periods in which they report (IPSASB, 2012). Thus, by adopting the IFRS Accounting, the Brazilian public will submit a standard language in their reports; and is being used in several countries for reporting of financial statements and financial management which enhances public service delivery.

It is imperative that service delivery in any country must be strategically in tandem with the MDGs. This is necessary to achieve efficient and effective desired goals of assisting needy and grass root people and the same should happen in Fiji, which is in the process of achieving some of the MDGs. MDGs are very important for developing small island countries and there are eight MDGs that are to be achieved by developing countries by 2015 (United National Development Programme, 2010). They include to eradicate extreme hunger and poverty, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria and other diseases, ensure environmental sustainability and the eighth goal is to develop a global partnership for development (United National Development Programme, 2010). However, this can be achieved when there is better financial reporting on what has been provided by the donors for instance, World Bank, the European Union in the country which enhances service delivery.

Organisation for Economic Cooperation and Development (2010), there are five principles of Paris Declaration. First is ‘ownership’ where the developing countries set their own country goal and objectives for poverty reduction, institutions improvements and the tackling of corruption.

Second principle is ‘alignment’ that requires the countries to align their country development goals to MDGs. Third principle is ‘harmonization’ where donor countries coordinate, simplify procedures and share information to avoid duplication. Fourth principle is obtaining ‘results’ whereby developing countries and donors change focus on the need to measure results. The final principle is ‘mutual accountability’, which requires the donors and partners to be accountable for development results (Organisation for Economic Cooperation and Development, 2010). These principles can be achieved once there is proper financial reporting in the country because they move in tandem with service delivery.

Chand and Naidu (2010), the state in Fiji has the social responsibility to look after the welfare of its citizens and Assets held for resale by the institution such as used computers are one of the facet of financial reporting that are reported on in public institutions. Importantly, the government needs to address issues relating to social justice, poverty alleviation, housing, health, education and human rights.

Government of Fiji has the primary role of providing a truly egalitarian Fiji so that people will work in accordance to the development of all communities regardless of race or ethnic origin (National Council for Building a Better Fiji, 2003). In an attempt to fulfill its responsibilities, the government has established Ministries, which assist in service delivery and have their own goals and plans to achieve the overall strategic development plan of the government (Fiji Council of Social Services, 2010a). Some of the essential areas, which need to be prioritized by the government to improve the status of service delivery in Fiji, include education, health and public utilities (water, energy and telecommunications), works and transport. All the above ministries ensure they do proper financial reporting that is in line with the agreed world standards, thus, the relationship between financial reporting and service delivery in public institutions.

The key to organizational survival, creating and maintaining wealth primarily lies on accountability built into governance structures of corporations. According to Frost (2000), there is a strong relationship between financial reporting, accountability and service delivery. In his view, the goal of financial reporting is to improve performance but not to place blame and deliver punishment and hence, accountability improves service delivery.

Ntongo (2012) adopted from Carmen et al (2004) argues that the essence of accountability in form of financial reporting on Assets and Liabilities is to make power holders to account for or take responsibility for the actions and resources at their disposal through the establishment of an effective and efficient organization.

Ntongo (2012) adopted from Brown (1993) and Moose (2001), considers accountability in form of financial reporting using international financial reporting standards, desirable because it increases the incentives for actors to perform as expected and that reliability can improve performance and relationship among the parties. They argued that accountability increases the efficiency and effectiveness of institutions and equally leading to increased legitimacy and credibility of government.

Although accountability is viewed as a desirable organizational characteristic by most writers, empirical studies indicate that both leaders and subordinates can avoid accountability especially the financial reporting (Ntongo, 2012 adopted from Guixe, 2003). Whereas projects are crucial in the overall success in any economy, in recent years in Uganda, project failures have become a common practice due to poor accountability. However, empirical research demonstrates that pressure for accountability from a multitude of external and internal stakeholders is on an increase to cause adequate service delivery.

Guixe (2003), this has placed top managers in a difficult position as an attempt to devise strategies that will enable their firms to survive and prosper in turbulent environment that require both financial performance and effective stakeholder responsiveness. Under such situations, the difference between management and owners gets thinner and the independency of non-executive directors becomes obscured.

According to Ntongo (2012) adopted from O'Connell (2002), improved accountability that involves or entails financial reporting, calls for poor people to increase their formal representation in formal democratic system, influence resource allocation and working practices more pro-poor and sensitive to gender and other social differences, monitor the performance of those responsible for service delivery, hold politicians, officials and NGO service providers accountable for their performance. The guidelines of convergence to international standards of Public Accounting were required from the Management of 2012, with the determinations of the International Accounting Standards Board (IASB) and International Standards on auditing and assurance issued by the International Federation of Accountants (IFAC). Thus, the accounting applied to the public sector adhered to IFRS, and went through a unique moment, since this requirement has been granted by the interrelationship of business, and also by its users.

Feijó (2011) reported that the standardization will allow the society to compare the financial statements of all entities (federal, states and municipalities). Along with the process of transparency of public accounts, it will enable societies and organizations (trade unions, NGOs, agencies) to better assess the management of rulers.

In conclusion, for a service delivery to be attained in the organisation, there is need for the public institutions to ensure proper financial reports as they are a significance of proper service to the citizens; though it might not be the case in some instances where public institutions have proper reports in the books but the actual service given to the people or citizens cannot be seen.

2.5 Conclusion

This chapter reviewed the theory of the study and the related literature about financial management and service delivery based upon the studies carried out by various scholars that provided an insight on the problem of the study. It has also evaluated the trends on factors affecting financial management and service delivery.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This section explained the approaches that were adopted in the study. It described the research design, study population, area of study, sample size and sampling technique, data types and sources, the data collection instruments. It included measurement of reliability and validity of the various instruments, and the data analysis procedures employed in the study.

3.1 Research Design

The research design was a case study design conducted in one organisation which is Wakiso District Local Government. The study used both qualitative and quantitative approaches to data collection and analysis. These were employed in order to get an in-depth understanding of the phenomenon under investigation and to confirm completeness for instruments (Amin, 2005). Quantitative methods emphasize on objective measurements and numerical analysis of data collected from tables to make meaning out of it across groups of people. The qualitative methods such as interviews are methods that do not involve measurement or statistics. This survey design was adopted because it enabled the study to target a large group of respondents to obtain information without making a follow up of the respondents once information from them is obtained.

3.2 Area of Study

The study was conducted at Wakiso District Local Government P.O Box 7218 Wakiso. Wakiso District lies within Buganda Kingdom in the central region, bordering Kampala, Mpigi, Luwero, Nakaseke and Mityana Districts in the North; Mukono in the East and Kalangala District to the South

3.3 Study Population

The study population of 111 peoples that work with Wakiso District Local Government, district executives were also targeted. This comprised personnel from the Administration and Heads of department (20), District, and Sub County & Town Council Finance Departments (40), Internal Audit (8), District Public Accounts Committee (5), Resident Auditors(3), District Executive, Sub County & Town Council Executive (35) (Wakiso District Five Year Development Plan 2011-2015).

3.4 Sample Procedures

3.4.1 Sample Size

A sample size of 103 respondents participated in this study. The sample size was derived using table for determining sample size by Krejcie and Morgan, (1970) as cited by (Amin, 2005).

Table 3.4.1: Distribution of Sample Respondents

Number	Category	Population(N)	Sample(S)
1.	Administration and Heads of department	20	19
2.	District, Sub county & Town Council Finance Departments	40	36
3.	Internal Audit	08	08
4.	District Public Accounts Committee	05	05
5.	Resident Auditors	03	03
6.	District Executive, Sub County & Town Council Executive	35	32
Total		**111**	**103**

Source: Primary data (2016)

3.4.2 Sampling Techniques

Specifically, this research used stratified sampling technique. This is because the researcher wanted to identify and target various respondents who fitted well in the specific area of inquiry according to their capacities and responsibilities.

In stratified sampling, a sample was selected in such a way as to ensure that certain groups in the population are represented in the sample in proportion to their number in the population (Kombo and Tromp, 2006).

3.5 Data Collection Methods

3.5.1 Questionnaire

The questionnaire design followed the research objectives guiding the study. Neuman (2003) defined a questionnaire as a survey in which the researcher conceptualizes and operationalizes the variables and questions. Questionnaires were very appropriate for collecting information regarding surveys that deal with the perception of the variables. The questionnaires were self-administered to the respondents who were able to read and answer questions without being influenced by the interviewer. A semi- structured questionnaire was the main instrument of data collection for the study. A Likert type of questionnaire was designed to Administration & Heads of Department, District, SC & TC Finance, Internal Audit, District, TC & SC Executives, District Public Accounts Committee and Resident Auditors as respondents to explore their responses regarding the different statements describing the key variables of management of financial management and service delivery with the case study of Wakiso District Local Government. The main advantage of self-administered questionnaires is that the researcher or member of the research team can take control and ensure that all the completed questionnaires are completed within a short period of time (Sekaran, 2011).

3.5.2 Interview

This is a method of data collection where the investigator is given a chance to gather data through direct verbal interaction with participants (Amin, 2005). The researcher used an oral face to face dialogue to collect data from selected key informants among the staff at top management (District Chairperson, Chief Administrative Officer, Chief Finance Officer, District Internal Auditor and District Speaker) at Wakiso District Local District Local Government. The researcher chose the above categories of respondents because they are key and central among the respondents. An interview schedule consisting of open ended questions was designed and this enabled probing, thus, obtaining in-depth information. Information solicited by this instrument helped the researcher to enhance response from the self-administered questionnaires and make it possible for the researcher to cross examine some key issues in the research. Interviewing is a good method for producing data based on information priorities, opinions, and ideas based on informants. Thus, respondents have an opportunity to expand their ideas, explore their views and identify what they regard as their crucial factors (Babbie, 1990).

3.6 Quality Control Methods

3.6.1 Validity

In scientific research, validity refers to the extent to which the instruments are relevant in measuring what they are supposed to measure (Amin, 2005).

Expert review where the researcher prepared questionnaires and distributed them to two supervisors to justify their stability before distributing them to respective respondents. The personnel had the opportunity to correct and delete some questionnaires that were irrelevant and not consistent with the study. This helped the removal of ambiguities and facilitated clear understanding of the questionnaires by the respondents.

The researcher measured how much time it was taken to complete each questionnaire and then analyzed the information provided to clarify directions, question wording, or response categories where necessary. Questions that could not provide useful data were discarded, and the final revisions of the questionnaires were made.

