

STRATEGIC FACTORS AFFECTING E-MANAGEMENT OF GOVERNMENT FUNDS: A CASE OF MAVOKO CONSTITUENCY DEVELOPMENT FUND

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Abstract: The evolution of the technology in the world has led to changes in the introduction of new ways of transaction. The automation of the activities introduces a perspective in the management of the resources to improve efficiency. E-business has led to the various business processes and the area of management of funds has been one of which has not been left out. E-Management has come with several benefits to the organizations that use it but the many others have failed to adopt it. In the government agencies in the world, e-funds management has failed to perform well because of the political influence, the institutional capacity, and the attitude of the stakeholders. Exploring the implementation of e-procurement in the management of the Constituency Development Fund (CDF) of Mavoko Constituency can be insightful in understanding the problems associated in the implementation of the technology in Kenya. This study focused on strategic factors affecting e- funds management at Mavoko constituency development funds. The study analyzed the following factors; political influence, institutional Staff attitudes, and users technical expertise. Descriptive research design was used. The scope of the study was Mavoko constituency Development Funds Mavoko Town where total of 120 employees were interviewed from Mlolongo/Syokimau, Athi River, Muthwani and Kinannie ward offices. Stratified sampling method was used where Data was collected using Questionnaires which were both closed ended and open ended, where descriptive statistics was utilized to organize and describe the data while excel computer package was used to present the analysis in tables, pie charts and bar graphs. The study would benefit Mavoko constituency with better strategies to manage Constituency Development Funds. Secondly, the findings would also help Mavoko CDF in Policy making process as it will always be used as a reference tool. Other Constituency funds would also use the report of the findings to enhance their management policies in their systems. Lastly, other researchers would also base their studies on this study. The study found that political influence had a positive effect on e- management of Government funds. There was a positive relationship between staff attitudes and e- management of Government funds. The research found that users technical Knowledge had a positive correlation on e- management of Government funds. The study concludes that political interferences have affects e- management of Government funds; staff attitudes contributed positively towards e – management of Government funds; users technical expertise had a great role to play for e- management of its funds. The study recommends that good politics should be used in Government Institutions for the benefit of the citizens. The political good will always be used as a tool for achievement of the set objectives; the study recommends that staff continuous trainings to boost their morale should be enhanced. The government entities should always engage well experienced staff at any level of management.

Keywords: STRATEGIC, E-MANAGEMENT, GOVERNMENT FUNDS.

1. INTRODUCTION

Background of Study:

Technology has been one way through which people have been able to enhance convenience in the process of operations. In the course of operations, many companies and agencies have been able to enhance the various business activities to increase the accuracy and effectiveness of the outcomes. The automation of the process in the agencies has ensured that

the supplier do not have to visit the premises of the organization before they deliver the products. According to Davila, Gupta, and Palmer, (2003) procurement has been one of the processes that organizations have had to move to the internet to facilitate their performance. Online procurement, commonly known as the e-procurement has played an important role in the management of businesses in the world. The element of e-procurement for businesses has been integral in the performance because of the it has improved the operations of large corporations that deals with many people or involves many operations in the course of the time (Walker & Harland, 2008).An e-procurement technology refers to any electronic system that facilitates the acquisition of goods by a private or a public agency over the internet.

Having been a technological system that has great influence on the performance of agency, e-procurement had produced many effects on organizations. Not surprisingly, e-procurement technologies provide significant benefits to agencies that have them. The advantages include administrative costs reduction, reducing the order fulfillment cycle time, lowering inventory levels and the price paid for goods, and preparing organizations for increased technological collaboration and planning with business partners. Many companies and public agencies have quoted the advantages of e-procurement to their operations to justify their investment and migration from the traditional procurement to the modern one that is usually online-based. The trend of adoption of e-procurement by private and public agencies indicates that many of them are adopting the technology to enhance the performances of the business. The changes in the adoption of the technology have been on the rise since the beginning of the 21st century (Davila, Gupta, & Palmer, 2003).

