



**INTEGRATED FINANCIAL MANAGEMENT INFORMATION SYSTEM AND FINANCIAL PERFORMANCE OF
MOMBASA COUNTY GOVERNMENT, KENYA**

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ABSTRACT

The research examined the influence of integrated financial management information system of Government of Mombasa County performance in Kenya. The specific objectives were to determine the impact of budget plan, process of procure to pay, financial reporting and Information communication technologies to support Mombasa County Government performance in Kenya. The study was based on public finance theory, new public management theory and the theory task-technology fit. An explanatory design was employed by the study. The study targeted various departments in the County Government of Mombasa County. The respondents were 293 workers working in the 11 departments in Mombasa County Government. Stratified random sampling was employed to choose 169 staff from the population targeted. The research used data information from both secondary and primary sources. Secondary data on revenue collection, pending bills and unsupported expenditure was collected from the County government of Mombasa. Primary data was obtained by use of a close-ended questionnaire. Inferential statistics and descriptive statistics were used in the analysis of data with the help of statistical software referred as Statistical Package for Social Sciences (SPSS Version 25) for the analysis. Descriptive statistics included percentages, frequencies, standard deviation and mean. Inferential statistics included both correlation and regression analysis. The results were presented in figures and tables. The study found that procure-to-pay process in integrated financial management information system had a positive and significant influence on performance of Mombasa County Government. In addition, plan-to-budget in integrated financial management information system had a positive and significant influence on performance of Mombasa County Government. Also, the study found that financial reporting using integrated financial management information system had a positive and significant influence on performance of Mombasa County Government. Further, the study found that ICT support using integrated financial management information system has a positive and significant influence on performance of Mombasa County Government. The study recommends that Mombasa County Government should implement procure to pay software, improve supplier engagement, optimize inventory and keep the process transparent to improve financial performance of Mombasa County Government. In addition, Mombasa County Government should implement rolling forecast and budgets, use budgeting software, organize and centralize documentations and plan early for the entire process to improve financial performance of Mombasa County Government.

Key Words: Budget Plan, Process of Procure, Financial Reporting, Information Communication Technologies

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INTRODUCTION

Around the world, County governments are established with an objective of bringing services closer to the individuals and creating a platform from which the citizens can participate more effectively in decisions that affect their economic and political well-being (Pomeranz & Vila-Belda, 2019). County governments raise revenue, develop and implement budgets and develop policies for delivering effective services that improve the welfare of Kenyans. Globally, every nation's economic growth and development, needs to ensure that there is a systematic balance between expenditures, revenue collection and service delivery to the citizens (Bachas et al., 2021).

Among different States in the United States of America, IFMIS has been adopted to automate the public financial management procedures including procurement, budget preparation, accounting and reporting (Mbaka & Namada, 2019). County governments in Bangladesh have been adopting information technology in the management public finance with a specific use of Integrated Financial Management Information System (Mamun & Chowdhury, 2022). Nakrosis (2018) observed that Lithuania adopted IFMIS to support budgetary management in public department, accounting operations, financial and encourage improved public financial management (PFM) with a centralized registration of public department expenditures and revenues.

In various local governments in Ghana, inadequate accountability and transparency in use of public finance have characterized problems in public finance management practices. These problems have led to persistent growth in public debts, budget shortfalls, and poor economic performance hence the requirement for adoption of an effective financial management systems (Yaokumah & Biney, 2020). This resulted to the acquisition the Systems of Integrated Financial Management Information to better accountability and accountability in financial management. Among East Africa countries, Tanzania's local governments have adopted of

IFMIS to improve quality financial reporting, budget preparations as well as procurement of products and services. Pasape and Godson (2022) observed that IFMIS implementation was experiencing challenges such as lack of top management support, inadequate technical capacity, lack of training, unreliable ICT infrastructure.

In Kenya, IFMIS is part of the key public reform for financial management initiatives. The goal of IFMIS is to improve accountability, effectiveness and openness in gathering and use of public financial assets. In Kenya, IFMIS was purposed to reform the fundamental PFM systems of revenue collection, development of budget and implementation, monitoring and control, public procurement, and financial reporting (Government of Kenya, 2021). According to Mbaka and Namada (2019), through greater visibility of financial transactions by the government, IFMIS was aimed at aiding the wise and straightforward collection and utilization of public resources.

According to Muita and Karanja (2018), the acceptance and execution of IFMIS in County governments has led to an improvement in accountability, financial discipline and transparency in accordance to the regulatory framework under the Public Finance Management Act 2012. In addition, Ngala and Musau (2022) observed that the adoption of IFMIS in County governments in Kenya led to an increase in accountability and transparency. Nonetheless, the use of IFMIS was experiencing challenges such as lack of technological infrastructure, low commitment of the top management, staff resistance and low capacity of staff (Cherotich & Okibo, 2017). Further, Osano and Ngugi (2018) determined that execution of integrated financial management information system was negatively affected by lack of capacity building and low support from the management at the top.

The performance of County governments in Kenya has been measured using different measures in the last one decade. Ndzovu and Ng'ang'a (2019) measured the performance of County governments

in terms of index for development, compliance with budget set as well as achievement of own source targets for revenue. According to Waikenda (2019), the County governments' performance is measured in terms of financial perspective (revenue and economic utilization of resources), customer perspective, internal process perspective, learning and growth as well as social and environmental. As indicated by Korir and Kyule (2020), the measures of performance in County governments include revenue collection, cost reduction, efficiency in service delivery and development index. The measures of performance in this study included revenue collection, pending bills and accountability levels (trend of unsupported expenditure).