The researcher requested two supervisors to score the content with the questionnaire and the average percentage of the score was used to determine the Content Validity Index (CVI). In cases where the average percentage was found to be above 50%, the content and was considered valid. The formula below was used to check for validity of the research questions:

$CVI = \frac{R}{R+N+IR}$ = 40/40+0+2= 0.95238*100=95%

Where;

R is Relevant, **N** is Neutral, and **IR** is irrelevant. The closer the value is to 1, the more valid the instrument (Amin, 2005)

3.6.2 Reliability

Reliability is the measure of the consistency of the data collection tools used in the study. These were tested by the researcher to verify their reliability for collecting data that can be replicated. This was done by the use of pretesting (Cronbach alpha, 1946).

Before collecting data, the researcher pre-tested for Cronbach alpha values by piloting the questionnaire to a small number of respondents who resembled the sample (Kombo and Tromp, 2006).

Cronbach alpha coefficient method measures the consistency within the instruments and how well a set of items measure a particular behaviour or characteristic with the test. The researcher conducted a reliability test using SPSS to determine the alpha values of variables that determined the reliability of tools as per the table below:

Table 3.6.2: Cronbach Alpha Value for reliability of the study tools

Variables	Number of items	Cronbach's Alpha
Budgeting	10	0.798
Financial Records	7	0.879
Financial Reporting	7	0.799
Reliability	4	0.653
Responsiveness and Assurance	5	0.782
Tangibility and Empathy	4	0.721

Source; Primary Data (2016)

Table 3.6.2 shows that all the dimensions of the independent variable as well as dependent variable gave cronbach's alpha values above 0.6 when reliability test was conducted as attached in the appendix four. This implied the tools used in the study were reliable for data collection as asserted by (Sekaran, 2011).

3.7 Data management and processing

3.7.1 Quantitative Data Management and processing

After obtaining quantitative data from close-ended questions, it was edited to remove errors. Data was sorted and coded according to themes derived from the research objectives. Quantitative data was edited. The process of sorting the data was done to remove any errors and help improve the reliability of the data. Statistical packages of data analysis such as Excel and SPSS were employed to tabulate the raw data and provide comparisons that eased the analysis.

3.7.2 Qualitative Data Management and processing

To analyze qualitative data, the researcher identified and transcribed the qualitative responses into themes. The themes were arranged into categories from which lessons were deduced for reporting. Such reporting was done manually written in paragraphs. The researcher used content comparisons, logical analysis, and expert judgment.

3.8 Data Analysis

3.8.1 Quantitative Data Analysis and presentation

Data analysis is a process of inspecting, cleaning, classifying, coding, tabulating, transforming, and modeling data needed to perform quantitative or qualitative analyses according to the research design and appropriateness of the data (Mosby, 2009).

The researcher analyzed and presented quantitative and qualitative data using appropriate methods for each type of data for their accuracy, completeness, suitability and usability.

Quantitative data were analyzed by using the SPSS version 20 and have been presented in form of tables.

3.8.2 Qualitative Data Analysis and presentation

The qualitative data were analyzed through categorization method by creating themes (topics or major subject that come up in discussions) and grouping similar responses into various classes called categorical variables. Data were presented in narrative form.

3.9 Measurement of Variables

Measurement is defined by Amin (2005), as the process of transforming abstractly conceived concepts into numerical qualities. The researcher used the five point Likert scale which comprised 5 codes namely; (5=strongly agree, 4=agree, 3=not sure, 2=disagree and 1 =strongly disagree. The independent variable financial management was measured using the following constructs; budgeting, financial records and financial reporting. While the dependent variable service delivery was measured using the following parameters of reliability, responsiveness, assurance, tangible and empathy.

3.10 Ethical Considerations

The researcher considered the conduct of the research, and gave attention to the ethical issues associated with carrying out the study by adhering to the following procedures:

By acknowledging and citing previous studies done by other scholars in the area of financial management and service delivery when doing the literature review

The researcher got an introductory letter from the university that was used for accessing the relationship between financial management and service delivery in the organisation where the study was carried out.

The researcher was open, honest and sent in advance a letter to sample respondents explaining the purpose of the study.

The researcher observed the informed consent of the respondents; respected their privacy, confidentiality and anonymity, voluntary nature of participation, and the rights of individuals to with draw partially or completely from the process (Saunders, Lewis and Thornhill, 2003).

3.11 Limitations to the study

Methodological limitations; since the research design was a case study that was conducted in one organisation which was weak, it affected other organizations of the same nature from the conclusions drawn by the researcher. A narrow scope for example a study on one organization affected the validity and reliability of the findings.

Time Dimension; the time allocated for the research was so limited to enable the researcher comprehensively understand the research variables. It also offered inadequate data collection, analysis and reporting period which affected the giving of reasonable conclusions. However the researcher tried his best to be fixed to the time allocated to ensure the quality of the study.

The operational or practical limitations also occurred. This is all about the immediate application of the findings recommended by the researcher. The findings might not be applicable to other organizations. However, since the study used a scientific approach and followed all procedures required these limitations were minimized. Moreover, multi-methods (quantitative and qualitative methods) were applied to reduce limitations.

3.12 Conclusion

This chapter discussed methods that were used in undertaking the research. It clearly indicated the research design, population, sample size and sampling techniques, data collection, analysis and presentation methods, validation and reliability of the methods that were applied to establish the relationship between financial management and service delivery in public institutions. Furthermore it indicated ethical considerations, and the limitations that were faced by the researcher in accomplishing the study and how he overcame them to improve the quality of the study

CHAPTER FOUR

PRESENTATION OF RESULTS AND DISCUSSION OF FINDINGS

4.0 Introduction

The chapter covered the presentation of results and interpretation of findings in relation to the study objectives. Questionnaires and Interviews were used to collect the data. The findings were summarized in form of tables (showing percentages and frequencies) and qualitative statements. In addition, statistical analysis namely correlation and regression analysis were undertaken.

The presentation was guided by the following research objectives:

i. To establish the relationship between budgeting and Service Delivery in public institutions

ii. To assess the relationship between financial records and Service Delivery in public institutions

iii. To examine the relationship between financial reporting and Service Delivery in public institutions

4.1 Sample characteristics

Sample characteristics contain the response rate, education levels, age group, duration of service in the organisation, and the category of the respondents.

4.1.1 Response rate

With a sample of 103 only 76 questionnaires were returned representing a response rate of 73.7%.

According to Amin (2005), for a valid research to be conducted, a minimum of 30 to 50 participants is required for the study. Therefore it implied that the response rate of 73.7 % was sufficient for the study

4.1.2 Gender of the respondents

Table 4.1: Gender of the respondents

Gender of the respondents	Frequency	Percentage (%)
Male	46	60.5
Female	30	39.5
Total	76	100

Source: Primary Data (2016)

Findings in Table 4.1 showed 60.5% respondents (46) were male compared to 39.5% who were female respondents (30). This implies that Wakiso District Local Government Employs more males than females and more males responded to the survey compared to the females.

4.1.3 Age group of the respondents

Table 4.2: Age group of the respondents

Age group (years)	Frequency	Percentage (%)
21-30	18	23.7
31-40	31	40.8
41-50	17	22.4
51-60	7	9.2
61 and above	3	3.9
Total	**76**	**100**

Source: Primary Data (2016)

From Table 4.2, it is clearly evident that 23.7%(18) respondents are in the age bracket of 21-30years, 31(40.8%) respondents in the age bracket of 31-40 years, 17(22.4%) respondents are in the age bracket of 41-50 years , 07(9.2%) respondents were in the age bracket of 51-60 years whereas 3(3.9%) respondents where in the age bracket of 61 years and above.

This implies that majority of employees at Wakiso District Local Government are in the youth age thus able to carry out activities pertaining financial management and service delivery.

4.1.4 Level of education

Table 4.3: Level of education

Level of education	Frequency	Percentage (%)
Certificate	9	11.8
Diploma	11	14.5
Bachelor's Degree	24	31.6
Post graduate Diploma	14	18.4
Master's Degree	16	21.1
Doctorate	2	2.6
Total	**76**	**100**

Source: Primary Data (2016)

Findings in Table 4.3 showed that nine respondents had a certificate of education which is 11.8%, eleven respondents had diploma which 14.5%, twenty four respondents had bachelor's degree of education which is 31.6%,fourteen respondents had postgraduate diploma which is 18.4%, sixteen respondents had a master's degree which is 21.1% and 2 respondents which is 2.6% had a doctorate.

This implies that the staffs of Wakiso District Local Government are knowledgeable about financial management and service delivery in public institutions.

4.1.5 Category of the respondent

Table 4.4: Category of the respondent

Category of the respondent	Frequency	Percentage (%)
Administration & Heads of Department	17	22.4
District, Sub County & Town Council Finance Departments	24	31.6
Internal Audit	6	7.9
District, Town Council & Sub County Executives	22	28.9
District Public Accounts Committee	5	6.6
Resident Auditor	2	2.6
Total	**76**	**100**

Source; Primary Data (2016)

In Table 4.4, it is revealed that majority of the respondents are from the District, Sub county & Town Council Finance Departments with 31.6% followed by District, Town Council & Sub County Executives with 28.9% and administration and heads of department with 22.4%, internal Audit with 7.9%, District Public Accounts Committee with 6.6% whereas Resident Auditors had 2.6%. This implies that the respondents targeted had adequate knowledge about financial management and service delivery in public institutions especially in line with budgeting, financial records and financial reporting.

4.1.6 Duration of service in the organization

Table 4.5: Duration of service in the organization

Duration of service in the organization	Frequency	Percentage (%)
Below 4 years	16	21.1
5-8 years	29	38.2
9-12 years	17	22.4
13-16 years	14	18.4
Total	**76**	**100**

Source: Primary Data (2016)

Table 4.5 indicated that most of the respondents from Wakiso District Local Government had stayed in the organization between 5 to 8 years and few respondents had stayed from 13 to 16 years respectively. This shows the organization's stability of retaining its employees and, therefore, there are fewer turnovers of employees and implies that they have experience in financial management and service delivery.

4.2 Presentation and analysis of findings from the study objectives

Descriptive statistics were used to examine and establish the relationship budgeting, financial records and financial reporting in public institutions and the service delivery in public institutions. The findings were analyzed and interpreted basing on the attached Likert Scale such that a mean close to 5 represents strong agreement, 4-agreement, 3- Not sure, 2- disagreement and 1-strong disagreement.

