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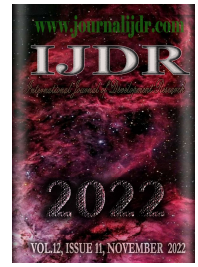
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RESEARCH ARTICLE

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THE EFFECT OF BUDGET EXECUTION ON HEALTH SERVICE DELIVERY IN LIRA DISTRICT, NORTHERN UGANDA

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ABSTRACT

Budget execution is at the core of government businesses globally. This paper examines the effect of budget execution on health service delivery in Lira district, northern Uganda. We sampled two government-aided health Centres IVs of Amach and Ogur in Lira district. We adopted a case study design and employed a mixed method approach. We sampled 78 respondents out of 96 health workers which included administrators, finance department, health workers, and health unit management committee. Simple random sampling technique and purposive sampling, were used to select the respondents. We used self-administered questionnaires to collect quantitative data and an interview guide to collect qualitative data. We used descriptive and inferential statistics (correlation and regression) to analyse quantitative data and content analysis for qualitative data to supplement quantitative data. The findings revealed a statistically significant positive relationship between budget execution and health service delivery ($R = .718$; p -value) and 51.5% (R Square = .515) aggregate effect of budget performance on health service delivery. These findings imply that budget performance is likely to register over 51.5% variations in the health service delivery meaning there are other factors that account for about 48.5%. However, budget monitoring is more influential in predicting changes in health service delivery. The findings further revealed that budget execution process and monitoring had significant effects on health service delivery. We conclude that budget performance significantly affects service delivery in health Centres IVs in northern Uganda. This paper contributes an original empirical-evidence of the association between budget performance and health service delivery in northern Uganda. In order to improve health service delivery, Lira district Local Government should consider increasing financial support to Health Centres IVs and strengthen budget monitoring.

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INTRODUCTION

Budgetary implementations were born primarily in Great Britain within the government budget system and developed in Continental Europe. In USA the government budget implementations were formed when the industrialists initiated the development of business budgets in enterprises by being inspired by the benefits of government budget systems (Anderson et al., 2006). Anderson et al. further posits that throughout the world the evolution of budget and budget performance can be traced back to the feudal era. The feudal era is defined as a period of political, social and military system connecting the warrior aristocracy of medieval Europe through bonds of serfdom and by granting and holding of fiefs. Krause (2016) adds that the feudal era later united and formed kingdoms, which became a monarchy system of governance where kings had supreme power.

Budgeting under the monarchs were organized into more or less central administration where the king was the overseer. The need to collect revenue was not only for the royal usage but also to a larger extent to finance the kingdoms and its armies. Consequently, the high expenditures for the military became a common feature and were often associated with an institution charged with the collection and spending of funds. Krause (2016) further argues that the idea of budget balance was established and treasury made estimates of revenue and expenditure. This establishment of control mechanism of revenue and funds is what gave rise to modern states due to the intense interstate competition for resource control. In African continent, Wunsch (2001) argues that the idea of budgeting, finance and its performance were introduced by the colonialists who came to Africa to acquire colonies, which they could control with a similar structure of governance in their home countries.

As noted by Wunsch almost all the countries in Africa were colonized except Ethiopia and Liberia and some like South Africa attained their independence in the 1990s while the majority of African countries attained liberation in the 1960s and 1970s. It is therefore, generally agreed that modern public finance and budgeting that was embedded in bureaucratic institution charged with the control of finances has its roots from Western Europe, especially England and France (Wunsch, 2001; Krause, 2016). Most countries have resorted to planning before execution of any public budget, for the case of Uganda, the budget is passed through the parliament for approval and it covers government expenditure for every financial year (twelve months).