The competition in the market is likely to influence the companies that have not adopted the e-procurement technology to implement it so that they can increase their efficiency in the use of the limited resources. The level of adoption of e-procurement in the operation of an organization may involve such aspects like e-tendering, e-sourcing, e-advertising, e-payment, e-invoicing, e-catalogue. Private and public agencies can implement the procurement technologies that could be in the form of e-procurement software, purchasing consortia, business-to-business auctions, and the business-to-business marketing exchanges.

Statement of the Problem:

The need to reduce the poverty that plague many of the people in the society has been the priority for the government of Kenya. The government has implemented various strategies through which it can secure the development for their members. Devolution of the administration of resources has been one of the ways through which the government has sought to ensure meaningful implementation of projects that the local people need most. The Constituency Development Fund (CDF) has been one of the ways through which the government has tried to reach out to the grassroots with development. The government of Kenya placed the Members of Parliament (MPs) in the position to oversee the management of the CDF in their respective constituencies. Adopting the strategy ensured that the each MP would evaluate with the constituents and the relevant stakeholders for development to determine the most suitable project to implement their areas. The procurement procedures have been some of the most important programs that have characterized the activities of the government. Many of the MPs have mismanaged the CDF in their constituencies in the processes of acquisition of various goods and services.

Many stakeholders in the development of the country have acknowledged the need to change the procurement strategies and methods from the traditional forms to the new electronic system that will equip. The expectation has been that many of the government agencies would accept the adoption of the e-procurement to leverage the advantages it has in the delivery of services. However, research show that the adoption and integration of e-procurement technologies into government agencies is occurring at a much slower than expected pace. One of the arguments that the government agencies have raised in their failure to embrace the e-procurement has been that its implementation is more complex, more expensive, and more time consuming than they originally envisioned. Many of them heads of the agencies have blamed the consultants who overstated the effectiveness of e-procurement. Lack of a proper understanding of the functionality of e-procurement has been another reason why many companies failed in the implementation of the strategy in enhancing their performance. Another issue in the low rate of implementation of e-procurement is that it is at its initial stages and many agencies have not fully aligned their departments to facilitate it operations. Some of the agencies are lacking knowledgeable individuals that can help to facilitate accomplish the various goals of the organization.

2. LITERATURE REVIEW

Rogers Innovation Diffusion Theory (Everett 1962)

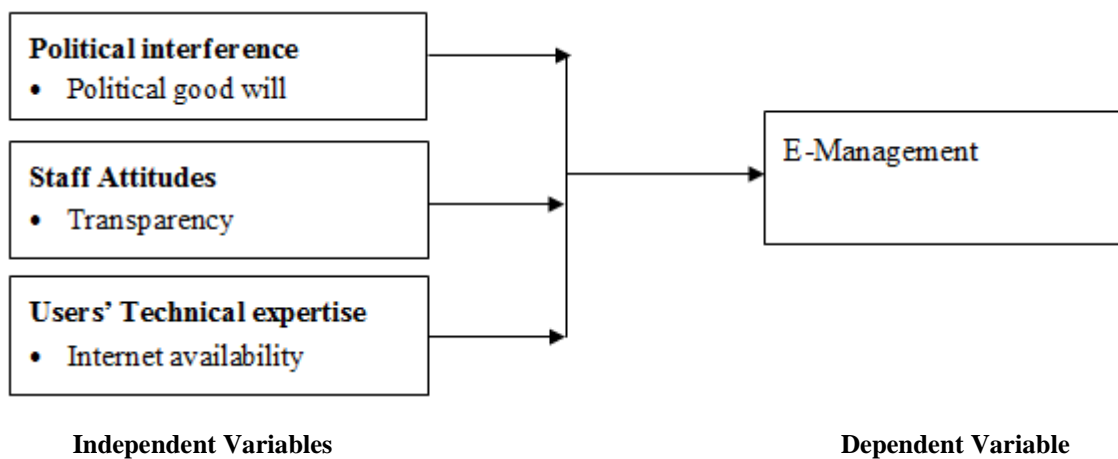
Everett Rogers's 1962 work, *The Diffusion of Innovations*, has become arguably the most influential book in the understanding of how an innovation permeates a population. Rogers drew from a wide range of research crossing fields of sociology, education, psychology, geography, and others to provide a comprehensive framework for understanding

individual adoption and, collectively, diffusion. The theory is has had influence on many other theories of adoption and diffusion. The strong point about Rogers’s theory is in the foundation it provides for understanding the factors that influence individual choices people make concerning an innovation (Lee, Hsieh, & Hsu, 2011). Various components can provide a basic understanding of the innovation diffusion theory (IDT).