4.2.1 Descriptive Statistics for budgeting in public institutions

Table 4.6; Mean and Standard Deviation of Budgeting in public institutions

Item	N	Minimum	Maximum	Mean	Std. Deviation
Participatory planning for identification of projects of the community	76	2	5	4.37	.650
Budget conference for discussion of priority projects	76	2	5	4.43	.618
Budget Circular that contains the IPFS is provided from the ministry of finance	76	1	5	4.21	.914
Departmental heads draft work plans	76	1	5	4.33	.944
Executive committee where the draft budget is presented	76	3	5	4.53	.577
Sectoral committees evaluate and approve work plans	76	2	5	4.37	.608
Budget laying to the council by the district chairperson or delegate secretary finance	76	2	5	4.39	.732
Budget integration by sector committees and DEC	76	2	5	4.22	.741
Council Approves the budget	76	2	5	4.50	.808
Budget implementation by the departments	76	2	5	4.34	.758

Source; Primary data (2016)

Findings in Table 4.6 revealed that Wakiso district Local government carries out Participatory planning for identification of projects of the community as one of the steps of the budgeting in public institutions where the respondents agreed with the mean of 4.37 and standard deviation of .650 implied that the respondents had differing views about the statement. This implies that the organisation carries out participatory planning for identification of projects of the community as on one of the steps in the budgeting process. These results are in line with Subramaniam and Mia

(2003) that Participatory planning as part of Budgeting encourages managers to think about the future and communicate future actions plans to organization members.

The findings in table 4.6 continued to reveal that the respondents agreed with the mean of 4.43 and standard deviation of 0.618 which implied that the respondents had differing views about the statement that the budget conference is always carried out as a part of budgeting. This implies that the respondents ably understand the role of the budget conference as part of budgeting process since it is from it that the items to be budgeted for are adopted from. The findings are consistent with debate (Verhoest, Koen, 2005) view that there is strong evidence that budget conference leads to transparency; the provision of information is not an end in itself and advocates of this approach have argued that the provision of objective information in the public domain should shift the nature and quality of service delivery.

Table 4.6 findings revealed that the respondents agreed that the Indicative Planning Figures are provided from the ministry of finance Planning and Economic Development. This is revealed by mean of 4.21. The responses of standard deviation of 0.914 widely deviated from the mean that Indicative Planning Figures are truly provided from the ministry of finance. This implies that budgeting is guided by the Indicative Planning Figures which are provided from the ministry which enables coordination of government activities. The findings are consistent with Dreyer-Lassen et al. (2006) view that the budget itself is the result of the budgeting process, the way in which decisions about the use and funding of public resources are made, from the drafting of a budget law to its implementation basing on the Indicative Planning Figures provided from the ministry which enables coordination of government activities.

In addition to the above, findings in Table 4.6 revealed the mean of 4.33 and standard deviation of 0.944 shows that the respondents agreed to the idea that departmental heads draft work plans as part of the budgeting process. This implies that drafting work plans is very important stage in the budgeting in public institutions. This result is in agreement with Sama (2011) who contended that greater emphasis on planning, drafting of work plans **by** heads of various units brings budgeting to a greater emphasis on planning in management and budgeting, and a move towards outcome focus in policy design and delivery.

On the other hand Table 4.6 findings revealed that the Executive committee where the draft budget is presented for deliberation as showed by the mean of 4.53 and the standard deviation of 0. 577 where the respondents agreed and the low dispersion in the responses in table 4.6. Thus implying it is a vital step in the budgeting process in public institutions.

This concurred with Talukder et al, (2011) potential benefits of this type of models include increased allocative efficiency and accountability resulting from greater citizen participation and information exchanges between authorities and final users, the committees where the draft budget is presented for deliberation

This was further linked the findings in Table 4.6 which revealed that the sectoral committees evaluate and approve work plans where the respondents agreed with the mean of 4.37 and the standard deviation 0.608 indicating wide variation in the responses. The implication is that the sectoral committees evaluate and approve work plans as part of budgeting. This was inline IBP (2011) that highlighted the institutional, policy and practical changes that promoted improvements in budget transparency and participation in different settings through engaging the sectoral committees to evaluate and approve work plans.

The findings in Table 4.6 similarly revealed the mean of 4.39 indicating that respondents agreed to the idea that budgeting laying to the council by the district chairperson or delegate finance is carried out as one of the processes in budgeting, together with the standard deviation of 0.732 indicating or showing wide deviation in the responses from the mean. This implies that due to the criticality of budgeting, the district chairperson has to present the budget to the members to the council to ensure proper accountability. This was in agreement BMAU (2014), that in prioritizing of certain services for the benefit of the citizens in the country for example in Uganda Health infrastructure and services especially in the local governments the heads of those districts have to do their mandate of presenting the budget to council to ensure accountability hence service delivery.

According to the findings provided in Table 4.6, budget integration by the sectoral committees and District Executive Committee is among the stages of budgeting in public institutions, where by respondents agreed with the mean of 4.22 and standard deviation of 0.741 indicating wide dispersion in the responses. This implies that to ensure proper service delivery especially in terms of consistency, the District Executive Committee and the sectoral committees have to be fully engaged in the budgeting process in public institutions. This was in line with BMAU (2014) the Committee committees have to be fully engaged in the budgeting process in public institutions to avoid to ensure there is no poor communication regarding budget cuts which impacts service delivery for instance Sector heads within HLGs frequently complained that the funds received are less than given by the indicative planning figures.

The findings in Table 4.6 revealed that the respondents agreed with a mean of 4.50 and the standard deviation of 0.808 showing wide dispersion in the responses that the council approves the budget. This implies that that the council is very fundamental in the local government since it facilitates the operation of the budget.

The departments implement the budgets as revealed by the findings in Table 4.6 where the respondents agreed with a mean of 4.34 and standard deviation of 0.758 indicating wide dispersion in the responses. The implication is that departments implement the budget which has been approved by the council.

These two items of budgeting were in line with Eze, et al, (2013) view budgets since there as a national instrument for periodic (normally one year) implementation and evaluation of national development plans it has to first be approved by the respective authority before it is implemented by the various stakeholders or departments. Consequently, it is a flexible instrument amenable to reforms in the face of its inability to actualize the fundamental goals of any development plan.

In relation to the above the analysis of qualitative results revealed concerning budgeting in public institutions; the respondents said, the budget circular from the ministry of finance planning and economic development is provided, carry out participatory planning for identification of community projects, carry out the budget conference for discussion of priority projects, the departments draft work plans which the statutory committees evaluate and the council approves the budget laid, and the technical staffs implement the budget.

This is in line with Sterck and Scheers (2006), budgeting has resulted in a greater emphasis on planning in management and budgeting, and a move towards outcome focus in policy design and delivery. There is more emphasis on long-term planning through the introduction of three-year to five-year strategic plans and proper budget.

4.2.2 Descriptive Statistics for financial records in public institutions

Table 4.7: Mean and Standard deviation of financial records in public institutions

Item	N	Minimum	Maximum	Mean	Std. Deviation
Vouchers contain expenditures	76	2	5	4.21	.736
The Vote books control expenditure of a given item	76	1	5	4.01	1.033
Abstract of Revenue	76	1	5	3.88	.972
Cash book where the expenditures and incomes are recorded	76	2	5	4.25	.714
Statement of financial position which explains the assets and liabilities of the institutions	76	1	5	3.87	1.037
Statement of Comprehensive income that contains LRR, Conditional grants, unconditional grants and also the expenditures per department	76	1	5	3.83	.985
Performance Monitoring tools(Budget Vs Expenditure)	76	1	5	3.95	.965

Source; Primary Data (2016)

The findings in table 4.7 revealed that the respondents agreed that one of the financial records in public institutions are vouchers which contain expenditures of an institutions verified by the mean of 4.21 and standard deviation of 0.736 indicating wide dispersion in the responses. This implies that vouchers that contain expenditures of an institution are financial records of public institutions.

This was in agreement with Ming-Hsien et al (2011) view that better practice checklist such as having vouchers where expenditures are recorded maintaining robust risk management practices and internal controls that have to be recorded so as to ensure service delivery such as risks to achieving reliable and timely financial statements are considered as part of an annual review of the financial management strategy or plan to ensure service delivery.

Findings in Table 4.7 revealed the Vote books control expenditure of a given item such as allowances of staff are financial records of an institution where the respondents agreed with the mean of 4.01 and the standard deviation of 1.033 showing wide variation in the responses. This implies that The Vote books that control expenditure of a given item such as allowances of staff are financial records of public institutions.

This was in line with Igwoku (2008) view that vote books retrieve information they need to formulate, implement, and monitor policy and to manage key personnel and financial resources. This situation improves the capacity to carry out economic and administrative reform programs aimed at achieving efficiency, accountability, and enhanced services to citizens.

Table 4.7 findings revealed that Abstract of Revenue that contains revenue sources of the institution are part of the types of financial records in a public institution where the respondents agreed with the mean of 3.88 and the standard deviation of 0.972 indicating wide dispersion in the responses. This implies that Abstract of Revenue that contains revenue sources of the institution are part of the types financial records in public institutions.

This was agreement with Mihret (2010), Governments can no longer justify taking action with little or no reference to past performance or future goals in terms of service delivery when there are area points of reference such as the financial records like abstract of revenue nor can they justify parallel or duplicate services when they can combine services and reduce costs.

In addition to the above, findings in Table 4.7 continued to reveal that Cash book where the expenditures and incomes are written are one of the types of forms of financial records where the respondents agreed with the mean of 4.25 and the standard deviation of 0.714 indicated wide dispersion in the responses. This implies that the Cash book where the expenditures and incomes are written are one of the types of forms of financial records in public institutions.

This was in contention with Ofoegbu (2003), various public responsibilities such as Cash book where the expenditures and incomes are written at different levels of government to report on their activities and the way in which such responsibilities have been executed.

Table 4.7 findings revealed that the statement of financial position which explains the assets and liabilities of the institutions where the respondents agreed to the view with the mean of 3.87 and the standard deviation of 1.037 indicating wide variation in the responses. This implies that the statement of financial position is a vital item to the financial management and service delivery since it helps to track the assets and the liabilities of the institutions and aids expenditures thus an important item of financial records.

