

BUDGETARY PLANNING AND BUDGETARY PERFORMANCE IN

LOCAL GOVERNMENTS IN UGANDA:

A CASE OF SOROTI DISTRICTS LOCAL GOVERNMENT

BY

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**A RESEARCH REPORT SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES
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DECLARATION

I Itadal Mary Florence do declare that this research has been written as a result of my effort and has never been submitted in any other institution for the award of a Masters Degree in Business Administration.

Signed:Date:

APPROVAL

This is to confirm that this research is prepared under our supervision and is now ready for submission to the school of graduate studies and research.

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DEDICATION

I dedicate this research to my Lovely Mother Amoding Crescentia who has always encouraged me during my educational process.

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First and foremost, I thank Almighty God for elevating me to educational level of the Masters Degree. Without His mercy and love, I would not be writing this dissertation. I would like to acknowledge endless support and commitment of my supervisors Dr. Kizza James and Mr. Lukwago Edward. May God empower and watch over you always. I express my profuse gratitude to all the lecturers who have supported me in all my course units. I equally thank my friends, especially the MBA class for their educational contribution. I feel overwhelmed with indebtedness to my Superior General, the Regional Superior of Eastern Region, Sister Sophie Akim and HESA for their enormous support and tolerance throughout the entire period of my studies at Uganda Martyrs University. Rest assured I remain wholeheartedly grateful to you for the loving support and encouragement endowed unto me. Last but not least, I would like to appreciate in a special way my beloved mother whose affection, prayers and motivation inspired me to work tirelessly.

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LIST OF ACRONYMS

BC Budgetary Coordination

BP Budgetary Participation

CIMA Chartered Institute of Management Accountants

IFMS Integrated Facilities Management Systems

NPA National Planning Authority

PB Budgetary Planning

PC Budgetary Control

LOBT Local Onboard Time

IFMS Integrated Facilities Management Systems

SPSS Statistical Package for Social Science

SMART Systematic, Measurable, Achievable, Realistic, and Time-bound

USA United States of America

MMDAs Metropolitan, Municipal and District Assemblies

OMB Office of Management and Budget

ABSTRACT

The aim of this study was to examine the relationship between budgetary planning and budgetary performance in Local Governments in Uganda, taking Soroti District Local Government as a case study. It intended to achieve the following objectives: to investigate the relationship between budgetary participation and budgetary performance; to establish the relationship between budgetary control and budgetary performance and to examine the influence of budgetary coordination on budgetary performance in Soroti District Local Government. The study adopted a cross-sectional survey design. Quantitative and qualitative approaches were employed. Out of the total target population of 110, a total of 86 respondents were selected to participate in the study. These included budgetary committee members, Councilors and Clients. Both primary and secondary sources were used for data collection. Data collection instruments employed were questionnaires, documentary analysis and interviews. Data were analyzed using the Pearson correlation coefficient and Regression analysis, which were aided by the SPSS software.

The research findings revealed that there is a strong positive relationship between budgetary coordination and budgetary performance by (Beta = .797), a strong positive significant relationship between budgetary control and budgetary performance of (Beta = .713) and a strong positive significant relationship between budgetary participation and budgetary performance by (Beta = .671). Staff who clearly understood their individual goals related to the organization can naturally be coordinated and connected with their work. Once they engaged in their work, it would be a direct contribution to the success of Soroti District Local Government and its' employee productivity. They would even begin to find ways to work smarter and more efficiently.

The study concluded that when employees are involved in budget planning, they will freely share essential information with other employees so as to improve performance, communication and loyalty to their Local District. They would further motivate their subordinates and increase job satisfaction. For budgetary control allows more effective planning and control of employee activities. It also creates an opportunity for District officials to incorporate knowledge into budget planning process and to ensure that budgetary coordination involves workers to operate as a team that performs set activities. After fixing the budget, monthly or quarterly meetings could be arranged annually to enable Local District authorities to give feedbacks to stakeholders on how budget plans have been performed. Upon reception of the feedbacks by stakeholders, staff would get more motivated to fix the budget across the board to include even low areas.

The study recommended that Government should put more emphasis on involving a wide range of stakeholders including civil society representatives, business community, women, youth associations and vulnerable persons into district budgetary planning. Government should also involve stakeholders and others into monitoring budgetary planning during implementation of activities in the district. Involvement of all these people and organizations will ensure that decisions are made adequately for the benefit of stakeholders in the district. In the process, there should be controls in utilization of resources and other materials in order to minimize expenditures; and that budgets versus activity implementation should be coordinated with human resources in order to improve on the level of budgetary performance in Soroti District Local Government.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The study examined budgetary planning and budgetary performance by focusing on Soroti District Local Government. The research is comprised of five chapters. This current chapter covers the background of the study, statement of the problem, purpose of the study, research objectives, hypotheses, scope of the study, geographical scope, time scope and the significance of the study.

1.1 Background of the study

Presented in this section is the background of the study under the four perspectives namely: historical, theoretical, conceptual and contextual.

1.1.1 Historical background

Over the recent years, the major focus of Central Governments has been on developing human and environmental objectives. These Governments have used decentralization as a method of sharing development responsibilities with agencies such as local authorities. In countries like the United States of America (USA), budgetary planning is a rigorous and complex exercise which involves participation of both of the Executive and Legislative Governments. Budgetary planning begins sometime prior to the beginning of fiscal year when the Office of Management and Budget (OMB) issues a letter to Departments known as planning guidance. The budget comprises of estimates of expenditure, revenue and information about budgetary performance of the economy during the previous fiscal year (2012).

In Africa, most governments have historically been more centralized than their industrialized counterparts. This is mainly because of the existence of strong central governments. In recent years however, there has been a wide spread movement to revamp local governments in the Sub Region of Africa. Grindle (2004), states that interest of revamping local governments has stimulated governments of these countries, academics and international development organizations. In countries like Ghana Local governments, more specifically Metropolitan, Municipal and District Assemblies (MMDAs) were established with a paramount role of generating close contacts with local citizens and to facilitate decision making at lower levels of society (Focus, 2012).

In Uganda, local governments were first set up in 1919 by colonial leaders following the approval of the African Built-in Authority ordinance. This provided for open judicial, executive and legislative control of chiefs who were accountable to the Central government (Nkrumah, Arrigoni, & Napolitano, 1963). In 1955 District Council's ordinance provided for an elected majority in the councils that were awarded the legal basis to assume greater functions such as being entrusted with the responsibility of controlling primary education, maintaining boreholes and local roads (Lubaale, 2000). Between 1962 and 1966 there was a remarkable growth of local governments which involved budgetary planning. For example, Teso district was divided into North Teso and South Teso, which are now Soroti and Kumi Districts respectively.

In 1993 the formerly centralized administrative structure of the government including budgetary management in Uganda was decentralized (Amanya & Wall, 2005). The decentralization policy was aimed at improving service delivery in local government and lower levels. It also aimed at fostering peoples' participation in initiating and planning implementation. So the budgetary making process in some local government institutions in Uganda has been set with inherent

discrepancy between actual and expected estimates. This discrepancy has led to poor budgetary performance in organizations and local governments. It is against this background that the researcher is tempted to examine the relationship between budgetary planning and budgetary performance in Soroti District Local Government.

1.1.2 Theoretical background

The study was guided by Goal Setting Theory developed by Locke in the late 1960s. The theory asserts that working toward a goal provides a critical source of motivation to actually arrive at the goal, which in return improves performance. Locke (1960), affirmed that there is a relationship between how hard and specific a goal is in respect to people's performance. To be motivated by goals, a person must set clear goals that are measurable and not ambiguous. When a goal is clear and specific, time is set for its' realization. Criteria are set to determine what behaviors will be rewarded and discarded.

According to Locke (1960), goals must be established and agreed upon if they are to be effective. Implicitly, for budgetary goals to be effective they should be established on the basis of consensus. Budgets need set goals with clear communication and they should provide feedback opportunities to explain expectations and adjustment of goals. They should also increase acknowledgment in the budgetary planning process (Latham, 2004).

Goal setting is one of the most powerful instruments and evidence-based interventions that can enhance performance, provide moderating factors such as goal attribute, organizational context and employee characteristics. The theory is relevant to the study in that for Soroti District Local Government to achieve its' vision for a healthy, educated and self-sustaining population by 2025, it is important to set goals, objectives and to create activities that should be implemented with

measurable outcomes towards the envisaged vision. This can only be possible when goals are set, resources mobilized, monitored and utilized to accomplish expected objectives. Budgets have to be planned for with participation of the concerned stakeholders who control and coordinate them according to the district sources of revenue.

The study also adopted the Theory of Budgeting (Shields & Young, 1993). According to this theory, a budget acts as a director of variances between organizational objectives and performance and acts as a vital ingredient of concept of effective budgetary performance. The rationale for the theory of budgeting is that for activities to be implemented and results to be achieved, they have to be under the control of specific indicators to be measured against set estimates. Budgets often project future financial performance which enhances evaluation and financial viability of a chosen strategy (Jayamaha & Silva, 2012).

Budgetary planning influences the behavior and decisions of employees by translating business objectives and providing a yardstick against which to assess performance (Hancock, 2009). A budget permits a goal and standard of budgetary performance (Selznick, 2008). This theory of budgeting is relevant to the study in that it clearly points out the need for budgetary planning and budgetary performance.

1.1.3 Conceptual background

Budgetary planning, according to Foster (2017), is the procedure that involves the use of budgets to develop financial forecasts, which can include: cash budgets, sales budgets, operational budgets, capital budgets, strategic budgets and budgeted financial statements. Shields & Shields (1998) defines budgetary planning is a process in which a manager is involved with and has influence on the determination of her budget. Lewis (2004) budgetary planning is the annual

exercise where the civil servants and politicians plan what government is to achieve in the year. In the context of the current investigation, *Budgetary performance (BP)* refers to a reflection of the input of resources and the output of services for each unit of an organization commonly used by government bodies to show the link between taxpayer funds and the outcome of services provided by local governments (Irani, Kamal, Angelopoulos, Kitsios & Papadopoulos, 2010). Richardson (2009) also defines budgetary performance as a subjective measure of how well the budget has performed by focusing on assets use and revenue generation. This study uses the definition of budgetary performance propounded by Richardson because it emphasizes progress in terms of speed of service delivery, turnover and level of effectiveness factors within geographic units. In this study, budgetary performance is conceptualized as the speed of service delivery, turnover and level of effectiveness.

1.1.4 Contextual background of the study

Currently the development and implementation of an effective budgeting system is a necessity because production entities are in deep instability and periodic crises which are influenced by financial and economic fluctuations. Therefore, a mismatch between local on-board time (LOBT) codes and integrated facilities management systems (IFMS) codes affects the processing of funds for activity implementation. The same mismatch has a bearing to poor budgetary performance in terms of timely realization of expected outputs. This delays the processing of funds and implementation as planned. Capacity gaps too that are delayed in decision-making affect performance. The results are not achieved as expected and thus compromising on the quality of services provided to the population. The audit department lacks vehicle for transportation and documents for audit from the sub-counties cannot be carried on motorcycles. Neither can activities be effectively conducted without reliable means of transport (Soroti

District Local Government FY, 2017/2018). Soroti District Local Council report showed that regardless of harmonization of the budgetary planning process, perceived effectiveness of the budget in terms of the budget realized and improved service delivery is far below expectations.

In the Financial Year 2017/18, Soroti District Local Government expected local revenue of 548m Uganda shillings. Its' revenue has definitely declined to 507m Uganda shillings in local revenue performance. This is because the large revenue in the previous year was from the sale of government property. That sale and receipt are not expected in the FY 2017/18 though attempts through the revenue enhancement plan have been made to improve on the revenue collections (Revenue Performance and plan in the first Quarter of 2016/17).

1.2 Statement of the problem

Budgets play an effective role in achieving organizational strategic goals (Williams, 2011). In this sense, budgets are ways through which one can attain the goals set. In both higher and lower local government units, much as the local government Act grants the district council the rights and obligations to formulate, prepare, approve and implement their budgets, coupled with the efforts made by the Central Government of Uganda to improve on the economic development of Soroti District, the effect of budgetary planning on performance is still low (Soroti District Local Government Financial year, 2017/2018). Budget conferences, seminars, and workshops have been conducted to help staff and other stakeholders improve on their budget formulation and implementation. Despite all the above interventions, timely service provision, turnover and level of effectiveness are still low. Unless this is addressed, there is likely to be poor budgetary performance in the district local council. It is against this background that the study is intended to establish the contribution of the budgetary participation, control and coordination on

budgetary performance in Soroti District. If nothing is done to examine the effect of those predictors, then objectives may not be achieved as planned.

1.3 Purpose of the study

The purpose of the study was to examine the relationship between budgetary planning and budgetary performance in local governments in Uganda by focusing on Soroti district local government.

1.4 Objectives of the study

(a) To investigate the relationship between budgetary participation and budgetary performance in Soroti district local government.

(b) To establish the relationship between budgetary control and budgetary performance in Soroti district local government.

(c) To examine the influence of budgetary coordination on budgetary performance in Soroti district local government.

1.5 Hypotheses

There is no relationship between budgetary participation and budgetary performance in Soroti district local government.

There is no relationship between budgetary control and budgetary performance in Soroti district local government.

There is no relationship between budgetary coordination and budgetary performance in Soroti district local government.

1.6 Scope of the study

1.6.1 Content scope

The study was limited to budgetary planning and budgetary performance. By budgetary planning, the researcher investigated: (a) Participation such as Information on budgets, Stakeholders participation and Delivery awareness. (b) Control such as Positive Performance records, Abilities of development, Skills development, Innovation and consultation. (c) Coordination such as supervision, free flow of information and feedback.

Under budgetary performance the study examined the following: speed of service provision measured by the timely procurement of goods and services; timely service delivery and timely accomplishment of tasks. Turnover included: goals are achieved; value for money is earned and rewards to budget implementation. The level of effectiveness is accountability on budgets, transparency, feedback, efficient utilizations of resource and image improvement.

1.6.2 Geographical scope

Soroti District Local Government is located between latitude 15°N and 2.00 N' and longitude 33o 44E in Eastern Uganda. Formally, it was part of Teso district covering Soroti, Katakwi, Kaberamaido, Amuria, Bukedea, Ngora and Serere. Soroti borders Kamuli, Lake Kyoga, Kumi and Pallisa in the South, Kaberamaido in the West and Katakwi in the Northeast. The district covers approximately a total land area of 2,662.5 km² of which 2,256.5 km² is land. 406 km² is water. Soroti district local government was chosen for the study because of the level of performance as revealed by the reports of Soroti district FY 2016/2017 and FY 2017/2018 showed that it was lower than expected.