County governments in Kenya, including Mombasa County government, are expected to use IFMIS to automate their procurement and payment processes. This helps in the improvement of transparency and accountability in various departments and sectors in the County government of Mombasa (County Government of Mombasa, 2022). Nonetheless, some of the counties in Kenya, including the County government of Mombasa, have partially been using the IFMIS and continue using manual processes despite the requirement to process all transactions using IFMIS. This leads to lack of transparency and accountability in the procurement processes leading to loss of money and increasing in pending bills.

Statement of the Problem

The performance of the County government of Mombasa, in terms of revenue collection, pending bills and trend of unsupported expenditure, has been declining for the last five years (2017 to 2021). The Office of Auditor General (2020) reported declining level of accountability measured in terms of trend of unsupported expenditure. The unsupported expenditure, in the acquisition of assets, goods and services, increased by 46.54% between 2017 and 2018, which later increased by 42.75% in 2019 and 2.57% in 2020 (Office of Auditor General, 2020). The pending bills in the County

government of Mombasa increased by 13.66% between the year 2017 and the year 2018, which later increased by 49.54% in 2019 and 0.75% in 2020. The revenue collected by the County government of Mombasa decreased by 5.17% between the year 2017 and the year 2018, which later decreased by 7.86% in 2019 and 12.78% in 2020 (Office of Auditor General, 2020).

In Mombasa County government, Integrated Financial Management Information System has been adopted to improve financial performance in the public departments, reduce fraud and address the mismanagement of public funds. Nonetheless, despite the utilization of Integrated Financial Management Information System in terms of procure-to-pay process, plan-to-budget, financial reporting and use of Information communication technologies (ICT) to support, the financial performance of Mombasa County government is still declining as shown by increasing pending bills, declining revenue and increasing unsupported expenditure.

In Kenya, various studies have been conducted on Integrated Financial Management Information System. For instance, Ndzovu and Ng'ang'a (2019) examined the impacts of integrated financial management information process in Kwale county government financial performance; Lundu and Shale (2015) observed the impact of integrated financial management information system (IFMIS) execution on performance of supply chain management in the devolved systems of government in Nairobi city county; and Muriithi and Wamiori (2020) examined the impact of integrated financial management information system of Tana River county government financial operations. Nonetheless, these studies were limited to Kwale, Tana River and Nairobi City County. Further, Ndzovu and Ng'ang'a (2019) used financial performance as the dependent variable, Lundu and Shale (2015) used supply chain management performance as the dependent variable and

Muriithi and Wamiori (2020) used financial operations as the dependent variable. This study sought to fill these knowledge gaps by examining the effects of procure-to-pay process in IFMIS, plan-to-budget in IFMIS, financial reporting in IFMIS and Information communication technologies (ICT) support using IFMIS on the performance of Mombasa County Government.

Objectives of the Study

The general objective of the study was to investigate the effect of integrated financial management information system on finance performance of Mombasa County Government, Kenya. The specific Objectives were;

- To determine the effect of procure-to-pay process on performance of Mombasa County Government, Kenya
- To establish the effect of plan-to-budget on performance of Mombasa County Government, Kenya
- To assess the effect of financial reporting on performance of Mombasa County Government, Kenya
- To examine the effect of Information communication technologies (ICT) to support on performance of Mombasa County Government, Kenya

Research Hypotheses

The study sought to test the following research hypotheses;

- H₀₁: Procure-to-pay process has no statistically significant effect on performance of Mombasa County Government, Kenya
- H₀₂: Plan-to-budget has no statistically significant effect on performance of Mombasa County Government, Kenya
- H₀₃: Financial reporting has no statistically significant effect on performance of Mombasa County Government, Kenya
- H₀₄: Information communication technologies (ICT) support has no statistically significant

effect on performance of Mombasa County Government, Kenya

LITERATURE REVIEW

Theoretical Review

Theory of Public Finance

Public finance hypothesis was developed by Hewett (1987). The theory assesses government expenditure and the state revenue for the public mandate and improvement of single or the rest to attain required impacts and prevent unrequired ones. The public finance hypothesis has got effects on the three areas: systematic allocation of the resources available; salary distribution within subjects; and stable economic state (Gruber, 2005).

This research used the public finance theory to show the effect of IFMIS on financial performance in Mombasa County Government. All County governments in Kenya are involved in the collection of revenue which is later redistributed and allocated to Counties to improve service delivery. Integrated financial management information system plays the main role in ensuring efficiency utilization of resources through the automation of procure-to-pay process, plan-to-budget and financial reporting. This helps in ensuring an improvement in the collection of revenue, reduction of pending bills and reduction of unsupported expenditure.

New Public Management Theory

Stewart and Walsh (1992) developed the New Public Management (NPM) hypothesis, which focuses on making government more efficient. The new public management made an attempt of making the public department more professional to enhance the effectiveness of the government plan which are borrowed and designs of the management from the personal department (Marcon, 2017). It stressed on the essentiality of citizens who were the receivers of the resources or public sector customers (Genevieve, 2015). New systems of public management also suggested an advanced de-concentration of resources to attain

an improved outcome, entailing a structure of quasi-market where private and public service providers contended with one another in a trial to offer faster and services which better (Nyanumba *et al.*, 2017).

