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BERNARD MULAKO MULI, DR. GLADYS ROTICH

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EFFECT OF FINANCIAL MANAGEMENT PRACTICES ON BUDGET IMPLEMENTATION OF COUNTY GOVERNMENTS: A CASE OF MACHAKOS COUNTY

[1]Bernard Mulako Muli, [2]Dr. Gladys Rotich

[1]Student, Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya
[2]Lecturer, Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

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ABSTRACT

This study sought to establish the effect of financial management practices on budget implementation of county Governments in Kenya. It was conducted in Machakos County. The researcher was guided by four specific objectives that aimed at determining the extent to which regulation, accounting systems, financial management and budget planning affect budget implementation in the county. The study adopted a descriptive research design. It targeted a population of 100 employees based at the county headquarters and charged with budget preparation and implementation. A sample of 30% of the total population, grouped into three categories of top management, middle level employees and low level employees was drawn using simple random sampling. Three different data collection tools were employed to collect both primary and secondary data. A structured questionnaire and interview schedule were used to collect primary data while a data collection guide was used for secondary data. A pilot test was conducted on 10% of the sample to test the tools. Data analysis was done using SPSS software version 20. Results showed that budget laws provide guidelines that improve efficiency and accountability. The cash system of accounting had made implementation of budgets easy and secure. Internal control systems, financial planning and well trained staff promoted successful implementation, while high debts lead to financial constraints that hindered implementation. Budget planning that promoted participation, was allocated enough time and resources and prioritizes projects tend to reduce financial constraints and promoted accountability. It was also established that financial management constraints were caused by delays in disbursements from the national government and under collection of revenues. These constraints lead to partial implementation of projects. Regression analysis established that all the four variables considered (budget regulation, accounting systems, financial management and budget planning) had a significant positive influence on the success of budget implementation in county governments. The variable with the highest influence was budget planning, followed closely by accounting systems.

Key Words: *Regulation, Accounting Systems, Financial Management, Planning, Budget Implementation*

Introduction

Despite all the counties having a budget in place, most of them have failed in effective budget implementation (CRA, 2015). For example, by December 2014, 27 counties had already exhausted their budgeted revenue with looming salaries and other financial crisis experienced (GOK, 2014b). The budget implementation crisis in the county governments may be attributed to the poor financial management practices that face the county governments. As stipulated in the Constitution of Kenya (2010), the counties get most of their budget funding from the Central Government. These funds are sometimes delayed or disbursed in tranches which may create a challenge in the budget implementation process (Gachithi, 2010). For example in the 2014/15 financial year, Kitui County was allocated 6.3 Billion Shillings but only received 5.1 Billion, while Marsabit received 6.6 Billion instead of the allocated 6.7 Billion.

In spite of the outlined revenue sources amongst others, the counties have been facing inadequacies of finances to fund their budgets which have created a challenge in the implementation of major projects in the counties. This results to incomplete projects that in the longrun result to inefficient service delivery to citizens of the counties and thus growth and development of the county economies is jeorpadised. Kibugi (2014) revealed that most of the county governments could not implement their budgets in 2013. This was partly attributed to the financial weakness experienced by the county governments.

In 2014, Machakos County was listed by the office of the Controller of Budget and the Commission on Revenue Allocation as one of the counties that failed to fully implement their budget. Gachithi (2010) who conducted a study on the challenges of budget implementation in the University of Nairobi established the challenges to include inefficient budget preparation procedures, insufficient funds, institutional weakness and poor funds allocation procedures. On the other hand Kariuki (2010) studying the challenges of budgeting in the Kenyan Government Ministries deduced that majority of the ministries experience challenges in budget planning and budget control, communication, poor technology, budget inflexibility and competition among the budgeted items. Barasa (2014) who studied the relationship between budget allocation and spending by ministries in Kenya established that budget allocation strongly influences spending by ministries in Kenya.

The studies do not satisfactorily address the issue of financial management practices and their effect on budget implementation, specifically in the devolved system of governance which is a new dispensation in Kenya. Instead they have concentrated on budget implementation challenges. The question remains, is the lack of proper implementation a result of inefficiency in utilization or resource allocation? Hence this study sought to establish the effect of financial management practices on budget implementation in county governments in Kenya.

