

**EFFECT OF MANAGEMENT CONTROL SYSTEMS ON LOCAL
GOVERNMENT AUTHORITIES EMPLOYEE PERFORMANCE: CASE
STUDY OF MKINGA DISTRICT COUNCIL**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
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CERTIFICATION

The undersigned certifies that, he has read and hereby recommends for acceptance by the Open University of Tanzania a Dissertation entitled: “*Effect of management control systems on Local Government Authorities Employee Performance Case Study of Mkinga district council*” in partial fulfillment of the requirements for the Degree of Masters of Human Resource Management (MHRM) of the Open University of Tanzania.

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I, **Amiri Mganga**, do hereby declare that, this dissertation is my own original work. It has never been presented to any other University or Institution. Where other people's works have been used, references have been provided. It is in this regard that I declare this work as originally mine. It is hereby presented in partial fulfillment of requirement for the Degree of Masters of Human Resource Management (MHRM)



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Signature

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Date

DEDICATION

I dedicate this dissertation to my beloved parents, the revered custodians of my heart, Mr. and Mrs. Athumani Mganga. Also goes to my brother Omari Mganga and my Sister Salma Mganga. Their nurturing care has been my compass, guiding me through the labyrinth of life, where the chapters of hard work, humbleness, determination, and persistence have unfurled as invaluable life lessons. From their embrace, I imbibed the essence of resilience, painting my aspirations with the hues of their love and wisdom

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ABSTRACT

The study sought to examine the effects of management control systems on employee performance in Mkinga District Council. This study was guided by three objectives; to examine the effect of budgeting system on employee performance, to examine the effect of information system on employee performance and to determine the effect of training and development system on employee performance. This study used a positivist research paradigm with quantitative research approach and adopted an explanatory research design together with non-proportional stratified simple random sampling technique to obtain 93 respondents from 1330 employees and the data were collected using questionnaire method. The collected data were analysed using descriptive statistics and multiple regression to analyse the effect of independent variables on dependent variable. The findings indicate that there is a positive and significant relationship between budgeting system, training and development control system on employee performance. The findings also indicate that there is a positive relationship between information management system and employee performance. Based on the findings the study recommends that organization should establish comprehensive training and development programs that provide employees with opportunities to acquire new skills, knowledge, and competencies. The study recommends that organization should implement efficient information control systems that facilitate access to accurate and timely information. Moreover, the study also recommends that organizations should ensure that employees have a clear understanding of budgetary goals and targets.

Key words: *Management Control Systems, Local Government Authorities and Employee Performance.*

TABLE OF CONTENTS

CERTIFICATION	ii
COPYRIGHT	iii
DECLARATION.....	iv
DEDICATION.....	v
ACKNOWLEDGMENTS	vi
ABSTRACT	vii
LIST OF TABLES	xiii
LIST OF FIGURES	xiv
LIST OF ABBREVIATIONS AND ACRONYMS	xv
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Overview	1
1.2 Background of the Study	1
1.3 Statement of the Problem	3
1.4 Objectives of the Study	5
1.4.1 General Objective	5
1.4.2 Specific Objectives	5
1.4.3 Research Questions	5
1.6 Significance of the Study.....	5
1.7 Scope of the Study	6
1.8 Organization of the Study.....	7
CHAPTER TWO	8

LITERATURE REVIEW.....	8
2.1 Overview	8
2.2 Definition of Terms	8
2.2.1 Management Control System	8
2.2.1 Budgeting System.....	8
2.2.2 Information System	9
2.2.3 Training and Development System	9
2.2.4 Employee Performance.....	10
2.3 Theoretical Literature Review	10
2.3.1 Control Theory	10
2.4 Empirical Literature Review	13
2.4.1 Worldwide Literature Review	13
2.4.2 Empirical Reviews Based on African Countries	18
2.4.3 Empirical Reviews Based on Tanzania	20
2.5 Research Gap.....	24
2.6 Conceptual Framework.....	25
2.7 Relationship Between Independent and Dependent Variables.....	25
2.7.1 Budgeting Control System and Employee Performance	25
2.7.2 Information Management Control Systems and Employee Performance .	26
2.7.3 Training, Development Systems and Employee Performance	27
2.8 Hypothesis	28
CHAPTER THREE	29
THE STUDY AREA AND RESEARCH METHODOLOGY	29

