BUDGETARY CONTROLS AND EFFICIENCY

IN THE BANK OF SOUTH SUDAN, JUBA

BY

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DECLARATION

This dissertation is my original work and has not been presented for a degree or any other academic award in any University or Institution of Learning.

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Name and Signature of Candidate

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Date

APROVAL

I confirm that the work reported in this dissertation has been done by the candidate under my supervision.

Dr. Eric Mabonga

Supervisor

Date

DEDICATION

This research is dedicated to my family for supporting me during my study. May the Almighty God bless them all and reward them abundantly!

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ABSTRACT

The study examined the relationship between budgetary controls and efficiency in the Bank of South Sudan, juba. The specific objectives of the study were; To examine the relationship between budgetary participation and efficiency in the Bank of South Sudan, Juba; To assess the relationship between budgetary monitoring and efficiency in the Bank of South Sudan, Juba and to establish the relationship between budgetary evaluation and efficiency in the Bank of South Sudan, Juba. The study used a descriptive correlational and cross-sectional survey design using a sample size of 210. 5.2.1 Budgetary participation and efficiency in the Bank of South Sudan, Juba. It revealed that there is a significant positive relationship between Budgetary participation and efficiency in the Bank of South Sudan, Juba thereby rejecting the null hypothesis as evidenced by Pearson correlation (R=0.383, P=.000). it was also revealed that there is a significant positive relationship between budgetary monitoring and efficiency in the Bank of South Sudan, Juba thereby rejecting the null hypothesis as evidenced by Pearson correlation (R=0.619, P=.000). From the study it is concluded that there is a significant positive relationship between Budgetary evaluation and efficiency in the Bank of South Sudan, Juba thereby rejecting the null hypothesis as evidenced by Pearson correlation (R=0.795, P=.000). This study recommended that managers within the organisation must have a clear understanding of the role which they are required to play in ensuring budgetary compliance. This ensures that the most appropriate individuals are made accountable for budget implementation. Senior management can also use budgets to communicate corporate objectives downwards and ensure that other employees understand them and co-ordinate their activities to attain them. The act of preparation as well as the budget itself will also improve communication. It is also recommended that managers produce detailed budgetary plans to enable the implementation of the long term or strategic plan. The annual budgeting process must be embraced always as found out in this study encourages managers to plan for future operations, refine existing strategic plans and considers how they can respond to changing circumstances. This encourages managers to anticipate problems before they arise and ensures reasoned decision making.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This study examined the relationship between Budgetary Control and efficiency in the Bank of South Sudan, Juba. This chapter consists of the background of the study, problem statement, and purpose, objectives of the study, research questions, hypothesis, scope and significance of the study.

1.1 Background of the Study

The background comprises of the historical perspective, the conceptual perspective, the theoretical perspective and the contextual perspective.

1.1.1 Historical Perspective

For a long time, there has been a need for organizations, both Governmental and private to improve their efficiency (Magoro, 2010). At the same time, public organisations are very concerned about transparency and fairness. Sometimes, there is a conflict between efficiency and transparency. Public organisations are therefore required to act as a model for the rest organisations in the country. For example, if the central bank organizations increase their operating efficiency and also their transparency,it may have a bigger voice on all other private and public organisations to follow suit. That makes adoption of appropriate budget process much quicker. If failure to adhere to budget process is to be prevented, it requires long steps, rules and policies to check and audit the budget processes, which make budget decisions and lead times longer and less efficient.

Robinson (2007) indicated that in developing countries, the organization of budgetary system is subordinated to the problems of eliminating the remnants of feudalism and colonialism. In view of the weakness of the inadequacy of their capital, the most important measures in the areas of business and culture in these countries such as Sudan, the Arab Republic of Egypt and others were financed through the state budget.

Lucey (2009) indicates that although many of the principles of budgeting apply equally to non-profit organization and profit seeking organization a key difference is that the latter organizations budgets focus on the relationship between expenditure (input) and sales revenue (output). In non-profit organization outputs are much more difficult to measure hence traditionally budgeting has been concerned with making sure that for each expenditure heading actual spending does not exceed the budget authorized cash.

The effect of budgetary control on efficiency has been studied in various countries across the world. However, not much research has been covered in this area on central banks. Whereas Kenis (1979) supported the argument that budgeting is positively and significantly associated with performance, Milani (1975) found that there is a weak positive association between budgetary control and performance. With reference to the ambiguities arising in previous studies as well as the absence of extensive research in this area of study in Sudan, this research seeks to find out the effect of budgeting on efficiency of the Bank of South Sudan.

1.1.2 Theoretical Perspective

This study was based on the goal setting theory, developed by Locke and Latham (1990). This theory suggests that an organisation is more efficient where the person has control over his or her performance. In 1997, Locke, Alavi, and Wagner reviewed all the reviews and controversies regarding participation in decision making and concluded that participation in decision making is more fruitfully conceived as a method of information exchange or information sharing rather than as a method of gaining goal commitment. Locke and Latham (1990) concluded that all goal effects are mediated by task knowledge.

Motivation without cognition is useless. Conversely, cognition without motivation is also useless because the individual will have no desire to act on what is known. A budget is a way of setting an organization at goals for a specific period of time. The prime principle of goals leads to higher performance than when people strive to simply do their best (Locke and Latham 1990). Budgets should therefore be set to a standard that is quite challenging for employees to achieve, obtaining a high standard set goal creates a sense of efficiency and this will bring about yearn to achieve more.

1.1.3 Conceptual Perspective

According to Dunk (2009), budgetary control (independent variable in this study) refers to the process of developing a spending plan and periodically comparing actual expenditures against that plan to determine if it or the spending patterns need adjustment to stay on track. This process is necessary to control spending and meet various financial goals. Organizations rely heavily on budgetary controls to manage their spending activities, and this technique is also used by the public and the private sector as well as private individuals, such as heads of household who want to make sure they live within their means.

Scarlett (2008), defines budgetary controls refer to the principles, procedures and practices of achieving given objectives through budgets. The budgetary control system helps in fixing the goals for the organization as a whole and concerted efforts made for its achievements. It enables economies in the enterprise. Preetabh (2010), highlighted the benefits of budgetary control as profit maximization; a budgetary control aims at maximization of profits or an organization through, proper planning and coordination of different functions, proper control over various capital and revenue expenditures and putting resources into best use. Coordination achieved through working of different departments have a bearing on one another, this therefore makes coordination of various executive and subordinates necessary in achieving of budgetary targets. Other budgetary benefits as indicated by Preetabh (2010) include; specific time aims, the plans, policies and goals are decided by the top management. All efforts are put together to reach the common goal of the organization.

Magoro (2010) defines the term efficiency to refer to achieving what is intended to be achieved. Therefore in evaluating efficiency we compare objectives with results. Efficiency is therefore the achievement of the intended objectives or targets. In its Western Cape Expenditure Review 2004 working paper, the Provincial Treasury describes efficiency as "achieving the maximum outputs from a given level of resources used to carry out an activity". It thus seems as if the relationship between outputs, in terms of goods, services or other results and resources used to produce them, determines the level of efficiency. Abedian and Biggs (1998) define efficiency as the optimal employment of resources over time.

Potter and Smedley (2006) integrated efficiency with quality by defining efficiency "as making the best use of the resources available for the provision of public services". To further explain the link between efficiency and quality, Potter and Smedley (2006) identified four ways of achieving efficiency. According to them efficiency is improved when; lower inputs in terms of money, people, assets, etc, are used, while outputs remain on a similar level; prices of procurement, labour costs, etc., are reduced, while outputs are maintained constant; output is increased or quality improved, while keeping input constant; the increased output or improved quality results in a proportionally smaller increase in resources than the increase in output. For purposes of this study, the concept of efficiency will be measured following Salerno's (undated) three types of efficiency, namely technical efficiency, allocative efficiency and economic or overall efficiency.

1.1.4 Contextual Perspective

In recent years, much attention has been given to the strengthening of budget and planning and their interrelationship in developing countries like South Sudan. The advocacy of this has come from prominent international agencies as World Bank and International Monetary Fund. These agencies are all interested in encouraging developing and underdeveloped countries to improve their budget practices. All these show the importance attached to budget as a management process. Similarly in the Bank of South Sudan, budgets therefore occupy a leading place among the special tools of management employed to direct and control the affairs of this large and diverse organization. As a good financial plan must have a financial control system for monitoring the situation, both to ensure that the plan is carried out properly and to facilitate rapid adjustments if economic and operating conditions change and require modifications to the plan. According to Coates (2002), budgets and budgeting control are used not only by governments, but in other public and private bodies.

Some research studies like that of Silva and Jayamaha (2012) have highlighted that organisations need to pay serious attention to budgeting and budgetary controls as key elements of management control and a crucial tool in facilitating the achievement of organizational goals and as a basis for performance review. Furthermore, strategically for an organization to run efficiently, there are four critical factors: organizational objectives or where it intends to go, plans or how it intends to accomplish such objectives, coordination or where individual plans fit in the overall organizational objective and control that is whether operations conform to the plan of operations relating to that period. Therefore, budget and budget process keep the plans of an organization running smoothly and up to date. As such, control is very important because if one cannot control the internal processes, constraints on cost, time and objectives will follow. With this, adherence to the budget process is the device that an organization makes use for all these purposes. Despite this, there are scanty studies that have been conducted to examine the extent to which adherence to budget process affects the efficiency of the Bank of South Sudan.

1.2 Statement of the Problem

In today's work environment and almost in all countries, the problem of inefficiency among public organisations is becoming bigger and bigger each day that passes. For example, in 2000, in Europe, around 20% of all public organisations were declared inefficient (Cabrita & Perista, 2007). Within the same decade, relatively high degrees of organisational inefficiency in Greece, Italy and Spain were recorded (Employment in Europe, 2003). The problem of low levels of organizational efficiency, according to available research, does not discriminate developed and none developed countries. However, available data shows no consensus about recent organizational efficiency trends. For example, there are interesting claims and counterclaims about organizational efficiency trends in the past decade. There has been a decline in levels of organizational efficiency in the UK, Germany (Tsitsianis, 2005) and the US (The Conference Board, February, 2005). In South Sudan, although the Bank of South Sudan is expected to exhibit a high level of efficiency, since it is the pivot of the entire economy, there are claims indicating the opposite. For example the low level of efficiency in the Bank of South Sudan is indicated by the many complaints, many grievances logged and disputes among government officials, cases of misconduct and high levels of clients' dissatisfaction (Bank of South Sudan Act, 2011; Olympio, Biplove and Nicholas, 2014). Inefficiency of the Bank of South Sudan is likely to result in more economic, financial and morale problems, low levels of productivity, low standards of living and so on.

The problem of inefficiency in the Bank of South Sudan if left unchecked can lead to a number of operational challenges such as lack of proper supervision, inadequate budgetary controls, no proper job descriptions, extra work load, conflict at work, inadequate employee skills, unsafe working conditions, poor equipment's, poor pay and so on. Given the state of affairs in the Bank of South Sudan, Preetabh (2010), highlighted budgetary control results in proper planning and coordination of different functions, proper control over various capital and revenue expenditures and putting resources into best use. It was against this orientation that the research decided to examine the extent to which budgetary controls affect efficiency in the Bank of South Sudan, juba. However, the researcher did not come across any study examining the extent to which adherence to budget controls affects efficiency in the Bank of South Sudan, hence the gap for this study to fill.

1.3 Purpose of the Study

The general objective of the study is to examine the relationship between budgetary controls and efficiency in the Bank of South Sudan, juba.

1.3.1 Research objectives

i. To examine the relationship between budgetary participation and efficiency in the Bank of South Sudan, Juba
ii. To assess the relationship between budgetary monitoring and efficiency in the Bank of South Sudan, Juba
iii. To establish the relationship between budgetary evaluation and efficiency in the Bank of South Sudan, Juba

1.4 Research questions

i. Is there a significant relationship between budgetary participation and efficiency in the Bank of South Sudan?
ii. Is there a significant relationship between budgetary monitoring and efficiency in the Bank of South Sudan?

iii. Is there a significant relationship between budgetary evaluation and efficiency in the Bank of South Sudan?

1.5 Hypotheses

The study was guided by the following hypotheses.

Ho_1There is no significant relationship between budgetary participation and efficiency in the Bank of South Sudan.

Ho_2 There is no significant relationship between budgetary monitoring and efficiency in the Bank of South Sudan.

Ho_3 There is no significant relationship between budgetary evaluation and efficiency in the Bank of South Sudan.

1.6 Scope of the Study

1.6.1 Geographical Scope

The study was conducted in the Bank of South Sudan, which is the central bank of the Republic of South Sudan and the overall controller of all economic activities of the country.

1.6.2Content Scope

This study specifically examined the extent to which the Bank of South Sudan adheres to three elements of budgetary controls, namely; 1) budgetary participation; 2) budgetary monitoring; and 3) budgetary evaluation. The aspects of efficiency were examined using three measures namely technical efficiency, allocative efficiency and economic or overall efficiency.

1.7 Significance of the Study

The findings of this study will be useful to colleagues; who are faced with similar situations of being blamed of inefficiency due to failure to implement budgetary controls. The findings will be able to expose whether there is adequate adherence to the budgetary controls in the Bank of South Sudan is adequate.

The findings will also be helpful to students who are in different training institutions around the world. Most of the students concerned are either existing first class students or employees of local and central government and non-governmental organizations around the globe. As a budgetary department is one of major departments in different organisations, the findings will enlighten students and staff in these institutions about the current clarity orunclarity on budget implementation policies and more so in the Bank of South Sudan.

Budget managers, committees and senior management's attentions in different organisations would also be drawn to these findings as a way to revisit the current practices onbudgets.

The findings of the study will lead the Bank of South Sudan, Juba to review on the decisions made regarding budgetary control systems in order to minimize budget variances, costs and maximize performance and profitability.

The study will also add to the existing literature on budgeting and organizational performance. Specifically, it will contribute to the body of knowledge relating to budgetary control systems and form a basis for further research in the future.

1.8 Operational definition of key terms

Budget: Itis a detailed and quantitative plan. It shows the information about the acquisition and use of financial and other resources over a specific time period, either a long-range period (two- to ten-year) or a short-term period (one- to two-year, or monthly, or daily-based). (Horngren, 2006).It is also a financial plan that sets forth the resources necessary to carry out activities and meet financial goals for the future period of time. Calvin (1998)

Budgeting: Also called budget process refers to the process of quantifying the plans of an organization so as to enable it achieve its objectives in the defined period. According to

Plunkett and Attner (1988) the budget process should be defined as a planning technique that attempts to formalize in writing the financial resources to be allocated for specific purposes.

Planning: This is the process of deciding what objectives to pursue during a future time period and what to do in order to achieve those objectives. Plunkett &Attner(1988)

Budgeting planning: also called (budget-setting or budget preparation) refers to developing quantitative goals of the organization and preparing various budgets (Bodie& Merton, 2000).

