



ENTERPRISE RESOURCE PLANNING SYSTEMS AND INTEGRATED FINANCIAL MANAGEMENT INFORMATION SYSTEM IN KENYAN PUBLIC SECTOR: AN ASSESSMENT

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ABSTRACT

Enterprise Resource Planning Systems and Integrated Financial Management Information System have such an important role in global success and become more complex overtime. ERP and IFMIS have not been addressed in full, their challenges such as legacy systems as the main assets in operations and performance are strongly wanting. Unlike the ERP, Literature on IFMIS is very scanty and hence not exhaustive. This Research attempts to utilise Sample size of 300, adopted from thesis on Public sector. The Research employed Analysis of Moment Structures (AMOS) for modelling to compare Models A and B to test the systems, GFI was utilized to determine model goodness of fit, Comparisons of Path diagrams was used to examine the error difference, Multiple Group Model Comparisons and the Latent growth model curve was used to establish the extent to which the systems performs in Public Sector within various departs. Finding indicate that the two models of ERP and IFMIS differ, it was clear that equal Standardized Regression weight model results were substantially worse on overall model fit, specifically on IFMIS. The results further yielded an error difference of 10% on the IFMIS while an error difference of 1 % on ERP indicating that ERP can be more reliable in public sector in terms of efficient and accurate than IFMIS. Results obtained rejected the equal Standardized Regression Weight for IFMIS Model-B in favor of the ERP Model-A. A latent growth curve model indicated that the IFMIS use varied, indicating a significant individual variability in the initial level. On rate of change it indicated an up trend which was progressive. A comparative analysis identified issues on ERP which proved to be crucial for its application as a proper system use in Public sector, however some limitations in terms of: Error difference, Low model goodness of fit were faced by the IFMIS. This research recommends that the administration should ensure the information generated by IFMIS is consistent, timely and adequate.

Key Words: Enterprise Resource Planning, Integrated Financial Management Information System (IFMIS) and AMOS

1. BACKGROUND

ERP system is an emerging technology that belongs to the scientific discipline of IS. The evolution of ERP systems closely followed the remarkable developments in the field of computer hardware and software systems. In the 1960s, most organizations designed, developed and implemented centralized computing systems, mostly automating their inventory control systems using inventory control packages (Rashid & Patrick, 2002). SAP (System Application and Product) is the name of European German Software company as well as the name of software itself. The company was founded in 1972 by the five IBM employees. SAP R/3 Software has been developed using ABAP/4 as a programming language. SAP is the ERP (Enterprise Resource Planning) system that aims at integrating various modules in the company. R/2, SAP's earliest integrated system, ran on mainframes. R/3 was the next version of the system, it was a client/server system introduced in 1992. my SAP ERP, the successor to SAP R/3, is the first service-oriented business application on the market based on SAP Net Weaver, an open integration platform that allows new applications to be developed. The integration results in consistency of data throughout the system and the company as a whole. As of 2005, SAP employed over 28,900 people in more than 50 countries. SAP has its headquarters in Walldorf, Germany, it is also the first company that introduced a functional enterprise system. However, IBM rejected the idea, so the engineers founded their own company in 1972.

In 2005, SAP had about 26,150 customers, 12 million users, 88,700 installations, more than 1,500 partners and a share of over 30 percent of the ERP market. SAP is the world's largest inter-enterprise software company and the world's third largest independent software supplier (Davenport 2000; SAP 2005). In 1970s, the Material Requirements Planning (MRP) systems were created, involving planning the product according to the master production schedule (Rashid et al.,2002). Consequently, new software systems called Manufacturing Resources Planning (MRP II) were introduced in the 1980s with an emphasis on optimizing manufacturing processes by synchronizing the materials with production requirements. MRP II included areas such as shop floor and distribution management, project management, finance, human resource and engineering (Rashid et al.,2002).

Larry Ellison founded Oracle Corporation in 1977 as a database company, Oracle technology is found nearly in every industry around the world; its database is the most common repository of ERP data. According to Oracle (2005), Oracle began to develop its business applications in the late 1980s, the early version of the applications coming from co-development projects with customer companies. The ERP package, named Oracle E-Business Suite is made up of about 50 different modules in seven categories: Customer Relationship, Human Resources, Finance, Projects, Procurement, Corporate Performance, and Supply Chain. The package also offers industry-specific solutions, most of which were acquired from companies that had developed them to a certain degree. Currently, Oracle has developed 100 percent internet-enabled enterprise systems across its entire product line: databases, business applications, and application development and decision support tools. Oracle is the world's leading supplier of software for

information management, and the world's second largest independent software company overall (Davenport 2000; Oracle, 2005)

