

**FINANCIAL MANAGEMENT, CAPACITY BUILDING AND THE EFFECTIVENESS
OF GOVERNMENT PROGRAMMES: A CASE OF NUSAF PROGRAMMES IN
BUDAKA DLG**

BY

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(BU/GS20/MBA/6)

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DECLARATION

DECLARATION

I, Museule Siiraji hereby declare that this is my original work and to the best of my knowledge has never been submitted for the award of any academic qualification in any institution of learning unless otherwise acknowledged.

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APPROVAL

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DEDICATION

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OPERATIONAL AND CONTEXTUAL DEFINITIONS

Programmes: A programme is a set of associated projects executed such that resources (not limited to raw materials and people) are shared amongst projects; teams achieve larger goals, increase production and improve operational efficiency (Koenke, 2023).

Effectiveness of government programmes: According to the World Bank (2018), government programs are characterized by different periodic projects designed and implemented for the development of citizens. Hence, effectiveness of government programmes implies the aspects under which designed government programmes contribute to the intended objectives by minimizing cost, meeting quality standards and expectations of beneficiaries as well as being executed within the lifespan (United Nations, 2021).

Financial Management: Financial management is defined as the practice of handling a company's finances in a way that allows it to be successful and compliant with regulations, taking both a high-level plan and boots-on-the-ground execution of programmes (Strutner, 2022).

Capacity Building: According to Pierro (2023), the concept of capacity building is linked with the idea of increasing or developing skills and competencies at an individual level, i.e. training of staff, and capacity building is a much broader concept that should be considered from a systemic perspective, which involves different clusters, as persons, organizations, institution and society that get engaged with programme interventions.

Key words: Effectiveness of government programmes; Financial management; Capacity building

LIST OF ACRONYMS

DLG	District Local Government
DV	Dependent Variable
IV	Independent Variable
LLCI	Lower Level Confidence Interval
MV	Mediation Variable
NAADS	National Agricultural Advisory Services
NCNP	National Center of Neurology and Psychiatry
NGOs	Non-Government Organizations
NPA	National Planning Authority
NUSAF	Northern Uganda Social Action Fund
OECD	Organization for Economic Co-operation and Development
OWC	Operation Wealth Creation
SPSS	Statistical Package for Social Scientists
ULCI	Upper Level Confidence Interval
UN	United Nations
UNITAR	United Nations Institute for Training and Research
UWEP	Uganda Women Entrepreneurship Programme
YLP	Youth Livelihood Programme

Abstract

The main purpose of the study was to examine the influence of financial management and the effectiveness of government programmes and how this relationship is mediated by capacity building in Budaka DLG in Uganda. The study specific objectives were; to assess the effect of financial management on the effectiveness of government programmes in Budaka DLG; to examine the connection between financial management and capacity building of government programmes in Budaka DLG; to establish the link between capacity building and the effectiveness of government development programmes in Budaka DLG; and to assess the mediation effect of capacity building on the relationship between financial management and the effectiveness of government programmes in Budaka DLG. The study employed a quantitative approach and a cross-sectional design; a study population of 95 NUSAF community programmes were considered. Krejcie and Morgan table (1970) was used to obtain a sample of 76 NUSAF community programmes; using a simple random sampling technique, the researcher accessed the sampled programmes. 76 community NUSAF programmes were the unit of analysis while 304 were the unit of inquiry. The study findings revealed that financial management has a positively significant impact on effectiveness of government programmes, financial management and capacity building, capacity building and the effectiveness of government programmes while capacity building partially mediates the connection between financial management and effectiveness of government programmes. Thus, in reference to the study findings, it was recommended that the government should ensure proper financial planning and budgeting that considers adequate capacity building of beneficiaries for proper programme implementation. Similarly, funds allocated to capacity building should be rightly used and this should be ensured by emphasizing and empowering programmes managers to properly adapt, lead and manage to ensure compliance to programme terms of reference.

CHAPTER ONE

1.0. INTRODUCTION

This chapter comprises of the study background, research problem, study objectives, study hypothesis, scope of the study, the study significance and the study conceptual framework.

1.1. BACKGROUND TO THE STUDY

The effectiveness of government programmes is key for attainment of the Agenda 2030 as indicated by Dieuwke (2018). According to Dieuwke (2018), when governments design and effectively implement development programmes, they attain their development plans. It was also indicated in a report by Sadeh et al. (2021) in OECD countries that government programmes provide essential —public goods‖ like education and infrastructure, and rising public expenditure might boost economic growth by increasing people’s income. Similarly, Programmes are usually long term, sometimes spanning for many years and often have a fixed deadline, and so working towards a desired outcome (Lesingham, 2020). According to Lesingham (2020), programme specific deliverables may be unclear from the start and therefore programme scope is often broad and adjustable. According to the World Bank (2018), government programs are characterized by different periodic projects designed and implemented for the development of citizens. Thus, a programme is a set of associated projects executed such that resources (not limited to raw materials and people) are shared amongst projects; teams achieve larger goals, increase production and improve operational efficiency (Koenke, 2023).

Effectiveness of programmes stipulates that designed programmes contribute to the intended objectives by minimizing cost, meeting quality standards and expectations of beneficiaries as well as being executed within the lifespan (United Nations, 2021). It was also asserted in the survey by the United Nations (2021) that effectiveness of government programmes requires capacity building of different stakeholders most especially the target beneficiaries although capacity building activities requires finance and proper management of these funds. Sadeh et al (2021), suggested that programmes become effective if the capacity of beneficiaries is built. It should also be noted that governments especially those in the OECD countries have continuously mismanaged programme funds allocated for capacity building activities.

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