ABSTRACT

Integrated Financial Management Information systems (IFMIS) is believed to enhance Public Sector financial management by providing real-time information used in decision making by managers. However, while other studies have noted positive contribution of IFMIS on real-time information, others are of contrary opinion, hence the view that IFMIS contribution in real-time is case specific therefore the need to examine specific cases of IFMI Son Public Finance Management (PFM). This study therefore, examined the implementation and effect of IFMIS on Public Finance Management at Kisumu County National Treasury, Kenya. The specific objectives were: to establish the modules of IFMIS used; to establish the extent of implementation of IFMIS modules, and to determine the effect of IFMIS modules on PFM at Kisumu County National Treasury. This study was anchored on Contingency and Meta theories of accounting information systems to cater for the different management systems and the regular changes in information systems. A correlation research design was used to establish the effect of IFMIS. A saturated sample of 24 staff who interact directly with IFMIS was used in this study. Secondary data was sourced from financial records of the Kisumu County National Treasury while primary data was collected by closed ended questionnaires. The questionnaire was piloted at Kisumu County government Treasury to ensure reliability and validity then administered at Kisumu County National Government Treasury. Data was analyzed using descriptive statistics and linear regression techniques. Findings revealed that IFMIS modules contribute 66% change (R^2=0.660) in PFM at Kisumu County National treasury. The study established that not all IFMIS modules had been implemented at Kisumu county National treasury (plan to budget 93.8%, procure to pay 93.8%, record to report 100%, revenue to cash 100%, reengineering for business result 6.3%s, ICT to support 68.8%, communicate to change 75%). The study further established that not all IFMIS modules were fully functional at the treasuries (plan to budget 68.8% partially implemented, procure to pay 81.3% partially implemented, record to report 93.8% partially implemented, revenue to cash 87.5% partially implemented, and reengineering for business results 81.3% partially implemented, ICT to support 50% partially implemented, communicate to change 50% partially implemented .Some modules had a positive effect on PFM (Procure to pay (0.667; t=1.660) not significant, record to report (.728; t=0.939) not significant, ICT to support (1.111; t=2.508) significant, the modules with a negative effect on PFM were (plan to budget (0.512; t=2.227) significant; revenue to cash (1.455,t=2.508) significant; reengineering for business results (0.419; t=1.133) not significant; communicate to change (0.789; t=2.264)significant. The study concluded that IFMIS modules have had a significant effect on PFM at Kisumu county National treasury. The study recommended that all IFMIS modules should be implemented and fully operational in all sub-county treasuries and the modules that have a positive effect on PFM should be improved further while those with a negative effect should be investigated and improved to ensure a better PFM.