Objectives of the Study

The general objective of the study was to assess the effect of financial management practices on budget implementation of county governments in Kenya with a specific reference to Machakos County. The specific objectives to be addressed by the study were:

- To determine the extent to which regulation affect budget implementation in Machakos County.
- To examine how accounting systems enhance budget implementation in Machakos County.
- To examine how financial management influences budget implementation in Machakos County.

- To determine the effect of budget planning on budget implementation in Machakos County.

Research Methodology

The study used descriptive research design. This was because the descriptive research design does not allow external interference. The design was also deemed appropriate as it involved an in-depth study of the relationship between management practices and budget implementation which helped the researcher to describe the state of current affairs and assess the characteristics of the situation. The study targeted the employees in Machakos county government based at the headquarters. Machakos County was preferred since it had previously started different projects with some being incomplete due to inadequate finance. It had also experienced challenges in budget implementation.

The study's sampling frame was the list of employees in Machakos County. A list of all employees in Machakos County was sourced from the county human resource department. The employees were categorized according to their level of management. Simple random sampling method was used since it is relatively easy to use and it gives an accurate representation of the larger population. 30% of the target population was sampled for the study.

The study used both primary and secondary data. Primary data was collected using a structured questionnaire and an interview schedule while a data collection guide was used to collect secondary data. The structured questionnaire that was used contained close ended questions. The researcher booked an appointment with respondents before administering the research instruments. The questionnaires were administered by the researcher and trained research assistants through a drop-wait-and-collect method. The researcher and the research assistants delivered the questionnaires to the selected respondents to fill as they waited. The interviews were conducted at a place of the respondents' convenience by the researcher assisted by research assistants. An interview schedule was used in conducting the interviews.

Findings

The study had a response rate of 100% from all the categories of respondents. All the 30 questionnaires administered were responded to. Babbie (2010) considers any response rate above 70% as being very good.

Results from analysis showed that the largest group of respondents for this study was the "25-35 years" age bracket at 43%, which was followed by the "below 25 years" age bracket at 27%. The age bracket "above 50 years" had the least number of respondents at 7% followed closely by age bracket "46-50 years" at 10% and "36-45 years" at 13%.

Output relating to the highest level of education showed that certificate and Diploma holders were the majority of the respondents, each recording 33% response rate. This was followed by Bachelor's degree holders at 23% and finally holders of Masters Degree and above at 10%.

Focusing on the level of work experience in the County, output showed that the largest group of respondents, at 54%, had "1-3 years" experience working in the County, followed by 43% who had work experience of "4 years and above". Only 3% of the respondents had work experience that was "below 1 year". This is represented in the below graph.

Budget Regulation

This section presents the respondents' views on budget regulation. Questions asked under this section sought to establish the respondents' level of agreement with statements relating to laws and guidelines that regulate budget implementation. Responses are interpreted as either agreement (summation of response rates for strongly agree and agree) or disagreement (summation of response rates for strongly disagree and agree). Results are presented in table 1 below.

Table 1: Views on budget regulation

S/No.	Views on budget regulation	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	All county officers involved in budget preparation and implementation have been trained on The Public Financial Management Act and The Public Procurement and Asset Disposal Act.	27%	33%	17%	7%	17%
2	Budget laws have helped to improve efficiency in Machakos County government.	30%	40%	7%	10%	13%
3	Budget laws have helped to improve accountability in Machakos County government.	33%	37%	10%	3%	17%
4	Budget laws regulate the amount of revenue Machakos County government can collect.	13%	13%	13%	27%	33%
5	The existing budget laws have helped reduce budget deficits in Machakos County by providing guidelines/ ceilings on spending.	40%	40%	7%	0%	13%

Results indicated that there is agreement among 60% of the respondents that all county officers involved in budget preparation and implementation have been trained on the Public Financial Management Act and The Public Procurement and Asset Disposal Act. 70% of the respondents also agree on the view that budget laws have helped to improve efficiency in Machakos County government. It is also the view of 70% of the respondents that budget laws have helped to improve accountability in Machakos County government, with a further 61% disagreeing with the view that the laws regulate the amount of revenue Machakos County government can collect. This is in line with the findings of CRA (2014). Lastly, 80% of the respondents agree that the existing budget laws have helped reduce budget deficits in Machakos County by providing guidelines/ ceilings on spending.