Budget execution and health service delivery: Budgeting processes according to Olsen (1973) drive managers to take time to create strategies, targets and goals before any activity begins. Therefore, budget preparation helps management align activities for the subsequent month or the entire coming year accordingly. Olsen further posits that the budgeting process forces managers to assess current operating conditions and aids in forecasting and implementing needed changes. Similarly, Tommasi (2013) observes that budget preparation and execution are excellent vehicle with which to work with all supervised personnel, managers and their staffs. At the end of a financial period the budget document helps managers evaluate performance, locate problematic areas, bottlenecks and provide solutions to these problems. According to Gillibrand & Hilton (1998), a good budget execution requires budget analysis and this should be a regular and an ongoing part of management duties. This is because budgets aid in charting the course of operations and provides a means to evaluate performance once the task has been completed. If realistic goals have been established comparing the actual results with budgeted targets can help management assess how well the organization performed. Therefore, a budget is prepared for the prime motives of planning, enabling communication, harmonizing activities, allocating resources, control of profits and operations, evaluating performance and providing incentives. Fallan *et al.*, (2010) argue that while in the past the budget had a control function, in the contemporary, there are several objectives and purposes of the budget and the purposes vary according to institutions. The term budget has been expressed astatically as a financial plan or blueprint, the term "budgeting" also refers to the act of preparing a budget or the activities of predicting and qualifying future requirements for finance. Budgeting in this regard is viewed as enabling the different functions of management control. Davis *et al.* (2015) argues that a budget represents their numbers and benchmarks against which their performance is measured upon execution.

Budgeting involves the institution of programmed goals, the coverage of tangible performance domino effect and assessment of performance in terms of the predetermined goals. Bose (2012) while explaining the principles of management and administration argues that budgetary control systems are indispensable tool for financial planning. According to Bose, the principle of budgetary control is to provide a forecast of revenues and expenditures. This is achieved through constructing a model of how business might perform financially speaking if certain strategies, events and plans are carried out. Thus, nearly all firms use budget control as the chief way of corporate internal controls, it provides an all-inclusive administration platform for professional and successful provision of resources. Dugdale and Lyne (2011) opine that budgets tend to become more important for control, not for planning. Conversely, budgets become less important for control but more important for planning in a more uncertain environment. In addition, budgeting has been integrated with non-financial measures in general and the balanced scorecard in particular. The accounting system of the operation provides information on what has happened in the past and helps managers to keep track of whether or not they are meeting their current budgets. Budgets are therefore an expectation of what a manager agrees is achievable within the immediate future and are mostly expressed in financial terms. Van der Waldt & Vyas-Doorgapersad (2016) observe that budgetary controls enable the management team to make plans for the future through implementing those plans and monitoring activities to see whether they conform to the plan. Effective

monitoring and budgetary control are an important guarantee for the effective implementation of budget in the organization. Mwangi *et al.* (2016) complement that Integrated Finance Management Information System (IFMIS) solutions advance relations across the numerous organizational units within government on execution, reporting, and thoroughness of budget transactions. Mwangi *et al.* further argue that the implementation of IFMIS is affected by factors like clear commitment of the relevant authorities to financial reform objectives, Information and Communication Technology (ICT) readiness, a sound project design, a phased approach to implementation, project management capability, as well as adequate resources and human resource capacity allocated to the project.

According to Marginson and Sharma (2011), the budgetary practices and procedures encountered may be unique to the institution. They mention insights into the connections and interdependencies between budgeting and strategizing in day-to-day activities within an organization. To Marginson & Sharma, it appears that many aspects of the budgetary process, particularly budget implementation and budgetary control in general, may differ from accepted view as firm's design strategic objectives from budgetary information whilst simultaneously engaging in budgeting activities as strategies are developed. In these circumstances budgets may be used as a reflection of the performance of those responsible for specific areas of their operation. Therefore, the budget process must be undertaken with the full cooperation of managers who understand the budgeting process. Staff should also be engaged through training and allocation of duties and responsibilities along the budget process. Importantly, budgets should produce figures that represent expected performance under current operational conditions (Lusardi & Mitchell, 2011).