1.6.3 Time scope

Extension of the study covers four years from 2013 to 2017. It is assumed that this period is sufficient to assess the contribution of the budgetary planning and budgetary performance in any or most local governments of Uganda.

1.7 Significance of the study

The study may benefit the management of local government by making it understand the contribution of budgetary planning on performance in Uganda and by highlighting how budgeting influences performance.

The study may also benefit academicians by analyzing and criticizing existing knowledge about budgetary performance in local government. This will assist future researchers to make reference to the study for future research undertakings.

An examination of the various prerequisites of the budgeting system may enable the reader to better appreciate the use of budget in evaluating performance in relation to predetermined set goals of the organization.

1.8 Operational definitions

Budgetary planning is the process of constructing a budget and then utilizing it to control the operations of a business.

Budgetary participation is a process where a manager is involved with and influences his or her budget.

Budgetary Coordination is the communication of objectives to all the departments within the company.

Budgetary control is a process for managers to set financial and performance goals with budgets, compare the actual results and adjust performance as it is needed.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents a review of related literature on the variables under investigation. The review reveals contributions and the existing research by previous scholars. It is based on the study objectives and guided by the conceptual framework.

2.1 Theoretical review

The theory that guided the study was Goal Setting Theory by Locke (1960). The theory stresses that working toward a goal provides a major source of motivation to actually arrive at the goal which in return improves performance. According to the theory, to be motivated by goals, a person must set clear goals that are measurable and not ambiguous. When a goal is clear and specific with a definite time for completion there is optimism about what behaviors will be rewarded.

Locke (1960), affirms that the most significant characteristic of individuals is that they are often inspired by achievement and that they will critique a goal based on the implication of the expected achievement. Goals must be established and agreed upon if they are to be effective. Adjustment of goals increases acknowledgment in the budgetary planning process. Selecting the proper type of budgetary goal requires an effective goal program which must also include feedback.

In addition, literature was reviewed based on the Theory of Budgeting by Shields & Young, (1993). The theory asserts that budget acts as a director of variances between organizational

objectives and performance. It is part and parcel of effective budgetary performance. Budgets project future financial performance which enables evaluating the financial viability of a chosen strategy. In most organizations, this process is formalized by preparing annual budgets and monitoring performance against budgetary plans (Jayamaha & Silva, 2012).

Budgets often reflect the financial implication of business plans by identifying in amount, quality and timing of resources (Sharma, 2012). Budgetary planning greatly affects the behavior and decisions of workers by translating business objectives towards evaluating performance. Hancock, (2009) considered such operational planning to be critical for management. A budget permits a goal and the standard of budgetary performance to be established with subsequent comparison of actual results with acceptable standards (Selznick, 2008).

2.2 Conceptual Framework

According to Oso & Onen (2008), the conceptual framework is a scheme of concepts that have been operationalized in order to achieve the study objectives. It is a diagrammatic representation of the key variables in a given study.

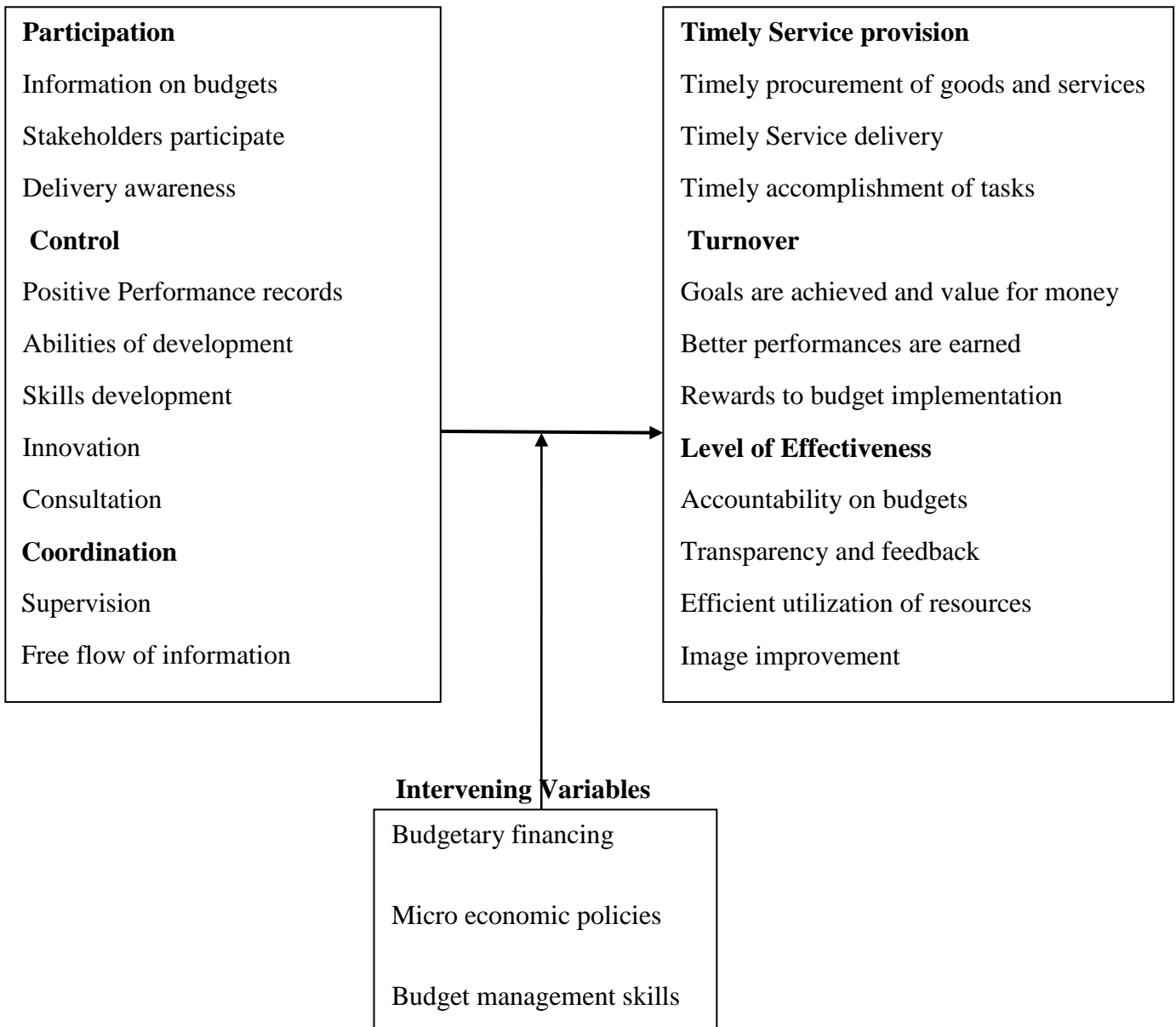
Figure 2.1 below shows the conceptual framework for budgetary planning and budgetary performance.

Independent variable

Dependent variable

Budgetary planning

Budgetary Performance



Source: Developed by the researcher from the reviewed literature

Figure 2. 1: Conceptual Framework for budgetary planning and budgetary performance

Figure 2.1 illustrates the conceptual framework for the study. As it can be seen from the framework, the two main study variables are budgetary planning as independent variable and budgetary performance variable as dependent variable. Budgetary planning, the independent variable is measured through the following basic referents: Participation, Control, and Coordination. The dependent variable of the study was budgetary performance. This variable was broken down into the speed of service provision, turnover, and level of effectiveness. By the speed of service provision, the researcher examined such indicators as timely procurement of goods and services, timely Service delivery and timely accomplishment of tasks. The turnover was measured by goals that are achieved and value for money, better performance is earned and rewards to budget implementation. The level of effectiveness was measured by the following indicators: accountability on budgets, transparency and feedback, efficient utilization of resources and image improvement.

The relationship between the independent variable (budgetary planning) and dependent variable (budgetary performance) may be affected by such factors like budgetary financing and microeconomic policies. These factors have been referred to as intervening variables in the conceptual framework as shown in figure 2.1.

2.3 Empirical literature survey

Previous empirical studies on budgetary planning and budgetary performance seem to be more oriented on effective budgeting and budgetary control systems and participatory budgeting to enhance performance. However, none of them was conducted on the relevance of budgeting and budgetary control and their impact on the co-ordination process in Local Government. This is the gap the researcher intended to fill.

Mwaura, (2010) conducted an investigation into the participatory budget setting and budget commitment as a factor that affects the performance of some companies. The scholar used a causal research design to identify the cause and effect relationship. The population of interest in this study comprised 55 companies listed where it considered only 53 still operating. Data for this study was both quantitative and qualitative; hence, both descriptive and content analysis techniques were employed. The descriptive statistical tools were used to describe the data and its magnitude. In addition, to quantify the strength of the relationship between the variables, Mwaura, (2010) used multiple regressions. The study concluded that budgetary participation affects the return on capital employed and return on assets to a great extent. It was further found out that budgetary participation affects the return on investment and budget commitment to moderate extents. However, little was mentioned on issues pertaining to budgetary planning and budgetary performance which was the primary issue in the investigation.

Eker, (2007) conducted a study on the impact of budget participation on managerial performance through organizational commitment. The study was conducted on the top 500 firms in Turkey. The results provided several contributions to management accounting literature by improving understanding of budget participation and organizational commitment. The study suggested that the effects of budget participation on organizational commitment by itself on managerial performance are positive and significant. The managerial performance scores were found to increase when the interaction score between budget participation as organizational commitment increases concomitantly and vice versa. Similarly, the study supported the hypothesis that the interaction score between budget participation and organizational commitment fluctuate according to the level of managerial performance.

A survey conducted by Ambetsa (2003), on budgeting control practices by commercial airlines operating at Wilson Airport in Nairobi indicated that the predicaments faced were budget assessment deficiencies and inadequate participation of all individuals in the preparation of the budget. The study concluded that airlines operate and use budgets to plan, implement and evaluate their business performance. Most enterprises plan using budgets. Some of them are in a systematic and formal way and yet others in an informal way, have some form of budgetary control and budgetary control practices. However, the previous study does not explicitly consider budgetary control and budgetary performance; which was a major focus of this study.

Jayamaha & Silva, (2012) carried out a study on budgetary coordination and organizational performance in Apparel Industry in Sri Lanka and found out that there is a relationship between budgetary coordination and organizational performance. Multiple regression analysis was used as a statistical method. The results indicated a significant correlation between budgetary coordination process and organizational performance. An important element of the accounting system is the management accounting system which provides information to managers for purposes of planning, organizing, and control and coordinating activities (Seaman, Landry, Williams, 2011).

2.4 Conceptual Review

2.4.1 Budgetary Planning

A review of the budget literature demonstrates the wide extent of how the budget is used for planning purposes. According to Umapathy (1987), who conducted a study on 402 medium and large companies in the United States, various budget practices including planning of financially

successful firms differed significantly from 19 other firms. Results of the study established that using budgets for planning and coordination had a positive effect on financial performance.

On the other hand, Arnold & Artz (2015), examined the role of target difficulty and target adjustments on firms' financial performance and found out that more challenging budget targets correlate with increased financial performance. It implied that the use of budgets primarily for decision-making reduced the need for flexible targets. It therefore proved the significance of budgets for planning purposes. Another study by Arnold and Gillenkirch, (2015) examined the effects of budgetary planning on performance evaluation. The results of the study showed that the common use of only one budget for both planning and control purposes in practice revealed a relationship between planning and control functions of budgeting.

Amans, Mazars-Chapelon & Villeseque-Dubus, (2015) also studied two nonprofit performing arts organizations (theaters) to understand how the usage of budgets for planning, control, monitoring, and evaluation vary within different complex organizations. The research, therefore, underscored the inherent use of budgets for planning.

Another study by Burmistrov & Kaarboe (2013), also suggested the intrinsic nature of budgets and planning and the relationship between budget planning and performance. Similarly, Henttu-Aho & Jarvinen (2013), studied five industrial companies in paper and steel that greatly changed traditional budget practices and found out that the managers continued to use budget functions such as planning and control to some extent.

2.4.2 Budgetary performance

Budgetary performance is used to measure business performance (Murphy et al., 1996). However, the use of budgetary performance measures to evaluate organizational effectiveness

has been criticized for not being so focused. Tucker, Kirkham, & Hopwood, (2012) also noted that the role of reliance on accounting performance measures mainly accounting data in performance evaluation.

According to Tucker et al., (2012), several scholars have continued the work on reliance on accounting performance measures. This was in line with Chakravarthy (1986), who stated that accounting performance measures are a necessary but not a sufficient condition to measure overall effectiveness. Bento and White, (2001) explained that accounting-based performance measures for Small and Medium size Enterprises research suffer from several drawbacks yet Mckiernan and Morris, (1994) claim that overall performance linked to a set of multidimensional measures are more significant.

2.5 Review of related literature

According to Onen (2008), the literature review refers to the systematic identification, location, retrieval, analyses and evaluation of documents containing information that are related to the research problem, as well as analysis of casual observations and opinions related to the planned study. In the present study, literature is reviewed in accordance with the set objectives and guided by the conceptual framework.

2.5.1 Budgetary participation and budgetary performance

Budgeting participatory influences employee attitude towards the budgeting process and budgets their involvement in the adoption of the budgets that they have to execute, ensure their trust in budget accuracy and fairness, the sense of involvement and feeling of job satisfaction (Jermias & Setiawan, 2008). Jermias & Setiawan, (2008) noted that real participation leads employees to devote more time in achieving the organization's objectives that motivate them.

Improvement in accountability is another recognized strength of a participatory budget (PB) experiences. Ackerman (2004) affirms that participatory budget is one of the most effective ways to improve accountability and governance and that participatory budget structures reduce corrupt behavior, political use of public funds. The World Bank (2004), considers the PB experience in POA as an example to be followed. More specifically, it is referred to as a successful experience of the state-society synergy for accountability. The role played by the society in improving accountability claimed as one of the main strengths of PB, is a subjective conclusion not based on any sort of data or other reliable and comparable sources of information.

Amalokwu & Ngoasong, (2008) conducted a study on budgetary and management control practices. This study was illustrated and was based on a qualitative approach in data collection research purpose, data analysis as well as critiques of the method used. It used a sample of 50 respondents. The study concluded that budgets could facilitate the sustenance of competitive advantages by ensuring some major management functions which include among others: forecasting and planning; communication and coordination; motivational device evaluation and control.

Brownell, (2013) conducted a study to establish relationships between budget participation and performance. He identifies some variables which are effective on the relationship between participation and performance by using contingency approach categorized into the four groups. In addition, two important studies examining the national culture variable were categorized in the first category by Brownell. Lau and Buckland, (2013) accept that culture as a natural chance for managerial performance and low diversity within the participation is expected to range from medium to high rather than from low situations which are common in local government, just as is the situation in Soroti district.