The New Public Management Theory was used in this study to show the effect of IFMIS on the performance of County governments. The theory hypothesizes that when public agencies and governments apply methods, techniques and strategies aimed at improving transparency and accountability, such as adoption and execution of IFMIS, they become more efficient and effective in collection and allocation of public resources. Therefore, capacity of IFMIS to integrate departments, automate budgetary process, automate financial reporting and automate monitoring is expected to lead to improved performance of County governments. In addition, the theory focuses on the worth for money, increasing efficiency and financial control (Marcon, 2017). The control of financial resources through automated budgeting, planning and consolidated funds devices budgeting will ensure optimal utilization of resources and minimal misuse of funds hence improving the performance of Mombasa County Government.

Task-Technology Fit Theory

The task-technology fit (TTF) theory, advanced by Goodhue and Thompson (1995), proposes that adopting technological systems and processes may result to improved organizational performance. According to the idea, the match between an organization and the qualities of the chosen technology make it possible for technology to be beneficial to a firm (Ratna, Astuti & Arifin, 2018). Nambisan and Baron (2013) backed up this assertion by noting that the qualities of the technology and the work impact the technology's fit in effectively completing the function it was designed to serve within the business. The compatibility of an organizations purposes and the chosen technology is determined by decision makers within the organization who must choose

technology with characteristics that are compatible with the organization. If, on the other hand, the job does not match with the chosen technology, the organization will not profit from it (Valaei, Nikhashemi & Jin, 2019).

The Task-Technology Fit theory was used to examine the effect of IFMIS on Mombasa County Government performance in Kenya. The objective (task) of IFMIS is to improve efficiency in purchase and payment for goods and services. It also aims at ensuring transparency of public resources' use via enhanced visibility of the financial transactions by the Government. Technological characteristics include hardware, software and ICT infrastructure availability. These characteristics play a key role in the public financial management (PFM) processes' automation, including execution and budget preparation, reporting and accounting. The adoption of IFMIS in public financial management help to speed up government operations by enabling quick and easy access to accurate financial data (Ratna, Astuti & Arifin, 2018). Furthermore, data was easily accessible and data security was enhanced hence improving the performance of Mombasa County Government.

Empirical Review

A study by Nkoirishishe (2018) in the Kajiado County Government examined the impact of procure-to-pay on public procurement implementation. The research employed descriptive research design. The population targeted comprised of 696 workers based on Kajiado Town county headquarters. The findings showed that procure-to-pay affected the execution of the County Governments' public procurement. Nonetheless, the research used public procurement implementation as the dependent variable. In addition, the research was limited to Kajiado County Government, which differs from Mombasa County government in terms of income generating activities, expenditure and revenue collection among others.

In Kiambu County Government, Mugwe (2018) examined the influence of IFMIS in tendering,

engagement of the supplier and payment on the performance of public procurement. The population targeted comprised of 100 particulars in the departmental staff, supervisors and the top administration. The results showed that the use of IFMIS in tendering, planning and supplier engagement had an influence on public procurement performance. Nonetheless, besides being limited to Kiambu County Government, the study used public procurement performance as dependent variable. The study only focused on IFMIS utilization in tendering, planning and supplier engagement, but this study looked at procure to pay, plan-to-budget, financial reporting and ICT support.

Njau (2020) examined the budgeting adoption in the system of integrated financial management information and National Treasury performance in Kenya. Staffs targeted were those in departments of accounting and finance, HR and ICT. The discoveries revealed that budgeting in IFMIS had a notable effect on National treasury performance in Kenya. Nonetheless, the research was limited to National Treasury hence its results can never be generalized to the County governments in Kenya. Additionally, the research looked at performance of National Treasury in terms of cost reduction, efficiency, timely reporting and accuracy of financial records.

Okoyo (2018) made an investigation to examine the impact of automated budgetary process on delivery of service in Homa Bay County in Western part of Kenya. The research was conducted in Homa Bay County, and it targeted 10 Officers of Procurement, 5 staff of quality assurance, 10 staff of Internal Audit, and 20 Officers of Finance. The research discovered an important link between service deliveries and automated budgetary procedures in Homa Bay County. Nonetheless, this research was limited to Homa Bay County hence its results can never be generalized to other Counties in Kenya. Additionally, the dependent variable in this research was service delivery, which is one measure of performance.

Majani, Atieno and Mackton (2022) evaluated the impact of financial reporting in IFMIS on the responsibility of finance in western county Governments of Kenya. The research employed correlational research design. Questionnaires were employed to gather primary data. The target population was 1110 county staffs consisting of IFMIS directors, revenue officers, Cabinet executive officers, finance staff, procurement and planning staffs. The research found that reporting of finance in IFMIS has a positive important impact on financial responsibility. Nonetheless, financial accountability was the dependent variable in this research, which differs from the performance. Additionally, the research was limited to County governments in Western Kenya.

