

**ADOPTION OF INTEGRATED FINANCIAL MANAGEMENT SYSTEM AND
PROCUREMENT PERFORMANCE IN UGANDA A CASE OF KABALE DISTRICT IN
UGANDA**

BY:

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APRIL, 2022

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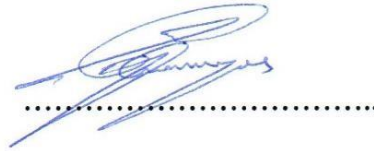
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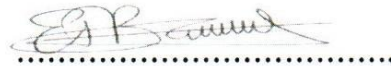
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Table of Contents

DECLARATION.....	Error! Bookmark not defined.
APPROVAL	ii
ACKNOWLEDGEMENTS	iii
LIST OF TABLES.....	ix
LIST OF FIGURES	x
LIST OF ABBREVIATIONS AND ACRONYMS	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
1.0 Introduction	1
1.1 Background to the study.....	1
1.1.1Historical Background.....	1
1.1.2 Conceptual Background	3
1.1.3 Theoretical perspective.....	5
1.1.3.1 Technology Acceptance Model	5
1.1.3.2 Task Technology Fit (TTF) Theory	5
1.1.4Contextual Background.....	6
1.2 Statement of the Problem	6
1.3 Research Objectives	7
1.3.1 General Objectives	7
1.3.2 Specific Objectives	8
1.4 Research Hypothesis.....	8
1.5 Scope of the study.....	8
1.5.1 Content Scope	8
1.5.2 Geographical Scope	9

1.5.3 Time scope.....	9
1.6 Conceptual Framework	9
1.7 Significance of the study	10
CHAPTER TWO	11
LITERATURE REVIEW	11
2.1 Introduction	11
2.2 Theoretical Framework	11
2.2.1 Task Technology Fit (TTF) Theory	11
2.2.2 Technology Acceptance Model	12
2.3 IFMIS Adoption Subsystems.....	12
2.4 IFMIS and Procurement Performance	14
2.5 Challenges Facing Effective IFMS Implementation.....	19
2.6 Empirical Literature	19
2.7 Summary of Literature and Research Gaps	20
CHAPTER THREE	22
RESEARCH METHODOLOGY	22
3.0 Introduction	22
3.1 Research Design.....	22
3.2 Population	22
3.2.1 Sample Size	23
3.3 Data Collection Procedure	23
3.4 Data collection Instruments/Tools.....	23
3.4.1 Questionnaires	23
3.5 Data Analysis	24
3.5.1 Uni-variate / Descriptive analysis	24
3.5.2 Bi-variate Analysis	24
3.5.3 Multivariate Analysis.....	24
3.6 Model Specification and Estimation	24
3.6.1 Model specification	24
3.7 Justification of the Variables.....	25

3.8 Reliability and Validity.....	25
3.8.1 Validity	25
3.8.2 Reliability.....	26
3.9 Ethical considerations.....	26
3.9.1 Bias	26
3.9.2 Plagiarism. (certificate attached).....	27
3.9.3 Voluntary and informed consent	27
CHAPTER FOUR.....	28
DATA ANALYSIS, PRESENTATION, INTERPRETATION OF FINDINGS	28
4.1 Introduction.....	28
4.2 Sample characteristics of the respondents	29
4.2.1 The length of service of respondents	29
4.2.2 Highest qualification attained by the respondents.....	30
4.2.3 Management Level	31
4.3 Extent to which Entities are using the Integrated Financial Management System for Procurement in Kabale District.....	33
4.3.1 Adoption of IFMIS by Entities.....	33
4.4 IFMS and Public Procurement Performance in Kabale District.	33
4.5 Descriptive statistics on cash management (N=35)	33
4.6 Descriptive statistics on effect of Accounts Payables Modules.....	35
4.7 Descriptive statistics on Accounts Receivable Module (N=35)	36
4.8 Descriptive statistics on Procurement Modules.	38
4.9 Challenges Involved in the Adoption of IFMIS.....	40
4.10 Descriptive statistics on Procurement performance	41
4.11 Correlation Analysis	44
4.12 Relationship between implementation of IFMIS and Procurement Performance	46
4.13 ANOVA Results	47
CHAPTER FIVE.....	49
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS	49
5.1 Introduction.....	49
5.2 Summary of Findings	49
5.3 Discussion of results and conclusion.....	49
5.3.1 Hypothesis One	49
5.3.2 Hypothesis two.....	50

5.3.3 Hypothesis three	50
5.4 Limitationsj ofj the Studyj	50
5.5 Areas for Further Research	51
REFERENCES	52
APPENDIX I: QUESTIONNAIRE FOR RESPONDENTS.....	57
APPENDIX II: ANTI-PLAGIARISM REPORT	63

LIST OF TABLES

Table 4. 1: Summary of study response rate	28
Table 4. 2: Gender of the respondents N=35.....	29
Table 4. 3: Length of service of respondents N=35.....	29
Table 4. 4: Shows the results the education level of respondents N=35.....	31
Table 4. 5: Level of management N=35.....	31
Table 4. 6: Showing Descriptive statistics on cash management (N=35).....	33
Table 4. 7: Showing Descriptive statistics on Accounts Payables Modules (N=35).....	35
Table 4. 8: Showing Descriptive statistics on Accounts Receivable Module (N=35).....	36
Table 4. 9: Showing Descriptive statistics on Procurement Modules (N=35)	38
Table 4. 10: Showing descriptive statistics on performance (N=35).....	41
Table 4. 11: Pearson's Correlations	44
Table 4. 12: Showing Rule of thumb for interpreting the size of a correlation coefficient	45
Table 4. 13: Model Summary	46
Table 4. 14: ANOVA of the Regression	47
Table 4. 15: Beta Coefficient of Determination	47

LIST OF FIGURES

Figure 1. 1: Conceptual Framework showing the Relationship between Variables	9
Figure 4. 1: How long have you worked at this entity?.....	30
Figure 4. 2: What is the highest level of education you have attained?	31
Figure 4. 3: What is your level of management?	32

LIST OF ABBREVIATIONS AND ACRONYMS

ICT -	Information and Communication Technology
IFMS -	Integrated Financial Management Systems
BoU -	Bank of Uganda
EFT -	Electronic Funds Transfer
GoU -	Government of Uganda
IFMS -	Integrated Financial Management System
IPPS -	Integrated Personnel and Payroll System
IT -	Information Technology
KCCA -	Kampala Capital City Authority
MDA -	Ministry, Department, Agency
MDALGs -	Ministries, Departments Agencies and Local Governments
MFPEd -	Ministry of Finance Planning and Economic Development
NDP -	National Development Plan
NTR -	Non-Tax Revenue
OAG -	Office of the Auditor General
PAC -	Parliamentary Accounts Committee
PFM -	Public Financial Management
TIN -	Tax Identification Number
UNBS -	Uganda National Bureau of Standards
MIS -	Management Information Systems
GoU -	Government of Uganda
MOFPED-	Ministry of Finance Planning and Economic Development
MADLGs -	Ministries, Agencies, Departments, and Local Governments
IS –	Information Systems
ICT –	Information and Communication Technology
FY -	Financial Year
OPM -	Office of the Prime Minister
PEM -	Public Expenditure Management
PFM -	Public Financial Management
SPSS -	Statistical Package for Social Sciences

ABSTRACT

The purpose of this study was to assess the impact of Integrated Financial Management Information System (IFMS) adoption on public procurement performance in Kabale District. The study adopted a cross section research design. For the purposes of this study, the population of interest was 4 entities in Kabale District (Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality). 40 respondents with 10 Officers from each entity. The target respondents were Procurement Managers/ Officers, Accounting Officers, Inventory Officers and Finance Officers. Given the small size, a census was proposed. Primary data was collected for the purpose of this study. It was collected using questionnaires were administered to the relevant officers through a drop and pick later strategy for one week so as to give the respondents an ample time to fill them, the filled questionnaires were inspected for completeness and edited. Descriptive statistics was used to determine the effect of IFMS on the procurement performance. Standard deviation, range and co-efficient of variation was used to determine the challenges in implementing the IFMS. Content analysis was used to analyse qualitative information collected in the survey. The study found out that the various components of IFMS have been adopted in the by selected entities. They include; accounts receivable, accounts payable, procurement management, cash management respectively. The study also concludes that cash management has a positive and significant effect on procurement performance accounts receivable, accounts payable, procurement management have a no significant effect on procurement performance. Based on the findings, this study recommends that Ministry of Finance Planning and Economic Development should fully commit itself to see that the implementation of IFMS is running smoothly without any challenges by allocating more funds to train staff and fully equip entities.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the background to the study, statement of the problem, purpose and objectives of the study, research questions, research hypothesis, significance of the study, scope of the study and operational definitions. This study sought to identify the effects of Government Procurement Portal to Performance of pilot entities.

1.1 Background to the study.

1.1.1 Historical Background

IFMIS is essential to provide fiscal transparency (i.e., clarity, reliability, frequency, punctuality, relevance, and openness) by gathering data to enable the publication of past, present, and future public finance positions (IMF, 2012). Furthermore, from approximately the mid-1990s onwards, the Inter-American Development Bank (IDB) has supported 15 investment projects at a national level in an effort to strengthen PFM in the countries (IDB, 2010) a great majority of which include developing an IFMS. A financial and accounting information system that operates efficiently enhances the government's capacity to allocate and use public resources effectively and efficiently (Dorotinsky & Watkins, 2013). According to Kihara (2009), adoption of IFMS in developing countries has been championed, as arguably the most effective strategy in mitigating the overwhelming effects of irregularities in the public procurement process that has characterized public institutions for many decades.

Kimwele (2011) further explains that IFMS increases oversight, control, and monitoring of receipts and expenditure in the public sector. In the 1990s, the use of IFMS expanded into Argentina, Paraguay, and Uruguay and, from 2000 onwards, was put in place in Chile, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, and Nicaragua, as well as in the Caribbean. Aside from their relevance in addressing fiscal crises, the replication of IFMS was initially driven by various other factors, as a result of advanced concepts of fiscal management and the progress of ICT. Following two decades of operation, several countries have engaged in updating their IFMIS, specifically Argentina, Brazil, Chile, the Dominican Republic, Honduras, Nicaragua, Panama, Peru, and Uruguay. Despite institutional

differences and varying levels of systems development, there are a number of strategic aspects that should be considered to improve the success of the design and implementation of IFMS so as to ensure its benefits from the outset. Since the mid-1980s, the existence of IFMS in Latin America has increased; originally, it was a set of tools to address the recurring financial crises of the region (Uña, 2011). These systems operate at the level of central government and, in some countries, include the regional and municipal levels. They are generally developed for fiscal management under the guidance of the Ministry of Finance.

In Kenya, Integrated Financial Management Information System (IFMS) was adopted precisely because of the need to mitigate the drawback of the manual public management systems (PMS) and the need to improve efficiency and effectiveness in government service delivery (Wainaina, 2014). It increases the ability to access important information on operational and financial performance, necessitate ease of accessing information on state cash position as well as information on economic performance. Nonetheless, it is increasingly becoming a core component and driver of reforms in the financial sector in public institutions in both developed and developing countries (Chêne, 2009). The process has not been always successful (Kanyugi, 2014).

A phased implementation approach was adopted in Uganda. The implementation commenced with the pilot phase covering 6 Ministries and 4 Local Governments on 1st July 2003. The most recent IFMS implementation started in 2002. Pilot implementation was conducted in 6 ministries and 4 local governments between February 2003 and October 2004. Rollout implementation has since progressed to another Ministries and Local Governments.

