

**EFFECTIVENESS OF INTEGRATED FINANCIAL MANAGEMENT
INFORMATION SYSTEM (IFMIS) STRATEGY
IMPLEMENTATION BY THE KENYA NATIONAL TREASURY**

BY

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DECLARATION

This is my original work and has not been presented in this or any other University/institution for an award of diploma or degree.

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This project has been submitted for University of Nairobi examination with my approval as the project supervisor.

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DEDICATION

This project is dedicated to my children (*Emily and Sila*) and my dear wife Debra. Through them I have discovered that hard work, consistency and determination are instrumental packages for success in life accomplishments.

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LIST OF ABBREVIATIONS

IFMIS	Integrated Financial Management Information System
GoK	Government of Kenya
PFM	Public Financial Management
CBK	Central Bank of Kenya
KRA	Kenya Revenue Authority
USAID	United States Aid
SPSS	Statistical Package for the Social Sciences
IT	Information Technology
BPR	Business Processing Re-engineering
LM	Line Ministries
PEM	Public Expenditure Management
MDA	Ministries, Agencies and Development

ABSTRACT

The Government of Kenya (GoK) through Ministry of Finance and National Treasury is tasked by the Constitution of Kenya (2010) to carry out Public Financial Management (PFM) reforms through development of fiscal policies and implementation of the Integrated Financial Management Information System (IFMIS). It is then expected to roll out IFMIS and subsequently deploy it to line ministries (LM), government agencies and county governments. IFMIS system has faced a number of challenges which has prompted the Ministry of Finance to initiate several re-engineering measures in 2011 as a way of addressing those challenges and to create a financial information system that has inter-phase integration, efficient and reliable. The purpose of this study was to investigate and analyses the effectiveness of Integrated Financial Management Information System (IFMIS) strategy by the National Treasury of Kenya. Several studies have been done on IFMIS Implementation and challenges in county governments but there have been no studies on the National Treasury. The National Treasury of Kenya is the custodian of Integrated Financial Management Information System (IFMIS) and is responsible for formulation, implementation and monitoring of macro-economic policies, which is a very supreme task in country's economic management. The study collected primary data using a questionnaire administered through drop and pick later method to respondents in IFMIS department. Analysis of the results was done based on the research objectives using descriptive statistical tools such as frequency tables, percentages, mean and standard deviation with the aid of SPSS software. The results showed that IFMIS strategy implementation and its effectiveness was on course in the National Treasury. The study established eight groups of factors that were in critical in the implementation of IFMIS strategy: organizational planning, leadership, adequate control mechanism, resource allocation, sound institutionalization, and strategy operationalization, political and strong technical support. Further, collaboration between heads of department, experts' availability, sufficient learning resources and system pre-testing were established to have an addition to the accomplishment of the implementation of Integrated Financial Management Information System (IFMIS).

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Operation of organizations occur in environments that are harsh and for their survival and execution of their operations, they need to come up with measures that are appropriate to these dynamics by inventing responsive and effective strategies that leads to planning in anticipation of future uncertainties so as they can exist in the surrounding they work in (Beck *et al.*, 2010). This circumstance has promoted governmental and organizational challenges in regarding to environmental and leadership.

To efficiently assimilate and manage the environmental changes, an organization requires a competent approach to management, coordination of the entire systems to ensure there is effective decision-making and a communication system that is managed well (Lavie, Haunschild & Khanna, 2012). Moreover, so as organizations remain relevant and competitive in an hostile environment, they must readjust to the dynamic environmental changes by slowly orientating themselves to the environment so that they can remain efficient and effective.

Strategy implementation may be defined on bases of change. Thus, strategy analysis can be undertaken by looking at the change an organization goes through for its implementation to be a success (Peters & Waterman, 1982). Implementation can however be a challenge if it is improperly paired with control and monitoring systems. IFMIS projects implementation process requires adequate resources; it is also complicated with a lot of risks. Major changes are demanded by the processes in systems and procedures in an organization. This needs experts, dedicated and committed for advocating for reforms

(Chêne, 2009). IFMIS Implementation needs an organization to be more committed to change and reforms.

The study was guided by several theories namely institutional theory, Chandler, (1962) argued that in an organization, institutionalization is a process that is adaptive and adds value and promotes stability of organization. Secondly, the study was also anchored on resource-based theory that advanced that, for an organization to achieve its competitive advantage; it is impeccable for an organization to much out the required resources with sound strategy in order to attain competitive advantage over the others. Institutionalization entails practices that are repeated and meanings given that are shared by the enforcers and the stability and durability of the institutions grows and realigns strategy to the organization institutions like policies, structural alignments, leadership, systems, culture and processional neo-institutional. McKinsey 7-S theory argues that an organization should come up with a realignment extent to all the seven Ss, (Peters & Waterman, 1982). In spite of physical locality and industrial locality, governments and organizations do work in a hostile environment. These changes in environment should be thoroughly addressed in order to maintain a nearer gauging of the variables which affect the operations of the future and business performance.

According to Ansoff & McDonnell (1990), organizations offer services to the environment by adjusting to the surrounding in an approach in which they acquire environmental inputs, thus processing and supplying them back with output of goods or services to the end users in the environment. The significance of this study is that; it will explore how the National-Treasury in the Ministry of Finance tackles the usefulness of response measures in implementation and management of IFMIS. The study then

analyzed response of the National-Treasury to variables and changes that are externally taking place in the environment. The prime-role of strategy is for positioning and appropriate realignment of organizations for the attainment of a competitive advantage that is sustainable.

1.1.1 Strategy Implementation

According to Kotler (1984), strategy implementation is a method of enacting plans into action with an aim of achieving the set objectives. Implementation of a strategy by an organization helps the organization to predict the opportunities and benefits provided by the future. Harrington, (2006) described strategy implementation; as an intervention with view of organizational structures, the systems and significant personnel meant to ensure that the needed standards of performance achieved. An organization benefits from Strategy implementation by effectively converting plans into action, policies and programs that helps in utilization of resources in a possible optimal way (Harrington, 2006).

Harrington (2006) stated that an implementation of strategy that is successful entails double aspects that are; operationalization and institutionalization. Strategy operationalization is the development of operational tactics and plans where an abstract strategy shall be implemented. Daily activities of organizations and efforts of work are directly related to the strategy through operationalization. It is specific, short-term and concrete in nature. Institutionalizing strategy is when strategy is matched to the organization institutions. IFMIS strategy implementation in the Kenya-National Treasury is anchored into operationalization and institutionalization and it is from this where effectiveness of implementation is evaluated.

1.1.2 The Concept of Effectiveness

According to Hendris (2012), for an organization to realize efficiency in strategy implementation; operationalization, institutionalization and strategy maintenance must be coupled up to achieve its set strategic objectives using the allocated resources within the time planned. According to Balduck & Buelens, (2008), strategy implementation success should be mandatorily built in organizational institutions like firm's culture, organizational structure, support systems, processes, leadership, and policies. Strategy implementation maybe defined based on change. Thus, strategy analysis can be undertaken by looking at the change an organization goes through for its implementation to be a success. Implementation can however be a challenge if it is improperly paired with control and monitoring systems.