IFMIS is an information system that tracks financial events and summarizes financial information (Bartel, 2009). In its basic form, an IFMIS is little more than an accounting system configured to operate according to the needs and specifications of the environment in which it is installed. Casals (2009) notes that generally, the term “IFMIS” refers to the use of information and communications technology in financial operations to support management and budget decisions, fiduciary responsibilities, and the preparation of financial reports and statements. In the government realm, IFMIS refers more specifically to the computerization of public financial management (PFM) processes, from budget preparation and execution to accounting and reporting, with the help of an integrated system for financial management of line ministries, spending agencies and other public sector operations (GOK, 2011).

IFMIS is a type of ERP system that focuses on finance modules. IFMIS is among the Oracle product lines, is an ERP system whose platform is an Oracle database. It is an Internet Architecture, directly connecting customers, suppliers, partners, and employees to business processes on-line, in real time (Diamond & Khemani, 2008). The success factors in any ERP implementation process are also applicable to IFMIS implementation. Like ERP, IFMIS is also managed through a system of modules i.e Public Financial Management System (PFMS), which enables integration and exchange of information available in various systems (e.g. Treasury, Tax, Customs, Banking sector) developed by different agencies.

IFMIS allows flexibility in implementing various functions such as: countrywide implementation (replication), data entry and migration, backup and recovery solutions, business continuity solution (Diamond & Khemani, 2008). As Addo and Helo (2011) frame it, IFMIS systems allow companies to integrate all the primary business to enhance efficiency and maintain a competitive position. However, poor implementation of the system results in unproductively and lack of competitive advantage.

The Evolution of IFMIS in Kenya was done at the National Treasury, The Government of Kenya's IFMIS is an Oracle based Enterprise Resource Planning (ERP) Software. In line with the new constitution (Article 26) and the Public Finance Management (PFM) Act, the Ministry connected Ministries, Agencies and Departments (MDAs) and all the 47 county governments to IFMIS (Muigai, 2012). The Kenyan National Treasury in 1998 developed the IFMIS. The deployment of the system to various ministries started taking place in 2003. The system was an ERP software based on Oracle (Muigai, 2012). IFMIS can enable prompt and efficient access to reliable financial data and help strengthen government's financial controls, improving the provision of government services, raising the budget process to higher levels of transparency and accountability, and expediting government operations (GOK, 2011; Peterson et al, 2008).

1.1 Research Questions

This Research intends to answer the following questions: to what level does ERP and IFMIS affect the public sector ?, to what extent does IFMIS contribute to the public sector compared to ERP ?, to what extent does IFMIS vary in performance per dept in Government Treasury compared to ERP ? lastly to what level is ERP said to have good system fitting in terms of efficiency and accuracy in context to IFMIS?.

1.2 Comparison of ERP and IFMIS

Research indicates that IFMIS system is built on Oracle database as an ERP system. IFMIS system on the other hand encompasses accounting, procurement, inventory, financial transaction, logistics systems also suitable for PFM. Studies also show that the system duals much on modules such as financial planning, budget formulation, Human resource control, corporate performance. Study done by Rom (2008) indicates that the evolutions experienced in IS have caused both ERP and IFMIS systems to play a facilitating roles in the introduction of accounting techniques. Indeed, Granlund (2001), identified that the establishment of an advanced IT would introduce a change in management accounting practices, which can be fulfilled by both ERP and IFMIS systems.

In the particular case of IFMIS systems, the latter is considered an important source of new accounting practices (Booth et al., 2000). Rom (2008), proposed to focus on the technical aspects of ERPs and examine their impact on management accounting, financial practices. Ifinedo (2008), confirmed that the quality of external expertise influences the quality of the information generated by the ERP system, which also drives the IFMIS system. Particularly in the context of financial system, in this case the IFMIS system, the advice of external experts could provide high-quality information and result in an effective ERP system or the accounting information system (Ismail, 2009).

IFMIS is said to be the controller of revenue and expenditure because of strong financial controls provides an all-inclusive picture of budget execution; solely differ from ERP system execution. IFMIS ensures that the government and its departments raise, manage, and spend public resources in an efficient and transparent way with the aim of improving service delivery. What distinguishes ERP systems from IFMIS is their scale, complexity, and potential for public sector impact (Laudon and Laudon, 2006; O'Brien, 2004) they further argue that ERP system affects information flow and transparency. This study attest that its essential for both the ERP and IFMIS as sound systems to have strong legal and regulatory frameworks as well as a competent and productive operation service, which are the cornerstones of an efficient systems regime. IFMIS unlike the ERP reforms have been identified as the drivers to efficient public service delivery and creation of wealth and employment (Asselin & Srivastava, 2009).