The availability of information is a prerequisite for economic and financial management improvement. The Government of Uganda had historically faced major problems of inaccurate, untimely, and inappropriate budget and accounting information. This was characterized by manual and semi-automated systems, inadequate systems for collection and tracking of revenue, backlog of un-reconciled bank accounts, lack of a uniform Chart of Accounts that complied with Government Finance Statistics (GFS), endemic budget overruns, ad-hoc and uncoordinated IT acquisitions; and non-compliance with international public sector accounting standards. Government commissioned a Fiscal Management Systems Study (FMS) that took place between October 2001 and April 2002. Ernest and Young Consultants undertook the FMS study. The study aimed at developing a framework of the principles and standards for the introduction of government wide IT based Fiscal Management Systems that would meet current and future

needs. The consultants prepared and submitted an Information Technology Architecture and Plan (ITAP) report detailing the recommended business and information processes as well as the User Requirements Specifications and proposed technology options. The costs for IFMS implementation were financed with assistance from the World Bank and other Development Partners. Government's commitment to the elimination of financial malpractices and wasteful public spending is set out in various PFM strategies, which recognize that achieving overall PFM improvements requires a combination of the suitable policy changes, political commitment to reforms and the design and implementation of appropriate systems and tools to enable better outcomes from the government policies.

1.1.2 Conceptual Background

Procurement is the process of acquiring goods or services and ensuring efficient running of an organization (Weele, 2010). World Bank (1995) defines public procurement as the acquisition of goods, services and works by a procuring entity using public funds. Procurement is also the acquisition of goods and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place and from the right source for the direct benefit or use of corporations, or individuals, generally by contract (Breitman& Lucas, 1987). Procurement often constitutes the largest domestic market in developing countries. Mbae (2014) asserts that an efficient public procurement system is vital to the advancement of African countries and is a concrete expression of their national commitments to making the best possible use of public resources. The introduction of fast internet has further provided tools that assist in the entire process of procurement bringing in the issues of efficiency and transparency which have been identified as hindrances to the public procurement system (Odhiambo&Kamau 2003).

The development of integrated financial management and information system (IFMS) started in 1998 whilst deployment of the system to line ministries commenced in 2003. IFMS is an Oracle based Enterprise Resource Planning (ERP) software and integrates all data and processes of an organization into a unified system housed at a centralized database which is accessed through a secure network (RoK, 2011). According to Hendriks (2012), IFMIS is an information system that tracks financial events and summarizes financial information.

IFMIS assists management in ensuring accountability for the deployment and use of public resources and in improving the effectiveness and efficiency of public expenditure programmes. By tracking financial events through an automated financial system, management is able to

exercise improved control over expenditure and to improve transparency and accountability in the budget cycle as a whole (Wainaina, 2014). The IFMS is based on the Oracle E-Business suite IT package. It automates processes required by the Public Finance and Accountability Act 2003 and the Local Government Act 1997. The modules currently in operation by Oracle are:

General ledger module: This module is used to; enter and post journals, budget inquiries, opening of budget year, funds inquiries, others Issuance of a Grant of Credit by the Auditor General, Issuance of the Ministers Warrant by the Accountant General, Issuance of Cash limits by the Budget Directorate, Preparation of the Accounting Warrants by the Votes, Initiation and Approval of retirements or re-allocations and generation of management reports.

Receivables module: This module is used to; Enter customers, enter and approve invoices and to enter receipts. It also used to enter bank charges and bank transfers and the generation of receivables reports.

Purchasing module: This module is used to create suppliers on the system, prepare purchase requisitions, and approve purchase requisitions, enter and approve purchase orders and finally enter purchase receipts.

Payables module: This module is used to; create supplier invoices from supplier information, approve invoices, make payments, make prepayments (to employees or suppliers) and generate payables reports.

Cash management module: This module is used to; create bank accounts, it also used to enter/upload bank statements and to perform automatic bank account reconciliations.

Performance is linked to resources having naturally different levels of efficiency that enable firms to deliver a better way to their customers at a given cost or have the same benefit at a lower cost, (Barney 2003). Expert Group Meeting; (2001); and others consider it as function of flexibility and enhanced effectiveness and efficiency of the procurement functions (Garran, 2005). The United States Agency for International Development (USAID) has developed indicators that can be used to assess procurement efficiency. Price variance, contract usage, materials expiration management, supplier efficiency, procurement cycle time, payment processing time, emergency procurement, procurement expense, transparent tendering, personnel training, and transparent price information are some of the metrics that can be used (USAID, 2013).

Performance provides the basis for an organization to assess how well it: is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goals (Van Weele, 2016).

This entails that whatever the effects on procurement performance brought about by e-procurement such as customer satisfaction and cost reduction on procurement department will inevitably affect other departments because they rely on procurement to bring in materials at the right time, price, and quality and from the right source which are used to produce goods for the end customer. (Olhager&Selldin, 2011).

1.1.3 Theoretical perspective

The study was guided by two theories; that is Technology Acceptance Model and Contingency Theory.

1.1.3.1 Technology Acceptance Model

The Technology Acceptance Model (TAM) is an information systems theory initially developed by Davis, (1989) and Warshaw, (1992) that models how users come to accept and use technology advancement. The model focuses on how ICT is adopted and used giving much emphasis on determinants of user acceptance of a wide range of information technologies. TAM comprises two major theoretical frameworks; the perceived usefulness (PU) and Perceived Ease of Use (PEOU).

1.1.3.2 Task Technology Fit (TTF) Theory

According to the theory of task-technology fit, the success of an information system should be related to the fit between task and technology, whereby success has been related to individual performance (Goodhue and Thompson, 1995) and to group performance (Zigurs& Buckland, 1998). For group support systems, a specific theory of task-technology fit was developed (Zigurs& Buckland, 1998) and later tested by (Zigurs, Buckland, Connolly & Wilson, 1999) and detailed the requirements of group support systems to fit group tasks. For IFMIS, task-technology fit has been shown to be generally relevant, but more specific questions regarding the applicability of task-technology fit to IFMIS remain unanswered (Gebauer& Shaw, 2004).

1.1.4 Contextual Background

A strong financial management system is a key component for economic growth and development. It ensures that the government and its departments raise, manage and spend public resources in an efficient and transparent way. The government of Uganda has recently undertaken a number of public financial management reforms aimed at enhancing transparency and accountability targeting public procurement among others. Developing countries have invested heavily in information management systems in order to benefit from advances in information technology which enables firms or organization to redefine business processes and develop new business models (Heo, 2013). These countries particularly in Africa have reported positive progress in better procurement performance across countries in the adoption of integrated financial management information systems (Wainaina, 2014). The adoption of integrated financial management information system in Kenya has been championed as the best strategy in mitigating the ensuing effects of public procurement misappropriations that have dogged the public sector since independence (Kihara, 2009).

Booth and Nsabagasani (2006) stress that IFMIS can enable prompt and efficient access to reliable financial data and help strengthen government financial controls, improving the provision of government services, raising the budget process to higher levels of transparency and accountability, and expediting government operations. Likewise, Mokaya (2013) points out that developed and developing countries alike have invested heavily in reforming their FMS in order to reap great benefits from advantages on information and communication technology (ICT), which has so far enabled state corporations and government ministries to redefine business process besides developing new business models. According to Charko et al., (2010) the need to improve efficiency in the public procurement process has put overwhelming pressure to national governments across the globe. Further still, the need to improve efficiency in public sector has seen governments around the world adopt integrated financial management systems (Charko, Adam and Ghee, 2010). In Uganda, the push for integrated public procurement systems stems from the need to mitigate the drawbacks of the traditional public management systems and improve efficiency in government service delivery (Wainaina, 2014).

1.2 Statement of the Problem

Globally, governments are investing a great deal of resources to streamline and improve public procurement management and are implementing new management systems that manage tenders

through ICT. This is geared towards enhancing accessibility of tenders, increasing efficiency and saving costs (faster and cheaper) in government supply chain management and improving transparency (to reduce corruption) in procurement services.

Developing countries have invested heavily in information management systems in order to benefit from advances in information technology which enables firms or organization to redefine business processes and develop new business models (Heo, 2013). Further, the need to improve efficiency in the public sector has seen governments around the world adopt integrated financial management systems (Charko et al, 2010). A fully functioning IFMS can improve governance by providing real-time financial information and enhance transparency and accountability, reducing political discretion and acting as a deterrent to corruption and fraud (Diamond and Khemani, 1999).

Cobra (2010) carried out a comparative analysis of procurement methods used on competitive tendered office projects in Europe. Kwakezi et al., (2002) in their study on procurement processes and performance efficiency and effectiveness of the procurement function mainly in Uganda found out that for a public entity in a developing country to conduct procurement performance there are numerous challenges that are encountered. Ken (2006) carried a study on towards a pan London strategy: procurement performance measurement and found that public procurement was faced by number of challenges including inaccurate information, lack of link between procurement measures and corporate objectives.

In Kenya, Wainaina (2014) studied the effects of integrated financial management information system on financial performance of commercial state corporations in Kenya and found that respective IFMS practices adopted by commercial state corporations had a significant impact on their financial performance. Based on the above review, no study to the knowledge of the research has focused on the impact of IFMS adoption on public procurement in Kabale District. To fill this gap, this study focused on the impact of IFMS adoption on procurement performance in Kabale District.

1.3 Research Objectives

1.3.1 General Objectives

The general objective of this study was to establish level of adoption and impact of integrated financial management system on procurement performance in Kabale District.

1.3.2 Specific Objectives

- i. To establish the relationship between cash management and procurement performance in Kabale District.
- ii. To determine the effect of Accounts Payables and Accounts Receivables modules on procurement performance in Kabale District.
- iii. To determine the Influence of procurement Modules on Procurement Performance in Kabale District.

1.4 Research Hypotheses

- i. There is no significant effect of accounts receivables and accounts payables on procurement performance in Kabale District.
- ii. Cash management has no significant effect on procurement performance in Kabale District.
- iii. Use of procurement modules has no significant effect on procurement performance in Kabale District.

1.5 Scope of the study

This comprised the content scope, geographical scope and time scope.

1.5.1 Content Scope

The study examined Integrated Financial Management D

System as the independent variable and Procurement Performance as the dependent variable. The specific focus was to investigate the effect of implementation of integrated financial management system on the procurement performance in Public Entities in Kabale District. The study is about the effectiveness of the IFMS in the sphere of government procurement operations. The study focused on the extent to which IFMS efficiently and effectively covers procurement transactions such as Purchase Requisition, Purchase Order and Receipt. The study was conducted in four Public entities that are currently using the IFMS System these include; Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality.

1.5.2 Geographical Scope

The study was carried out in Kabale District located in the South Western Region of Uganda. Kabale District is bordered by Rukungiri District to the north, Rukiga District to the north-east, Rwanda to the east and south, Rubanda District to the west, and Kanungu District to the north-west.

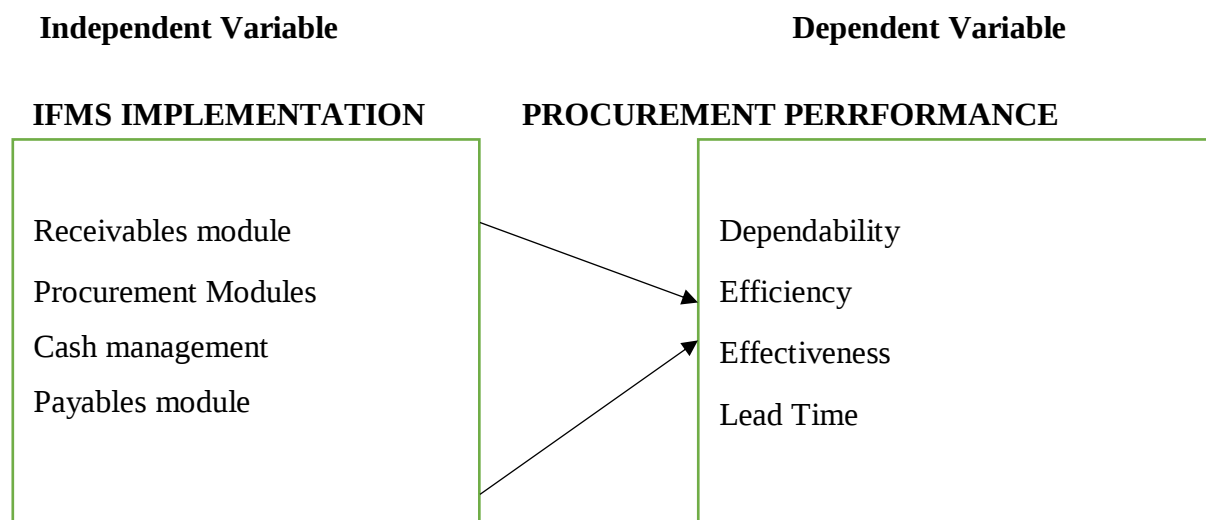
1.5.3 Time scope

According to MoFPED, (2015), there have been capacity gaps on the side of users that hinder the full utilization of the IFMS. The study was conducted in between March 2021 and March 2022.