Budgetary control: defines budgetary control as a control technique whereby actual results for a period are compared with budgeted results and it is seen that there are material (or significant) differences (called variances) then corrective action must be taken to ensure that future results will conform to the budget (John R. 2007). Scarlett (2008), budgetary controls refer to the principles, procedures and practices of achieving given objectives through budgets. The budgetary control system helps in fixing the goals for the organization as a whole and concerted efforts made for its achievements.

Budgetary evaluation: involves the process of examining variances by sub-dividing the total variance into smaller parts in such a way that management can assign responsibility for any off budget performance. Evaluation is a key determinant for effectiveness, through an evaluation plan, the firm can clarify what direction the evaluation should take based on priorities, resources, time, and skills needed to accomplish the evaluation.

Efficiency: is the concept of how effective a bank is in achieving the outcomes and results the bank intends to produce for example improve in terms of solvency, liquidity and return of investment, return on assets however to achieve this level, the intervening variables government policies, Political stability and Economic environment must be not challenging the desirable efficiency (Das, 2011).

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

This chapter discusses and presents a review of related literature. It shows the conceptual, theoretical and related literature on studies linking social economic status on the academic performance of learners.

2.1 Theoretical Review

This study was based on the goal setting theory, developed by Locke and Latham (1990, 2002) within industrial organization psychology. This theory suggests that an organisation is more efficient where the person has control over his or her performance. Their initial belief was: through participation in decision making would enhance goal commitment. In 1997, Locke, Alavi, and Wagner reviewed all the reviews and controversies regarding participation in decision making and concluded that participation in decision making is more fruitfully conceived as a method of information exchange or information sharing rather than as a method of gaining goal commitment. Locke and Latham (1990) concluded that all goal effects are mediated by task knowledge. Motivation without cognition is useless. Conversely, cognition without motivation is also useless because the individual will have no desire to act on what is known. A budget is a way of setting an organization at goals for a specific period of time. The prime principle of goals leads to higher performance than when people strive to simply do their best (Locke and Latham 1990). Budgets should therefore be set to a standard that is quite challenging for employees to achieve, obtaining a high standard set goal creates a sense of efficiency and this will bring about yearn to achieve more.

Henry (1985) in his theory, the budget theory, which explains the social motivation behind government budgeting defines 'Budget and budgeting as concepts traceable to the bible days, precisely the days Joseph budgeted and stored grains which lasted the treasure without a written order. History has it that Joseph budgeted and stored grains which lasted the Egyptians throughout the seven years of famine. Budgets were first introduced in the 1920s as a tool to manage costs and cash flows in large industrial organization (Bartle, 2008). The emergence of scientific management philosophy however laid emphasis on detailed information as basis for taking decisions thus leading to tremendous development of management accounting and budgeting techniques (Bartle, 2008). At early stage of development, budgeting was concerned with preparing and presenting credible information of legitimize accountability and to permit correct performance evaluation and consequently, rewards (Hindereth, 2002), however, over the years the function and focus of budgeting has shifted considerably as business organizations became more complex and their environment become dynamic.

Bartle (2008) indicates that budgets today provide a focus for the organization, aid in the coordination of activities and facilities control. Through budgeting at both management level and operational level looks at the future and lays down what has to be achieved. Control checks whether the plans are being realized and put into effect corrective measures ,where deviation or short-fall is occurring (Bartle 2008).Bartle emphasized that without controls an enterprise was at the mercy of internal and external forces who can disrupt its efficiency, and be unaware, such enterprise will not be able to combat such forces. When a budgeting and control system is in use, budgets are established which set out in financial terms, the responsibility of managers in relation to the requirement of the overall policy of the company. Continuous comparison is made between the actual and budgeted results, which are intended to either secure, through action of managers, the objective of policy or to even provide a basis for policy revision.

2.2 Conceptual Framework

Figure 2.1 Conceptual Framework Relating Budgetary Controls and Efficiency

Source: Adopted from Gacheru (2012), and modified by the Primary data

The conceptual framework shows that the independent variable in this study is budgetary controls which is conceptualized as budgetary participation, budgetary monitoring and budgetary evaluation. Yet the dependent variable (efficiency) will be measured in terms of profitability, liquidity and return on investment. Efficiency is the concept of how effective a bank is in achieving the outcomes and results the bank intends to produce for example improve in terms of technical, allocative and economic efficiency however to achieve this level, the intervening variables government policies, Political stability and Economic environment must be not challenging the desirable efficiency (Das, 2011).

Model specification: $\mathbf{Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3}$

Where:

Y = efficiency

$X_1 = IV_1$: Budgetary participation

$X_2 = IV_2$: Budgetary monitoring

$X_3 = IV_3$: Budgetary evaluation

$B_0>0; B_1>0;B_2>0;$and $B_3>0$

2.2.1 Budgetary control

According to Scarlett (2008), budgetary controls refer to the principles, procedures and practices of achieving given objectives through budgets. The budgetary control system helps in fixing the goals for the organization as a whole and concerted efforts made for its achievements. It enables economies in the enterprise. Preetabh (2010), highlighted the benefits of budgetary control as profit maximization; a budgetary control aims at maximization of profits or an organization through, proper planning and co-ordination of different functions, proper control over various capital and revenue expenditures and putting resources into best use. Coordination; achieved through working of different departments and sectors. Warren (2011) noted that within an organisation, different departments have a bearing on one another, this therefore makes coordination of various executives and subordinates necessary in achieving of budgetary targets. Other budgetary benefits as indicated by Preetabh (2010) include; Specific time aims; the plans, policies and goals are decided by the top management. All efforts are put together to reach the common goal of the organization. Every department is given a target to be achieved. The efforts are directed towards achieving some specific aims. If there is no definite aim then the efforts will be wasted in pursuing different aims. As a tool for measuring efficiency, budgetary controls provide comparisons between the budget targets and actual targets and deviation determined; efficiency of each department is reported to the top management which enables introduction of management by exception

Margah (2005) asserts that budgetary controls are important tools for a county's economy. This is because it allows planning for expenditure thus facilitating systematic spending. Finances are put into optimum use, extending the benefits to industry and national economy. This reduces wastage of national resources. A budgetary control could help in determination of organisational weaknesses. According to Merika (2008), the deviations in budgeted and actual execution will enable the determination of weak spots. This enables an organisation to concentrate on those aspects where execution is less than stipulated. The management moreover takes a corrective action measures whenever there is a discrepancy in execution. By fixing targets for the employees, they are made conscious of their responsibility. Everybody knows what he is expected to do and he continues with his work uninterrupted.

2.2.2 Budget participation

The Budgetary Control begins with sound planning. Budget planning defines goals and objectives for the organisation and develops programs to attain those goals and objectives. Once these programs and plans have been established, budgetary resource allocations are made to support them. Budgetary resource allocations are the preparation phase of budgeting. The allocations cannot be made, however, until plans and programs have been established (Mosala&Mofolo, 2014).Xaba (2011) indicated that in some organisations there is a tendency of expenditure to deviate from the budget is usually due to the fact that budgets are compiled without prior planning. This is an indication that budget planning is a very crucial stage in the process of budgeting. The budget should be proactively prepared in a planned, accurate and survey-able manner in order to achieve goals and objectives. For all government institutions like the Bank of South Sudan, it is a requirement that an annual budget is prepared according to the guidelines approved by the constitution of the nation. Since the budget is informed by the needs of the organisation, the management should work together with other members in the management team, in order to ensure that there is enough cooperation in the implementation and utilization of the financial resources to meet organizational plans (Mosala&Mofolo, 2014).

Xaba and Ngubane (2010), indicates that budgeting deals with planning of organizational finances. In other words, budget management implies that it is not wise to spend money until the management has determined priorities based on the plan. This suggests that budget is a sensitive process which requires management to prioritize the needs of the organisation first, based on the broad picture of its total income and then approve it for implementation.

According to Xaba (2011) the budget process should start in time, in the year preceding the budget year. At that time, the different management structures of the organisation and the different administrative units and departments, plus other stake holders are called upon to give in their priorities to be considered in the budget development of the following year. Xaba (2011) indicates that all these structures and their complexities affect the budget development process and the time required to adopt the final budget document.

The GFOA (1999) suggests that an effective budget process must be conducted on a year-round basis. It is further indicated that apart from starting in time, preparations should include an assessment of the past to see if actual and estimated revenue resulted in favorable or unfavorable results. Some projections are also based on past experiences as well as future expectations such as new program needs, taxable property projects, new businesses and industry, anticipated enrolment trends, inflation, etc. Mosala and Mofolo (2014) suggested that this preliminary budget analysis may require different people within the organisation involved in its operations, such as personnel officers, transportation coordinators, food service managers, plant managers, federal program coordinators and at times assistance from outside consultants. The budget preparation and analysis are followed by board reviews and adoption of the budget. The remainder of the year is devoted to budget implementation controls, comprised of comparing estimated revenues and appropriations with actual transactions and evaluating budget adjustment requests. This process is called the operating budget cycle.

2.2.3 Budgetary Monitoring

One of the duties and responsibilities of a budget implementation committee is expenditure monitoring. Monitoring is therefore a tool of accounting and control. Holland (2005) define budgetary control as the establishment of mechanisms authorising responsibilities of executive to the requirement of a policy and continuous comparison of actual results against plans, either to secure by individual action the objectives of that policy or to provide a basis for revision. In other words, budgetary control deals with regulating the activity of the organization to follow in the pattern that had previously been planned in the budget. Furthermore, Buyers and Holmes (1995) considered budgetary control as a means of control in which the actual state of affairs is empowered with that planned for, so that appropriate action may be taken with regards to any deviations.

The GFOA (1999) indicates that during budget administration, management is responsible for allotting funds among their subordinate units, making commitments, commissioning the purchase and procuring of goods and services, verifying the goods and services acquired, preparing requests for payment (and making payments, if the payment system is not centralized), preparing progress reports, monitoring performance indicators, and keeping books, among others. So we note that among these responsibilities, monitoring performance is key, in that almost all others are connected to it.

A budget execution system should ensure compliance with budgetary authorizations and should have adequate monitoring and reporting capabilities to be able to identify budget implementation problems promptly while giving flexibility to managers. Managers also make sure that monthly monitoring reports are also prepared by the departments to the relevant authorities. In the works of Kenneth and Ambrose (2013) it is indicated that budgetary control process in Kenyan corporations, lacked tools for monitoring disbursed funds, a reason for inefficiency. These authors add that a comprehensive and timely monitoring of budget transactions should be ensured with adequate information systems recording transactions at each stage of the expenditure cycle. The budget monitoring involves monitoring of the commitments that must be made within and outside the organisation. During this period, it is important to know the obligations to pay that will occur over the planned period, not only to monitor expenditures. For example, it can be expected that a given order will be completed over the planned period, so for proper cash planning, it is important to usually check the commitments made that will generate a liability over the planned period, which is generally the legal commitment for supplies.

The benefits of monitoring either obligations or expenditures at the verification stage or the payments stage are sometimes debated. Kenneth and Ambrose (2013) argued that information is needed at each stage of the expenditure cycle and can be easily compiled, using the available technology. They further indicate that in many developing countries, it may not be easy to tell exactly which budget is being implemented, since allocation and reallocation decisions of are contained in various circulars and are not gathered into a single document. The GFOA (1999) suggested that accounting commitments is essential in keeping budget implementation under control. It is also advocated that internal management and spending units need to follow up accurately the orders and the contracts awarded. All these emphasize the need for budgetary accounting and monitoring in the Budgetary Control.

Accounting for expenditures by the spending units at the verification stage (sometimes called expenditure accounting) is important in the efficient management and implementation of the budget process (Holland, 2005). These accountabilities provide the elements for assessing costs, together with information on depreciation, inventories and so on. Most of these accountabilities are usually in form of reports prepared by the different spending units within the organisation. In the process of accounting for expenditures, recording all transactions according to the budget classification at each stage of the expenditure cycle, is a very important element, which helps to identify imbalances at that stage. For this matter, a comprehensive and timely monitoring of budget transactions is ensured but can even be enhanced with adequate recording of transactions at each stage of the expenditure cycle. In big organisations ICT based monitoring tools have been devised to improve the budget monitoring aspect (Kenneth & Ambrose, 2013). This means that all transactions are registered online and are monitored by the concerned officer right away. However according to Holland (2005), implementing a computer information system in the budget implementation process requires appropriate budget accounting procedures that do not exist in many developing countries and there are many other limitations mentioned. The GFOA (1999) warns that although a procedure for controls is needed, it should not hamper efficiency, rather controls should focus on what is essential while giving flexibility to spending units.

2.3.4 Budgetary evaluation

Budgetary evaluation involves the process of examining variances by sub-dividing the total variance into smaller parts in such a way that management can assign responsibility for any off budget performance. Evaluation is a key determinant for effectiveness, through an evaluation plan, the firm can clarify what direction the evaluation should take based on priorities, resources, time, and skills needed to accomplish the evaluation. To enhance effectiveness and transparency the management team should be actively involved in the process of monitoring and evaluation of budgetary control processes and procedures (Hancock, 2009).

2.3.5 Efficiency

The concept of efficiency has received mixed understandings from different authors. For example, Magoro (2010) indicates that the term efficiency implies the state of achieving what is intended to be achieved. Therefore in evaluating efficiency we compare objectives with results. Efficiency is therefore the achievement of the intended objectives or targets.

Worldwide, the increasing demand for government services and the financial restraint is required because of insufficient funding highlight the need for inter alia maximizing efficiency when using public sector resources (Bester, 2007). Apart from obtaining a clear understanding of what efficiency means, the challenge is to have the ability to apply and measure the concept in government institutions, especially from a treasury perspective.

Efficiency is an important measure for government to measure performance and to determine to what extent it achieved its goals. It is generally described as achieving the maximum output from a given level of input (Bester, 2007). The relationship between output and input has some relevancy on the level of efficiency. The easy definition for efficiency is thus the higher the ratio output/input, the greater the efficiency. However what is meant by the term efficiency in government institutions may involve more than the ratio of outputs to inputs. Therefore, different measures of efficiency have risen to include; gain measures; public expenditure tracking systems (PETS); shared services practices and privatization practices.

Efficiency in business terms relates to the cost of a service compared to the eventual service delivered. If one accepts that the level of service delivery remains constant, there are basically two means by which treasuries are able to lower the cost of such service delivery. Firstly, items of expenditure can be directly controlled and the authority of departments to spend on personnel services, supplies and other operating inputs restricted. Alternatively, departments may be granted greater operating discretion within fixed budgeting limits.

The first option provides treasuries greater involvement in the details of expenditure, while the latter requires it to withdraw from most of the details, seeking efficiency in the allocation of public resources. The latter clearly represents the spirit of the PFMA (RSA, 1999), that "a provincial treasury must prepare the provincial budget" and that "the accounting officer for the department is responsible for the effective, efficient, economical and transparent use of the resources of the department."