Tsui (2001), in a study based on China and Caucasian cultures points out that the interaction effects of management accounting system and budget participation on managerial performance tend to vary due to cultural background of managers. The study indicated that there is a relationship between management accounting system information and managerial performance Budget participation which was beneficial in educating citizens about these problems.

2.5.2 Budgetary Control and budgetary performance

Budgetary control is a tool used by management to keep track of actual performance to ensure budgeted standards are met (Kpedor, 2012). The budgetary process in the Local government is an ideal situation that reflects the interplay of strategic objective and resource constraints. It is an instrument for a managerial decision, making concern for both human and material resource allocation. Budgetary control involves a repetitive circle of planning and control which is normally followed by proper information concerning the real result to the management (Defranco, 1997). Budget and Budgetary control significantly form important management and interior control systems that are essential in the process of planning and control which are most important activities of management in all organizations according to (Warue & Wanjira, 2013).

Merchant & Van der Stede (2007), affirmed that budgetary control is instrumental in management control. The use of budgets to control a firm's activities is known as budgetary controls, according to (Garrison & Noreen, 2000). Budgetary control as defined by CIMA is the establishment of budgets relating the responsibilities of executives to the requirements of a policy. Further it is a continuous comparison of the actual with budgeted results either to secure either individual action of the objective of that policy or to provide a basis for its refinement.

An emphasis made by Chartered Institute of Management Accountants in 2000, was that budgetary control, being a system of controlling costs and resources, involve comparing actual performance with the budgeted performance and subsequently acts upon the actual results to minimize variance and to achieve maximum returns. Budgetary control is purported to ensure that the activities carried out are providing the desired results. Nevertheless, efficient cash management is having the right amount of money in the right place and time to meet the government's obligations in the most cost-effective way (Garrison & Noreen, 1997).

Budgetary Planning and Budgetary control of related resources are the keys to good management. The process of developing plans for an organization is the expected operations and controlling operations that helps to carry out those plans. Objectives of budgetary control are: to help in establishing procedures for preparing a company's planned revenue and costs in addition to coordinating and communicating these plans for various levels of management (Kariuki, 2008).

Furthermore, budgets formulate a basis for effective revenue and cost control for local governments to benefit from budgetary control. A period budget is a forecast of operating results for a segment or function of a company for a specific period of time (Rees-Caldwell & Pinnington, 2013). Short term or one-year plans are usually formulated in a set of period budgets. In practice, Soroti District Local Government uses period budgets as their budgetary control mechanism which follows several management accounting tools. These include among others: knowledge of responsibility, accounting and reporting systems, cost behavior patterns which help in the management of project revenues and costs (Rees-Caldwell & Pinnington, 2013).

2.5.3 Budgetary Coordination and budgetary performance

Budgetary Coordination is a major function of budgeting. The budget acts as an instrument through which the actions of the different parts of an organization can be harmonized into a common plan (Drury, 1997). Different sections in the company should also coordinate the many different tasks they perform. Some of the tasks have to be performed at the right time. It requires that each manager makes a proper report between the activities of the department in way that any imbalance in the relationship between the departmental activities can be identified and corrected (Pandey, 1994).

Dressel and Brumby (2012), affirms that budgetary planning and budgetary coordination could be guided by the National Development Plan, and it is highly decentralized to both central and local governments. The budget process in Uganda has been fundamentally reformed over the last two decades from incremental budgeting to integrated planning and budgeting at local government levels and national levels. This has influenced the institutional framework for planning and budgetary coordination and has been a significant contributor to the success in economic management as demonstrated by consistent macro-economic recovery.

Waugh & Streib (2006), observes that the administrative element is the chief role of the budget office to coordinate. The budget office integrates the top-down plans from the chief executive and the bottom up requests from departments. The governments in which the budget office has only a minute role, will act as a coordinator in developing the budget calendar, coordinating meetings, developing, reviewing forms and monitoring. Following the adoption of the budget, the budget office controls the apportionment and allotment of government financial resources so as to achieve better performance. Waugh & Streib (2006), stresses the fact that the core activity

of the budget office is to prepare the operating budget and oversee its' implementation. The most significant function that a budget office could have is to coordinate the budget process. When acting as a coordinator, the budget unit develops the budget schedule, coordinates meetings, and reviews forms and worksheets, and assists the chief executive to prepare the budget document (National Advisory Council on State and Local Budgeting practices).

According to Samuelson (1993), after a budget has been adopted, the budget office may also be permitted to supervise and monitor the implementation of the budget. Therefore the budget office monitors departmental expenditure, reviews and adequately monitors budget transfer requests. It generates regular, mid-year budget reports lists with identified activities for each of these three roles of coordination, policy guidance, and implementation.

According to the World Bank (2000), Coordinating the development of the budget includes; producing a budget calendar, identifying responsibilities for enhancing the various tasks, ensuring that various parts of the budget process are clearly harmonized, keeping the process on time, producing reports and ensuring that the requirements are met and quality standards are sustained. The development of the budget could also include issuing budget policy frameworks. The World Bank (2000), also reaffirms that coordinating the discussion of the budget includes providing opportunities in the budget process for obtaining stakeholder input. The effectiveness of budgets depends on their relevance to the coordination process of the budgetary planning process. As noted earlier, a budget is formed to obtain certain intended functional effects (Ostman, 2012). For this current research, a good budgetary planning process is aimed at achieving budget accuracy and improved service delivery. Therefore, the properties of the accuracy are evaluated according to what effects will arise from budgetary coordination in terms of service delivery and budget accuracy (Samuelson, 1993). For the budget system to be

effective, supportive instructional structures for implementation, coordination and monitoring must be in place. These include among others: budget implementation, coordination, monitoring, accountability, accounting information systems, performance systems, human resource development systems, performance management systems, monitoring and evaluation systems. All of these are aimed at improving budget accuracy and service.

Silverman (1992), considers decentralization to have been undertaken because of dissatisfaction with the inefficiency of the centralized provision of public services. It also emphasizes that the devolution of budgetary responsibilities could improve a locative efficiency. Oates (2008), also noted that allowing different mixes of public services across jurisdictions, decentralized budgeting could achieve an efficient measure towards the allocation of financial resources.

Some studies have argued that decentralized system, mostly those without well functioning democratic systems or mechanisms for budgetary coordination, could decrease welfare if they are associated with a high degree of corruption or leakage of resources. The devolution of budgetary responsibilities may, therefore, be related to an increased susceptibility by local elites whose decisions may reflect the preferences of their own subgroups rather than those of the member of the locality as a whole (Bardhan & Mookherjee, 2000).

Henderson & Frederickson (2001), affirms that the verification of budgetary coordination on a decentralized basis through local governments has been improved better. However, generally, coordination of budget achievement is mainly based central government direction and discretion.

2.6 Conclusions

The Scholars argued that the act of participation in the budgetary process serves as a function by inducing subordinates to accept and commit to their budgetary goals. They have also suggested

that budgetary planning process and participation also serve as an information function whereby subordinates can gather, exchange, and disseminate job-relevant information to facilitate their decision-making process. Subordinates can further communicate their private information to organizational decision makers for coordination of activities. The empirical evidence on the budgetary control plays a positive role in the financial performance in an organization. Other authors have argued that the decentralized system, particularly those without well functioning democratic systems for budgetary coordination, could decrease welfare if they are availed with adequate resources. Decentralization of budgetary responsibilities may, therefore, be associated with increased susceptibility of the local communities whose decisions may reflect the preferences of the people. Otherwise, few studies have been conducted on the relevance of budgetary planning and its effect on budgetary performance in local governments. The researcher intended to fill the gap identified between the former and the latter.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The research methodology, according to Sridhar (2008), is a way to systematically solve a research problem by logically adapting various steps. It entails the description of how the study was carried out. It presents the research design, study population, sample size and sampling procedure, data collection methods and instruments and data analysis process. Also included in this chapter are the validity, reliability, ethical considerations and limitations.

3.1 Research design

Kothari (2004), defines a research design as an arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The study specifically adopted a cross-sectional survey design. The rationale for this study design was that it enables the researcher to collect data from a cross section of respondents from the same setting and at the same time. The researcher collected data from budgetary planning and outcome in terms of budgetary performance and there was no need for a follow-up of respondents after the study period. Both quantitative and qualitative data were also collected at the same point in time. Ogutu (2012), posits that a survey research method is probably the best method available to social scientists who are interested in collecting original data for purposes of describing a population that is too large to observe directly.

The qualitative research approach was used to gather the views and opinions of the respondents so as to support the quantitative data (Mbabazi, 2008). This was adopted because it enabled the

researcher to triangulate information gathered by the quantitative approach in order to arrive at an informed conclusion about the association between budgetary planning and budgetary performance in Soroti District local government.

3.2 Study population

According to Neelam (2014), population is the totality of individuals from which some sample is drawn. For Godfrey Ochieng & Price (2009), a population to be considered under study should be clearly defined before making any decision on how to sample it. The study population comprised of 110 respondents (District Administration records, 2018). The study population comprised of the 40 budgetary committee members, 15 Councilors and 55 clients. These comprised of both the civil servants and the local politicians of the local government. An accessible population was part of the target population that the researcher could actually reach. This population were being selected because it helped the researcher to acquire the necessary data for research and the researcher believed that this category of people were knowledgeable enough about her area of study and were able to avail her with the necessary data about the study.

3.3 Sample size

Oso & Onen (2008), define a sample size as part of the accessible population that has been procedurally selected to represent it. The study selected a sample of 86 respondents from the accessible population of 110 (District Administration records, 2018). The sample comprised of the budgetary committee members, councilors, and clients who were involved directly in budgetary participation, controlling and coordination in the district. This sample of 86 respondents was believed to be sufficiently representative of the accessible population of 110 as

suggested by Krejcie & Morgan (1970), whose table is appended at the end of this dissertation. The breakdown of the population, sample and the different methods that were used to select the sample are presented in table 3.1 below.

3.4 Sample size determination and break down

Table 3. 1: Sampling Frame

| Category of respondents | Population | Sample | Sample techniques |
|------------------------------------|-------------------|---------------|--------------------------|
| Budgetary committee members | 40 | 31 | Purposive sampling |
| Councilors | 15 | 12 | Simple random sampling |
| Clients | 55 | 43 | Simple random sampling |
| Total | 110 | 86 | |

Source: Primary Data (2019)

3.5 Sampling techniques

The researcher employed one probability and one non-probability sampling techniques to select the respondents for the study. The study employed simple random and Purposive sampling techniques as probability sampling techniques in getting the information. The researcher used non-probability and probability sampling techniques that is purposive and simple random sampling techniques respectively. The researcher used simple random and purposive sampling techniques to select budgetary committee members, Councilors and Clients at the district.

3.5.1 Purposive sampling

According to Onen and Oso (2008), purposive sampling is when a researcher consciously decides who to include in the sample. The major purpose of this technique is to collect focused

information. This technique was used because selects typical and useful cases only (Onen et.al; 2008). Therefore, the researcher only selected the budgetary committee members that had reliable information on the budgetary planning and budgetary performance.

3.5.2 Simple Random Sampling

According to Onen and Oso (2008) to simple Random Sampling selects a sample without bias from the accessible population. This is where the researcher selects samples randomly. The researcher used this technique because it ensures that each member of the target population has an equal and independent chance of being included in the sample (Onen et.al; 2008). White (2011), contends that by randomizing the selection procedure, any member of the organization has an equal chance of being selected as part of the first sample. The researcher distributed questionnaires to the councilors and clients randomly.

3.6 Sources of data

3.6.1 Primary data

The term primary data refers to the information got directly from the respondents. The main techniques chosen for this study were Questionnaires, Interviews, and Documentary Analysis. Questionnaires developed by the researcher and administered to the respondents who responded to the items in writing, interviews were used in this study. The purpose of this was to collect data to supplement and also check for consistency in regards to questionnaires.

3.6.2 Secondary sources

Qualitative data is obtained through the use of published and unpublished documents. These include the office of the town clerk. Such documents included loan repayment documents, the

annual financial reports of the district local government, the cashier's financial books and transaction supporting documents. The researcher analyzed these documents in order to study past events and issues from the sole source and consequently compare the secondary data and primary data.

3.7 Data collection methods

3.7.1 Questionnaire survey

According to Hall and Hall (1996), questionnaire is a set of questions for respondents to complete by themselves. The researcher used a questionnaire instrument whereby both closed and open-ended questions were used to obtain data from the respondents. Open-ended questions are preferred because they helped the researcher to get balanced data and opened ended questions were in order not to limit respondents on their answers since they required giving details to the questions asked by the researcher. A questionnaire was used because it increased the degree of reliability due to the many items in it and it as well enhanced the chances of getting valid data (Amin, 2005).

3.7.2 Interviewing

The method of interviewing involved oral questioning and face-to-face interaction between the researcher and the respondents. Interviews were used because it had the advantage of ensuring probing for more information, clarification and capturing the facial expression of the interviewees (Amin, 2005). In addition, the interviews provided the researcher with an opportunity to revisit some of the issues that were an oversight in other instruments like questionnaires and yet were important for the study. This method ensured a deep discussion with the respondents and reliable and accurate information was achieved.

3.8 Data collection instruments

This study used questionnaires, focus group discussion, interview guides and documentary review checklists as the major instruments for collecting data. The selection of these instruments has been guided by the nature of the data to be collected, the time available as well as the objectives of the study.

3.8.1 Focus Group Discussion (FGD)

According to Morgan (1996), a focus group discussion involves gathering people from similar backgrounds or experiences together to discuss a specific topic of interest. In focus group discussion participants are free to talk with each other group members; unlike other research methods it encourages discussions with other participants. The researcher engaged the respondents on the various structured discussion on different topics of budgetary planning and budgetary performance. The researcher used a group interviewing in which a small group of usually 8 to 12 people. The information generated from the respondents during the discussions was recorded, interpreted and analyzed.

3.8.2 A self-administered questionnaire

A self-administered questionnaire was used because it provides first-hand information. It was faster, convenient and relevant for literate samples. The questionnaire was administered to the staff in Soroti district local government. The questionnaire was mainly closed-ended although a few questions were open-ended in order to capture the respondent's opinions about the effect of budgetary planning, controlling and coordination on budgetary performance in Uganda.

3.8.3 Documentary Analysis

The researcher also used written documents of records from the office of the town clerk; such documents included loan repayment documents, the annual financial reports of the district local government, cashier's financial books and other relevant documents available at the Organization.