1.6 Conceptual Framework

The conceptual framework in Figure 1.1 represents a structure of concepts which are put together so as to show the relationship between the research variables (Mugenda and Mugenda, 2003). The study was based on a conceptual model developed by the researcher so as to help identify the answers in the study. The dependent variable for the study was procurement performance while the independent variable was IFMS adoption practices. The framework supposed that the existence or absence of the indicated independent variables would determine the ability of government ministries to improve the procurement output.

Figure 1. 1: Conceptual Framework showing the Relationship between Variables



Source: Adopted from IFMS Report (2015) and modified by the researcher

1.7 Significance of the study

Government of Uganda introduced the IFMS aimed at the promotion of efficiency, effectiveness, accountability, transparency and comprehensive financial reporting. The functionality of IFMS varies between the ministries, agencies, departments, and local governments (MADLGs). The introduction of IFMS is a reform that deeply affects work processes and institutional arrangements governing the management of public finance. The usage of IFMS has not been free of challenges and obstacles. There have been increasing allegations of financial fraud among IFMS users, delayed payments to service providers, low absorption of funds, delayed procurement of services and persistent loopholes of inaccurate, untimely, inappropriate budget and accounting information even after the introduction of the IFMS. There have also been capacity gaps on the side of users that hamper the full utilization of the IFMS. The study aimed at assessing the effectiveness and present solutions that can serve as best practice guidelines in the implementation of the IFMS. It is hoped that this study will give guidelines to facilitate future implementation of the IFMS in Uganda. Users of the IFMS will be in position to enhance the adoption of the recommendations that will be highlighted.

This study will also be significant to the existing body of knowledge associated to the field of study. The research findings will contribute to the literature through an exploratory study on the determined the effects of electronic procurement on procurement performance.

The study will be submitted to the faculty of economics and management sciences in partial fulfilment of the requirements for award of a Master's Degree in Business Administration (Procurement option)

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter comprises of the theoretical review of this study and related literature aligned to the objectives of this study. In the first section, the researcher illustrates the theory grounding this study, while in the subsequent sections; literature reviewed based on the set specific objectives of this study.

This chapter focuses on the review of various studies that have been conducted by other researchers on IFMIS adoption and procurement. The areas reviewed, include IFMS adoption, procurement practices, and challenges involved in the adoption of IFMS.

2.2 Theoretical Framework

The following theoretical model guided this study; Task Technology Fit (TTF) Theory and Technology Acceptance Model.

2.2.1 Task Technology Fit (TTF) Theory

This theory contends that it is more likely to have positive impact on individual performance and be used if the capabilities of Information Communication and Technology (ICT) match the tasks that the user must perform (Goodhue and Thompson, 1995). Goodhue and Thompson (1995) mention the factors that measure task-technology fit as; quality, locatability, authorization, and compatibility, eases of use/training, production timeliness, systems reliability and relationship with users. The model is useful in the analysis of various context of a diverse range of information systems including electronic commerce systems and combined with or used as an extension of other models related to information systems outcomes.

According to the theory of task-technology fit, the success of an information system should be related to the fit between task and technology, whereby success has been related to individual performance (Goodhue and Thompson, 1995) and to group performance (Zigurs and Buckland, 1998). For group support systems, a specific theory of task-technology fit was developed (Zigurs & Buckland, 1998) and later tested by (Zigurs, Buckland, Connolly & Wilson, 1999) and

detailed the requirements of group support systems to fit group tasks. For IFMIS, task-technology fit has been shown to be generally relevant, but more specific questions regarding the applicability of task-technology fit to IFMS remain unanswered (Gebauer and Shaw, 2004).

2.2.2 Technology Acceptance Model

Theories and models used in studies related to the innovations, acceptance and use of new technology are many. For instance, focusing on the technological issues (Davis, 1989) advances the Technology Acceptance Model (TAM). This model relates the individual's behavioral intentions and his/her ICT use. It is suggested that, the actual behavior of a person is determined by his behavioral intention to use, which is in turn influenced by user's attitude toward and perceived usefulness of the technology. However, attitude and perceived usefulness are both determined by ease of use. Adopting the TAM model requires the understanding of end-users requirements regarding usefulness and user friendliness (Pedersen, Leif, Methlie and Thorbjornsen, 2002). From this model, usefulness and user friendliness affect users' attitudes towards any service. Davis (1989; 1993), thus suggest that it is important to value user requirements based on perceived usefulness and the user friendliness of the technology rather than other objective measure.

According to the Technology Acceptance Model (TAM), perceived ease of use and perceived usefulness constructs are believed to be fundamental in determining the acceptance and use of various Information Technologies (IT). These beliefs may not fully explain the user's behaviour toward newly emerging IT, such as IFMS. Using the TAM as a theoretical framework, Wang et al. (2003) introduces "perceived credibility" as a new factor that reflects the user's security and privacy concerns in the acceptance of IFMS. The results strongly support the extended TAM in predicting the intention of users to adopt technology. It also demonstrates the significant effect of computer self-efficacy on behavioural intention through perceived ease of use, perceived usefulness, and perceived credibility (Wang et al., 2003).

2.3 IFMIS Adoption Subsystems

William (2003) argues that an IFMS is an information system that tracks financial events and summarizes financial information. In the private sector, such systems provide critical support for management and budget decisions, fiduciary responsibilities, and the preparation of financial reports and statements. IFMS systems must be designed to support distinctly public sector

functions. They must be able to handle and communicate all the financial movements for the complex structure of budget organizations. The scale of the IFMS will also vary depending on whether its operation is limited to selected central-level institutions, such as the finance ministry and treasury, or is implemented more broadly, to include line ministries, their spending agencies, and even regional and local governments and municipalities. These variations will have implications far beyond the cost of hardware and software installation; (Casals et al., (2004). At the core of the system is the General Ledger.

Every transaction entered into the system posts to the General Ledger, starting with the allocation of budget funds through to the commitments to payment for goods and services. All transactions should simultaneously post to the General Ledger and to all appropriate sub-ledgers/modules following the rules imposed by a standardized chart of accounts. These records remain as a permanent track of the history of all financial transactions, and represent the source from which all reports and financial statements are derived. In addition to the General Ledger, other core components include: Cash Management, Receivables module, Purchasing module and Payables module. Commitment control ensures that before a purchase is committed to, there is sufficient cash allocated for the expense and the allocation matches the appropriated budget. Accounts payable processes and generates payments, with built-in checks to ensure invoices match approved commitments. Accounts receivable produces bills and processes and records receipts, including all types of inflows received by government units, including nontax revenues and fees. Moreover, the functions the IFMIS may be called on to perform can vary from producing budgets and reports to managing procurements and grants to processing payments and receipts.

Diamond and Khemani (2008) further mention that all manner of reports can be generated; balance sheets, sources and uses of funds, cost reports, returns on investment, aging of receivables and payables, cash flow projections, budget variances, and performance reports of all types. Some systems have libraries consisting of hundreds of standard reports. Managers can use this information for a variety of purposes; to plan and formulate budgets; examine results against budgets and plans; manage cash balances; track the status of debts and receivables; monitor the use of fixed assets; monitor the performance of specific departments or units; and make revisions and adjustments as necessary, to name a few. Reports can also be tailored to meet the reporting requirements set by external agencies and international institutions like the International Monetary Fund (IMF).

2.4 IFMIS and Procurement Performance

IFMIS can improve public financial management in a number of ways, but generally seeks to enhance confidence and credibility of the budget through greater exhaustiveness and transparency of information. The purpose of using an IFMS is to improve budget planning and execution by providing timely and accurate data for budget management and decision making (Chêne, 2009). Christopher (2005) opposed that there is a dimension to information that enables supply and demand to be matched in multiple markets, often with tailored products, in ever-shorter periods. This enables suppliers to react in real-time to market changes. IFMS serves as the connection between various stages of the system, allowing them to co-ordinate and maximize total supply profitability. It is crucial to the daily operation of each stage in the procurement process. Kim and Rogers (2010) asserted that studies have examined business-to-business (B2B) transactions on different operational performance dimensions such as inventory cost, cycle time, and manufacturer flexibility. Rapid growth of importance of IFMS application is a testimony to its impact on improving procurement performance. This has been achieved through Internet, Intranet, and Extranet. However, organizations must make a trade-off between efficiency and responsiveness.

Bowersox, Closs, and Cooper (2013) argued that IFMS provides the means for collecting relevant demand data, developing a common database, and providing a means for transmitting order information. It allows organizations to change the way they source supplies for smooth operations. Rebecca and Ravi (2007) sought to pursue the understanding of current business to business e-procurement practices by describing the success factors and challenges to its adoption in the corporate setting. The study through factor analysis resulted in three e-procurement success factors: supplier and contract management; end-user behaviour and e-procurement business processes; and information and e-procurement infrastructure. Three challenge-to-adoption factors also emerged lack of system integration and standardization issues; immaturity of e-procurement-based market services and end-user resistance; and maverick buying and difficulty in integrating e-commerce with other systems.

Amayi (2011), in his study found that procurement operations require better performance control system. He asserted that a records management system that an organization implements has effects on its procurement operations. The researcher concluded that without ethics the

performance of procurement operations would be negatively affected and pointed out that the existing legal framework was an impediment to the performance of operations in public procurement. He further concluded that integrated ICT systems organize and disclose enormous amounts of information about the workings of the total system. While appreciating his findings, this study notes that the researcher did not employ the personal observation tool so as to gather data especially on ethics and integrity. Analysis of factors such as core technical skills and application of ICT in procurement management are important to overcome some of the restraints.

Kirungu (2002) in his study found that inefficiency in the supply chain (SC) was caused by bureaucratic procurement and disposal procedures, irrational supply base, adversarial customer-supplier relationships, and traditional storage operations. He recommended that Kenyatta National Hospital (KNH) procurement procedures be exempted from the Public Procurement Regulations, rationalization of the supply base, and partnership sourcing. This study concurs with his findings pertaining to supply base rationalization and relationships but wishes to point out that the research instruments used were limited to an interview and observations. No questionnaires were administered which could have given adequate data for analysis. It was further noted that senior managers were not interviewed and he failed to employ records analysis method. This study does not support the recommendation that KNH procurement procedures be de-linked from the public procurement legal framework because with appropriate staff and technology, performance in the entire public sector procurement system can be improved.

Maina (2011) in his study found that oversight and weak enforcement, non-transparent practices, lack of effective links between procurement and financial management, poor record management and filing system, and delays and inefficiencies on the adoption of the PPDA as factors influencing the adoption of the procurement law in Kenya, the case of Ministry of Education. The study concluded inefficiencies in procurement led to increased procurement costs, causing longer cycle times, lower quality purchasing decisions within the ministry. While appreciating his findings, this study does not support findings that poor record management system alone impedes performance. Ethical issues should also be put into perspective. Indeed, performance can still be improved if ICT is employed with modern control mechanisms. This study agrees with his recommendation that all stakeholders need to be sensitized on the good of embracing financial and procurement reforms.