United theory of Acceptance (Chen 2009)

Technologies that appear in the society have a relative short life cycle and that has influenced their usability. Many people have to acquire knowledge in any given technology to help them to be effective in the use of any innovation that comes to the market. The Technology Acceptance Model (TAM) first came to the literature following the research by F. David who identified that there were significant underlying factors that influence the behavior of individuals to use a technology. The model purport that the perceptions that people develop based on their cognitive and the social ideologies influence their acceptance of a new technology. Two factors appears in the theory as the key drivers to the choice to accept a technology in the course of life. The first factor in the choice to accept a technology is the perceived ease of use that implies the reduction of the effort that an individual has to put to reach preferred ends (Liao, Palvia, & Chen, 2009). TAM associates ease of use with self-efficacy that individuals attain when they use a technological system.

Conceptual Framework:



3. DATA ANALYSIS, PRESENTATION AND INTERPRETATION

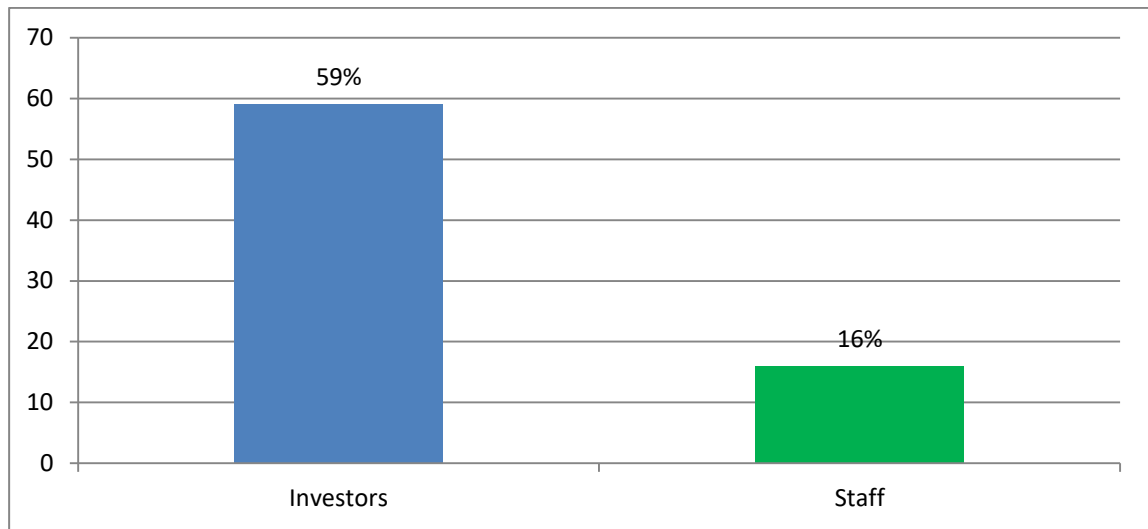
Response Rate:

Response rate involves the computation of the response rate from the questionnaire returned from the respondents. Response rate is the extent to which the final data set includes all sample members and is calculated from the number of people with whom interviews were completed divided by total number of people in the entire sample. This includes those who declined to participate and the unavailable. The study targeted 120 workers from Mavoko Constituency. From which a sample of 75 was drawn to participate in the study. All (100%) the sampled population responded to the research questionnaire fully contributing to 100% response rate. This commendable response rate was attributed to the data collection procedure, where the researcher personally administered questionnaires and waited for respondents to fill in, and picked the questionnaires once fully filled. The response rate demonstrates a willingness of the respondents to participate in the study.