3.9 Data Quality control

To ensure that the data collected was reliable and valid, the researcher carried out standard tests of the instruments for validity and reliability

3.9.1 Validity

According to Amin (2005), validity is the appropriateness of a research instrument. The research instruments were tested for content validity. The instruments were given to three experts in the field to rate the relevance of the items. The results of their judgments were analyzed to find the CVI. This is done by using the Content Validity Index (CVI) obtained by the formula.

$$\text{CVI} = \frac{\text{No. of items judged relevant by all the judges}}{\text{Total number of items on the instrument}} \times 100$$

$$36/45 = 0.8$$

Content validity of 0.80 was obtained for the questionnaire which is considered sufficient. According to Amin (2005), the content validity of 0.7 qualifies the research instrument to be valid.

3.9.2 Reliability

The reliability of a research instrument refers to the dependability or trustworthiness of the degree to which an instrument consistently measures whatever it is purported to measure. An

instrument is reliable if it measures consistently what it is supposed to measure (Amin, 2005). The researcher ensured the reliability of qualitative data by recording accurate facts, responses, observations and events. In order to ascertain the reliability of the quantitative data, the pretesting of the research instruments was conducted. The researcher then computed the reliability of the variables using SPSS computer software to find Cronbach's Alpha coefficient. From the reliability test results, the budgetary control, and budgetary coordination scale and with 10 statements each had the highest Alpha value of 0.939. This was followed by a budgetary participation scale with 10 statements and Cronbach's alpha value of 0.929. The budgetary performance scale had 15 statements and an alpha value of 0.907. Pretesting also helped to show the clarity of the instrument. Unclear instructions, wrong numberings and similar questions were corrected and modified before the instruments were administered to the actual sample.

3.10 Data collection procedure

After submitting a corrected and approved research proposal, the researcher received an introductory letter from the school of graduate studies and research at the University of Kisubi. The letter was used to introduce the researcher in the field and to the respective respondents for data collection. Using the acquired letter the researcher introduced herself to the Chief Administrative Officer of Soroti District Local Government. Upon being granted permission, the researcher booked and carried out the interviews with the staff at the District.

Self-administered questionnaires were distributed to the selected respondents and 45 minutes were given to them for answering the questions. The completely filled questionnaires were then collected and kept safely locked and away from unauthorized persons. Key informant interview

guides were administered by the principal researcher upon purposively selected individuals for sensitive data that was used to triangulate with that collected by self-administered questionnaires.

3.11 Data analysis

Quantitative data were coded in preparation for entry into Statistical Package for Social Science (SPSS) software, version 20, for analysis. Quantitative data were analyzed to generate descriptive statistics presented in the form of percentages, means, standard deviations and frequencies. These were presented in pie-charts, tables and graphs. The relationship between the predictor variables and outcome variables was determined using correlation analysis and thereafter a regression model was used to determine the extent to which the outcome variable was influenced by the predictor variables. Qualitative data from interviews and an open-ended questionnaire were analyzed using thematic analysis. This involved grouping the general responses into broad themes and presented concurrently with quantitative data.

3.12 Ethical considerations

According to Oso & Onen (2008), ethical issues are vital in research and despite the high value of the knowledge gained through research, knowledge cannot be pursued at the expense of human dignity. Therefore, confidentiality was maintained at all levels and times by using anonymous questionnaires. All participants in the research were taken through informed consent. Approach to respondents was polite and no single respondent was coerced to answer any question. The researcher made the respondents comfortable in the time of data collection and assured them confidentiality and that all data was to be strictly used for academics purposes. Individual respondents were asked not to write their names on the questionnaire. The researcher also abided with rules and regulations regarding the operations of Local Government institutions.

The researcher after receiving questionnaires were to be kept safely after getting relevant information and the results attained from the study were not fabricated in any way and storing questionnaires safely so that they can be used for future reference.

3.13 Limitations of the study

The researcher who was interested in acquiring information by using purposive sampling experienced a delay response to filling of the questionnaires by respondents who claimed to be busy. The researcher overcame this by close follow up of the respondents to enable them to fill the questionnaires.

Inadequate and timely secretarial assistance and power load shading delayed early completion of the research. The researcher overcame this by acquiring a laptop computer and power saving devices to ease the compilation of the report.

The researcher faced a challenge of accessing information from the staff of Soroti district local government. In the same way some of the councilors approached were hesitant in providing the required information. To overcome this challenge the researcher clearly disclosed to the respondents the purpose of the study as being an academic study.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter the researcher presents, analyses, and interprets of the findings of the study. The chapter begins with the presentation of the background information of the respondents and response rate which is followed by the major findings of the study. The findings of the study are presented based on the research objectives namely: to investigate the relationship between budgetary participation and budgetary performance; to establish the relationship between budgetary control and budgetary performance and to examine the influence of budgetary coordination on budgetary performance in Soroti District Local Government.

4.1 Response rate

The study targeted a sample of 86 respondents. 5 were considered for key informant interviews and 86 were supplied with questionnaires. A total of 86 questionnaires were distributed to the different targeted respondents. The participation rate for study is indicated in Table 4.1 below

Table 4. 1: Response Rate

| | Frequency | Percentage |
|--------------------------------------|------------------|-------------------|
| Number of questionnaires distributed | 86 | 100% |
| Number of questionnaires returned | 86 | 100% |

Source: Primary data (2019)

As showed in table 4.1 above, the study achieved a 100% response rate which is considered sufficient for the generalisability of the study findings. This higher response rate could be explained by the fact that the researcher administered questionnaires by distributing to the selected respondents and 45 minutes were given to them for answering the questions.

4.2.1 The respondents by their age Bracket

The respondents were also requested to indicate their age bracket to which they belong.

Table 4. 2: Age of respondents

| Age ranges (years) | Frequency | Percent |
|--------------------|-----------|---------|
| 20-30 years | 14 | 16.3 |
| 31-45 | 22 | 25.6 |
| 46-55 | 27 | 31.4 |
| 56 and above | 23 | 26.7 |
| Total | 86 | 100.0 |

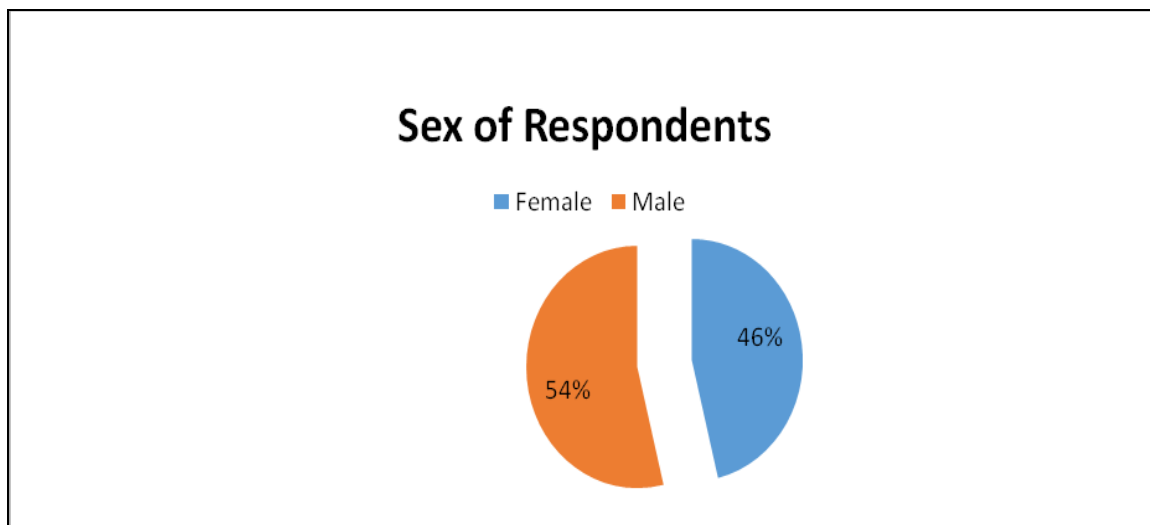
Source: Primary data (2019)

From table 4.2 above, observation shows that the majority of workers were in the age-group of 46-55 (31.4%) years followed by those in the age group of 56 years and above (26.7%). This shows that the majority may retire in the next ten to fifteen years and therefore there is a need to recruit younger persons into the district workforce and this age group has the lowest percentage response (16.3%). In Uganda currently, the majority of the unemployed are the youth and this data supports the situation. The less numbers of the youth limits their participation when budgets are planned for in the district.

4.2.2 Respondents by sex

Data was also summarized according to the sex of respondents who participated in the budgetary planning process and were categorized as female and male. Their percentage responses were presented in a pie-chart below.

Figure 4. 1: Sex by category of the respondents



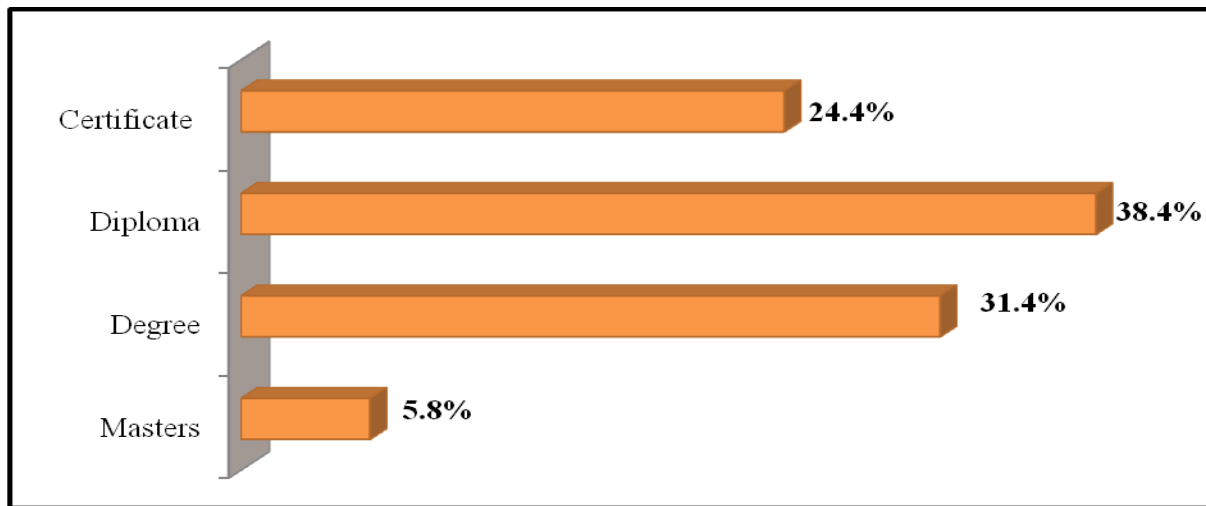
Source: Primary data (2019)

Figure 4.1: pie-chart showing the proportion of male versus female respondents. Males were slightly above average (54%) while females were slightly below average (46%) but within close ranges. This shows fairness in gender issues especially among the females since the Ugandan government puts emphasis on women empowerment and gender sensitivity although females may have reproductive health issues such as pregnancy and child upbringing which may reduce their participation on budgetary activities and thus reducing their participation on budgetary planning processes. This data is evident enough to reveal that the proportion of the females who are educated and placed in positions of responsibility is growing following the educational motivation such as free education scholarships for girl-child in Uganda.

4.2.3 Respondents by the level of education

Data was also summarized as per education level of respondents in the selected sample as was presented as a bar graph for easy visibility of the proportions for different levels of education attained.

Figure 4. 2: Respondents by the level of education



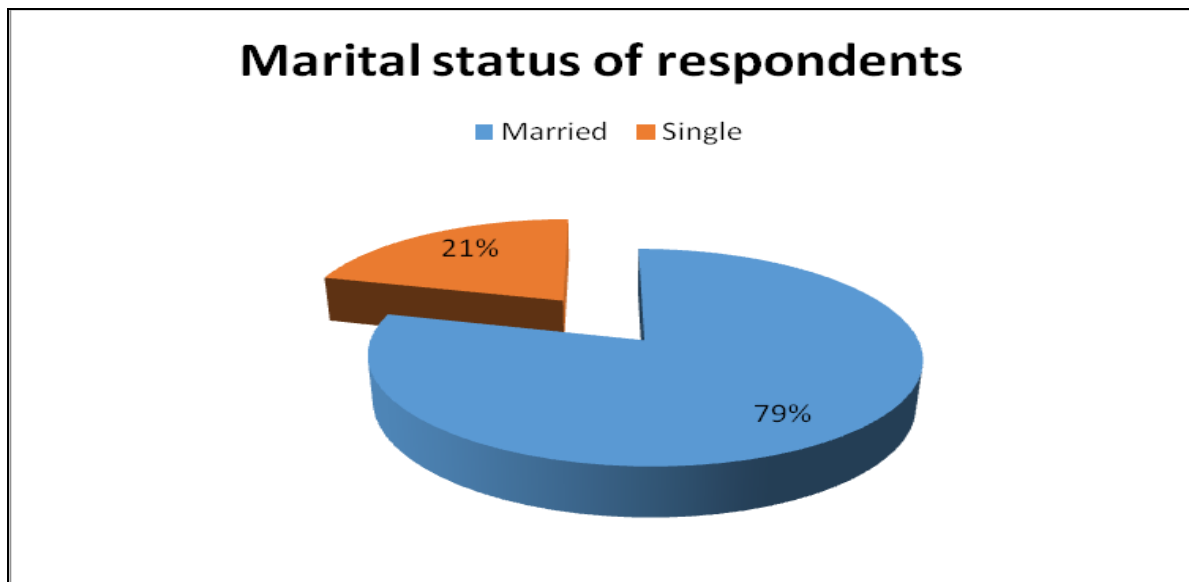
Source: Primary data (2019)

Figure 4.2: above bar graph showing the distribution of respondents by levels of education. Education status has been shown to be significantly associated with performance. Results show that although all the percentage responses were below half, diploma holders were the majority (38.4%) followed by degree holders (31.4) while the least (5.8%) had attained Masters level of education. This shows that the proportion of respondents who enroll for degree programs having attained a diploma was higher compared to those who enrolled and completed the master's level. It also shows that there are almost five times more certificate graduates compared to masters and this can lead to differences in the effective rate of participation among respondents where one with a master's degree may argue a point better than one with a certificate in the similar field.

4.2.4 Respondents according to their Marital Status

Background characteristics of respondents were also summarized using the indicator of marital status which was categorized as either married or single and was presented in a pie-chart below.

Figure 4. 3: Distribution of respondents by marital status.



Source: Primary data (2019)

A majority (79%) of respondents were married while less than a quarter (21%) were single. Married respondents may be stable at their jobs since they have to meet the objectives of the family despite challenges and this may reduce on employee turnover and improving on budgetary performance while singles are usually flexible and can change jobs in a shorter run thus increasing turn-over rate of employees in an organization and negatively affecting their participation on budgetary planning. This proportion also reveals that the biggest proportion who participated in the study was married people. In Teso like other parts of the country, one is free to marry as long as they are above 18 years of age although cases of early marriages also have been reported in the media sources.