Organizational effectiveness is evaluated and measured with these areas of approach: the internal approach, system resource approach, organizational goal approach, and the strategic constituency approach, (Balduck & Buelens, 2008). This will determine the efficiency and effectiveness approaches which are essential upon any situational rise in strategy implementation. To cater for deviations from objectives targeted, control mechanism must develop for continuous evaluation of the strategy.

1.1.3 The Government of Kenya

The Government of Kenya is composed of the central government and the 47 devolved county governments; this is from the promulgation of 2010 constitution of Kenya. There are three autonomous arms of government that make the National-Government which includes: Legislature, Judiciary and the Executive (Kenyan Constitution, 2010). IFMIS helps in support on all functions of finance and reporting for the three government arms.

The executive chaired by the President forms the cabinet which comprises of ministries with the Ministry of Finance, which comprises of National-Treasury department.

1.1.4 The Kenya National Treasury

In Kenya, National-Treasury is mandated with the task of developing, implementation and monitoring policies that support macro-economic. Effective macroeconomic policies are essential in promoting growth and development of the economy. It operates in correlation with the other departments of the state and regulatory bodies including the Kenya Revenue Authority and Central Bank of Kenya.

Ministry of Finance and National-Treasury supports financial and fiscal connection linking the national and county governments and aides them to develop measures of ensuring transparent and efficient management of public funds. The role it plays is significant when preparing the national budget and promotes efficiency in public financial management. It also prepares budget estimates and allocations for approval by legislature for the whole country-public expenditure annually (Constitution of Kenya, 2010). The results and lessons of this study on IFMIS strategy implementation by the National Treasury is critical as Treasury is the administrator of IFMIS and accountable for its management, implementation and maintenance in different entities of the government

1.2Research Problem

It has been argued that, successful IFMIS implementation leads to efficiency and effectiveness in public financial management. When implemented with success, IFMIS can assist financial managers manage effectively and budget resources at best possible

performance (Rodin-Brown, 2008). Despite the regulatory obligation that every government bodies and agencies should fully carry out and incorporate their financial functions on IFMIS platform; however, this has not been actualized in most of the institutions of the government.

There are several studies highlighting IFMIS implementation although in different contexts. In Kenya for instance, Rozner (2008) stipulated the implementation of IFMIS for USAID funded projects to their success. Kahari et al. (2015) viewed effective IFMIS implementation determinants in the Nyandarua County. Odoyo et al. (2014) investigated how IFMIS implementation affects management of cash in Eldoret, (West District).

These studies discovered challenges facing the implementation of IFMIS and came up with initiatives that are to be adopted for implementation. However, these Kenyan studies did not focus on the National Treasury instead it focused on county governments and they did not give sufficient justification on the effectiveness of IFMIS strategy that the National Treasury uses.

This was attained by Kahari et al. (2015) studies whose focus was on Nyandarua County on factors influencing implementation; Focus on the National Treasury was not undertaken by the study, while study done by Odoyo et al. (2014) focused on implementation of IFMIS and management cash in Eldoret (West District) thus focusing on county. While the study by Rozner (2008) purely focused on USAID funded project. There is no adequate literature on implementation strategy of IFMIS on effectiveness by the National-Treasury. This study aims at filling and addressing that gap. The study is

seeking answers to the question: What is the effectiveness of IFMIS strategy implementation by the Kenya National -Treasury?

1.3 Research Objectives

- i. To examine the effectiveness of IFMIS strategy implementation adopted by the National Treasury of Kenya.
- ii. To examine the challenges faced by the Kenya's National Treasury in implementing IFMIS strategy.

1.4 Value of the Study

This study will be significant to IFMIS and PFM-stakeholders in coming up with effective economic policies. A comprehensive information of the strategies and efficiency levels that the National Treasury has adopted as a remedy for the challenges of IFMIS implementation will be discovered by the government and this will provide a platform to make further decision on improvement. IFMIS National Treasury consultants, county governments and ministries would find this study results very significant in addressing effective strategies for IFMIS implementation.

The study gives a deep understanding on the way National Treasury do give strategic response to the challenges and seeks answers for enhancement or embracing as best practices. Gaps in the strategic response will be identified by the National Treasury and that it could explore in order to deal with the challenges currently and in future. Academicians and scholars will in future use, the results to progress the knowledge and information on IFMIS. The recommendations from results of study- will be an addition to

practice and theory regarding to IFMIS management. This will lead to the expansion of the existing knowledge base.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter focused on studies of the past that are related with the present study. Current materials were used for the review. The review was extensively made in cognizant of the study-objectives.

2.2 Theoretical Foundation of the Study

Three primary models were found relevant for this study. They included; open systems theory (Ansoff & McDonnell, 1990) and the institutional based theory by Philip Selznick (1957). An additional model is the resource base theory by Penrose (1959).

2.2.1 Open Systems Theory

The organization dependence to the surroundings is key for organizational success in the achievement of the strategic objectives. An organization exists in an environment that consists of forces (either external or internal) (McDonnell & Ansoff, 1990). This theory stipulates that organizations exist in an environment, there are always regular interaction linking an organization and the environmental forces. This interaction affects the operations of organizations (Davis & Powell, 1992).

Organizations, as natural entities maintain a close interaction with other environment entities, operating as open systems. The interaction aids them to be productive, hence avail to market (commodities and services). It is then anticipated that organizations will then make right decision and adopt proper response strategies which are effective to correct, realign themselves and maximise in the redemption of opportunities available in the environment to stay on in competition and thus achieve the strategic proposed

objectives. The theory suggests that it is paramount for National-Treasury to match the processes of implementation of IFMIS strategy with the requirements of end users' and do a close monitoring and address all variations for the attainment of the strategic objective of having efficiency in public financial management.

2.2.2 Institutional Theory

In an organization, institutional theory is related with the efforts forged ahead by Philip Selznick (1957). According to this theory an organizational structure is an adaptive-element that is developed in response to commitments and features of key-participants other than the ecosystem-forces. The theory further suggested that firms or organizations have to go through institutionalization process.

Institutionalization is the process of infusing with value away from the technical necessities of the duty at close. He also noted that institutionalization level differs across firms or organizations. Institutionalization outlines an organizational structure base that is adaptive and brings an enabling organizational environment that makes it easy to choose and implement response strategies that are effective. IFMIS-strategy management and effectiveness realization by the National-Treasury can be attained only when all the structure and processes are institutionalized.

2.2.3 Resource Based Theory

This theory was connected to Penrose (1959) although its oftenly linked with the studies of Barney (2001). This organizational theory stipulates competitive advantage is acquired by an organization, that is sustainable competitive when implementing a strategy that is

superior to competitors through putting together; organizational capital, human resource capital and physical capital.

It stipulates that to have an advantage in competition, that is sustainable, the organizational wealth have to be matched in time for superior performance (Barney 2001). Ministry of Finance through National-Treasury has to put the IFMIS strategy implementation as a cornerstone around its capability, strength and expertise to achieve better outcome.

2.3 Effectiveness of Strategy Implementation

Organizational effectiveness is deduced on four ways: the organizational goal approach system, resource approach, strategic constituency approach, and the internal approach (Buelens & Balduck, 2008). These approaches outline the efficiency and effectiveness approaches that are depended of any circumstance. Organizational approach stipulates that businesses are depicted as result oriented, logical and planned aiming at achieving the predefined goals and objectives. Therefore, the internal organizational objectives are the foundation for efficiency determination. Looking at the system approach, an assumption is made that entities in business usually seek for processed inputs into final outputs.