Correspondingly, Atulik, *et al.*, (2019) link budget process to health service delivery in Ghana. Basing on a qualitative research design, their study demonstrates that harnessing opportunities for systematized budgeting and budgetary control can increase synergetic effects in health service delivery. These authors recommend that the budgeting process must be triggered early in the operational cycle to reflect health facility needs. Schaeffer & Yilmaz (2008) hold the same view that the community must be involved in the budget process of health facilities. Schaeffer & Yilmaz further argue that involving the community in budgeting processes increases budget efficiency, service delivery and improved investments in underserved areas. A study by Liu *et al.*, (2017) reveal that while a range of governance indicators were found to influence health service delivery; corruption reduces many of these indicators. The authors further provide evidence of how participatory initiatives such as participatory budgeting and community scorecards influence health service delivery. In a related study, Piatti-Funckirchen & Schneider (2018) found that while studies show a positive association between health service delivery and good governance, lack of flexibility to provide additional resources, misalignment between budgeting and planning, the fragmented funding sources and rigid internal controls renders the issues of equity, quality, and efficiency of health service delivery inadequate. On the importance of budgeting process in improving public health performance Curristine *et al.*, (2007) demonstrate that the challenges associated with budget process include but not limited to: how to improve measurement of activities, the quality of information, and getting politicians to use it in decision making affect health service delivery. However, Schaeffer & Yilmaz (2018) argue that local community involvement in the budget process leads to improvement in budget efficiency and service delivery. Thus, the extent to which local community members take part in the budgeting process in Ogur and Amach Health Center IVs requires investigation.

Budget monitoring and evaluation: Budgetary Monitoring and Control is a deterrent process against misappropriation of funds in terms of procedures and rules that establish the boundaries of financial behaviour. Budgetary monitoring and control process is a systematic and continuous process characterized by the following stages: 1) establishing targeted performance or level of activity for each department of the organization by way of setting targets to be achieved enhances the monitoring of the organization's performance

and health service delivery and 2) communicating details of the budgetary policy to all the stakeholders for easy appreciation of the set targets and objectives enhances ownership of the results achieved at end of the day. Hansen (2011) contends that, accessing the high level of budgeting process and executions is a challenging task for local government.

Similarly, Harelimana (2017) postulates that, many local governments have not been examining efficiently the contribution of internal audit in budgeting process and execution and this has consequently led to mismanagement; lack of control and less budget execution from their activities or operations. However, there is no evidence of adequate follow up done to verify the accountability reports submitted to Districts by non-budget agencies and to follow up activities reported. Such follow up should have been done on a regular basis by Internal Audit unit departments (Onumah & Krah, 2012). Consequently, there is a continued problem of misuse and misappropriation of public funds being perpetuated through non-budget agencies. Mestry & Naidoo, (2009) argue that monitoring actual revenue or cost data is done by way of continuous comparison of actual performance with the budgeted performance and regular reporting of variances to the responsible officers. This helps in declaring the reasons for the differences between actual and budgeted performance and taking the suitable corrective action. However, emerging experience from the public sectors in both industrial and developing countries suggests that the greater the complexity and scale of the ICT platform to support financial systems, the greater the risk of failure or underperformance of that platform and, by extension, the system as a whole is bound to fail. Thus, ICT systems that started small and are iteratively expanded are less likely to fail or underperform because the associated risks can be managed better.