Table: Response Rate

Category	Frequency	Percentage
Managers	10	13
Supervisors	15	20
Officers	30	40
Support Staff	20	27
Total	75	100

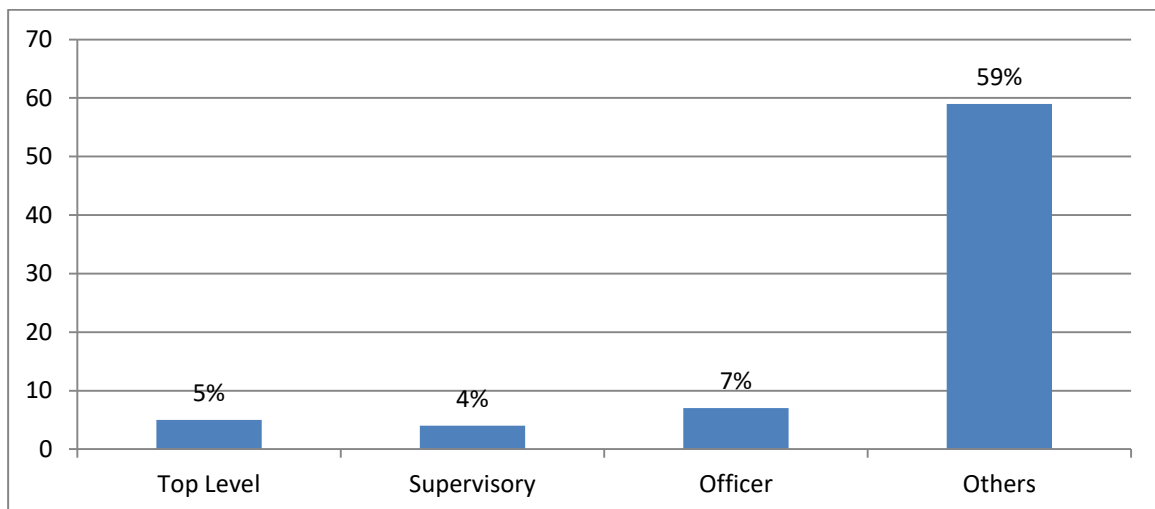
From Table above, 10 respondents representing 13% were managers while 15 respondents (20%). 30 respondents (40%) were Officers while 20 respondents represented 27%. These results imply that the findings of this study would be comprehensive and unbiased to reflect the various views on the strategic factors affecting e-management of Government Funds. The distribution of the respondents was as shown in Table below



Response Rate:

E-Management Level:

The study targeted to collect data from the top, middle or lower level management staff in the Bank. As such, the study sample included top level, supervisory, officers and other staffs. This was relevant to assess the distribution of the respondents across the management levels. According to Figure below, more respondents were general staff and didn't hold managerial positions in the organization. The others population comprised of investors and other staffs who formed an overwhelming majority of 79% of the respondents followed by officers who formed 9% of the respondents. In addition, 7% of the respondents were top management levels while 5% of them indicated that they were supervisory staffs. These results indicate that majority of the participants of this study were the investors whose views regarding investment decisions are essential in this study while the staffs views would complement the views of the investors hence the results would not be biased.



Management Level

Political Interference:

The first objective of the study was to determine how political interference affects e-management on Public funds. In this regard the respondents were required to indicate their views on how politicians affect e-management of Public funds. The results are as depicted in Table below

Table: Political Interference

Relationship	Frequency	Percentage (%)
Positive	60	80
Negative	5	7
Not at all	10	13
Total	75	100

From Table above, 60 respondents (80%) were for the opinion that political influences have effect on e-management of Public finances while 5 respondents (7%) were for the idea that political interferences had negative influence on investment decisions. 10 respondent (13%) were for the opinion that the political interferences didn't have any influence in investment decision. This shows that political interferences had a positive influence on e-management of public funds. This is in accordance with Mose *et al.*, (2013) that the importance of trust is preeminent in e-commerce because of the high degree of insecurity and risk present in most of the typical transactions in the mode of business.

Staff Attitudes:

The second objective of the study was to assess how staff attitude affect e- governance at Mavoko CDF. Accordingly, the respondents were required to indicate whether the staff members have positive attitudes towards e-governance.

