

Integrated Financial Management Information System Implementation and Public Finance Management in Embu County, Kenya

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Abstract

Sound integrated financial management information(IFMIS) cannot as it were offer assistance creating nation government pick up successful control over their funds ,but too upgrade straightforwardness and responsibility, reducing political tact and acting as an obstacle to debasement and extortion .the county government of Kenya have been required by the public financial management(PFM)Act, to execute IFMIS since 2013 when they got to be operational, but the implementation process has so far been ineffective . The financial management of public funds is a very important element for any government and the public have to see that resources are mobilized well and expenditures used is done effectively. I addition to implementing the public finance management requirements and governance, its necessary for the government and sub-governments that are involved in handling public resources to institutes measures that will ensure that public finance management if followed. Different financial systems have been previously implemented to account for public resources, and in the year 2013 Kenya IFMIS was implemented as a platform of managing the national and county resources. The system has been implemented in various counties and it was seen as a system that will improve public finance management since it links all the departments. Embu being the one of the counties that has implemented the IFMIS system may not fully understands the effects of the new system which motivates the objective of the study, to investigate the effect of Integrated Financial Management Information System (IFMIS) on public finance management in Embu County, Kenya. The specific objective were, to analyses the effectiveness of budgeting systems in IFMIS on public finance management in Embu county, Kenya, to verify the effects of accounts receivable in IFMIS on the public finance management in Embu county, Kenya. Relevant theories and literature have been used to gain greater understanding of the subject, which includes the contingency theory of accounting information system, Meta theory model. The study employed a descriptive research design. The target population was users of IFMIS in the county governments. A census of the 67 county employees who use IFMIS in the county departments was done. Data was collected by means of questionnaires and was analyzed using descriptive statistics. From the seven different IFMIS

sections/Departments, the study used stratified sampling design and selected 80% employees from each section to give a sample size of 54 respondents. The study used questionnaires as a tool for data collection in order to provide the relevant information for the research question. This data was quantitative and qualitative in nature, and the data was then sorted, coded and analyzed using Kruskal-wallis technique in order to answer the research objectives. Secondary information were inferred from work area audit of annual information on IFMIS for all factors for a period of three years (2015-2017). The study found that budgeting frameworks, accounts receivables and account payables emphatically and significantly impacted the public finance management in Embu County. They ponder prescribes that managers can utilize the data to arrange and formulate budgets; screen the utilize of fixed assets; examine results against budgets and plans; oversee cash equalizations; trucks the status of receivables and obligations and monitor the performance of a particular departments or units.