The role of treasuries in terms of the PFMA (RSA, 1999) is to withdraw from the detail management of a department or spending agency and instead to focus on outcomes or results. Departments, on the other hand, need to become accustomed to their responsibilities regarding the expenditure of funds. In this regard, efficiency should not only be a measurement of budget against expenditure, but also of whether departments deliver on their initial goals and objectives. It thus requires measurement instruments that focus on output and outcome based on targets determined at the start of the process or period, as opposed to merely measuring financially the relevant expenditure against budget.

There is a need for a clear understanding of the meaning of efficiency and to identify its specific practices to progressively measure and enhance efficiency in all public sectors. In its Western Cape Expenditure Review 2004 working paper, the Provincial Treasury describes efficiency as "achieving the maximum outputs from a given level of resources used to carry out an activity". It therefore implies that the relationship between outputs (goods and services) and resources used to produce them, determines the level of efficiency. Other definitions like that of Abedian and Biggs (1998) consider efficiency to be the optimal employment of resources over time. In terms of a central bank like the Bank of South Sudan, efficiency is used to examine how well it is performing the tasks it is supposed to do within a given time frame and budget allocations, without any regard of whether the right things are being done.

Different fields of study have different interpretation of the same terminology. Regarding efficiency, Dollery (2005) discusses the different perceptions between engineers (from a production side) and economists (from a theoretical and financial perspective). An engineer would typically regard efficiency as an indication that output from a given input is maximised. An economist on the other hand, would define efficiency in terms of output reflecting a consumer's preferences in terms of price and scarcity of the product. Appropriateness and effectiveness have a role to play in the economist's view of efficiency. In general however, most observers would share the engineer's viewpoint.

Potter and Smedley (2006) integrated efficiency with quality by defining it as making the best use of the resources available for the provision of public services. These ties with the British Government's emphasis on using resources saved through improved productivity to rationalize back office functions, thus delivering higher levels of services. To further explain the link between efficiency and quality, Potter andSmedley (2006) identified four ways of achieving efficiency. According to them efficiency is improved when; Lower inputs in terms of money, people, assets, etc, are used, while outputs remain on a similar level; prices of budget, labour costs, etc., are reduced, while outputs are maintained constant; output is increased or quality improved, while keeping input constant; The increased output or improved quality results in a proportionally smaller increase in resources than the increase in output.

To fully understand the above, a clear understanding is required of what is meant by quality. Potter and Smedley (2006) define quality in terms of the following: Technical issues, where quality is measured in terms of service outputs assessed against a defined input; standards, i.e. the level of technical performance; customer, that is how quality meets the customer's aspirations, which may include accessibility, effectiveness, acceptability, equity, responsiveness, timeliness, reliability and openness; value for money, where the level of expenditure at which the service is delivered, is acceptable.

Salerno (undated) refers to terms efficiency and productivity being used interchangeably, assuming they are equivalent, when in fact they are distinctly different. Salerno defines productivity as the ratio of output produced to physical inputs used. Efficiency is seen as an index of productivity. Productivity is a value assigned to the rate at which inputs are converted into outputs and efficiency is a ranking of different values. The Auditor-General of Canada (1990) examined efficiency in terms of productivity, but expanded its scope by stating that efficiency is the comparison of productivity (output to input) with performance standards.

Meyer (1986) said that efficiency implies a 'through-put' view of productivity, that is outputs divided by inputs. This is viewed in terms of well-structured tasks (such as administrative typing and filing), in which inputs and outputs are measurable. This study also views efficiency to involve productivity and it is achieved through the reduction of the costs of transactions through mechanization or automation. This measurement is generally only applicable to well-structured and routine administrative tasks.

Abedian and Biggs (1998) referred to the statement by Fabricant that productivity refers to a comparison between the quantity of goods produced and the quantity of resources employed in turning out these goods and services. By bringing productivity into play when discussing efficiency, it is clear that production factors play a role in determining the level of efficiency. The Canadian Auditor-General (1990) discussed the notion that improving what he called operational efficiency, often meant dealing with technical and human complexities. To improve efficiency, it is necessary to improve these resources. New computer hardware and software may well assist in the automation of tasks, allowing organisations to move toward more efficient, cost-effective operations. This would ensure a better motivated and capacitated workforce, which will contribute to better teamwork, less red tape, a common understanding of the department's goals and mission and a lower rate of staff turnover and so a more productive workforce. Not all tasks undertaken by employees can be measured, as not all employees perform structured work.

Salerno (undated) summarised three types of efficiencies, which include technical, allocative and economic efficiency. He considered the case of one output (education) and two physical inputs, number of staff and number of computers. The two axis measure the inputs used per student. This is done so that institutions of different sizes can be compared. The least amount of input per output will determine efficiency. As may be deduced from these types of efficiency, the difference mainly lies in the level of perfection achieved. The basic concept remains unchanged:

Technical efficiency

Technical efficiency refers to the extent to which an institution efficiently allocates the physical inputs at its disposal for a given level of output. From a health care perspective, Peacock, Chan, Mangolini and Johansen (2001), use technical efficiency to indicate how health care interventions, for example the treatment of illnesses, are performed with the least amount of inputs. They regard efficiency as having two components, technical efficiency and allocative efficiency. Technical efficiency is achieved by applying cost-effective procedures with the least inputs. It is compared with allocative efficiency, which is attained by choosing a set of technically efficient programmes to achieve the best possible improvement for the population.

Allocative or price efficiency

According to Salerno (undated), allocative efficiency measures the extent to which inefficiency occurs, because an institution is using the wrong combination of inputs in terms of purchase cost. From another viewpoint, Abedianand Biggs (1998) see exchange efficiency (no further allocation of goods would raise welfare) and technical efficiency as two components of allocative efficiency. They regard allocative efficiency as the point when inputs are used in optimal proportions, given their prices, productivity and the preferences of society. Peacock *et al* (2001) also used allocative efficiency in his health study, where he referred it to a set of technically efficient interventions that would yield the highest possible number of improvements.

Economic or overall efficiency

As described by Salerno (undated), economic efficiency jointly considers technical and allocative efficiencies. According to Somanathan, Hanson, Dorabawila and Perera (2000) technical efficiency implies producing maximum output with given inputs, or as an equivalent, using minimum inputs to produce a given output. Production units that are economically efficient use the minimum cost combination of inputs. Technical efficiency is necessary, but not sufficient for economic efficiency.

Somanathan*et al* (2000) states that a service may be highly or absolutely efficient in a macro sense.In other words, a large quantity of the service is produced with a minimum allocation of resources. However, there may be considerable variations in the performance of individual facilities and it is thus possible to identify parts of the service that are relatively inefficient in relation to other comparable facilities.

Abedian and Biggs (1998) referred to a discussion by Niskanen that bureaucrats are driven by factors such as salary, the size of the staff component and the staff complement's compensation, also reputation, power and status. A bureaucrat will not allocate resources to their optimum unless they enhance his or her own career, resulting in less efficient use of funds. It is said that when measuring efficiency in a public sector environments, cognisance should be taken of this factor. In government, there is a typical additional reality that certain services are required because of the need for these, regardless of whether or not it is profitable to deliver such services. In this regard Abedian and Biggs (1998) refer to social efficiency, which is especially of importance in the public sector. The public sector's goal should be to provide public goods and services, but it should always pay regard to social factors, such as the contribution of a product to the community at large. As an example, the tarring of a road to a small town with 100 inhabitants may not be profitable at all, but the long-term result may have a very high social impact. The inhabitants of the town may for example be provided with better business opportunities, tourism possibilities and easier access to medical facilities. The tarred road would thus improve the living standards of the inhabitants.

For the purpose of this study, the definition by Gershon in his report for the British Treasury (2004) will be accepted and adapted. Efficiency in the public service thus comprises those reforms in processes of delivery and the use of resources that achieve; a reduction in the number of input whilst the same level of service provision is maintained; the payment of lower prices for the resources needed to provide the services; additional outputs while utilizing the same level of inputs; improve the ratio of output per unit cost of input, and enhance the social needs of the community.

Similar to the free market system, failure may also be a feature in government because of insufficient funding, lack of motivation, insufficient capacity to raise revenue and the multiplicity of needs that government must try to satisfy. Somanathan*et al.* (2000) said that cost-minimization is only one of the many possible objectives of the public sector. Cost minimization is not always relevant in delivering a public service, because of the so-called social efficiency. Government has a multiplicity of goals, which it needs to deliver. It may lead to compromises between, for example, improving access and minimizing costs. Such incentives and constraints facing the public sector may lead to managerial behavior, which is not consistent with cost-minimization. Thus efficient production is not always a realistic policy goal.

The British Government Guide to Completing Annual Efficiency Statements for the Department of the Premier (2006) indicates that government's objective is to improve efficiency in the following aspects; in terms of financial considerations, governments try to ensure efficient, effective and economical use of available funds. Customer satisfaction is another aspect of efficiency which government agencies try to improve. In this, governments ensure that the citizens are really happy with the service they receive from the public sector. There is also the component of internal business operations efficiency, in which the government tries to eliminate corrupt and overly bureaucratic services. Increasing employee satisfaction is another component on which efficiency of public orgnisations can be measured. In this component, organisations ensure that the average public sector employee is happy in the service. There is also community satisfaction, in which the government ensures that the community at large is happy with the way in which the country is administered.

Efficiency is achieved by raising productivity. In this regard, Mester (2003) refers to efficiency as a measure of the deviation between actual performance and desired performance. Mester (2003) put it that even if expenditure rises or is held constant, there can still be efficiency, adding that, not everything that leads to reduced cost is necessarily efficient. In this regard the Auditor-General of Canada (1990) shows that a service provided at a lower cost is not more efficient if the service level is reduced or the quality of the service has been lowered to an unacceptable level. Improvements in the quality of service may be due to efficiencies. Improved outcomes are not necessarily an efficiency indicator. For example, to drop standards, cut services or reclassify services are not efficiency gains. Efficiency gains may also be generated by delivering services in partnership with another body.

It arises from most of the conceptualizations that an important way of achieving efficiency is by improving performance while keeping costs constant. Somanathan *et al.* (2000) states that, before implementing ways to improve the efficiency of public service delivery, there should be some means to measure the current level of service delivery.. This is relevant to a previous statement by Mester (2003) that efficiency is a measure of the deviation between actual performance and desired performance. As Somanthan *et al.* (2000) said, such means or measures need to be easily collectable. It should provide information on the monitoring of overall performance trends.

According to the Office of Budget and Assistance Management, USA (2005) efficiency measures need to have some minimum qualities that should be considered. These include; simple, meaning that, it must be easily understandable and measure onlyone matter at a time; timely, meaning that it should measure current performance; accurate, meaning that it needs to be reliable and precise; cost-effective, meaning that it must be inexpensive enough to make collecting such data worthwhile; useful, meaning that the data should assist in improving the management of the organisation; motivating, meaning that the targets achieved have to improve the organisation.

Efficiency in the public service thus comprises those reforms in processes of delivery and the use of resources that achieve; a reduction in the number of input, whilst the same level of service provision is maintained; the payment of lower prices for the resources needed to provide the services; additional outputs while utilizing the same level of inputs; improve the ratio of output per unit cost of input, and enhance the social needs of the community.

2.3 Empirical Review

In this section, literature relating the budgetary controls to organizational efficiency is discussed. It is noted that studies relating the two are generally scarce in the African context (Adongo & Jagongo, 2013) and almost none existent in South Sudan, indicating that government institutions neglect the issue of research on how their policies and processes work, their success and the factors behind them. That is possibly why Johanna (2012) has noted the different challenges organisation face when measuring control effectiveness. Wijewardena and De Zoysa (2001) perceive that the impact of budgetary controls on organizational performance may vary from firm to firm depending on the effectiveness of implementation. This implies that having budgetary controls on paper may not give good results if they are not well implemented, yet policy implementation in African countries seems to be a big problem. Adongo and Jagongo (2013) also indicated that the need for accountability and efficiency of service delivery in public organizations across Africa puts public organizations at the fore front in establishment of control systems.

It has been recognized by many researchers that a country can have a sound budget system and budgetary controls and still fail to achieve its intended targets (Adongo & Jagongo, 2013). This suggests that the rules of the game by which the budget is formulated and implemented are equally important and that they do influence outcomes (Schick, 1999). It is upon this recognition that this study examined the influence of budgetary controls on efficiency in the Bank of South Sudan. Recognition of the importance of adhering to the rules of budgetary implementation (implementing the controls) has led to a series of budget reform systems that have a broader focus on public expenditure management. Budget reforms have been attempted in South Sudan from the first few years of its independence and even in recent times when the country experiences economic crises almost in every part of the country. Despite these reforms, results have not been encouraging. In recent years, a key recommendation has been to shift the focus from the annual budget to a Medium-Term Expenditure Framework approach to budgeting.

Another study by Adongo and Jagongo (2013) revealed that a positive significant relationship exists between budgetary control and efficiency of state corporations in Kenya. A study by Margah (2005) revealed that budgetary controls are important tools for a county's economy because they allow planning for expenditure thus facilitating efficient use of the financial resources. This reduces wastage of resources and help in determination of organizational weaknesses. These findings are in line with those of Qi (2010), who conducted a study on the impact of the budgeting process on performance in SMEs in China and discovered that more formalised budgetary controls lead to a higher growth in profit of a firm. Similar results were also put up by Faith (2013), in her study on the effects of budgeting process on efficiency of commercial and manufacturing parastatals in Kenya. Faith's findings also revealed that more, formal budgetary controls in addition to higher growth of profits, also led to better managerial performance in parastatals.

The need for accountability and efficiency of service delivery in public organisations across Africa and in South Sudan inclusive puts public organisations at the fore front in establishment of control systems (Qi, 2010). Most of the public sector reform programmes that have taken place in developing countries in recent years are under the influence of the New Public Management (NPM) and have been driven by a combination of economic, social, political and technological factors, which have triggered the quest for efficiency and for ways to cut the costs of delivering public services. Additional factors, particularly for Africa, include lending conditionality and the increasing emphasis on good governance. With budgetary control systems being at the centre of increasing organizational efficiency and controlling costs, then the need to examine the role of budgetary control system in organisations' efficiency is of paramount importance.

Brenda (2011) found out that there are effective procedures to control wasteful spending in procurement of goods/services of Butabika Hospital in Uganda, an indication of effective budgetary controls. Her study however indicated that not all procurement procedures are being followed by the management of Butabika Hospital, indicating that while procurement policies are in place, managers do not usually use the systems in place to purchase goods and services of the Hospital. While there are some efforts by management to adhere to procedures, many members do not easily understand the systems in place. In terms of budgetary controls, this implies that control policies have to be clear and properly understood by the concerned members if they are to become effective.