This concurred with Esse (2002), relevant and accurate public records such as statement of financial position are essential to preserving the rule of law and demonstrating fair, equal, and consistent treatment of citizens.

Table 4.7 findings indicated further showed that statement of comprehensive income that contains the locally raised revenue, conditional grants unconditional grants plus the expenditures per department as one of the financial records in financial management in public institutions. This was showed by the mean of 3.83 and the standard deviation of .985 indicating wide dispersion in the responses. This point outs without the statement of comprehensive income, LRR, conditional and unconditional grants, could not be recorded anywhere in public institutions.

These concurred with Adekunle et al (2009) view that government comprehensive income statement, can adversely affect service delivery including the private sector investment which impacts service delivery.

Finally Table 4.7 findings revealed that performance monitoring tools (budget versus expenditure) are financial records of public institutions with the mean of 3.95 and the standard deviation of 0.965 where the respondents agreed to the view. This indicates that performance monitoring tools are vital aspects of financial records in public institutions since they enhance service delivery in public institutions especially in local governments.

This concurred with World Bank Report (2008) without accurate records of actual expenditures such as performance monitoring tools, the process of preparing budgets can become almost meaningless. Poor record keeping affects the entire accounting function, with the result that reporting and auditing may become virtually impossible.

The analysis of qualitative results about Financial Records in public institutions; the respondents said they have Vouchers where the expenditures are recorded before being written the vote books that control item expenditure, the Cash Book where the expenditures and incomes are drafted, the books of accounts in place, the performance monitoring tools (Budget Vs Expenditure) to aid proper financial management.

4.2.3 Descriptive Statistics for Financial reporting in public institutions

Table 4.8: Mean and Standard deviation of Financial reporting in public institutions

Item	N	Minimum	Maximum	Mean	Standard Deviation
Financial reporting using international financial reporting standards	76	1	5	3.78	.961
The grants received by the institutions	76	1	5	3.99	.856
Assets and Liabilities of the institutions are reported on by the finance personnel	76	1	5	3.72	.961
Assets held for resale by the institution such as used computers.	76	1	5	3.50	1.125
Reporting on the cash and funds inflow by the use of cash flow statement on the performance of the institution	76	1	5	3.55	1.051
Reporting on the effect of foreign exchange on the projects	76	1	5	3.39	1.212
Reporting on actual performance for both development and recurrent budgets	76	1	5	3.79	1.011

Source; Primary data (2016)

Findings in Table 4.8 revealed that financial reporting using international financial reporting standards is carried out a part of financial reporting in public institutions where the respondents agreed with the mean of 3.78 and the standard deviation of 0.961 indicating wide dispersion in the responses. This implies that financial reporting using international financial reporting standards is carried out in public institutions.

This concurred with Brown (1993) and Moose (2001) considers accountability in form of financial reporting using international financial reporting standards, desirable because it increases the incentives for actors to perform as expected and that reliability can improve performance and relationship among the parties.

Findings in Table 4.8 revealed that financial reporting on the grants received by the institutions where the respondents agreed with the mean of 3.72 and the standard deviation of 0.961 indicating wide dispersion in the responses. This implies that as part of financial reporting, there is reporting on the grants received by the institution.

This was in line with Antunes et al. (2012) view that the changes seek to improve the quality of accounting information by focusing on reporting on the users information grants received by institutions; improvements to enhance understandability, relevance, reliability and comparability of disclosures, which are the qualitative and useful characteristics of accounting information.

Addition to the above Table 4.8 findings revealed that Assets and Liabilities of the institutions are reported on by the finance personnel where the respondents agreed with the mean value of 3.79 and the standard deviation of 1.011 indicating wide dispersion in the responses. This implies that the Assets and liabilities of the institutions are important in as far as financial reporting is concerned in public institutions.

This was in line with Carmen et al (2004) argue the essence of accountability in form of financial reporting on Assets and Liabilities is to make power holders to account for or take responsibility for the actions and resources

The findings in Table 4.8 revealed that Assets held for resale by the institution such as used computers are one of the facet of financial reporting that are reported on in public institutions, this is indicated by the mid position of mean of 3.55 and standard deviation of 1.051 indicating wide dispersion in the responses. This implies that Assets held for resale by the institution such as used computers are one of the facet of financial reporting that are reported on in public institutions.

This was in contention with Chand and Naidu (2010), the state in Fiji has the social responsibility to look after the welfare of its citizens and Assets held for resale by the institution such as used computers are one of the facet of financial reporting that are reported on in public institutions.

Similarly the findings revealed that there is Reporting on the cash and funds inflow by the use of cash flow statement on the performance of the institution where the respondents where in the mid position with the mean of 3.50 and the standard deviation of 1.125 indicating wide variation in the responses. This implies that there is either Reporting on the cash and funds inflow by the use of cash flow statement on the performance of the institutions or not.

This was in line with IPSASB (2012) view that the accrual basis of accounting, transactions and other events in financial statements are recognized when they occur, not only when cash or its equivalent is received or paid. Therefore, transactions and events are recorded in the accounting records and recognized in the financial statements of the periods in which they report.

The findings in Table 4.8 continued to reveal that the respondents where in the mid position of 3.39 and the standard deviation indicating wide dispersion in the responses of 1.212 there is reporting on the effect of foreign exchange on the projects as part of financial reporting in public institutions. This implies that there is either Reporting on the effect of foreign exchange on the projects or not as part of financial reporting in public institutions.

Lastly the findings in Table 4.8 revealed that there is reporting on actual performance for both development and recurrent budgets as part of financial reporting in public institutions where the respondents agreed with the mean of 3.79 and the standard deviation of 1.011 indicating wide variation in the responses. This implies that there is reporting on actual performance for both development and recurrent budgets as part of financial reporting in public institutions.

This was in agreement with OECD (2010), that the final principle is 'mutual accountability', which requires the donors and partners the staff inclusive to be accountable for development results these principles can be achieved once there is proper financial reporting in the country because they move in tandem with service delivery.

Finally the analysis of the qualitative results about Financial Reporting in public institutions; the respondents contended that the quality of accounting information improvements to enhance understandability, relevance, where Assets and Liabilities of the institutions are reported on by the financial personnel, the Cash flow statement where the movement in cash and cash equivalent is reported on and reporting on the cash and funds inflow by the use of statement of Comprehensive income on the performance of the institution.

4.2.4 Descriptive Statistics on reliability in Public Institutions

Table 4.9: Mean and Standard Deviation of reliability in Public institutions

Item	N	Minimum	Maximum	Mean	Standard Deviation
The staff are dependable when delivering services for instance; teachers, Nurses.	76	1	5	3.80	.938
There is consistency among the services delivered for instance; provision of agricultural inputs like seeds	76	1	5	3.57	1.063
The staffs are trustworthy while delivering services for instance the Community Development Officers	76	1	5	3.45	1.012
There is steadfast provision of services for example; timely information communication	76	1	5	3.49	1.125

Source; Primary Data (2016)

According to the findings provided in Table 4.9, most respondents agreed that the staffs are dependable when delivering services for instance; teachers, Nurses as part of reliability in public institutions with the mean of 3.80 and the standard deviation of 0.938 indicating wide dispersion in the responses. This implies that as part of reliability, the staff are dependable when delivering services for instance; teachers, Nurses in public institutions.

This was in agreement with Chowdhary and Prakash (2007), Reliability is regarded as the most important dimension of service quality where the employees are dependable when delivering services.

Findings in Table 4.9 revealed that there is consistency among the services delivered for instance; provision of agricultural inputs like seeds as part of reliability in public institutions where the respondents agreed with the mean of 3.57 and standard deviation of 1.063 indicating wide dispersion in the response. This implies that there is consistency among the services delivered for instance; provision of agricultural inputs like seeds as part of reliability in public institutions.

This was in line with UNDP (2010), that service delivery in any country must be strategically and consistent in tandem with the MDGs. This is necessary to achieve efficient and effective desired goals of assisting needy and grass root people which is in the process of achieving some of the MDGs.

As regards reliability in public institutions, the staffs are trustworthy while delivering services for instance the Community Development Officers, where the respondents where in the mid position of 3.45 and the standard deviation of 1.012 indicating wide dispersion in the responses in Table 4.9. This implies that the staffs are trustworthy while delivering services for instance the Community Development Officers as part of reliability in public institutions.

This was in contention with O'Neill and Palmer (2003), the service provider (the dealership) delivers on the promises made to the customer, the service provider are trustworthy while delivering services

There is steadfast provision of services for example; timely information communication where the respondents where in the mid position of 3.49 and the standard deviation of 1.125 indicating wide dispersion in the responses in Table 4.9. This implies that there is either steadfast provision of services for example; timely information communication or not in public institutions.

The findings concurred with Coutinho (2010) that with the adoption of NBCASP, the public accounts under federal and state will focus more on equity and will provide a series of rulers‟ innovative information about the assets, revenues and expenses, focusing on the accrual basis this important information is relevant to public managers to enhance service delivery.

Finally the analysis of qualitative results about reliability of Services delivered in public institutions; the respondents said the staffs are dependable when delivering services such as the accounts persons, there is consistency among the services delivered, and the staffs are trustworthy while delivering services. This implies that there is reliability of services as part of service delivery in public institutions

4.2.5 Descriptive statistics for Service responsiveness and Assurance in public institutions

Table 4.10: Mean and Standard deviation of Service responsiveness and Assurance in public institutions

Item	N	Minimum	Maximum	Mean	Standard Deviation
The staff are willing to help customers on the services delivered for example; health services	76	2	5	3.78	.826
There is openness to the citizens about which activities to be done for instance; provision of agricultural trainings,	76	1	5	3.82	1.016
The public officers are knowledge and courtesy of employees and their ability to inspire confidence	76	2	5	3.80	.924
The services provided are of good quality for example; health services	76	1	5	3.51	1.137
The services are always free of charge for example; education, health services	76	1	5	3.72	1.078

Source; Primary Data (2016)

Findings revealed in Table 4.10 that the majority of respondents agreed with the test statement that there is openness to the citizens about which activities to be done for instance; provision of agricultural trainings as part of assurance and responsiveness. This is indicated by the mean of 3.82 where the respondents agreed and the standard deviation of 1.016 showing wide variation in the responses. This indicates that there is openness to the citizens about which activities to be done for instance; provision of agricultural trainings.