Results indicate that ERP system has been implemented in public Universities and Parastatals. While IFMIS at the Government Treasury , Countries and Ministries . Finding also indicates that IFMIS system handles majorly: Accounting, Procurement, Inventory, Financial transaction,

Logistics, system also suitable for Public Financial Management. Additionally finding show that in the case where the ERP system has been use it handles modules such as: financial planning, budget formulation, Human resource control, corporate performance.

ERP system in this case has a direct operation support for key administrative and academic services and its true as revealed by this study the core of ERP system unlike the IFMIS system usually supports administration tasks at the Universities (enrolment procedures and study ent enrolment, financial support for study ents, study ent data), human resource management (monitoring of employees) and finance (accounting, payments, investments, budget).Unlike the ERP System, the IFMIS strengthens financial controls, facilitating a full and updated picture of commitments and expenditure on a continuous basis. Once a commitment is made, the system is able to trace all the stages of the transaction processing from budget releases, commitment, purchase, payment request, reconciliation of bank statements, and accounting of expenditure. This allows a comprehensive picture of budget execution. IFMIS System provides the information to ensure improved efficiency and effectiveness of government financial management. Generally, increased availability of comprehensive financial information on current and past performance assists budgetary control and improved economic forecasting, planning, and budgeting.

2. LITERATURE REVIEW

2.1 IFMIS Country Cases Examined

Like any other ERP system, the sheer size and complexity of an IFMIS poses significant challenges and a number of risks to the implementation process that go far beyond the mere technological risk of failure and deficient functionality. Studies conducted in various countries such as Tanzania, Kosovo ,South Africa and Republic of Vietnam indicated later in this research, show that there are a number of challenges that may influence the successful implementation of IFMIS (Diamond &Khemani,2006, Rodin-Brown, 2008). The benefits from the successful use of IFMIS are insightful although it would not be a solution for poor financial management.

This research considers the Post-conflict Kosovo to have offered a successful implementation of IFMIS.As a province of Serbia, the territory did not have developed (or even nascent) institutions of government at the central level. Kosovo had no budget process and Finance Ministry which was to manage the disbursement of funds flow into the country for reconstruction. Under a transitional administration led by the United Nations in Kosovo (UNK), an administrative structure was put into place, pending establishment of Kosovo Government institutions and resolution of the territory's politics. The formation of a Central Fiscal Authority (CFA), later renamed the Ministry of Finance and Economy (MFE) and creation of a basic financial management system was regarded as the first step toward the right direction.

However, within a few months the need for a more sophisticated, Government-wide IFMIS became apparent. The Canadian International Development Agency(CIDA) and the Swedish

International Development Agency (SIDA jointly funded the implementation of IFMIS to a staggering tune of approximately 11,000,000 Euros .E-Government Free Balance software system produced by a Canadian firm and used by the Canadian Government formed the IFMIS components . The program rollout included Systems demonstrations to show the functionality to future Users; Training workshops for both senior administrators and managers and for general staff; and Change management workshops.

Tanzania government implemented an IFMIS in 1994 for reform program to improve public sector financial management, which initially focused on introducing effective and efficient budget formulation and expenditure management systems and processes (Khemani,2005). Specifically, two projects financed by the Swedish International Development Agency (SIDA) were designed by the Government Accounting Development Project (GADP) focusing on budget execution and the Interim Budget Development Project (IBDP) focusing on budget formulation. In 1996, following chronic problems in the financial management of the government, a decision was taken to abolish all payment offices in the ministries, departments, and agencies (MDAs), and establish a central payment system, and thereby obviate the need for MDAs to have individual bank accounts (Jack and Khemani, 2005).

From the year 2001, the Socialist Republic of Vietnam worked on the introduction of a new IFMIS system. IFMIS use is basically a World Bank project, administered directly by the Vietnamese Government. The Government started reforms to comply with international standards and agreements and to become an accepted player in the international community. The Vietnamese administrative structure is complex in the 64 provinces that comprise the main structure. A Little understanding of the complexity of its administrative structure has been taken into account with the introduction of the current IFMIS system, which is a hybrid of a French colonial administrative system, with an overlay of ex-Soviet bureaucratic practices

Study by Nomvalo, (2008) argues that the Government Treasury is leading in the implementation of IFMIS project in South Africa, objectively reviewing and upgrading the government's transverse information technology (IT) systems. The South African government currently owns and operates a large compendium of systems in the transverse systems arena such as the Financial Management System (FMS), the Basic Accounting System, the Personnel and Salaries Management System (PERSAL), the Logistical Information System (LOGIS) which supports the asset management and supply chain functions, Vulindlela, a business intelligence system, and the Police Financial Management System (POLFIN) which is a department specific cash management system for the South African Police Services (O'Sullivan 2008).