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The Government of Uganda (GoU) has been implementing PFM reporting since the early 1990s to establish and enforce internal control systems, enhance capacities and strengthen oversight institutions to ensure value for money in service delivery and accountable use of public resources. The reporting can be divided into two broad categories: legal and institutional reporting and operational reporting. Many of these reports provides the legal and technical basis for establishment and roll out of the IFMS (MOFPED, 2013). This was meant to protect the government against unnecessary spending and sticking to the itemized budgets. Public

authorities are implementing scalable communication infrastructures to promote economic development, attract new businesses and residents, and above all, provide excellent service to constituents (Abouzeedan and Busler, 2002). Procurement should be planned properly and procurement performance should be monitored regularly; monitoring should include an annual external audit. Governments in developing countries are increasingly exploring methods and systems to modernize and improve public financial management.

Over the years, the Ugandan government has initiated some capital investment towards set up and installation of ICT infrastructure. Funding for these investments has been achieved through partnerships between the government and development partners. Adopting an efficient procurement system improves procurement performance, the performance of the procuring entity and at the national level: assists policy makers to understand how various policy goals interact and how policy impacts on the overall performance of the procurement system; enables governments and parliaments to improve the quality of decision making and to take constructive and long-term actions that will most effectively develop their public procurement systems; create stronger incentives on governments to improve their public procurement systems, help them to set priorities for reform actions in the area of public procurement and to monitor progress against the objectives set; and provide valuable information for the assessment of the public expenditure system (Hardy and Williams, 2011).

The introduction of IFMS has become a critical component of financial reforms to promote efficiency, security of data management and comprehensive financial reporting. IFMS provide an integrated computerized financial package to enhance the effectiveness and transparency of public resource management by computerizing the budget management and accounting system for a government. The central aim behind performance of information systems is that systematic and continuous evaluation of organizational performance should be used to improve future performance (Wainaina, 2014).

Over the years, there has been an introduction of the Integrated Financial Management System (IFMS) as one of the most common financial management reform practices, aimed at the promotion of efficiency, effectiveness, accountability, transparency, security of data management and comprehensive financial reporting. Several studies have been done on implementation of Integrated Financial Management Information System (IFMS).

2.5 Challenges Facing Effective IFMS Implementation

Despite the introduction and putting in place measures to ensure the success of IFMS, there are various setbacks that hinder the achievement of its key objectives, which include; lack of capacity, lack of commitment to change, resistance and technical challenges. Capacity refers to the required staff in operating the IFMS systems. The staff ought to not only be knowledgeable of the systems but also to have adequate experience. In addition, lack of capacity as noted by Hendriks (2012) is regarded as one of the major factors impeding successful implementation of IFMS especially in the public sector. This can be attributed to the fact that the salary payment at the public sector may not be 'appealing' as compared to the private sector hence more skilled personnel in the private sector (Chene, 2009). Case studies in countries like Uganda show that lack of staff has been blamed for the slow implementation of IFMIS (Diamond and Khemani 2006).

IFMS implementation is a difficult, diverse, and a risky procedural change in systems and requires willingness to change so as to succeed (Chene, 2009). It requires both the management and the staff to be committed to change in technology, skills even responsibilities. Considering its complexity, the commitment will greatly boost how the IFMS will be adapted into the organization. The lack of commitment to change may be attributed to factors such as failure to change from the old manual systems, fear of risks that may occur in implementing the IFMS and also fear of not knowing how to operate the new systems (Hendriks, 2012).

2.6 Empirical Literature

Various studies have been conducted both internationally and locally on IFMS and procurement performance. Nyabuto (2009) undertook a Survey of the Extent of Implementation of Integrated Financial Management Information System as a tool for sustainable financial management in government. The study revealed that there was resistance in the Ministries for the use of IFMS. Kakwezi and Nyeko (2010) conducted a study on procurement processes and performance: Efficiency and effectiveness of the procurement function in Uganda and found out that other than financial measures, non-financial measures also contribute significantly in the procurement process and performance. Kimwele, (2011) conducted a study on the factors that have hampered effective implementation of the Integrated Financial Management Information System in Kenya public sector.

Spriano (2013) carried out a study on the successes and failures of e-Government projects in Developing Countries: a case study of Zambia. The results of the study indicted a rating score of 55.1 based on Heeks100-point scale implying a mighty fail totally or partially. Mbae, (2014) investigated the impact of public procurement law on the performance of Machakos county government. The study established that political forces, unethical practices, lack of transparency and accountability and dishonesty among procurement officers have affected procurement processes.

Mauki, (2014) looked at factors influencing Implementation of Public Procurement and Disposal Act in Kenyan Judiciary from regions perspective. The findings revealed that accountability, ICT adoption, stakeholders' ethics and staff competence influenced implementation of Public Procurement and disposal Act at Kenyan Judiciary. Karani, (2014) investigated procurement methods and procurement performance amongst state corporations under the National Treasury of Kenya and found that procurements methods affected procurement performance of state corporations. Nasra, (2014) conducted a study on the relationship between procurement performance and operations efficiency in the telecommunication industry in Kenya and found that flexibility ensured procurement performance to a great extent. Mutui, (2014) conducted a study on the effects of the implementation of integrated financial management information system on procurement performance of the Kenyan Government Ministries. The study however found out that there had been a moderate extent of IFMIS implementation among the government ministries in Kenya.

According to Van Weele (2006) procurement performance is considered to be the result of two main elements: purchasing effectiveness and purchasing efficiency. Performance provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goal of how to initiate performance improvements. This means that procurement performance is not an end in itself but a means to effective and efficient control and monitoring of the purchasing function (Lardenoije, Van Raaij, & Van Weele, 2005).

2.7Summary of Literature and Research Gaps

The review of literature above points out that IFMS is an information system that tracks financial events and summarizes financial information. It consists of several core subsystems, which plan, process and report on the use of public resources. The sub-systems normally include accounting,

budgeting, cash management, debt management and related core treasury systems, tax administration, procurement management, asset management, human resource and pay roll systems, pension and social security systems. The scale of the IFMS therefore varies depending on whether its operation is limited to selected Public level institutions or is implemented more broadly, to include line ministries, their spending agencies, and even regional and local governments and municipalities.

IFMIS has been argued as providing management tools, a wide range of non-financial and financial information and mitigating corruption. According to studies by Hove and Wynne (2010), Diamond and Khemani (2006), Rodin-Brown (2008), Rebecca and Ravi (2007) IFMS automates the procurement function of an organization leading to various benefits such as resources control allowing an organization to co-ordinate and maximize total supply profitability. Amayi (2011) notes that integrated ICT systems organize and disclose enormous amounts of information about the workings of the total system. Maina's (2011) study concluded that inefficiencies in procurement led to increased procurement costs, causing longer cycle times, lower quality purchasing decisions within the ministry. The effectiveness of procurement practice is very crucial in the attainment of the set organization's targets. This is beneficial to the organization given that it can help reduce cost and help in bringing efficiency in the organization's operations hence contributing to the organization's success. Comparably advancement in technology and improved financial information systems have been hypothesized by various scholars to impact positively on the task performance. The literature reviews largely looked at the contributions of IFMS. It also pointed out areas of weaknesses in the procurement systems of an organization. However, it did not comprehensively bring out the extent to which IFMS has been adopted in procurement and its impact on procurement performance in Uganda a case of Kabale District. This study therefore sought to fill this gap by investigating the impact of IFMS adoption on procurement in Kabale with a focus on Government entities, being the users of this system.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter highlights the method that was adopted by the study in obtaining information on implementation of IFMS and procurement performance in Kabale District. The chapter is structured into; research design, target population, sampling procedure, data collection method and data analysis techniques.

3.1 Research Design

Creswell (2003) defines a research design as an outline or plan that is used to generate answers to research problems. A research design, according to Dooley and Purchase (2007), is the framework of the research that keeps all of the elements in a research project together. This study adopted a cross-sectional survey approach in conducting the study 4 entities (Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality) were studied. This design enabled gathering of more information while allowing comparison and contrast among the different entities in Kabale District in respect to IFMS implementation and procurement performance. The correlational research design was also used to establish the relationships between variables.

3.2 Population

The target population represented a sum of elements out of the whole group of which the researcher was interested (Mugenda and Mugenda, 2003). The target population for the study comprised 4 entities (Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality). The target respondents were procurement managers/ Officers, I.T Officers, Inventory Officers and Finance Officers. The study population consisted of a total population of 40 respondents with 10 Officers from each entity that were purposively sampled because of their experience with IFMIS.

3.2.1 Sample Size

A census approach was adopted by the study so as to cover all the entities mentioned located within Kabale District. The census approach ensures obtaining substantial and credible information from a small population thus the most appropriate for the study (Mugenda and Mugenda, 2003). The target respondents were procurement managers/ Officers, I.T Officers, Inventory Officers and Finance Officers. The study population consisted of a total population of 40 respondents with 10 Officers from each entity that were purposively sampled because of their experience with IFMS. According to Mugenda and Mugenda (2003), the entire population was surveyed since it was less than 100.

3.3 Data Collection Procedure

The study used purely primary data in collecting information which was collected using questionnaires. Questionnaires will be adopted as they are time saving and enable collection of a wide range of data. The questionnaire was administered to the relevant officers through a drop and pick later strategy for one week and was used to administer the questionnaire as this would give the respondents an ample time to fill them. The questionnaire was based on a five-point Likert scale and sub divided into sections in line with the study's objectives. Section A of the questionnaire was on General Information; Section B sought to obtain information on IFMIS and Procurement Performance in Kabale District; Section C obtained information on procurement performance. An Introductory letter was obtained from Kabale University and delivered to various persons that are going to participate in the study. Meeting schedules and appointments were agreed upon with relevant stakeholders for various dates for issuing and picking Questionnaires.

3.4 Data collection Instruments/Tools

3.4.1 Questionnaires

Both closed ended structured questionnaires were used to collect data in this study. According to Mugenda&Mugenda (2003), the open ended or unstructured questions permit greater depth of responses from the respondents while the closed ended structured questions are usually easier to analyse. The questionnaire was chosen because the data was easy to obtain and was directly provided by the users. Questionnaires allow homogeneousness in the way questions are asked hence guaranteeing greater compatibility in the response.

3.5 Data Analysis

Collected data was compiled, sorted edited and coded to have the required quality, accuracy and completeness. The data was examined using quantitative methods such as mean of descriptive data with the assistance of SPSS instrument and presented in form of tables to generate results and findings. The results were presented in charts, and tables. Tabulations for means and standard deviation were used to show the degree to which respondents agreed with the asked questions.

3.5.1 Uni-variate / Descriptive analysis

The individual characteristics were analysed using elementary statistical inferential techniques such as frequency tables, mean, standard deviation, variance and other descriptive statistics. Various measures of central tendency were applied to an ungrouped set of data to include the mean.

3.5.2 Bi-variate Analysis

This is the simultaneous analysis of two variables (attributes). It helped to explore the concept of relationship between two variables, whether there existed an association and the strength of this association, or whether there are differences between two variables and the significance of these differences. Pearson's correlation analysis was carried out to establish the degree or direction of the relationship between e-procurement and performance of selected procuring and disposing entities in Uganda.

3.5.3 Multivariate Analysis

Ordinary Least Squares (OLS) were utilized for the multivariate regression models to analyse the data. This ensured a comprehensive analysis of the relationships between the dependent and independent variables. Therefore, multivariate regression analysis was conducted to establish the relationship between e-procurement and performance.

3.6 Model Specification and Estimation

3.6.1 Model specification

This study adopted a multiple regression model

$$Y_i = \beta_0 + \beta X_1 + \beta X_2 + \beta X_3 + \varepsilon$$

Where;

Y= Dependent variable is (Performance)

X= Independent variable (IFMS) whereby as measured by the various indicators of IFMS, i.e, Receivables module, Purchasing module, Cash management and Payables module)

X1= Cash management used by selected entities,

X2= Receivable Module measures employed by selected entities,

X3= Payables module measures employed by selected entities,

X4= Purchasing module measures employed by selected entities,

β_0 = Constant term

β_0 = Constant term

βX_n = Gradient or Slope of the regression measuring the amount of the change in Y associated with a unit change in X ε = Error term within a confidence interval of 5%

3.7 Justification of the Variables

From the model above, performance is the dependent variable and this was measured by the percentage of the entities' performance (efficiency, effectiveness, timely delivery and lastly, better relationships). E-procurement is the independent variable and this was measured by the parameters of e-sourcing, e-tendering and e-ordering.