Bartle (2008) indicates that budgets provide a focus for organizations, help in coordination of activities and facilitates controls. Through budgeting, managers at all levels look at the future and lays down what has to be achieved. Control checks whether the plans are being realized and put into effect corrective measures, where deviation or short-fall is occurring (Bartle, 2008). Bartle emphasized that without effective controls, an enterprise is at the mercy of internal and external forces who can disrupt its efficiency, and be unaware. When a budgetary control system is in use, budgets are established which set out in financial terms, the responsibility of managers in relation to the requirements of the overall policy of the company.

According to Surajkumar (2005), the budget can be used for three purposes; i) it is an instrument of economic policy; ii) it is a tool for economic management; and iii) it is an instrument for accountability. In this regard, the budget is an allocation mechanism that attempts to maximize the contribution of public expenditure to national welfare. This can be achieved by ensuring that the budget process successfully allocates scarce resources so that the marginal unit of expenditure achieves the same marginal benefit in each category of expenditure, which means efficiency. In determining resource allocations, the budget reflects the development agenda of a country or an organisation, through which it influences the attainment of targets (Needles, 2011). The task of budget preparation is often seen as an accounting activity that concentrates on the annual recurrent budget while planning is seen as a medium-term activity. In this approach, the annual budget ensures control over aggregate expenditure and generates detailed financial statements on resource utilization (Preetabh, 2010).

Budgetary controls help in fixing goals for the organization as a whole and concerted efforts made for its achievements. Preetabh (2010), highlighted that budgetary controls enable organisations to make more profits, through proper planning and co-ordination of different functions. Proper control over various capital and revenue expenditures and putting resources into best use. Waren (2011) noted that within an organization, different departments have a bearing on one another, making coordination of various executives and subordinates necessary in achieving of budgetary targets. Preetabh (2010) adds that budgetary controls help in ensuring timely execution of activities within the plans and policies. As a tool for measuring performance, budgetary controls provide comparisons between the budget targets and actual targets and deviation.

2.3.1 Budgetary participation and Organisational Efficiency

Budgetary participation is referred to as the extent to which those concerned participate in preparing the budgets and influence the budget goals of their responsibility centre (Kenis, 1979). Active participation in the setting of budgetary goals encourages employees to have clearly defined goals in mind and be willing to accept these goals as part of their responsibilities, as well as to strive toward their accomplishment.

Samuel and Henrietta (2016) found higher levels of budgetary controls in Ghana and a significant relationship between budgetary controls and efficiency. In another study by Tromp (2009) on participative budgeting process and its impact on employees' performance, it was stated in his conclusion that, budgeting participation is a complex process, affected by many variables and conditions and that it is hard to measure the absolute effect of participative budgeting on employee performance. In a similar study conducted by Sugioko (2010) on the impact of budget participation on job performance of University Executives: a study of APTIK- member Universities in Indonesia, it was concluded that budget participation has a positive and significant impact on job performance, but structural equation tests showed that, trust, organizational commitment, budget adequacy and job satisfaction variables positively and significantly mediated the relationship between budget participation and job performance. These findings suggest that budgetary participation can positively influence performance of an organisation and therefore its efficiency.

An important aspect of budgetary participation is the feedback to the participants. Employees need to be informed and provide feedbacks to whether budget goals have been achieved or not,as it is an important motivational variable (Kenis, 1979).If they are kept in the dark and do not know the results of their efforts, they have a sense of failure, and there is no sense of their successes for achieving higher goals or, on the other hand, accepting new goals for improving their future performances.

Participation in the budgetary process is also affected by a number of factors. Birnberg *et al.* (1990) indicated that variables like environmental uncertainty influence participative budgeting and so its effectiveness. Gul and Chia (1994) revealed that when environmental uncertainties are low, management is able to make relatively accurate predictions about the market. But when such are high, management may require additional information to cope with the complexity of the environment. In this case, management needs participation of the subordinates to get additional information about the market (Shields & Shields, 1998). This suggests that management will be keener to seek participation of other staff to seek more information for budget completion during periods of high uncertainty. So, it is postulated that budgetary participation is expected to be positively associated with budgetary effectiveness and so efficiency of the organisation.

In a study conducted by Mui Yee, Wong SekKhin and Ismail (2016) it is indicated that through budgetary participation, people feel that they have received their fair share of the contribution to the budget and that they have a relatively fair contribution in the decision-making process. This encourages them and they provide more and more relevant information which improves the budget quality and so its effectiveness and therefore efficiency of the organisation are all enhanced. Ting and Yu (2010) explained that people put a higher value on their own contributions than they value the identical contributions of others. Thus, it is suggested that, by actively participating in budgetary process, employees perceive that they have a greater opportunity of influencing a fair allocation of resources, which is likely to result into efficiency in the organisation.

In terms of procedural, participation of staff in the budgetary process is likely to be perceived as a fair practice, yet it also ensures that the required procedures or processes are used to arrive at the desired outcomes (Mui Yee *et al*, 2016). Further explains that people who believe that they have been treated in a procedurally fair manner are more likely to take the resulting outcome as substantively fair. It is also true that people are more likely to judge a process as fair if they are given the opportunity to express their opinions or suggestions.

When employees are actively involved in the budgetary process, they can express their stand clearly to the decision-makers and, in return, they (employees) can have a better understanding of how budget distributions are determined. This postulates that employees can gain control over the budgetary process when they participate actively. The result of all these will be a good budgetary implementation and so efficiency in the results, because they care about the consideration that they received from management.

In another study by Tata (2002), it was revealed that budgetary participation enhances effectiveness of feedback, which serves as a motivational and regulatory factor. In most budgetary discussions, expenditure reports of the previous period are also discussed and used as a yardstick in discussing the next period's budget. Though this feedback, employees evaluate the adequacy of outcomes by comparing their input in the previous period (feedback received) in relation to goals achieved by the organization with their current inputs (Wofford &Goodwin, 1990). This increases their confidence and increases the efficiency of the budget as well as the efficiency of the organisation. Jawahar (2010) explains that through budgetary participation, employees may be motivated to improve their work behaviour and if they get feedback and perceive it to be accurate and useful, they get more satisfied with their work, they will tend to take and use the comments and advice they receive, which will increase their productivity, all of which are likely to increase organizational efficiency. Although previous research has not examined the direct relationship between budgetary participation and efficiency of the organisation, a few studies have presented results on how critical feedback provision influences employee reactions (e.g. Jawahar, 2010). However, this study intended to fill a research gap on the effect of budgetary participation on efficiency in the public banking sector of South Sudan.

2.3.2 Budgetary monitoring and Organisational Efficiency

Monitoring possess a big challenge in many organisations in Africa, and it is one of the most neglected management function. Brenda's (2011) study revealed that monitoring of the expenditure processes at Butabika hospital was being compromised. According to D'Avanzo, Lewinski and Wassenhove (2003), expenditure activities, such as procurement processes, must be skilfully monitored to ensure adherence to legislations, set procedures and best practices. Monitoring is also necessary to guarantee procurement operates efficiently and effectively as possible to realize organizational objectives within available resources (efficiency). In addition, without proper controls, multiple opportunities for corruption exist at all stages of the budgetary implementation process and efficiency will be generally low.

Subramanian and Shaw (2004) discussed the issues of increased control in ensuring compliance. As such, implementing budgetary controls is seen to create the ideal conditions for reducing individualist spending (Neef, 2001). The author used the term maverick spending, which incorporates the failure of individuals to use a procurement system when placing orders and the failure to use mandated contracts within the system, which also suggests that budgetary controls and not working properly, otherwise they would prevent such acts.

Arbin (2006) argues that if the potential value of goods/services is to be achieved (meaning efficiency), it is critical to providers of goods/services to adopt the set budgetary limits, especially following proper procurement procedures when purchasing these goods and services. According to Subramaniam and Shaw (2004), orders placed outside budgetary limits are liable to errors and may limit procurement of other budgeted for products/services. Brenda (2011) found out that carefully defined and disciplined processes at every level are not maintained at Butabika Hospital. Brenda further found out that the budgetary evaluation committees at Butabika hospital do not adequately conduct evaluations of the procurements to ensure effectiveness.

Knudsen (1999) indicated that effectiveness of budgetary controls starts with purchasing efficiency and effectiveness in the procurement function. Van Weele (2006) also suggested that purchasing performance is considered to be the result of two elements; purchasing effectiveness and purchasing efficiency. Efficiency provides the basis for an organisation to assess how well it is progressing towards its predetermined objectives, identify areas of strengths and weaknesses and decide on future initiatives with the goal of how to initiate performance improvements. This means that purchasing performance is not an end in itself but a means to effective and efficient control and monitoring of the purchasing function (Lardenoije, Van Raaij & Van Weele, 2005).

Purchasing efficiency and purchasing effectiveness represent different competencies and capabilities for the purchasing function. CIPS Australia (2005) presents the differences between efficiency and effectiveness. Efficiency reflects that the organisation is "doing things right" whereas effectiveness relates to the organisation "doing the right thing". This means an organisation can be effective and fail to be efficient, the challenge being to balance between the two. For any organisation to change its focus and become more competitive Amaratunga and Baldry (2002) suggest that performance is a key driver to improving quality of services while its absence or use of inappropriate means can act as a barrier to change and may lead to deterioration of the purchasing function.

Organisations which do not have efficiency means in their processes, procedures and plans, experience lower performance and higher customer dissatisfaction and employee turnover (Artley & Stroh, 2001, Amaratunga & Baldry, 2002 and CIPS Australia, 2005). Measuring the efficiency of the purchasing function yields benefits to organisations such as cost reduction, enhanced profitability, assured supplies, quality improvements and competitive advantage as was noted by Batenburg and Versendaal (2006). While most of the previous studies have reported weaknesses in the monitoring of public resources expenditure in many public offices of Africa, none of them related budgetary monitoring to efficiency in public sector organisations. This study did not only fill this content gap, but also filled the contextual gap, since no study in the bank of South Sudan has examined the effect of budgetary monitoring on efficiency.

2.3.3 Budgetary evaluation and Organisational efficiency

Budgetary evaluation is referred to as the extent to which budget variances are traced back to individual departmental heads and used in evaluating their performance (Mui, Wong and Ismail, 2016). The ways in which budgets are used in performance evaluation tend to influence behaviours, attitudes and the performance of employees as well as the efficiency of an organisation. For instance, a punitive approach may lead to lower motivation and negative attitudes, whereas a supportive approach may result in positive attitudes and behaviours.

Samuel and Henrietta (2016) revealed a higher level of budget evaluation in Ghana. The study indicated that variances when properly analysed would go a long way in improving firm performance. Variance determination aids management in adoption of exceptional strategy and guides the overall budget strategy for the next period.

In a study conducted by Waal (2004), it was revealed that when budgetary evaluation is used effectively, organizational members will have the same frame of reference in respect to performance information, which allows everyone in the organizations to interpret the information in the same or similar manner. On the other hand, if the accuracy and legitimacy of the result of the evaluation are weak, an inconsistent and incoherent message will be sent to employees that possibly diminish the decision’s pay-off to certain employees and cause some psychological discomfort (Hanberger, 2011). Thus, the ‘satisfaction’ of employees has a foundation based upon whether the assessment of procedures is fair or not (Heuer, Penrod & Kattan, 2007).Although there are no studies done in examining this fairness theory relationship, it is assumed that people who are involved in the evaluation process are concerned with maximizing their self-interests (Heuer *et al.*, 2007). When employees feel that they are evaluated unfairly, psychological dysfunction may occur and it is suggested that for an evaluation to be effective, it should be conducted in accordance to the perceived fairness of the employees affected. None of these studies examined the effect of budgetary evaluation and efficiency in central bank, leave alone in South Sudan, a gap this study intended to fill.

2.4 Summary of Research Gaps

Although previous research has not examined the direct relationship between budgetary participation and efficiency of the organisation, a few studies have presented results on how critical feedback provision influences employee reactions (e.g. Jawahar, 2010). However, this study intended to fill a research gap on the effect of budgetary participation on efficiency in the public banking sector of South Sudan.

While most of the previous studies have reported weaknesses in the monitoring of public resources expenditure in many public offices of Africa, none of them related budgetary monitoring to efficiency in public sector organisations. This study did not only fill this content gap, but also filled the contextual gap, since no study in the bank of South Sudan has examined the effect of budgetary monitoring on efficiency.

Despite the fact that several studies have been conducted on budgetary control and efficiency, none of these studies examined the effect of budgetary evaluation and efficiency in a central bank, leave alone in South Sudan, a gap this study intended to fill.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter presents Research design, the research target population, sample size, sampling techniques, research instruments, methods of data collection, validity and reliability of the research instruments, data analysis tools, ethical considerations and limitations of the study.

3.1 Research design

This study followed a descriptive correlational and cross-sectional survey design, and followed a quantitative paradigm. The study was descriptive in that the researcher intended to describe the level of budgetary control practiced by the Bank of South Sudan and its impact on the level of efficiency. A correlational survey research design was used to establish the relationship between budgetary control and efficiency in the Bank of South Sudan. Correlation studies aim at establishing whether or not and to what extent an association exists between two or more variables (Keitany, 2000). The survey design was used since the study involved an investigation into the level of budgetary control and efficiency in the Bank of South Sudan of a big sample (Fanning, 2005). It was also cross-sectional, since data was collected from managers and employees of the Bank of South Sudan at once and for a short period of time. It was quantitative in that variables were measured and analyzed using numbers, have pre- determined hypotheses, population, procedure, and instrument and data analysis techniques.

3.2 Study Population

The target population of this study was comprised of all the directors and employees of the Bank of South Sudan, Juba. According to the latest human resource staff list, there are over 460 staff of theBank of South Sudan, Juba. This study population was relevant because the budgeting processes involves all the departments and directorates of the bank.

3.3 Sample Size

Given a total population of 460 managers and employees of the Bank of SouthSudan, a sample size of 210 respondents were selected using the Krejcie and Morgan (1970) table for determining sample size for research activities, for any given population. (Refer to appendix 2 attached). In this table, given the population of 460, the corresponding sample is 210. Of the 210 respondents, 20 were directors and deputy directors while 190 were employees of the bank.

3.4 Sampling Procedures/Techniques

In this study, simple random sampling techniques were used in selection of the sample. In this technique, each and every individual from the target population had an equal chance of being selected. In this technique, the researcher got alist of the staff members from the human resource manager of Bank of South Sudan and selected the sample from this list. A researcher used the cards consisting of the numbers from I to 460 and 210 cards were picked and the numbers on the cards picked were the members to be considered.

3.5 Data Collection Methods

The researcher obtained the data from mainly Research 2018s. Research 2018 was obtained directly from the field using questionnaires.

3.5.1 Questionnaires

These are interrelated questions designed by the researcher and given to the respondents in order to fill in data information and after answering returned to the researcher. Here questionnaires were employed that contain both open ended and close ended question. These questionnaires were self-administered and were collected after time interval. This reduced costs of movement and also because the researcher dealt with some literate people who had the capacity of filling the forms.