3.1	Overview	29
3.2	Research Paradigm	29
3.3	Research Approach.....	29
3.4	Research Design	30
3.4.1	Area of the Study.....	30
3.4.2	Population of the Study	30
3.5	Sample and Sampling Techniques.....	31
3.5.1	Sampling Procedure.....	31
3.5.1	Stratified Sampling Technique	31
3.5.2	Sample Frame and Sample Size	31
3.6	Sources of Data.....	33
3.6.1	Primary Data.....	33
3.7	Data Collection Methods	33
3.7.1	Questionnaires	33
3.9	Data Analysis.....	33
3.9.1	Descriptive Analysis.....	33
3.10	Inferential Analysis.....	34
3.11	Variables and Measurement Procedures	35
3.11	Validity and Reliability	36
3.11.1	Validity.....	36
3.11.2	Reliability	36
3.12	Ethical Research Issues	37
	CHAPTER FOUR.....	38

PRESENTATIONS DISCUSSIONS OF FINDINGS	38
4.1	Introduction 38
4.2	Demographic Characteristics of the Respondents 38
4.2.1	Age of the Respondents 38
4.2.2	Gender of the Respondents 40
4.2.3	Education level of Respondents 41
4.3	Descriptive Statistics Results 42
4.3.1	Budgetary Control System Descriptive Statistics Results 42
4.3.2	Information Management System Descriptive Statistics Results 44
4.3.3	Employee Training and Development System Descriptive Statistics Results 46
4.3.4	Employee Performance Descriptive Statistics Results 49
4.4	Correlation Analysis for all Variables 51
4.5	Inferential Analysis 52
4.5.1	Reliability Test 52
4.6	Diagnostic Tests of variables 53
4.6.1	Normality Test 53
4.6.2	Multicollinearity 55
4.6.3	Heteroscedasticity 56
4.7	Multiple Linear Regression for all Variables 57
4.7.2	Analysis of Variance (ANOVA) for all Variables 58
4.7.3	The influence of Independent Variables to Dependent Variable 59
4.7.3.1	Budgeting Control System 59

4.7.3.2	Information Control System	60
4.8	Hypothesis Test	62
4.9	Discussions of Findings	62
4.9.1	Budgeting Control System and Employee Performance	62
4.9.2	Training and Development Control System and Employee Performance	64
4.9.3	Information Control System	65
CHAPTER FIVE.....		67
SUMMARY, CONCLUSION, RECOMMENDATIONS AND POLICY		
IMPLICATIONS		67
6.1	Overview	67
6.2	Summary.....	67
6.3	Conclusion.....	68
6.3	Recommendations and Policy Implications	69
6.3.1	Recommendations	69
6.3.2	Policy Implications	72
6.4	Contribution of the study.....	74
6.5	Limitations and Area for Further Studies	75
REFERENCES.....		77
APPENDICES		86

LIST OF TABLES

Table 3.1 Sample Size and Sampling Techniques	32
Table 3.2 Measurement of Variables	35
Table 4.1 Age of the Respondents	39
Table 4.2 Gender of the Respondents	40
Table 4.3 Education Level of the Respondents.....	42
Table 4.4 Budgetary Control System Descriptive Statistics Results	44
Table 4.5 Information Management System Descriptive Statistics Results	46
Table 4.6 Employee Training and Development System Descriptive Statistics Results	48
Table 4.7 Employee Performance Descriptive Statistics Results	50
Table 4.8 Correlation Matrix of All Variables.....	52
Table 4.11 Item-Total Statistics	53
Table 4.12 Normality Test	54
Table 4.13 Multicollinearity.....	56
Table 4.14 ANOVA Test for Heteroscedasticity	56
Table 4.15: Overall Model Summary.....	58
Table 4.16: Analysis of Variance.....	58
Table 4.17 Multiple Regression Model Results.....	61
Table 4.18 Hypothesis Test.....	62