A preference on effectiveness is made on inputs rather than outputs. The major emphasis of internal approach is majorly on internal tasks. This is where; efficiency is of the perception as organization internal strength. Constituency approach is focused on how an organization is able to efficiently achieve the demands from environmental constituents. To efficiently assimilate and manage the changes in the environmental, an

organization needs a competent approach to management, coordinating the entire systems to ensure there is effective decision-making and a communication system that is managed well (Lavie, Haunschild & Khanna, 2012). Moreover, so as organizations remain relevant and competitive in a harsh environment, they must re adjust to the dynamic environmental changes by slowly orientating themselves due to the environment so that they can remain efficient and effective.

Strategy implementation-effectiveness is an organizational top goal. Management of organization must lay out clear goals and how they can be achieved. According to Chatterjee (2006), top management defines principles management about competitive advantages of e-commerce in organizations and puts the initiative. Those findings discovered by how far inputting of web-based technologies in policies and activities of e-commerce are inclined on support and commitment of top management. A manager's ability to be informed that through e-commerce, information about an organization better performance will be accessed easily and is what is defined by managerial output (Chatterjee et al., 2006).

Assessment of effectiveness of strategy implementation of an organization requires each approach to be fully attained independently; this is because for an organization to be deemed to have effectively implemented a strategy, then all approaches; internal approach, system resource approach, organizational goal approach and the strategic constituency approach will have to be achieved as outlined. According to Harrington (2006), successful implementation of strategy entails double aspects that are; operationalization and institutionalization. Strategy operationalization is the development of operational tactics and plans where an abstract strategy shall be implemented from.

National-Treasury of Kenya need to plan ahead on ensuring conformity of all four approaches for IFMIS strategy implementation. Effectiveness of strategy implementation has to be included into all primary strategy effectiveness measurement, realigning the strategy with objectives so as to put mitigation measures that address probable deviations and dynamics.

2.4 Challenges of Strategy Implementation

Rodin-Brown (2008) found out that to implement IFMIS effectively there are challenges with change resistance, shortage of legal and policy frameworks, little support and commitment from top management, inadequacy of skills, corruption, communication system that is poor between key stakeholders and systems design changes. Little training and shortage of resources in an organization are also some of the challenges.

IFMIS projects implementation process requires adequate resources; it is also complicated with a lot of risks. Major changes are demanded by the processes in systems and procedures in an organization. This needs experts, dedicated and committed for advocating for reforms (Chêne, 2009). IFMIS Implementation needs an organization to be more committed to change and reforms. Procedures, systems and processes could be what that define a change in an organization. Also set of skills, duties and responsibilities and the employees' culture in an organization (Rodin-Brown, 2008). All stakeholders should be aware of the extent of the undertaking because of the demanding requirements in IFMIS implementation. After all it is more of benefit to an organization in having IFMIS than even its costs in the implementation phase. (Chêne, 2009).

According to Khemani and Diamond (2006) top management team commitment and the entire organizational functions are key to successful IFMIS implementation. IFMIS has been successful in many countries with: Ethiopia, Slovak, Republic Tanzania, and Kosovo included as successful countries. Its success in these countries is majorly due to stakeholder's commitment. (Chêne, 2009:4).

2.5 Integrated Financial Management Information System-(IFMIS)

This is an intergovernmental or rather agency-agency association software. A computer software of the procedures of Public Financial Management (PFM) with the purpose of efficiency and effectiveness increment and reducing time, fraud and public fund misuse also. (Rodin-Brown, 2008). IFMIS offers an important resolution for monetary management for countries with outdated financial and administrative infrastructure (Oliver, 2001). These changes are counterattacked by employees since they must learn new things. Strassman (1985) stipulates that little or lack of change acceptance is the fear that there will be new skills acquired by the staffs and mandatory actions to operate with IFMIS.

It was noted by Oliver (2001) that; by not effectively controlling results of IFMIS leads into gaps and thus it is necessary for the system to have a control feature. This is because spending is controlled in the case of those announcements that are against the exchequer through IFMIS. This may be undertaken hand in hand with budgetary limits that are available. There may be a diversion of resources from critical areas initially identified by accounting officers if over expenditure is allowed compared to the budget (Diamond & Khemani, 2009). Companies use IFMIS for commercial purposes in that it was needed in modification of modules like budgeting. Training of staff aids in employee's behavior

changes Armstrong (2000). By training employees, their knowledge level will expand thus gaining skills of handling activities perfectly. Organization that incorporates training will be able to achieve its goals, mission and values. Capitalizing on people, allowing them to utilize their abilities and capabilities effectively is what is referred to as training.

According to Seifert (2003) a number of legislative issues with digital rift, confidentiality and accessing government information are interconnected by e-government. An important factor in inventiveness success is the strategy framework guiding it. Changes to the entire public financial management outline should be determined by IFMIS design since there is incorporation of legal and controlling framework. Address of legal and regulatory requirements by implementers of IFMIS makes it sustainable and thus successful. Reinforcement of IFMIS must be by legal aspects that are intelligible (Chêne,2009). Such aspects are for example a lawful responsibility that are established, duties and errands of management, regulation and budget monitoring in all firms. Funds authorization, public borrowing, practices of book keeping amongst others are also roles requiring legal authorization. (Rozner, 2008).

2.6 Summary of Knowledge Gaps

Study	Objectives	Findings	This Study Focuses on
Kahari, et al. (2015)	Factors- affecting IFMIS implementation in Nyandarua County	Scrutinized challenges that affect implementation of IFMIS in Nyandarua County	Kenya National Treasury IFMIS strategy implementation
Odoyo, et al. (2014)	Examination of IFMIS and its outcome on cash management in (Eldoret West District) Treasury	Explains the factors that affect Implementation of IFMIS and effects of cash management in (Eldoret West District) Treasury	IFMIS- strategy implementation effectiveness by National- Treasury of Kenya

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter is comprised of the population of concern, research-design, data collection and the data analysis methodology which was used in the examination of the effectiveness implementation of IFMIS by the National-Treasury of Kenya.

3.2 Research Design

A case study method was adopted for this study. According to Cooper and Schindler (2003) a case study seeks to outline up-close empirical analysis, explores a trend within its context or event. This approach was successfully used by Kamau (2012) when he conducted a study that focused on response-strategies embraced by Cheli and Peacock on the changing external environment in Kenya with the aim of finding out the response measures and challenges faced by the organization. This approach is, therefore, justified for this study.

3.3 Data Collection

A Likert-type scale, was used to collect data on the IFMIS strategy implementation and effectiveness of the IFMIS implementation strategy. To attend to the research questions, the study adopted a structured and semi structured questionnaire as a data collection tool. Collection of quantitative primary data was done by administering the questionnaires to the respondents.