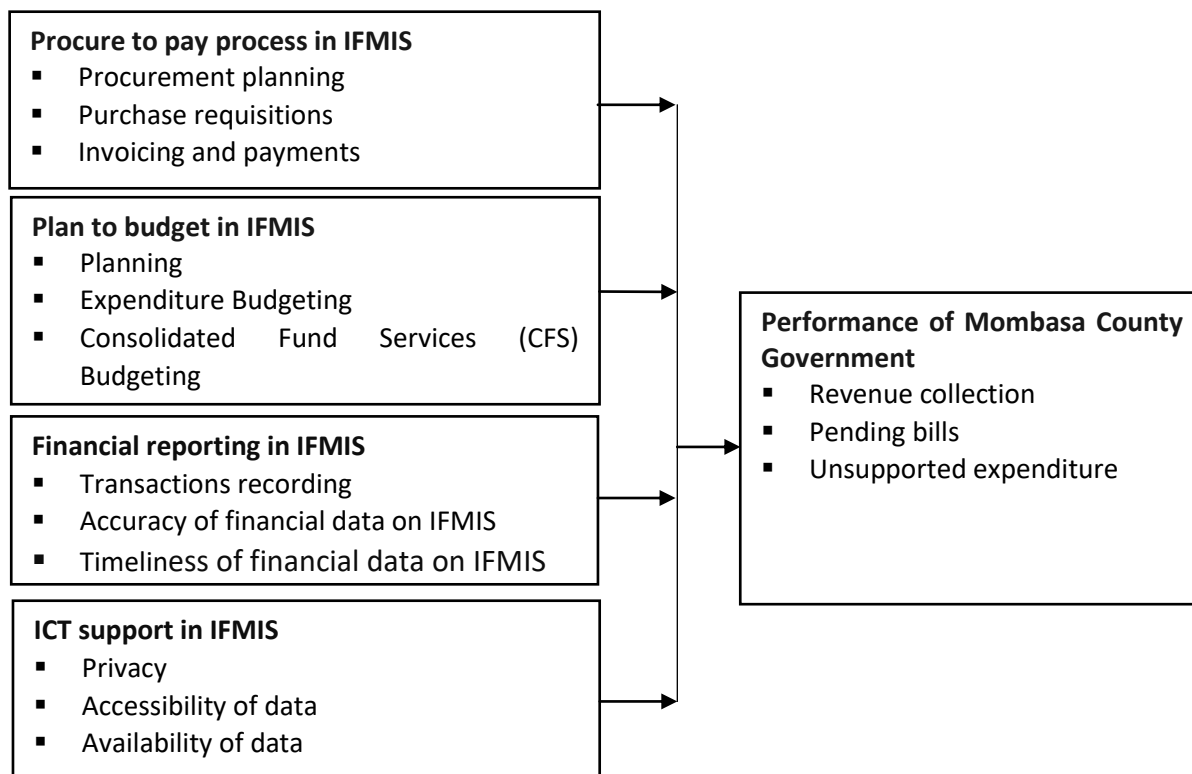
Kilonzo (2021) assessed the impacts of financial reporting through IFMIS on service delivery in Kitui County. The target population included procurement, internal auditors, finance, ICT and human resource officers. The research found that financial recording through IFMIS had a significant contribution to the delivery of service in Kitui County Government. Nonetheless, this research was limited to the county government of Kitui, which is a County government in the rural areas of Kenya unlike Mombasa County, which is mainly urban. In addition, the dependent variable was service delivery, which differs from financial performance in County governments.

In the Nyeri County government, Mwangi (2021) examined the effects of IFMIS technology elasticity on the performance of procurement. The researches population targeted was 191 depicting chosen distributors in Nyeri County Government and workers of the County Government. The results indicated that IFMIS technology adaptability influences the performance of procurement in Nyeri County government. Nonetheless, besides being limited to the Nyeri County Government, the research employed procurement performance as the dependent variable.

Nyaga, Ndiku and Mwai (2019) examined a research to establish the influence of adoption and execution of the IFMIS on delivery of service in Kenya through a case study of the National Treasury. The research targeted 1,539 officers who were selected consciously from the IFMIS sectors for users, at the headquarters. The results indicated

that resistance to change, complexity of the system and compatibility of the system affected the service delivery in Kenya. Nonetheless, the study used service delivery in the National Treasury, which is different from the performance of County governments.

Conceptual Framework



Independent Variables

Dependent Variable

Figure 1: Conceptual Framework

Source: Author (2022).

METHODOLOGY

This study adopted an explanatory research design. The target population was the 293 working employees in the 11 departments in the County government of Mombasa. The sample size was 169 respondents determined using Yamane's Formula which permits a researcher to select the whole group but within a margin of error which is acceptable. This research adopted a stratified random sampling in choosing of 169 participants from the target population. The study

was obtained from primary and secondary data sources. This study focused on two categories of validity: content validity as well as face validity. For purposes of this study, Cronbach alpha was used to check on reliability. Quantitative data analysis methods were applied to analyze collected data. After cleaning, the raw data was entered into the statistical software referred to as Statistical Package for Social Sciences (SPSS Version 25) for analysis. Both inferential and descriptive statistics were used in quantitative data analysis.

FINDINGS

Descriptive Statistics

Procure-to-pay process in IFMIS and Performance of County Governments

The respondents were asked to indicate their level of agreement with various statements on procure-to-pay process and performance of Mombasa County Government. The results were as presented in Table 1:

Table 1: Aspects of Procure-to-pay process in IFMIS

Statements	Mean	Std. Dev.
The county government has automated procurement planning	4.080	.719
The use of automated procurement planning has reduced human errors and improved procurement process	3.880	.793
The automation of procurement planning has improved efficiency the procurement process	4.120	.713
Purchase requisitions are prepared before purchases are made	4.200	.777
Automation of purchase requisitions helps avoid duplicate orders	4.180	.769
Automation of purchase requisitions has improved purchase process	4.020	.814
The County government has adopted online payment and invoicing	4.020	.737
Automation has facilitated quick and easy processing of invoicing and processing of payments	4.060	.734
Invoicing and Payments Automation has facilitated easy tracking and quick retrievals of documents	4.300	.783