3. METHODOLOGIES

3.1 Design , Target population and Sample size

This Research employed a cross-sectional descriptive survey. The Survey utilized stratified random design in achieving the homogenous population of respondents. Quantitative research methods were key to this Research. A stratified sampling technique was used. The target population whose data was adopted from the PhD thesis by Sanja, M.,M., (2017), data was collected by questionnaires from public sector. Data for the ERP system was collected from : Moi University, Egerton University , University of Nairobi and Kenya Pipeline while Data for IFMIS was collected from: Government Treasury, Trans-Nzoia county and Uasin county. The respondents were selected from departments such as: Planning, Accounting, Security, Auditing, Budgeting, Finance, computing, Human Resource and Procurement in Government of Kenya.

3.2 FINDINGS AND DISCUSSIONS

This Research presents the findings and discussions of ERP and IFMIS utilizing data collected from Public Universities, Parastatals, Government treasury and Counties. According to Hui ,B., (2011), AMOS allows one to compare multiple samples across the same measurement instrument or multiple population groups (e.g., Model A vs. Model B). The Research tested the equality of the factor loadings for two separate groups of the Systems.

The study utilizes the Path analysis model to focus on relationships of multiple observed variables Analysis of several regression equations simultaneously. This Research focused on the estimation of the UTAUT model (A) and External Model (B) to compare the IFMIS System and ERP System .The research presents the path split latent variables on PE,EE and SI on the research model. Its is primarily interested in the path diagram difference and error approximation (Raykov & Marcoulides ., 2000).

3.2.1 UTAUT model Path diagrams

The scores obtained by the study shown on (figure3.1) indicated that the split-subtests between *PE1* ($e_1=0.11$) and *PE2* ($e_2 = 0.21$) when compared had a differences in errors of ($e_1 - e_2$) = 0.10. The results yielded a percentage difference of 10%: *EE1* ($e_3 = 0.07$) and *EE2* ($e_4 = 0.06$); difference ($e_3 - e_4$) = 0.01 a percentage difference of 1 %; *SII* ($e_5 = 0.01$) and *SI2*($e_6 = 0.05$); difference ($e_5 - e_6$) = 0.05 a percentage difference of 5 %; (figure 4.8).

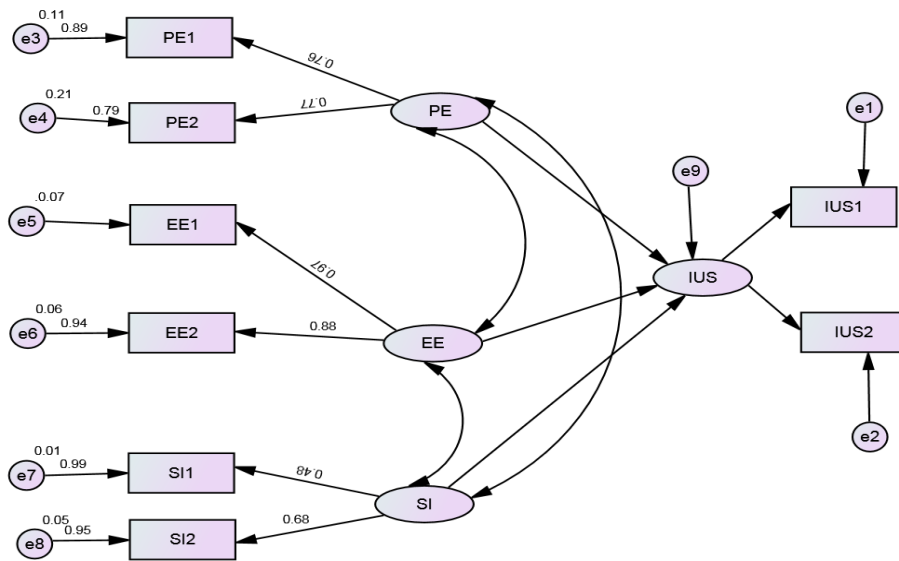


Figure 3.1: UTAUT model Path diagrams (source Sanja M.,M.,2017)

Discussion: Results in Figure 3.2 indicate an error disagreement achieved by Performance Expectancy and Social Influence; difference of $(e1 - e2) = 0.10$, a percentage error difference of 10 %, difference of $(e5 - e6) = 0.04$, a percentage difference of 4 % error ,though scores on effort expectancy had a very minimal error difference (1 %), or minimal disagreement owing to the influence of measurement errors disagreements .This study content that Performance Expectancy and Social Influence had such error difference because ,the study had separated results of moderating variables as tested by UTAUT theory .