3.8 Reliability and Validity

3.8.1 Validity

Content validity was done by the researcher as a form of validity test. It is described as “the degree to which items in an instrument reflect the content universe to which the instrument was generalized” (Straub, Boudreau et al. 2004). In overall, gratified rationality includes assessment of a novel review tool in order to guarantee that it comprises all the items which are vital and removes unwanted articles to a specific concept area (Lewis et al., 1995; Boudreau et al., 2001).

The judgmental method of gratified cogency needs the researcher to be existing with specialists in order to ease authentication. A quantitative method may permit scholars to direct gratified cogency surveys to specialists employed at diverse sites, whereby remoteness is not a restraint.

$$\text{Content Validity Index (CVI)} = \frac{\text{Number of items rated relevant}}{\text{Total number of items being rated}}$$

Using the above formula,

The questionnaire instrument was considered valid because its overall CVI was 0.825 above recommended 0.7.

Tools with cogency co-efficient of at least 0.7 are acknowledged as lawful in study (Oso&Onen, 2008).

3.8.2 Reliability

According to Trochim (2006), reliability of the measuring instrument addresses the question of whether the results of the measuring processes are consistent on occasions when they should be consistent. To ensure reliability, the researcher carried out a pilot study. Data collected from this pilot study was entered in the SPSS and a Cronbach's Coefficient Alpha was computed to test for reliability of the instrument. Using results of the Cronbach's Alpha test, the instrument yielded 0.905 and thus considered reliable since its Cronbach's Alpha was above recommended 0.7. This is because; instruments with Cronbach's Alpha value of at least 0.7 are accepted as reliable in research (Mugenda & Mugenda, 2003).

3.9 Ethical considerations

The researcher considered key ethical considerations such as; bias, confidential risk, consent issues to avoid involuntary participation.

3.9.1 Bias

Prejudice is described as any propensity which stops unbiased thought of a query. In investigation, prejudice happens once "systematic error is introduced into sampling or testing by selecting or encouraging one outcome or answer over others". Unfairness can happen at any stage of exploration, as well as research proposal or information gathering, also in the course of

information examination and publishing. It was solved by asking the right questions and by selection of a proper study design and implementation.

3.9.2 Plagiarism.

Copying is a significant issue in academic foundations of advanced education. This is the exercise where a writer or researcher has to guarantee that some writing that is printed must be unique and be lacking words that are plagiarized, operated or utilized like thoughts, procedures, outcomes or also verses of the book minus recognizing where the fact has remained (Mugenda & Mugenda, 2003; Kour,2014). The researcher quoted, or cited the original material appropriately. The researcher also endeavoured to acknowledge other researcher's work by ensuring in-text citation and referencing the respective sources in this study to avoid plagiarism.

3.9.3 Voluntary and informed consent

This is one of the key moral matters in guiding investigation that indicates the detail that “a person knowingly, voluntarily, intelligently, and in a clear way, gives his or her consent” (Arminger, 1997, p.330). In all study examinations, stress is placed on attaining facts honestly. Nonetheless, this was solitary be attained when the scholar clarified to the participants the resolution of the examination, the threats were included and promised privacy by detecting secrecy. Self-confidence was achieved when the researcher clarified the interests of the research. For instance, when performing a survey, participants were permitted to answer questions as they wished.

Knowledgeable agreements also emphasized the participant's independence which according to Beauchamp & Childress (2001) is the aptitude for self-governance in accomplishment according to an individual strategy. This issue also discoursed how to counter the presence of damage or uneasiness, breach of self-respect and confidentiality and return. Authorization was also obtained from local authorities in the places and from people whom the researcher intended to collect data, in order to ensure their full consent to participate in this analysis. The privacy of the study's participants was also protected.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter provides the details as regards data analysis results and discussions of the study findings as set out in the research objectives and research methodology. The study sought to establish the extent to which IFMS been adopted in procurement and its impact on procurement in Kabale. The study made use of frequencies (absolute and relative) on single response questions. On multiple response questions, the study used Likert scale in collecting and analyzing the data whereby a scale of 5 points were used in computing the means and standard deviations.

Table 4. 1: Summary of study response rate

Category of respondents	Targeted respondents	No. actually involved	Response rate
Procurement Managers/ Officers	10	10	100%
Inventory Officers	10	06	60%
I.T Officers	10	10	100%
Finance Officers	10	9	90%
Total	40	35	87.5%

Source: Primary data, 2021

As presented in table 4.1 above, a total number of 40 respondents were expected to participate and issued with a questionnaire relating to the study. 35 out of 40 respondents filled and participated to make a response rate of 87.5%. Others did not return the questionnaires sighting reasons for being busy and out of their duties posts. This response rate was above the 60-70% response rate as recommended by the Guttmacher Institute, (2006) for a study to be considered as one with satisfactory results. Further still, according to (Mugenda, 1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was considered to be excellent and satisfactory to make conclusions for the study.

4.2 Sample characteristics of the respondents

This section presents the characteristics of respondents such as gender, department in which a respondent works, number of years worked, level of education attained and management level. The results were presented in table form with generated respective frequencies.

Table 4.2: Gender of the respondents N=35

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	19	54.3	54.3	54.3
	female	16	45.7	45.7	100.0
	Total	35	100.0	100.0	

Source: Primary Data 2022

The findings from table 4.2 above confirmed that majority (54%) was male and (46%) were female. This implies that even though most of the responses emanated from males there was gender balance.

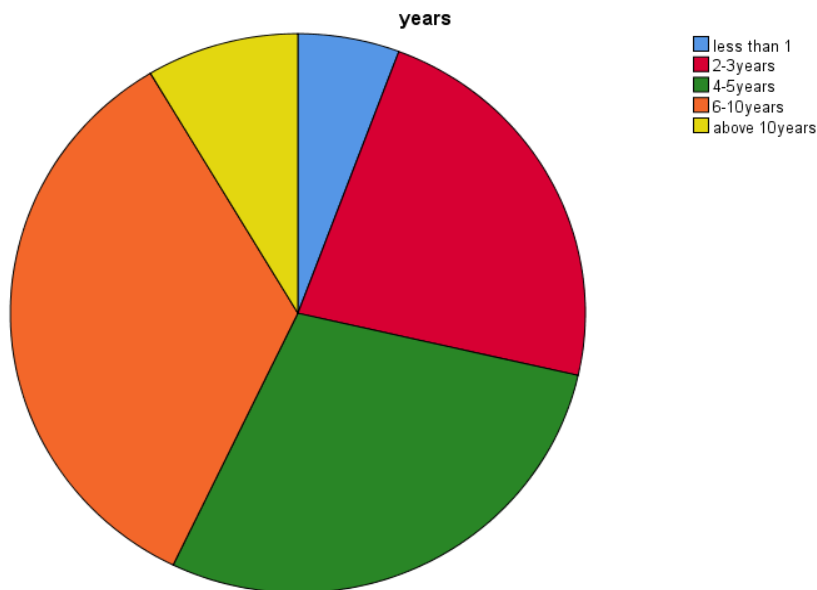
4.2.1 The length of service of respondents

Table 4.3: Length of service of respondents N=35

Years					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 1	2	5.7	5.7	5.7
	2-3years	8	22.9	22.9	28.6
	4-5years	10	28.6	28.6	57.1
	6-10years	12	34.3	34.3	91.4
	above 10years	3	8.6	8.6	100.0
	Total	35	100.0	100.0	

Source: Primary data, 2022

Figure 4.1: How long have you worked at this entity?



Source: Primary data, 2022

The study found that the majority of the respondents had served their procurement entities for a period between 6-10 years (34.3% of respondents), 28.6% represented those that worked with their entities for 4-5 years. Other respondents represented by 22.9% had served their organizations for about 2-3 years. 8.6% represented respondents that had worked with their organizations for over 10 years while the minority of the respondents showed by 5.7% had worked with their organizations for less than 1 year. This demonstrates that the most of the respondents had worked for their organization for a reasonable period of time and therefore had accumulated a lot of knowledge and skills over time.

4.2.2 Highest qualification attained by the respondents

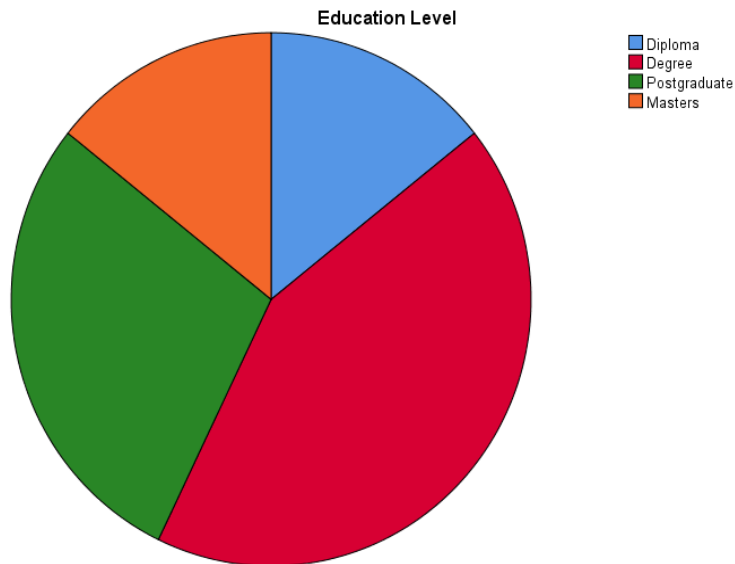
The results in the table 4.4 below, shows the percentage proportion to respondents in relation to the highest qualification attained.

Table 4.4: Shows the results the education level of respondents N=35

Education Level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	5	14.3	14.3	14.3
	Degree	15	42.9	42.9	57.1
	Postgraduate	10	28.6	28.6	85.7
	Masters	5	14.3	14.3	100.0
	Total	35	100.0	100.0	

Source: Primary data, 2022

Figure 4.2: What is the highest level of education you have attained?



Source: Primary data, 2022

In terms of their education level, the majority of respondents represented by 42.9% had Bachelors' degree, followed by those with postgraduate studies represented by 28.6%, respondents with Masters and Diploma represented by 14.3% respectively and others category with no respondent. This means that all respondents had attained university education had the knowledge to respond to the study variables.

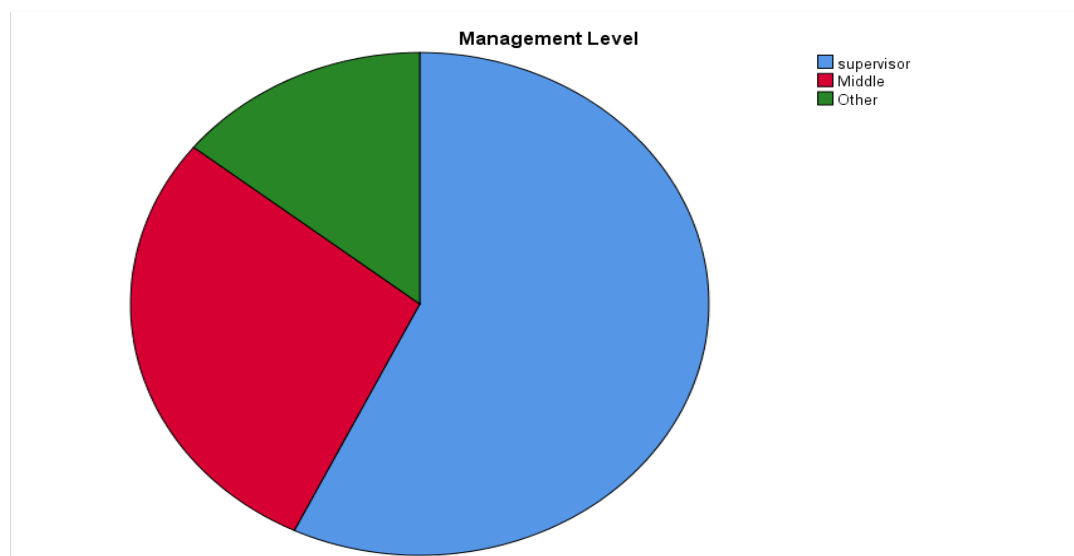
4.2.3 Management Level

Table 4.5: Level of management N=35

Management Level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	supervisor	20	57.1	57.1	57.1
	Middle	10	28.6	28.6	85.7
	Other	5	14.3	14.3	100.0
	Total	35	100.0	100.0	

Source: Primary data, 2022

Figure 4.3: What is your level of management?