Source: Research Data (2023)

From the results, as shown in Table 1: the respondents agreed with a mean of 4.300(SD=0.783) that invoicing and payments automation facilitated easy tracking and quick retrievals of documents. In addition, the respondents agreed with a mean of 4.200(SD=0.777) that purchase requisitions are prepared before purchases are made. From the results, the respondents agreed with a mean of 4.180(SD=0.769) that automation of purchase requisitions helps avoid duplicate orders. With a mean of 4.120(SD=0.713), the respondents agreed that the automation of procurement planning has improved efficiency the procurement process. The respondents agreed that the county government has automated procurement planning shown by a mean of 4.080(SD=0.719).

The respondents agreed that automation has facilitated quick and easy processing of

invoicing and processing of payments as shown by a mean of 4.060(SD=0.734). The respondents agreed that automation of purchase requisitions has improved purchase process as shown by a mean of 4.020(SD=0.814). With a mean of 4.020(SD=0.737), the respondents agreed that the County government has adopted online payment and invoicing. With a mean of 3.880(SD=0.793), the respondents agreed that the use of automated procurement planning has reduced human errors and improved procurement process.

Plan-to-budget in IFMIS and Performance of County Governments

The respondents were asked to indicate their level of agreement with various statements on plan-to-budget in IFMIS and performance of Mombasa County Government. The results were as presented in Table 2:

Table 2: Aspects of Plan-to-budget in IFMIS

Statements	Mean	Std. Dev.
IFMIS seek to enhance budget planning by giving timely and accurate information for decision making and management of budget.	3.900	.642
Automated Planning promotes combined approval of invoice	3.940	.734
Automated planning results to healthy flow of cash	3.480	.672
The county government has automated expenditure budgeting	4.180	.742
Automated expenditure budgeting changes to better accounting and receiving for revenue	2.960	.722
The county government seeks to improve expenditure budgeting by giving timely and accurate data for making of decision	3.060	.581
The county government seek to raise confidence and credibility of the budget	4.020	.649
The county government seeks to raise confidence and credibility of the budget via greater information transparency.	4.140	.723
Automated Consolidated Fund Services (CFS) Budgeting changes to ease of records' accessing	4.260	.718

Source: Research Data (2023)

As shown in Table 2: the respondents agreed that automated Consolidated Fund Services (CFS) Budgeting changes to ease of records' accessing as shown by a mean of 4.260(SD=0.718). From the results, the respondents agreed with a mean of 4.180(SD=0.742) that the county government has automated expenditure budgeting. From the results, the respondents agreed with a mean of 4.140(SD=0.723) that the county government seeks to raise confidence and credibility of the budget via greater information transparency. The respondents agreed that the county government seek to raise confidence and credibility of the budget as shown by a mean of 4.020(SD=0.649).

With a mean of 3.940(SD=0.734), the respondents agreed that automated planning promotes combined approval of invoice. With a mean of 3.900(SD=0.642), the respondents agreed that IFMIS seek to enhance budget planning by giving timely and accurate information for decision making and management

of budget. From the results, the respondents were neutral with a mean of 3.480(SD=0.672) that automated planning results to healthy flow of cash. With a mean of 3.060(SD=0.581), the respondents were neutral that the county government seeks to improve expenditure budgeting by giving timely and accurate data for making of decision. The respondents were neutral that automated expenditure budgeting changes to better accounting and receiving for revenue as shown by the mean of 2.960(SD=0.722).

Financial Reporting using IFMIS and Performance of County Governments

The respondents were asked to indicate their level of agreement with various statements financial reporting using IFMIS and performance of Mombasa County Government. The results were as presented in Table 3:

Table 3: Aspects of Financial Reporting using IFMIS

Statements	Mean	Std. Dev.
The record of all transactions are properly stored	4.100	.702
Transactions recording translates to ease of accessing records	4.240	.620
Am satisfied with how recording of transactions is carried out	3.200	.750
Financial Reporting through IFMIS translates to data accuracy	4.200	.634
Data accuracy in the county government has improved	4.140	.723
I am satisfied with the accuracy of financial data	3.420	1.188
Financial reporting through IFMIS ensure financial data is accessible right on time	4.220	.611
The cases of delayed access to financial data has reduced	4.080	.660
I am satisfied with the time taken to access financial data	4.400	.491

Source: Research Data (2023)

As shown in Table 3: the respondents agreed that they are satisfied with the time taken to access financial data as shown with a mean of 4.400(SD=0.491). The respondents agreed that transactions recording translate to ease of accessing records as shown by a mean a mean of 4.240(SD=SD=0.620). The respondents agreed that financial reporting through IFMIS translates to data accuracy as shown by a mean of 4.200(SD=0.634). From the results, the respondents agreed with a mean of 4.220(SD=0.611) that financial reporting through IFMIS ensure financial data is accessible right on time.

With a mean of 4.140(SD=0.723) the respondents agreed that data accuracy in the county government has improved. With a mean of 4.100(SD=0.702), the respondents agreed that the record of all transactions are properly stored. From

the results, the respondents agreed with a mean of 4.080(SD=0.660) that the cases of delayed access to financial data has reduced. From the results, the respondents were neutral with a mean of 3.420(SD=1.188) that they are satisfied with the accuracy of financial data. With a mean of 3.200(SD=0.750), the respondents were neutral that they are satisfied with how recording of transactions is carried out.