3.6 Instrument of the data collection

The researcher collected Research 2018 using closed-ended questionnaires, and directly distributed questionnaires to the respondents, and allowed respondents to fill in the questionnaires for a period of one week before collecting them personally for the analysis of the data obtained.

3.7 Validity and Reliability of the instruments

3.7.1 Validity of the instruments

Mugenda and Mugenda (1999) contend that the usual procedure in assessing the content validity of a measure is to use a professional expert in a particular field. To establish the validity of this study's instrument, the researcher sought the opinions of experts in the field of study, including the researcher's supervisor and lecturers in the field of business management. These experts were requested to judge the question items one by one, indicating what is relevant and what is not. A content Validity Index (CVI) was then calculated using the following formula;

CVI = (n / N), where: n = items related to the relevant, N=Total number of items. A minimum CVI of 0.7 (Amin, 2005) was used to declare the instrument valid.

The finding from the two experts were used to establish CVI

Table 3. 1: Validity findings

	Relevant items	Not relevant items	Total
Rater 1	50	3	53
Rater 2	51	2	53
Total	101	5	106

$$CVI = \frac{\text{Relevant Items X 100}}{\text{Total Number of Items}}$$

$$= \frac{101}{106}$$

$$= 0.953$$

The content validity index (CVI) computed above was above 0.7. The instruments were considered valid and acceptable which was in line with Amin's (2005) who recommended minimum CVI of 70 which was employed

3.7.2 Reliability of the instrument

The reliability of research instrument concerns the extent to which the instrument yields the same result on repeated trails (Mugenda&Mugenda1999). Reliability of the instrument was tested using the Cronbach's coefficient alpha (α), to be computed using SPSS. A Cronbach alpha coefficient of 0.7 was used as the minimum coefficient to declare the instrument reliable.

Table 3. 2: Reliability findings

Concept	Cronbach Alpha Value
Budgetary participation	0.823
Budgetary monitoring	0.855
Budgetary evaluation	0.890
Efficiency	0.921

Source: Primary Data (2018)

Results revealed that the research instrument was reliable as the Reliability was measured using the Cronbach Alpha Value. For each of the measures, the lowest values were 0.823 yet the lowest minimum acceptable value is 0.700 (Amin 2005). This showed the research instrument was reliable**.**

3.8 Data Analysis

Data was collected, compiled, sorted, edited, classified, coded and analysed using Statistical Package for Social Scientists (SPSS). Frequency counts were used to analyse data on profile characteristics of respondents. Means and standard deviations were used to determine the extent of budgetary controls and level of efficiency in the Bank of South Sudan. The Pearson's linear correlation coefficient and multiple linear regression were used to establish the relationship and effect of budgetary participation, budgetary monitoring and budgetary evaluation and efficiency in the Bank of South Sudan, Juba. The 0.05 alpha level of significance was used to test the study null hypotheses.

3.9 Ethical Consideration

Ethics relating to respondents were enhanced by keeping information given confidential. Self-esteem and dignity was maintained to eliminate fear and anxiety among respondents. Subjects were told the truth about the research in order to give reliable information. Letters seeking approval to carry out research were obtained from relevant institutions and consent of respondents was acknowledged by requesting them to sign the informed consent letter. All authors whose works and ideas were used in this study were fully recognised through proper referencing.

CHAPTER FOUR

PRESENTATION, DESCRIPTION AND INTERPRETATION OF THE FINDINGS

4.0 Introduction

This chapter presents the findings of this study. It highlights the characteristics of the respondents and presents the findings that were generated from interactions and the findings on the budgetary controls and efficiency in the bank of South Sudan, Juba. The study was based on the objectives which were: To examine the relationship between budgetary participation and efficiency in the bank of south Sudan, Juba; To assess the relationship between budgetary monitoring and efficiency in the bank of south Sudan, Juba and also to establish the relationship between budgetary evaluation and efficiency in the bank of south Sudan, Juba. The following results were established.

4.1 Response rate

The study administered the following instruments for the collection of the data.

Table 4.1: Showing the Response Rate of the Respondents

Targeted No	No of respondents	Percentage (%)
210	198	94.3

Source: Research 2018

Table demonstrated the respondents distribution according to the instruments used by the researcher that, 94.3% of the targeted respondents participated by answering the questionnaires. The outcome from the table shows that the level of participation was absolutely effective as shown by the number of the respondents. From the study, 210 questionnaires were filled and returned while 198 passed the data response clean-up process for acceptance for data analysis.

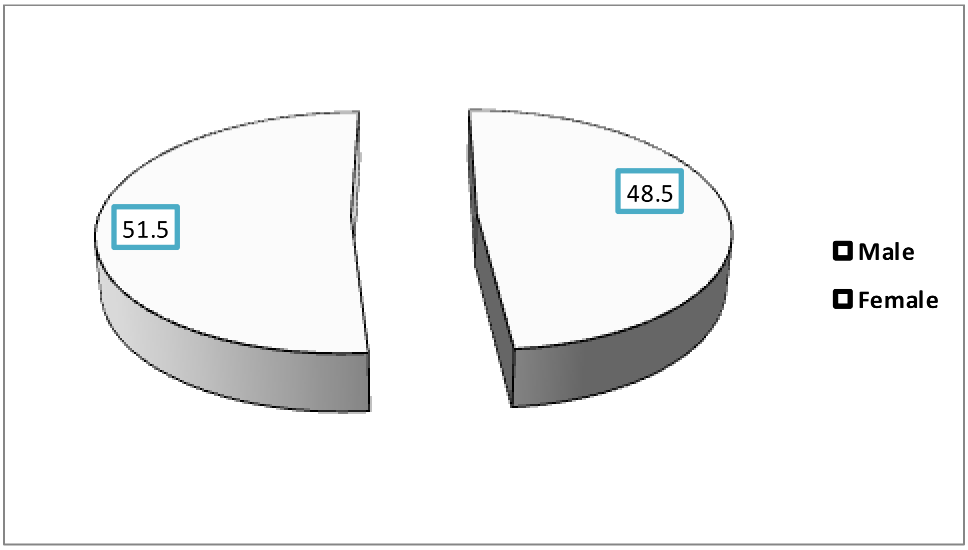
4.2 General information

General characteristics of the respondents were explored as shown in tables and figures below. They include Gender, Age group, Experience and level of Education.

4.2.1 Gender of the Respondents

The following table presents the findings about the gender of respondents and analysis follows. The variable gender was investigated for this study and is presented in the figure 4.1

Figure 4.1: Showing the Gender of the Respondents



Source: Primary data 2018

As observed from the figure 4.1 above, both males and females participated in the study since the study was not limited to a particular sex. The findings indicate that majority (51.5%) of the respondents were female compared to the (48.5%) who were male. In this study all the units in the population had the same probability of being selected for the sample. The findings on the respondent’s gender were found relevant because respondents in different sexes have varying views and knowledge on budgetary controls and efficiency in the bank of South Sudan, Juba.

4.2.2 Age of Respondents

The following table presents findings about age group of respondents and analysis follows.

Table 4.2*:* Showing the Age Group of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-29	34	17.2	17.2	17.2
	30-39	82	41.4	41.4	58.6
	40-49	64	32.3	32.3	90.9
	50- above	18	9.1	9.1	100.0
	Total	198	100.0	100.0	

Source: Primary data 2018

Results from table 4.2 show that majority of the respondents 41.4% were in the age group of 30 – 39 years, 32.3% were 40 – 49 years, 17.2% were in the age group of 20- 29 years and the minority 9.1% were 50 and above years. This signified that most employees are between 30– 39 years. These findings were found vital to the study as respondents in different age groups had varying experiences on budgetary controls and efficiency in the bank of South Sudan, Juba.

4.2.3 Experience with Bank of South Sudan Juba

The table 4.3 presents findings about Experience of the respondents with Bank of South Sudan, Juba and analysis follows.

Table 4.3: Showing the Experience with Bank of South Sudan Juba

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0 - 2	5	2.5	2.5	2.5
	3 – 4	123	62.1	62.1	62.1
	5 years	70	35.4	35.4	100
	Total	198	100.0	100.0	

Source: Primary data 2018

Findings in table 4.3 indicate that majority 62.1% of the respondents had been in the bank for 3 – 4 years, 35.4% of the respondents have been in the bank for 5 years, and the minority 2.5% have been in the bank for 0-2 years. . These results therefore imply that majority of the employees in the bank had enough experience to give the researcher relevant information regarding budgetary controls. The results were found beneficial to discovering a wider perspective on budgetary controls and efficiency in the bank of South Sudan, Juba.

4.2.4 Education level of Respondents

The study also presents the education level of the respondents in which findings were recorded as indicated in the table below. The educational attainment of the banks employees is an important indicator of their knowledge and attitude about the study.

Table 4.4: **Showing the Level of Education of the Respondents**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Secondary	6	3.0	3.0	3.0
	University	160	80.8	80.8	83.8
	Others	32	16.2	16.2	100.0
	Total	198	100.0	100.0	

Source: Primary data 2018

According to the results from table 4.4 above, it is presented that the most respondents 80.8% had gone to university, 3.0% in secondary level and 16.2% in other institutions. This implies that all respondents had attained some education implying that, topic interpretation and responding to the questionnaires was an easy task that would not take too much time.

4.3 Budgetary participation and efficiency in the bank of south Sudan, Juba

The first study objective was to assess the relationship between budgetary participation and efficiency in the bank of south Sudan, Juba. The findings were presented, analysed and interpreted using a number of indicators as shown below. The table comprises of questions posed to respondents about data collection with answers obtained in terms of response rates and frequencies and are categorized on how the respondents strongly agree, (SA), agree (A), disagree (D) and strongly disagree (SD). F stands for frequency.

Table 4.5: **Descriptive Statistics Showing the budgetary participation in the bank of south Sudan, Juba**

Questionnaire Items	SA		A		D		SD		Mean	Std Dev
	F	%	F	%	F	%	F	%		
I am involved in the budget setting process in this organization	91	46.0	77	38.9	15	7.6	15	7.6	3.23	0.888
All departments are always involved in the budgeting process	125	63.1	64	32.3	7	3.5	2	1.0	3.58	0.614
Approved Budgets are shared with all Departments	85	42.9	94	47.5	10	5.1	9	4.5	3.29	0.763
Each department prepares a budget prior to the Overall budget	132	66.7	56	28.3	8	4.0	2	1.0	3.61	0.618
The perceived level of budgetary participation in my institution is adequate	63	31.8	110	55.6	23	11.6	2	1.0	3.18	0.666
Our views are considered in formulating the final budget	84	41.4	76	38.4	31	15.7	7	3.5	3.2	0.829
I can freely interact with my supervisor to share my opinions about our budget	112	56.6	63	31.8	20	10.1	3	1.5	3.43	0.736
I have technical knowledge and skills required in budget formulation	107	54.0	67	33.8	22	11.1	2	1.0	3.41	0.726

Source: Primary data 2018

Finding in the table 4.5 show that, 46.0 % of the respondents strongly agreed, whereas 38.9% agreed as evidenced by a mean of 3.23 and standard deviation of 0.888 that they are involved in the budget setting process in this organization, 7.6% of the respondents both disagreed and strongly disagreed. Results from table above indicate that 6318% strongly agreed that all departments are always involved in the budgeting process as seen by the mean of 3.58 and SD of 0.614, 32.3% agreed, while 3.5% disagreed and the minority 1.0% strongly disagreed. This is because when employees are actively involved in the budgetary process, they can express their stand clearly to the decision-makers and, in return, they (employees) can have a better understanding of how budget distributions are determined (Mui Yee *et al*, 2016).

The mean of 3.29 and standard deviation of 0.763 signified that approved Budgets are shared with all Departments. This justifies the reason to why majority of the respondents 47.5% agreed, 42.9% strongly agreed whereas a few of the respondents, 5.1 disagreeing and 5.5% strongly disagreeing in the table above. This implies that the result of all these will be a good budgetary implementation and so efficiency in the results, because they care about the consideration that they received from management. Results also indicate that majority 66.7 % of the respondents strongly agreed and 28.3% agreed that each department prepares a budget prior to the overall budget as evidenced by the mean of 3.61 and SD of 0.618, 4.0% disagreed, 1.0% strongly disagreed. Results from the table also indicated that 31.8% of the respondents strongly agreed and 55.6% agreed that the perceived level of budgetary participation in my institution is adequate, 11.6% disagreed and only, 1.0 % strongly disagreed. Results from the table indicate that, 41.4% strongly agreed, 38.4% agreed on the fact that their views are considered in formulating the final budget as evidenced by the mean of 3.2 and standard deviation of 0.829. Findings from table above reveal that the mean of 3.43 and SD of 0.736 indicated majority 56.6% strongly agreed and 31.8% agreed that they can freely interact with their supervisor to my opinions about the budget. 15.7% of the respondents were disagreed, and 3.2% strong disagreed to the same. in line with the study findings, Mosala & Mofolo, (2014) argued that since the budget is informed by the needs of the organisation, the management should work together with other members in the management team, in order to ensure that there is enough cooperation in the implementation and utilization of the financial resources to meet organizational plans

Results also indicate that majority 54.0 % of the respondents strongly agreed and 33.8% agreed that they have technical knowledge and skills required in budget formulation as evidenced by the mean of 3.41 and SD of 0.726. However, 11.1% disagreed and only, 1.0% strongly disagreed. This implies that the employees are able to enhance the formulation of good budgets and this encourages them and they provide more and more relevant information which improves the budget quality and so its effectiveness and therefore efficiency of the organisation are all enhanced (Ying & Yu, 2010).

4.3.1 Correlational analysis between budgetary participation and efficiency in the bank of south Sudan

Table 4.6: Correlational analysis between budgetary participation and efficiency in the bank of south Sudan

Correlations

		Budget Participation	Efficiency
Budget Participation	Pearson Correlation	1	.383**
	Sig. (2-tailed)		.000
	N	198	198
Efficiency	Pearson Correlation	.383**	1
	Sig. (2-tailed)	.000	
	N	198	198

**. Correlation is significant at the 0.05 level (2-tailed).

Source: Primary data 2018

Table 4.6 shows the Pearson correlation product moment technique and comprises of variables; budgetary participation and efficiency in the bank of south Sudan, Juba. The p-value of .000 that is less than the alpha level of significance of 0.05 which implies that there is a significant correlation. The r value of 0.383 reveals that a positive relationship exists between budgetary participation and efficiency in the bank of south Sudan, Juba Therefore, and these results reject the hypothesis: "*There is no significant relationship between budgetary participation and efficiency in the bank of south Sudan*".