LIST OF FIGURES

Figure 2.1 Conceptual Framework..... 25

Figure 4.1 Normal Distribution Curve for Employee Performance..... 54

Figure 4.2 Heteroscedasticity Test..... 57

LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
IMS	Information Management System
IPT	Information Processing Theory
LGAs	Local government authorities
MCS	Management control systems
MSA	Measure of Sampling Adequacy
R ²	R-Square
SMART	Specific, Measurable, Attainable, Relevant, and Time-Bound
SPSS	Statistical Package for Social Science

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter presents the background to the problem, statement of the problem and objectives of the study. It also focuses on research questions, significance of the study, and scope of the study and justification of the study.

1.2 Background of the Study

Management control systems (MCS) have been widely studied in the context of organizational performance across the globe. Studies have shown that effective use of MCS can help organizations to achieve their goals by ensuring that the right information is communicated to the right people at the right time, which in turn enhances employee performance (Rajabu & Komba, 2019; Mlaki, 2019). However, the effectiveness of MCS is context-specific, and depends on the specific characteristics of the organization and the environment in which it operates (Msofe, 2020).

In Africa, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Obasan & Oyewunmi, 2021; Oyelere et al., 2018). However, the implementation of MCS in African organizations is often hindered by factors such as lack of resources, inadequate training, and resistance to change (Soobaroyen & Poorundersing, 2017).

In East Africa, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Abbas, 2017; Makundi

& Julius, 2019). However, the implementation of MCS in East African organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change (Ng'eno et al., 2021; Tirimba & Wanjohi, 2017). Therefore, there is a need for more research on the implementation and effectiveness of MCS in East African organizations.

In Tanzania, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Machimu & Makasi, 2020). However, the implementation of MCS in Tanzanian organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change (Machimu & Makasi, 2020). Local government authorities (LGAs) have been the focus of studies on the effects of MCS on employee performance. Abbas (2017) explored the impact of MCS on the performance of LGAs in Tanzania and found that it can improve their financial and non-financial performance. Shirima (2016) also investigated the use of MCS in Tanzanian LGAs and found that it can improve their planning, budgeting, and performance monitoring.

The implementation of management control systems (MCS) in Tanzanian organizations, particularly in the public sector, can have a positive impact on organizational performance. However, this implementation is often hindered by factors such as inadequate training, lack of resources, and resistance to change. Local government authorities (LGAs) have been the focus of several studies on the effects of MCS on employee performance, which have found that it can improve their financial and non-financial performance, planning, budgeting, and performance monitoring.

Mkinga District Council is a local government authority in Tanzania responsible for providing public services and implementing government policies in the district. The council operates in a complex environment characterized by rapid changes in technology, social, and economic factors. To achieve its objectives, the council has implemented various management control systems (MCS) such as budgeting, information, and training and development systems.

However, the effectiveness of these management control systems in enhancing employee performance in Mkinga District Council is not clear and research on the effects of MCS on employee performance in different contexts has shown mixed results, with some studies showing positive effects and others showing no effects or negative effects (Otley, 2016). Therefore, the study aims to examine the influence of the budgeting system, information system, and training and development system on employee performance at Mkinga District Council.

1.3 Statement of the Problem

Employee performance is a vital part of a company's outcome and results. The performance of an employee has a direct impact on the company's outcome (Prodanova & Kocarev, 2021).

The problem situation is that despite the importance of MCS in enhancing employee performance, its implementation in Tanzanian public sector organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change leading to poor employee performance. This hampers the ability of these organizations to achieve their goals and meet the expectations of their stakeholders.

Various regulations, policies and job procedures are stipulated in the organization to achieve employee performance including workplace policies and procedures as well as human resource policy.