In Uganda, the Controller of Budget (COB) was established by the 1995 Constitution of the Republic of Uganda under Article 228 to oversee the implementation of budgets of both national and local governments through authorizing withdrawals of public funds. The controller also oversees the implementation of the budgets of national and local governments. Article 228(4) provides for monitoring the use of funds in a year and raise concerns on any signs of mismanagement to the Auditor General and the Parliament. The COB also prepares quarterly, annual and special reports on budget implementation as stipulated in Articles 254(1), (2) and 252(1) (a) of the Constitution of the Republic of Uganda. Through these reports, the COB ensures continuous monitoring of usage of public funds. The reports are published and publicized for transparency. Richard (2015), studied the determinants of integrated financial management information systems strategy implementation in devolved units in Kisi County, Kenya and reiterated that in Kenya the national treasury introduced the integrated financial management information system as a PFM reform initiative aimed at automating and streamlining Governments financial management processes and procedures. However, the implementation of such a project has proved to be a very demanding undertaking and has not been met with resounding success. Kogei *et al.*, (2013) studied issues that elevated successful implementation of the re-engineered IFMIS in the departments of Kenya. The results indicated that the involved awareness and obligations of the ministries and the users on how IFMIS is applied in those ministries was prejudiced by the element that the users had operated for long within the ministries. Thus, the integrated financial management information system can be applied by system applicants to carry out dealings, that the system is working as it should with least difficulties and all the system structures or abilities for IFMS were brought though there is hesitation as to whether the execution was accomplished within targeted budget and the execution was completed within the projected period. Evaluation is an important role of budgeting for attaining the expected quality and standards in planning, control, leadership and staffing. It measures the extent to which budgetary goals are achieved and illuminates any anomalies on such achievement. Reports should be made on the status of county finances periodically. According to Kimani (2014), budget reports should be accurate to enable the making of corrective decisions. Kimani notes that the principle of exception should be utilized where possible and that budgetary

control is not effective unless there is continuous flow of budget reports. He observes that the reports should be prepared at regular intervals preferably, monthly to show comparison of actual performance with that budgeted. Such reports may be presented to heads of budget centers, showing favourable or unfavourable variances from budget figures. Meanwhile, Mpakaniye (2017) investigated the effect of internal audit on budget process and execution of local government of Rwanda taking Musanze District as case study. Mpakaniye posits that asset management; management control and staffing management are well used to enhance good budgeting process and execution in local government. The budget process and execution in local government is based on budget formulation; budget proposal and dialogue, budget monitoring, budget adjusting, budget control and budget reporting. This study confirmed that there is a significant correlation between internal audit and budget process and execution in Musanze district office. Osore (2019) contends that the ability to understand the political bargaining process around the budget and to check whether individual policy makers kept the commitments they entered into during this process is an important condition for holding policy makers personally accountable. Citizens can also participate in public finance management through various forms of social accountability, such as social audits, public expenditure tracking surveys and citizen report cards to monitor the social impact of public spending. It is only through such active participation that governments will be compelled to put in place systems to monitor budget implementation on a real time basis. Under the devolved system in Uganda, the Auditor-General should within six months after the end of each financial year, audit and report, in respect of that financial year, on the accounts of the national and district local governments and their respective agencies that are funded from the Consolidated Fund (Kogei *et al.*, 2013). Richard (2015) further notes that the Office of the Auditor General is also mandated to examine accounts of political parties funded from public funds and the public debt. The National Assembly Budget and Appropriations Committee has been regarded as the most powerful committee in the legislature given its immense role in budget scrutiny and approval. Similarly, at the County level, there is separation of power between the County Executive, led by the Governor and the County Assembly. Again, County Assemblies in most parts of the country have flexed their muscles by refusing to approve county budgets due to various reasons like political interference in terms of their budget *et al* locations, non-participation of other stake holders and none compliance with the government priorities among others.

Qazi *et al.*, (2016), observed that improving health service delivery at all the level of health facility requires allocating sufficient budget resources that bridge the gaps between budget performance monitoring and planned activities. According to Qazi *et al.*, health service needs additional funding on a regular basis to achieve the quality related demands and indicators. In addition, the World Health Organization (WHO), (2017) set some guidelines to align public finance management with health financing. WHO stipulates that budget monitoring ensures spending agencies and entities comply with laws and regulations, implement good financial management systems with reliable financial reports and internal controls and audits, and achieve budgetary objectives. The report of the World Health Organization reveals that health authorities should engage at each step of the planning process to ensure alignment with sector priorities and effective and efficient use of public resources.

