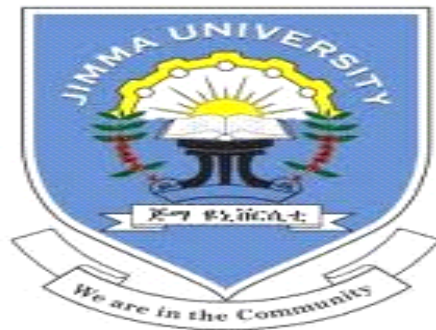


ASSESSMENT OF FINANCIAL MANAGEMENT PRACTICES IN SELECTED
NGOS' WORKING IN JIMMA TOWN

A Research thesis Submitted to the School of Graduate Studies of Jimma
University in Partial Fulfillment of the requirements for Master's Degree in
Accounting and Finance

BY: Negasa Mosisa



JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

May, 2024

Jimma, Ethiopia

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UNDER THE GUIDANCE OF:-

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Acknowledgments

First and foremost, I would like to thank Almighty GOD for giving me the strength, knowledge, ability and opportunity to undertake this research paper study successfully. And also, I am grateful to my advisor, **Mohammed Sulxan** and **Hayatu Hairu**- for his committed and motivated guidance to successfully complete this research project. I would like to express my gratitude and love to my wife with whom I share all ups and downs of life and unlimited assistance, morale support and his continuous interest and dedication of supporting me all the time.

My deepest gratitude also goes to Miss. Bontu Chala who supported.

Abstract

Sound Financial Management Practices determine the effectiveness and efficiency of any organization. This study assesses and describes of financial management practices for selected NGOs utilize to identify their area of strength and weakness as well as challenges around the key financial management components and reporting requirements; namely Financial Planning, Budgeting, Accounting Records, Internal controls and Financial Monitoring. To achieve this purpose interviews with finance heads and a tested questionnaire framework comprising of general information data for background assessment and a Likert scale of 5 levels listing financial management assessment questions was distributed to sample seven International Non-Government Organizations. The questionnaire response was analyzed using statistical tools of means and standard deviation as well as frequency tables. The average mean scores for the various financial management practices are as follows: Financial Planning Practices (Mean = 3.87), Budget Process (Mean = 3.55), Accounting Record Practices (Mean = 3.68), Internal Control Review (Mean = 4.14), and Financial Monitoring Practices (Mean = 3.87). The assessment of the organization's financial management practices indicates a generally strong framework, particularly in internal controls and financial monitoring. While financial planning and accounting record practices are sound, there is room for improvement in documentation and risk assessment. The budget process shows the greatest variability, suggesting a need for enhanced consistency and integration. Overall, the organization demonstrates effective financial management with key areas identified for further enhancement. To enhance the organization's financial management practices, it is recommended to ensure thorough documentation and regular updates of policies and procedures, strengthen risk assessment processes, actively engage program managers in financial planning and monitoring, provide continuous professional development for financial management staff, and establish a system for regular evaluation and improvement of financial practices.

Key words – Financial Management, Financial Planning, Budgeting, Accounting Records, Financial Monitoring

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List of Abbreviation/Acronyms

ARM	Annual Review Meeting
CSO	Charities and Societies Organization
ChSA	Charities and Societies Agency
DPPA	Disaster Prevention and Preparedness Agency
DPPC	Disaster Prevention and Preparedness Commission
GAAP	Generally Accepted Accounting Principles
GAAS	Generally Accepted Accounting Standards
HSDP	Health Sector Development Program
INGO	International Non-Government Organizations
MOFED	Ministry of Finance and Economic Development
MOH	Ministry of Health
NBE	National Bank of Ethiopia
NGO	Non-Government Organizations

CHAPTER ONE

1. INTRODUCTION

The introduction section of the research includes background of the study, statements of the problem, objectives of the study, limitation of the study, scope, definition of key terms and organization of the study.

1.1 Background of the study

Financial planning (with any management planning) lays down an orderly approach to future actions. Overall this effect leads to comprehensive programming and budgeting of future operations. Participative budgeting has frequently proved successful in creating a healthy atmosphere. This technique invites participation in the budget process by personnel at all levels of the organization, not just upper level managers (Mark, 2001:12). Information flows from the bottom up as well as from the top down during budget preparation. A growing number of workers now prepare their own educational development plans (ESDP IV, 2010/2011:72).

High quality accounting and financial reporting aids the public to apportion their hard-earned resources efficiently. When making decisions about capital allocation, investors need to know that financial information they are given is credible and reliable. Eminent financial reporting framework enhanced accounting standard, quality audits and audit opinions on financial reports are crucial to achieving investor confidence (Rajgopal, Suraj & Zheng, 2015).

In this country, all Non-Government Organizations (NGO's) have to make strategic choices concerning their resources by ascertaining importance activities, donor's interest & Government and Charities and Societies (ChSA) reporting necessity. Even within the Civil Society Organization (CSO) itself, the different sections compete for resources with maximum permitted maximums and having in place a good financial management system is projected to provide needed tools in order to make timely decisions on fund allocation as well as monitoring performance that obey to the reporting requirements set by Donors and Government. The financial processes of recording, planning, monitoring and controlling have to be done on continuing basis in combination with other functions of the organization for maximum influence to achieve the objectives of the organization (ESDP IV, 2010/2011:72).

With the increase in the number of CSO's operating in Ethiopia and to address the need for a regulatory body, in 2009 the Ethiopia Government issued Proclamation No. 621/2009. This proclamation provides procedures for the Registration and Regulation of Charities and Societies there by establishing Charities and Societies Agency (ChSA) under the Ministry of Justice. Then Regulation No.168/2009 was issued by the Council of Ministers which detailed out the requirement and procedures for registration of charities and societies, preparation of financial statements for annual audit and guidance for preparation of annual activity report. As per the September 2014 updates made on the website of ChSA, close to 3031 Civil Societies are currently re-registered and out of this 353 are International Non-Government Organizations and foreign registered organizations (www.chsa.gov.et).

The ChSA is expected to regulate and monitor the NGO's activities including the regulatory environment within which CSOs are expected to operate. The primary focus of ChSA is ensuring the total resources of the CSO's under its registration are utilized only for the objective the CSO is registered for. As well it monitors the CSO's performance is efficient and meets set reporting requirements. In order to ensure this the financial and activity reporting of each NGO registered under the ChSA is reviewed strictly by the agency every year and continued operational approval is dependent on approval of submitted reports compatibility to set regulations of the ChSA.

The Ethiopian Ministry of Health (MoH), in its every year Annual Review Meeting (ARM) and published in the annual Health Sector Development Program (HSDP) report, recognized that the main source of health subsidy comes from developing associates namely INGO's. In its report 2014/15it stated that the total funding from developing partners amounting to US\$551 million was committed and 96.4% of it was disbursed (Ministry of Health, Health Sector Development Program Report, Executive summary, p. XVI).

Projecting costs for ESDP IV are estimated to increase significantly, from an annual 22 billion in 2010/11 to 29 billion in 2014/15. The costs will be covered by domestic and external financing sources. Government, through Federal and regional budgets is expected to be the main source of funding. Projecting Government budgets forwards, the government education budget is around 18 billion birr in 2010/11 climbing to nearly 27 billion. The difference with the projected costs leads to a funding gap (ESDP IV, 2010/11).

Under ESDP IV, communities will continue to be asked to contribute to financing education, through provision of local materials and labor. The community may also base on its ability and development level, help out with non-salary recurrent expenditure. Students and parents also participate in the financing of education through fees to filling the financial gap. Failure to fill this funding gap means that element of the education program will not be implemented.

The reform of public sector financial systems can play a critical role in improving the management of scarce resources, building the capacity of the government to deal with crises, and improving service delivery to the rural poor who make up 85 percent of the population. According to the National Bank of Ethiopia (NBE) annual report 2014/2015, when we analyze the total net transfer by year, the Net transfer in Fiscal Year (FY) 2014/15 improved by 7.7 percent coming to 7.5 percent increment in total NGO transfers of both Cash and Food Aid. (www.nbe.gov.et.)

1.2. Statement of the Problem

Globalized financial accounting and consistent reports have become artifacts capable of increasing comparability between companies located in different countries, contributing to efficiency in conducting business across borders by conducting international business and attracting external resources (Herbert & Tsegba, 2013). Madawaki, (2012) argues that international accounting standards (IFRS) represent a set of standards that are constantly updated with the current requirements of the world market, and are therefore accepted in a gradual way in several countries.

Financial management is also critical, especially in relation to working capital and over-trading, due to the lack of medium and long-term finance available to small businesses and the reliance on short term debt funding (McMahon and Holmes, 1991, Dodge et al., 1994). So, without addressing the problems concerning with financial management practices of small firms, their business performance cannot be literary achieved. Given that, financial management is one of the key aspects for the wellbeing and survival of a business; the researcher believes that, it is important that this topic is expected to explore the financial management practices of small business sector.

“Efficient financial management is the backbone of any entity’s growth driver.” Fiador, (2013). Lewis (2012) also states that “Effective and accountable Financial Planning and Monitoring System is the basis for an NGO accountability and sustainability. NGO’s operate in a rapidly changing and competitive world. If the organizations are to survive in this challenging environment, managers need to develop the necessary understanding and confidence to make full use of financial management tools.”

Financial plan play a crucial role in financial management. For budget to be useful, they must be accurate and complete. The budgets have not been based on realistic assessment of the activities that are expected to be carried on (Auditor General’s Report, 2007). There is also a problem of good financial management. This has to do with qualified and skill staff to carry out the responsibilities. It has also been observed that some organizations made payment without providing the relevant document such as invoices, official receipts, claims forms, store receipts vouchers, local purchase orders, and job cards etc. to support the respective payment vouchers. There seems to be irregularities in the public procurement of goods and services in the schools. These irregularities may arise from the failure of the schools to follow procurement process of obtaining a minimum of three quotations from suppliers and non-utilization of the tender committee for the review of procurement transactions (Auditor General’s Report 2006).

The situation might have been due to the failure of rest holders to promptly account for impress, lack of effective control over accounting officers and the obvious failure on the part of officers entrusted with the disbursement of funds to obtain document for funds disburse. However, school authorities argued against these perceptions. They are known to have argued that the real problem is the inadequacy of funds allocated for running the schools. Judging from the above concerns, perceptions, challenges and assertions, there seems to be ineffective financial practices in public secondary schools with regards to accounting practices and financial controls. Improper use of school resources and misuse of school funds are capable of leading to influence effectiveness in achieving school goals.