Despite the importance, policies, regulations and implementation of management control system in various organization including Mkinga District Council, employee performance has remained to be low due to absence of understandings on how management control system needs to be executed so as to increase employee performance and has been a challenge due to the complex nature of their operations, which involve providing various services to the community. This is evident from various empirical studies. For example, Deloitte (2016) indicated that although staff have the required qualifications to perform in the job position, the institution experienced low employee performance. Together with Guguyu (2018) found that there was low employee performance despite having various performance management practices in Kenya. These studies have succeeded to link management practices and employee performance. In Tanzania, Kivuyo (2020) revealed the positive link between management practices and organizational performance.

However, these studies failed to indicate how management control systems influence employee performance. Despite the growing interest in the effects of MCS on employee performance, there is a need for more research on this topic, particularly in the context of Tanzania's public sector. Thus, this study aims to assess the effects of management control systems on employee performance in Mkinga District Council, Tanzania.

1.4 Objectives of the Study

1.4.1 General Objective

The main aim of the study is to evaluate the effects of management control systems on employee performance in Mkinga District Council.

1.4.2 Specific Objectives

- i. To examine the effect of budgeting system on employee performance at Mkinga District Council.
- ii. To examine the effect of information system on employee performance at Mkinga District Council.
- iii. To determine the effect of training and development system on employee performance at Mkinga District Council.

1.4.3 Research Questions

- i. To what extent budgeting system affect employee performance at Mkinga District Council?
- ii. To what extent information system affect employee performance at Mkinga District Council?
- iii. To what extent training and development system affect employee performance at Mkinga District Council?

1.6 Significance of the Study

Firstly, the study is essential to the researcher as it provides an opportunity to explore the factors affecting employee performance in the organization. By investigating the

effects of management control systems on employee performance, the researcher can identify the areas where improvements can be made to enhance employee productivity and satisfaction. Furthermore, the findings of the study can contribute to the researcher's academic development, as well as enhancing their professional skills in conducting research.

Secondly, the study is beneficial to the institution, specifically Mkinga District Council. The findings of the study can help the institution in identifying areas where management control systems are effective and where they need improvement. It can also assist the institution in enhancing employee performance and creating a conducive work environment. Moreover, the study's results can help the institution to make informed decisions on management control practices and policies.

Furthermore, the study is valuable to policy makers in Tanzania. The study's findings can contribute to the formulation of policies aimed at enhancing employee performance in various organizations in Tanzania. The study can also assist policy makers in identifying areas where management control systems can be improved and where the existing policies need to be reviewed.

1.7 Scope of the Study

The study is limited to be conducted on the effects of Management Control Systems on Employee Performance in Mkinga District Council. The study covered a period of three months, from January 2023 to May 2023. The study involved employees from various departments in Mkinga District Council, including health, education, infrastructure, and finance. The study focused on the effects of management control

systems on employee performance. The management control systems to be investigated include budgetary control, inventory control, and quality control. The study used both primary and secondary data sources. Primary data was collected through questionnaires and interviews with employees and managers in Mkinga District Council.

1.8 Organization of the Study

The study consists of six chapters. Chapter one provides a background of the study, problem statement, research objectives, research questions, and the significance of the study as well as the organization of the study. The second chapter consisted of the literature reviews including a theoretical review of relevant materials and works related to the research along with the empirical review and conceptual framework. Chapter three contains research methodology which include research design, study area, study population, sample size and sampling techniques, data collection methods, data analysis validity and reliability as well as ethical considerations. Chapter four provides presentations of findings based on each objective and chapter five consists of discussions of the study findings and chapter six presents summary, conclusion, recommendations and policy implications based on each findings of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview

This chapter provides a comprehensive review of literature relevant to the present study. It examines the perspectives of various scholars on various areas at the global, regional, and local levels. Additionally, the chapter presents a conceptual framework based on the objectives of the study.

2.2 Definition of Terms

2.2.1 Management Control System

Management control systems refer to the processes and tools that organizations use to plan, monitor, and control their activities and resources in order to achieve their strategic objectives (Ittner & Larcker, 2022).