The study used a closed ended questionnaire; the questionnaire was with 5-point Likert-type scale. The closed ended questions allowed direct-comparability of the responses and elimination of statement inconsistency and they included a nominal scale to collect

demographic data and a five-point Likert-type scale, representing the scope to which individual questions or statements were structured to replicate the projected variables and allow provision of quantifiable information by respondents. The questionnaire consisted questions in section One-Respondents Background Information, Section Two-IFMIS Strategy Implementation, and Section Three-Effectiveness of Strategy Implementation

Respondent's profiles were collected on the type of position held, gender, age group, area of training, experience in National-Treasury management, department, participation in implementation of IFMIS and department satisfaction with the implementation of IFMIS. The targeted respondents were four heads of department, and forty-five managers and five senior supervisors. In total 54 respondents, all senior staff in IFMIS department were targeted. This is was considered, because of the fact that they are the ones in-charge of all managerial functions, and are involved in all strategic issues of IFMIS implementation in National Treasury.

Questionnaires were distributed through 'drop-and-pick-later' method to ensure minimal biasing errors, anonymity of respective respondents and reduction of distorted self-reports. The respondents were asked to respond to the extent they pursued IFMIS implementation strategy objectives and how they assessed effectiveness of IFMIS strategy implementation.

3.4 Data Analysis

The study collected data which fell into nominal, ordinal and interval measurement scales. The data was placed on extra statistical analysis measures with aid of Statistical Package for Social- Sciences (SPSS) software to generate descriptive statistics for

analysis and interpretation. Analysis of demographic information, which constituted of nominal data, was done by calculating percentages. Descriptive statistics; central tendency for mean, frequency and standard deviation were used for the data with ordinal measurement scale. This was necessitated by the fact that the Likert-type questions are distinctive and standalone (Boone & Boone, 2012). The study sought to determine the effectiveness of IFMIS strategy implementation by the National Treasury of Kenya through testing variables factors affecting IFMIS implementation through utilizing inferential statistics and analysis using SPSS.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The results obtained from the field are discussed and interpreted in this chapter. The chapter presents respondents background information, analysis findings depending on the study objectives/goals. In discussing the results, the study used descriptive statistics.

4.1.1 Respondents Profile

The response of the targeted 54 respondents was, 39 were responsive indicating a response rate of 72.22%, where out of the 39 respondents, 71.8% (28) were men and 28.2% (11) were females. Majority (33.3%) were aged 35-40 years. On area of training majority 53.8% (21) had training in Science, on length of employment majority 43.6% (17) had worked for 5 to 10 years. Further all respondents indicated their department actively participated in IFMIS implementation processes and management and 94.9% (37) of respondents confirmed that they were satisfied with the management and implementation of IFMIS by the department (Appendix II).

4.2 Factors Influencing IFMIS Strategy Implementation

The study was seeking for the establishment of factors influencing IFMIS strategy implementation by the National Treasury of Kenya. An inquiry on the respondent's awareness on the implementation of various strategy factors of IFMIS implementation was sought based on a 5-point Likert scaled statements which was then used to rate the various indicators. These factors were based on general challenges faced in terms of planning, leadership, and control and resource allocation.

4.2.1 Planning

Planning is basic and entails setting out specific guidelines, methods, procedures, rules and administrative practices. An undertaking was requested from the respondents to indicate their opinion on how they perceived the influence of planning in implementation of IFMIS. Their observations were as recorded in Table 4.1.

Table 4.1: Planning

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	F	%	F	%	f	%	F	%	f	%		
Analysis and evaluation of environment	0	0.0	0	0.0	2	5.1	30	76.9	7	17.9	39	100	3.74	1.201
Formulation of appropriate strategies	0	0.0	2	5.1	8	20.5	20	51.3	9	23.1	39	100	3.84	1.009
Implementation of strategic plan	0	0.0	0	0.0	1	2.6	33	84.6	5	12.8	39	100	3.93	0.095
Strategy communication	0	0.0	0	0.0	3	7.7	29	74.3	7	17.9	39	100	3.77	0.985
Engagement of employees with strategy	0	0.0	1	2.6	4	10.3	29	74.4	5	12.8	39	100	3.67	1.017
New management paradigms	0	0.0	0	0.0	3	7.7	32	82.1	4	10.3	39	100	3.96	1.165
Physical facilities for training and learning and staff welfare	1	2.6	4	10.3	7	17.9	25	64.1	2	5.1	39	100	3.49	1.055
Development of planning premises	2	5.1	3	7.7	6	15.4	20	51.3	8	20.5	39	100	3.57	1.045
Grand Mean													3.73	0.910

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE –

Great Extent, VGE – Very Great Extent, f – Frequency, % - Percentage

The findings presented in Table 4.1 show the impact of planning in IFMIS strategy implementation. The respondents appreciated that planning is critical factor in realizing efficiency in IFMIS implementation and respondents rated it with a weighted mean of 3.73. The results show that majority of respondents, 76.9% (30) thought that analysis and evaluation of environment was an important component of planning in IFMIS Implementation to a great extent, 17.9% (7) agreed to a great extent that planning component was important before implementation. They attributed this to clear benefit of knowing the steps and path to follow in the general implementation process. Strategic communication was also found to be a key factor in planning, majority of respondents 74.3% (29) indicated to a great extent that planning and having clear communication of goals and having feedback system was likely to contribute to a successful IFMIS implementation and management.

Availability of physical facilities, training of staff, continuous learning and staff welfare was seen by majority as significant in planning in the effective implementation of integrated financial management information system where, 69.2%(27) agreed to this to a great or very great extent, however 12.9%(5) respondents felt to the least or no extent that physical facilities wasn't critical in planning of IFMIS implementation.

The findings found that 87.2 % (34) of the respondent indicated to a great or very great extent, that it was important at planning to engage employees with strategy in detail. This was to make employees own and appreciate the process and was important to avoid resistance by the staff in the gradual implementation of IFMIS. Likewise 74.4% (29) of respondents confirmed to a great or very great that formulation of appropriate strategies was key at planning level as it defines the whole map of IFMIS implementation in the

whole process. Similarly, 20.5% (8) of the respondents pointed out to a moderate extent on the need of formulation of strategies.

4.2.2 Leadership

National Treasury leadership is essential factor in the implementation of IFMIS strategy. Lack of good leadership from the apex of organization management is a major obstacle to implementation of strategy effectively (Kaplan & Norton, 2004). An undertaking was requested from the respondents to indicate their opinion on how they perceived the influence of leadership on IFMIS implementation. Their response was recorded in Table 4.2

Table 4.2: Leadership

Statements	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	f	%	F	%	F	%	F	%	f	%		
Motivation among staff	0	0.0	2	5.1	5	12.8	27	69.2	5	12.8	39	100	3.81	0.699
Leadership skills in middle level management	0	0.0	0	0.0	0	0.0	35	89.7	4	10.3	39	100	3.65	0.613
Result-oriented management	0	0.0	0	0.0	3	7.7	33	84.6	3	7.7	39	100	2.86	0.966
Leadership style in the national treasury	0	0.0	0	0.0	2	5.1	36	92.3	1	2.6	39	100	3.67	0.680
Work environment – machine, equipment and Materials	0	0.0	3	7.7	5	12.8	29	74.4	2	5.1	39	100	3.55	0.675
Transformational leadership	0	0.0	0	0.0	2	5.1	15	38.5	22	56.4	39	100	3.58	0.678
Grand Mean													3.50	0.740

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent,

VGE – Very Great Extent, f – Frequency, % - Percentage

Data in Table 4.2, presents the findings of the effect of leadership on IFMIS implementation by National Treasury of Kenya, it shows that the respondents considered leadership as a critical factor influencing the course of Implementation of IFMIS strategy hence they registered a weighted mean of 3.50.