Accounting Systems

This section presents the respondents' views on accounting systems. Questions asked under this section sought to establish the respondents' level of agreement with statements relating to the state of accounting systems in Machakos County. These statements included the type of accounting system, its operation, effectiveness and security of the system. Also included are the ease of use and the effect of the accounting system on budget implementation. Responses were interpreted as either agreement (summation of response rates for strongly agree and agree) or disagreement (summation of response rates for strongly disagree and agree). Results are presented in table 2 below.

Table 2: Views on accounting systems

S/No.	Views on accounting systems	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	The county has a cash basis accounting system	67%	20%	10%	3%	0%
2	The accounting system effectively manages expenses of the county	87%	13%	0%	0%	0%
3	The invoices are generated effectively by the accounting system	50%	40%	3%	7%	0%
4	The accounting system used by Machakos county is secure	67%	30%	0%	0%	3%
5	The accounting system used by Machakos county is easy to use	67%	27%	3%	0%	3%
6	This type of accounting system has improved budget implementation in Machakos County	53%	30%	10%	7%	0%

Results from analysis showed that 87% of the respondents agree that Machakos County uses the cash basis system of accounting, and all the respondents, 100%, agree that the cash basis system of accounting effectively manages the expenses of the county. 90% of the respondents agree that invoices are generated effectively by the accounting system. Further, there is agreement among 97% of the respondents that the system is secure, with 94% agreeing that it is also easy to use. Gichetha (2013) also found out this in his study. Lastly, it is the view of 83% of the respondents that cash basis system of accounting has improved implementation of the budget in the county.

Financial Management

This section presents the respondents' views on financial management. The researcher first sought to know if the respondents thought that financial planning; asset management and procurement affect budget implementation.

70% of the respondents thought that financial planning affects budget implementation, 67% thought asset management affects it, while another 70% thought that procurement also affects budget implementation. The researcher also sought to establish the respondents' level of agreement with statements relating to aspects of financial management in Machakos County that included internal control systems, the financial planning system, staffing, capacity building, debt and effect of financial management on budget implementation in the county.

Table 3: Views on financial management

S/No.	Views on financial management	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	Machakos county has effective internal control systems	41%	50%	3%	3%	3%
2	The county has a strong financial planning system	37%	37%	17%	6%	3%
3	The county has qualified team of fiscal analysts	13%	20%	23%	27%	17%
4	I have been trained on the management of public finances	0%	10%	17%	50%	23%
5	The county has a high level of debt	30%	27%	17%	23%	3%
6	Proper management of finances will promote proper budget implementation in Machakos County	26%	40%	20%	7%	7%

From the output, 91% of the respondents agreed that the county has effective internal control systems, with a further 74% agreeing that the county has a strong financial planning system. Gachithi (2010) also found out that internal control systems are key to good organizational financial management. On the question of the county having a qualified team of fiscal analysts, there was no response with over 50% rating. 44% disagreed with this view, 33% agreed while the remaining 23% were neutral. On the other hand, concerning capacity development, 73% of the respondents disagreed that they had been trained on management of public finances. On the question of debt, 57% of the respondents agreed that the county has a high level of debt. Lastly, 66% of the respondents agreed that proper management of finances has the potential of promoting proper budget implementation in the county.

Budget Planning

This section presents the respondents' views on budget planning. Under this section, the researcher sought to know the respondents' level of agreement with statements relating to stakeholder involvement in budgeting, the budget content, budget effect, time availability for budgeting, and resource adequacy for budget planning in Machakos County. Responses are interpreted as either agreement (summation of response rates for strongly agree and agree) or disagreement (summation of response rates for strongly disagree and agree). Results are presented in table 4 below.

Table 4: Views on budget planning

S/No.	Views on budget planning	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	The public and employees are involved in budget planning process in Machakos County	54%	33%	3%	7%	3%
2	The content of the public budget in Machakos County is adequate	33%	43%	7%	10%	7%
3	Budget planning involves setting of development priorities for Machakos county	36%	40%	7%	10%	7%
4	The management of Machakos County has ample time for budget planning	36%	40%	10%	7%	7%
5	Adequate resources are dedicated towards budget planning	50%	33%	7%	7%	3%

Results here were consistent with the works of Surianti and Dalimunthe (2010). Results show that 87% of the respondents support the view that the general public and employees of the county are involved in the budget planning process. Another 76% agree that the content of the public budget is adequate. Over 70% of the respondents also agree that budget planning involves setting of development priorities for the county, while also agreeing that the management of Machakos County has ample time for budget planning. Lastly, 83% of the respondents agree that adequate resources are dedicated towards budget planning. In his study, William (2014) found that participation was not effectively done, contrary to our findings. This led to poor management of funds.