Statement of the problem: The Uganda Health Sector Strategic Plan (2010), has an organized national health system and health service delivery system in place within the strategic frame work and focus which is comprised of both private and public sectors. The private health sector is comprised of Private Not for Profit (PNFP), Private Health Practitioners (PHPs), and Traditional Contemporary Medicine Practitioners (TCMPs). Government of Uganda statistics indicate that these private sectors contribute to about 50% of the health care service delivery in the country (GoU, 2016). With the contribution of up to 50% by PNFP, PHPs and TCMPs, the Government seems to be failing on provision of the remaining half, as reflected in the poor

accountability of funds and irregular budget performance report. This paper thus assesses the effect of budget execution on health service delivery in Lira district, northern Uganda.

METHODS AND MATERIALS

We used mixed method research paradigm to investigate the effect of budget execution on health service delivery in northern Uganda. Quantitatively, a case study design was used with pre-coded self-administered questionnaires (SAQ) to a sample of 78 respondents out of 96 using Krejcie & Morgan (1970) Table. Simple random sampling was used to select the 78 respondents from Amach and Ogur health IV facilities. Qualitatively, we purposively selected 10 key informants to whom structured interviews were administered. We used the Budget theory developed by Ebdon & Franklin (2006) to explain community participation in the budgeting process. We applied the Institutional theory of organizations postulated by Covalleski *et al.*, (1993) and Ebdon & Franklin (2006) to illustrate how organisations (health center IVs) streamline perfection in health service delivery. According to Covalleski *et al.*, the rise of institutional arguments in organizational analysis reflects a sense of either satisfaction or dissatisfaction of clients and puts efficiency at the core of organisational action. Thus, organisations do not operate in a vacuum, they must deal with a multitude of external influences, such as cultural differences, legal requirements, conventions and norms with the demands raised by a diversity of actors in the service provision. These theories aided us in analysing Lira district as an organization that has principles to generate an understanding of the culture built to direct health service delivery to the community.

We analysed data at three levels; descriptive, inferential and regression statistics to determine the demographic features of the respondents, analyse association between factors that influence health service delivery and establish the effect of budget execution on health service delivery in Lira district. We sought to understand the variations in participation according to demographic characteristics specifically gender, marital status and education levels of the health workers. The intention was to establish whether the demographic attributes had influence on budget execution for health service delivery in Lira district. The findings indicate that majority of the respondents were male 66.7% while 33.3% were female. This means that more males than females work in health center IV facilities. However, most of the men came from Ogur while most of the women came from Amach health centre. This implies that the views used in the study were gender balanced; represented from both male and female. We sought to understand the marital status of the respondents. The findings indicated that 55.6% of the respondents were married and were the majority followed by 30.6% who were single and 13.9% who indicated the 'others' option. Those who indicated the 'others' option majorly had 'separated, were cohabiting or had divorced. We further found it imperative to establish the academic qualifications of respondents attached to the health centre in their different designations. The administrators had bachelors and or masters' degrees since it was the requirements for the leadership positions as per the Government of Uganda Public Service establishment. Majority of the finance officers had degrees (71.4%). Most of the health workers had certificates (52.3%) and very few (4.5%) had masters' degrees since health workers consisted mostly enrolled nurses and mid-wives. We used mean (a measure of central tendency) to describe the degree of concentration of respondents' opinions on the claims raised on the effect of budget execution and budget monitoring on service delivery in Ogur and Amach health centre IV. The high mean scores suggested high concentration while low mean scores suggested little concentration. We used standard deviation (a measure of dispersion) to describe the degree to which respondents' opinions diverged from each other. A standard deviation very close to zero suggested consistent opinions while standard deviations far away from zero suggested inconsistent opinions.