This was in line with Iwhiwhu (2005) who argues that Management of an entity should therefore implement procedures designed to prevent the occurrence of such circumstances as such as there is openness to the citizens about which activities to be done for instance; provision of agricultural trainings since it leads to service delivery in public institutions.

Findings in table 4.10 revealed that the staff are willing to help customers on the services delivered for example; health services where the respondents agreed as showed by the mean of 3.78 and the standard deviation of 0.826 indicating wide dispersion in the responses. This implies that the staffs are willing to help customers on the services delivered for example; health services as a measure responsiveness and Assurance in public institutions.

This concurred with Zeithaml et al. (2006) degree of confidence and trust that the dealership is able to engender in the customer, based on the interactions between the parties and the suppliers' willingness to help customers on the services delivered.

The findings in Table 4.10 revealed showed that the public officers are knowledge and courtesy of employees and their ability to inspire confidence where majority of the respondents agreed. This was showed with the mean of 3.82 and the standard deviation of 1.016 indicating wide variation in the responses. This implies that as part of assurance and responsiveness, the public officers are knowledge and courtesy of employees and their ability to inspire confidence in public institutions.

This was in agreement with Guixe, (2003) and Brown (1993) and Moose (2001) view that whereas projects are crucial in the overall success in any economy there is need for openness to the citizens about which activities to be done and stakeholder involvement since it increases adequate service delivery.

The findings in Table 4.10 revealed the services provided are of good quality for example; health services where the respondents agreed with the mean value of 3.51 and the standard deviation of 1.137 indicating wide deviation in the respondents. This implies that the services provided by public officers are of good quality.

This was in agreement with Owojori (2006) view that reductions in public expenditure have pressured public authorities to maintain services with less money and the services provided are of good quality for example; health services.

Table 4.10 findings revealed that the services are always free of charge for example; education, health services where the respondents agreed with a mean of 3.72 and standard deviation of 1.078 indicating wide dispersion in the responses. This implies that services provided by government are always free of charge as part of assurance and responsiveness in public institutions.

This was supported by Coutinho (2010), that with the adoption of NBCASP, the public accounts under federal and state will focus more on equity and will provide a series of rulers" innovative information about the assets, revenues and expenses, focusing on the accrual basis this important information is relevant to public managers to enhance service delivery which are reliable, responsive, tangible and so forth.

Finally the analysis of qualitative results indicated that the respondents said there is the staffs carry out awareness of the services that are going to be delivered; the provision of services is there openness to the citizens about which activities to be done and the services always free from the public institutions.

4.2.6 Descriptive Statistics for Tangibility and Empathy in public institutions

Table 4.11: Mean and Standard Deviation of Tangibility and Empathy in public institutions

Item	N	Minimum	Maximum	Mean	Standard Deviation
The staffs provide up to date services to the citizens for example; sanitation services, training about poverty eradication	76	1	5	3.63	.978
The services provided are tangible for example; medicine in hospitals, desks in schools.	76	1	5	3.68	.941
The staff understand the community in service provision for example; consulting the community before construction of a borehole or a road	76	1	5	3.79	.984
There is care as government staff are providing services for example; medical services, education	76	1	5	3.62	1.058

Source; Primary Data (2016)

Table 4.11 findings revealed that the respondents agreed with the mean of 3.63 and the standard deviation of 0.978 indicating wide dispersion in the responses that the staffs provide up to date services to the citizens for example; sanitation services, trainings about poverty eradication.

This implies that the staffs provide up to date services to the citizens for example; sanitation services, training about poverty eradication as part of tangibility in public institutions.
This concurred with Zeithaml et al. (2006), important to the organisation, such that they receive caring, individualized attention and the staffs to provide up to date services to the citizens.

Findings in Table 4.11 revealed that the services provided are tangible for example; medicine in hospitals, desks in schools indicated by the mean of 3.68 and the standard deviation of 0.941 indicating wide dispersion in the responses. This implies that the services provided are tangible for example; medicine in hospitals, desks in schools as part of tangibility in public institutions.
This concurred with O'Neill and Palmer (2003), the services provided are tangible which is part of the physical cues which are part of the service delivery process.

Compared to all other items in Table 4.11 of Empathy as a measure of service delivery in public institutions, the item of the staff understand the community in service provision for example; consulting the community before construction of a borehole or a road indicated the mean of 3.79 and standard deviation of 0.984 indicating wide dispersion in the responses.
This implies as the staff understand the community the community, the due provide care in service provision for example; consulting the community before construction of a borehole or a road as a measure of empathy in service delivery.
This concurred with Vijayakumar and Nagaraja (2012), these reforms will help ensure the government manages its finances well and contributes ensuring that staffs understand the community in service provision overall stability of the nation hence leading to service delivery.

Findings in Table 4.11 revealed that there is care as government staff are providing services for example; medical services, education as item of empathy in public institutions where the respondents agreed with the mean of 3.62and the standard of 1.058 indicating wide deviation from the mean. This implies that there is care as government staff are providing services for example; medical services, education as item of empathy in public institutions such as Wakiso District Local Government.

Finally the analysis of qualitative results, revealed that the staffs provide up to date services to the citizens for example; sanitation services, training about poverty eradication, the services provided are tangible for example; medicine in hospitals, desks in schools and the staff understand the community in service provision for example; consulting the community before construction of a borehole or a road.

4.3 Correlation Analysis

The relationship between financial management and service delivery in public institutions was investigated using budgeting, financial records and financial reporting as dimensions for the independent variable while reliability, assurance and responsiveness and tangibility and empathy were for dependent variable.

The results are tabulated below:

Table 4.12: Pearson's Correlation Analysis

Number	Variable	1	2	3	4
1.	Budgeting	1			
2.	Financial Records	.554**	1		
3.	Financial Reporting	.314**	.506**	1	
4.	Service Delivery	.495**	.489**	.726**	1

****. Correlation is significant at the 0.01 level (2-tailed).**
Source; Primary Data (2016)

4.3.1 Budgeting and service delivery in public institutions

In Table 4.12, it can be clearly seen that there is a positive significant relationship between budgeting and service delivery in public institutions ($r=0.495^{**}$; $p<0.01$). This precisely points out that budgeting is one of the key elements used to measure financial management of public institutions as regards to service delivery. This is in line with Davila and Wouters (2005), Budgeting also makes an organization aware of operation bottleneck and is able to efficiently allocate resources In addition, it enables an organization to coordinate activities through integrating departmental budgets.

4.3.2 Financial Records and Service Delivery in public institutions

Furthermore, the results in Table 4.12 showed a positive significant relationship between financial records and the service delivery ($r=0.489^{**}$; $p<0.01$). This implies that proper financial records facilitate service delivery. As explained by the World Bank report (2008), Record keeping is a fundamental activity of public administration as without records there can be no rule of law and no accountability especially when it comes to the financial records such as the financial statements because they are essentially needed by the officials when making accountabilities for the goods or services undertaken which relate to the service delivery in public institutions.

4.3.3 Financial Reporting and Service Delivery in public institutions

The results in Table 4.12 revealed a positive relationship between financial reporting and service delivery in public institutions as the financial statements will then list an actually determined amount known as an annual required contribution ($r=0.726^{**}$; $p<0.01$). This exactly points out that financial reporting is a major element used to measure financial management in public institutions as regards to service delivery. This concurred with Westerfield et al (2008), financial reports or statements are an important source of information for stakeholders, who use them for investing, contracting, and regulating decisions. Low quality reporting can lead to suboptimal decisions and potential misallocation of resources, hence, service delivery.

4.3.4 The Research Hypothesis

H_1: There is relationship between Budgeting and service delivery in public institutions.

The results obtained from the correlation analysis indicate there is a relationship between budgeting and service delivery in public institutions, thus, the alternative hypothesis is accepted.

H_2: There is relationship between financial records and service delivery in public institutions.

The results obtained from the correlation analysis indicate there is a relationship between financial records and service delivery in public institutions hence the alternative hypothesis is accepted.

H_3: There is a relationship between financial reporting and service delivery in public institutions.

The correlation analysis results obtained indicate there is a relationship between financial reporting and service delivery in public institutions hence the alternative hypothesis is accepted.

4.4 Regression Analysis

A regression analysis was run to establish the predictive qualities of dependent variable (service delivery in public institutions) in relation to the independent variable (financial management). The results are indicated below in Table 13.

Table 4.13: Multiple Regression Analysis

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.779[a]	0.606	0.59	0.41025

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	-0.351	0.484		-0.725	0.471
	Budgeting	0.423	0.128	0.293	3.296	0.002
	Financial Records	0.007	0.088	0.008	0.084	0.933
	Financial Reporting	0.581	0.079	0.63	7.337	0.000

b. Dependent Variable: Service Delivery in Public Institutions

Source; Primary Data (2016)

Coefficient of determination Model Adjusted R^2= 0.590 (0.590*100) = 59%

The model summary in Table 4.13 revealed that correlation coefficient®, using predicator financial management, is 0.799 and the adjusted R^2 (0.590). This implies that 59% (0.59*100) variations in service delivery are explained by financial management while the remaining 41% is explained by other factors.

This implies that financial management structure is a critical factor in explaining service delivery, but there are also other factors which influence service delivery such as the Public Financial Management Act 2015 and Local Government Financial Regulations.

From the above regression coefficients it was revealed that holding budgeting, financial records, and financial reporting constant negative (-0.351).The corresponding coefficients for budgeting, financial records, and financial reporting are 0.293, 0.008 and 0.630.

The results from Table 4.13 indicated that financial reporting (beta = 0.630, sig. =0.000) was the most significant predictor of service delivery. This means is interpreted as a unit increase in financial reporting would lead to increase in service delivery in public institutions by a factor of 0.630.

The results from 4.13 further revealed that budgeting (beta=0.293, sig. =0.002) was also a significant predictor of service delivery where a positive change in budgeting leads to 0.293 similar positive changes in service delivery.

The results revealed that financial records (beta=0.008, sig. =0.933) was not a significant predictor of service delivery where a positive change in financial records does not leads change in service delivery.

The Model, This implies that the contribution of financial reporting is regarded to be higher in explaining the variation in service delivery, followed by budgeting lastly financial records.