Most administrators are also seen to have poor practice for keeping financial records, routine budgeting, fund sourcing, auditing etc. hence, the need to investigate the financial resource management Practices of public secondary school administrators. This issue thus led to the problem of this study. For any organization or society to function well, it must be financially

practicable. This is because finance is required for the establishment of infrastructures equipment, salaries etc. To operate any system or project without adequate finance is quite an up-hill task which could lead to either non-accomplishment or frustration on the job. NGO's financial management problem are generally known and acknowledged by its managers. Manager's efforts to correct these problems, however, need to be improved specifically, action needed to be taken by top managers to more effectively communicate their emphasis on and expectations for implementing financial management improvements (Robert et.al 1987:29). Based on the foregoing discussions, the study is designed to address the issue of financial management practices in jimma zone secondary high schools.

To be able to survive, grow and to continue securing operation approval in Ethiopia, INGO's as part of the CSO sector must have and must be able to implement an excellent Financial Management system. Availability of an effective Financial Management system that can both fit organization donors' requirement as well as local requirement is a must and one of the key area of focus by management.

Even though the process of adaptation of internationally accepted standardization of accounting and financial reporting is under consideration locally, the absence of a standardized reporting system affects the financial reporting system. Lakew (2010) states " The restrictions imposed by government on the manner of spending (like spending 70% of the total budget directly to specified program costs and the remaining 30% to administrative costs) are also likely to affect the financial reporting and accounting." The process of Financial Planning, Execution, Internal controls and Monitoring in the INGO sector demands involvement of both program and finance staffing in the planning and monitoring process, to revise old procedures and trends of spending, capacitating managers with additional tools to enable them monitor their expenditures and over all coordinated effort to reduce administrative costs and increase performance.

Limited studies have been done on assessment of INGO financial management practices in the Ethiopia context. Most researches focused on ad-hoc groups which have focused on the expected effects of the Directive 2/2003 which spelled out the categorization of administrative vs. program costing grouping. According to Rahmato et al. (2008), the researchers identified the narrowing down of scope of CSO/NGO's meeting and reducing the efficiency of CSO's/NGO's interventions in development as the main concerns in the implementation on Directive 2/2003.

Most INGO's are expected to be equipped with better financial management systems as compared to local NGO's. But the challenge of meeting local reporting requirements especially for those INGO's working in technical capacity provision to the Ministry of Health is still pending decision by the ChSA.

So, these issues became the pressing problems of NGOs. The fact that, most business enterprises do not appointed professional accountants; cope up with technological knowhow; have financial planning, and have proper working capital management the growth and survival of small firms significantly affected (Derese and Prabhakara, 2012). This implies that, in Ethiopia the issues of financial management in NGOs are the key areas that seek special consideration and call professional for further investigations.

This study focused on INGO's which are working in the area of health. The reason why the researcher needs to select these sector is based on the researchers extensive work experience in the health sector as finance personnel and the health sector is among the top three sectors namely Health, Education & Food Security which are areas of interest by donor as well as intervention concentrations by most INGO's in Ethiopia. Moreover, the health sector is one of the priorities of the Ethiopia Government. Therefore the financial management practices of the INGO's working in the health sector should be studied in order to review what kind of financial management tools are in place in order to employ successfully and efficiently the important resources invested in the health sector. It is also expected that findings of the research serve as a basis for future research as there is limited documentation done so far on assessment of financial management practices of INGO's as well as reporting challenges in the Ethiopia context.

1.3. Research Questions

The following research questions will be raised and investigated through the research process and study in order to get deep insight and a throughout picture to attain the research objectives.

The questions were:-

1. How do the INGO plan their finances?
2. What type of mechanisms do they have in place to monitor their expenditures?
3. How does the budgeting process link with the financial planning process?
4. What type of internal controls do they have?

5. What are the strengths and weakness of the INGO in terms of maintaining a good account system?

1.4. Objectives of the Study

1.4.1: General Objectives

The general objective of the study is to assess the financial management practices of selected INGO's in Jimma Town.

1.4.2. Specific Objectives

The specific objectives of the study are:-

- ✓ To describe the financial planning practices in the selected INGO's.
- ✓ To describe the account recording system of INGO's.
- ✓ To describe the budgeting process of INGO's
- ✓ To review and describe the internal control practices of INGO's
- ✓ To describe the financial monitoring practices in the INGO's.

1.5. Significance of the Study

The significance of this research is explained in terms of the important role of excellent financial management system need that can respond to various reporting requirements. The envisioned recipient of this study are the CSO community both local and global that will review the contents of this study as findings are expected to serve as bench mark to establish good financial management practices after comparing with own organizational capacity. This research is also expected to shed light on current financial management practices of INGO's and the conditions that sustain these practices. It is expected to give highlights to the current strengths and weaknesses existing during financial planning, execution and monitoring as well as internal control measures in place and this study is expected to be used as a reference to see areas of focus to make change on reporting requirements that are in line with internationally accepted accounting and finance reporting requirements. The analysis and recommendation from the

research is also expected to assist INGO's operating in Ethiopia to reinforce their financial management systems and is expected to be a source document for future similar studies.

1.6. Scope of the Study

This research focuses on purposefully selected INGO's working in the provision of technical support to the health sector in Ethiopia. Considering accessibility issue the researcher decided to contain the selection to those INGO's in Jimma Town mainly at Head Office level. Attention was paid specifically on those INGO's giving technical support to assigned health centers and hospitals by the Ministry of Health (MoH) or directly with the Ministry to improve the health system. At the end of the research the study provides list of suggestions and recommendations on how to integrate good financial management systems.

1.7 Limitation of the study

The researcher identified the following limitation listed below while conducting the research.

- ✓ Time it took to arrange interviews because of the distribution of the seven offices under study and availability of interviewee as most were involved in field travels.
- ✓ The responders had to be limited with only those finance staffs that have direct responsibility for finance and those program management staff specifically budget holding unit heads this has limited the total number of respondents as all staffs could not be considered as population.
- ✓ Absence of in country studies on INGO financial management aspects.

1.8 Organization of the Study

The research has five chapters. The first chapter consists of introduction; which includes background of the study, statement of the problem, research question and objective of the study, significance of the study, scope of the study, limitation of the study, organization of the study definitions of terms. The second chapter contains related literatures in the study area particularly theoretical literatures and empirical literatures are discussed in detail. The third chapter includes the research methodology, research approach, the research design, population and sample size, data analysis methods and data collection method, the Fourth Chapter includes data analysis the fifth Chapter is conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

2.1. Theoretical over view of the Financial Management Process

The role of financial management is not something that can be underestimated. This has been felt especially during 2008/2009 while the world felt the ripple effect of the global financial crisis. Though most of the impact was felt on the stock market in the developed countries and government intervention was needed to bail out companies from the financial crises, the effort of all intervention actions was also felt by the INGO sector. This has been portrayed in the reduction of funding for donations by private as well as government funders to the INGO sector. Brigham et al (2011), maintain that the events surrounding the financial crisis illustrate that markets don't always work the way they should, and that there is a need for stronger regulation of the financial sector.

Financial Management as defined by Brigham et al (2011) "focuses on decisions relating to how much and what types of assets to acquire, how to raise the capital needed to purchase assets, and how to run the firm so as to maximize its value." The writers confirm these same principles apply to both for-profit and not-for-profit organizations.

Gitman (2006) states "Financial planning is an important aspect of the firms operations, because it provides road maps for guiding, coordinating and controlling the firm's action to achieve its objectives." He confirms this by stating "The financial planning process begins with long term, or strategic financial plans. These in turn guide the formulation of short term, or operating plans and budget" Financial statement analysis is the application of analytical tools to general-purpose financial statements and related data for making business decisions Larson et al (1999). According to the writers it involves transforming data in to useful information. They state

"Financial statement analysis reduces our reliance on hunches, guesses and intuition. It reduces our uncertainty in decision making. But it does not lessen the need for expert judgment". The writers argue that financial statement analysis is a tool that provides us with an effective and systematic basis for business decisions.

Lynch & William (1983) define the concept of budgeting from the perspective of its use to cover the planning, organizing and controlling of all financial and operational activities of a firm for the future. According to Lynch & William (1983) “Planning begins with setting of general goals, proceeds to the cost-volume-profit analysis of various alternatives, and ends with the preparation of a detailed, quantitative plan of action- The budget. The budget in turn provides a motive and guide to action for all responsible managers in all segments of the firm.” They further define controlling as “when the results of actual performance become available, they are tabulated and compared with the budget for purposes of highlighting off-standard performance as a basis for instituting corrective action.” Larson et al (2008) support this by stating “A budget is a formal statement of a company’s future plan”. The writers further explain that “all managers should be involved in the process of budgeting, that is the process of planning future business actions and expressing them as formal plans”. Further explaining the importance of budgeting, the writers argue that as budgetary analysis is for the future, management must focus on future transactions and events and the opportunities available. They further articulate this as “a focus on the future is important because the pressures of daily operating problems often divert management’s attention and take precedence over planning. A good budgeting system counteracts this tendency by formalizing the planning process and demanding relevant input.”

Lynch & William (1983) reaffirm the importance of financial control by tying management planning and control. They affirm this by stating “Management planning and control begin with the establishment of the fundamental objectives of the organization, and continues as the process by which necessary resources are provided and employed effectively and efficiently towards achievement of goals”. As such this stresses the fact that the planning process and the control process are intertwined and confirms the control system provides the comprehensive framework within which the planning process is carried out. Having robust internal control systems is one of the major components of financial management. Larson et al, (1999) define internal controls with the following seven principles namely establishing responsibilities, maintaining adequate records, insuring assets and bond key employees, separating recordkeeping from custody of assets, dividing responsibility for related transactions, applying technological controls as well as performing regular and independent reviews. The writers reaffirm these principles in their 2008

edition of the same book and add that “managers use an internal control system to monitor and control business activities.

2.2 Empirical over view of the Financial Management Process

The role of the nonprofit sector in development is captured by Lewis and Kanji (2009) who indicated that NGOs have over the years come to be recognized as important actors on the landscape of development. Edward and Hulme (1995), Riddle, De Coninck, Muir, Robinson and White (1995), Farrington, Bebbington, Wellard and Lewis (1993) also acknowledged in various writings the contribution of the NGO sector to Development.

The duty of the NGO sector to monitor its activities has also been analyzed. Brody (2002), Simon (1995).Salamon and Anheier (1996) attempted to review the scope, structure and financial base of the non profit sector in a cross section of six developed and five developing countries using coherent comparative methodology. They concluded the NGO sector is the least understood sector and more complex and diverse in developing countries as compared to developed countries.