Budget Implementation

This section presents results on budget implementation in Machakos County, the study's last variable. The researcher first sought to know the rating of the process of budget implementation in Machakos County. 37% of the respondents rate it as being good, while 26% rate it as excellent. A total of 14% of respondents rated it as either poor or very poor. This is illustrated in figure 2 below.

The section also presents the respondents' views on budget implementation in the county. Questions asked under this section sought to establish the respondents' level of agreement with statements relating to timeliness of budget implementation, audit frequency, project implementation and level of budget implementation. Responses were interpreted as either agreement (summation of response rates for strongly agree and agree) or disagreement (summation of response rates for strongly disagree and agree). Results are presented in table 5 below.

Table 5: Views on budget implementation

S/No.	Statement on budget implementation	Strongly agree	Agree	Neutral	Disagree	Strongly disagree

1	The funds are released in time by the County Treasury for the budget implementation	7%	20%	20%	33%	20%
2	The budget implementation in Machakos is audited regularly	70%	24%	3%	0%	3%
3	There are many budgeted projects that have been implemented by the county government	73%	24%	3%	0%	0%
4	The annual budget of Machakos county was fully implemented in the last financial year	10%	16%	10%	57%	7%

With respect to timeliness, 53% of the respondents disagreed that the funds are released in time by the County Treasury for budget implementation. With respect to audit frequency, 94% agreed that budget implementation is audited regularly. On project implementation, 97% of the respondents agreed that there are many budgeted projects that have been implemented by the county government. Lastly, on the level of budget implementation, 64% of the respondents disagreed that the county annual budget was fully implemented in the last financial year. These findings support the findings of Audeh (2014).

Inferential Statistics

Inferential statistics are used to make generalizations from a sample to a population.

Multiple Regression Analysis

This is used to predict the value of a dependent variable when we have two or more explanatory variables (Gujarati, 2004). Multiple regression will help fit a regression line to show the influence that budget regulation, accounting systems, financial management and budget planning have on budget implementation. Besides fitting the line, it also helps determine whether the regression line fits perfectly, or not at all, and also calculates the significance of influence each of the explanatory variables has on the dependent variable. The outputs of interest for this study will be the coefficient of determination (R-square), ANOVA results and the regression coefficients. These are discussed below.

Model Summary

This is a table that is used for model evaluation. It gives more information about the goodness of fit of the model. This is measured by the coefficient of determination, which is also known as the R-square. R-square provides an indication of the explanatory power of the model since it tells us what percent of variations in the dependent variable (budget implementation) are explained by variations in the independent/ explanatory variables (budget regulation, accounting systems, financial management and budget planning). From our model, the R-square value of 0.889 means that 88.9% of variations in budget implementation are explained by the above named explanatory variables. The remaining 11.9% of variations in budget implementation are explained by other variables not considered in this study. This therefore means that our study captured the right variables to explain the financial constraints that affect budget implementation.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.943[a]	0.889	0.557	8.642

a. Predictors: (Constant), Budget planning, Financial management, Budget regulation

ANOVA Results

The ANOVA table presented in table 4-10 below gives us an indication of the overall significance of the model. Since we are using a significance level of 5% (equal to p-value of 0.005), results from the analysis output prove that the overall model (p-value = 0.004) is significant since it has a significance level of below 5% (has p-value less than 0.005). According to Gujarati (2004), if the model had a significance level that is above 5% (p-value greater than 0.005), then the model would be considered statistically insignificant and therefore not fitting the regression line. This would require reestimation of the entire model with new variables. The model being significant means that the explanatory variables budget regulation, accounting systems, financial management and budget planning have an influence on the dependent variable, budget implementation.