The regression equation is represented as; $Y=a+b_1x_1+b_2x_2+b_3x_3+\ldots\ldots\ldots\ldots\ldots\ldots\ldots.e$

$y= -0.351+ 0.293\ X_1 +0.008X_2+0.630X_{3+}\ldots\ldots\ldots\ldots\ldots\ldots..e$

4.5 Conclusion

Chapter Four covered the presentation of results and interpretation of findings in relation to the study objectives. The findings were summarized in form of tables, charts (showing percentages and frequencies) and qualitative statements. In addition, cross tabulation of both the demographic statistics and descriptive statistics was done, statistical analysis namely correlation and regression analyses were undertaken to find out the relationship between financial management and service delivery in public institutions.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

The findings presented in Chapter Four are summarized in this chapter. The chapter includes the conclusion based on those findings.

Recommendations and the suggestions for further research are based on both the study findings and other relevant literature deemed vital for use in future to improve the study.

5.1 Summary of the findings

5.1.1 Budgeting and service delivery in public institutions

The first objective was to establish the relationship budgeting and service delivery in public institutions.

Budgeting has a positive significant relationship with service delivery that is an increase in budgeting would mean an increase in service delivery in public institutions. This precisely points out that budgeting is one of the key elements used to measure financial management of public institutions. In addition, it enables an organization to coordinate activities through integrating departmental budgets.

5.1.2 Financial records and Service Delivery in public institutions

The second objective was to assess the relationship between financial records and service delivery in public institutions. There is a positive significant relationship between financial records and service delivery in public institutions. This implies that proper financial records facilitate service delivery. This means record keeping is a fundamental activity of public administration. Without records there can be no accountability because they are used by the officials when making accountabilities for the goods or services undertaken and they also provide a reliable, legally verifiable source of evidence of decisions and actions which relate to the service delivery in public institutions.

5.1.3 Financial reporting and Service Delivery in public institutions

The third objective was to examine the relationship between financial reporting and service delivery in public institutions.

There is a positive significant relationship between financial reporting and service delivery in public Institutions. This means proper financial reporting translates into service delivery. This improves transparency of financial reporting sheet, since convergence has brought greater confidence in the financial statements, hence, financial reporting in public institutions.

5.2 Conclusions

Based on the findings of the study, it is concluded that there is a substantial relationship between financial management and service delivery in public institutions. This has been supported by the study findings of substantive effects of budgeting on service delivery as shown above in areas of Participatory planning for identification of projects of the community, Budget conference for discussion of priority projects, Budget circular that contains the IPFs provided from the Ministry of Finance and Departmental heads draft work plans and service delivery in the areas of service reliability.

The relationship between financial records and service delivery was well explained whereby the vouchers contain expenditures, the vote books regulates money per item, abstract of revenue contain revenue, cash book where the expenditures and incomes are recorded, and statement of financial position which explains the assets and liabilities of the institutions and service delivery in the areas of service assurance and responsiveness

Finally the study findings revealed that there is a relationship between financial reporting and service delivery in aspects where the grants received by the institutions, statement of financial position where assets and liabilities of the institutions are reported on by the accountants, cash flow statement where the movement in cash and cash equivalent is reported on and reporting on the cash and funds inflow by the use of statement of comprehensive income on the performance of the institution and others in line with service delivery in public institutions especially in the areas of empathy and tangibility.

5.3 Recommendations

Since there is a significant positive relationship between financial management and service delivery in public institutions, leaders and managers of Local Governments should ensure that there is effective financial management to facilitate realistic budgets, up-to-date records on finances that could be traced in service areas.

The leaders of Local Governments should facilitate regular financial reporting and follow ups in Local governments so as to identify areas that they could address and ensure that services related to the reports are verifiable.

Local Government leaders should regularly review financial records through internal and external audits for reliability, authenticity and value for money so that such records could relate to the services delivered in Local governments.

Local Government leaders should continually engage the public in the preparation of budgets through encouraging them to identify projects of priority since they base on those activities to prepare budgets since it enhances service delivery.

5.4 Suggestions for Further Research

The researcher suggests the following areas for further research:

The independent variable in this study explained only 59% of variables for service delivery in public institutions, other studies, therefore, should be carried out to explain other variables not included in this study.

Other researchers should venture into the influence of financial reporting on service delivery in public institutions since it came out strongly in the research.

Further research should also be carried out on the effect of budgeting process on service delivery in public institutions since it was also identified in the research.

References;

Books

ACCA (2010) Improving public sector financial management in developing countries and emerging economies. http://www.accountancyage.com

Aidemark LG, Funck EK (2009) Measurement and Healthcare Management. Finance Accounting Managing. 25(2): 253-276.

Akinboye S (2006). "Reflections on Local Government Reforms in Post Independence Nigeria: The Imperative of a New Agenda for Grass Root Development" in R. Anifowose and T. Babawale, (eds). An Agenda for a New Nigeria: The Imperative of Transformation, Lagos: Concept Publications.

Amin, M. (2005) Social Science Research: Conception, Methodology and Analysis. Kampala: Makerere University Printery.

Auditor General Report (2014) http://www.oag.go.ug/value-for-money-audit-reports/

Babbie E (1990) Survey Research Methods, 2nd ed., Wadsworth, Belmont, CA.

Betley M, Bird A, Ghartey A (2012). Evaluation of Public Financial Management Reform in Ghana 2001-2010: Final Country Case Study Report. http://www.oecd.org/countries/ghana/ghana.pdf(accessed 4/18/2014).

Brown, L., Franco, L. & Rafel, N. (1993) Quality Assurance of Health Care in developing countries. Quality Assurance Project.

Carmen, M., Reiner, F., Janmejay, Singh. (2004). "Social Accountability: An introduction to the concept and emerging practice". *Social development paper on participation and civil engagement, Paper no. 76.*

CIPFA Model (2010) Assessment of Financial Management in Public Service Organizations statement of Good Financial Practice. CIPFA\ The Chartered Institute of Public Finance and Accountancy 3 Robert Street, London WC2N 6RL.

Chiappetta, B., Shaw, K., Wild, J. (2009) Principles of Financial Accounting (19th ed.). McGraw-Hill/Irwin

Chowdhary N, Prakash M (2007) Prioritizing service quality dimensions. Managing Service Quality, 17(5): 493 – 509.

Cliche, P. (2012) "Budget," in L. Côté and J.-F. Savard (eds.), Encyclopedic Dictionary of Public Administration,

Davila T, Wouters M (2005) Managing budget emphasis through the explicit design of conditional budgetary slack. Account. Organ. Soc., 30(7-8): 587-608.

Dooren, Wouter van (2006) Performance Measurement in the Flemish Public Sector: A Supply and Demand Approach, Faculty of Social Sciences, Catholic University of Leuven, Leuven, Belgium, http://soc.kuleuven.be.ed.). Boston: Allyn and Bacon.

ECA (2003) "Public Sector Management Reforms in Africa: Lessons Learned", Development Policy Management Division. Addis Ababa, Ethiopia.

Esse UOA (2002) Preservation and management of public records: The role of federal and state Governments. Proceedings of Inaugural meeting of National Committee on Archival Development, July 18-19.P.8

Feijó PH (2011) Public sector prepares for Convergence. Transparency Magazine - IBRACON. São Paulo 1 (1):42 -45.

Fiji Council of Social Services (2010a) A Council or a Network is Not Set up to Fight Devils or Governments or for Rewards and Awards (Powerpoint slides). Fiji: Suva.

FINMAP (2010) Midterm Review Consolidated Interim Report, 23rd January.

Grönroos C (2001) The perceived service quality concept – a mistake? Managing Service Quality, 11(3): 150 – 152.

Guixe, I. (2003) NGOs Accountability; the challenge; Working paper No.3.

Hepple L (1989) Destroying Local Leviathans and Designing Landscapes of Liberty? Public Choice Theory and the Poll Tax. Trans. Institute Br. Geogr. 14(4):387-399.

IBP (2011) 'Accountable Budgets: Overview of Volume and Guidance Documents for Case Study Authors' and 'Proposed Methodology for IBP Case Studies'. Washington, DC: International Budget Project.

Igwoku IF (2008) An analysis of record management strategies in western Nigeria. Med Dissertation, unpublished. Abraka, Delta State University

Internacional Public Sector Accounting Standart Board (IPSASB) (2013) The Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities. New York. IFAC, January.

International Accounting Standards (2007) "Presentation of Financial Statements" Standard IAS 1, Board. Accessed 24th June 2007.

Iwhiwhu EB (2005) Management of Records in Nigerian University: Problems and Prospects. Elect Libr. 24(30)

Jochen L (2011) Accounting for small and medium businesses - in accordance with international standards (IFRS) and the CPC. Curitiba: Ed Editorial Focus.

Joo SH (2008) Personal Financial Wellness. In J. J. Xiao (Ed.), Handbook of Consumer Finance Research. Springer, pp. 21-33.

Juergen Von Hagen (2007). Budgeting Institutions for Better fiscal Performance. Ed. Anwar Shah in Budgeting and Budgetary Institutions.

Kang, G.D. (2006) The hierarchical structure service quality: Integration of technical and functional quality. Managing Service Quality, 16: 37-56.

Kang GD, James J (2004). Service quality dimensions: an examination of Grönroos's service quality model, Managing Service Quality, 14(4): 266-277.

Kenis I (1979). Effects of budgetary goal character istics on managerial attitudes and performance. Account. Rev., 54(4): 7 07-721.

Kombo, D. K., & Tromp, D. L. (2006) Proposal and thesis writing: An introduction. Nairobi: Paulines Publications Africa.

Krafchik Warren (2011) International Budget Partnership annual report 2011. internationalbudget.org.

Krejcie, R., V. & Morgan, D., W. (1970) Determining the sample size for research activities. Education and Psychological Measurement, vol. 30 pp 607 - 610.

Lasher, William R. (2008) Practical Financial Management (5th ed.). Thomson South-Western.

Leedy, P. & Ormrod, J. (2001) *Practical research: Planning and design* (7th ed.). Upper Saddle River, NJ: Merrill Prentice Hall. Thousand Oaks: SAGE Publications.

Massoi L Norman 1 AS, (2010) Decentralization by devolution: Reflections on community involvement in planning process in Tanzania. Mzumbe University.

Mosby's Medical Dictionary, (2009) Academic research. (n.d.) 8th edition.Retrieved February 1 2015 from http://medical-dictionary.thefreedictionary.com/Academic+research

Mota FGL (2009) Applied to the Public Sector Accounting. 1st edition . Brasilia: Public Management.

Mugenda, O.M. and A.G. Mugenda, (1999, 2003, 2005) Research methods: Quantitative and qualitative approaches. Nairobi, Acts Press.