The analysis was also computed for the respondents department of the sample under study and was presented in a table below. Respondents departments have a direct relationship with the course attended to at college and are also related to the roles and responsibilities for each department.

Table 4. 3: Distribution of respondents by Departments at District

| Department | Frequency | Percent |
|-------------------------|-----------|---------|
| Health Department | 15 | 17.4 |
| Education Department | 5 | 5.8 |
| Production Department | 9 | 10.5 |
| Construction Department | 16 | 18.6 |
| Finance Department | 41 | 47.7 |

Source: Primary data (2019)

From the table 4.3 above, 41 (47.7%) of the finance Department indicate that they are knowledgeable of the budgetary planning. 15 (17.4%) of the respondents in the Health department, 16 (18.6%) of the respondents in construction department are involved in budgetary planning and delivering services to people in the area. 5 (5.8%) of the respondents in Education department and 9 (10.5%) of the respondents in the Production department are also actively participating in budget planning in the district. The rest usually represent the department of various ministries within the civil service in the district. Multidisciplinary teams bring about a mix of skills that help as a team to improve on budgetary planning in the district. This distribution of job categories did not, however, involve representatives from the civil society organizations such church leaders, NGOs operating in the district and representatives of youth,

women groups and the children. Most of the latter are also affected by budgetary planning and implementation of activities on approval of budgets. Table 4.3 Findings testify this fact and the findings are in accord with the objectives of this study.

The following section shows analysis and interpretation of the data in accordance with the three research objectives. Each of the objectives outlines the subsection under which data is presented, analyzed and interpreted.

4.3.1 Budgetary participation and budgetary performance in Soroti District Local

Government

The first objective was to investigate the relationship between budgetary participation and budgetary performance in Soroti district local government. Data were collected on this objective analyzed using SPSS and results were presented using frequencies and percentages in tables. Correlation and regression tables were used to explain how the independent variable affects the dependent variable and findings presented in table 4.3 below.

Selected respondents were given ten questions in this objective to measure their opinion regarding budgetary participation and their responses were put on a Likert scale ranging from 1- Strongly Disagree (SD), 2- Disagree (D), 3- Neutral (N), 4- Agree (A) and 5- Strongly Agree (SA). After determining their means and standard deviation, responses were analyzed as either agreed or disagreed in order to have categorical variables for correlation and regression analysis. Results were presented as on table 4.4 below.

Table 4. 4: Descriptive Statistics on budgetary participation

| Statement | Min | Max | Mean | SD |
|--|-----|-----|-------------|-------|
| Am always willing to participate in the budgetary process during the meeting | 1 | 5 | 4.23 | 1.014 |
| I am happy that am involved in Soroti District Local Council in budgetary process | 1 | 5 | 3.88 | 1.241 |
| I participate freely in budgetary process because areas always argued about are of my knowledge | 1 | 5 | 3.78 | 1.212 |
| I feel great because contributions during the budgetary process are of value and team members benefit from it | 1 | 5 | 3.99 | 1.012 |
| After the budget preparation am appreciated for my contribution of ideas during the budget process | 1 | 5 | 3.77 | 1.059 |
| When am invited to participatory budgetary meeting I freely give my ideas and are accepted by the officials | 1 | 5 | 4.01 | 1.079 |
| I believe my ideas have given a modification to the budget for positive performance in Soroti District Local Council | 1 | 5 | 3.88 | 1.045 |
| I am informed about the budget planning of presentation and I participate in organizing monthly, quarterly reports to achieve the set projects | 1 | 5 | 3.85 | 1.163 |
| I feel during the budget process more of my effort lessens the work load | 1 | 5 | 3.76 | 1.084 |
| I freely contribute my ideas before anybody else and are written down for reference | 1 | 5 | 3.65 | 1.093 |
| Overall mean | | | 38.8 | |

Source: Primary data (2019)

From the table 4.4 above, when respondents were asked about their willingness to participate in the budgetary process during the meeting, they expressed strong agreement as showed by mean

of 4.28 and a standard deviation of 1.014. This was supported by councilors during the interview, who said,

“We have the willingness to participate in this budgetary process because it is a platform for representing the views of our people who voted for us in office and we give them feedback on the progress of the activities in the district.”

This can be justified by the realization that councilors in the community always want to be relevant to their electorate and thus they are always willing to participate in those meetings whenever the opportunity comes.

On the question of whether they are happy when involved in Soroti District Local Council in the budgetary process, mean of 3.88 and standard deviation of 1.241, from the table above shows that respondents agreed that they are happy to be involved in Soroti District Local Council in the budgetary process. As expressed by respondents who said. *“Whenever we receive an invitation to participate in the process we are happily involved.”* This indicates that involving employees in the budget process enables them to influence the final budgets and to make subordinates to develop a positive attitude towards superiors and budgets.

To find out whether they participate freely in the budgetary process because areas always argued at are of their knowledge, means of 3.78 were in agreement that they freely participate in the budgetary process because areas always argued at are of their knowledge. This is attested by the standard deviation of 1.212, implying that they had the freedom to express themselves during the process and this was because issues under discussion were from their fields of knowledge. Participant said, *“We are always free to express ourselves during the budgetary process because we are technical representatives for our departments.”* These attributes that employees have

essential information that they need freely to share with others so as to improve performance, improve communication, improve loyalty in the entity and motivates subordinates, increase job satisfaction.

The Chief Administrative Officer during the interview affirmed that. *“The district leadership encourages freedom of expression as this gives an opportunity for feedback from the stakeholders who are represented by the participants.”*

Respondents were also asked how they felt during the budgetary process. Means of 3.99 agreed that they feel great because of contributions during the budgetary process are of value and team members benefit from it as indicated by the standard deviation of 1.012. During the group discussion, the participants pointed out: *“They believed that their contributions were valuable inputs in the budgetary process.”* This implies that employees are given opportunity and freedom to know the District activities and dependencies between tasks during the budget process. The respondents were also asked if they were appreciated for their contribution of ideas during the budget process and after the budget preparation. The mean of 3.77 and the standard deviation of 1.059 were in agreement that after the budget preparation they are appreciated for their contribution of ideas during the budget process. Further probing was conducted to assess the extent of their satisfaction for the appreciation offered. The respondents said that:

“Sometimes we come to the planning session when we do not have any money at all but after the process, we are appreciated with some allowance and messages of gratitude from our district leaders and this motivates us to participate in every activity that we get invited to.”

This implied that Soroti district local government officials have that commitment for development at heart which leads to realistic development and fair budgets with a higher degree of accuracy.

Furthermore, the respondents were still asked when invited for participatory budgetary meeting whether they freely give their ideas and are accepted by the officials. 4.01 mean and standard deviation of 1.079 agreed that when they are invited to participatory budgetary process meeting they freely give their ideas and are accepted by the officials. When the Chief Administrative Officer was consulted if ideas contributed were all put into consideration, he said that,

“Although we encourage free participation of ideas during the planning session, not all the ideas may be put in to use since it is not easy to satisfy the needs of everyone with the limited resources available but the ideas are usually written down and filled for future reference and other projects.” This indicates that the employees in the district are motivated when they share their ideas during the meeting and when ideas are shared, performance will occur.

Respondents were also asked if the ideas contributed had been effectively used to modify the budget towards positive performance. 3.88 means and 1.045 as standard deviation affirmed that ideas they had contributed had been effectively used to modify the budget for positive performance. One key informant when asked about this said,

“Yes, our ideas are usually considered although not all of them at once, that means whenever a situation calls for an input of those ideas, we refer to the files and we are able to make good use of the suggested ideas to modify the process for better budgetary performance.” This indicates that ideas are very vital for decision making and the researcher encouraged the heads of

departments to pay attention to the technical employees so that they consider their ideas when there is a need to make decisions.

Prior communication is vital for the participants before the planning session. A question was asked if they were informed of the budgetary planning. 3.85 mean and 1.163 standard deviation agreed that they are informed about the budget planning of presentation and they participate in organizing monthly, quarterly reports to achieve the set projects. One respondent said that *“The information and communications officer usually send invitation letters inviting us to the budgetary planning session before the session so that we participate in monthly, quarterly and annual reports on tracking budgetary performance for our district.”* During the time of documentary check, the researcher found out that the District speaker in one of their minute meeting encouraged the departments in charge of disseminating information budget planning to follow the right channels for communications so that people are well reached. This indicates that senior planners and policy officials must have communicative program goals and objectives. They also must outline the levels of resources that they anticipate and timely allocate them to support those goals and objectives.

As regards to how they feel during the budget process, based on 3.76 mean and 1.084 standard deviation the participants agreed that during the budget process they feel more of their effort lessens the workload. Budgetary community members during focused group discussion said that, *“They believe their efforts have been very constructive in reducing the workload during the budgetary session,”*

These officials who participate and control budgets should identify outcome measures that determine whether goals, objectives, resource levels and outcome measures must be developed

and validated by lower-level managers. This study, therefore, shows how the Soroti District Local Government evaluates its budget in relation to the set objectives and goals in a bid to measure whether the limited resources have been spent effectively.

The respondents were asked if they freely contribute their ideas before anybody else and are written down for reference. Mean of 3.65 and standard deviation 1.093 agreed that they freely contribute ideas before anybody else and are written down for reference. One key informant said: *“I freely contribute my ideas before anybody else and are written down for reference. These ideas help the district in budget planning and improve the performance.”*

Table 4. 5: Relationship between budgetary participation and budgetary performance

| | | Correlations | |
|------------------------------|---------------------|---------------------|-----------------------|
| | | Participation | budgetary Performance |
| Participation | Pearson Correlation | 1 | .671** |
| | Sig. (2-tailed) | | 0.000 |
| | N | 86 | 86 |
| budgetary Performance | Pearson Correlation | .671** | 1 |
| | Sig. (2-tailed) | 0.000 | |
| | N | 86 | 86 |

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

Source: Primary data (2019)

From the results (Table 4.5) above, budgetary participation has a strong positive significant correlation with budgetary performance ($r=.671^{**}$, $p\text{-Value}=0.000$). This implied that budgetary participation enhanced budgetary performance in Soroti District Local Government.

Table 4. 6: Regression analysis for budgetary participation on budgetary performance

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|--------------|-------------------|-----------------|--------------------------|-----------------------------------|
| 1 | .688 ^a | 0.474 | 0.404 | 0.56437 |

Source: Primary data (2019)

From table 4.6 above, the coefficient of determination (Adjusted R-squared) is 0.404. This value means that 40.4% of the variance in budgetary performance is explained by budgetary participation in Soroti District Local Government. The results also show that budgetary participation statistically and significantly influences budgetary performance. This confirms the alternate hypothesis (or rejects the null hypothesis).

3.2 Budgetary control and budgetary performance in Soroti District Local Government

The second objective of the study was to establish the relationship between budgetary control and budgetary performance in Soroti District Local Government. To attain these objective, respondents were asked for their views on the ten statements based on the Likert scales ranging strongly disagree, disagree, neutral, strongly agree and agree. The level of the participants on each statement was emphasized by the mean and the standard deviation showed the variation of the responses from the mean.

Table 4. 7: Descriptive statistics on budgetary control

| | Min | Max | Mean | SD |
|---|------------|------------|--------------|-----------|
| I am aware of budgetary planning performance in budgetary framework paper | 1 | 5 | 3.80 | 1.050 |
| I always join the budgetary meetings when am called upon | 1 | 5 | 3.99 | 1.183 |
| During the budgetary meetings am allowed to give my input for decision making | 1 | 5 | 3.88 | 1.212 |
| After budget meetings we give feedback to the beneficiaries | 1 | 5 | 3.76 | 1.051 |
| After budgets presentation there is closely management in order to achieve set plans | 1 | 5 | 3.83 | 1.043 |
| Reports are made yearly concerning the budgetary exercise performance | 1 | 5 | 4.08 | 1.065 |
| Working as team we are motivated to work hard to achieve better budgetary performance | 1 | 5 | 4.33 | 0.789 |
| I am comfortable with the time taken to process budgetary performance while stating clearly what specific level they want to attain | 1 | 5 | 3.68 | 1.147 |
| Stakeholders do get response on budgetary performance during the year | 1 | 5 | 3.90 | 0.994 |
| Management of the District council is encouraged by our positive performance during and after the budgetary performance | 1 | 5 | 3.83 | 1.054 |
| Overall mean | | | 39.08 | |

Source: Primary data (2019)

In the table 4.7 above, respondents were asked if they were aware of the budgetary planning performance in the budgetary framework paper. They showed agreement with (a Mean=3.80,

SD=1.050) that they were aware of the budgetary planning in the budgetary framework paper. The chief accounting officer for Soroti district was asked to narrate how budgets were controlled in the district and he had this to say that:

“After the start of the process, each department makes requests as per the work plans and is submitted to the procurement department. Limits are analyzed by the department to avoid lapses and under planning for implementation. Despite this process, there is usually a key challenge of inability to plan for all issues at hand. Priority is usually given to the most pressing and urgent issues.”

In this dynamic world of today, the budgetary planning for budgetary performance needs to be done by all. As for the issue of budgetary planning performance in budgetary framework paper, Soroti district needs to create more awareness. The budget planning performance in budget framework paper assists the management in developing plans for Soroti district local government. Anticipated operations and controlling operations help to carry out those plans which are known as budgetary control.

There was also an agreement among respondents that they always join the budgetary meetings when they are called upon. This agreement is stated by the mean value of 3.99 which is above the average and a standard deviation of 1.183. In an interview, the respondent said that *“whenever I am invited to the budgetary meetings I always join because it is one of the priority areas for my own department and the feedback is always to the benefit of our activities.”* This attributes that budgetary meetings are tools for managerial decisions. They are necessary for both human and material resources allocation.

Respondents were asked if their input was allowed for decision-making. They expressed in agreement with (Mean=3.88, SD=1.212) that they were allowed to give input for decision-making. When the LC5 of the area was asked to comment on this, and he said, *“Usually the input of participants is used to inform decision making although not every idea is implemented.”* This indicates that taking into account their views and knowledge, it helps employees to assess leadership as fair and trustworthy and thus appreciating the transparency in the decision-making process.

The respondents were also asked if they gave feedback to the beneficiaries after the meetings. In agreement they responded with (Mean=3.76, SD=1.051) to have given feedback to the stakeholders after the meetings. One respondent in his agreement stated that *“After budgetary meetings, we usually organize our stakeholders and give them a briefing of the on-going progress activities regarding budgetary planning.”* This affirms that the essential information given to the beneficiaries improves communication, increases the loyalty of employees towards the District, motivates subordinates, increases job satisfaction, enhances the clarity of objectives and reduces role ambiguity and job intention.