In particular, a majority of the respondents, 82% (32) felt to a great or very great extent that their department leadership had enabled effective strategy implementation through being motivational to the staff. On leadership competency, 92.3% (36) confirmed that the leadership style in the national treasury was able and capable enough to implement IFMIS strategy effectively, 84.6% (33) were categorical that Treasury leadership was result oriented and had the capacity to influence lower cadre staff to fully develop and support Implementation of IFMIS strategy and 74.4% (29) felt that leadership in the National Treasury had provided facilitation and coordination of working environment, machinery and equipment support were key to the successful IFMIS re-engineering process. Again, the respondents recognized the significant contribution of leadership in IFMIS implementation, they pointed the same was important to be transferred to lower staff cadres so as to appreciate full benefit and effective IFMIS implementation.

4.2.3 Control

The process of inquiry on the factors-affecting IFMIS strategy implementation by the National Treasury of Kenya also assessed the level of control instituted in the department by the management and its contribution in the implementation. Control is always linked to strategy success. The respondents were provided with statements to enable them gauge the significance of the control factor. Organizations strategy influences its control

mechanisms. This part sought to find out how National Treasury control structures influences IFMIS strategy implementation. Table 4.3 contains a summary of its findings.

Table 4.3: Control

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	f	%	F	%	f	%	F	%	F	%		
Efficiency of control systems	0	0.0	0	0.0	4	10.3	28	71.8	7	17.9	39	100	3.35	0.778
Real-time information and control	0	0.0	7	17.9	12	30.8	20	51.3	0	0.0	39	100	2.51	0.798
Establishment of standards	0	0.0	0	0.0	4	10.3	31	79.5	4	10.3	39	100	2.81	0.699
Measurement of performance against standards and Plans	0	0.0	0	0.0	9	23.1	26	66.7	4	10.3	39	100	2.86	0.774
Quality assurance	0	0.0	0	0.0	11	28.2	22	56.4	6	15.4	39	100	3.33	0.969
Grand Mean												3.31	0.748	

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent, VGE – Very Great Extent, f – Frequency, % - Percentage

Information contained in Table 4.3 confirms that a greater part of the respondents believe control as a factor influencing IFMIS strategy implementation by National Treasury of Kenya; it got an overall favorable weighted mean of 3.31. This is due to the view with which each of its elements drew from the respondents. For instance, 17.9% (7) of respondents indicated that, there is insufficient real-time information on IFMIS control in National Treasury while 51.3% (20), respondents confirmed there was adequate flow of information and information control mechanisms were place in the IFMIS department, and further the respondents agreed on the general purpose of control mechanism as an

aid to effective implementation of IFMIS strategy. Majority of respondents 71 % (28) confirmed that, there was efficiency and timely control of systems, which effectively contributes to the success of IFMIS implementation.

On the establishment of measurable standards, 89.8%(35) confirmed to a great or very great extent that National Treasury has developed systems and established performance indicators as a way of measuring performance and this was too a key factor on the effectiveness of IFMIS implementation strategy. Likewise, 71.8%(28) maintained to a great or very great extent that quality assurance in National Treasury had resulted to timely appraisal, audit and corrective measures to ensure compliance of standards and efficiency in IFMIS implementation.

4.2.4 Resource Allocation

Resource allocation is the process of identifying the suitable way to use the available resources and assets in project completion. The respondents were required to indicate their opinion on the influence of resource allocation to IFMIS strategy implementation by the National Treasury of Kenya. The response was recorded in Table 4.4.

Table 4.4: Resource Allocation

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	F	%	F	%	F	%	F	%	F	%		
Adequate financial and physical resources in National Treasury	5	12.8	7	17.9	5	12.8	20	51.3	2	5.1	39	100	2.47	1.008
Sufficient technological resources that stimulates efficiency and effectiveness at the National Treasury	2	5.1	8	20.5	5	12.8	21	53.8	3	7.7	39	100	2.74	1.048
Grand Mean												2.61	1.03	

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent, VGE – Very Great Extent, f – Frequency, % - Percentage

Information in Table 4.4 shows that resource allocation had an overall average rating by the respondents (mean of 2.61). There seemed to be a consensus among a majority of respondents that the National Treasury had not done enough in resource allocation in the department. For instance, 30.7% (12) of the respondents were persuaded to state to least extent or no extent that that there is inadequate financial and physical resources in the National Treasury, to support IFMIS implementation, similarly 56.4 % (22) confirmed to a great or very great extent, that there was adequate financial resource to facilitate IFMIS implementation. Likewise, 25.6 % (7) respondents stated to a least or no extent admitted that there were inadequate technological resources which promotes efficiency and effectiveness at the National. Further findings showed 61.5% (24) indicated to a great or very great extent

that there was an adequate available technological resource for IFMIS implementation and management in the National Treasury.

4.2.5 Extent of Factors influencing IFMIS Implementation Strategy by the National Treasury

To establish the level of influence of each of the discussed factors, an analysis of the mean ranking of the factors was obtained and the results were as is displayed in Table 4.5.

Table 4.5: Extent of Factors influencing IFMIS Implementation Strategy by the National Treasury

Statement	Mean	Std. Dev	Rank
Planning	3.73	0.910	1
Leadership	3.50	0.740	2
Control	3.31	1.03	3
Resource Allocation	2.61	0.748	4
Grand Mean	3.29	0.857	

Source: Research Data, 2018

The findings from the analysis on the influence of various factors on the IFMIS strategy implementation by the National Treasury of Kenya shows that while the respondents acknowledged the overall significant effects of the factors with a weighted mean of 3.29, individually, planning had the greatest influence (3.73) followed by leadership (3.50) control (3.31) lastly followed by resource allocation (2.61) in decreasing order of effect.

4.3 Effectiveness of IFMIS Strategy Implementation

Further evaluation/examination of the extent of IFMIS implementation effectiveness by the National Treasury of Kenya was done. An inquest on the respondents understanding on the effectiveness of implementation processes of IFMIS implementation was sought based on a 5-point Likert scaled statements which was then used to rate the various indicators. These factors were based on general processes in terms of institutionalization, operationalization, political and technical support.

4.3.1 Institutionalization

Institutionalization entails a value adding process that organizations use to promote stability and adaptive (Chandler, 1962). It is shared meanings, when awarded and repeated process by actors when there is growth in institution in terms of stability and durability and realigning strategy to organizational institutions such as leadership, policies, structure, culture, systems and processional neo-institutional. The respondents were probed to indicate their opinion on the influence of institutionalization efficiency in IFMIS strategy management and implementation by the National-Treasury of Kenya. The response was recorded in Table 4.6.