Relatively speaking little survey has been done on the INGO sector especially in Africa particularly in Ethiopia. Most of the surveys done in Africa for example a study made in Uganda by Barr, A., Fafchamps, M., Owens, T., (2004) a world bank sponsored research on Uganda’s NGO sector assessment focused on what Uganda’s NGO’s do and how, and they examined how NGO’s finance themselves and to what extent and how they are accountable to their funders and true to their stated objectives. Cannon (2000) in his review of health programs funded by Oxfam in eight districts in Uganda, assessed the involvement of the state and reasons for tensions between the Uganda’s government and the NGO sector. Same assessment was made by Goldsmith (2002) on the working environment for the NGO sector in eight african countries and highlighted the reasons for the existence of tension between the local government and the NGO sector.Fiador (2013) also reviewed the determinants of financial governance practices in Ghana and has shown the relationship between success of the NGO’s and relation to good governance practices.

2.2.1. Financial Management

According to Fiador (2013) “effective financial governance systems are required in the quest to maximize the efficient use of resources, create the highest level of transparency and accountability in organizations finance and to ensure long-term economic success.” Aldaba (2002) also confirms that “Efficient Financial Management is the backbone of any entities growth. When well executed the financial management function forms the bedrock for growth, development and sustainability.”

Lewis (2012) listed the advantages of good financial management practices in terms of “helping managers to make effective and efficient use of resources to achieve objectives and fulfil commitment to stakeholders; help NGO’s to be more accountable to donors and other stakeholders; gain the respect and confidence of funding agencies, partners and beneficiaries; give the NGO the advantage in competition for increasing scarce resources and help NGO’s prepare themselves for long-term financial sustainability.”

2.2.2..Elements of Financial Management

2.2.2.1. Consistency

Lewis (2012) states that “the financial policies and systems of an NGO must be consistent over time. Inconsistent approaches to financial management could be a sign that the financial situation is being manipulated.”

2.2.2.2. Accountability

Beamon (2004) states “Performance Measurement is critical to NGO Accountability. Lewis (2012) defines accountability as “the moral or legal duty placed on an individual, group or organization to explain how funds, equipment or authority given by a third part has been used.” Lindenberg and Bryant (2001) also support the importance of accountability linking it with scarce resources in the NGO sector. They stress that as resources are becoming scarce NGO’s are facing a lot of pressure for greater accountability for program impact and quality. Kaplan (2001) also confirmed this by stating “Performance Management is critical in the nonprofit sector due to increasing competition from a proliferating number of agencies, all competing for scarce donor funding and increased demands for accountability of donors, the media, and the public in general.”

2.2.2.3. Transparency

Poterba and Von Hagen (1999) state that budgets can only be considered transparent if they are easily accessible to participants involved in the decision making process and represent consolidated information. “Transparency includes preparing accurate, complete and timely financial reports and making them accessible to stakeholders, including beneficiaries. If an organization is not transparent, then it may give the impression of having something to hide.” Lewis (2012)

2.2.2.4. Viability

According to Lewis (2012), to be financially viable, “an organization’s expenditures must be kept in balance with incoming funds, both at the operational and strategic levels. Viability is a measure of the NGO’s financial continuity and security.”

2.2.2.5. Integrity

“The integrity of financial records and reports is dependent on accuracy and completeness of financial records (Lewis (2012)).

2.2.2.6. Stewardship

According to Zadek (2003), “the importance and sensitivity of financial management to an entity’s quest for growth has in recent times brought the issue of financial governance and accountability to the forefront of the stakeholder issues”. The importance of good stewardship of financial resources is also recent times focus due to the financial crisis that happened during 2007-2009. Financial stewardship defined by Lewis (2012) is “taking good care of the financial resources it is entrusted with and making sure that they are used for the purpose intended.” One of the important frameworks required by donors is the availability of good governance and accountability of donor funds which is generally embodied in a comprehensive financial management system. Kihato and Rapoo (1999)

2.2.3. Financial Planning

Eric, H. and Heiko, S.(2011) state that “NGO’s should carefully plan budgets, implement program and track expenses and achievements as well as review spending and results. While the funding companies usually contribute financial resources to the partnership, NGOs provide the

necessary knowhow and reputation.”According to Lewis (2012), “linked to the organizations strategic and operational plans, the budget is the cornerstone of any financial management system and plays an important role in monitoring the use of funds.” As per Tommasi (2007), “efficient budget execution is budgets implemented in line with the pre-set rules and authorization of the implementing entity, with changes or adaptations being made by the appropriate authority in the event of changes in baseline assumptions or conditions.” Brownell (1982) had stated budgeting requires significant input from fiscal staff as well as clearly defined duties, responsibilities, lines of supervision and limits of authority for all.

2.2.4. Financial Monitoring

According to Khawaja (2011), the main objective of monitoring and evaluation is “the improvement in the management of programs, projects and supporting activities and ensuring the optimal use of funds and other resources while providing a platform to learn from experience so as to improve the relevance, methods and outcomes of programs.” Naidoo (2003) stressed the need for financial governance as recent times pressing issues. In 1990, Steinberg as well as in 2006 Bolton and Meharan disclosed the need for the apparent protection of NGOs from potent market-disciplining devices such as hostile takeovers, proxy fights among others. Mackay (2007) refers to monitoring as “the center-piece of the governance system”

When we are discussing financial monitoring for the nonprofit sector, it gets closely linked with performance measurement of the activities of the sector which is most of the time linked to measuring the performance of programs. “Companies use performance management system as means to visualize strategy and support for its implementation.” Neely et al, (2005). In order to measure performance, measureable objectives and strategies have to be set in advance.

“Though defined frameworks for performance measurement for the nonprofit organizations is not yet agreed upon, there is increasing interest in the review of performance measures for the nonprofit sector” Micheli and Kennerly (2005). The few attempts made to set a defined framework are by Buckmaster (1999) who developed a performance measurement framework with focus on measuring program outcomes for nonprofits organizations.

Kaplan (2001) focused on the implementation of Balanced Scorecard approach to several nonprofit organizations. Sawhill and Williamson (2001) also developed a performance

measurement framework a non-profit organization which assesses organizational performance in three areas: impact, activity and capacity. Based on an international child care agency's experience. Henderson, Chase, and Woodson (2002) developed a performance measurement system based on outcome and output type metrics. A model was also created by Sowa, Selden, and Sandfort (2004) which captured two dimensions of effectiveness: management effectiveness and program effectiveness.

2.2.5. Internal Control

Mawanda (2008) states internal controls are processes designed and affected by those charged with governance, management, and other personnel to provide reasonable assurance about the achievement of an entity's objectives. Abdulkadir (2014) supports this by stating the application of internal control systems has the potential to help in the effective and efficient delivery of services in his study of internal control systems in Faith Based Organizations (FBOs).

Having in place a detailed guideline for internal controls with clear accountability is important as it provides the basis for setting standards for accounting policies and procedures. It gives a clear guidance of what is acceptable and provides basis for accountability with clear indication of segregation of duty. According to Mensah, Aboagye, Addo and Buatsi, (2003), "in a bid to ensure tight control systems and ultimately governance, certain provisions are usually provided for. These provisions usually revolve around roles of the board of directors, payments and financial account as it relates to budget execution." Lewis (2012) defines internal controls as "a system of controls, checks and balances – collectively referred to as internal controls are put in place to safeguard an organizations asset and manage internal risks. The strength of internal control system especially during the budget preparation process influences financial governance positively." There is empirical evidence to support this assumption as Elbannan (2009) in his study confirmed that internal control quality is positively related to good governance according to a study he made on United States firms. He finds that internal control quality is positively related to good governance. Jensen (1993) supports this relationship by reporting the effectiveness of internal controls is positively related to the efficiency of board governance.

Fiador (2013) argues budget execution is the phase where the organization's resources are used in implementing its activities and the main focus of budget execution is compliance with

budgetary authorizations which is governed by internal control systems. In 2003, Mensah et al, elaborate weak internal control systems as per an organization's execution framework create incentives for company buyers to make side payments to influence contracts. Internal control provisions need to be in place which usually revolves around the role of board of directors, payments and financial accounting as it relates to budget execution.

Yang (2009) affirms that to guarantee the effectiveness of internal controls, managers have to pay attention to the design of internal controls. Abudulkadir (2014) supports this by emphasizing the importance of internal controls to supports NGO's in achieving their objectives by managing risks, while complying with rules, regulations, and organizational policies.

2.2.6 Budgeting and Budget Preparation

Budgeting is a process where by one can plan for what to spend based on the earning detail over a specific time period. According to Horngren, Datar, and Foster, G. (2006), they defined budget preparation as "the process of quantitatively expressing an organizations strategy or the financial perspective of what an organization seeks to achieve over a specific period of time." They further analyzed budget preparation process as "the heart of the financial management function. Budgets or financial plans, which result from the budget preparation process, typically form the basis on which subsequent performance may be assessed." Allen and Tommasi (2001), also argue that the success of budget utilization depends on various factors as an organization has to deal with changes in the macroeconomic environment and it is dependent upon the implementation capacity of the organization. In 2009, Gaist indicates that by budgeting and producing periodic financial reports, NGO's are able to constantly monitor their revenue and costs to ensure that funding streams sustain operations.

In order to have the best budget detail, all staffs involved in the budget preparation process have to come as a team as budgeting is not something that can be left to the finance unit alone. A study made by Hansen et al (2004), collaborated the link between budgeting, financial planning and organizational performance. They state "the formality, thoroughness, sophistication and participation that characterize long range planning exhibit a positive relationship with organizational performance."

In 2010, Bissessar stated that “Budgeting process needs enough time for review as well as revision. Budget assumptions have to be listed down clearly so that price basis, inflation, exchange rate details as well as all costs associated with the project and basis of estimation is noted for future reference.” According to him with the growth of society, the budgetary process has gotten complicated which has transcended income and expenditure concerns to include systems of planning, forecasting, monitoring and evaluating.

NGO’s usually perform Budget Vs. Actual review analysis. Budget Deviation Analysis helps to compare what the organization expected or planned against what the organization earned and spend. It can help detect how well activities are going according to plan within allotted budget, which budgeted line items are being overspent or underspent and it helps management to address future plans based on spending trends.