Primary data, 2022

Figure 4.3, shows majority of respondents represented by 57.1% were in supervisory level positions. 28.6% represented respondents who occupied middle level positions of management. 14.3% respondents were representing the others category. This implies that the biggest percentage of respondents exercised duties such training new employees and evaluating performance thus, supervisors were in position to give more, valuable and valid data.

4.3 Extent to which Entities are using the Integrated Financial Management System for Procurement in Kabale District.

The study sought to determine whether the 4 entities (Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality) had adopted IFMS. Accordingly, all the respondents agreed that IFMIS was being used.

4.3.1 Adoption of IFMIS by Entities

The study sought to determine whether the Entities (Kabale University, Kabale District, Kabale Referral Hospital, Kabale Municipality) had adopted IFMS. Accordingly, all the respondents agreed that IFMIS was being used.

4.4 IFMS and Public Procurement Performance in Kabale District.

The study investigated the effect of adoption of IFMS on procurement performance in the sampled entities in Kabale District. In this case, respondents were asked to rate their level of agreement with statements relating to influence of adoption of IFMS on procurement performance. The findings are presented below.

4.5 Descriptive statistics on cash management (N=35)

Table 4.6: Showing Descriptive statistics on cash management (N=35)

Statements	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	M	Std. Dev
There is improved recording of government financial transactions.	1 (2.9%)	3(8.6%)	2 (5.7%)	17(48.6%)	12(34.3%)	4.03	1.014
Sets up reference data on: Banks, Banks Accounts, Approval Limits, Exchange rates, Check number ranges by bank account.	0(0%)	2 (5.7%)	4(11.4%)	16(45.7%)	13(37.1%)	4.14	.845

IFMS traces all the stages of the transaction processing from budget releases to payment request.	5(14.3%)	8 (22.9%)	4(11.4%)	12(34.3%)	6(17.1%)	3.171 4	1.36092
Matches cash receipts to related invoices booked in the Accounts Receivable System	4(11.4%)	5(14.3%)	6(17.1%)	11(31.4%)	9(25.7%)	3.46	1.336
Matches cash payments to related vendor invoices booked in the Accounts Payable System	0 (0%)	7 (20%)	5(14.3%)	15(42.9%)	8 (22.9%)	3.46	1.336
There is prompt and efficient access to financial data through the use of IFMS.	0 (0%)	3(8.6%)	2 (5.7%)	18(51.4%)	12(34.3%)	4.11	.867

Source: Primary data, 2022

Key: F = Frequency, %=Percentage, SD= Strongly Disagree, D = Disagree, N= Neutral, A = Agree, SA = Strongly Agree, M = mean and Std. Dev = Standard Deviation.

From Table 4.6, when respondents were asked whether there has been an improved recording of government financial transactions, the majority (48.6%) agreed with the statement, 34.3% strongly agreed with the statement, 8.6% disagreed with the statement, 5.7% were not sure with the statement, and lastly 2.9% of respondents strongly disagreed with the statement. This was supported by mean and standard deviation of 4.03 and 1.014 respectively.

Respondents' views as to whether IFMS Sets up reference data on: Banks, Banks Accounts, Approval Limits, Exchange rates and checks number ranges by bank account and 45.7% of the respondents agreed with the statement, followed by 37.1% of the respondents stated that they

strongly agreed with the statement. 11.4% of them were not sure, 5.7% of the respondents disagreed and none of the respondents strongly disagreed. This was also represented by mean of 4.14 and standard deviation of 0.845.

When asked whether IFMS traces all the stages of the transaction processing from budget releases to payment request; a bigger percentage (34.3%) agreed with the statement, 22.9% of the respondents disagreed, 17.1% of the respondents strongly agreed with the statement, 11.4% of respondents were not sure and 14.3% of the selected respondents strongly disagreed. This was supported by mean of 3.1714 and standard deviation of 1.36092.

When asked whether IFMS matches cash receipts to related invoices booked in the Accounts Receivable System, respondents had this to say; majority (31.4%) of them agreed with the statement, 25.7% of them strongly agreed, 14.3% disagreed with the statement while 17.1% were not sure and lastly 11.4% of respondents strongly disagreed with the statement. The supporting mean was 3.46 and standard deviation was 1.336.

When asked if IFMS matches cash payments to related vendor invoices booked in the Accounts Payable System, 42.9% agreed with the statement, 22.9% of the respondents strongly agreed, 20% of the respondents disagreed with the statement, none of the selected respondents strongly disagreed and lastly 14.3% of the respondents were not sure with the statement. This was supported by mean of 3.46 and standard deviation of 1.336.

Respondents were asked as to whether there is prompt and efficient access to financial data through the use of IFMS. and a bigger percentage (51.4%) of them agreed with the statement, 5.7% of the respondents were not sure, 8.6% of the respondents disagreed with the statement, none of the respondents strongly disagreed and lastly 34.3% of the respondents strongly agreed with the statement. This was supported by mean of 4.11 and standard deviation of 0.867.

4.6 Descriptive statistics on effect of Accounts Payables Modules

Table 4.7: Showing Descriptive statistics on Accounts Payables Modules (N=35)

Statements	SD	D	N	A	SA	M	Std.
	F (%)	F (%)	F (%)	F (%)	F (%)		Dev
Payables provides the	1 (2.9%)	3(8.6%)	2 (5.7%)	19(54.3%)	10(28.6%)	3.91	.887

ability to manage and pay suppliers.							
Supports multiple currencies.	0(0%)	5(14.3%)	4(11.4%)	16(45.7%)	10(28.6%)	3.43	1.399
Performs automatic voucher numbering as defined by the user.	5(14.3%)	5(14.3%)	7(20%)	12(34.3%)	6(17.1%)	3.54	1.400

Source: Primary data, 2022

Key: F = Frequency, %=Percentage, SD= Strongly Disagree, D = Disagree, N= Neutral, A = Agree, SA = Strongly Agree, M = mean and Std. Dev = Standard Deviation.

From Table 4.7, when respondents were asked whether Payables under IFMS provides the ability to manage and pay suppliers, the majority (54.3%) agreed with the statement, 28.6% strongly agreed with the statement, 8.6% disagreed with the statement, 5.7% were not sure with the statement, and lastly 2.9% of respondents strongly disagreed with the statement. This was supported by mean and standard deviation of 3.91 and 0.887 respectively.

Respondents' views as to whether IFMS Supports multiple currencies and 45.7% of the respondents agreed with the statement, followed by 28.6% of the respondents stated that they strongly agreed with the statement. 11.4% of them were not sure, 14.3% of the respondents disagreed and none of the respondents strongly disagreed. This was also represented by mean of 3.43 and standard deviation of 1.399.

When asked IFMS Performs automatic voucher numbering as defined by the user; a bigger percentage (34.3%) agreed with the statement, 14.3% of the respondents disagreed, 17.1% of the respondents strongly agreed with the statement, 20% of respondents were not sure and 14.3% of the selected respondents strongly disagreed. This was supported by mean of 3.54 and standard deviation of 1.400.

4.7 Descriptive statistics on Accounts Receivable Module (N=35)

Table 4.8: Showing Descriptive statistics on Accounts Receivable Module (N=35)

Statements	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	M	Std. Dev
Electronic Invoicing – Accounts Receivable: The system provides electronic invoicing for accounts receivable. The electronic invoicing interfaces with the core financial system and generate accounts receivable reports, as requested.	0(0%)	4 (11.4%)	3(8.6%)	20(57.1%)	8 (22.9%)	3.97	.985
Integration with Vendor Payments System: The core financial system utilizes an integrated vendor payments system that tracks expected vendor charges with actual invoices to avoid vendor overpayment.	5(14.3%)	5(14.3%)	4(11.4%)	12(34.3%)	9 (25.7%)	3.89	.993
Historical Data of Vendor Payments: Historical data of all payments to vendors is maintained. This information is kept in a database available for review by appropriate staff.	4(11.4%)	5(14.3%)	6(17.1%)	8 (22.9%)	12(34.3%)	3.26	1.314

Source: Primary data, 2022

Key: F = Frequency, %=Percentage, SD= Strongly Disagree, D = Disagree, N= Neutral, A = Agree, SA = Strongly Agree, M = mean and Std. Dev = Standard Deviation.

From Table 4.8, when respondents were asked whether the system provides electronic invoicing for accounts receivable and electronic invoicing interfaces with the core financial system and generate accounts receivable reports, as requested, majority (57.1%) agreed with the statement, 22.9% strongly agreed with the statement, 11.4% disagreed with the statement, 8.6% were not sure with the statement, and lastly none of respondents strongly disagreed with the statement. This was supported by mean and standard deviation of 3.97 and 0.985 respectively.

Respondents' views as to whether the core financial system utilizes an integrated vendor payments system that tracks expected vendor charges with actual invoices to avoid vendor overpayment and 34.3% of the respondents agreed with the statement, followed by 25.7% of the respondents stated that they strongly agreed with the statement. 11.4% of them were not sure, 14.3% of the respondents both disagreed and strongly disagreed respectively. This was also represented by mean of 3.89 and standard deviation of 0.993.

When asked whether historical data of all payments to vendors is maintained. This information is kept in a database available for review by appropriate staff; a bigger percentage (34.3%) strongly agreed with the statement, 22.9% of the respondents agreed, 14.3% of the respondents disagreed with the statement, 17.1% of respondents were not sure and 11.4% of the selected respondents strongly disagreed. This was supported by mean of 3.26 and standard deviation of 1.314.

4.8 Descriptive statistics on Procurement Modules.

Table 4.9: Showing Descriptive statistics on Purchasing Modules (N=35)

Statements	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	M	Std. Dev
Keeps a history of the relation between multiple vendors and particular items (prices, delivery time, ETC).	1 (2.9%)	3(8.6%)	2 (5.7%)	17(48.6%)	12(34.3%)	4.03	1.014
Provides the facility for automatically generating	5(14.3%)	5(14.3%)	4(11.4%)	13(37.1%)	8(22.9%)	4.14	.845

vendor purchase orders (re-order level, min level ETC).							
Follows the status of purchase orders, starting from issuing the order until goods are completely received.	0(0%)	4 (11.4%)	3(8.6%)	20(57.1%)	8 (22.9%)	3.97	0.985
Provides the Facility of manually closing a purchase order whenever the user feels it is appropriate even if it is not fully received.	5(14.3%)	5(14.3%)	4(11.4%)	12(34.3%)	9 25.7%)	3.89	0.993
Reduction in lead times	0 (0%)	5(14.3%)	3(8.6%)	18(51.4%)	9 (25.7%)	3.26	1.314
Reduction of administrative costs	3(8.6%)	5(14.3%)	9(25.7%)	10(28.6%)	8 (22.9%)	4.03	1.014
Provides supplier information	3(8.6%)	5(14.3%)	0 (0%)	12(34.3%)	15(42.9%)	4.03	1.014

Source: Primary data, 2022

Key: F = Frequency, %=Percentage, SD= Strongly Disagree, D = Disagree, N= Neutral, A = Agree, SA = Strongly Agree, M = mean and Std. Dev = Standard Deviation.