Mutabwire Patrick K. (2013) Principles of Service Delivery in Uganda's Local Governments Handbook, November. Uganda, Ministry of Local Government, Local Government Sector Investment Plan supported by UNDP (2013)

Nakabugo Gorreti (2011) www.twaweza.org | www.uwezo.net

National Council for Building a Better Fiji (2003) Fiji the State of the Nation and Economy. Fiji: Suva. Retrieved May 9th, 2010, from www.fijipeoplescharter.com.fj/SNEbridgedVersion.pdf

National Council of Social Service Report (2007). Documentation and Record Keeping *a Guide for Service Providers*. http://www.ncss.org.sg

Neuman, W., L. (2003) Social Research Methods: Qualitative and Quantitative Approaches 5th Edition.

Njunwa P (2005) Public Sector Reforms in Tanzania. Mzumbe University

Ntongo Victo (2012) Internal Controls, Financial Accountability and Service Delivery in Private Health Providers of Kampala District, February. A dissertation submitted to Makerere University in partial fulfillment of the requirements for the award of the degree of master of business administration of Makerere University.

Ogden S. Frow N, Marginson D, (2005) Encouraging strategic behaviour while maintaining management control: multi-functional project teams, budgets, and the negotiation of shared accountabilities in contemporary enterprises. Managing Accounting Research. 16(3): 269-292

O'connell, H., (2002*) From consultation to influence: Citizen voices, responsiveness and accountability in service delivery* .Online (http:// www. Oneworldaction.org)

O'Neill M, Palmer A (2003) An exploratory study of the effects of experienced on consumer perceptions of the service quality construct. Managing Service Quality, 13 (3): 187 – 196.

Ocailap Patrick (2014) Budget Monitoring and Accountability Unit (BMAU). Improving Service Delivery in Uganda. Ministry of Finance, Planning and Economic Development. November.

Osborne D, Geebler T (1992) Reinventing government: How to entrepreneurial spirit is transforming the public sector. Reading, MA: Addison-Wesley Publishing Company.

Owojori AA (2006) Monogram on Political Stewardship and Accountability in Nigeria.

Rugumyamheto J (2005) Paper on Reforming the Public Service in Tanzania. A critical prerequisite to economic growth, wealth creation and poverty reduction. African Association for Public Administration and Management (AAPAM).

Saunders Mark, Lewis Philip, Thornhill Adrian (2003) Research methods for Business Students. fifth edition. Prentice Hall

Sekaran, Uma. (2011) Research Methods for business Edisi I and 2. Jakarta: Salemba Empat.

Silvestre H, De Araujo J (2012) Public Private Partnerships/Financial Initiatives in Portugal: Theory, Practice, and Results. Public Perform. Manage. Rev. 36(2):316-339.

Shapiro Ian and Green, Donald P. (1994) Pathologies of Rational Choice Theory. p. 6.

Sundet, G. (2008) 'Following the Money: Do Public Expenditure Tracking Surveys Matter? *U4* 2008:8.

The CIPFA FM Model, CIPFA, (2004) and (2007) Comprehensive Performance Assessment: Use of Resources, Audit Commission, 2002–2008

The Fifth Uwezo Annual Learning Assessment Report (2014). www.twaweza.org | www.uwezo.net

Turner M, Hulme D (1997) Governance, Administration and Development: Making the State Work. Palgrave, New York.

United Nations Children's Fund (2010) Background to the Budget Execution and Service Delivery and Barometer, January

Velotti L, Botti A, Vesci M (2012) Public Private Partnerships and Network Governance: What Are The Challenges? Public Perform. Manage. Rev. 36(2):340-365.

Vijayakumar A, Nagaraja N (2012) Internal control systems: effectiveness of internal audit in risk management at public sector enterprises. BVIMR Manage. Edge 5(1):1-8. Retrieved from EBSCO database.

Wakiso District Five Year Development Plan 2011-2015

Westerfield, R., Ross, S., Trayler, R., Bird, R., and Jordon, B. (2008) Essentials Corporate Finance. Australia: McGraw-Hill.

Willis O (2005) Writing Research Proposal and Report. Makerere University

World Bank Report (2008) Managing Records as the basis for effective service delivery and public accountability in development. WBP pg. 4700

World Bank Report (2000).Managing Records as the Basis for Effective Service Delivery and Public Accountability in Development: An Introduction to Core Principles for Staff of the World Bank and Its Partners.

Xiao JJ (2008) Applying Behavior Theories to Financial Behavior. In 5 (Ed.), Handbook of Consumer Finance Research. Springer, pp. 69-82.

Journals

Abdulrazaq Baba Abdulrahman (2014) Management of university records for effective administration of universities in North Central Nigeria. International Journal of Library and Information Science Full Length Research Paper Vol.7 (3), pp. 47-54, March, 2015 http://www.academicjournals.org/IJLIS Accepted 25 February, 2015

Adekunle Owojori Anthony, Ishola Rufus Akintoyeand Adidu Felix (2009) "Political stewardship accounting for good governance in Ekiti state, Nigeria". Journal of Accounting and Taxation Vol.1 (3), pp. 041-052.

Alt, James E., and David Dreyer-Lassen (2006) "Fiscal Transparency, Political Parties, and Debt in OECD Countries." European Economic Review 50 (6): 1403–39.

Altamuro J, Beatty A (2010) How does internal control regulation affect financial reporting. Journal Accounting. Economy., 49(1): 58-74.

Alzeban Abdulaziz and Sawan Nedal (2013) "The role of internal audit function in the public sector context in Saudi Arabia". African Journal of Business Management Vol. 7(6), pp. 443-454, 14.

Anand Chand and Suwastika Naidu (2010) The role of the state and Fiji council of social services (FCOSS) in service delivery in Fiji. International NGO Journal Vol. 5(8), pp. 185-193, December 2010. School of Management and Public Administration, University of the South Pacific Suva, Fiji.

Antunes MTP, Grecco MCP, Formigoni H, Mendonça N, Otavio R (2012) The adoption in Brazil of international accounting standards IFRS: the process and its impact on the quality of accounting information. J. Econ. Int. Relat. São Paulo 10(20):5-19.

Ashbaugh-Skaife H, Collins DW, Kinney WR (2007) The discovery and reporting of internal control deficiencies prior to SOX-mandated audits. Journal Accounting. Economy, 44(1): 166-192.

Ashbaugh-Skaife H, Collins DW, Kinney WR, Lafond R (2009) The effect of SOX internal control deficiencies on firm risk and cost of equity. Journal Accounting. Research. 47(1): 1-17.

Asubonteng P, McCleary KJ, Swan JE (1996) "SERQVUAL revisited: a critical review of service quality", The J. Services Market., 10(6): 61 - 81.

Cheng-Tsung Lu (2011) Relationships among budgeting control system, budgetary perceptions, and performance: A study of public hospitals. African Journal of Business Management Vol. 5(15), pp. 6261-6270.

Coutinho WR (2010) Report of the Regional Accounting Council of Minas Gerais. J. CRC MG. http://www.crcmg.org Accessed.

Cronbach, L. J. (1946) A case study of the split-half reliability coefficient. The Journal of Educational Psychology, 37, 473−480.

Dauw-Song Zhu, Feng-Yu Ni, Chia-Wu Lin, Yung-Hsin Hsu, Sheau-Hwa Chen (2011) A Study on the Factors Affecting the Budget-related Attitude of Hospital Departmental Managers and The Relationships of These Attitudes with Performance

Eze, Malachy Chukwuemeka and Nnedum, Obiajulu Anthony Ugochukwu (2013) Public expenditure management reforms and national development: A critical evaluation of Obasanjo's administration, 1999-2007. African Journal of Political Science and International Relations Vol. 7(2), pp. 42-51, May 2013

Frost, D. & Moose, A. (2001) Gaining competitive advantage through competence development. Journal of Management Development. Vol1 issue 1.

Gilmour, John and David Lewis (2006) “Does Performance Budgeting Work? An Examination of the Office of Management and Budget’s PART Scores”, Public Administration Review, 66(5), pp. 742-752.

Kengne Seraphin (2015) Inhibiting factors in the strategic financial management decision making process: Evidence from South African SMEs. African Journal of Business Management. Vol 9 (11), pp. 490-500.

Lufunyo Hussein (2013) Impact of public sector reforms on service delivery in Tanzania Journal of Public Administration and Policy Research Vol. 5(2) pp. 26-49, May, 2013 DOI: 10.5897/JPAPR12.014. http://www.academicjournals.org/JPAPR

Machado Rosaly, Dálcio Roberto dos Reis and Antonio Carlos Francisco (2013) The challenges of innovations in Brazilian accounting: A study applied to the public sector. African Journal of Business Management Vol. 7(12), pp. 969-975

Mihret D (2010) Factors associated with attributes of internal audit departments: a canonical analysis. Afr. J. Account. Econ., Financ. Bank. Res. 7(6):42-61.

Ming-Hsien Yang, Wen-Shiu Lin and Tian-Lih Koo (2011) The impact of computerized internal controls adaptation on operating performance. African Journal of Business Management Vol. 5(20), pp. 8204-8214.

Rob L, Richard N (2007) Imitation and Inspiration in Public Sector reform: Lessons from Commonwealth experiences. International Review of Administrative Sciences.

Okeke-Uzodike O.e. (2015) (South Africa), Mogie Subban (South Africa) Public Sector Recruitment Policies: efficiency, effectiveness and consequences. Problems and perspectives in management, volume 13, issue 1, 26

Reedy AM, Luna RG, Olivas GS, Sujeer A (2005) Local public health performance measurement: implementation strategies and lessons learned from aligning program evaluation indicators with the 10 essential public health services. J. Public Health Manag. Pract., 11(4): 317-325.

Parasuraman, A.,Valarie Zeithaml and Leonard Berry (1985) A concept model of service quality and its implications for future research, Journal of marketing (Fall). Pg. 41-50)

Parasuraman, A., Zeithaml, Valerie A. & Berry, Leonard L. (1988) "SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality," Journal of Retailing, vol. 64(1), p. 12-40

Pollitt C (2003) Public Management Reform: A Comparative Analysis, second edition, Oxford: Oxford University Press

Salehi M, Abedini B (2009) Financial Distress Prediction in Emerging Market: Empirical Evidence of Iran, Interdisciplinary J. Contemp. Res. Bus. 1(1):6-26.=

Sama Hamisi (2011) Challenges and opportunities of Tanzanian SMEs in adapting supply chain management. African Journal of Business Management Vol. 5(4), pp. 1266-1276, 18 February, 2011 Available online at http://www.academicjournals.org/AJBM

Sterck, M. and B. Scheers (2006), "Trends in Performance Budgeting in Seven OECD Countries", Public Performance and Management Review, 30(1), pp. 47-72.