Respondents were asked to rate management towards the achievement of objectives. They expressed in agreement with (Mean=3.83, SD=1.043) that there was close management of activities to achieve objectives. During the interviews the Natural Resource Manager said that: *“Management is done closely. This is because it helps us use the resources well, to identify gaps to find solutions for the gaps.”* This confirms that one of the ways to control budgets is to have close management in order to achieve stated objectives. This allows more effective planning and control of activities and the opportunity to incorporate knowledge provided by district officials into the budgeting process.

The respondents were requested to rate on the reports made annually concerning the budgetary exercise performance. They were in agreement with (Mean=4.08, SD=1.065) that they made annual reports. Respondents during the interviews said that *“During the making of annual reports, they usually participate in the making and presentation of the reports on budgetary performance.”* This indicated that the reports made on budgetary performance allow them to promote proper accountability and transparency of the management of the public funds, increase safety, law and order. The same reports also strengthen and inspire them to inform society about current affairs regarding developmental issues.

Whether teamwork made objectives to be achieved smartly, respondents were asked to rate themselves on teamwork. They were in agreement with (Mean=4.33, SD=0.789) that teamwork motivated hard work. During focused group discussion respondents said that *“Working as a team increases collaboration and allows brainstorming. As a result, more ideas are developed and productivity is improved. Two or more people are always better than one for solving problems, resolving difficult tasks and increasing creativity.”* Working as a team encourages communication between team members. This then implies that officials are motivated to work hard to achieve better budgetary performance for Soroti District Local Government.

When respondents were asked how comfortable they were on the time taken to process budgets, (Mean=3.68, SD=1.147) affirmed that they are comfortable with time. The respondents who agreed said that *“Time was usually appropriate for processing the budgetary performance process.”*

The respondents were also asked to rate their opinion on district council management. They agreed with a (Mean=3.90, SD=0.994) that they were positively encouraged by the budgetary

performance. One respondent said, “*Good budgetary performance usually encourages council management to even work harder towards achieving the set objectives.*” This implied that ideas contributed to positive performance in the Soroti district local council. Budgets act as controlling devices to correct any deviation. If the expenditure for a given activity exceeds the allotted resources at any point in time, this will signal deviation from the prescribed course requiring attention and action by the management.

Table 4. 8: Relationship between budgetary control and budgetary performance

| | | Correlations | |
|------------------------------|---------------------|---------------------|-----------------------|
| | | control | budgetary Performance |
| Control | Pearson Correlation | 1 | .713** |
| | Sig. (2-tailed) | | 0.000 |
| budgetary Performance | N | 86 | 86 |
| | Pearson Correlation | .713** | 1 |
| | Sig. (2-tailed) | 0.000 | |
| | N | 86 | 86 |

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

Source: Primary data (2019)

From the results (Table 4.8) above, budgetary control has a strong significant positive correlation with budgetary performance ($r=.713^{**}$, $p=0.000$). This implied that budgetary control played positive role in the budgetary performance in Soroti District Local Government.

Regression Analysis

A regression analysis was conducted to determine how much of the budgetary performance (the dependent variable) was as a result of budgetary control. The coefficient of determination R Square was computed and interpreted. The results were presented on table 4.9 below.

Table 4. 9: Regression analysis for budgetary control on budgetary performance

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .756 ^a | 0.572 | 0.514 | 0.51226 |

Source: Primary data (2019)

From Table 4.9 above, the coefficient of determination (R-squared) is 0.514. This value means that 51.4% of the variance in budgetary performance is explained by budgetary control.

The results show that budgetary control statistically and significantly influences budgetary performance. This rejects the null hypothesis.

4.3.3 Budgetary coordination and budgetary performance in Soroti District Local

Government

The third objective was to examine the influence of the budgetary coordination and budgetary performance. This was measured using ten indicator questions on a scale of 1 for strongly disagree to 5 for strongly agree and were summarized in mean and standard deviation and results were presented in a table 4.10 below:

Table 4. 10: Descriptive statistics on budgetary coordination

| Statement | Min | Max | Mean | SD |
|---|------------|------------|--------------|-----------|
| There is a regular follow up on budget plans by the budget committee and department heads | 1 | 5 | 3.76 | 1.105 |
| Managers always take timely corrective actions when adverse variances are reported | 1 | 5 | 3.53 | 1.134 |
| The District's budget deviations are reported to budget committee | 1 | 5 | 3.97 | 1.023 |
| Coordination of the budget activities is done by the departmental heads | 1 | 5 | 4.22 | 0.832 |
| The costs of activities and functions of the organizations are constantly reviewed by executive committee | 1 | 5 | 4.03 | 1.011 |
| The District departments prepare budget plans prior to the budget year | 1 | 5 | 4.20 | 0.838 |
| Managers hold budget conferences and regular meetings to review performance | 1 | 5 | 3.91 | 1.076 |
| The District has budget policies that coordinate budget spending | 1 | 5 | 4.01 | 0.952 |
| The budget has clear goals and objectives for ease coordination | 1 | 5 | 4.05 | 0.866 |
| All programmes are classified according to the objectives | 1 | 5 | 3.94 | 0.962 |
| Overall mean | | | 39.62 | |

Source: Primary data (2019)

From the table 4.10 above, the respondents were asked if budget committees and department heads made a follow-up on budget plans. They were in agreement at (Mean=3.76, SD=1.105) that there was a regular follow-up of budget plans by department heads and budget committees. This was majorly agreed by the respondents and backed by one key informant who affirmed that: *“Coordination was usually done by or with the user department with guidance from the budget controller and planned activities would be conducted depending on the availability of funds.”* This indicated that following up budget plans help managers in integrating personnel efforts

within the Soroti district local government towards a common goal. By proper allocation of adequate budgets to different activities within the district, all activities can be harmonized and all efforts can be coordinated to achieve district objectives.

The respondents were requested whether managers always take corrective actions when adverse deviations are reported. Respondents rated their opinions. Results showed that they were in agreement with (Mean=3.53, SD=1.134) that corrective actions were usually conducted where necessary. One respondent agreed that *“Whenever deviations occurred, immediate corrective action was taken into consideration and the situation stabilized to the expected standards.”* One way to improve budgetary performance in the District is to conduct corrective actions. This showed that in budget deviations, management can critically look at the success or failure of the past budgets and isolate errors and analyze their causes and establish steps to be taken to avoid the repetition of such errors.

The respondents were requested to find out and to rate if the coordination of the budget activities is done by the departmental heads. Results showed that they strongly agreed at (Mean=4.22, SD=0.832) that department heads coordinated activities. *“Yes, costs are managed for all activities but sometimes expenses go beyond the budgeted levels and this forces us to make supplementary budgets to meet the demand.”* This indicated that department heads do the coordination of activities in their different departments in order to achieve a better budgetary performance level. This attributed that budgets facilitate communications throughout the organization. Budgets are the blueprints for the Soroti district’s plans of operations and can only be coordinated through proper communication at all levels. These budgets are especially helpful to lower level managers who are responsible for implementing the budgets and the plans.

The respondents were asked whether the costs of activities and functions of the organizations are constantly reviewed by the executive committee. The rating showed strong agreement with mean 4.03 and SD 1.011. Interview data from the key informant revealed that “*Consistently activities and function of the organizations are revived by the executive*”. When the costs of activities and functions of the organizations are constantly revived by the executive committee, proper budgetary performance will ensue. This implied that it creates a culture to control costs when costs are reviewed and employees are given the directives to control costs and the system becomes a tune for the entire organization. Costs’ review creates a mindset for employees to find ways to eliminate waste.

Budget plans are prepared by district heads prior to budget year. Respondents rated this statement and it showed that they strongly agreed at (Mean=4.20, SD=0.838) that budget plans were prepared prior to budget year. This affirmed that the district departments work together to organize budgets and they work as a team. The district will have open communication between levels of staff and departments. Exchange of ideas is encouraged. All these will lead to more creative strategies.

Respondents also rated if managers held conferences and meetings to review the performance of budgets. Results showed that they were strong in agreement at (Mean=3.91, SD=1.076) that managers held conferences and meetings to review performance budgets. “*A key informant informed the researcher that budget conferences were usually conducted annually while budget meetings were usually conducted on a regular basis.*” This indicates that management holds conferences and meetings regularly to review performance which allows them to define the roles and responsibilities of their staff and help them to reflect, consolidate, plan and review their

budget performance. Reviewing budgetary performance is a chance to ensure that each staff member knows how they contribute to district activities and its aims.

The respondents were also asked if the district has budget policies that coordinate budget spending. There was a strong agreement by the respondents with a mean of 4.01 and SD of 0.952. During focused group discussion the District LC5 chairperson was asked if budget policies were in place, he said, *“Although they were in place, sometimes it was not quite easy to follow the requirements of the policy and we were conditioned to do things as per the situation on the ground.”* Since the district is dealing with public funds it is advisable that they should put emphasis in following the budget policies offer proper accountability and transparency to the government.

The respondents were requested to rate on if the budgets have clear goals and objectives for ease coordination. Respondents rated their opinion. It revealed that they strongly agreed at (Mean=4.05, SD=0.866) that goals and objectives eased coordination of budgets. During interviews, the key informant said that *“Here in Soroti district local government budgets have clear goals and objectives for ease coordination.”* This attributed that, setting goals and objectives for each employee and department can motivate them to work on the same page on Soroti district’s projects. Workers who clearly understand their individual goals related to the organization can naturally be coordinated with their work. Once they engage in their work, it will be a direct contribution to Soroti district’s success and employee productivity. They will begin to find ways to work smarter and more efficiently. This boosts employees’ productivity and increases Soroti district’s operating margins and profitability.

Finally, there was agreement on the statement whether all programs are classified according to the objectives. This was clearly verified by the mean value of 3.94 and a standard deviation value of 0.962. This is supported by one respondent who said, “*All our district programs are classified according to the objectives.*” This indicated that when objectives are classified according to the objectives, district management can create a competitive advantage in the business environment and this happens when the district produces better budgetary coordination and provides services better than others. It is possible when employees get involved in their work for district success. Increasing profitability enables the district to improve and expand their project operations.

Correlation analysis

Table 4. 11: Relationship between budgetary coordination and budgetary performance

| | | Coordination | budgetary Performance |
|------------------------------|-----------------|---------------------|------------------------------|
| Coordination | Pearson | 1 | .797** |
| | Correlation | | |
| | Sig. (2-tailed) | | 0.000 |
| | N | 86 | 86 |
| budgetary Performance | Pearson | .797** | 1 |
| | Correlation | | |
| | Sig. (2-tailed) | 0.000 | |
| | N | 86 | 86 |

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

Source: Primary data (2019)

From the results (Table 4.11) above, budgetary coordination has a strong significant positive correlation with budgetary performance ($r = .797^{**}$, $p = 0.000$). This implied that budgetary coordination enhanced budgetary performance.

To determine the influence of budgetary coordination on budgetary performance in Soroti District Local Government, the regression analysis was conducted. This was done to respond to

the hypothesis if budgetary coordination influences budgetary performance in Local Government. The results are presented in the table 4.10 below.

Table 4. 12: Regression analysis for relationship between budgetary coordination on budgetary performance

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .822 ^a | 0.676 | 0.632 | 0.44593 |

Source: Primary data (2019)

From Table 4.12 above, the coefficient of determination (R-squared) is 0.632. It indicates that strong degree of correlation. This value means that 63.2% of the variance in budgetary performance is explained by budgetary coordination in Soroti District Local Government. The results also show that budgetary coordination statistically and significantly influences budgetary performance (p= 0.000). This rejects the null hypothesis.

The dependent variable for this study was budgetary performance which was measured using fifteen indicators in a scale of 1 for strongly disagree to 5 for strongly agree. Data was summarized and presented as means and standard deviations for responses of each statement.

Table 4. 13: descriptive analysis on budgetary performance

| Statement | Min | Max | Mean | SD |
|--|-----|-----|------|-------|
| Budget objectives in our district are continuously stated | 1 | 5 | 3.79 | 0.909 |
| The objectives set in the district are coordinated by the officials to meet budget finances and worthwhile priority objectives of the district local council | 1 | 5 | 4.05 | 0.932 |
| It is through hard work that we manage to achieve our set objectives in the district | 1 | 5 | 4.28 | 0.863 |

| | | | | |
|---|---|---|--------------|-------|
| Income budgeted in the Soroti district local council is less motivated and it can be realized | 1 | 5 | 3.47 | 1.175 |
| In the district during the financial year we realize the performance gaps | 1 | 5 | 0.64 | 0.483 |
| The Finance officials in Soroti district yearly do explain budget to stakeholders on the council's budget objectives in order to achieve their acceptance of the objectives | 1 | 5 | 3.97 | 0.951 |
| The district has budget policies that control budget spending performance | 1 | 5 | 4.12 | 0.887 |
| The district engages its' stakeholders in making key budget decisions | 1 | 5 | 4.16 | 1.016 |
| We frequently use resources to achieve results | 1 | 5 | 0.67 | 0.471 |
| The district conducts regular audit of the estimated and actual budget | 1 | 5 | 3.95 | 1.157 |
| We always achieve our targets within the budgeted period | 1 | 5 | 3.09 | 1.360 |
| All the budgeted activities are implemented as planned for | 1 | 5 | 3.06 | 1.240 |
| The expenditures incurred in my District are as per our plan | 1 | 5 | 2.91 | 1.298 |
| Our budget expenditure on maintenance and repairs is adequate | 1 | 5 | 2.84 | 1.291 |
| The grants are received in full as per the budget | 1 | 5 | 2.91 | 1.394 |
| Overall mean | | | 47.91 | |

Source: Primary data (2019)

From the table 4.13 above, the respondents were asked whether budget objectives were continuously stated. They were in agreement with (Mean=3.79, SD=0.91). During the interview, the CAO in agreement said,

“Monitoring and evaluation data were regularly collected for every activity. Analysis is done and a progressive report made. If the progressive report showed a deviation from the expected, then corrective measures were usually made on the objectives in order to improve on the

activities under implementation. This would ensure that the activities were modified and consistently checked against an expected level of performance.” This indicated that, for every activity, objectives were usually restated to bring about a positive change on budgetary performance in the district.

Respondents also rated coordination of objectives by district officials to meet budget financing. Results showed that they strongly agreed with (Mean=4.05, SD=0.93). This was further supplemented by a response from one respondent, who had this to say,

“Right from the inception of every project activity conducted by the district officials, coordination is done at every level of the project to ensure that errors are reduced and results are achieved within specified budgets and time frame. This made the district to achieve the results so far gained.” This indicated strongly that the coordination was adequately done and thus giving an indication of a commitment to the objectives of the Soroti district Local Government.