3.2.2 Comparisons of Path diagrams: External model

Path diagrams for External model were hypothesized to depend on the single underlying latent variable–Technical Operation Skills:

TOS1(TechnicalOperationSkills1)andTOS2(TechnicalOperationSkills2),FacilitatingConditions.

Facilitating Conditions1and Facilitating Conditions 2,Level of IT Infrastructure :Level of IT Infrastructure1 and Level of IT Infrastructure 2,known as indicators of the latent variable Level of IT Infrastructure (Figure 3.2)

The results yielded a percentage difference of 2% : FC1 ($e3 = 0.01$) and FC2 ($e4 = 0.02$); difference $(e3 - e4) = 0.01$ a percentage difference of 1 %; LOIT1 ($e5 = 0.12$) and LOIT2($e6 = 0.02$); difference $(e5 - e6) = 0.10$ a percentage difference of 10 %; MgtS1($e7 = 0.03$) and MgtS2($e8 = 0.02$); difference $(e7 - e8) = 0.01$,the results yielded a percentage difference of 1 % .(figure 3.2).

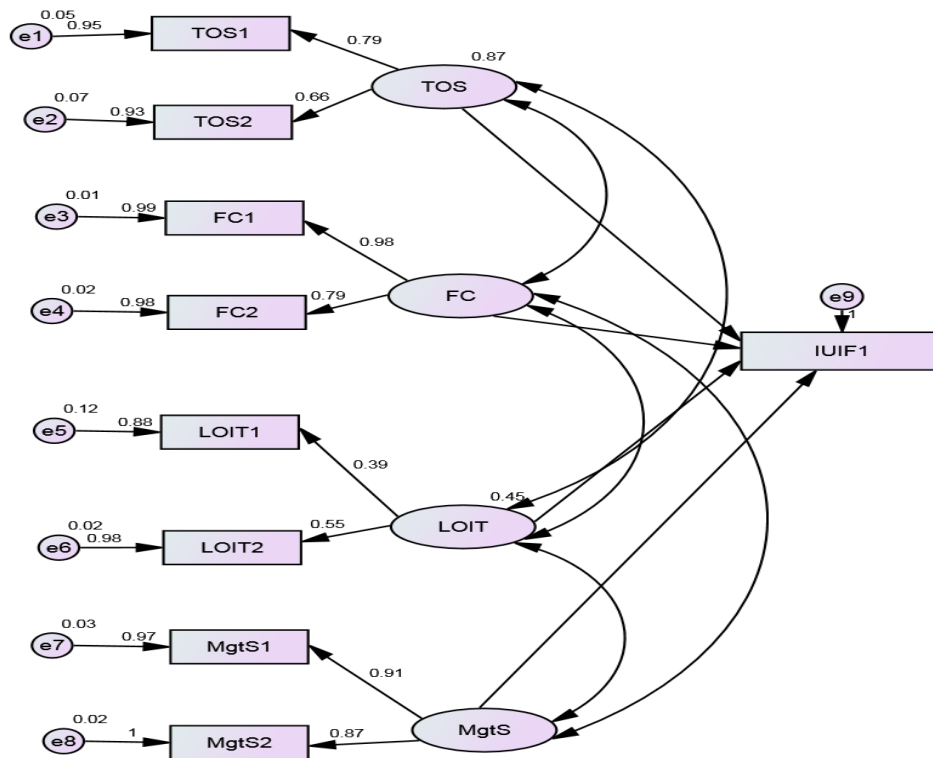


Figure 3.2: External model Path diagrams (source Sanja M.,M.,2017)

Discussion: As per the results (Figure 3.2) scores on the two subtests disagree owing to the influence of measurement errors. The scores of the eight split-subtests, (Technical Operation Skills1 and TechnicalOperationSkills2, Facilitating Conditions1 and Facilitating Conditions2, Level of IT Infrastructure 1 and Level of IT Infrastructure 2, Management skills 1 and Management skills 2 (Figure 3.2) A comparison analysis by AMOS, its scores obtained as shown on (figure 3.2) indicated that the split-subtests between TOS1 ($e1=0.05$) and TOS2 ($e2 = 0.07$), when compared it had a differences in errors of $(e1 - e2) = 0.02$.