Table 7: ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	600.113	3	200.038	2.678	.004[b]
	Residual	74.687	1	74.687		
	Total	674.8	4			

a. Dependent Variable: Budget implementation

b. Predictors: (Constant), Budget planning, Financial management, Budget regulation

Regression Coefficients

The coefficients' table provides the parameter estimates (B) for the explanatory variables, and their p-values (sig) which are used to test the significance of individual explanatory variables in predicting the dependent variable. This significance is a measure of the strength of the influence that the explanatory variables have on the dependent variable (Greene, 2012). These coefficients were used in formulating the overall regression equation. Since we are using a significance level of 5% (equal to p-value of 0.005), results from the analysis outputs prove that all the four explanatory variables are significant since they have a significance level of below 5% (have p-values less than 0.005). Budget regulation and accounting systems had a significance of 0.000, financial management 0.003

and budget planning 0.001. If any of them had a significance level that is above 5% (p-value greater than 0.005), then that coefficient would be considered statistically insignificant in predicting the dependent variable (Gujarati, 2004). Therefore the generic regression model will be expressed as;

$Y = 33.856 + 1.4X_1 + 0.826X_2 + 1.64X_3 + 1.623X_4$

This equation determines the relationship between budget implementation and budget regulation, accounting systems, financial management and budget planning. Incorporating these explanatory variables into our model gives the regression model as;

*Budget implementation = 33.856 + 1.4*Budget regulation + 0.826*Financial management + 1.64*Budget planning+ 1.623*Accounting system*

The model means that, holding all other factors/ explanatory variables constant, budget implementation will occur at 33.856 units. The model also tells us that holding all other factors/ explanatory variables constant; a unit increase in the measure of budget regulation will lead to a 1.4 unit increase in budget implementation, a unit increase in the measure of financial management will lead to a 0.826 unit increase in budget implementation, a unit increase in the measure of budget planning will lead to a 1.64 unit increase in budget implementation, and lastly, a unit increase in the measure of accounting systems will lead to a 1.623 unit increase in budget implementation. In summary, the inference drawn from this is that budget planning and accounting systems are the joint highest influencers of budget implementation, while financial management has the least influence.

Table 8: Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	33.856	19.179		1.765	0.001
Budget regulation	1.49	0.954	-1.221	-1.562	0.000
Financial management	0.826	1.043	-0.527	-0.792	0.003
Budget planning	1.64	0.77	2.316	2.13	0.001
Accounting systems	1.623	0.837	3.754	2.342	0.000

a. Dependent Variable: Budget implementation

Correlation analysis output

The correlation results showed a positive relationship between all the variables. Budget implementation had the highest positive relationship with budget planning. The least relationship was with budget regulation at 0.1. The result are presented in the table 9 below.

Table 9: Correlation Analysis

	Budget regulation	Accounting systems	Financial management	Budget planning	Budget implementation
Budget regulation	1	0.6	0.6	0.5	0.1
Accounting systems	0.6	1	0.8	0.9	0.7
Financial management	0.6	0.8	1	0.9	0.7
Budget planning	0.5	0.9	0.9	1	0.9
Budget implementation	0.1	0.7	0.7	0.9	1

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary of Findings

The study noted that all the four variables considered (budget regulation, accounting systems, financial management and budget planning) have a significant positive influence on the success of budget implementation in county governments. The variable with the highest influence was budget planning, followed closely by accounting systems.

Conclusion

In conclusion, the study notes that the county has skilled and energetic youthful employees who are charged with budget preparation and implementation. Financial management practices indeed affect budget implementation in county governments as demonstrated by the feedback from the respondents. The top level management concur that over the last three financial years, poor financial management practices characterized by delayed disbursements from the National Treasury have seen the counties delay implementation of key development projects.

Budget Regulation

There exist budget laws that were passed by the National Assembly in the wake of the inception of the devolved system of governance to regulate and guide the budgeting process and reduced cases of poor financial management practices, for example budget deficits. Most of the county officers engaged in budget planning and implementation have been trained on these laws, with specific focus on the Public Financial Management Act (2012) and the Public Procurement and Asset Disposal Act (2015). The guidelines given by these laws have helped to improve efficiency and accountability within the county governments. The top level management suggest that the levels of fraud are low, observing that “a lot has been done by the county management to deter fraud, including formation of county anticorruption committees and adoption of recommended financial systems like the IFMIS.”