2.2.7. Financial Strategy

According to Lewis (2012), financial planning is “both a strategic and operational process linked to the achievement of objectives. It involves building both longer term funding strategies and shorter term budgets and forecasts”. Further linking financial planning with the strategic plan, he states that NGO’s lay down their strategy to achieve their objectives by preparing a detailed strategic plan. In 2003, Neely,et.al confirm that “The success of a financial strategy depends upon establishment of long term partnerships with donors that will ensure funding throughout the planned years. “They further states that “Budgets must firstly be aligned with the organizations over all strategies with appropriate strategic planning and performance management processes introduced. And secondly, they must involve processes that are value based, consequential and continuous.”

2.2.8. Financial Policies and Procedures

According to a definition by Lewis (2012), “a policy sets out a set of principles and guidelines for a key area of activity within an organization. It removes any questions about how important resources are used. Policies should stand the test of time – whilst it is important to be flexible, NGO’s should not change policies too often.” He also states “procedures describe the steps for carrying out the guidelines in a policy. They often include a requirement to complete standard forms to gather data and authorization for actions.” Linking policies and procedures, Lewis

(2012) further states that “Policies and Procedures are not about being overly bureaucratic. They help to run the organization smoothly and promote consistency, accountability and transparency. They also facilitate the decentralization process and help managers make the right decisions”.

2.2.9. Financial governance

Fiador (2013) explored financial governance as practices by NGO’s in Ghana and further examined the determinants of financial governance structures of the NGO’s. The study specifically investigated which organizational level characteristics exhibit any link whatsoever with governance as it relates to budget preparation, budget execution and internal controls and budget monitoring. The findings of the study indicate that the most positively influential factor in explaining an NGO’s adoption of a governance framework is its size. The other variables, organizational age and independence are not significant across all three financial governance proxies and when they prove significant, the effect is negative. In his research he defines financial governance as “the legitimate use of power and authority in the management of an entity’s financial resources.”. The African Financial status report of 2011 sees good financial governance as a significant contributor to sound fiscal management, effective and efficient resource use, which is also seen as underpinning transparency and accountability.

Some schools of thought have identified criteria for the financial management systems of NGO’s and other donor funded projects. Shizhen (2005) proposed major classification which includes financial reporting, accounting records and source documentation, internal control, budget control, cost allowance, cash management and compliance frameworks.

To summarize the above empirical reviews this study has tried to relate this reviews with current plan as indicated below.

Given the assessment of Neely et al (2003), this understudy has tried to assess the importance paid to the planning and budgeting process in terms of the additional value it is expected to give to the NGO sector. Though the study result made by Neely et al (2003) focused mostly in best performing banks in Scandinavia, this study has tried to review the methodologies used by the writers and to bring further understanding of the different assessment tools.

From the related research made in Ghana by Fiador (2013), this proposal has tried to compare pertinent areas of review in the areas of financial management and governance, budgeting processes and internal controls, monitoring and performance measures. As the aim of the study in Ghana on selected NGO's was identifying the relation of size of organization, age of organization & independence with Financial Governance, Fiador (2013) used regression analysis to test the organizational drivers of the financial governance set up. This research is made on purposefully sampled INGO's working in the health sector in Ethiopia specifically located in Addis Ababa, concentrating on identifying the strength and weaknesses of current financial practices as compared to best financial management practices that are globally accepted for the NGO sector. It has tried to identify how existing practices can be linked with local reporting requirements for best results.

Given the huge resources coming through CSO's and the attention of the government towards the good governance of this scarce resource to address the problems of the intended community, the application of good Financial Management system comprising of systematic financial planning, monitoring, recording practices as well as good internal control system is very important. Its existence in all CSO's is of paramount importance to measure performance, meet targeted deliverables as well as adhere to the financial reporting requirements as per the ChSA requirement. This research paper focused on assessment of financial management practices of selected INGO's providing Health related technical support in Ethiopia.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Research Design

This study was used descriptive research method as the study aimed to assess the effectiveness of good financial management practices. Dependent on the set objectives of the study, the research included questionnaires and interview. The questionnaires was designed using Likert Scale of 1-5 from strongly disagree to strongly agree as well as some close ended questions to assess organizational profile. The questionnaires were filled in by the finance staffing both at management level and middle level to get both perspectives as well as Department Heads of the budget holding units. The researcher also interviewed the finance heads of the INGOs under study to supplement and expand data which could not be explained in the structured questionnaire.

Both qualitative and quantitative methods were used in this study. By qualitative data, the description is in words rather than numbers and the researcher believes this helped me to go beyond the statistical results reported in the quantitative research. As well the researcher used quantitative research designs, techniques and measures to produce numerical quantifiable data.

Quantitative data was collected through distribution of a questionnaire which is believed to give respondents the freedom to reply to questions genuinely. The questionnaire was hand delivered to the seven organization finance staff and program staff under study to obtain information relevant for this study. Qualitative data was collected from interview held with 6

Finance Managers/Heads and 1 Senior Finance staff. The interview process was helped to clarify issues that were not addressed through the questionnaires.

3.2. Population and Sampling Techniques

Target populations in the study included Managements and member of staffs currently who are working in selected NGOS'. This total population was confirmed through preliminary assessment researcher did, as particulars of the assessment questionnaires could only be responded by those finance staffing and those working as budget holders.

The organizational structure of in selected NGOs' (such as SOS village project, Amref, ECFF, WHH, Plan Ethiopia, IDE, and Research project) is categorized into core and support directorates. The core directorates manage the overall loan processing activity from the initial stage to the final accomplishment of the project. Whereas support directorates provide technical support to core directorate to meet the objectives set by the selected NGOS'. As a result of this, in addition to the credit directorate, respondents are also selected from directorates such as, project appraisal, Project Rehabilitation and Loan Recovery (PRLR), Risk management (RM); Lease financing, external fund and credit management (EFCMD) and Portfolio management directorate (PMD). Selected management members and staff of the stated directorate were invited to fill the questionnaires. As human Resource management information indicates that there are 172 employees who have above officer position and 33 management members in the mentioned directorate. These are the total populations that the researcher used as the source of information for the study. .

3.3. Sample Size

Sample size is one element of research design and that investigates need to consider as they plan their study. Reasons to calculate the required sample size include achieving both a clinically and statistically significant result and ensuring research resources are used efficiently and ethically. For this study respondents was selected from credit directorate and other six directorates which perform the same role with the core directorate. Only management members and staffs who have above officer position were allowed to fill the questioners. Sample size using the following formula.

$$n = N / (1 + Ne^2) = 205 / (1 + 205 * 0.05^2)$$

Description:

n = required sample size

t = confidence level at 95% (standard value of 1.96) p = estimated respondents

m = margin of error at 5% (standard value of 0.05)

Based on this calculation the researcher was determining 135 sample size to fill the questionnaire.

3.4. Sampling and sampling Techniques

To meet the objective of the study the researcher was use stratified random sampling method to select relevant respondents from the entire population. Stratified random sampling is a type of probability sampling which selects members of the sample population from each sub population. It issued when the population is too large to handle and is divided into subgroups called strata.

3.5. Sources of data and methods of collection

For this assessment both primary and secondary data was used. Primary data was obtained through questionnaires by using stratified random sampling technique and interviews by using purposive sampling techniques by identifying those staffs related to the financial management process. Those finance staff and budget holder program staffing was the focal source of the data for the study and this process has helped secure first-hand information about their perception, practical experience and comments on the process of financial management in each INGO. In addition, Finance Heads was interviewed to gain additional insight into the financial management process and to get information on the process as well as any challenges. The questionnaires was designed and tailored to fit the research questions and were enriched from guidelines for good financial management practices sited on the handbook for NGO's created by Lewis (2012) for Mango institution. Specifically related financial management measuring frameworks were extracted from questionnaires used by the Non Profit Association of Oregon (www.nonprofitoregon.org) to assess NGO financial performance were tailored. This was selected by the researcher as these types of questionnaires are frequently used as the best assessment tool by donor/funding organizations. This framework is expected to provide a reference point from which deviations from or otherwise as regards financial management is compared.

Published monthly and quarterly newsletters by the organizations were reviewed. This helped to review their intervention area so as to make selection of INGOs comparable Moreover, relevant literature from published journals as well as in country related documentations, electronic sources (website of the organizations), and Charities and Societies Agency regulation and

proclamations were reviewed.. Review of secondary sources helped fill the gap that could not have been filled in through interview or questionnaire only.

3.6. Method of Data Analysis

3.6.1. Quantitative Data Analysis

Questionnaires was distributed to respondents and close follow up was invested using researcher's network at each INGO in order to extract all needed information and data for the research to ensure total collection of distributed questionnaires. Questionnaires used by the Non Profit Association of Oregon (www.nonprofitoregon.org) to assess NGO financial performance were tailored as these questionnaires are internationally recognized as all comprehensive and have been adopted by different international major donors. The researcher believes this enabled the study to compare results against acceptable standards. Likert scale of 5 stages from strongly disagree to strongly agree was used to analyze the strength and weakness of the financial planning, accounting records, budgeting process, monitoring and internal controls of the selected INGO. Upon collection of all data, the data was processed, edited, classified and organized in order to enable the researcher interpret and summarize the data. The collected raw data was classified and compiled to make assessment manageable and understandable using Statistical Package for Social Sciences (SPSS) as well as Excel. Descriptive statistics using percentages and frequencies as well as mean and standard deviation was used to analyze the data.

3.6.2. Qualitative Data Analysis

Even though the INGOs under review are assumed to be homogenous in terms of financial structure, their work practice is different and there was a need to extract key challenges which is different for each INGO depending on the type of set up, field of operation and focus area of engagement. Each INGO is assessed through carefully designed open ended interview questions which enabled to be the best option to extract needed data to compile the results. Interview was carried out with only Finance Managers and in their absence with Senior Finance staffing to secure related information.

The qualitative data analysis process involved preparing the data for analysis, checking for inconsistencies against the questionnaires, representing the data and making interpretation of the information secured. The researcher edited the interview response to check for any omission or

inconsistencies. To make the qualitative data applicable for analysis using statistical software, coding of 1-5 was applied by assigning numerical scores to each expected response.