Results (Figure 3.2) ,indicate that a strong error disagreement was highly posted by the Level of IT Infrastructure *LOIT1* ($e5 = 0.12$) and *LOIT2* ($e6 = 0.02$); difference $(e5 - e6) = 0.10$ a percentage difference of 10 % error according to the finding can not be underestimated ,though scores on the other subtests had a very minimal disagreement owing to the influence of measurement errors disagreements .This study confirms that Level of IT Infrastructure was closer to mediocre status , hence the system has poor infrastructure, arguing that the foundation for a good systems are set on strong pillars of : Infrastructure for ; Database, Servers, Operating system, Networking, Firewalls and more so for security purpose on running the IFMIS at the public sector .

3.2.3 Multiple Group Model Comparisons

This Research utilize AMOS to compare multiple samples across the same measurement instrument or multiple model groups (e.g ERP system assessed by Model –A and IFMIS System assessed by Model –B).The Research used the data from Universities (on ERP system) and data from Counties (uses IFMIS).The research tested the equality of the factor loadings for two separate groups of Models (Model –A and model –B). The Chi-square difference of two models (Model –A and model –B) is $27.292 - 25.480 = 1.812$.Results indicate (Chi-square = 1.812 with 4 DF, $p = .631$)

Discussion: The results from this model comparison suggest that imposing the additional restrictions of 2 equal factor loadings across the system groups did not result in a statistically significant worsening of overall model fit. AMOS assumes that the baseline model (Model-A) is true. According to Hui,B.,(2011) argues that the test measurement invariance between the unconstrained models for all groups combined has to be then for a model with constrained parameters (parameters are constrained to be equal between the groups).

The model (equal loading model) that specifies a group-invariant factor pattern is supported by the sample data. If the chi-square difference statistic is not significant between the Model-A and Model-B models, then the study will conclude that the model has measurement invariance across groups. In this case, the author argues that models (Model –A for ERP has measurement invariance with Model –B for IFMIS. Arbuckle (1997) advocates, “A departure from normality that is big enough to be significant could still be small enough to be harmless.” It is therefore argued here that because no inferences about actual population parameters are intended, and rather, only the significance of relationships between variables in the model are important, these minor departures may pose no threat to the conclusions reached in this .The author content that , since the results find non-invariance across model groups, the next step is to know what is causing this within the model by performing Nested comparison in the section 3.2.4 as proposed by (Hui,B.,2011)

3.2.4 Nested Model Comparisons

As indicated in (Results in Figure 3.3) the author is interested in testing the equality of the (ERP) Model–A (Model–A₁, Model –A₂ and Model–A₃) Standardized Regression Weight and (IFMIS) Model –B (Model –B₁, Model –B₂ and Model–B₃) Standardized Regression Weight: Comparing Model-A₂ (0.85) = Model - B₂ (0.80) posting a difference in terms of Standardized Regression Weight of 0.05; Comparing Model-A₃ (0.91) and Model-B₃ (0.62) posting a difference in terms of Standardized Regression Weight of 0.29.