Table 4. 7: Regression analysis between budgetary participation and efficiency in the bank of south Sudan

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.732	.210		8.235	.000
	Budget Participation	.359	.062	.383	5.813	.000

a. Dependent Variable: Efficiency

Source: Primary data 2018

From the analysis in table 4.7 the co-efficient value for achievement was 0.383. This means that all things being equal, when the other independent variables (budgetary monitoring and budgetary evaluation) are held constant, efficiency would increase by 0.383 units. This was statistically significant (0.000<0.05) i.e. the variable (Budget Participation) is making a significant unique contribution to the prediction of the dependent variable (efficiency of the bank).

4.4 Budgetary monitoring and efficiency in the bank of south Sudan, Juba

The second study objective was to assess the relationship between budgetary monitoring and efficiency in the bank of south Sudan, Juba. The findings were presented, analysed and interpreted using a number of indicators as shown below. The table comprises of questions posed to respondents about data collection with answers obtained in terms of response rates and frequencies and are categorized on how the respondents strongly agree, (SA), agree (A), disagree (D) and strongly disagree (SD). F stands for frequency.

Table 4. 8: Descriptive Statistics Showing Budgetary Monitoring in the Bank of South Sudan, Juba

Questionnaire Items	SA		A		D		SD		Mean	Std Dev
	F	%	F	%	F	%	F	%		
Budgetary monitoring is a carried out in this organization	57	28.8	108	54.5	30	15.2	3	1.5	3.11	0.701
Continuous comparison of actual with budgeted performance is done in our organization	60	30.3	115	58.1	17	8.6	6	3.0	3.16	0.699
All departments are involved in budgetary monitoring in our organization	56	28.3	77	38.9	56	28.3	9	4.5	2.91	0.862
Coordination among various departments during budget monitoring is done	63	31.8	81	40.9	49	24.7	5	2.5	3.02	0.818
During budgetary monitoring, we always identify high priority activities to be included in the future budgets.	68	34.3	101	51.0	25	12.6	4	2.0	3.18	0.722
We have Budget policies to check on spending	51	25.8	110	55.6	35	17.7	2	1.0	3.06	0.688
The budgets are based on the needs identified by our sections/departments during the monitoring process.	92	46.5	77	38.9	21	10.6	8	4.0	3.28	0.811
The budget performance is always communicated to all stakeholders	60	30.3	90	45.5	37	18.7	11	5.6	3.01	0.846

Source: Primary data 2018

Results from the table 4.8 indicated that majority of the respondents 54.5% strongly agreed and 28.8% agreed that budgetary monitoring is a carried out in this organization, 15.2% were disagreed, and 1.5% strongly disagreed. This is evidenced by the mean of 3.11 and standard deviation of 0.701. Values on the table indicate that majority 58.1% agreed and 30.3 agreed that continuous comparison of actual with budgeted performance is done in the organization, as shown by the mean 3.16 and standard deviation 0.699. But the respondents have different understanding about the statement which is shown by the variation they provided to the statement. However, 8.6% disagreed and 3.0% strongly disagreed. This implies that when a budgeting and control system is in use, budgets are established which set out in financial terms, the responsibility of managers in relation to the requirement of the overall policy of the company. Continuous comparison is made between the actual and budgeted results, which are intended to either secure, through action of managers, the objective of policy or to even provide a basis for policy revision (Bartle, 2008).

Results from the table 4.8 indicate that, 38.9% agreed, 28.3% both strongly agreed and disagreed and only 4.5% strongly disagreed that all departments are involved in budgetary monitoring in our organization evidenced by the mean value 2.91 and standard deviation 0.862. The respondents have different understanding about the statement which is shown by the variation they provided to the statement. Findings from table above, the mean of 3.02 and SD of 0.818 indicated majority 40.9% agreed that coordination among various departments during budget monitoring is done, 31.8% of the respondents strongly agreed and 24.7% disagreed and 2.5% strongly disagreed to the same. These findings are in agreement with Warren (2011) who noted that within an organisation, different departments have a bearing on one another, this therefore makes coordination of various executives and subordinates necessary in achieving of budgetary targets

According to the study findings, it was indicated that the majority (51.0%) of the respondents agreed that during budgetary monitoring, they always identify high priority activities to be included in the future budgets, (34.3%) strongly agreed whereas the other (12.6%) disagreed and the minority (2.0%) strongly disagreed. This had a mean score of 3.18 which is tending towards the maximum of 4 implies that most of the respondents agreed and the standard deviation of 0.722 explains the responses that vary between those who strongly agreed and agreed. It was also revealed that they have Budget policies to check on spending as seen from the majority 55.6% who agreed, 25.8% who strongly agreed, 17.7% disagreed and 1.0% strongly disagreed. This was evidenced by the mean of 3.06 and Standard deviation of 0.688. This implies that control policies have to be clear and properly understood by the concerned members if they are to become effective.

In relation to the study findings, it was presented that the majority 46.5% of the respondents strongly agreed that the budgets are based on the needs identified by their sections/departments during the monitoring process, those were followed by 38.9% who agreed whereas 10.6% of the respondents disagreed and 4.0% strongly disagreed. This is because the statement had a mean score of 3.28 in addition to the standard deviation of 0.811. It was also revealed from table that both 45.5% of the respondents agreed and 30.3% strongly agree that the budget performance is always communicated to all stakeholders as evidenced by the mean score of 3.01 and standard deviation 0.846 which explains the varying of responses between respondents that strongly agreed and those that agreed. This is because a budget is a sensitive process which requires management to prioritize the needs of the organisation first, based on the broad picture of its total income and then approve it for implementation (Xaba, 2011).

4.4.1 Inferential Analysis between Budgetary Monitoring and Efficiency in the Bank of South Sudan

Table 4. 9: Correlational analysis between budgetary monitoring and efficiency in the bank of south Sudan

Correlations

		Budget Monitoring	Efficiency
Budget Monitoring	Pearson Correlation	1	.619**
	Sig. (2-tailed)		.000
	N	198	198
Efficiency	Pearson Correlation	.619**	1
	Sig. (2-tailed)	.000	
	N	198	198

**. Correlation is significant at the 0.05 level (2-tailed).

Source: Primary data 2018

The table 4.9 shows a significant relationship between Budgetary Monitoring and efficiency in the bank of south Sudan, Juba. This was done with the support of the Pearson correlation product moment technique. The p-value = 0.00, that is less than the alpha level of significance of 0.05 which implies that there is a significant relationship between Budgetary Monitoring and efficiency in the bank of south Sudan, Juba. The r value of 0.619 reveals that a positive relationship exists between Budgetary Monitoring and efficiency in the bank of south Sudan, Juba, therefore reject the hypothesis that, “There is no significant relationship between budgetary monitoring and efficiency in the bank of south Sudan”.

Table 4. 10: Regression Analysis between Budgetary Monitoring and Efficiency in the Bank of South Sudan

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.318	.149		8.831	.000
	Budget Monitoring	.525	.048	.619	11.041	.000

a. Dependent Variable: Efficiency

Source: Research 2018

From the analysis in table 4.10 the co-efficient value for achievement was 0.619. This means that all things being equal, when the other independent variables (budgetary participation and budgetary evaluation) are held constant, efficiency would increase by 0.619 units. This was statistically significant (0.000<0.05) i.e. the variable (Budget Monitoring) is making a significant unique contribution to the prediction of the dependent variable (efficiency of the bank).

4.5 Budgetary evaluation and efficiency in the bank of south Sudan, Juba

The third study objective was to assess the relationship between budgetary evaluation and efficiency in the bank of south Sudan, Juba. The findings were presented, analysed and interpreted using a number of indicators as shown below. The table comprises of questions posed to respondents about data collection with answers obtained in terms of response rates and frequencies and are categorized on how the respondents strongly agree, (SA), agree (A), disagree (D) and strongly disagree (SD). F stands for frequency.

Table 4. 11: Descriptive Statistics Showing Budgetary Evaluation in the Bank of South Sudan, Juba

Questionnaire Items	SA		A		D		SD		Mean	Std Dev
	F	%	F	%	F	%	F	%		
Directors hold budget meetings regularly to review budget performance	53	26.9	79	40.1	58	29.4	7	3.6	2.9	0.837
We prepare interim reports (weekly/ monthly) to compare results with budget	46	23.2	60	30.3	80	40.4	12	6.1	2.8	1.694
I always a written submit an explanation about budget variances in department	40	20.2	65	32.8	81	40.9	12	6.1	2.67	0.866
Directors always take timely corrective actions when adverse variances are reported	34	17.2	88	44.4	64	32.3	12	6.1	2.73	0.816
Budget matters are regularly discussed with supervisors	45	22.7	125	63.1	24	12.1	4	2.0	3.07	0.654
The costs of activities are always reviewed by the executive committee	48	24.2	118	59.6	28	14.1	4	2.0	3.06	0.681
All departments are involved in budgetary evaluation in our organization	45	22.7	97	49.0	50	25.3	6	3.0	2.91	0.772
The perceived level of budgetary evaluation in our organization is adequate	38	19.2	103	52.0	48	24.2	9	4.5	2.95	1.565

Primary data (2018)

It was also indicated in table 4.11 that the majority 40.1% of the respondents agreed and 26.9% strongly agreed that Directors hold budget meetings regularly to review budget performance, whereas 29.4% disagreed and the minority (3.6%) strongly disagreed. This is because it has a mean score of 2.9 and SD of 0.837. Results from table above indicate that 40.4% disagreed and 30.3% agreed that they prepare interim reports (weekly/ monthly) to compare results with budget as contrasted to the 23.2% who strongly agreed and 6.1% who strongly disagreed; this is signified by the mean of 2.8 and SD of 1.694. This implies that managers also make sure that monthly monitoring interim reports which are also prepared by the departments to the relevant authorities (Kenneth & Ambrose, 2013).

According to the study findings, it was indicated that the majority 40.9% of the respondents disagreed and 6.1% strongly disagreed that they always submit a written explanation about budget variances in department, 32.8% agreed whereas the other 20.2% strongly agreed. This had a mean score of 2.67 which is tending towards those that mainly disagreed. The standard deviation of 0.866 explains the responses that vary between those who agreed and disagreed. This implies that budgetary evaluation involves the process of examining variances by sub-dividing the total variance into smaller parts in such a way that management can assign responsibility for any off budget performance.

In relation to the study findings, it was presented that the majority 44.4% of the respondents agreed that Directors always take timely corrective actions when adverse variances are reported, these were followed by 32.3% who disagreed whereas 17.2% strongly agreed and 6.1% of the respondents strongly disagreed as evidenced by the mean score of 2.73 and standard deviation 0.816 which explains the varying of responses between respondents that agreed and those that disagreed. This implies that the management moreover takes a corrective action measures whenever there is a discrepancy in execution. By fixing targets for the employees, they are made conscious of their responsibility. Everybody knows what he is expected to do and he continues with his work uninterrupted.

From the findings of the study, it was shown that the 63.1% of the respondents agreed Budget matters are regularly discussed with supervisors, 22.7% strongly agreed. This is because it has a mean score of 3.07 and SD of 0.654 which is tending towards the maximum of 4 implies that most of the respondents agreed. More so, the findings showed that 59.6% of the respondents agreed that the costs of activities are always reviewed by the executive committee, those were followed by 24.2% who strongly agreed, 14.1% disagreed while the minority 2.0% of the respondents strongly disagreed. This is evidenced by the mean mark of 3.06 from the responses and standard deviation of 0.681. From the table, the means of 2.91 and SD of 0.772 revealed that 49.0% of the respondents agreed though 25.3% disagreed, that all departments are involved in budgetary evaluation in the organization, whereas 22.7% of the respondents strongly agreed and 3.0% strongly disagreed. The study revealed that 52.0% of the respondents agreed that the perceived level of budgetary evaluation in the organization is adequate, 24.2% disagreed, 19.2% strongly agreed whereas 4.5% strongly disagreed to the statement as seen from the mean of 2.95 and SD of 1.565. This implied that each department prepares a budget prior to the Overall budget, the perceived level of budgetary participation in bank is adequate and also that their views are considered in formulating the final budget

4.5.1 Inferential analysis between evaluation and efficiency in the bank of south Sudan

Table 4. 12: Correlational analysis between budgetary evaluation and efficiency in the bank of south Sudan

Correlations

		Budget Evaluation	Efficiency
Budget Evaluation	Pearson Correlation	1	.795**
	Sig. (2-tailed)		.000
	N	198	198
Efficiency	Pearson Correlation	.795**	1
	Sig. (2-tailed)	.000	
	N	198	198

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

Source: Primary data (2018)

Results in the table 4.12, shows the findings from the Pearson correlation product moment technique. The table comprises of variables; Budgetary Evaluation and efficiency in the bank of south Sudan, Juba, the Pearson correlation (r=0.795, P=.000). This revealed a positive significant relationship between Budgetary Evaluation and efficiency in the bank of south Sudan, Juba. Therefore rejecting the hypothesis that "*There is no significant relationship between budgetary monitoring and efficiency in the bank of south Sudan"*

Table 4. 13: Regression Analysis between Budgetary Evaluation and Efficiency in the Bank of South Sudan

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1.175	.098		11.944	.000
	Budget Evaluation	.618	.034	.795	18.349	.000

a. Dependent Variable: Efficiency

Source: Researcher (2018)

From the analysis the co-efficient value for achievement was 0.795. This means that all things being equal, when the other independent variables (budgetary participation and budgetary monitoring) are held constant, efficiency would increase by 0.795 units. This was statistically significant (0.000<0.05) i.e. the variable (Budget evaluation) is making a significant unique contribution to the prediction of the dependent variable (efficiency of the bank).

Budgetary evaluation involves the extent to which budget variances are traced back to individual departmental heads and used in evaluating their performance as noted by Mui, Wong and Ismail, (2016). The ways in which budgets are used in performance evaluation tend to influence behaviours, attitudes and the performance of employees as well as the efficiency of an organisation.