Inferential statistics: We used inferential statistical techniques, basically correlations and regression to establish the relationship and

the effect of budget execution on health service delivery. We took health service delivery as the dependent variable and budget performance (specifically budget execution process) as the independent variable. Table 5 presents the effects of revenue collection, budget execution process, and budget monitoring on health service delivery in Amach and Ogur health centre IV. From Table 5, a unit change in budget monitoring is likely to vary service delivery by 40.2%, as explained by ($\beta = .402$; $p\text{-value} = .006$). This implies that the aggregate effect of budget monitoring on service delivery among health centers in northern Uganda is significant. The statistics imply that the effect of budget monitoring on service delivery among health center IVs in northern Uganda generally differ across health centers. This is possibly due to different monitoring processes that provide a check on the level of execution and its effects on service delivery. However, we observed that while both budget execution process and implementation bear significant effects on service delivery, budget monitoring bears the most significant effects on service delivery in northern Uganda because monitoring is involved in all stages of budget performance.

RESULTS AND DISCUSSION

From Table 5, the budget execution process in Ogur ($\beta = .113$; $p\text{-value} > .05$) explains approximately 11.3% of the variations in health service delivery while in Amach ($\beta = .418$; $p\text{-value} < .05$), a unit change in budget execution process is likely to increase service delivery by approximately 41.8%. Meanwhile, the changes in budget execution process in Ogur did not significantly affect service delivery, they significantly affected service delivery in Amach.

Table 1. Demographic features of Respondents

		Ogur	Amach	Total
Gender	Male	67.6%	65.7%	66.7%
	Female	32.4%	34.3%	33.3%
Total		100.0%	100.0%	100.0%
Category		Ogur	Amach	
Marital status	Single	32.4%	28.6%	30.6%
	Married	62.2%	48.6%	55.6%
	Others	5.4%	22.9%	13.9%
Total		100.0%	100.0%	100.0%

Similarly, a unit change in budget execution process is likely to vary service delivery by 27.5%, as explained by ($\beta = .275$; $p\text{-value} = .019$). The aggregate effect of budget execution process on service delivery among health center IVs in northern Uganda is thus significant. The findings in Lira district in regard to budget execution and health service delivery corroborates Gambo *et al.*, (2021) since a number of factors determine variation in the delivery of health services and not exclusively the budget execution. The findings generally imply that changes in budget execution process had diverse effects on health service delivery in health center IVs in northern Uganda. Therefore, generalizing the effect of budget execution process on health service delivery in northern Uganda is a little difficult. However, improper budget execution is likely to stifle health service delivery in northern Uganda. We therefore observe that budget execution process had a significant effect on health service delivery among health center IVs in northern Uganda. The paper further indicates that the relationship between health service delivery and budget execution process varies between the two health center IVs in northern Uganda. We concur with Sutton & Lock (2000) to argue that the provision of health service delivery tends to vary by location and region probably due to the political economy used in the allocation of national resources to the various regions. In line with the use of budget policy in Uganda, one key informant commented: "...all government institutions have to operate with a fully approved budget before it receives any funding from the government. Actually, failure to operate on a budget attracts audit queries..." We note that having a budget in place is indeed mandatory for all government entities in Uganda. However, executing the budget varies from one institution to the other. Therefore, the presence of a budget in place may not guarantee service delivery neither service quality.

Table 2. Highest level of education of respondents

	Category of respondent				Total	
	Administrator	Finance	Health worker	Leader		
Highest level of education	Certificate		52.3%		31.9%	
	Diploma		14.3%	29.5%	19.4%	
	Degree	87.5%	71.4%	13.6%	69.2%	37.5%
	Masters	12.5%	14.3%	4.5%	30.8%	11.1%
Total		100.0%	100.0%	100.0%	100.0%	100.0%

Table 3. Descriptive statistics: Indicators of budget execution and health service delivery