3.7 Reliability test

According to Kothari (2004), validity refers to the accuracy and precision of a measurement procedure, specifically how well a test measures what it is intended to measure. Content validity indicates how thoroughly the questionnaire covers the concept being evaluated, assessed by expert review to ensure all crucial factors are included. Reliability, as defined by Cooper and Schinder (2014), refers to the consistency of a measurement and is often assessed using test-retest methods. Reliability identifies ambiguities and inadequacies in the research instrument, ensuring dependability and consistency. Cronbach's Alpha is used to measure reliability for Likert scale questionnaires, with George and Mallery (2003) providing guidelines: an alpha above 0.9 is excellent, above 0.8 is good, above 0.7 is acceptable, above 0.6 is questionable, above 0.5 is poor, and below 0.5 is unacceptable. The overall reliability for the 26-item measure is strong, with an alpha of **0.734**. These values, all above 0.70, indicate that all the 39 items within each scale are reliably interrelated, and the overall measurement scales are dependable for assessing their respective constructs.

CHAPTER FOUR
DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

This chapter focuses on the analysis of the data collected from the field as well as the discussions of the findings. The results of the study are based on the general objective of the study which was to investigate the effect of work-life conflict on employees' job performance at Mizan-Tepi University, Mizan Campus. The results of the study are presented in tabular formats. Once the primary data was collected, before the analysis, the questionnaire was reviewed and it was to certify that if questionnaires were filled appropriately.

Out of 278 questionnaires distributed to selected respondents, 276 were collected, resulting in an impressive 99.3% response rate. To ensure data accuracy, the researcher promptly checked for outliers, missing values, and inconsistencies following data collection. Subsequently, the gathered data were meticulously organized and analyzed using SPSS version 26, facilitating the exploration of fundamental research inquiries posed at the study's outset.

4.2. Demographic Characteristics of the Respondents

To comprehend the study's findings effectively, it's crucial to grasp the demographic profile of respondents at Mizan Tepi University. This profile encompasses variables such as gender, age, educational level, work experience, and job title. The analysis delves into these personal attributes, which are succinctly depicted through tables and charts provided below.

Table 4.1: Demographic Characteristics of the Respondents

Variables	Categories	Frequency	Percentage
Sex	Male	152	55.1
	Female	124	44.9
Age	<24	54	19.6
	25-32	112	40.6
	33-40	110	39.9
Education status	Diploma	128	46.4

	Degree	145	52.5
	Masters	3	1.1
Work experience	1-3	60	21.7
	4-6	114	41.3
	6-8	79	28.6
	9 and above	23	8.3
Job title	Supervisor	28	10.1
	Manger	64	23.2
	Others	184	66.7

The sample population consists of 276 respondents, with a majority being male (55.1%) and the remaining 44.9% being female. This indicates a relatively balanced gender distribution, though males slightly outnumber females. This demographic characteristic is essential in understanding potential gender dynamics and influences in the study context.

Respondents' ages are categorized into three groups. The smallest group, comprising 19.6% of the respondents, is under 24 years old. The largest age group, 25-32 years, makes up 40.6% of the sample. The second-largest group, aged 33-40, represents 39.9% of the respondents. This distribution suggests that the majority of the participants are young to middle-aged adults, likely in the prime of their professional careers.

Educations levels among respondents show that most hold a degree (52.5%), followed closely by those with a diploma (46.4%). A small fraction (1.1%) has attained a master's degree. This high level of educational attainment reflects a well-educated sample, which may influence their perspectives and responses in the study.

The respondents' work experience varies, with the largest group (41.3%) having 4-6 years of experience. Those with 6-8 years of experience make up 28.6%, while 21.7% have 1-3 years of experience. The smallest group, with 9 or more years of experience, accounts for 8.3%. This distribution suggests a predominance of relatively experienced individuals, with a significant portion having intermediate levels of professional experience.

In terms of job roles, a majority of respondents fall into the 'Others' category (66.7%), which might include various unspecified positions. Managers constitute 23.2% of the sample, while supervisors make up 10.1%. This indicates a diverse range of job titles among the respondents, with a substantial representation of managerial positions, which could impact the insights and perspectives shared in the study.

4.3: The effect of work-life conflict on employees' job performance

Work-life conflict refers to the tension that arises when the demands of an employee's job interfere with their personal and family life, or vice versa. This conflict can manifest in several ways, such as long working hours, excessive workload, inflexible schedules, and the expectation to be available outside of normal working hours.

The researcher has decided to use mean values for analysis because the mean is widely recognized as an effective method for summarizing a complete set of observations with a single value that represents the central point of the data. Many statisticians use the mean as a standard reference for analytical purposes. Additionally, the use of Standard Deviation (SD) has been selected because it is commonly used to measure the dispersion of responses. SD provides an indication of how many individual responses to a question vary from the mean. Considering the distribution of responses is crucial, and SD offers a valuable descriptive measure compared to relying solely on the mean. Therefore, the results of the data on each questions asked for each component are presented in Tables 4.2 to 4.5.

Table 4.2: Work-life interference

No.	Items	Mean	Std.
1	After work, I come home too tired to do some of the things I'd like to do.	4.13	1.146
2	On the job I have so much work to do that it takes away from my personal interests.	3.57	1.238
3	My family/friends dislike how often I am preoccupied with my work while I am at home.	3.32	1.250
4	My work takes up time that I'd like to spend with family/friends.	3.48	1.204

5	My job or career interferes with my responsibilities at home, such as cooking, cleaning, repairs, shopping, paying the bills and childcare.	2.98	1.296
6	My job or career keeps me from spending the amount of time I would like to spend with my family.	3.25	2.217
Overall mean		3.45	

Table 4.2 presents the mean and standard deviation (SD) values for six items related to work-life interference. The overall mean value of 3.45 suggests a moderate level of work-life interference experienced by the respondents.

The item "After work, I come home too tired to do some of the things I'd like to do" has the highest mean value of 4.13, with an SD of 1.146. This indicates that, on average, respondents frequently feel too tired after work to engage in personal activities, and there is a relatively consistent response among the participants.

The item "On the job I have so much work to do that it takes away from my personal interests" has a mean of 3.57 and an SD of 1.238, showing that respondents often feel their workload interferes with their personal interests. The standard deviation suggests some variability in responses.

Regarding the item "My family/friends dislike how often I am preoccupied with my work while I am at home," the mean is 3.32 and the SD is 1.250, indicating that respondents sometimes experience dissatisfaction from family and friends due to their work preoccupations at home, with moderate variability in responses.

The item "My work takes up time that I'd like to spend with family/friends" has a mean of 3.48 and an SD of 1.204, suggesting that work frequently encroaches on time respondents would prefer to spend with family and friends, with moderate variability in responses.

The item "My job or career interferes with my responsibilities at home, such as cooking, cleaning, repairs, shopping, paying the bills, and childcare" has a mean of 2.98 and an SD of 1.296, indicating that respondents occasionally feel their job interferes with household responsibilities. The higher standard deviation suggests greater variability in responses.

Finally, the item "My job or career keeps me from spending the amount of time I would like to spend with my family" has a mean of 3.25 and a notably high SD of 2.217, revealing that respondents sometimes feel their job prevents them from spending desired time with family, but the high standard deviation indicates significant variability in individual experiences.

Overall, the data indicates that respondents experience a moderate level of work-life interference, with the most pronounced issue being fatigue after work, which prevents them from engaging in personal activities. There is noticeable variability in how respondents experience different aspects of work-life interference, particularly in the time spent with family.

Table 4.3: Personal-life interference

No.	Items	Mean	Std.
1	I am often too tired at work because of the things I have to do at home.	3.83	1.279
2	My personal demands are so great that it takes away from my work.	3.55	1.280
3	My superiors and peers dislike how often I am preoccupied with my personal life while at work.	3.77	1.133
4	My personal life takes up time that I'd like to spend at.	3.71	1.103
5	My home life interferes with my responsibilities at work, such as getting to work on time, accomplishing daily tasks, or working overtime.	3.77	1.080
6	My home life keeps me from spending the amount of time I would like to spend on job or career related activities.	4.08	.982
7	My home life interferes with my responsibilities at work, such as getting to work on time, accomplishing daily tasks, or working overtime.	4.52	.774
8	My home life keeps me from spending the amount of time I would like to spend on job or career related activities.	3.86	1.155
Overall Mean		3.88	

Table 4.3 presents the mean and standard deviation (SD) values for eight items related to personal-life interference with work. The overall mean value of 3.88 suggests a moderate to high level of personal-life interference experienced by the respondents.

The item "I am often too tired at work because of the things I have to do at home" has a mean of 3.83 and an SD of 1.279, indicating that respondents frequently feel fatigued at work due to their home responsibilities, with a moderate degree of variability in responses. For the item "My personal demands are so great that it takes away from my work," the mean is 3.55 with an SD of 1.280, showing that respondents often feel their personal demands detract from their work, with moderate variability in responses.

The item "My superiors and peers dislike how often I am preoccupied with my personal life while at work" has a mean of 3.77 and an SD of 1.133, suggesting that respondents sometimes face dissatisfaction from colleagues due to their personal life distractions at work, with less variability in responses compared to other items. Regarding "My personal life takes up time that I'd like to spend at work," the mean is 3.71 and the SD is 1.103, indicating that personal life often encroaches on time respondents would prefer to spend at work, with a relatively low variability in responses.

The item "My home life interferes with my responsibilities at work, such as getting to work on time, accomplishing daily tasks, or working overtime" appears twice with slightly different mean values. The first instance has a mean of 3.77 and an SD of 1.080, while the second instance has a mean of 4.52 and an SD of 0.774. The latter indicates a higher frequency of interference with less variability in responses, suggesting a stronger consensus among respondents about this interference.

The item "My home life keeps me from spending the amount of time I would like to spend on job or career-related activities" also appears twice. The first instance has a mean of 4.08 and an SD of 0.982, and the second instance has a mean of 3.86 and an SD of 1.155. These values suggest that respondents frequently feel that their home life limits the time they can dedicate to their career, with the first instance showing a higher mean and less variability in responses.

Overall, the data indicates that respondents experience a moderate to high level of personal-life interference with their work. The most pronounced issues are feeling too tired at work due to home responsibilities and home life interfering with work responsibilities such as getting to work on time and accomplishing daily tasks. There is some variability in how respondents experience different aspects of personal-life interference, particularly in terms of how much home life limits time spent on career-related activities.

Table 4.4: Work overload

No.	Items	Mean	Std.
1	The workload is shared fairly.	3.98	1.063
2	The amount of work I am given to do is reasonable.	3.61	1.115
3	The level of responsibility I am given is reasonable.	3.42	1.146
4	There is sufficient time to provide the type of care I would like to.	3.26	1.261
5	Staffing levels are adequate for the workload.	3.65	1.063
Overall Mean		3.58	

Table 4.4 presents the mean and standard deviation (SD) values for five items related to perceptions of work overload among respondents. The overall mean value of 3.58 suggests a moderate level of perceived work overload experienced by the respondents.