4.6 Findings on efficiency in the bank of south Sudan, Juba

Table 4.14: showing Responses on efficiency in the bank of south Sudan, Juba

Questionnaire Items	SA		A		D		SD		Mean	Std Dev
	F	%	F	%	F	%	F	%		
Your department has clear goals to meet	121	61.1	68	34.3	8	4.0	1	0.5	3.56	0.599
Your department endeavours to complete its tasks	64	32.2	121	61.1	12	6.1	1	0.5	3.25	0.585
Your department completes its tasks with minimum costs	50	25.3	119	60.1	27	13.6	2	1.0	3.1	0.65
There are controlled expenditures on personnel services, supplies and inputs.	45	22.7	118	59.6	32	6.2	3	1.5	3.04	0.671
Your department completes its tasks within its budget limits	40	20.2	104	52.5	46	23.2	8	4.0	2.89	0.766
There is transparency in use of the bank resources	36	18.2	77	38.9	66	33.3	19	9.6	2.66	0.886
There is economical use of resources in this department	43	21.7	117	59.1	33	16.7	5	2.5	3	0.698
Your department fully delivers and meets the goals and objectives	53	26.9	127	64.5	16	8.1	2	1.0	3.18	0.584
Expected services are received or clients receive the service as expected	44	22.2	120	60.6	32	16.2	2	1.0	3.04	0.652
There are efforts to reduce expenditures and costs in your department	50	25.3	112	56.6	31	15.7	5	2.5	3.05	0.715
Your department leaders make sure that the right things are done	92	46.5	82	41.1	22	11.1	2	1.0	3.33	0.712
There are efforts to increase productivity of workers in your department	57	28.8	121	61.1	16	8.1	4	2.0	3.17	0.651
There are no redundant workers in your department	49	24.7	61	30.8	76	38.4	12	6.1	2.74	0.901
All assets of your department are fully used (no unused assets)	43	21.7	104	52.5	43	21.7	8	4.0	2.92	0.77
There is value for money for all goods/ service produced	53	26.8	116	58.6	21	10.6	8	4.0	3.08	0.729
The services offered here meet country expectations	43	21.7	97	49.0	48	24.2	10	5.1	2.87	0.806
The service provided and officers here are easy to access	41	20.7	105	53.0	44	22.2	8	4.0	2.9	0.765
There is equality in provision of services	41	20.7	67	33.8	79	39.9	11	5.6	2.7	0.86
There is openness in provision of services	31	15.7	72	36.4	84	42.4	11	5.6	2.62	0.814
The workforce here is well motivated	39	19.7	47	23.7	78	39.4	34	17.2	2.46	0.995
There is less corruption and red tape in your department	26	13.1	44	22.2	95	48.0	33	16.7	2.32	0.901
There is common understanding among staff in your department	41	20.7	115	58.1	29	14.6	13	6.6	2.93	0.784
There is a low staff turnover in your department and in the whole bank	35	17.7	57	28.8	79	39.9	27	13.6	2.51	0.938

Primary data, (2018)

It was revealed that majority 61.1% of the respondents strongly agreed that their department has clear goals to meet, and 34.3% agreed as seen from the mean of 3.56 and SD of 0.599. Results from the table indicated that majority of the respondents 61.1% agreed as evidenced by the mean of 3.25 and SD 0.585, that department endeavours to complete its task, 32.2% strongly agreed, 6.1% disagreed and 0.5% strongly disagreed. From the table, 60.1% agreed and 25.3% strongly agreed that their department completes its tasks with minimum costs as compared to 13.6% who disagreed and 1.0% strongly disagreed as evidenced by the mean of 3.1 and standard deviation of 0.65. It was indicated that the majority 59.6% of the respondents agreed and 22.7strongly agreed that there are controlled expenditures on personnel services, supplies and inputs, 6.2% disagreed whereas the 1.5% strongly disagreed, as evidenced by the mean score of 3.04. However, the responses varied as shown by the standard deviation of 0.671. This implies that efficiency involves productivity and it is achieved through the reduction of the costs of transactions through mechanization or automation. This measurement is generally only applicable to well-structured and routine administrative tasks.

The mean of 2.89 and standard Deviation of 0.766 in the findings from the study revealed that their department completes its tasks within its budget limits because majority of the respondents 52.5% agreed and 20.2% strongly agreed that their department completes its tasks within its budget limits. It was also revealed that 38.9% of the respondents agreed and 33.3% disagreed that there is transparency in use of the bank resources. This was followed by 18.2% of the respondents who strongly agreed and 9.6% who strongly disagreed. This had a mean score of 2.66. The standard deviation of 0.886 explains the responses that varies between those who strongly agreed and disagreed.

Findings on the table indicate that majority 59.1% and 21.7% agreed and strongly agreed respectively that there is economical use of resources in this department. This was evidenced by the mean of 3.0 and SD of 0.698. The mean of 3.18 and SD of 0.584 indicated that majority 64.5% agreed and 26.9% strongly agreed that their department fully delivers and meets the goals and objectives. Results from the table indicate that, 22.2% agreed, 60.6% agreed that expected services are received or clients receive the service as expected as seen by the mean of 3.04 and standard deviation of 0.652. Findings from table above indicate majority 56.6% agreed, 25.3% strongly agreed that there are efforts to reduce expenditures and costs in the department and 15.7% disagreed, as seen from the mean of 3.05 and SD of 0.715. As noted by Kenneth and Ambrose (2013) it is important to know the obligations to pay that will occur over the planned period, not only to monitor expenditures.

Findings from the study indicate that majority of the respondents 46.5% strongly agreed while minority 1.0% strongly disagreed that department leaders make sure that the right things are done as seen from the mean of 3.33 and SD of 0.712. It was also indicated that there are efforts to increase productivity of workers in the department. This was supported by the mean of 3.17 and SD of 0.651. According to the study findings, it was indicated that the majority 38.4% of the respondents disagreed that there are no redundant workers in the department as seen from the mean of 2.74 and standard deviation of 0.901. The findings also revealed that majority of the respondents 52.5% agreed that all assets of the department are fully used (no unused assets) although minority 4.0 strongly disagreed. As revealed from the table above, the mean score of 3.08 and standard deviation 0.729 explains the varying of responses between respondents that strongly agreed and those that agreed that there is value for money for all goods/ service produced as seen from 58.6% who agreed and 26.8% who strongly agreed. This implies that it is important for the organization to be efficient in terms of responsiveness, timeliness, reliability and openness; value for money, where the level of expenditure at which the service is delivered, is acceptable.

In relation to the study findings, it was presented that the majority 49.0% of the respondents agreed that the services offered meet country expectations, those were followed by 24.2% disagreed. This is because the mean value of 2.87 revealed that most of the respondents agreed. However, a standard deviation of 0.806 reveals that there were varied responses from the respondents of which some disagreed that the services offered meet country expectations. From the findings of the study, it was shown that the 53.0% of the respondents agreed and 22.2% disagreed that the service provided and officers are easy to access. The mean score of 2.9 and standard deviation 0.765 explains the varying of responses between respondents that agreed and those that disagreed. It was indicated that the majority 39.9% of the respondents disagreed that there is equality in provision of services, as seen from a mean of 2.7. However, a significant standard deviation of 0.86 is a clear manifestation of varied responses from respondents.

More to the above, the findings showed that 42.4% of the respondents disagreed that there is openness in provision of services which had a mean score of 2.62 and the standard deviation of 0.814 explains the responses that vary between those who agreed and disagreed. According to the study findings, it was indicated that the majority 39.4% of the respondents disagreed that the workforce here is well motivated, 23.7% agreed whereas the other 19.7% strongly agreed, and the minority 17.2% strongly disagreed. This is indicated by a mean of 2.46 and mean of 0.995. In relation to the study findings, it was presented that the majority 48.0% of the respondents disagreed that there is less corruption and red tape in the department evidenced by the mean score of 2.32. However, the responses varied as shown by the standard deviation of 0.901. However, it is important to note that without proper controls, multiple opportunities for corruption exist at all stages of the budgetary implementation process and efficiency will be generally low.

In relation to the study findings, it was presented that the majority 58.1% of the respondents agreed that there is common understanding among staff in the department, those were followed by 20.7% strongly agreed. This is because the mean value of 2.93 revealed that most of the respondents agreed. However, a standard deviation of 0.784 reveals that there were varied responses from the respondents of which some disagreed that there is common understanding among staff in your department. From the findings of the study, it was shown that the 39.9% of the respondents disagreed that there is a low staff turnover in the department and in the whole bank and 28.8% agreed. The mean score of 2.51 and standard deviation 0.938 explains the varying of responses between respondents that agreed and those that disagreed. Organisations which do not have efficient means in their processes, procedures and plans, experience lower performance and higher customer dissatisfaction and employee turnover (Batenburg & Versendaal, 2006).

4.7 Correlation analysis

The study analysed the relationships between the study variables using Pearson correlation product moment technique. These findings are shown below,

Table 4. 15: Correlation analysis between Budget Controls and efficiency

Correlations

		Budget controls	Efficiency
Budget controls	Pearson Correlation	1	.691**
	Sig. (2-tailed)		.001
	N	198	198
Efficiency	Pearson Correlation	.691**	1
	Sig. (2-tailed)	.001	
	N	198	198

Correlations

		Budget controls	Efficiency
Budget controls	Pearson Correlation	1	.691**
	Sig. (2-tailed)		.001
	N	198	198
Efficiency	Pearson Correlation	.691**	1
	Sig. (2-tailed)	.001	
	N	198	198

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

Source: Primary data, 2018

All in all, it was revealed in the table 4.15 above that the budgetary controls have a positive relationship with the efficiency in the bank of south Sudan, Juba, the Pearson correlation (r=0.691, P=.001). Preetabh (2010), highlighted that budgetary controls aim at maximization of profits or an organization through, proper planning and co-ordination of different functions, proper control over various capital and revenue expenditures and putting resources into best use. Coordination; achieved through working of different departments and sectors. This also enhances the efficiency of the organization.

4.8 Multiple Regression Analysis

Table 4.16: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.810[a]	.655	.650	.273

a. Predictors: (Constant), Budget Evaluation, Budget Participation, Budget Monitoring

Source: Primary data 2018

The value of R being equal to 0.810 and the coefficient of determination (R squared) is equal to 0.655. Adjusted R^2 linear value of (.655) meant that budget participation, budget monitoring and budget evaluation contribute to the efficiency of the bank in south Sudan by .655(65.5%). This means that budget controls in terms of budget evaluation, budget participation, budget monitoring have a positive effect on efficiency of the bank in south Sudan. In line with the findings, a study by Adongo and Jagongo (2013) revealed that a positive significant relationship exists between budgetary control and efficiency of state corporations in Kenya. A study by Margah (2005) revealed that budgetary controls are important tools for a county's economy because they allow planning for expenditure thus facilitating efficient use of the financial resources.

Table 4.17: **ANOVA**

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.433	3	9.144	122.939	.000[a]
	Residual	14.430	194	.074		
	Total	41.864	197			

a. Predictors: (Constant), Budget Evaluation, Budget Participation, Budget Monitoring

b. Dependent Variable: Efficiency

Source: Primary data 2018

The ANOVA findings in table above show that there is significant relationship between the Predictors variables (Budget Evaluation, Budget Participation, Budget Monitoring) and dependent variable (efficiency of the bank) since P value -estimation of 0.00 is under 0.05. The ANOVA comes about demonstrate that the autonomous factors altogether (F=122.939, p=0.00)

The table 4.18 shows the determination of the coefficients for the regression equation.

Table 4. 18: coefficients for the regression equation

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.777	.146	221	5.323	.000
	Budget Participation	.151	.048	.161	3.160	.002
	Budget Monitoring	.525	.048	.619	11.041	.000
	Budget Evaluation	.582	.047	.749	12.302	.000

a. Dependent Variable: Efficiency

Source: Primary data 2018

According to the above illustrations, the p values are <0.05 hence there is evidence to accept that the variables of Budget Participation, Budget Monitoring, Budget Evaluation significantly contribute to efficiency of the bank. This is evidenced by the β coefficients as seen in table above. This implies that a unit increases in any of the independent variables other factors constant increase the level of efficiency of the bank.

The established multiple linear regression equation becomes: $Y = 0.777 + 0.161\beta_1 + 0.619\beta_2 + 0.749\beta_3$

Where

Constant = 0.777, shows that if Budget Participation, Budget Monitoring, Budget Evaluation were all rated as zero; efficiency of the bank rating would be 0.221.

A regression was done to ascertain the effect Budget Participation on efficiency of the bank taking into consideration the standardized beta coefficient obtained as 0.161. This means that one unit change in Budget Participation, results in 0.161 units increase in efficiency of the bank. The standardized beta coefficient shows that Budget Participation has a positive contribution towards efficiency of the bank.

$\beta_2 = 0.619$ shows that one unit change in Budget Monitoring, results in 0.619 units increase in efficiency of the bank. The standardized beta coefficient indicates that 3 Budget Monitoring has a positive contribution towards efficiency of the bank.

$\beta_3 = 0.749$, shows that one unit change in Budget Evaluation, results in 0.749 units increase in efficiency of the bank. The standardized beta coefficient indicates that Budget Evaluation has a positive contribution towards efficiency of the bank

CHAPTER FIVE

DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter generates the summary of the findings and conclusions drawn from the study based on the findings presented in data analysis and the study objectives. The chapter also advances the recommendations, as well as identifying the areas for further studies.

5.1 Discussion of the findings

5.1.1 Budgetary participation and efficiency in the bank of south Sudan, Juba

The study revealed that there is a relationship between Budgetary participation and efficiency in the bank of south Sudan, Juba (R value =0.383, P value = 0.00). In a similar study conducted by Sugioko (2010) on the impact of budget participation on job performance of University Executives: a study of APTIK- member Universities in Indonesia, it was concluded that budget participation has a positive and significant impact on job performance, but structural equation tests showed that, trust, organizational commitment, budget adequacy and job satisfaction variables positively and significantly mediated the relationship between budget participation and job performance

Study findings revealed that the employees were involved in the budget setting process in this organization, all departments are always involved in the budgeting process and also that approved Budgets are shared with all Departments. It was also revealed that each department prepares a budget prior to the Overall budget, the perceived level of budgetary participation in bank is adequate and also that their views are considered in formulating the final budget. In the same vein, the study by Kenis, (1979) revealed that active participation in the setting of budgetary goals encourages employees to have clearly defined goals in mind and be willing to accept these goals as part of their responsibilities, as well as to strive toward their accomplishment.

In a similar study conducted by Sugioko (2010) on the impact of budget participation on job performance of University Executives: a study of APTIK- member Universities in Indonesia, it was concluded that budget participation has a positive and significant impact on job performance, but structural equation tests showed that, trust, organizational commitment, budget adequacy and job satisfaction variables positively and significantly mediated the relationship between budget participation and job performance. These findings suggest that budgetary participation can positively influence performance of an organisation and therefore its efficiency.

5.1.2 Budgetary monitoring and efficiency in the bank of south Sudan, Juba

The study also examined how budgetary monitoring affect efficiency in the bank of south Sudan, Juba. Study findings showed that there is positive relationship between budgetary monitoring and efficiency in the bank of south Sudan, Juba, with Pearson correlation (R) value of 0.619 and p value of 0.00.

From the study, respondents agreed that Budgetary monitoring is a carried out in this organization, Continuous comparison of actual with budgeted performance is done in the bank and also that all departments are involved in budgetary monitoring. It was also revealed that coordination among various departments during budget monitoring is done and also that they always identify high priority activities to be included in the future budgets during budgetary monitoring. The budgets are based on the needs identified by our sections/departments during the monitoring process and budget performance is always communicated to all stakeholders. Knudsen (1999) indicated that effectiveness of budgetary controls starts with purchasing efficiency and effectiveness in the procurement function. Van Weele (2006) suggested that purchasing performance is considered to be the result of two elements; purchasing effectiveness and purchasing efficiency. Efficiency provides the basis for an organisation to assess how well it is progressing towards its predetermined objectives, identify areas of strengths and weaknesses and decide on future initiatives with the goal of how to initiate performance improvements.