Table 4.6 Institutionalization

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	f	%	F	%	F	%	F	%	F	%		
Legal framework is properly anchored into constitution	2	5.1	8	20.5	2	5.1	24	61.5	3	7.7	39	100	3.85	0.689
Business processes: Detailed functions and procedures	5	12.8	13	33.3	2	5.1	18	46.2	1	2.6	39	100	3.66	0.614
Budget and account structure: Coherent information and unified budget support	8	21.6	7	17.9	9	23.1	15	38.5	0	0.0	39	100	2.89	0.967
Centralized treasury operation: Consolidation of treasury operations into single system.	5	12.8	8	20.5	11	28.2	14	35.9	1	2.6	39	100	3.69	0.687
Grand Mean												3.52	0.739	

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent,

VGE – Very Great Extent, f – Frequency, % - Percentage

Information in table 4.6 presents the respondents opinion on institutionalization. A rated weight mean of (3.52) was given by the respondents. From the data, majority of respondents 69.2% (27) confirmed to a great or very great extent that there’s proper anchorage of legal framework of IFMIS into law. This is as a consequence of successful institutionalization of strategy accomplishment into institutions of National Treasury. Other respondents 20.5% (8) felt to a least extent that legal framework wasn’t properly

defined in law. On detailed business process, functions and procedures 46.2% (18) confirmed to a great extent that National Treasury had set up, defined and mapped processes and procedures well. This was attributed to effective IFMIS strategy. Similarly, 33.2%(13) respondents agreed to a least extent that business process was not clearly defined.

Further inquiry on centralized treasury operations, majority of respondents 35.9 %(14) agreed that National Treasury, had established effective and consolidated operations into a single system, while 20.5 %(11) indicated to a moderate extent that centralization was not established by National Treasury. Likewise, 38.5% (15) of respondents, confirmed budget and account structure to a great extent as an effective tool to coherent information and unified budget support, and 21.6 % (11) indicated that budget was not structured to bring unified support.

4.3.2 Operationalization

Operationalization of strategy is enacting operational tactics and plans in that there will be implementation of an abstract strategy. National Treasury is tasked to operationalize IFMIS strategy implementation. This entails breaking the strategy in achievable goals in order to enables it achieve and realize objectives. An undertaking was requested from the respondents to indicate their opinion on how they perceived the influence of operationalization on the effectiveness of IFMIS strategy implementation. Their response was recorded in Table 4.7.

Table 4.7: Operationalization

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	f	%	f	%	F	%	F	%	F	%	F	%		
Goals and objectives of IFMIS implementation processes and activities are clearly defined to be undertaken	2	5.1	7	17.9	10	25.6	18	46.1	3	7.6	39	100	3.87	0.679
Goals and objectives of IFMIS implementation process are measurable	0	0.0	4	10.3	16	41.0	17	43.6	2	5.1	39	100	3.76	0.686
Time frame is set to evaluate the goals and objectives achievement	0	0.0	6	15.4	9	23.1	19	48.7	5	12.8	39	100	3.58	0.698
Top managers are available for direction and clarification	0	0.0	2	5.1	7	17.9	29	74.4	1	2.6	39	100	3.84	0.679
Grand Mean													3.76	0.686

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent,

VGE – Very Great Extent, f – Frequency, % - Percentage

The findings presented above in table 4.7, show the influence of IFMIS strategy operationalization in the National Treasury of Kenya and had an overall average rating by the respondents (mean of 3.76). From the results, 46.1% (17) of the respondents pointed out to a great extent that goals and objectives of IFMIS implementation processes and activities were clearly defined to be undertaken, while 17.9%(10) stated to a least extent that goals and objectives were not clear.

On time frame set to evaluate the goals and objectives achievement, 61.5% (24) had consensus to a great or very great extent that, evaluation models were in place in the National Treasury for effective IFMIS strategy implementation, while 15.4 % (6) felt to a least extent that there wasn't time frame to re-check and re-evaluate goals and objectives. Majority of respondents 74.4% (29) confirmed to a great extent that top managers were available for direction and clarification to ensure effective IFMIS strategy implementation, while 5.1% (2) indicated that there was lack of direction and guidance from the top management.

4.4.3 Political

Resistance and counter attack of change occurs due to unwillingness to accept something new. Strassman (1985) posited that minimal change reception is of the fear that there will be inability by staffs to mature to new actions and skills that are mandatory to operate with IFMIS. This part sought to find out how National Treasury manages political resistance in order to realize effective IFMIS strategy implementation. Table 4.8 contains a summary of its findings.

Table 4.8: Political

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	f	%	f	%	f	%	F	%	F	%	f	%		
Acceptance by people (No resistance)	3	7.7	8	20.5	6	15.4	15	38.5	7	17.9	39	100	3.54	0.675
Well-designed organizational culture	1	2.6	7	17.9	9	23.1	20	51.3	2	5.1	39	100	3.59	0.689
Grand Mean												3.57	0.682	

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent, VGE – Very Great Extent, f – Frequency, % - Percentage

From the information above in table 4.8 shows the influence of political on IFMIS strategy implementation in the National Treasury of Kenya and had an overall average rating by the respondents (mean of 3.57). It was shown that 56.4% (22) of respondents confirmed to great or very great extent acceptance of IFMIS strategy implementation by the staff, this was an indicator of an effective process since the respondents confirmed ownership of the process, while 20.5 % (8) agreed to least extent on acceptance of IFMIS strategy implementation. Upon probing the respondents on organizational design and culture, 51.3% (20) indicated that, organizational design was well anchored to enable effective IFMIS strategy implementation and 17.9% (7) confirmed that organizational culture wasn't well designed to enable effective strategy implementation.

4.3.4 Technical Support Processes

Effectiveness of IFMIS strategy implementation involves building up systems in the National Treasury, which are capable of carrying out strategy implementation successfully. This means having enough resource allocation, adequate technical support systems and programmes for continuous improvements. An undertaking was sought from the respondents to indicate their opinion on how they perceived the influence of technical support processes in the IFMIS strategy implementation by National Treasury of Kenya. Their response was recorded in Table 4.9.

Table 4.9: Technical Support

Statement	NE		LE		ME		GE		VGE		TOTAL		Mean	STD
	F	%	F	%	F	%	F	%	F	%	f	%		
Adequate physical infrastructure and Software	6	15.4	8	20.5	6	15.4	17	43.6	2	5.1	39	100	3.78	0.679
Continuous staff training	1	2.6	3	7.7	5	12.8	23	59.0	7	17.9	39	100	3.76	0.687
IT security	15	38.5	10	25.6	6	15.4	5	12.8	3	7.7	39	100	2.57	1.009
Grand Mean													3.37	0.792

Source: Research Data, 2018. KEY: NE - No Extent, LE – Lesser Extent, ME – Moderate Extent, GE – Great Extent, VGE – Very Great Extent, f – Frequency, % - Percentage

Results presented in Table 4.9 show that the influence of technical support systems was clearly evident as it had average weight mean of 3.37. A majority of the respondents, 48.7%(19) maintained to a great or very great extent that adequate physical infrastructure and software facilitates effective IFMIS strategy implementation in the National Treasury, while 35.9% (14) felt there was either moderate, little or completely

nonexistent on adequacy of physical infrastructure and software. Likewise, 78.9.0% (30) respondents indicated that continuous staff training on technical support systems was significant to great or very great in realizing effective technical support to IFMIS strategy implementation by National Treasury. Lastly 38.5%(15) respondents felt to a no extent that there was no IT security this was attributed to several system infiltration of fraud, this resulted to hindrance in strategy implementation while 20.5% (8) indicated there enough IT security maintained by the National Treasury of Kenya for effective strategy implementation

4.3.5 Extent of Effectiveness of IFMIS Strategy Implementation

To ascertain the level of influence of each of the discussed parameters, an analysis of the mean ranking of the factors was obtained and the results were as is displayed in Table 4.10.