Variable List (N = 78)	D (%)	Not sure (%)	A (%)	Mean	std.
1. Are all the funds allocated utilized in health service delivery as budgeted?	5.6	12.5	81.9	4.097	0.875
2. Are stakeholders always consulted before preparation of budgets?	13.9	4.2	81.9	4.000	1.048
3. Are the work and procurement plans developed by the user departments implemented during execution?	12.5	15.3	72.3	3.889	1.015
4. Do the local communities contribute to the budget process and execution?	12.5	15.3	72.2	3.847	0.988
5. Does the district consider priorities in health service delivery during budget implementation?	18	26.4	55.6	4.306	0.929
6. Do all the departments in the health sector participate to the budget execution?	13.9	38.9	47.2	4.292	0.813
7. Are alterations made after the budget has been approved before execution?	19.5	43.1	37.5	4.139	0.827
8. Are guidelines and procedures considered in budget implementation?	20.8	45.8	33.3	4.028	0.919
Average	14.6	25.2	60.2	4.075	0.927

Source: Field data, 2021

Table 4. Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		Beta	Std. Error	Beta		
1	(Constant)	.990	.482	.482	2.057	.044
	Revenue Collection	.062	.145	.037	.428	.670
	Budget execution process	.275	.114	.349	2.408	.019
	Budget monitoring	.402	.141	.412	2.841	.006

R = .718; R Square = .515; Adjusted R Square = .493; Std. error estimate = .39146

A Dependent Variable: Service Delivery

Table 5. Regression coefficients for Ogur and Amach Health Center IVs compared

	Ogur H/C IV		Amach H/C IV	
	Beta	p-value	Beta	p-value
(Constant)	1.360	0.054	0.676	0.350
Revenue Collection	-0.035	0.874	0.158	0.450
Budget execution process	0.113	0.508	0.418	0.014
Budget monitoring	0.506	0.016	0.298	0.157
R	0.652		0.782	
R Square	0.425		0.611	
Adjusted R Square	0.373		0.573	
Std. Error of the Estimate	0.403		0.389	

Dependent Variable: Service Delivery; Predictors: (Constant), Budget monitoring, Revenue Collection, Budget execution process

Our findings are consistent with Goryakin, *et al.*, (2017) who established that while a range of governance indicators were found to influence health service delivery, corruption reduces many of these indicators. Goryakin *et al.*, further provide evidence of how participatory initiatives such as participatory budgeting process and community scorecards influence health service delivery. This is not different from our findings in Amach and Ogur health center IVs. In line with the incidences of corruption, one key informant reiterated:

“...it appears like our involvement in budget debates and development is a matter of procedure and a fulfilment of the law...but how the budget is implemented is beyond a community representative...I cannot tell who is to blame when the budget fails because we truly agree on what should be achieved in a given year...” (Interview with Chairperson, Health Unit Management Committee, Amach Health Center IV, 16th December, 2021). The statement ascertains evidence of stakeholders’ involvement in the budgeting process. However, it does not reflect stakeholders’ involvement in the budget implementation. The failure of a budget to perform might therefore be multi-causative than merely stakeholders’ involvement as observed by Gambo *et al.*, (2021). Nonetheless, our findings disagree with Piatti-Funckirchen & Schneider (2018), that a

positive association exists between health service delivery and governance. The indices point to lack of flexibility to provide additional resources, misalignment between budgeting and planning, the fragmented funding sources and rigid internal controls render the issues of equity, quality, and efficiency of health service delivery inadequate. Much as our findings deviate with Piatti-Funckirchen & Schneider, there were indicators of misalignment of budget and planning and inadequate internal control system in Lira district. The findings in Ogur and Amach health center IVs are consistent with Curristine *et al.*, (2007) on the importance of budgeting process in improving public health performance. However, the authors noted challenges associated with budget process: how to improve measurement of activities, the quality of information, and getting politicians to use it in decision making. In the case of Ogur and Amach health centre IVs, the same challenges were experienced. We concur with Schaeffer & Yilmaz (2008) and Tommasi (2013) that local community involvement in the budget process leads to improvement in budget efficiency, and service delivery. This is also in agreement with our findings from Ogur and Amach health center IVs. However, much of local stakeholders’ involvement is in the preparatory process through budget conference with no involvement in execution and less in monitoring. The civil servants were reported

to dominate the execution process in a rather opaque manner as attested by an interlocutor:

...we are called to participate in the budget conferences annually, but when it comes to fulfilment of our priorities, nothing is given to our communities in respect to the approved budget. In fact, the approved budget becomes classified document during implementation phase.... (Interview, Ogur Health Center IV, 18, December 2021).