The item "The workload is shared fairly" has the highest mean value of 3.98, with an SD of 1.063. This indicates that, on average, respondents believe the workload is fairly distributed among them, and there is relatively low variability in responses, suggesting a consensus on this perception. The item "The amount of work I am given to do is reasonable" has a mean of 3.61 and an SD of 1.115, showing that respondents generally feel the amount of work assigned to them is reasonable, though there is some variability in opinions.

Regarding the item "The level of responsibility I am given is reasonable," the mean is 3.42 with an SD of 1.146, suggesting that respondents often find the level of responsibility they are given to be reasonable, with moderate variability in responses.

The item "There is sufficient time to provide the type of care I would like to" has a mean of 3.26 and an SD of 1.261, indicating that respondents sometimes feel they have enough time to provide the desired level of care. The higher SD suggests greater variability in experiences, with some respondents feeling more pressured by time constraints than others. Finally, the item "Staffing levels are adequate for the workload" has a mean of 3.65 and an SD of 1.063, showing that

respondents generally feel that staffing levels are adequate for the workload, with relatively low variability in responses.

Overall, the data indicates that respondents experience a moderate level of work overload. They generally perceive the workload to be fairly shared and staffing levels to be adequate. However, there is some concern about the reasonableness of the amount of work and responsibilities, as well as the sufficiency of time to provide the desired level of care, with notable variability in these responses.

Table 4.5: Employees' job performance

No.	Items	Mean	Std.
1	I managed to plan my work so that it was done on time.	2.44	.777
2	I always set priorities in my work.	2.48	.731
3	I have been able to separate main issues from side issues at work.	2.42	.798
4	I was able to perform my work well with minimal time and effort.	2.38	.885
5	I worked towards the end result of my work.	2.30	.853
6	I have been rated as one of the best employees in terms of the quality of my work in Mizan-Tepi university, mizan campus.	2.45	.777
7	I have been rated as one of the best employees in terms of the quantity of my work in Mizan-Tepi university, mizan campus.	2.43	1.088
Overall mean		2.42	

Table 4.5 presents the mean and standard deviation (SD) values for seven items related to employees' job performance at Mizan-Tepi University, Mizan Campus. The overall mean value of 2.42 suggests a generally low level of perceived job performance among the respondents.

The item "I managed to plan my work so that it was done on time" has a mean value of 2.44 and an SD of 0.777, indicating that respondents often find it challenging to plan their work efficiently to meet deadlines. The relatively low variability in responses suggests a consensus on this perception. For the item "I always set priorities in my work," the mean is 2.48 with an SD of

0.731, showing that respondents generally struggle with consistently setting work priorities. The low SD indicates a similar perception among respondents.

Regarding the item "I have been able to separate main issues from side issues at work," the mean is 2.42 and the SD is 0.798, suggesting that respondents frequently find it difficult to distinguish between primary and secondary tasks. The moderate variability in responses indicates some differences in experiences. The item "I was able to perform my work well with minimal time and effort" has a mean of 2.38 and an SD of 0.885, indicating that respondents often feel they cannot perform their work efficiently. The higher SD suggests more variability in responses, with some finding it more challenging than others.

The item "I worked towards the end result of my work" has a mean of 2.30 and an SD of 0.853, suggesting that respondents frequently struggle to focus on achieving the end results of their tasks. The moderate SD indicates some variability in responses. For the item "I have been rated as one of the best employees in terms of the quality of my work in Mizan-Tepi University, Mizan Campus," the mean is 2.45 and the SD is 0.777, showing that respondents generally do not perceive themselves as top performers in terms of work quality. The low variability suggests a consensus on this perception.

The item "I have been rated as one of the best employees in terms of the quantity of my work in Mizan-Tepi University, Mizan Campus" has a mean of 2.43 and an SD of 1.088, indicating that respondents also do not see themselves as top performers in terms of work quantity. The higher SD suggests more variability in responses.

Overall, the data indicates that respondents perceive their job performance as generally low. They often struggle with planning and prioritizing their work, distinguishing main tasks from side tasks, and performing work efficiently. Additionally, respondents do not perceive themselves as top performers in terms of both the quality and quantity of their work. The variability in some responses suggests differences in individual experiences and perceptions of job performance.

4.4 Pearson correlation analysis

After performing the descriptive analysis, the study employed Pearson correlation analysis to determine the relationship between the dependent and independent variables. The Pearson correlation coefficient ranges from -1 to 1. A value greater than zero indicates a positive direct relationship between the two variables, meaning that an increase in the independent variable leads to an increase in the dependent variable. Conversely, a value less than zero indicates a negative indirect relationship, meaning that an increase in the independent variable results in a decrease in the dependent variable (Hafiz, 2007). Different authors offer various interpretations of these values; however, Saunders *et al.* (2009) provide the following guidelines: a correlation coefficient (r) between 0 and 0.39 or 0 and -0.39 suggests a small (weak) relationship, between 0.4 and 0.69 or -0.40 and -0.69 indicates a medium (moderate) relationship, and between 0.70 and 1 or -0.70 and -1 signifies a large (strong) relationship. The following table displays the relationships between each variable.

Table 4.6: Pearson correlation analysis

		Work to personal interference	Personal life to work interference	Work load	Job performance
Work personal interference to	Pearson Correlation	1	.230**	.298**	-.379**
	Sig. (2-tailed)		.000	.000	.000
Personal life to work interference to	Pearson Correlation	.230**	1	.517**	-.489**
	Sig. (2-tailed)	.000		.000	.000
Work load	Pearson Correlation	.298**	.517**	1	-.679**
	Sig. (2-tailed)	.000	.000		.000
Job performance	Pearson Correlation	-.379**	-.489**	-.679**	1
	Sig. (2-tailed)	.000	.000	.000	
**. Correlation is significant at the 0.01 level (2-tailed).					

The Pearson correlation coefficient between work to personal interference and job performance is -0.379, with a significance level of 0.000. This indicates a significant negative relationship between work to personal interference and job performance. As work to personal interference increases, job performance decreases. The strength of this relationship is moderate.

The Pearson correlation coefficient between personal life to work interference and job performance is -0.489, with a significance level of 0.000. This indicates a significant negative relationship between personal life to work interference and job performance. As personal life to work interference increases, job performance decreases. The strength of this relationship is moderate.

The Pearson correlation coefficient between workload and job performance is -0.679, with a significance level of 0.000. This indicates a significant negative relationship between workload and job performance. As workload increases, job performance decreases. The strength of this relationship is strong.

Overall, these results suggest that all three independent variables (work to personal interference, personal life to work interference, and workload) negatively impact job performance. Higher levels of interference and workload are associated with lower job performance among the respondents. The strongest negative impact on job performance comes from workload.

4.5 Multiple Linear Regression Analysis

Testing the assumptions of multiple linear regression analysis models is crucial before performing regression analysis. The results of each assumption will be discussed in the following subtopics. In the previous section, descriptive and correlation analyses were conducted separately, revealing associations between delays in road construction projects and the independent variables. Consequently, it is necessary to sequentially assess and identify the effect of each independent variable. The researcher employed multiple linear regression model assumptions as follows.

4.5.1 Multi-collinearity Test between independent variables

According to Tay (2017), multicollinearity tests help identify high correlations between independent variables to avoid the redundancy of including highly correlated variables in the

model. When independent variables exhibit multicollinearity, there is an overlap or sharing of predictive power, which can lead to a paradoxical effect where the regression model fits the data well, but none of the explanatory variables individually have a significant impact on predicting the dependent variable. To address this, the variance inflation factor (VIF) and tolerance test are used to check for multicollinearity. If the VIF value is less than 10, there is no multicollinearity issue; however, if the VIF is 10 or greater, there is a significant multicollinearity problem.

To avoid serious multicollinearity problems, Gujarati (2003) recommends omitting variables with a VIF of 10 or higher from the analysis. Additionally, tolerance is an indicator of how much of the variability of an independent variable is not explained by the other independent variables in the model. Tolerance is calculated using the formula $1 - R^2$ for each variable. A very small tolerance value (less than 0.1) indicates high multiple correlations with other variables.

Table 4.7: Multicollinearity Test between independent variables

Independent variables	Tolerance	VIF
Work to personal interference	.903	1.107
Personal life to work interference	.727	1.376
Work load	.699	1.430

Table 4.7 shows the division result that the value of VIF all variables were by far less than 10 and the value of tolerance statistics being above 0.1 they were accepted entered in to regression model for the estimation of variables. Therefore, this result shows there is no multicollinearity problem in the independent variables.

4.6.2 Normality Test

Normality assumption is around the mean of the residuals is zero and used to determine whether a data set is well modeled by a normal distribution or not and also to indicate an underlying random variable is to be normally distributed (Gujarati.2009). To test the normality assumption the histogram of residuals was used to check the extent to which the residuals are normally distributed. The residuals histogram in Figure 4.1 shows us fairly normal distribution for the variable. Thus, based on these results, the normality of residuals assumption is satisfied for the dependent variable delay in road construction projects.

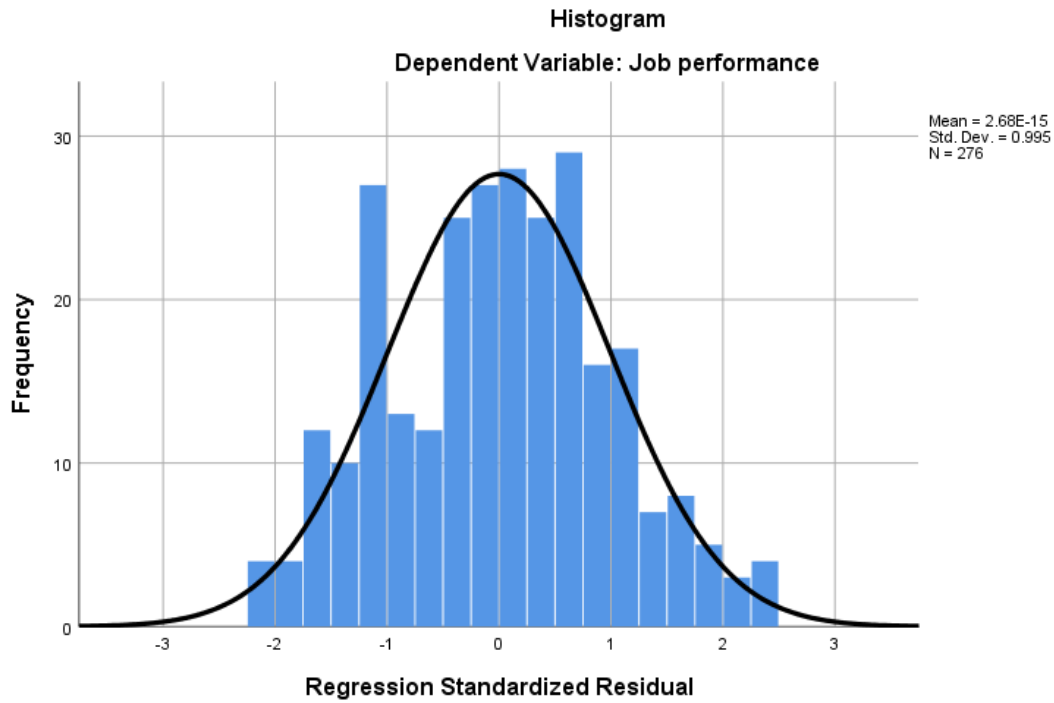


Figure 4.1: Histogram for Normality test

4.6.3 Linearity Assumption

To check the linearity assumption in multiple linear regressions the normal P-P plot was used, the plot shows all observed values somewhat spread along the straight diagonal line. Figure 4.2 in below shows us most of the observed values are spread very close to the straight line; there is high likelihood that the data are normally distributed and linear.