From Table 4.9, when respondents were asked whether IFMS keeps a history of the relation between multiple vendors and particular items, majority (48.6%) agreed with the statement, 34.3% strongly agreed with the statement, 8.6% disagreed with the statement, 5.7% were not sure with the statement, and lastly 2.9% of respondents strongly disagreed with the statement. This was supported by mean and standard deviation of 4.03 and 1.014 respectively.

Respondents' views as to whether IFMS Provides the facility for automatically generating vendor purchase orders 37.1% of the respondents agreed with the statement, followed by 22.9% of the respondents stated that they strongly agreed with the statement. 11.4% of them were not sure, 14.3% of the respondents both disagreed and strongly disagreed respectively. This was also represented by mean of 4.14 and standard deviation of 0.845.

When asked whether IFMS follows the status of purchase orders, starting from issuing the order until goods are completely received; a bigger percentage (42.9%) agreed with the statement,

28.6% of the respondents strongly agreed with the statement, 11.4% of the respondents disagreed, 17.1% of respondents were not sure and none of the selected respondents strongly disagreed. This was supported by mean of 3.97 and standard deviation of 0.985.

When asked whether IFMS provides the facility of manually closing a purchase order whenever the user feels it is appropriate even if it is not fully received; the majority (42.9%) of them strongly agreed with the statement, 31.4% of them agreed, 17.1% were not sure, 14.3%) of them strongly agreed and lastly 11.4% of respondents strongly disagreed with the statement. The supporting mean was 3.89 and standard deviation was 0.993.

Respondents were asked as to whether IFMS reduced lead times and a bigger percentage (51.4%) of them agreed with the statement, 25.7% of the respondents strongly agreed with the statement, 8.6% of the respondents were not sure, 14.3% of the respondents disagreed with the statement, and lastly none of the selected respondents strongly disagreed. This was supported by mean of 3.94 and standard deviation of 0.998.

Respondents' views as to whether there was reduction of administrative costs; the majority (28.6%) of them agreed with the statement, followed by 22.9% who stated that they strongly agreed with the statement while 14.3% of them disagreed. Those who were no sure of the answers were represented by 25.7%. 8.6% of the respondents strongly disagreed with the statement. This was also represented by mean of 4.03 and standard deviation of 1.014.

When respondents were asked whether IFMS provides supplier information; 42.9% strongly agreed with the statement, 34.3% of the respondents agreed, 14.3% represented respondents who disagreed, 8.6% strongly disagreed and lastly, none of the respondents were not sure with the statement. This was supported by a mean of 4.03 and standard deviation of 1.014.

4.9 Challenges Involved in the Adoption of IFMIS

Table 4.10: Showing descriptive statistics on Challenges (N=35)

	Mean	Std Deviation	Coeff. of Var.
Poor Terrain and weather conditions	3.97	0.985	25%
Insufficient Training/capacity building	3.89	0.993	26%
Lack of staff with IT knowledge and experience	3.26	1.314	40.3%

Poor Organizational arrangements	3.60	1.376	41%
Poor ICT infrastructure (Internet)	3.60	1.376	41%
Lack of sufficient Human resources	3.60	1.376	41%
Poor Communication of Issues	3.54	1.400	40%
Lack or little co-ordination between the teams	3.60	1.376	38%
The complexity of the system	3.77	0.973	26%
Bureaucracy	3.74	1.039	28%

The findings in table 4.10 above indicate that the respondents strongly agreed that the majority challenges involved in the adoption of IFMIS was; Poor Terrain and weather conditions (mean=3.97). This was followed by Insufficient Training/capacity building (mean=3.98). The complexity of the system (mean=3.77). Bureaucracy (mean=3.74). Poor Organizational arrangements, Poor ICT infrastructure (Internet) and Lack of sufficient Human resources (mean=3.60). Lack or little co-ordination between the teams (mean=3.60). Poor Communication of Issues (mean=3.54). Lack of staff with IT knowledge and experience (mean=3.26 each).

The findings depict numerous challenges are faced in the adoption of IFMIS. The most outstanding challenges are Poor terrain and weather conditions, insufficient training/capacity building, the complexity of the system and Bureaucracy. Concurrently, Alshehri and Drew (2010) said that the key challenges affecting e-government adoption are technical barriers, such as ICT Infrastructure and privacy, security and trust in e-services, organisational barriers such as a lack of qualified personnel and training, resistance to change, lack of policy and regulation for e-usage, lack of programs to promote e-government benefits and advantages, and lack of strategic planning, social barriers such as culture, barriers caused by lack of support from leaders and management financial barriers.

4.10 Descriptive statistics on Procurement performance

Table 4.11: Showing descriptive statistics on performance (N=35)

Statements	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	M	Std. Dev
------------	-------------	------------	------------	------------	-------------	---	-------------

Due to IFMS, there has been reduction of errors in procurement process	0(0%)	4 (11.4%)	3(8.6%)	20(57.1%)	8 (22.9%)	3.97	.985
Sound integrated procurement systems enhance accountability in procurement	5(14.3%)	5(14.3%)	4(11.4%)	12(34.3%)	9 (25.7%)	3.89	.993
Procurement staff skills contribute to organizational performance	4(11.4%)	5(14.3%)	6(17.1%)	8 (22.9%)	12(34.3%)	3.26	1.314
IFMS reduced work content in the total, requisition-to- payment process	0 (0%)	7 (20%)	5(14.3%)	15(42.9%)	8 (22.9%)	3.46	1.336
Significant reductions in the time taken to complete the procurement process	0 (0%)	3(8.6%)	2 (5.7%)	18(51.4%)	12(34.3%)	3.46	1.336
IFMS Improves procurement resource utilization	1 (2.9%)	3(8.6%)	2 (5.7%)	19(54.3%)	10(28.6%)	4.11	.867
IFMS has helped to build better relationships between suppliers and our procurement entity	0(0%)	5(14.3%)	4(11.4%)	16(45.7%)	10(28.6%)	3.97	.985

Source: Primary data, 2022

Key: F = Frequency, %=Percentage, SD= Strongly Disagree, D = Disagree, N= Neutral, A = Agree, SA = Strongly Agree, M = mean and Std. Dev = Standard Deviation.

From Table 4.10, when respondents were asked if IFMS has reduced errors in procurement process, majority (48.6%) agreed with the statement, 34.3% strongly agreed with the statement, 8.6% disagreed with the statement, 5.7% were not sure with the statement, and lastly 2.9% of respondents strongly disagreed with the statement. This was supported by mean and standard deviation of 3.97 and 0.985 respectively.

Respondents' views as to whether Sound integrated procurement systems enhance accountability in procurement and 34.3% of the respondents agreed with the statement, followed by 22.9% of the respondents who stated that they disagreed with the statement. 17.1% of them strongly agreed, 14.3% of the respondents strongly disagreed and 11.4 of the respondents were not sure. This was also represented by mean of 3.89 and standard deviation of 0.993

When asked whether Procurement staff skills contribute to organizational performance; a bigger percentage 31.4% agreed with the statement, 25.7% of the respondents strongly agreed, 17.1% of the respondents were not sure of the statement, 14.3% of respondents disagreed and 11.4% of the selected respondents strongly disagreed. This was supported by mean of 3.26 and standard deviation of 1.314.

When asked whether IFMS reduced work content in the total, requisition-to- payment process, respondents had this to say; majority (42.9%) of them agreed with the statement, 22.9% of them strongly agreed and 20% disagreed with the statement, 14.3% were not sure while none of respondents strongly agreed with the statement. The supporting mean was 3.46 and standard deviation was 1.336.

When asked if there was a significant reduction in the time taken to complete the procurement process, 51.4% agreed with the statement, 34.3% of the respondents strongly agreed, 8.6% of the respondents disagreed with the statement, none of the selected respondents strongly disagreed and lastly 5.7% of the respondents were not sure with the statement. The supporting mean was 3.46 and standard deviation was 1.336.

Respondents were asked as to whether t IFMS Improved procurement resource utilization and a bigger percentage 54.3% of them agreed with the statement, 28.6% of the respondents strongly agreed with the statement, 5.7% were not sure, 8.6% of the respondents disagreed with the statement and 2.9% of the selected respondents strongly disagreed with the statement. This was supported by mean of 4.11 and standard deviation of 0.867.

When respondents were asked whether IFMS had helped to build better relationships between suppliers and our procurement entity, 45.7% agreed with the statement, 28.6% of the respondents strongly agreed, 14.3% represented respondents who disagreed and 11.4% were also not sure with the statement. Lastly none of the respondents strongly disagreed with the statement. This was supported by a mean of 3.97 and standard deviation of 0.985.

4.11 Correlation Analysis

As shown in Table 4.11 below, all of the predictor variables had a coefficient of correlation between themselves of more than 0.5 hence all of them were included in the model. The matrix also indicated high correlation between the response and predictor variables that is Receivables module, purchasing module, Cash management, Payables module and performance of selected entities.

Table 4.12: Pearson's Correlations

	Procurement Performance	Receivables module (AR)	Purchasing module(PM)	Cash management(CM)	Payables module(AP)
Procurement performance	1.000				
Receivables module (AR)	.766	1.000			
Procurement module(PM)	.507	.501	1.000		
Cash management(CM)	.632	.096	.452	1.000	
Payables module(AP)	.302	.151	.175	.229	1.000

		Correlations				
		PP	CM	AR	AP	PM
PP	Pearson Correlation	1	.632**	.766**	.302	.507**
	Sig. (2-tailed)		.000	.000	.078	.002
	N	35	35	35	35	35
CM	Pearson Correlation	.632**	1	.096	.229	.452**
	Sig. (2-tailed)	.000		.585	.186	.006
	N	35	35	35	35	35
AR	Pearson Correlation	.766**	.096	1	.151	.501**
	Sig. (2-tailed)	.000	.585		.385	.002

	N	35	35	35	35	35
AP	Pearson Correlation	.302	.229	.151	1	.175
	Sig. (2-tailed)	.078	.186	.385		.315
	N	35	35	35	35	35
PM	Pearson Correlation	.507**	.452**	.501**	.175	1
	Sig. (2-tailed)	.002	.006	.002	.315	
	N	35	35	35	35	35

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

Correlation was 0.766 therefore, there was a high positive significant relationship between Accounts Receivables module and procurement performance of entities in Kabale District. There was a moderate positive significant relationship between procurement modules and procurement performance in since correlation was 0.507. There was also a moderate positive significant relationship between relationship between Cash Management module and procurement performance in since correlation was 0.632. The findings of the study further revealed a low positive non-significant relationship between relationship between Accounts Payable Module and performance since the correlation was 0.302.

Table 4.13: Showing Rule of thumb for interpreting the size of a correlation coefficient

Size of correlation

interpretation

0.90 to 1.00 (−.90 to −1.00)	Very high positive (negative) correlation
0.70 to .90 (−.70 to −.90)	High positive (negative) correlation
0.50 to .70 (−.50 to −.70)	Moderate positive (negative) correlation
.30 to .50 (−.30 to −.50)	Low positive (negative) correlation
.00 to .30 (.00 to −.30)	Negligible correlation

The researcher also performed a regression analysis to establish the association between independent variables and dependent variable of the study. The following regression model was adopted for the study:

$$Y_i = \beta_0 + \beta X_1 + \beta X_2 + \beta X_3 + \dots + \beta X_n + \varepsilon$$

Where

Y= Dependent variable is (Performance)

X= Independent variable (IFMS) whereby as measured by the various indicators of IFMS, i.e, Receivables module, Purchasing module, Cash management and Payables module)

X1= Cash management used by selected entities,

X2= Receivable Module measures employed by selected entities,

X3= Payables module measures employed by selected entities,

X4= Purchasing module measures employed by selected entities,

β_0 = Constant term

ε = Error term within a confidence interval of 5%

4.12 Relationship between implementation of IFMIS and Procurement Performance

A multiple regression model was used so as to determine the relationship between IFMIS and procurement performance. The resulting regression coefficients were used to interpret the direction and magnitude of the relationship. The beta coefficients showed the responsiveness of the dependent variable as a result of unit change in each of the independent variables (Receivables module, Purchasing module, Cash management Module and Payables module)

The researcher conducted a multiple regression analysis so as to test relationship among variables (independent) on public procurement performance.