Table 4.10: Extent of Effectiveness of IFMIS Strategy Implementation

Statement	Mean	Std.Dev	Rank
Institutionalization	3.52	0.739	3
Operationalization	3.76	0.686	1
Political	3.57	0.682	2
Technical Support	3.37	0.792	4
Grand Mean	3.55	0.725	

Source: Research Data

From the results of the analysis above on the influence of various factors of IFMIS strategy implementation effectiveness by the National Treasury of Kenya, shows that while the respondents acknowledged the overall significant effects of the factors with a weighted mean of 3.55, independently, operationalization had the greatest influence

(3.76) followed by political (3.57) then institutionalization (3.52) followed lastly by technical support (3.37) in decreasing order of effect.

4.4 Discussion of Findings

In this section, analysis and interpretation of the information gathered from respondents drawn from National Treasury has been done. The analysis highlighted the respondents' response rate, demographics, factors influencing IFMIS strategy implementation and extent effectiveness of IFMIS strategy implementation and ultimately challenges faced in implementation by the National Treasury of Kenya. The findings of the analysis of data obtained from questionnaires highlighted out various issues pertinent to IFMIS strategy implementation. To begin with the results of the analysis showed that IFMIS implementation and systems management at National Treasury is manned by skilled and experienced personnel who could be presumed to be able to the task.

In regard to the relative extent of IFMIS strategy implementation by National Treasury of Kenya respondents were probed on their awareness of factors influencing IFMIS implementation. Results showed that the extent of pursuit of IFMIS implementation objectives were clear and measurable. The respondents' perception of relevance of factors influencing strategy implementation objectives clearly showed their prominence. This could be interpreted to mean that the process of strategy implementation of IFMIS was on course and clearly measurable. An inquiry was done on factors influencing IFMIS implementation which included planning, leadership, and control and resource allocation and showed the perception response of respondents as they could not be said to adequately measure up to their expectations, this confirmed the postulation advanced in resource-based theory, that National Treasury is expected to allocate more resources to

effectively implement IFMIS strategy. In other words, the finding means that though the respondents recognize the significant contribution of these factors, they pointed out the inadequacy of the levels of almost all of these factors required for the proper implementation process.

Planning rank had the greatest influence in IFMIS strategy implementation in National Treasury of Kenya, followed by leadership, resource allocation came third while control was the least according to the weighted means from the respondents. This implied that, since National Treasury operates, in an open system environment in implementing and managing IFMIS across all government entities, respondents had a common opinion that planning is critical element, which was given priority considerations in IFMIS implementation. Resource allocation was particularly singled out as an impediment through the lowest ranking in terms of influence on IFMIS strategy implementation by the National Treasury of Kenya. This means that according to the respondents, there seemed to be a consensus among a majority of respondents that the National Treasury had not done enough in resource allocation in the department.

Further, an inquiry on the relative extent of the factors influencing the effectiveness of IFMIS strategy implementation was probed to respondents on general processes in terms of institutionalization, operationalization, political and technical support processes. The results showed that the process of IFMIS strategy implementation by the National Treasury could not be said to satisfactorily measure up to their expectations. This meant that though the respondents recognize the significant contribution of these factors, they pointed out the insufficiency of the levels of almost all of these processes required for the realization of effective IFMIS implementation. The results of mean ranking showed that

operationalization had the greatest influence on the effectiveness of IFMIS strategy implementation followed by political then institutionalization followed by technical support processes in decreasing order of effect. The ranking of institutionalization second with a mean rank of 3.52, confirmed that National Treasury had set out internal organizational structures, which enhanced ease operationalization of IFMIS strategy as articulated by Institutional theory.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

From the data collected and the analyzing of the data, the following discussions, conclusion and recommendations were noted below. The focus of the respondents was based on the study objective that was seeking to find out the Effectiveness of Integrated Financial Management Information System (IFMIS), Strategy Implementation by the National Treasury in Kenya.

5.2 Summary of Findings

This study focused on investigating strategy-implementation effectiveness by the National-Treasury in the Ministry of Finance. A case study research-design together with descriptive statistics was used. Primary data through structured and semi structured questionnaire were used as data tool. The target respondents were from IFMIS department in National Treasury. The questionnaires were distributed to 54 respondents and 39 responded, resulting to 72.22% response rate. Majority of the respondents (43.6%) had 5-10 years' experience and all respondents were actively involved in IFMIS implementation and re-engineering programme, 94.9 % (37) were satisfied with department level of implementing IFMIS.

Among the factors that influence the implementation of IFMIS, planning was found 'to a great extent' to have great influence in determining the success of strategy implementation. Planning weighed a mean of 3.73 and ranked number one as a factor influencing strategy implementation. It was appreciated that planning was fundamental factor in realizing efficiency in IFMIS implementation. Leadership was second ranked as

a key factor in implementing IFMIS strategy; it scored a weighted mean of 3.50. The respondents indicated 'to a great extent', that National Treasury had competent leadership to watch over IFMIS implementation and that, leadership had capacity influence the lower cadre staff to support implementation of IFMIS strategy. Control measures and resources allocation weighed a mean of 3.31 and 2.61 as well ranked number 3 and 4 respectively as factors influencing IFMIS strategy implementation. There was adequate control measures and flow of information, established standards, quality standards and procedures which were actively operational. Respondents commended on the need to further restructure control measures in order to address emerging threats like systems hacking. Resource allocation was ranked least as there was a consensus that, there was not enough resources allocation in department, resulting to inadequate technological resources to promote efficiency in implementation of IFMIS strategy. Overall, the level of IFMIS strategy implementation weighed a mean of 3.29, a clear indication that Implementation process was on a good course.

Effectiveness of the IFMIS strategy implementation was also analyzed. Strategy operationalization was found to be effective and National Treasury had developed operational plans, set goals and objective for implementation. It weighed a mean of 3.76 and was ranked number one as factor affecting the effectiveness of IFMIS strategy implementation. Political goodwill was also underscored; there was no major resistance and attacks on IFMIS implementation. It was found that there was acceptance of IFMIS implementation by staff and this led to effective realization of IFMIS implementation strategy and weighed a mean of 3.57. National Treasury institutional capacity to have a stable structures, culture and proper capacity was ranked third with a weight mean of

3.52. It was urged that National Treasury had established institutional capacity that enabled successful strategy implementation. On technical support for IFMIS implementation, there was adequate physical infrastructure and software which facilitated effective implementation however there were several IT security lapses, which led to system infiltration and fraud and this, attributed to its fourth ranking.

The study found that there were 8 groups of factors that were critical in the IFMIS implementation process. These included: organizational planning, leadership aspect of National Treasury, resource allocation, control mechanism, institutionalization of organization, and operationalization of strategy, political and technical support. Furthermore, departments c-operation, expert's availability, enough materials for learning and adequate system pre-testing were mentioned to be of contribution to the effectiveness of the IFMIS strategy implementation.