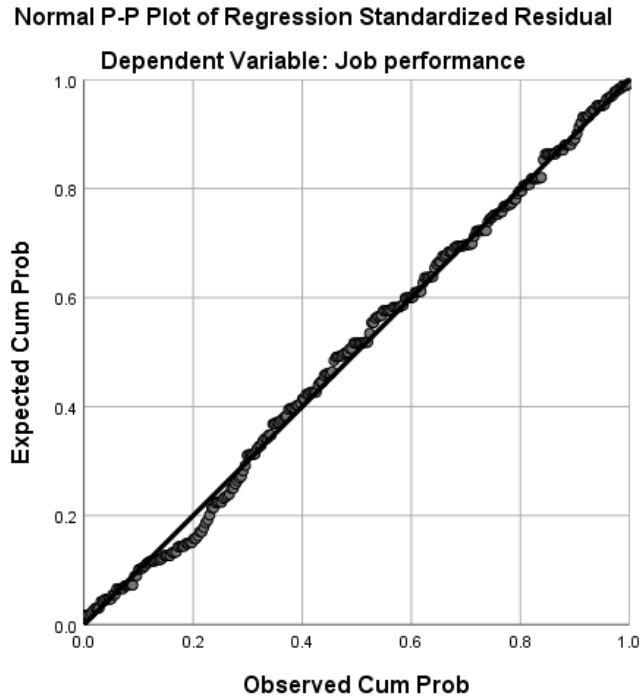


Figure 4.2: p-p plot; Linearity test results

4.6.4 Heteroscedasticity test

To check homogeneity assumption a scatter plot of the residuals against the predicted values was used to indicate whether the homogeneity of variance assumption is met. If it is met, there should be no pattern to the residuals plotted against the predicted values. In figure 4.3, shows there are no clear pattern, so the researchers assume that errors are spread out constantly between the variables. Heteroscedasticity problem exist when scatter plot is greater than 3.3 and less than -3.3. Therefore, as it was indicated in Figure which suggests homogeneity of variance assumption is met.

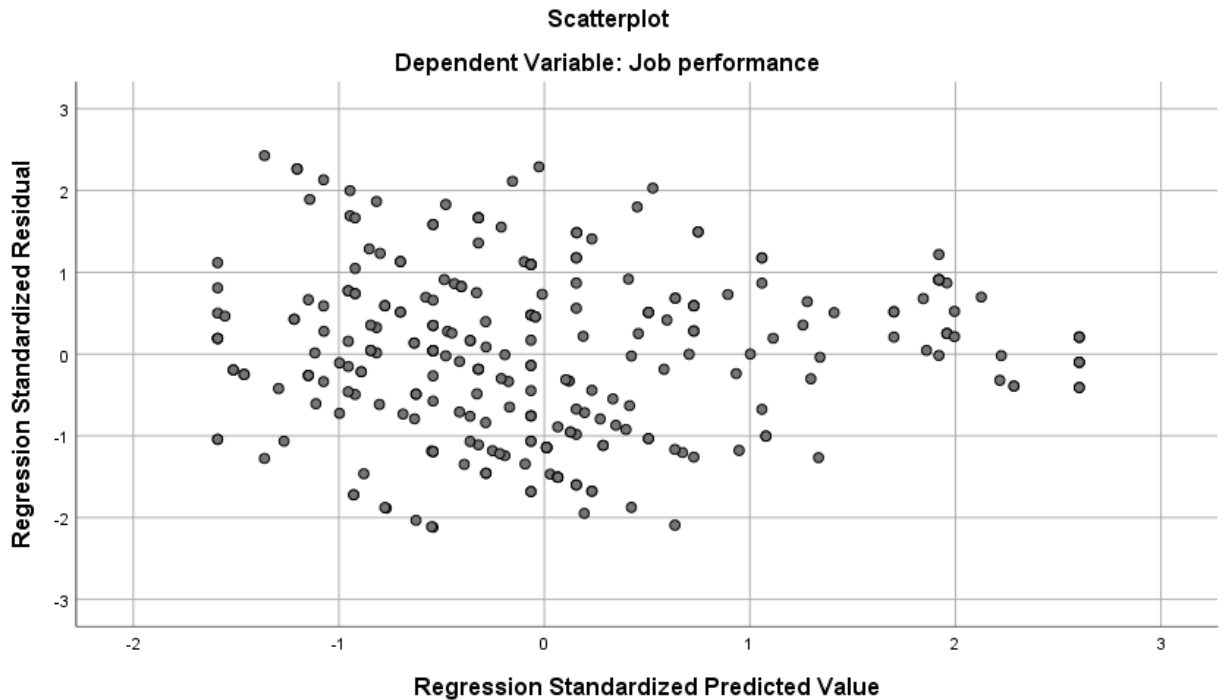


Figure 4.3: Scatter plot Heteroscedasticity test result

4.7. Result of Multiple Linear regression

Multiple regression analysis was then conducted to find out the effects of performance appraisal on employee's performance in Mizan-Tepi University. It gives more detailed analysis as it enabled the examination of the influence of each of the independent variables on dependent variables, controlling for all other factors. It also allowed the researcher to determine the combined effect of the variables (Gay, Mills, & Airasian, 2007).

Multiple linear regression analysis is a well-known statistical technique which fits a relationship between one dependent and more than one independent variable. Accordingly, model summary, an analysis of variance (ANOVA) and regression coefficient for the dependent variables were discussed under this sub-section.

In this subsequent section on regression results, the coefficient of determination (R square) was used as a measure of the explanatory power to show how the independent variables explain the dependent variable. The F statistics (ANOVA) was used as a measure of the model goodness of fit. Pearson correlation and the regression coefficient summary were used to explain the nature of the relationship between the dependent and independent variables. The significance levels of the

regression results were also taken into account for proper interpretations. After the model assumption was checked presentation and interpretation of the analysis output is mandatory.

Table 4.8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.718 ^a	.516	.511	.53998	1.933
a. Predictors: (Constant), Work load , Work to personal interference , Personal life to work interference					
b. Dependent Variable: Job performance					

As it can be observed from Table 4.8 above the regression model, which includes workload, work-to-personal interference, and personal-life-to-work interference as predictors, explains a substantial amount of the variance in job performance (R Square = 0.516). The model has a moderately strong positive relationship with job performance (R = 0.718) and is statistically significant ($p < 0.001$). The adjusted R Square value (0.511) indicates that the model's predictive power is robust even after considering the number of predictors. The standard error of the estimate (0.53998) suggests that the model's predictions are relatively accurate. Additionally, the Durbin-Watson statistic (1.933) indicates no significant autocorrelation in the residuals, supporting the model's validity.

Table 4.9: ANOVA Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	84.561	3	28.187	96.670	.000 ^b
	Residual	79.309	272	.292		
	Total	163.870	275			
a. Dependent Variable: Job performance						
b. Predictors: (Constant), Work load , Work to personal interference , Personal life to work interference						

The multiple linear regression analysis reveals a significant relationship ($p < 0.001$) between the predictors (workload, work-to-personal interference, and personal-life-to-work interference) and job performance. The model explains a substantial amount of the variance in job performance, as indicated by the high F-statistic (96.670). Specifically, workload and personal-life-to-work interference negatively impact job performance, while work-to-personal interference has a positive effect. These findings suggest that managing workload and balancing personal and work life are crucial for improving job performance

Table 4.10 Standardize and unstandardized coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4.469	.131		34.171	.000
Work to personal interference (PI)	-.088	.022	-.180	-4.050	.000
Personal life to work interference (WI)	-.126	.037	-.169	-3.425	.001
Work load (WL)	-.367	.034	-.538	-10.659	.000
a. Dependent Variable: Job performance					

In this study, all the independent variables were identified as a statistical significant effect on job performance at 5% level of significance.

The estimated regression model was

$$\text{Job performance} = 4.469 - 0.088 \text{ PI} - 0.126 \text{ WI} - 0.367 \text{ WL}$$

From the coefficients Table 4.10 above, it can be observed that all three predictors' work-to-personal interference, personal-life-to-work interference, and workload have significant negative impacts on job performance. For every one-unit increase in work-to-personal interference, job performance is estimated to decrease by 0.088 units. Similarly, a one-unit increase in personal-life-to-work interference is associated with a decrease in job performance by 0.126 units. The most substantial impact is from workload; a one-unit increase leads to a 0.367-unit decrease in job

performance. These effects are statistically significant ($p < 0.001$ for all predictors), indicating that managing these factors is crucial for maintaining or improving job performance.

4.8 Analysis of the research Hypothesis

Ha. There is a significant negative relationship between work-to-personal interference and job performance

The regression analysis indicates a significant negative relationship between work-to-personal interference and job performance ($\beta = -0.088$, $p < 0.001$). This finding is consistent with prior research by Frone (2003), who found that high levels of work interference with personal life are associated with lower job performance. Additionally, research by Byron (2005) and Michel, Kotrba, Mitchelson, Clark, and Baltes (2011) support this relationship.

Ha: There is a significant negative relationship between personal-life-to-work interference and job performance.