The respondents were also asked whether it is through hard work that they manage to achieve outset objectives in the district. They were strongly in agreement as revealed by the mean of 4.28 and SD of 0.863 that it was through hard work that they were able to achieve set objectives. During the interviews, respondents said that,

“Every time we have activities to be conducted, we make sure that the team to implement the activities goes through orientation training in terms of the objectives of the project, time frame, and expected the quality to be achieved and cost minimization strategies.” This affirmed that it is important therefore to ensure that for every project activity in Soroti district local government, hard work is very vital for the achievement of the set objectives.

The assessment was also done to determine if performance gaps were realized during the financial year. Respondents strongly disagreed that performance gaps were not realized at a mean of 0.64 and an SD of 0.483. This showed that activities were implemented without considering measuring the level of performance on a regular basis. It, therefore, calls for more monitoring data on performance indicators to be collected in order for performance gaps to be identified. One respondent said, *“When the activities are behind schedule, we focus on completing the tasks at hand and sometimes we consider monitoring to be insignificant especially given the limited time frame of activity implementation.”*

The persons responsible for activity of monitoring in the district do not put emphasis on the indicators to be measured. These latter indicators should, therefore be emphasized during implementation in order for deviations to be detected and gaps identified immediately so that adjustments could be designed and implemented adequately.

The respondents were requested to rate if the Finance officials in Soroti district yearly do explain budget to stakeholders about the Council’s budget objectives in order to achieve their acceptance of the objectives they agreed at a mean response of 3.97 and SD of 0.95. During the focus group discussion respondents said that, *“After formulation of activity objectives with the strategy laid down on how to achieve the stated objectives, stakeholders meeting is called upon and explanation was usually given to ensure that they understand every objective and that the district officials call for their support and cooperation for the achievement of the stated objectives.”*

This attributed that, without involvement and participation of key stakeholders, project activities sometimes get negatively affected. The involvement of the stakeholders is a clear indication of

stakeholder participation for every project implemented in order to improve on their performance.

The respondents were asked whether the district has budget policies that control budget spending performance. Results revealed that the respondents were in strong agreement that policies are in place with a mean of 4.12 and an SD of 0.887. This was further supported by the LC5 chairperson, who in his agreement said, *“We try as much as possible to make sure that the local government policies and guidelines regarding budgeting and spending are adhered to appropriately”*. This indicated that the budget helps to limit the errors that would accrue as a result of non-adherence to the laid down guidelines in the policy document.

On whether resources were frequently used to achieve results, they strongly disagreed with a mean of 0.674 and SD=0.471. One respondent in disagreement expressed that, *“Most times budgeting of available resources was done but when it came to implementation, resources would be found to be inadequate. Most times along the implementation period, the district makes supplementary budgets to cover up the inadequacies identified”* This indicated that inconsistencies regarding adherence to the budgeted resources would call for regular audits of the project activities for proper budget performance in the district.

Respondents were also asked to rate on the frequency of auditing of estimated and actual budgets for district activities. They agreed with a mean response of 3.95 and SD of 1.157 that auditing was regularly done on estimated and actual budgets during implementation. The district accountant was asked to shade more light on this and he had this to say,

“The auditing was done bi-annually in order to ensure that budgets were in line with activities and tasks under implementation. This is done by auditors from the central

government with the guidance of the district accounts staff.” This indicated that regular audits ensure that the costs and expenses are managed appropriately and corrective measures were done immediately for positive performance in the district.

The respondents were asked whether they always achieve their targets within the budgeted period. Results showed that they were in an agreement with a mean of 3.09 and SD of 1.360 that they usually achieved targets within the budgeted period. One respondent had this to say “*Although some activities that didn’t get completed within the financial year, the majority of them get accomplished within a specified period of the budget period and sometimes the reasons for the non-completion are specified in the activity report with a way forward on how those particular activities would get accomplished.*”

Respondents were also rated on whether budgeted activities were implemented as per plan. They disagreed with a mean of 2.91 and SD=1.298 that they were not usually implemented as per planned. One respondent in his disagreement said,

“Most times activities elapse beyond the specified expected time for them to be completed. He however, expressed reasons for the delayed completion such as the delayed release of funds from the central government and delays in the procurement of some goods and services. These led to the delays experienced in some activities.”

It is therefore evident that although delays may occur at times, proper planning can also lead to the achievement of the objectives within acceptable time frames and therefore project implementers should also be encouraged to have alternative means in case of delays to be able to cover up the activities for the objectives.

In terms of achievement of objectives within the budgeted plans, respondents strongly disagreed stating that most times the objectives were achieved beyond the planned budgets. This was responded to at a mean of 2.91 and SD=1.298. One responded expressed it thus,

“In most of the activities we make supplementary budgets since under budgeting affects the planned budgets and this was sometimes due to the result of price fluctuations in goods and services such that by the time the project was implemented, the budget was inadequate for the implementation of stated objectives.”

The respondents were asked whether grants are received in full as stipulated per the budget. Respondents disagreed with a mean of 2.91 and SD=1.394 that grants are not received fully as per budget. One respondent expressed it in this manner, *“Majority of times the resources would be released in small quantities and this would lead to delays in completion of activities within a specified timeframe.”* This indicated that releasing resources targeted for the activities of the stated objectives would ensure that tasks are completed as planned and therefore the agencies responsible for handling resources and allocating them appropriately would consider prioritizing important projects in the district.

Multiple regression analysis of the variables

This part reports the multiple regression results between the three variables that are budgetary participation, budgetary control and budgetary coordination in Soroti District Local Government. The results of the multiple regression analysis are shown in the table below.

The results of the multiple regression analysis are shown in the table 4.14 below.

Table 4. 14: Multiple Regression Model

| Model | Unstandardized coefficients | | Standardized Coefficients | T | Sig. | R ² | df | F | Sig. |
|--|-----------------------------|------------|---------------------------|--------|------|----------------|---------|--------|-------------------|
| | B | Std. Error | Beta | | | | | | |
| (Constant) | .677 | .250 | | 2.707 | .000 | .644 | 3 82 | 69.368 | .000 ^b |
| Budgetary participation | .569 | .069 | .671 | 8.283 | .000 | | | | |
| Control | .610 | .065 | .713 | 9.323 | .000 | | | | |
| Coordination | .736 | .061 | .797 | 12.089 | .000 | | | | |
| a. Dependent Variable: Budgetary Performance | | | | | | | | | |
| b. Predictors (Constant), Budgetary Participation, Budgetary Control, Budgetary coordination | | | | | | | | | |

Source: Primary data (2019)

Multiple regressions were run to predict Budgetary Performance level of the Budgetary Participation, Budgetary Control and Budgetary coordination. This variable statistically and significantly predicted Budgetary Performance $F(3, 82) = 69.368, p < .05, R^2 = .644$. All four variables added statistically and significantly to the prediction. $P < .05$. From the results revealed in the table 4.14 the model the R^2 value is the proportion of variances in the dependent variable that can be explained by the independent variables was .644.

Where y =Budgetary performance

a =Constant

b_1x_1 =Budgetary participation

b_2x_2 = budgetary Control

b_3x_3 =Budgetary Coordination

Regression equation: $y=a+b_1x_1+b_2x_2+b_3x_3$

$Y=.677a+.569x_1+.610x_2+.736x_3$

Beta=.797 this means that this variable makes the strongest unique contribution of explaining the dependent variable, when the variance explained by all other variables in the model is controlled for. This means that the independent variable (budgetary planning) explain 64.4% of variability of the dependent variable (budgetary performance). The most significant predictor of budgetary performance was found to be budgetary coordination of (Beta = .797) followed by control (Beta =.713) and participation (Beta =.671).

CHAPTER FIVE

DISCUSSION OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the discussion of the findings which are discussed according to the respective research objectives that were early presented in chapter one. The chapter also details the key conclusions and recommendations advanced by this study. Finally, the chapter suggests new areas that might be considered for further research.

5.1 Discussion of findings

5. 1.1 Budgetary participation and budgetary performance

This study found out that there was a significant strong positive correlation between budgetary participation and budgetary performance in Soroti Local Government. This is a regression analysis to test the hypothesis that there was a relationship revealed. Although there was a correlation between the two variables, the contribution of budgetary participation on budgetary performance was moderate. This indicates that the effect of the level of participation among the civil servants in Soroti Local Government was low and this had a low influence on the level of budgetary performance in the district.

This was in agreement with Ackerman (2003), who affirms that the Participatory Budget is one of the most effective ways to improve accountability and governance and that Participatory Budget structures reduce corrupt behavior, political use of public funds. The World Bank (2004), considers the PB experience in POA as an example to be followed. More specifically, it is referred to as a successful experience of the state-society synergy for accountability. The role played by the society in improving accountability, claimed as one of the main strengths of PB, is

a subjective conclusion not based on any sort of data or other reliable and comparable sources of information.

However, on the contrary, Amalokwu & Ngoasong (2008), conducted a study on Budgetary and management control practices. The study was illustrated based on a qualitative approach in data collection research purpose, data analysis as well as critiques to the method used taking a sample of 50 respondents. The study concluded that budgets could facilitate the sustenance of competitive advantages by ensuring some major management functions which include among others: forecasting and planning; communication and coordination; motivational device evaluation and control. Shields & Young's theory (1993), asserts that budget acts as a director of variances between organizational objectives and performance.

Similarly, Brownell (2013), conducted a study to establish relationships between budget participation and performance. He as well conducted studies about new identities and some variables which are effective on the relationship connecting participation and performance by using contingency approach being categorized into the four groups. In addition, the two important studies examining the national culture variable that was categorized in the first category by Brownell. Lau & Buckland (2013), accept that culture as a natural chance for managerial performance and low diversity within the participation is expected to range from medium to high rather than from low situations which are common in local government, just as is the situation in Soroti district.

5.1.2 Budgetary control and budgetary performance

Regarding the results of the analysis for the relationship between budgetary control and budgetary performance in Soroti Local Government, the results revealed that there was a strong

significant positive correlation between the two and a further analysis using a regression model showed that the change on the level of budgetary performance as a result of budgetary control was higher compared to other two variables including participation and coordination. This revealed that the control of budgets before and during the implementation of activities was significant and that the contribution of budgetary control on budgetary performance was not by chance. This was in agreement with Kpedor (2012), who observed that budgetary control is a tool used by management to keep track of actual performance to ensure budgeted standards are met. The budgetary process in the Local government is an ideal situation that reflects the interplay of strategic objective and resource constraints. It is an instrument for a managerial decision, making concern for both human and material resource allocation. Budgetary control involves a repetitive circle of planning and control which is normally followed by proper information concerning the real result to the management (Defranco, 1997). Budget and Budgetary control significantly form important management and interior control systems that are essential in the process of planning and control which are most important activities of management in all organizations (Warue & Wanjira, 2013).

Furthermore, Garrison & Noreen (1997), emphasizes budgetary control as being a system of controlling costs and resources which involves comparing actual performance with the budgeted performance and subsequently acting upon the actual results to minimize variance and achieve maximum returns. In essence, budgetary control is purported to ensure that the activities carried out are providing the desired results. Nevertheless, efficient cash management is having the right amount of money in the right place and time to meet the government's obligations in the most cost-effective way.

In the same vein, Merchant and Van der Stede (2007), affirmed that budgetary control is instrumental in management control. The use of budgets to control a firm's activities is known as budgetary controls, according to (Garrison & Noreen 1997). Budgetary control as defined by CIMA is the establishment of budgets relating the responsibilities of executives to the requirements of a policy, and the continuous comparison of actual with budgeted results, either to secure by individual action the objective of that policy or to provide a basis for its refinement.

Furthermore, Garrison & Noreen & (1997), emphasize budgetary control as being a system of controlling costs and resources which involve comparing actual performance with the budgeted performance and subsequently acting upon the actual results to minimize variance and achieve maximum returns. Budgetary control is purported to ensure that the activities carried out are providing the desired results. Nevertheless, efficient cash management is having the right amount of money in the right place and time to meet the government's obligations in the most cost-effective way

On the contrary, Rees-Caldwell & Pinnington (2013), argues that budgets formulate a basis for effective revenue and cost control for local governments to benefit from budgetary control. A period budget is a forecast of operating results for a segment or function of a company for a specific period of time (Rees-Caldwell & Pinnington, 2013). Short term or one-year plans are usually formulated in a set of period budgets. In practice, Soroti District local government uses period budgets as their budgetary control mechanism which follows several management accounting tools. These include among others: knowledge of responsibility, accounting and reporting systems, cost behavior patterns, which help in the management of project revenues and costs (Rees-Caldwell & Pinnington, 2013).

5.1.3 Budgetary Coordination and budgetary performance

Results of the analysis on influence of budgetary coordination on budgetary performance in Soroti district local government revealed that a strong significant positive correlation existed between the two variables and regression analysis showed a strong influence of budgetary coordination on budgetary performance thus revealing that the level of coordination in Soroti district Local Government was strong compared to the level of budgetary control. The coordination of departments and budgeted activities was strong and this significantly improved the effect of budgetary coordination on budgetary performance. Planned budgets were also coordinated with planned activities and this high coordination brought about the expected outputs for the activities conducted. Similarly, Drury (1997), noted that budgetary coordination is a major function of budgeting. The budget acts as an instrument through which the actions of the different parts of an organization can be harmonized into a common plan. Different sections in the company should also coordinate the many different tasks they perform. Some of the tasks have to be performed at the right time. It requires that each manager makes a proper report between the activities of the department in way that any imbalance in the relationship between the departmental activities can be identified and corrected (Pandey, 1994).

Dressel and Brumby (2012), affirms that budgetary planning and budgetary coordination could be guided by the National Development Plan, and it is highly decentralized to both central and local governments. The budget process in Uganda has been fundamentally reformed over the last two decades from incremental budgeting to integrated planning as well as budgeting at local government levels and national levels. This has influenced the institutional framework for planning and budgetary coordination and has been a significant contributor to the success in economic management as demonstrated by consistent macro-economic recovery.

However, Waugh & Streib (2006), observes that the administrative element is the chief role of the budget office to coordinate. The budget office integrates the top-down plans from the chief executive and the bottom-up requests from departments. The governments, in which the budget office has only a minute role, will act as a coordinator in developing the budget calendar, coordinating meetings, developing, reviewing forms and monitoring. Following the adoption of the budget, the budget office controls the apportionment and allotment of government financial resources so as to achieve better performance. Waugh & Streib (2006), stresses the fact that the core activity of the budget office is to prepare the operating budget and oversee its implementation. The most significant function that a budget office could have is to coordinate the budget process. When acting as a coordinator, the budget unit develops the budget schedule, coordinates meetings, and reviews forms and worksheets, and assists the chief executive to prepare the budget document (National Advisory Council on State and Local Budgeting practices).