ICT support using IFMIS and Performance of County Governments

The respondents were asked to indicate their level of agreement with various statements ICT support using IFMIS and performance of Mombasa County Government. The results were as presented in Table 4:

Table 4: Aspects of ICT support using IFMIS

Statements	Mean	Std. Deviation
Through IFMIS financial usage can easily be monitored	4.140	.723
Information is not accessible by unauthorized persons	4.340	.588
IFMIS has enhanced data security in the organization	4.320	.707
IFMIS helps in data storage and retrieval	4.120	.554
Stored data is easily accessible	4.160	.676
Am satisfied with the level of accessibility of the stored data	3.780	.611
All the data concerning the county government is readily available	4.260	.718
Some data on procured goods is not available	2.060	.861
I am contented with the level of data availability in the department	4.040	.633

Source: Research Data (2023)

As shown in Table 4: the respondents agreed that information is not accessible by unauthorized persons as shown by the mean of 4.340(SD=0.588). From the results, the respondents agreed with a mean of 4.320(SD=0.707) that IFMIS has enhanced data security in the organization. From the results, the respondents agreed with mean of 4.260(SD=0.718) that all the data concerning the county government is readily available. The respondents agreed that stored data is easily accessible as shown by the mean of 4.160(SD=0.676).

The respondents agreed that through IFMIS financial usage can easily be monitored as shown with a mean 4.140(SD=0.723). With a mean of 4.120(SD=0.554), the respondents agreed that IFMIS helps in data storage and retrieval. With a mean of 4.040(SD=0.633), the respondents agreed that they are contented with the level of data availability in the department. From the results, the respondents agreed with a mean of 3.780(SD=0.611) that they are satisfied with the level of accessibility of the stored data. With a mean of 2.060(SD=0.861), the respondents disagreed that some data on procured goods is not available.

Performance of Mombasa County Government

The dependent variable of this study was performance of Mombasa County Government. The respondents were asked to

indicate their level of agreement with various statements on performance of Mombasa County Government. The results were as presented in Table 5:

Table 5: Aspects of Performance of Mombasa County Government

Statements	Mean	Std. Dev.
Revenue in the County government has been increasing	1.960	.801
The sources of revenue in the County government has been increasing	1.860	.634
The County government has a huge pending bill	4.300	.673
The pending bills in the County government have been increasing	4.360	.481
The unsupported expenditure in the County government has been increasing	4.400	.602
The involvement of IFMIS has decreased the unsupported expenditure in the County government	4.220	.611

Source: Research Data (2023)

From the results, as shown in Table 5: the respondents agreed with a mean of 4.400(SD=0.602) that the unsupported expenditure in the County government has been increasing. With a mean of 4.360(SD=0.481), the respondents agreed that the pending bills in the County government have been increasing. With a mean of 4.300(SD=0.673), the respondents agreed that the County government has a huge pending bill. From the results, the respondents agreed with a mean of 4.220(SD=0.611) that the involvement of IFMIS has decreased the unsupported expenditure in the County government. With a mean of 1.960(SD=0.801), the respondents disagreed that revenue in the County government has been

increasing. The respondents disagreed that the sources of revenue in the County government has been increasing budget as shown with a mean of 1.860(SD=0.634).

Inferential Statistics

Correlation Analysis

Pearson product-moment correlation coefficient was utilized to assess the strength of association between independent variables (procure-to-pay process, plan-to-budget, financial reporting and Information communication technologies (ICT) to support) and dependent variable (financial performance of Mombasa County Government, Kenya). The findings were as presented in Table 6:

Table 6: Correlation Coefficients

		Financial Performance	Procure to Pay Process	Plan to Budget	Financial Reporting	ICT to support
Financial Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	150				
Procure to Pay Process	Pearson Correlation	.871**	1			
	Sig. (2-tailed)	.000				
	N	150	150			
Plan to Budget	Pearson Correlation	.890**	.062	1		
	Sig. (2-tailed)	.000	.161			
	N	150	150	150		
Financial Reporting	Pearson Correlation	.768**	.107	.152	1	
	Sig. (2-tailed)	.000	.100	.101		
	N	150	150	150	150	
ICT to support	Pearson Correlation	.866**	.098	.062	.098	1
	Sig. (2-tailed)	.000	.090	.161	.090	
	N	150	150	150	150	150

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

From the findings, there is a positive association between procure-to-pay process and financial performance of Mombasa County Government, Kenya ($r=0.871$, $p\text{-value}=0.000$). Since the p -value (0.000) was less the significance level of 0.05 , the relationship was considered to be significant. The findings agree with Gathima and Njoroge (2018) findings that procure-to-pay process had a significant and positive relationship with the financial performance of Nairobi City County Government.

From the findings, there is a positive association between plan-to-budget and financial performance of Mombasa County Government, Kenya ($r=0.890$, $p\text{-value}=0.000$). Since the p -value (0.000) was less the significance level of 0.05 , the relationship was considered to be significant. The findings were in concurrence with Wangare, Mukanzi and Musiega (2018) findings that plan-to-budget had a significant and positive impact on the financial performance of public government of Kakamega county.

From the findings, there is a positive association between financial reporting and financial performance of Mombasa County Government, Kenya ($r=0.768$, $p\text{-value}=0.000$). Since the p -

value (0.000) was less the significance level of 0.05 , the relationship was considered to be significant. The findings were in line Chado (2017) findings that financial reporting considerably and positively affected the financial performance in the public department of the National Ministries of Kenyan Government.