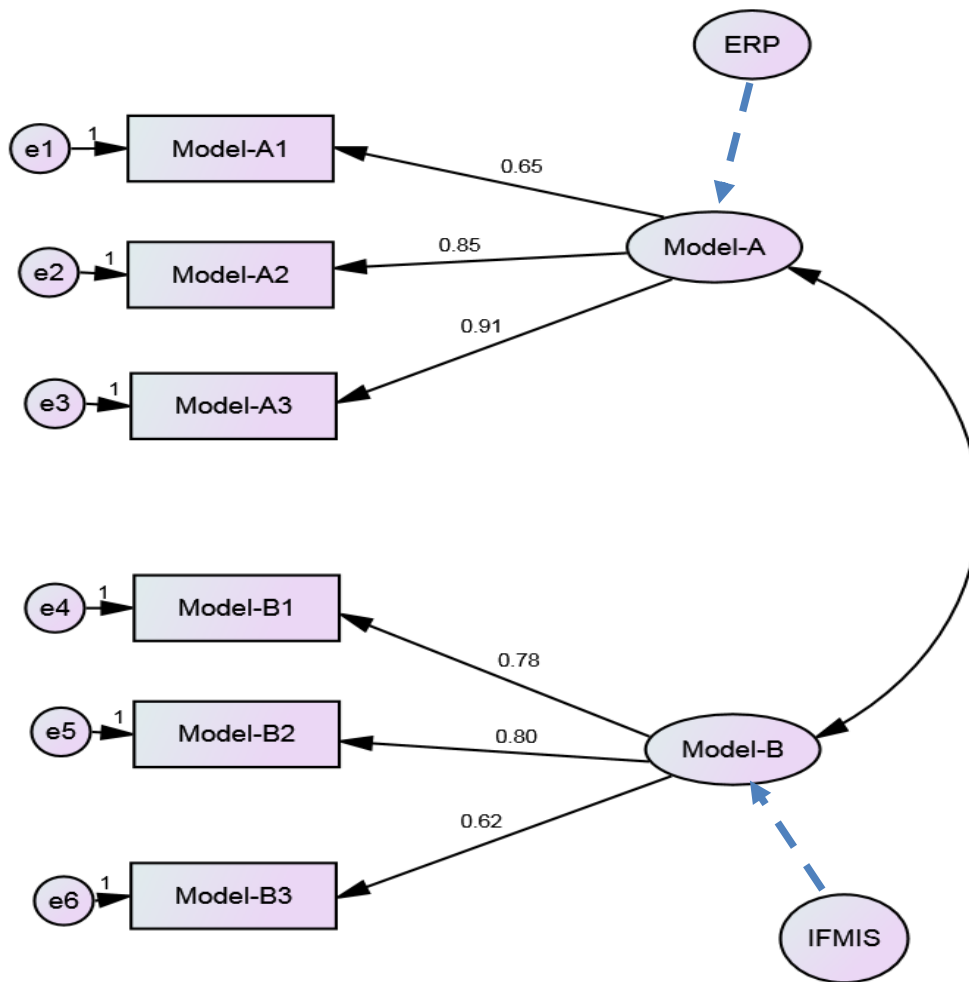


Figure 3.3 ERP Model-A and IFMIS Model-B (source Sanja M., M., 2017)

Discussion : Results indicate that the two models differ indicates that constraining the parameters in the default model to obtain the equal Standardized Regression Weight model results in a substantial worsening of overall model fit Hui , B., (2011). Therefore, this research rejects the equal Standardized Regression Weight for IFMIS system as indicated on Model-B model in favor of the ERP system Model-A .

3.7 Bootstrapping

This Research employed the technique of bootstrap .It is a resampling procedure where a multiple subsamples of the same size as the parent sample are drawn randomly from the original data. Parameter estimates are computed for each subsample. The multivariate kurtosis value of 15.169 is *Mardia's coefficient*. Critical ratio (c.r.) values of 1.96 or less mean there is non-significant kurtosis. Values of 8.979 > 1.96 mean there is significant non-normality (Hui B., (2011).

3.8 Latent Growth Curve Model

The Latent growth model curve is used to establish: the extent to which IFMIS varies in performance Public Sectors .The system use in the sample vary around their depts of application

in this case the average (mean) trajectories in IFMIS use .The author has placed high premium on a longitudinal study with 4-time point's data set as indicated in (Figure 3.4). The study utilized longitudinal study to establish the change of IFMIS system application within depts of Public Sector over time. The given interval (a100, b100, c100, and d100) are variables which were measured by AMOS. The regression weights from intercept to measure variables are fixed to 1. In this way, the study established the initial level of IFMIS system application. The path values from slope to measure variables are also fixed at a set of continuous values (time intervals).