Table 4.14: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.962 ^a	.925	.915	.19712	.925	92.493	4	30	.000

a. Predictors: (Constant), PM, AP, CM, AR

The four independent variables that were studied; explain only 92.5% of the procurement performance as represented by the R^2 . This therefore means that other factors not studied in this research contribute 7.5% to the procurement performance. Therefore, further research should be conducted to investigate the other factors (7.5%) that affect procurement performance

4.13 ANOVA Results

Table 4.155: ANOVA of the Regression

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.376	4	3.594	92.493	.000 ^b
	Residual	1.166	30	.039		
	Total	15.542	34			

a. Dependent Variable: PP (procurement performance)

b. Predictors: (Constant), PM, AP, CM, AR(as measured by Receivables module, Purchasing module, Cash management Module and Payables module)

Since F calculated is greater than the F critical (value = 92.493), this shows that the overall model was significant. The significance value of 0.000 obtained implies that the regression model was significant in predicting the relationship between procurement performance and the predictor variables as it was less than $\alpha = 0.05$. This significance level means that the chances are almost zero that the results of the regression model were due to random exogenous events instead of the true relationship existing in the model.

Model Output

Table 4.16: Beta Coefficient of Determination

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	-.520	.317		-1.638	.112
	CM	.598	.056	.621	10.731	.000
	AR	.671	.050	.785	13.326	.000
	AP	.098	.070	.073	1.402	.171
	PM	-.210	.076	-.180	-2.745	.010

a. Dependent Variable: PP

Multiple regression analysis was conducted to determine the relationship between procurement performance and the four variables. As per the SPSS generated table below, regression equation

($Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$) becomes:

$$(Y = -0.520\beta_0 + 0.598X_1 + 0.671X_2 + 0.98X_3 + -0.210X_4 + \epsilon)$$

According to the regression equation established, taking all factors into account (accounts receivable, cash management, accounts payable, purchase modules) constant at zero, procurement performance in Kabale District will be -.520. The data findings analysed also shows that taking all other independent variables at zero, a unit increase in Cash Management will lead to a 0.598 decrease in procurement performance. A unit increase in accounts receivables will lead to a 0.671 decrease in procurement performance. A unit increase in accounts payable will lead to a 0.98 decrease in procurement performance. A unit decrease in purchase modules will lead to a -0.210 decrease in procurement performance in Kabale District.

This infers that accounts receivable contributes the most to the procurement performance followed by cash management, accounts payable and purchase modules respectively. At 5% level of significance and 95% level of confidence, accounts receivable, cash management and purchase modules significantly influence procurement performance while accounts payable does not significantly influence procurement performance in Kabale District.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary, conclusion and recommendations on the impact of Integrated Financial Management System (IFMS) adoption on public procurement performance in Kabale District.

5.2 Summary of Findings

The study found out that IFMS was being used including; purchase modules, accounts receivable, accounts payable, procurement management and cash management respectively.

Accounts Receivable was found to greatly influence the adoption of IFMIS which in turn is a key determinant of the procurement performance. The study established that IFMIS accounts receivable, cash management and purchase modules positively influenced Procurement Performance. In relation to accounts payable the study revealed that IFMIS does not influence procurement performance.

5.3 Discussion of results and conclusion.

According to the results obtained in this empirical investigation, it is possible to conclude in three main hypotheses.

5.3.1 Hypothesis One

Hypothesis one stated that accounts receivables and accounts payables management has no significant effect on procurement performance of entities in Kabale District

The descriptive findings showed that accounts receivables had been adapted to a high extent by entities in Kabale District. The results revealed that adoption of accounts receivables positively and significantly affected performance among entities in Kabale District implying that an increase in adoption of accounts receivables leads to a positive and significant improvement in procurement performance entities in Kabale District Thus, reject the null hypothesis and accept the research.

The descriptive findings showed that accounts payables had been adopted to a very low extent by entities in Kabale District. The results revealed that adoption of accounts payables positively and insignificantly affected performance among entities in Kabale District, implying that an increase in adoption of accounts payables does not lead to a positive and significant improvement in procurement performance entities in Kabale District. Thus, accept the null hypothesis and reject the research.

5.3.2 Hypothesis two

Hypothesis two stated that Cash management has no significant effect on procurement performance of entities in Kabale District

The descriptive results showed that Cash management had been adopted to a large extent by entities in Kabale District through proper implementation of cash Planning, Managing Cash Flows, Controlling the Cash Flows, optimizing the Cash Level and Investing Idle Cash. The inferential findings therefore, indicated that Cash management positively and significantly affected performance, implying that an increased adoption of Cash management leads to a positive and significant improvement in procurement performance of entities in Kabale District. Thus, reject the null hypothesis and accept the research.

5.3.3 Hypothesis three

Hypothesis three stated that the Procurement modules have no significant effect on procurement performance of entities in Kabale District.

The descriptive results showed that Procurement modules had been adopted to a large extent by entities in in Kabale District through proper implementation of cash purchase ordering, purchase requisition, funds inquiry. The inferential findings therefore, indicated that Procurement modules positively and significantly affected performance, implying that an increased adoption of Cash management leads to a positive and significant improvement in procurement performance of entities in Kabale District. Thus reject the null hypothesis and accept the research.

5.4 Limitations of the Study

The following were the limitations of the study: poor response, this was in the case of unanswered questionnaires and unwillingness of the respondents to answer questions. The researcher found it difficult to access the selected entities' and their confidential information

attributed to limited time which was short and the lockdown put in place to minimize the spread of the Corona virus pandemic, hence limited movements to physically acquire further readable materials and to physically meet respondents for more insights in the study. However, this did not limit the desire to collect important data for the study variables.

Some respondents wavered to give all the required information because of fear to expose the entities privacy. This most likely caused biased responses. However, the researcher overcame this by spending time with the respondents explaining that the study was purely for academic purposes. Questionnaire retrieval was also a limitation since all the sample questionnaires were not collected. However, the researcher managed to retrieve a significant number of the questionnaires thus 35 retrieved questionnaires out of 40 and this represented 87.5% response rate.

5.5 Areas for Further Research

The study recommends that future research focuses on other factors not studied in this research contributing 7.5% of performance in entities of Kabale District since IFMS contributes 92.5%. These factors can range from internal and external factors. The study also focused on four entities. Even though the sample was considered representative enough, there is need to widen the scope to consider other institutions which represent the public sector such as schools. This is because the rules and internal governance structures of institutions are different. Furthermore, other studies can focus on a different context other than the public sector such as non-governmental organizations.

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APPENDICES

APPENDIX I: QUESTIONNAIRE FOR RESPONDENTS

Dear Respondent,

This questionnaire is aimed at collecting data to undertake a study on *Adoption of IFMS and Procurement performance of entities in Kabale District*. The research is in partial fulfillment of the requirements for the award of a degree of masters in management studies (procurement and supply chain management option) of Uganda Management Institute. All information provided will be treated with utmost confidentiality and will be used for purely academic purposes.

Ruth Kobusingye

(Researcher)

Instructions

- i. Please tick in the middle box for appropriate option)
- ii. Select only one option for each question

Part A: General Information

SECTION A: General Information

1. What Gender are you?

Male	Female
☐	☐

2. How long have you worked at this this entity?

Less than 1 year	2–3yrs	4 – 5yrs	6 – 10yrs	Above 10yrs
☐	☐	☐	☐	☐

3. What is the highest level of education you have attained?

Diploma	Degree	Postgraduate	Masters	Others
☐	☐	☐	☐	☐

4. What is your level of management?

Top	Middle	Supervisor	Other
☐	☐	☐	☐

5. What is the highest level of education you have attained?

Diploma	Degree	Postgraduate	Masters	Others
☐	☐	☐	☐	☐

6. Which Department in your entity are you working with?

Procurement Office	Inventory Manager/ Stores	CFO /Bursar/ / Finance	ICT Office
☐	☐	☐	☐

7. Extent to which Entities are using the Integrated Financial Management System for Procurement in Kabale District

1. Has the Entity implemented IFMIS?

Yes	No
☐	☐

SECTION B: IFMIS and Procurement Performance in Kabale District.

The following aspects of IFMIS affect procurement performance in the Entity? Rating scale:

SD=Strongly Disagree D=Disagree NS= Not Sure A= Agree SA= Strongly Agree

Code	Cash management	SD	D	NS	A	SA
CM1	There is improved recording of government financial transactions.					
CM2	Sets up reference data on: Banks, Banks Accounts, Approval Limits, Exchange rates, Check number ranges by bank account.					
CM 3	IFMS traces all the stages of the transaction processing from budget releases to payment request.					
CM 4	Matches cash receipts to related invoices booked in the Accounts Receivable System					
CM 5	Matches cash payments to related vendor invoices booked in the Accounts Payable System					
CM 6	There is prompt and efficient access to financial data through the use of IFMS.					
	Accounts Payable					
AP1	Payables provide the ability to manage and pay suppliers.					
AP2	Supports multiple currencies.					
AP3	Performs automatic voucher numbering as defined by the user.					
	Accounts Receivable					
AR1	Electronic Invoicing – Accounts Receivable: The system provides electronic invoicing for accounts receivable. The electronic invoicing interfaces with the core financial system and generate accounts receivable reports, as requested.					

AR2	Integration with Vendor Payments System: The core financial system utilizes an integrated vendor payments system that tracks expected vendor charges with actual invoices to avoid vendor overpayment.					
AR3	Historical Data of Vendor Payments: Historical data of all payments to vendors is maintained. This information is kept in a database available for review by appropriate staff.					
	procurement modules					
PM1	Keeps a history of the relation between multiple vendors and particular items (prices, delivery time,ETC).					
PM2	Provides the facility for automatically generating vendor purchase orders (re-order level, min level ETC).					
PM3	Follows the status of purchase orders, starting from issuing the order until goods are completely received.					
PM4	Provides the Facility of manually closing a purchase order whenever the user feels it is appropriate even if it is not fully received.					
PM5	Reduction in lead times					
PM6	Reduction of administrative costs					
PM7	Provides supplier information					

SECTIONC: Challenges Involved in the Adoption of IFMIS.

What is your level of agreement with the following statements that relate to the factors affecting adoption of Integrated Financial Management Information Systems in the Entity?

Rating scale: SD=Strongly Disagree D=Disagree NS= Not Sure A= Agree SA= Strongly Agree

		SD	D	NS	A	SA
CH1	Lack of staff with IT knowledge and experience					
CH2	Bureaucracy					
CH3	Poor Organizational arrangements					
CH4	Lack or little co-ordination between the teams					
CH5	The complexity of the system					
CH6	Poor Terrain and weather conditions					
CH7	Insufficient Training/capacity building					
CH8	Poor ICT infrastructure (Internet)					
CH9	Lack of sufficient Human resources					
CH10	Poor Communication of Issues					

SECTION D: PROCUREMENT PERFORMANCE

Rating scale: SD=Strongly Disagree D=Disagree NS= Not Sure A= Agree SA= Strongly Agree

CODE	STATEMENTS	SD	D	NS	A	SA
PP1	Due to IFMS, there has been reduction of errors in procurement process					
PP2	Sound integrated procurement systems enhance accountability in procurement					
PP3	Procurement staff skills contribute to organizational performance					
PP4	IFMS reduced work content in the total, requisition-to- payment process					

PP5	Significant reductions in the time taken to complete the procurement process					
PP6	IFMS Improves procurement resource utilization					
PP7	IFMS has helped to build better relationships between suppliers and our procurement entity					

Thank you for responding to this Questionnaire

APPENDIX II: ANTI-PLAGIARISM REPORT