This is in line with Subramaniam and Shaw (2004) monitoring is also necessary to guarantee procurement operates efficiently and effectively as possible to realize organizational objectives within available resources (efficiency). In addition, without proper controls, multiple opportunities for corruption exist at all stages of the budgetary implementation process and efficiency will be generally low

5.1.3 Budgetary evaluation and efficiency in the bank of south Sudan, Juba

The study also examined how budgetary evaluation affects efficiency in the bank of south Sudan, Juba. Study findings showed that there is positive relationship between budgetary evaluation and efficiency in the bank of south Sudan, Juba, with Pearson correlation (R) value of 0.795 and p value of 0.00. In a study conducted by Waal (2004), it was revealed that when budgetary evaluation is used effectively, organizational members will have the same frame of reference in respect to performance information, which allows everyone in the organizations to interpret the information in the same or similar manner.

From the study, respondents agreed that Directors hold budget meetings regularly to review budget performance and also that they prepare interim reports (weekly/ monthly) to compare results with budget. It was also noted that directors always take timely corrective actions when adverse variances are reported in addition to the fact that budget matters are regularly discussed with supervisors. The study also revealed that the costs of activities are always reviewed by the executive committee and also that the perceived level of budgetary evaluation in bank is adequate. This implies that to enhance effectiveness and transparency the management team should be actively involved in the process of monitoring and evaluation of budgetary control processes and procedures (Hancock, 2009).

5.1.4 Efficiency in the bank of south Sudan, Juba

It was revealed from the study that the bank departments have clear goals to meet, endeavours to complete its tasks, with minimum costs & within its budget limits. Still it was also revealed that there are controlled expenditures on personnel services, supplies and inputs, there is economical use of resources in this department in addition to the fact that there are efforts to increase productivity of workers and also that the expected services are received or clients receive the service as expected

However some respondents said that there is no transparency in use of the bank resources and that not all department assets are fully used (unused assets). It was also noted that most respondents pointed out that there is value for money for all goods/ service produced and that the service provided and officers here are not easy to access. More so, there is no common understanding among staff in the departments. It was also pointed out that the bank had some redundant workers and workforce not well motivated with a high staff turnover in various department and in the whole bank. Corruption and red tape in the department were seen in to be in the bank with less equality in provision of services and less openness in provision of services. The study also revealed that most respondents pointed out that the services offered in the bank of South Sudan Juba do not meet the country expectations.

5.2 Conclusions

Based on the findings of the study, the following conclusions were made;

5.2.1 Budgetary participation and efficiency in the bank of south Sudan, Juba

The first objective is to examine the relationship between budgetary participation and efficiency in the bank of south Sudan, Juba. From the study it is concluded that there is a significant positive relationship between budgetary participation and efficiency in the bank of south Sudan, Juba thereby rejecting the null hypothesis.

5.2.2 Budgetary monitoring and efficiency

The second objective is to examine the relationship between budgetary monitoring and efficiency in the bank of south Sudan, Juba. From the study it is concluded that there is a significant positive relationship between budgetary monitoring and efficiency in the bank of south Sudan, Juba thereby rejecting the null hypothesis

5.2.3 Budgetary evaluation and efficiency of the bank

The objective is to examine the relationship between budgetary evaluation and efficiency in the bank of south Sudan, Juba. From the study it is concluded that there is a significant positive relationship between budgetary evaluation and efficiency in the bank of south Sudan, Juba thereby rejecting the null hypothesis

5.6 Recommendations

5.6.1 Budgetary participation and efficiency in the bank of south Sudan, Juba

This study recommends that managers within the organisation must have a clear understanding of the role which they are required to play in ensuring budgetary compliance. This ensures that the most appropriate individuals are made accountable for budget implementation. Senior management can also use budgets to communicate corporate objectives downwards and ensure that other employees understand them and co-ordinate their activities to attain them. The act of preparation as well as the budget itself should also improve communication.

5.6.2 Budgetary monitoring and efficiency

Budgetary monitoring was seen to positively affect the efficiency of the bank, It is therefore recommended from the study that all the departments should be involved in budgetary monitoring and also that high priority activities should be included in the future budgets during budgetary monitoring

5.6.3 Budgetary evaluation and efficiency of the bank

It is also recommended that managers produce detailed budgetary plans to enable the implementation and evaluations of the long term or strategic plan. The annual budgeting process must be embraced always as found out in this study encourages managers to plan for future operations, refine existing strategic plans and considers how they can respond to changing circumstances. This encourages managers to anticipate problems before they arise and ensures reasoned decision making.

5.7 Areas for further study

A number of key issues were identified during the course of the study but they were not sufficiently investigated or discussed. These issues require further investigation:

- The factors influencing budgeting controls in organizations
- The impact of internal controls in realizing effective financial performance in organizations
- There is need for further studies to examine the association between the same variables to find out whether they still have a positive relationship in the same environmental

5.8 Limitations of the study

In view of the following threats to validity of the study findings, the researcher claimed an allowable 5% margin of error at 0.05 level of significance. Measures are also indicated in order to minimize the threats to the validity of the findings of this study.

1. Extraneous variables which were beyond the researcher's control such as respondents' honesty, personal biases and uncontrolled environment of the study.
2. Instrumentation: The research instruments on promotion policies and organisational efficiency were not standardized. Therefore a validity and reliability test were done to produce a credible measurement of the research variables.
3. Testing: The use of research assistants may bring inconsistencies in terms of time of administration, understanding of questions due to different explanations given. To minimize this threat, the research assistants were oriented and briefed on the procedures to be done in data collection.
4. Dishonesty and personal biases of respondents: The researcher did not have control over honesty of respondents and personal biases. In this case, the researcher requested respondents and reminded them to be very honest and avoid personal biases as there would be no wrong answers.

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APPENDICES

APPENDIX I

TRANSMITTAL LETTER FROM COLLEGE OF ECONOMICS AND MANAGEMENT (CEM)

OFFICE OF THE HEAD OF DEPARTMENT (HOD)

FINANCE AND ACCOUNTING

Dear Sir/ Madam,

RE: INTRODUCTION LETTER FOR EPTISAM WILLIAM MORJAN MOHANDES REG. NO.1163-05026 TO CONDUCT RESEARCH IN YOUR OFFICE

The above mentioned candidate is a bonafide student of Kampala International University pursuing a Master Degree in Business Administration.

He is currently conducting a field research for his thesis entitled **Budgetary Controls and Efficiency In TheBank of South Sudan, Juba**

Your office has been identified as a valuable source of information pertaining to her research project. The purpose of this letter then is to request you to avail her with the pertinent information he may need.

Any data shared with her will be used for academic purposes only and shall be kept with utmost confidentiality. Any assistance rendered to her will be highly appreciated.

Yours truly,

APPENDIX II

TRANSMITTAL LETTER FOR THE RESPONDENTS

Dear respondent,

Greetings!

I am a Masters student in Business Administration at Kampala International University. Part of the requirements for this award is a thesis. My study is entitled**Budgetary Controls and Efficiency In TheBank of South Sudan, Juba.**

Within this context, I request you to participate in this study by answering thisquestionnaire. Kindly if applicable answer all questions and do not leave any option unanswered. Any data you will provide shall be used for academic purposes only and no information of such kind shall be disclosed to others.

Please feel free to fill this questionnaire and i request to retire it inat most 10 days from now! Thank you very much in advance.

Yours faithfully,

Researcher

APPENDIX III

CLEARANCE FROM ETHICS COMMITTEE

Date_________

Candidate's Data

Name_____________________

Reg.# _____________________

Course____________________

Title of Study____

Ethical Review Checklist

The study reviewed considered the following:

__ Physical Safety of Human Subjects

__ Psychological Safety

__ Emotional Security

__ Privacy

__ Written Request for Author of Standardized Instrument

__ Coding of Questionnaires/Anonymity/Confidentiality

__ Permission to Conduct the Study

_ Informed Consent

_ Citations/Authors Recognized R

Results of Ethical Review

__ Approved

__ Conditional (to provide the Ethics Committee with corrections)

__ Disapproved/ Resubmit Proposal Ethics Committee (Name and Signature)

Chairperson __________________

Members____________________

APPENDIXIV

INFORMED CONSENT

I am giving my consent to be part of the research study of Eptisam William Morjan Mohandes that will focus on Budgetary Controls and Efficiency in the Bank of South Sudan, Juba.

I shall be assured of privacy, anonymity and confidentiality and that I will be given the option to refuse participation and right to withdraw my participation anytime.

I have been informed that the research is voluntary and that the results will be given to me if I ask for them.

Initials:___________________________

Date:______________________________

APPENDIX V

RESEARCH INSTRUMENT

Dear respondent

I am Master of businesses administration student at Kampala international University in Uganda. I am currently conducting my research entitled Budgetary Control and Efficiency in the Bank of South Sudan, Juba as a partial requirement for the award of this degree. You have been selected to participate in this study because you have very useful information and knowledge related to the study as a result of your position as an employee in this organization. The information sought is required only for academic purposes. Participation is entirely out of your own will and necessary for the success of this work. I request you to respond with truthfulness and honesty for the success of this study. Remember that the information you provide will be treated with maximum confidentiality.

I humbly request that i retire the questionnaire within ten days.

Thank you for your cooperation,

Yours truly,

Eptisam William MorjanMohandes

Reg. No. 1163-05026-07943

PART A: DEMOGRAPHIC CHARACTERISTICS (Please tick in the appropriate box provided).

1. **Sex of respondent:**
   (1) Male ☐
   (2) Female ☐
2. **Age of respondent:**
   20-29 years ☐
   30-39 year ☐
   40-49 years ☐
   50-bove years ☐
3. **Your experience with** Bank of South Sudan, Juba
   0 - 2 years ☐
   3 – 4 years ☐
   5 years above ☐

4. **Educational level**
   (1) Primary ☐
   (2) Secondary ☐
   (3) University ☐
   (4) Others ☐

PART B: QUESTIONNAIRE TO DETERMINE LEVEL OF BUDGETARY CONTROLS

Direction: The following items indicate the extent of budgetary controls in the Bank of South Sudan. Please show your rating on the levels of budgetary controls in the Bank of South Sudan, with respect to your department on each of these items. Kindly use the scoring system below;

Rating	**Response Mode**	**Description**
4	Strongly Agree	You agree with no doubt at all
3	Agree	You agree with some doubt
2	Disagree	You disagree with some doubt
1	Strongly disagree	You disagree with no doubt at all

No.	Statement	Response			
	Budgetary participation				
1.	I am involved in the budget setting process in this organization	1	2	3	4
2.	All departments are always involved in the budgeting process	1	2	3	4
3.	Approved Budgets are shared with all Departments	1	2	3	4
4.	Each department prepares a budget prior to the Overall budget	1	2	3	4
5.	The perceived level of budgetary participation in my institution is adequate	1	2	3	4
6.	Our views are considered in formulating the final budget	1	2	3	4
7.	I can freely interact with my supervisor to share my opinions about our budget	1	2	3	4
8.	My colleagues and I have technical knowledge and skills required in budget formulation	1	2	3	4
9.	Effective budgetary participation can positively affect financial performance of our organization	1	2	3	4
	Budgetary monitoring				
1	Budgetary monitoring is a carried out in this organization	1	2	3	4
2	Continuous comparison of actual with budgeted performance is done in our organization	1	2	3	4
3	All departments are involved in budgetary monitoring in our organization	1	2	3	4
4	Coordination among various departments during budget monitoring is achieved	1	2	3	4
5	During budgetary monitoring, we always identify high priority activities to be included in the future budgets.	1	2	3	4
6	We have Budget policies to check on spending	1	2	3	4
7	The budgets are based on the needs identified by our sections/departments during the monitoring process.	1	2	3	4
8	The budget performance is always communicated to all stakeholders	1	2	3	4
9	Effective budgetary monitoring can positively affect financial performance of our organization	1	2	3	4
	Budgetary evaluation				
1	Directors hold budget conferences/meetings regularly to review budget performance	1	2	3	4
2	We prepare interim reports (weekly or monthly) to compare results to date with the budget	1	2	3	4
3	I am required to submit an explanation in writing about budget variances in our department	1	2	3	4
4	Directors always take timely corrective actions when adverse variances are reported.	1	2	3	4
5	Budget matters are regularly discussed with our supervisor even when there are no negative budget deviations	1	2	3	4
6	The costs of activities are always reviewed by the executive committee	1	2	3	4
7	All departments are involved in budgetary evaluation in our organization	1	2	3	4
8	The perceived level of budgetary evaluation in our organization is adequate	1	2	3	4

QUESTIONNAIRE TO DETERMINE EFFICIENCY

Direction: The following items indicate the characteristics of an efficient organisation in the Bank of South Sudan. Please show your rating on how efficient the Bank of South Sudan is, with respect to your department on each of these items. Kindly use the scoring system below;

Rating	Response Mode	Description
4	Strongly Agree	You agree with no doubt at all
3	Agree	You agree with some doubt
2	Disagree	You disagree with some doubt
1	Strongly disagree	You disagree with no doubt at all

Technical efficiency				
Your department has clear goals to meet	1	2	3	4
Your department endeavours to complete its tasks	1	2	3	4
Your department completes its tasks with minimum costs	1	2	3	4
There are controlled expenditures on personnel services, supplies and inputs.	1	2	3	4
Your department completes its tasks within its budget limits	1	2	3	4
There is transparency in use of the bank resources	1	2	3	4
Allocative efficiency				
There is economical use of resources in this department	1	2	3	4
Your department fully delivers and meets the goals and objectives	1	2	3	4
Expected services are received or clients receive the service as expected	1	2	3	4
There are efforts to reduce expenditures and costs in your department	1	2	3	4
Your department leaders make sure that the right things are done	1	2	3	4
There are efforts to increase productivity of workers in your department	1	2	3	4
There are no redundant workers in your department	1	2	3	4
Economic efficiency				
All assets of your department are fully used (no unused assets)	1	2	3	4
There is value for money for all goods/ service produced	1	2	3	4
The services offered here meet country expectations	1	2	3	4
The service provided and officers here are easy to access	1	2	3	4
There is equality in provision of services	1	2	3	4
There is openness in provision of services	1	2	3	4
The workforce here is well motivated	1	2	3	4

There is less corruption and red tape in your department	1	2	3	4
There is common understanding among staff in your department	1	2	3	4
There is a low staff turnover in your department and in the whole bank	1	2	3	4

Thank you for taking your time!

Appendix IV

Sample size (s) required for a given population size (N)

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	256	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	100000	384

(Source: Amin, 2005:454)

Note: From R.V. Krejcie and D.W. Morgan (1970), Determining sample size for research activities, Educational and psychological measurement, 30,608, Sage Publications.