The statement of the community leader reveals lack of transparency in the budget execution process in Lira district. Yet according to the Uganda Public Finance Act 2015, an approved budget becomes a public document. Generally, the findings revealed a correlation coefficient ($R = .718$; p -value), which suggests a strong relationship between budget performance and health service delivery. The statistics suggests that a variation in budget performance was associated with strong variations in service delivery in the health centre IVs since effective budget performance leads to excellent service delivery. Above all the p -value, which was below 0.05, implying that the relationship was significant at 95% confidence level. Assuming that these health centres were representative of health centre IVs, the findings imply that health centre IVs in northern Uganda are likely to register positive changes in their service delivery due to positive changes in budget performance. The findings concur with Qazi *et al.*, (2016) who observe that improving health service delivery at all the level of health facility requires allocating sufficient budget resources that bridge the gaps between budget performance, monitoring mechanism and planned activities. The (R Square = .515), suggests that budget performance accounts for about 51.5% of the variations in service delivery. The statistics infer that health centre IVs in northern Uganda that observe their budget performance are likely to register over 50% variations in the service delivery. This means that budget performance is not the only factor responsible for variations in health service delivery in health centre IVs in Lira district. There are other factors that account for about 48.5% of the variations in health service delivery. We therefore agree with Mbufu (2013), that if a District Local Government registered political interference, tax evasion, and tax avoidance, service delivery would deteriorate.

We further corroborate Goryakin *et al.*, (2017) that while a range of governance indicators were found to influence health service delivery; corruption reduces many of these indicators. The (constant = .990) indicated that in the total absence of any budget performance activities among the health centres in northern Uganda, some level of service delivery would be observed, but this was too low compared to the expected average service delivery of (mean = 3.8896). This finding thus implies that budget performance remains a very important variable in the performance of health centre IVs in northern Uganda. Overall, the findings revealed a correlation coefficient of ($R = .718$; p -value), which suggests a strong relationship between budget performance and health service delivery. The finding suggests that a variation in budget performance was associated with strong variations in service delivery in the health centre IVs because effective budget performance leads to excellent service delivery. Above all the p -value, which was below 0.05 suggests that the relationship was significant at 95% confidence level. Further, the (R Square = .515), suggests that budget performance accounts for about 51.5% of the variations in service delivery. This implies that health centre IVs in northern Uganda that adhere to their budget performance, are likely to register over 51.5% variations in their service delivery thus agreeing with Sutton & Lock (2000). Therefore, budget performance is not the only factor responsible for variations in service delivery of health centre IVs. There are other factors that account for about 48.5% of the variations in health service delivery.

CONCLUSION

Basing on the examined effect of budget performance on health service delivery in Ogur and Amach health centre IVs in Lira district, budget performance significantly affects service delivery in health

centre IVs in Northern Uganda. While this paper examined a number of budget performance processes and activities, revenue collection, budget execution process and budget monitoring, budget monitoring stood out as an influential predictor of changes in health service delivery. However, much as budget performance affects service delivery, it accounts for only 51.5% implying that there are other factors that account for the remaining 48.5%. This study provides an original and empirical evidence of the association between budget performance and service delivery in Ogur and Amach health centre IVs. The study also contributes to the existing applications of the budget theory and institutional organisation theory on health service delivery. Thus, Lira district Local government should consider allocating more resources to health centre IVs and ensure strict adherence to budget performance plan for improved health service delivery.

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