Ugoh Samuel C. and Ukpere Wilfred I.(2009) Problems and prospects of budgeting and budget implementation in local government system in Nigeria African Journal of Business Management Vol.3 (12), pp. 836-846.

Wisniewski, Mik (2001) "Using SERVQUAL to assess customer satisfaction with public sector services," Managing Service Quality, vol. 11(6), p. 380-388

Verhoest, Koen (2005) "Effects of Autonomy, Performance Contracting and Competition on the Performance of a Public Agency", Policy Studies Journal, 33(2).

Talukder Golam Rabby, Gazi Mahabubul Alam, Pradip K. Mishra, Kazi Enamul Hoque and Sulochana Nair (2011) Different economic and policy perspectives in micro population for sustainable development: A study of the Haor livelihood in Bangladesh African Journal of Business Management Vol.5 (6), pp. 2 475-2492.

Turyahebwa Abanis, Sunday Arthur and Ssekajugo Derick (2013) Financial management practices and business performance of small and medium enterprises in western Uganda. African Journal of Business Management. Full Length Research Paper. Vol. 7(38), pp. 3875 Kampala International University, Kampala Uganda.

Appendix I: QUESTIONNAIRE

UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS ADMINSTRATION AND MANAGEMENT

I am Mawanda Michael pursuing a Master's degree of Business Administration Finance Option. As part of the requirement for the award of this degree, I am expected to carry out research. My subject of study is "**Financial Management and service delivery in Public Institutions"**

All the information in this questionnaire is purely for academic purposes and will be kept **confidentia**l. Your contribution in answering this questionnaire will be highly appreciated.

Contact: 0781539821.

Thanks for Your Cooperation.

Please select by ticking where applicable

Section 1 Bio Data

i) **Gender of the respondent**

Male	Female

ii) Age group

21-30 years	31-40 years	41-50 years	51-60 years	61-70 years

iii) Level of education

Certificate	Diploma	Bachelor's Degree	Post graduate Degree	Master's Degree	Doctorate

iv) Department of the respondent

Administration & Head of Department	District, SC & T C Finance Departments	Internal Audit	District, T C & SC Executives	District Public Accounts Committee	Resident Auditor

v) Duration of service in the organization

Below 4 years	4-8 years	8-12 years	12-16 years

Evaluate the following statements by ticking under the appropriate answer number basing on the scale below

1	2	3	4	5
Strongly disagree	Disagree	Not Sure	Agree	Strongly Agree

SECTION 2; FINANCIAL MANAGEMENT IN PUBLIC INSTITUTIONS

I) The Budgeting process in public institutions

NO	**The Budgeting process in public institutions**	1	2	3	4	5
1.	Participatory planning for identification of projects of the community.					
2.	Budget conference for discussion of priority projects					
3.	Budget circular that contains the IPFs is provided from the Ministry of Finance					
4.	Departmental heads draft work plans					
5.	Executive committee discusses the draft budget					
6.	Statutory committees evaluate and approve					

	work plans					
7.	Budget laying to the Council by the District chairperson or delegate secretary finance					
8.	Budget integration by the sectoral committees and DEC					
9.	Council which approves the budget					
10.	Budget implementation by the departments					

II) The financial records in public institutions

NO	**The financial records in public institutions**	1	2	3	4	5
1.	Vouchers contain expenditures of the institution					
2.	The Vote books control expenditure of a given item such as allowances of staff					
3.	Abstract of Revenue that contains revenue sources of the institution					
4.	Cash book where the expenditures and incomes are recorded					
5.	Statement of financial position which explains the assets and liabilities of the institutions					
6.	Statement of Comprehensive income that contains LRR, Conditional grants, unconditional grants and also the expenditures per department					
7.	Performance Monitoring tools(Budget Vs Expenditure)					

III) The financial reporting in public institutions

NO	The financial reporting in public institutions	1	2	3	4	5
1.	Financial reporting using international financial reporting standards					
2.	The grants received by the institutions					
3.	Assets and Liabilities of the institutions are reported on by the finance personnel					
4.	Assets held for resale by the institution such as used computers.					
5.	Reporting on the cash and funds inflow by the use of cash flow statement on the performance of the institution					
6.	Reporting on the effect of foreign exchange on the projects					
7.	Reporting on actual performance for both development and recurrent budgets					

SECTION 3; SERVICE DELIVERY IN PUBLIC INSTITUTIONS

I) Service delivery reliability in Public institutions

NO	Service delivery reliability in Public institutions	1	2	3	4	5
1.	The staff are dependable when delivering services for instance; teachers, Nurses.					
2.	The consistency among the services delivered for instance; provision of agricultural inputs like seeds					
3.	The staff are trustworthy while delivering services for instance the Community					

	Development Officers					
4.	There is steadfast provision of services for example; timely information communication					

II) **Service Responsiveness and Assurance in public institutions**

NO	**Service responsiveness and Assurance in public institutions**	**1**	**2**	**3**	**4**	**5**
1.	The staff are willing to help customers on the services delivered for example; health services					
2.	There is openness to the citizens about which activities to be done for instance; provision of agricultural trainings,					
3.	The public officers are knowledge and courtesy of employees and their ability to inspire confidence					
4.	The services provided are of good quality for example; health services					
5.	The services are always free of charge for example; education, water					

III) **Service tangible and empathy delivery in public institutions**

NO	Service Tangible and empathy in public institutions	1	2	3	4	5
1.	The staffs provide up to date services to the citizens for example; sanitation services, training about poverty eradication					
2.	The services provided are tangible for example; medicine in hospitals, desks in schools.					
3.	The staff understand the community in service provision for example; consulting the community before construction of a borehole or a road					
4.	There is care as government staff are providing services for example; medical services, education					

Appendix II: INTERVIEW GUIDE FOR ADMINISTRATORS OF WAKISO DISTRICT LOCAL GOVERNMENT

Dear Respondent, this survey is being carried out to examine the financial management and service delivery in public institutions, a case study of Wakiso District Local Government. It is purely academic. Assurance is made that the information provided will be treated confidentially

Section 1 Financial management in public institutions

1 Budgeting in Wakiso district local government?

a) Do you get the budget circular from the ministry of finance? Yes/No

b) Do you carry out participatory planning for identification of community projects? Yes/No

c) Do carry out the budget conference for discussion of priority projects? Yes/No for

d) Do you have statutory committees where work plans are presented? Yes/No

e) Do you have the council where the budget is laid? Yes/No

f) Are the technical staffs involved in the drafting the budget? Yes/No

2 Financial records in Wakiso district?

a) Do you have Vouchers where the expenditures are recorded before being written? Yes/No

b) Do you have vote books? Yes/No

c) Do have the Cash Book where the expenditures and incomes are drafted are in place? Yes/No

d) Are the books of accounts in place to ensure financial management? Yes/No

e) Are there performance monitoring tools (Budget Vs Expenditure) in aid proper financial management? Yes/No

3 Financial reporting in Wakiso district?

a) The quality of accounting information improvements to enhance understandability, relevance? Yes/No

b) Is the Statement of Financial Position where Assets and Liabilities of the institutions are reported on by the accountants? Yes/No

c) Is the Cash flow statement where the movement in cash and cash equivalent is reported on? Yes/No

d) Is there Reporting on the cash and funds inflow by the use of statement of Comprehensive income on the performance of the institution? Yes/No

Section 2 Service delivery in Public institutions

1. Service delivery reliability in Public institutions

I) Are the staffs dependable when delivering services such as the accounts persons? Yes/No

II) Is there consistency among the services delivered? Yes/No

III) Are the staff are trustworthy while delivering services? Yes/No

2. Service Responsiveness and Assurance in public institutions

I) Does the staff carry out awareness of the services that are going to be delivered? Yes/No

II) In the provision of services is there openness to the citizens about which activities to be done? Yes/No

III) Are services always free from the public institutions? Yes/No

3. Service tangible and empathy delivery in public institutions

I) Do the staffs provide up to date services to the citizens for example; sanitation services, training about poverty eradication? Yes/No

II) Are the services provided are tangible for example; medicine in hospitals, desks in schools? Yes/No

III) Do the staffs understand the community in service provision for example; consulting the community before construction of a borehole or a road? Yes/No

Thank you for your cooperation.

Appendix III: Table for Determining Sample Size for a Finite Population

N	*S*	*N*	*S*	*N*	*S*
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970

Appendix IV: RELIABILITY RESULTS

RELIABILITY FOR BUDGETING

/VARIABLES=B1 B2 B3 B4 B5 B6 B7 B8 B9 B10

Reliability Statistics

Cronbach's Alpha	N of Items
.798	10

RELIABILITY FOR FINANCIAL RECORDS

/VARIABLES=FR1 FR2 FR3 FR4 FR5 FR6 FR7

/SCALE('07') ALL

Reliability Statistics

Cronbach's Alpha	N of Items
.879	7

RELIABILITY FOR FINANCIAL REPORTING

/VARIABLES=F1 F2 F3 F4 F5 F6 F7

Reliability Statistics

Cronbach's Alpha	N of Items
.799	7

RELIABILITY FOR RELIABILITY

/VARIABLES=R1 R2 R3 R4

Reliability Statistics

Cronbach's Alpha	N of Items
.653	4

RELIABILITY FOR RESPONSIVENESS AND ASSURANCE

/VARIABLES=RA1 RA2 RA3 RA4 RA5

Reliability Statistics

Cronbach's Alpha	N of Items
.782	5

RELIABILITY FOR TANGIBILITY AND EMPATHY

/VARIABLES=TE1 TE2 TE3 TE4

Reliability Statistics

Cronbach's Alpha	N of Items
.721	4

Appendix V: Application letter to conduct field Research in Wakiso District Local Government

Appendix VI: Introductory Letter from the University to conduct field Research in Wakiso District Local Government

Appendix VII: Acceptance Letter to Conduct Field Research in Wakiso District Local Government

Appendix VIII: Map of Wakiso District Local Government