These results of the study seem not to concur with Samuelson (1993), who argues that after a budget has been adopted, the budget office may also be permitted to supervise and monitor the implementation of the budget. Therefore, the budget office monitors departmental expenditure, reviews and adequately monitors budget transfer requests and generates regular, mid-year budget reports lists with identified activities for each of these three roles of coordination, policy guidance and implementation.

According to the World Bank (2000), coordinating the development of the budget includes producing a budget calendar, identifying responsibilities for enhancing the various tasks, ensuring that various parts of the budget process are clearly harmonized, keeping the process on time, producing reports and ensuring that the requirements are met and quality standards are

sustained. The development of the budget could also include issuing budget policy frameworks. The World Bank (2000), also reaffirms that coordinating the discussion of the budget includes providing opportunities in the budget process for obtaining stakeholder input. The effectiveness of budgets depends on their relevance to the coordination process of the budgetary planning process. As noted earlier, a budget is formed to obtain certain intended functional effects (Ostman, 2012). For this current research, a good budgetary planning process is aimed at achieving budget accuracy and improved service delivery. Therefore, the properties of the accuracy are evaluated according to what effects will arise from budgetary coordination in terms of service delivery and budget accuracy (Samuelson, 1993). For the budget system to be effective, supportive instructional structures for implementation, coordination, and monitoring must be in place. These include among others: budget implementation, coordination, and monitoring, accountability, accounting information systems, performance systems, human resource development systems, performance management systems, monitoring and evaluation systems. All these are aimed at improving budget accuracy and service.

The World Bank (2000) & Silverman (1992), consider decentralization to have been undertaken because of dissatisfaction with inefficiency of the centralized provision of public services. It also emphasizes that the devolution of budgetary responsibilities could improve a locative efficiency. Oates, (2008) also notes that, allowing for different mixes of public services across jurisdictions, decentralized budgeting could achieve an efficient measure towards the allocation of financial resources.

The study findings were also in agreement with Bardhan & Mookherjee (2000), who argued that decentralized system, mostly those without well functioning democratic systems or mechanisms for budgetary coordination, could decrease welfare if they are associated with a high degree of

corruption or leakage of resources. The devolution of budgetary responsibilities may, therefore, be related to an increased susceptibility by local elites, whose decisions may reflect the preferences of their own subgroups rather than those of the member of the locality as a whole.

5.2 Conclusions

These conclusions are drawn from the findings of the study following the objectives considered. Research findings indicated that there was a strong positive significant involvement of respondents in regard to budgetary participation and full employee participation. Employees when involved in budget participation can freely share essential information with others so as to improve performance. Communication and loyalty in the entity quite often motivate subordinates and thus increase job satisfaction.

Budgetary control and budgetary performance, exhibited a strong significant positive relationship. Budgetary control allows more effective planning and control of activities and the opportunity to incorporate knowledge provided by district officials in the budgeting planning process. With effective control in place, it permits the achievement of set goals, to promote proper accountability and transparency of the management of the public funds and to increase safety, law, and order.

From the results of the study it is clearly indicated that there is a strong significant positive relationship between budgetary coordination and budgetary performance. Budgetary coordination which involves workers as a team to perform set activities can promote the strength of teamwork after budget preparation. Some of the meetings arranged monthly, quarterly and yearly to provide feedbacks to stakeholders on how budget plans have been performed. Provision of feedbacks to staff enhances their motivation to fix loopholes in low areas.

5.3 Recommendations

The district leaders in Soroti local Government should put more emphasis on involving a wide range of stakeholders including the civil society representatives, the business community, the women and youth associations and the vulnerable persons in the district budgetary planning and monitoring during the implementation of activities in the district since this will ensure that decisions are made adequately for the benefit of stakeholders in the district. It should be compulsory that the budgeting process for all departments are carried out meeting setting to improve participation of all the employees in the respective budgeting departments.

More and better control strategies should be innovated and implemented by the finance and accounts heads of departments in Soroti in order to control procurement, purchasing, proper storage and release of goods and other supplies while maintaining proper accounting systems in the district. In addition, there should be controls in the utilization of resources and other materials in order to minimize expenditures.

The Leaders responsible for activity of monitoring in the district should put emphasis on the indicators to be measured and these indicators should therefore be emphasized during implementation so that deviations can be detected. Gaps can equally be identified immediately so that adjustments could be designed and implemented adequately.

Regarding budgetary coordination, budgets versus activity implementation should be coordinated with human resources in order to improve on the level of budgetary performance in Soroti district local government.

5.4 Suggested Areas for further research

This study was conducted in the local government setting yet budgets are made even in private organizations. Therefore there is a need to establish the effect of budgetary planning on budgetary performance in terms of investment potential among the private for-profit organizations in Uganda.

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APPENDICES

Appendix I: Questionnaire Form

Dear Respondent;

My name is Itadal Mary Florence. I am conducting a research as part of the requirements for the award of a Degree of Master of Business Administration of Uganda Martyrs University. The title of the research is: **BUDGETARY PLANNING AND BUDGETARY PERFORMANCE IN UGANDA LOCAL GOVERNMENT, SOROTI DISTRICT LOCAL GOVERNMENT**. You have been selected to participate in this study due to the importance of the information you have about the topic. The information you provide will be used only for purposes of this study and will be treated with utmost confidentiality.

Thank You for your cooperation accorded to me.

(Please fill in the questionnaire in block capital, and tick the appropriate answer provided)

PART A: Back ground of the respondent.

Age 20-30 31-45 46-55 Above

Sex Female male

Level of education

Certificate level Diploma Degree Masters Others specify

Marital Status

Marriage Single

Departments in the district:

Health Education Production Finance Construction

Instruction

For the questions below, tick the number that best indicate your opinion on the question using the following scale.

| SCALE | 1 | 2 | 3 | 4 | 5 |
|-------|-------------------|----------|---------|-------|----------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |

PART B: Budgetary Participation and budgetary performance

| NO. | STATEMENT | 1 | 2 | 3 | 4 | 5 |
|-----|--|---|---|---|---|---|
| 1 | Am always willing to participate in the budgetary process during the meeting | | | | | |
| 2 | I am happy that am involved in Soroti district local council budgetary process | | | | | |
| 3 | I participate freely in budgetary process because areas always argued at are of my knowledge | | | | | |
| 4 | I feel great because contributions during the budgetary process are of value and team member benefit from it | | | | | |
| 5 | After the budget preparation am appreciated for my contribution of ideas during the budget process | | | | | |
| 6 | When am invited to participatory budgetary process meeting I freely give my ideas and are accepted by the officials | | | | | |
| 7 | I believe my ideas have given a modification to the budget for positive performance in Soroti district local council | | | | | |
| 8 | I am informed about the budget planning of presentation and I participate in organizing monthly, quarterly reports to achieve the set projects | | | | | |
| 9 | I feel during the budget process more of my effort lessens the work load | | | | | |

| | | | | | | |
|----|---|--|--|--|--|--|
| 10 | I freely contribute my ideas before anybody else and are written down for reference | | | | | |
|----|---|--|--|--|--|--|

PART C: Budgetary Control and Budgetary Performance

| NO. | STATEMENT | 1 | 2 | 3 | 4 | 5 |
|-----|---|---|---|---|---|---|
| 1 | I am aware of budgetary planning performance in budgetary framework paper | | | | | |
| 2 | I always join the budgetary meetings when am called upon | | | | | |
| 3 | During the budgetary meetings am allowed to give my input for decision making | | | | | |
| 4 | After budget meetings we give feedback to the beneficiaries | | | | | |
| 5 | After budget presentation there is closely management in order to achieve set plans | | | | | |
| 6 | Reports are made yearly concerning the budgetary exercise performance | | | | | |
| 7 | Working as team we are motivated to work hard to achieve better budgetary performance | | | | | |
| 8 | I am comfortable with the time taken to process budgetary performance while stating clearly what specific level they want to attain | | | | | |
| 9 | Stakeholders do get response on budgetary performance during the year | | | | | |
| 10 | Management of the district council is encouraged by our positive performance during and after the budgetary performance | | | | | |

PART D: Budgetary Coordination and Budgetary Performance

| NO. | STATEMENT | 1 | 2 | 3 | 4 | 5 |
|-----|--|---|---|---|---|---|
| 1 | There is a regular follow up on budget plans by the budget committee and departmental heads | | | | | |
| 2 | Managers always take timely corrective actions when adverse variances | | | | | |
| 3 | The district's budget deviations are reported to budget committee | | | | | |
| 4 | Coordination of the budget activities is done departmental heads | | | | | |
| 5 | The costs of activities and functions of the organization are constantly reviewed by the executive committee | | | | | |
| 6 | The district departments prepare budget plans prior to the budget year | | | | | |
| 7 | Managers hold budget conferences and meetings regularly to review performance | | | | | |
| 8 | The district has budget policies that coordinate budget spending | | | | | |
| 9 | The budgets have clear goals and objectives for ease coordination | | | | | |
| 10 | All programmes are classified according to the objectives | | | | | |

PART E: Budgetary Performance

| NO. | STATEMENT | 1 | 2 | 3 | 4 | 5 |
|-----|---|---|---|---|---|---|
| 1 | Budget objectives in our district are continuously stated | | | | | |
| 2 | The objectives set in district are coordinated by the officials to meet budget finances worthwhile priority objectives of the district local council | | | | | |
| 3 | It is through hard work that we manage to achieve our set objectives in the district | | | | | |
| 4 | Income budgeted in the Soroti district local council is less motivated, it can be realized | | | | | |
| 5 | In the district during the financial year we realize the performance gaps | | | | | |
| 6 | The Finance Officials in Soroti district yearly do explain budget to explain budget to stakeholders on the council's budget objectives in order to achieve their acceptance of the objectives | | | | | |
| 7 | The district has budget policies that control budget spending performance | | | | | |
| 8 | The district engages its stakeholders in making key budget decisions | | | | | |
| 9 | We frequently use resources to achieve results | | | | | |
| 10 | The district conducts regular audit of the estimated and actual budgets | | | | | |
| 11 | We always achieve our targets within the budgeted period | | | | | |
| 12 | All the budgeted activities are implemented as planned for | | | | | |
| 13 | The expenditures incurred in my district are as per our plan | | | | | |
| 14 | Our budget expenditure on maintenance and repairs is adequate | | | | | |
| 15 | The grants are received in full as per the budget | | | | | |

Thank you so much

Appendix II Interview guide

1. How is participatory budget carried out in Soroti District Local Government?
2. How many methods of budgetary planning are used in Soroti District Local Government?
3. When are budgetary planning processes evaluated in Soroti District Local Government?
4. Comment on the challenges during and after the budgetary process in Soroti District Local Government
5. How often does the management team review the implementation of budgetary control measures in the District?
6. Do executives monitor the budgetary planning in Soroti District Local Government?
 1. Yes
 2. No
7. What can you say about the budgetary control planning process in Soroti District Local Government?
8. How is budgetary coordination carried out in Soroti District Local Government?
9. How often does the management of Soroti District Local Government review the budget?

Appendix III: Table for Determining Sample Size from a give Population

| N | S | N | S | N | S |
|------------|-----------|----------|----------|----------|----------|
| 10 | 10 | 220 | 140 | 1200 | 291 |
| 15 | 14 | 230 | 144 | 1300 | 297 |
| 20 | 19 | 240 | 148 | 1400 | 302 |
| 25 | 24 | 250 | 152 | 1500 | 306 |
| 30 | 28 | 260 | 155 | 1600 | 310 |
| 35 | 32 | 270 | 159 | 1700 | 313 |
| 40 | 36 | 280 | 162 | 1800 | 317 |
| 45 | 40 | 290 | 165 | 1900 | 320 |
| 50 | 44 | 300 | 169 | 2000 | 322 |
| 55 | 48 | 320 | 175 | 2200 | 327 |
| 60 | 52 | 340 | 181 | 2400 | 331 |
| 65 | 56 | 360 | 186 | 2600 | 335 |
| 70 | 59 | 380 | 191 | 2800 | 338 |
| 75 | 63 | 400 | 196 | 3000 | 322 |
| 80 | 66 | 420 | 201 | 3500 | 327 |
| 85 | 70 | 440 | 205 | 4000 | 351 |
| 90 | 73 | 460 | 210 | 4500 | 354 |
| 95 | 76 | 480 | 214 | 5000 | 357 |
| 100 | 80 | 500 | 217 | 6000 | 361 |
| 110 | 86 | 550 | 226 | 7000 | 364 |
| 120 | 92 | 600 | 234 | 8000 | 367 |
| 130 | 97 | 650 | 242 | 9000 | 368 |
| 140 | 103 | 700 | 248 | 10000 | 370 |
| 150 | 108 | 750 | 254 | 15000 | 375 |
| 160 | 113 | 800 | 260 | 20000 | 377 |
| 170 | 118 | 850 | 265 | 30000 | 379 |
| 180 | 123 | 900 | 269 | 40000 | 380 |
| 190 | 127 | 950 | 274 | 50000 | 381 |
| 200 | 132 | 1000 | 278 | 75000 | 382 |
| 210 | 136 | 1100 | 285 | 100000 | 384 |

Note: N is the Population: S is the Sample size

Source: R.V. Krejcie and D.W. Morgan (1970)

Appendix IV: Letter of Introduction to the field

CR/2011

UNIVERSITY OF KISUBI
(Formerly known as Kisubi Brothers University College)
In Virtue We Educate

March 09, 2019

SORTI DISTRICT LOCAL GOVERNMENT
RECEIVED
11 MAR 2019
CENTRAL REGISTRY

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

*NO Objection - The ASST, DEC
Members and speaker are asked
to accord the researcher ASSISTANT*

RE: INTRODUCING ITADAL MARY FLORENCE *12/3/2019*

I wish to introduce to you ITADAL MARY FLORENCE (17MBA0263). She is our student on the Master of Business Administration (MBA) of Uganda Martyrs University programme, and is carrying out a study on the topic: "Budgetary Planning and Budgetary Performance in Local Government in Uganda. A Case Study of Soroti District Local Government"

The purpose of this letter, therefore, is to kindly request you to accord her such assistance as may be necessary to enable her access and obtain the data he might need for her study. The data obtained through this process shall be used for the exclusive purpose of her study.

It is my hope that her findings will not only be useful for her academic pursuit but will also be of much benefit to the general public.

Thank you in advance.

Yours faithfully,

[Signature]
BR. BERNARD LUWEREKERA, PhD
Director, School of Graduate Studies and Research

UNIVERSITY OF KISUBI
09 MAR 2019
P.O. Box 182
Entebbe
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