From the findings, there is a positive association between Information communication technologies (ICT) to support and financial performance of Mombasa County Government, Kenya ($r=0.866$, $p\text{-value}=0.000$). Since the p -value (0.000) was less the significance level of 0.05 , the relationship was considered to be significant. The findings agree with Masaku, Ogol and Moronge (2018) findings that ICT support had a major effect on financial performance in Kenyan ministries of government.

Regression Analysis

Multivariate regression analysis was carried out to examine the relationship between independent variables (procure-to-pay process, plan-to-budget, financial reporting and Information communication technologies (ICT) to support) and dependent variable (financial performance of Mombasa County Government).

Table 7: Model Summary

Model	R	R Square	Adjusted Square R	Std. Error of the Estimate
	.861^a	0.741	0.728	0.15334

a. Predictors: (Constant), procure to pay process, plan to budget, financial reporting and information communication technologies (ICT) to support

Source: Research Data (2023)

The r -squared shows the variation in the dependent variable that can be explained by the independent variables. As depicted in Table 7: the adjusted r -squared for the relationship between integrated financial management information system and financial performance was 72.8% of the variation of dependent variable (financial performance of Mombasa County

Government, Kenya) and could be explained by independent variables (procure-to-pay process, plan-to-budget, financial reporting and Information communication technologies (ICT) to support). This also means that 27.2% of financial performance of Mombasa County Government, Kenya could be explained by other factors not considered in this study.

Table 8: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	0.226	0.103		2.194	0.022
Procure to Pay Process	0.573	0.108	0.602	5.306	0.000
Plan to Budget Compensation	0.614	0.141	0.741	4.355	0.000
Financial Reporting	0.441	0.122	0.371	3.615	0.000
ICT to support	0.317	0.125	0.335	2.536	0.008

Source: Research Data (2023)

The regression model was as follows;

$$Y = 0.226 + 0.573X_1 + 0.614X_2 + 0.441X_3 + 0.317X_4 + \epsilon$$

The findings show that procure-to-pay process has a positive and significant effect on financial performance of Mombasa County Government ($\beta_1=0.573$, p-value = 0.000). The relationship was significant because the p-value (0.000) was less than the significance level (0.05). The findings agree with Mugwe (2018) findings that procure-to-pay process had an influence on public financial performance in Kiambu County Government. The findings also agree with Nkoirishishe (2018) findings that procure-to pay has a significant effect on the performance of Kajiado County. Also, the findings are in line with Simiyu (2018) observation that procure to pay has a positive and significant effect on the performance of Kisii County government.

The findings showed that plan-to-budget has a positive and significant effect on financial performance of Mombasa County Government ($\beta_2=0.614$, p-value=0.000). The relationship was significant because the p-value (0.000) was less than the significance level (0.05). The findings are in line with Okoyo (2018) findings that there is significant relationship between plan-to-budget and financial performance in Homa Bay County. The findings concur with Njau (2020) findings that plan-to-budget positively and significantly affect the performance of the National Treasury. Also, the findings are in concurrence with Wangare et al. (2018) argument that IFMIS plan-to-budget procedure positively affects the

performance of the County Government of Kakamega.

The findings show that financial reporting has a positive and significant effect on financial performance of Mombasa County Government ($\beta_3=0.441$, p-value= 0.000). The relationship was significant because the p-value (0.000) was less than the significance level (0.05). The findings agree with Mburu and Ngahu (2016) findings that financial reporting had a strong positive relationship with the financial performance in the government of Nakuru County. The findings are in agreement with Majani et al. (2022) findings that financial reporting in IFMIS has a significant effect on the performance of western county Governments. Also, the findings are in line with Kilonzo (2021) observation that financial reporting through IFMIS has a positive effect on service delivery in Kitui County.

The findings showed that Information communication technologies (ICT) to support has a positive and significant effect on financial performance of Mombasa County Government ($\beta_4=0.317$, p-value=0.000). The relationship was significant because the p-value (0.000) was less than the significance level (0.05). The findings are in concurrence with Mwangi (2021) findings that Information communication technologies (ICT) to support positively influence the financial performance in Nyeri County government. These findings imply that Nyaga et al.

(2019) argument that adoption and execution of the IFMIS has a significant effect on the performance of County governments. The findings are also in line with Masaku et al. (2018) observation that ICT structures in IFMIS positively and significantly affect performance of procurement in Kenyan Government Ministries.

SUMMARY

The general objective was to determine the impact of budget plan, process of procure to pay, financial reporting and Information communication technologies to support Mombasa County Government performance in Kenya. The study was based on public finance theory, new public management theory and the theory task-technology fit. An explanatory design was employed by the study. The study targeted various departments in the County Government of Mombasa County. The respondents were 293 workers working in the 11 departments in Mombasa County Government. Stratified random sampling was employed to choose 169 staff from the population targeted. The research used data information from both secondary and primary sources. Secondary data on revenue collection, pending bills and unsupported expenditure was collected from the County government of Mombasa. Primary data was obtained by use of a close-ended questionnaire. Inferential statistics and descriptive statistics were used in the analysis of data with the help of statistical software referred as Statistical Package for Social Sciences (SPSS Version 25) for the analysis. Descriptive statistics included percentages, frequencies, standard deviation and mean. Inferential statistics included both correlation and regression analysis. The results were presented in figures and tables.