Table: Staff Members have Positive Attitudes Towards E-Governance

Response	Frequency	Percentage (%)
Yes	69	92
No	6	8
Total	75	100

From the results depicted in table 4.11 above, 69 respondents (92%) agreed with the fact that staff members have positive attitudes towards e-management of Public funds while 6 respondents (8%) disagreed with the opinion.

Users' Technical Expertise:

The third objective of the study was to evaluate how users' technical expertise affects use of e-management of public funds. Mavoko Constituency has Enough Employees

The respondents were required to give their opinions on whether Mavoko Constituency Development Fund Office has enough employees.

Table : Whether Mavoko CDF Office has Enough Employees

Response	Frequency	Percentage (%)
Very Good	40	53
Good	22	29
Fair	6	8
Poor	5	7
Very poor	2	3
Total	75	100

From the figure above shows that 40 respondent representing 53% of the respondents rated sufficient staff very good, 22 respondents (29%) rated it at good, 6 respondents rated it fair while 5 respondents rated it poor yet at 2 respondents representing 3% rated it Very poor. These results clearly indicate that Mavoko Constituency Development fund has enough employees.

4. FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Summary of Major Findings:

The study analyzed strategic factors affecting e- management of Government Funds. The research used descriptive research design which enabled the Researcher to analyze the phenomenon under study in the view of finding strategic factors affecting e – management of Government funds at Mavoko constituency Development fund .A total of 75 respondents responded to the questionnaires. The researcher adopted stratified random sampling method where each of the 84 persons in the population had an opportunity to be interviewed. Data was collected using questionnaires entailing both closed and open ended questions. The collected data was analyzed using graphs and charts where conclusions were drawn from the findings and recommendations were made.

The research found that political influence had a positive effect on e- management of Government funds. It was also clear from the results that politicians have the necessary leadership skills. The respondents were highly satisfied that political good will contribute to e-management of Government funds. The study rated the politician's commitments on e-management of public funds to be excellent.

The study further found that there was a positive relationship between staff attitudes and e- management of Government funds. The research found that investors could only plan for investment decisions when their disposable income was encouraging and in good condition to warrant that.

Lastly, the study established that Mavoko Constituency Development fund has enough employees. The users' technical knowledge had a positive correlation on e- management of Government funds. The respondents were for the opinion that staff motivation very good and just good for decision making. The staff members at Mavoko CDF office possess the necessary skills implying that the Sub-County office has engaged the right employees with the right qualifications. The study found that employment at Mavoko CDF is done on transparency and merit.

Conclusion:

The study concludes that political interferences have affects e- management of Government funds. With positive politics playing in Government Institutions, the Organization can be able to achieve good will of its services to its members.

From the study it was established that staff attitudes contributed positively towards e – management of Government funds. As such the study deduces that staff attitude is a key tool for achievement of a set objective by any entity. Mavoko Constituency development Fund has achieved e - management of its fund through staff attitudes.

A big number of the respondents were for the opinion that Users technical expertise had a great role to play for e - management of its funds. This clearly shows that technical expertise is an important tool for e- management of Government funds.

Recommendations:

1. Political Interference and E- management of Government Funds:

The study recommends that good politics should be used in Government Institutions for the benefit of the citizens. The political good will always be used as a tool for achievement of the set objectives.

2. Staff Attitudes and E- management of Government Funds:

The study found that staff attitudes had a great positive relationship with e- management of government funds. As such, the study recommends that staff continuous trainings to boost their morale should be enhanced.

3. Users technical expertise and E- management of Government funds:

The study established Users experience played a great role on e – management of Government funds. The study recommends that Government entities should always engage well experienced staff at any level of management.

Suggestions for Further studies:

The main purpose of this study was to determine the strategic factors affecting e- management of Government funds. The study focused on Conditions of political interferences, Staff attitudes and Users technical expertise as the strategic factors affecting e - management of Government funds. However, the literature reviewed failed to capture the effects of e - Governance on service delivery in Government offices. This research therefore recommends more research to be done on the area of e- governance and service delivery in the public sector.

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