In general, National Treasury is implementing IFMIS strategy effectively as outlined above despite the fact that, it faces numerous challenges. Some of the challenges that were brought out in the study included: insufficient manpower to manage the process, poor sensitization of users on the legal and regulatory frameworks, delays in releasing additional funds, short time limits set to complete the work, lack of capacity among users, staff unwillingness to provide information and poor network connectivity to the system. Some of the solutions suggested to overcome the challenges were to have timely and more effective training programs, ensure sufficient manpower, proper sensitization of user, timely provision of adequate funds, assign for adequate time to test and deploy systems; and improve on the system's network connectivity.

5.3 Conclusion

The findings from this study indicate there is progressive implementation of IFMIS strategy; this was observed through favorable rankings from the analysis of the indicators by the respondents. However, several challenges have affected the implementation process and they include insufficient manpower to manage the process, poor sensitization of users on the legal and regulatory frameworks, delays in releasing additional funds, short time limits set to complete the work, lack of capacity among users, staff unwillingness to provide information and poor network connectivity to the system.

According to the study analysis of results, and the ranking of strategy implementation factors, planning was highly ranked, followed by leadership, resource allocation and control in decreasing order. Effectiveness was too being realized from the implementation, and strategy operationalization factors were ranked highest, followed by political goodwill, institutional capacity and technical support in a decreasing order.

5.4 Limitations of the Study

The study was conducted in National Treasury and not in all IFMIS players therefore generalization in all users and stakeholders is limited. This was occasioned by constraint of both time and financial. The study investigated effectiveness of IFMIS strategy implementation only; nevertheless, there are other challenges that could influence efficiency and effectiveness of implementation and management of IFMIS.

Delay and bureaucracy in filing and returning the questionnaires due to respondent's busy schedules restricted data collection. The study relied on questionnaires as tools for data

collection, which integrated self-assessment measures for the respondents who formed the senior staff of National Treasury of Kenya. This could have led to a distorted self-report, which although was reduced through self-administration of the questionnaire, cannot be ruled out in the whole data collection process.

As highlighted by Sharma (2008), studies have suggested that people do over-rate themselves on desirable qualities and on undesirable qualities they under-rate themselves, mostly those appearing as self-evaluation that may tend to be more subjective and biased. This implies that some respondents may have over-rated the state of IFMIS implementation, which could have led to the wrong conclusion that there are no major IFMIS implementation challenges. In addition, the element of fear could not be ruled out among the respondents to give critical information and classified data even after the assurance that the information collected would be used in confidential manner and only for academic purposes.

5.5 Recommendations

From the results of the research, the following proposals were proposed as ways through which some of the challenges can be addressed: putting up and upgrading IT security, conduct adequate training programs, proper anchorage of IFMIS into law, ensure there is sufficient manpower to implement IFMIS, carry out user sensitization throughout the implementation process, avail resources both physical and funds to avoid any delays and assign adequate time to test and deploy systems.

It is further recommended, resources should be availed by ensuring timely availability of funds and modern IT infrastructure to ensure proper execution and implementation of IFMIS. Benchmarking with successful countries in the region should be done, and lessons of success should put into practice progressively.

5.6 Suggestion for Further Study

The study was carried out to determine the of IFMIS strategy implementation by the National-Treasury of Kenya. The study recommends a further exploration on study on comparative factors affecting Integrated Financial Management Information Systems (IFMIS) implementation and system integration at the national treasury and government line ministries (LM), government agencies, and county governments to help highlight areas of weakness and strength for better strategic system integration, planning and Integrated Financial Management Information System (IFMIS) implementation.

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SECTION 2: IMPLEMENTATION STRATEGY OF IFMIS

9. Using a likertscale of 1-5, what is your opinion on the extent to which the following Objectives are practised to meet the objectives of IFMIS implementation by your department.

(Please tick the suitable box for each) [1] – Not at all [2] – To a low extent

[3] – To an average extent [4] – To a high extent [5] – To a very high extent

Statements	1	2	3	4	5
Planning					
Evaluation and analysis of environment					
Formulation of fitting strategies					
Strategic plan implementation					
Strategy communication					
Engaging the employees with strategy					
New paradigms in management					
Training and learning facilities and staff welfare					
Planning premises development					
Leadership	1	2	3	4	5
Middle level management leadership skills					
Management that is result-oriented					
Style of leadership in the national treasury					
Work environment – Materials, machine, and equipment					
Leadership that is transformational					
Control	1	2	3	4	5
Control systems efficiency					
Real-time information and control					

Standards establishment					
Performance measurement against Plans and standards.					
Quality assurance					
Resource Allocation	1	2	3	4	5
Sufficient physical and financial resources in National Treasury					
Sufficient technological resources that encourages effectiveness and efficiency at the National Treasury					

SECTION 3: EFFECTIVENESS –OF (IFMIS) STRATEGY -IMPLEMENTATION

10. Using rating scale of 1-5, kindly show the extent to which IFMIS strategy implementation effectiveness is measured or assessed by the Kenya National Treasury

[1] – Not at all [2] – To a little extent [3] – To a moderate extent [4] – To a great extent

[5] – To a very great extent

Institutionalization	1	2	3	4	5
Proper anchorage of legal framework into the constitution					
Business processes: in depth procedures and functions					
Budget and account structure: articulate information and integrated budget support					
Centralized treasury operation: Treasury operations consolidation into single system.					
Operationalization	1	2	3	4	5
Goals and objectives of IFMIS implementation processes and activities are clearly defined to be undertaken					
Goals and objectives of IFMIS implementation process are measurable					

Political	1	2	3	4	5
People's Acceptance (No resistance)					
Organizational culture that is well designed					
Technical	1	2	3	4	5
Sufficient Software and physical infrastructure					
Staff training that is continuous					
IT security					

11.Challenges which you are facing inIFMIS implementation?

12. Any other comments?

Thank you for your cooperation

Appendix II: Response Rate

Table 4.1.1.1: Response Rate

Respondents	Frequency	Percent
Responded	39	72.2
Non-Respondents	15	27.8
Total	54	100

Source: Research Data, 2018

Table 4.1.1.2 Gender of Respondents

Gender of the Respondents	Frequency	Percent
Male	28	71.79
Female	11	28.20
Total	39	100

Source: Research Data, 2018

Table 4.1.1.3: Age of the Respondents

Age of the Respondents	Frequency	Percent
35-40	13	33.3
40-45	11	28.2
45-50	10	25.6
Over 50	5	12.8
Total	39	100.0

Source: Research Data, 2018

Table 4.1.1.4: Respondents area of Training

Area of Training	Frequency	Percent
Science	21	53.8
Liberal Arts	10	25.6
Business	8	20.5
Others	0	0
Total	39	100

Source: Research Data, 2018

Table 4.1.1.5: Length of Employment in the National Treasury

Length of Employment	Frequency	Percent
0-5 Years	10	25.6
5-10 Years	17	43.6
10-20 Years	7	17.9
Over 20 Years	5	12.8
Total	39	100.0

Source: Research Data, 2018

Table 4.1.1.6: Departments Involvement in IFMIS Implementation

Department Involvement	Frequency	Percent
YES	39	100
NO	0	0
Total	39	100

Source: Research Data, 2018

Table 4.1.1.7: Department Satisfaction with the IFMIS Implementation

Department Satisfaction	Frequency	Percent
YES	37	94.9
NO	2	5.1
Total	39	100.0

Source: Research Data, 2018