The study found that procure-to-pay process in IFMIS have a positive and significant influence on performance of Mombasa County Government. Invoicing and Payments Automation has facilitated easy tracking and quick retrievals of documents. In addition, purchase

requisitions are prepared before purchases are made and the automation of purchase requisitions helps avoid duplicate orders. The study also found that automation of procurement planning has improved efficiency the procurement process. Also, automation has facilitated quick and easy processing of invoicing and processing of payments. The County government has adopted online payment and invoicing.

The study found that plan-to-budget in IFMIS has a positive and significant influence on performance of Mombasa County Government. The study found that the county government has automated expenditure budgeting and seeks to raise confidence and credibility of the budget via greater information transparency. In addition, the county government seek to raise confidence and credibility of the budget. Also, the study established that automated planning promotes combined approval of invoice. IFMIS seek to enhance budget planning by giving timely and accurate information for decision making and management of budget. The study revealed that automated planning results to healthy flow of cash.

The study found that financial reporting using IFMIS has a positive and significant influence on performance of Mombasa County Government. The study revealed that transactions recording translate to ease of accessing records and financial reporting through IFMIS translates to data accuracy. Also, financial reporting through IFMIS ensure financial data is accessible right on time. The study further indicated that data accuracy in the county government has improved. The study also found that records of all transactions are properly stored. Further, the study revealed that cases of delayed access to financial data have reduced.

The study found that ICT support using IFMIS has a positive and significant influence on performance of Mombasa County Government. The study found that IFMIS has enhanced the availability of data as well as data security. Also, the study established that stored data is easily

accessible. The study also found that through IFMIS financial usage can easily be monitored. Further, the study revealed that IFMIS helps in data storage and retrieval. The study found that most of the staff are contented with the level of data availability in the department. The study also found that the respondents are satisfied with the level of accessibility of the stored data.

CONCLUSIONS

The study concluded that procure-to-pay process in IFMIS have a positive and significant influence on performance of Mombasa County Government. The findings indicated that procurement planning, purchase requisitions, and invoicing and payments have an influence on performance of Mombasa County Government. These findings imply that improving procure-to-pay process in IFMIS would lead to an improvement in performance of Mombasa County Government.

The study also concluded that plan-to-budget in IFMIS has a positive and significant influence on performance of Mombasa County Government. The findings indicated that planning, expenditure budgeting and Consolidated Fund Services (CFS) Budgeting have an influence on performance of Mombasa County Government. These findings imply that enhancing plan-to-budget in IFMIS would lead to improved performance of Mombasa County Government.

The study further concluded that financial reporting using IFMIS has a positive and significant influence on performance of Mombasa County Government. The findings indicated that transactions recording, accuracy of financial data on IFMIS and timeliness of financial data on IFMIS have an influence on performance of Mombasa County Government. These findings imply that improving financial reporting using IFMIS would lead to an improvement in performance of Mombasa County Government

Further, the study concluded that ICT support using IFMIS has a positive and significant

influence on performance of Mombasa County Government. The findings indicated that privacy, accessibility of data and availability of data have an influence on performance of Mombasa County Government. These findings imply that enhancing ICT support using IFMIS would lead to improved performance of Mombasa County Government

Limitations of the Study

The research underwent several challenges during data collection. First, the study was carried out in Mombasa County government and the management was not willing to participate in the study. In addition, the staff of Mombasa County government felt as if they were being investigated. Nonetheless, this was resolved by presenting letter of introduction gotten from Kenyatta University having details of the privacy of the provided information. Permit to conduct the research was also acquired from the National Commission for Science, Technology and Innovation (NACOSTI). Furthermore, the participants were assured that the data collected would be used for academic purposes only.

RECOMMENDATIONS

The study found that procure-to-pay process in IFMIS has an influence on performance of Mombasa County Government. Therefore, the study recommends that Mombasa County Government should implement procure to pay software, improve supplier engagement, optimize inventory and keep the process transparent to improve financial performance of Mombasa County Government.

The study found that plan-to-budget in IFMIS has an influence on performance of Mombasa County Government. Thus, the study recommends that Mombasa County Government should implement rolling forecast and budgets, use budgeting software, organize and centralize documentations and plan early for the entire

process to improve financial performance of Mombasa County Government.

The study found that that financial reporting using IFMIS has an influence on performance of Mombasa County Government. Therefore, the study recommends Mombasa County Government should standardise financial information collection, keep the financial information and data organised, and automate time consuming tasks using the right financial reporting software to improve financial performance of Mombasa County Government.

The study found that ICT support using IFMIS has an influence on performance of Mombasa County Government. Therefore, the study recommends Mombasa County Government should outsource ICT professionals, prioritize the ICT sectors within the county, optimize ICT network performance and enhance the ICT software and hardware maintenance to improve financial performance of Mombasa County Government.

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Recommendation for Further Research

The study sought to establish the effect of integrated financial management information system on financial performance of Mombasa County Government, Kenya. Nonetheless, having been limited to Mombasa County Government, the findings of this study cannot be generalized to other county governments in Kenya. Therefore, further studies should be conducted to establish the effect of integrated financial management information system on financial performance of other County governments in Kenya. The study found that 74.1% of the variation of financial performance of Mombasa County Government can be explained by integrated financial management information system. As such, further studies should be conducted on other factors that affect the financial performance of County Governments in Kenya.

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