The laws however are not aimed at regulating the level of revenues the counties can collect. The study found out from the top management that “counties make their own Finance Acts on an annual basis which detail the rates and levies they charge businesses and services offered to the public”. The law requires that these counties embrace public participation while developing these Acts, so as to incorporate the views of the citizenry. These laws have therefore gone a long way in helping reduce the unsound financial practices like budget deficits that counties face because they provide ceilings for maximum spending on different portfolios.

Accounting Systems

Accounting systems also determine the success of budget implementation. The county uses a cash system of accounting which effectively manages its expenses, including generation of invoices. The advantages of this cash basis system of accounting are that it is secure and also easy to use. Top management however disclose that this system has sometimes put them into trouble with the county’s debtors, since the system does not allow for accruals to be carried forward into the next financial year.

Financial Management

County governments need to prioritize financial planning, asset management and procurement, since these are very important elements of financial management that positively affect the budget implementation process. Having effective internal control systems and a strong financial planning system are desirable for successful budget implementation. On the other hand, lack of qualified teams of fiscal analysts in the counties, lack of training on management of public finances and high debt levels incurred locally constrain budget implementation in counties.

Budget Planning

Budget planning also affects budget implementation. Planning promotes good implementation because all the priority sectors and timelines are well documented. It also fosters accountability. The general public and employees need to be actively involved in the budget planning process, as it is provided in the law. For effective budget implementation, the content of the budget should be adequate, budget planning should be allocated ample time and adequate resources should also be dedicated to the activity.

Budget Implementation

It is also clear that budget implementation in the counties has generally not been very good. Counties have on average been implementing 70% to 80% of their budgets, according to the top level management. Evidence has shown that financial management constraints occasioned by delays in the release of funds for budget implementation and under collection of revenues has led to the partial implementation. Despite this however, many development projects included in the budgets have been implemented by county governments, and necessary steps are taken to regularly audit these projects.

Recommendations

Budget Regulation

From the regression analysis, results have proved that budget regulation has a big influence on budget implementation. This therefore calls for continued effots to ensure the existing laws and regulations governing budgeting in Kenya are well known to the officers and also strictly followed. Counties are encouraged to sponsor their staff for trainings that will expose them to these laws and their applications. On the other hand, County Assemblies as the body charged with passing county budgets should be stringent on the applications of the law and require that the executive abides by the set ceilings of budgets, This will help tame budget deficits.

Accounting Systems

The type of accounting system used also has a significant influence on how budget is implemented. The standard system across all the counties, as advised by the national treasury is the cash basis of accounting. It is therefore recommended that the systems used to effect the cash basis of accounting like the IFMIS and E-procurement should continuously be monitored by the national treasury to ensure compliance. This will help reduce fraud and promote accountability among accounting officers.

Financial Management

This was seen to have the least influence on the success of budget implementation from the regression results. Financial management however has key ingredients for success of budget implementation as far as procurement and asset management are concerned. The study therefore recommends that counties should institute their own internal control systems to compliment the systems in place that have been devised by the national treasury. Counties also need to hire qualified personnel so as to ensure smooth operation of the budgeting process. Counties are further required to stick to their budget lines and avoid debts in form of overdrafts from commercial banks since these debts constrain development.

Budget Planning

This component has the highest influence on success of budget implementation among the variables considered in the study. The study recommends that the whole cycle of budgeting should incorporate a public participation approach which will enable the counties to get feedback from the citizens and prioritize development programmes. Counties should also allocate adequate resources and time for budget making.

Budget Implementation

Budget implementation has not been 100% beacuase of both internal and external challenges. The study recommends that the national treasury should implement strategies to ensure timely disbursements of money to the counties. These could include implementing a law that sets timelines for the national assembly and the senate to approve the budget estimates presented by the treasury.

Areas for further studies

This study has considered the effect of financial management practices on budget implementation in county governments, taking the case of Machakos County. The study faced limitations that included lack of access to financial documents from the county. This limited it in a manner that the study could not accurately quantify the actual proportion of revenues collected, disbursements received from the equitable share and donor funds, losses due to fraud, and expenditures incurred so as to accurately measure quantitatively the value of the impact of the financial management constraints on the implementation of the budget. Other studies could consider incorporating these variables. The studies could also consider the role of government control systems like the IFMIS on county budget implementation. This study can also be replicated in other counties in Kenya to be able to provide a basis for comparison of findings.

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