The regression analysis reveals a significant negative relationship between personal-life-to-work interference and job performance ($\beta = -0.126$, $p = 0.001$). This aligns with the findings of Greenhaus and Beutell (1985), who observed that personal-life-to-work interference can lead to decreased job performance. Studies by Major, Klein, and Ehrhart (2002) and Nohe, Meier, Sonntag, and Michel (2015) also support this relationship.

Ha: There is a significant negative relationship between workload and job performance.

The analysis shows a significant negative relationship between workload and job performance ($\beta = -0.367$, $p < 0.001$). This result is supported by studies such as that of Podsakoff, LePine, and LePine (2007), who found that high workload negatively impacts job performance. Research by Demerouti, Bakker, Nachreiner, and Schaufeli (2001) and Sargent and Terry (2000) further substantiate this relationship.

CHAPTER FIVE

5. SUMMERY, CONCLUSION AND RECOMMENDATION

5.1. Summary

This study aimed to investigate the relationship between work-life conflict factors and job performance among employees. The demographic characteristics of the respondents were analyzed, including sex, age, education status, work experience, and job title. Descriptive statistics were used to examine the mean and standard deviation of variables related to work-life conflict and job performance.

- ✓ The mean value for work-life interference was 3.45, indicating a moderate level of interference. Respondents frequently felt too tired after work to engage in personal activities and experienced work encroaching on time meant for family and friends.
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- ✓ The mean value for work-life interference was 3.45, indicating a moderate level of interference. Respondents frequently felt too tired after work to engage in personal activities and experienced work encroaching on time meant for family and friends.
- ✓ Correlation analysis was conducted to explore the relationships between work-to-personal interference, personal-life-to-work interference, workload, and job performance. The analysis revealed significant correlations between these factors, indicating that they are interrelated.
- ✓ Multiple linear regression analysis was performed to assess the impact of work-to-personal interference, personal-life-to-work interference, and workload on job performance. The results showed that all three factors had a significant negative impact on job performance, with workload exerting the strongest effect.
- ✓ Assumption testing, including multicollinearity checks, was conducted to ensure the validity of the regression analysis results. No significant issues were found, supporting the reliability of the findings.
- ✓ Hypothesis testing was employed to summarize the results, confirming significant relationships between the predictors (work-to-personal interference, personal-life-to-work

interference, and workload) and job performance. These findings underscore the importance of managing work-life balance and workload to enhance overall employee performance.

- ✓ In general, this study provides valuable insights into the factors influencing job performance, emphasizing the need for organizations to address work-life conflict and workload issues to improve employee productivity and well-being. The findings suggest that strategies aimed at reducing work-to-personal interference, personal-life-to-work interference, and workload can lead to better job performance and overall employee satisfaction.

5.2. Conclusion

The Pearson correlation coefficient showed that work-to-personal interference, personal-life-to-work interference, and workload each have a significant negative relationship with job performance. The study concluded that work-to-personal interference, personal-life-to-work interference, and workload significantly negatively impact job performance at Mizan-Tepi University. As these interferences and workload increase, job performance decreases. Workload exhibited the strongest negative relationship with job performance, indicating that employees with higher workloads tend to perform worse in their jobs. These results emphasize the importance of managing work-life balance and workload to improve overall job performance among employees.

5.3. Recommendation

- ✓ Organizations should consider implementing policies and practices that support employees in managing their work and personal lives effectively. By addressing these factors, organizations can enhance job performance, increase employee satisfaction, and ultimately achieve better organizational outcomes.
- ✓ Provide training and resources to help employees improve their time management and prioritization skills, which can help them manage their workload more effectively.
- ✓ Encourage open communication between employees and supervisors to discuss workload issues, work-life balance, and any challenges they may be facing.
- ✓ Regularly assess workload levels to ensure they are manageable and realistic, and make adjustments as necessary to prevent burnout and maintain high job performance.

- ✓ Provide resources and support for employees dealing with personal issues that may be impacting their work performance, such as counseling services or flexible leave options.

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APPENDIX

QUESTIONNAIRE & INTERVIEW

Questionnaire

This questionnaire is designed to collect primary data to conduct a research on the topic, "**Assessment of Financial Management Practices of selected Non-Government Organizations working in the Health Sector**" in partial fulfillment of the completion of Masters of Accounting and Finance Program at Jimma University. In this regard you are kindly requested to provide reliable information that is to the best of your knowledge so that the findings from the study would meet the intended purpose. The information obtained will only be used for academic purpose and confidentiality of organization detail will be maintained. Researcher appreciates your objective and genuine response. In order to validate the response, you are graciously requested to answer all questions. You don't need to put in the organization name as well as your name on the questionnaire.

This questionnaire has two parts. Part I. is designed to assess the organizational general profile Part II is designed to assess the practices on financial management using Likert scale. Values will vary from 5 (strongly agree) to 1 (strongly disagree).

Thank you in advance for your time and cooperation. Sincerely;

Part I.

General Information

1. Sex a. Male b. Female
2. Age: _____
3. Educational Status a. Diploma b. Degree c. Masters d. PhD
4. Work experience in the organization a. 1-5 years b. 5-10 Years c. 11-15 years
d. 16-20 years

Part II.

Here below are statements to assess the financial management practices of your organization. Read each statement carefully and (circle) the alternative that best expresses your current organizational practice. Thank you in advance for your due diligence.

S/N.	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Financial Planning Practices					
1.1	Program managers play an active role in the development of budgets for programs under their direction.	1	2	3	4	5
1.2	There is a designated management body in country as well as at Head Office level to authorize annual budgets and revisions to Budgets	1	2	3	4	5
1.3	The organization has integrated meaningful consideration of financial issues into any strategy planning processes it undertakes	1	2	3	4	5
1.4	The fiscal planning process includes continuous assessment of risks and identification of insurance coverage needs and	1	2	3	4	5

	appropriate risk management procedures					
2	Budgeting Process Review					
2.1	Organization has a comprehensive annual budget which includes all sources and uses of funds for all aspects of operations	1	2	3	4	5
2.2	All grant or contract budget agreements with funders are incorporated into the comprehensive annual budget.	1	2	3	4	5
2.3	All grant or contract budget proposals are reviewed by fiscal appointed staff before submission to funders	1	2	3	4	5
2.4	The organization has capital budget and multi-year plans for major maintenance and replacement of facilities and equipment	1	2	3	4	5
2.5	The Chart of Accounts utilizes the same line item categories and the same program or function distinctions which are utilized in the comprehensive annual budget and the budgets for individual contracts or grants.	1	2	3	4	5
3	Accounting Record Practices					
3.1	Monthly financial statements are available no later than the end of the month.	1	2	3	4	5
3.2	Monthly financial statements include a Balance Sheet as well as Statement of Activities and changes in Net Assets	1	2	3	4	5
3.3	The Chart of Accounts clearly establishes the programs or functions which will be distinguished and the funding sources and/or distinct funds which will be tracked	1	2	3	4	5
3.4	Appropriate computer software and hardware is utilized to perform recording functions	1	2	3	4	5
3.5	All accounting records are backed up daily. Back-up media are stored in a secure area away from computer equipment.	1	2	3	4	5

3.6	All general ledger balance sheet accounts are reconciled at least quarterly. All cash, payroll liabilities, and accounts receivable control accounts are reconciled monthly.	1	2	3	4	5
3.7	Accounting policies and recording procedures are clearly documented in the written fiscal policies and procedures.	1	2	3	4	5
3.8	Appropriate electronic and physical security procedures are utilized to protect the integrity of computerized accounting records.	1	2	3	4	5

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4	Internal Control Review					
4.1	The concept of separation of duties is implemented to the greatest extent feasible within the limitation of the size of the organization staff.	1	2	3	4	5
4.2	Authorization functions for purchasing, signing checks, adjusting accounts, and extending credit are not performed by individuals who also perform recording functions such as disbursements and/or receipts, maintaining accounts receivable records, or cash handling functions such as receiving and depositing funds or preparing checks.	1	2	3	4	5
4.3	Review and verification functions such as reconciliation of the bank statement to the record of cash receipts and disbursements are not performed by individuals who also prepare checks, record checks, receive funds and prepare bank deposits, and/or record receipts.	1	2	3	4	5
4.4	Written purchasing policies clearly identify the purchasing authority of each staff position, and establish appropriate dollar/ETB limits for purchasing authority at each level.	1	2	3	4	5
4.5	All checks are restrictively endorsed upon receipt.	1	2	3	4	5
4.6	All unused checks are carefully secured.	1	2	3	4	5
4.7	The organization has written policies and procedures for fiscal operations including procedures for processing payroll, purchases, accounts payable, accounts receivable, etc.	1	2	3	4	5
4.8	Written policies and procedures are reviewed and revised regularly	1	2	3	4	5

4.9	Actual processing activities are consistent with written policies and procedures	1	2	3	4	5
4.10	There are clear procedures for review of and authorization to pay all vendor invoices	1	2	3	4	5
4.11	Cash handling policies and procedures are well documented and are tested periodically	1	2	3	4	5
4.12	Receipts are given for all cash transactions and vendors are informed that they should receive a receipt for all cash payments with pre numbered, multi copy, customized	1	2	3	4	5

	receipts.					
4.13	Cash collections sheets are maintained by all individuals responsible for accepting cash. All cash counts are initiated by the individual preparing the initial count and the individual receiving the cash for further processing.	1	2	3	4	5
4.14	Postdated checks are not generally accepted, and if accepted, are secured carefully	1	2	3	4	5
4.15	All disbursements are made by check except for small purchases made through a petty cash fund.	1	2	3	4	5
5	Financial Monitoring Practice Overview					
5.1	In organization with multiple programs, statements of the expenses of each distinct program are prepared monthly.	1	2	3	4	5
5.2	The Senior Program Management group review the monthly financial statements Carefully	1	2	3	4	5
5.3	The Finance Manager highlights unusual items and identifies potential problems in notes to the financial statement shared with the program staff.	1	2	3	4	5
5.4	An independent auditor reviews financial documents yearly.	1	2	3	4	5
5.5	The Senior Management group reviews auditor's report, including any management letters, and reports on internal controls and compliance with government law and regulation.	1	2	3	4	5
5.6	The Senior Management group continuously reviews the organizations financial statements to determine whether the use of the	1	2	3	4	5

	organization's resources are consistent with the organization's mission and priorities.					
5.7	The Senior Management group continuously reviews financial documents to check if the organization is observing and documenting its observance of all restrictions imposed by funders and donors.	1	2	3	4	5

Thank you for your diligence and time in completing the above questionnaire