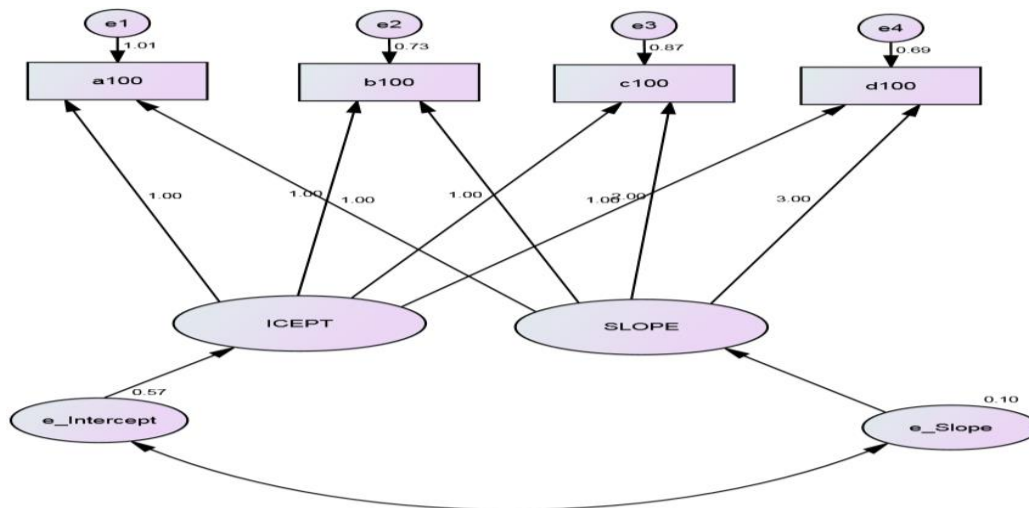


Figure 3.4 Latent Growth Curve Model-B

Discussion : In Figure (3.4), as indicated: Chi-square (21.166), df (5) and Probability level(0.001), The mean intercept value of 1.361 indicates that the average starting within a dept amount of system performance was 1.361 units. The mean slope value was 0.12. It means the average rate of change is 0.12 units. The correlation between intercepts and the slopes was 2.071. This study argues that there was a statistically significant when tested with the null hypothesis and that their true values are zero in the population obtained from the public sector in which this sample was drawn. The intercept indicates a statistical significant mean on IFMIS use at the initial level (i.e., at baseline) and the slope mean indicates a significant average increase, via a liner functional form. Hence IFMIS use in the public sector is expected to increase by 0.12 each studied time period, beginning with an average score of 1.361.

The study was also interested to establish the extent to which IFMIS use in the sample vary around various depts average (mean) trajectories in System performance. This can be evaluated by looking at the variances (Figure 3.4).The corresponding variances 0.59 for intercept and 0.31 for slope) are statistically significant.

4. SUMMARY

Finding indicate that the two models for ERP and IFMIS differ indicates that constraining the parameters in the default model to obtain the equal Standardized Regression Weight model results in a substantial worsening of overall model fit specifically on IFMIS .The results further yielded a percentage *error* difference of 10% on the IFMIS while percentage error difference of 1 % on ERP indicating that ERP basically can be reliable in sectors being applied being ore effective than IFMIS. Research results also rejected the equal Standardized Regression Weight for IFMIS system Model–B in favor of the ERP system Model–A.

The results yielded a percentage difference of 10% on the IFMIS while 1 % o ERP indicating that ERP basically perform, more effective than IFMIS. Research results also rejected the equal Standardized Regression Weight for IFMIS system Model–B in favor of the ERP system Model-A .This Research stresses that the core application of ERP system unlike IFMIS usually supports administration in universities, Parastatals and finance (accounting, payments, investments, budget).while IFMIS is the controller of revenue and expenditure at the Treasury and county Governments.

Hence the extent to which IFMIS varies in performance per dept in the Government Treasury according to the corresponding variances is 0.59 for intercept and 0.31 for slope, which are interpreted as statistically significant and also indicating significant individual variability within the IFMIS dept .Results also indicate that the system use in the sample vary around their depts indicating significant individual variability in the initial level and rate of change (growth) in IFMIS use across the four waves of measurement.

CONCLUSION

A comparative analysis identified issues for ERP which proved to be crucial for ERP application as a proper system in the current application, because of some limitations faced by the IFMIS systems. Finding indicate that the two models of ERP and IFMIS differ, it was clear that equal Standardized Regression weight model results were substantially worse on overall model fit , specifically on IFMIS. The results further yielded an error difference of 10% on the IFMIS while an error difference of 1 % on ERP indicating that ERP can be more reliable in public sector in terms of efficient and accurate than IFMIS. Results obtained rejected the equal Standardized Regression Weight for IFMIS Model–B in favor of the ERP Model–A . A latent growth curve model indicated that the IFMIS use varied in other words was not constant, indicating a significant individual variability in the initial level. The rate of change indicated an up trend motion hence progressive .Issues were obtained on ERP which proved to be important for its use as a proper system in Public sector, But limitations in terms of Error difference, Low model goodness of fit were seen on IFMIS .

RECOMMENDATION

The study recommends that the administration should ensure the information generated by IFMIS is consistent, timely and adequate. The public service should tailor information concerning IFMIS in such a way that it cannot be tampered with by others. Also, there should be sufficient IFMIS controls to curb tampering. Public service should also ensure that IFMIS easily adapts to the changes in cash management practices without complete overhaul of the system.

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