In this study, Management Control System (MCS) can be defined as a set of processes and tools used by organizations to ensure that their objectives are achieved efficiently and effectively. MCS is a formal system designed to aid management in planning and controlling the organization's activities, resources, and results to achieve its objectives. It comprises of different components/variables such as budgetary control, quality control, information management control system, training and development management systems, inventory control, performance measurement, and strategic planning (Bhattacharyya, 2022).

2.2.1 Budgeting System

A budgeting system is a process or framework used by organizations to plan, allocate, and control financial resources over a specific period. It involves setting

financial goals, estimating revenues and expenses, and monitoring actual financial performance against the established budget (Datar & Rajan, 2018).

In this study, a budgeting system refers to the process and procedures used by organizations, including local government authorities, to plan, allocate, and control financial resources. It involves setting financial goals, estimating revenues and expenses, and monitoring actual financial performance against the established budget. In the context of the study the budgeting system could be a component of the broader management control system used by the council to plan and monitor financial activities, allocate resources, and evaluate performance within the local government authority.

2.2.2 Information System

An Information Management System (IMS) refers to a framework or set of processes and tools used by organizations to collect, store, organize, analyse, and disseminate information effectively and efficiently. It encompasses the management of both structured and unstructured data, ensuring the availability, integrity, and security of information assets to support decision-making, operational activities, and strategic initiatives (Laudon & Laudon, 2020). This study adopted a definition developed by (Laudon & Laudon, 2020).

2.2.3 Training and Development System

A Training and Development System refers to a structured and organized approach employed by organizations to enhance the knowledge, skills, and abilities of their employees. It encompasses the design, delivery, and evaluation of training programs

and initiatives aimed at improving employee performance, fostering professional growth, and supporting organizational goals (Noe, 2017). This study used a definition provided by (Noe, 2017).

2.2.4 Employee Performance

According to Bernardini & Beatty (2021) defined employee performance as refers to the level of effectiveness, efficiency, and productivity demonstrated by an individual in a specific role within an organization. It involves the accomplishment of assigned tasks and responsibilities, as well as the attainment of organizational goals and objectives. Therefore, this study adopted the definition by (Bernardini & Beatty, 2021).

2.3 Theoretical Literature Review

2.3.1 Control Theory

Control Theory, also known as the Cybernetic Theory of Control, was developed by William Ouchi in the late 1970s. Ouchi proposed this theory as a framework to understand and analyse the relationships between managers and subordinates in organizations. He assumed that theory based on the fact that organizations are systems in which budget systems, and feedback provide positive relationship with employee performances.

Assumptions of Control Theory

Organizations are systems: according (Ouchi, 1970), control Theory assumes that organizations function as interconnected systems with various components and

subsystems. Control Theory assumes that budgeting control systems are an integral part of the organizational system. Budgets serve as a mechanism to allocate resources, set financial targets, and monitor performance within the organization. Control Theory also assumes that information management control systems are an essential component of the organizational system. These systems facilitate the flow of information across different levels and departments within the organization and the theory assumes that training and development systems are integrated within the organizational system. These systems are designed to enhance employee skills and knowledge, aligning them with organizational goals and objectives.

Control is necessary for effective performance: The assumption is that budgeting control systems provide a structured approach to managing financial resources and ensuring that they are utilized efficiently and effectively. By setting clear financial targets and goals, budgeting control systems enable organizations to control and regulate financial performance. Also, theory assumes that information management control systems help in making informed decisions, accessing accurate and relevant information, and promoting effective communication. By providing timely and accurate information, these systems support control processes and enhance overall organizational performance. Further, theory assumes that training and development systems enable organizations to exercise control over employee capabilities and competencies (Ouchi, 1970). By providing training programs, organizations can shape employee behavior, enhance their performance, and align their skills with organizational requirements.

Feedback is crucial: Control Theory emphasizes the importance of feedback in monitoring and regulating performance. Feedback provides information about deviations from desired outcomes and helps in making necessary adjustments (Ouchi, 1970).

In essence, Control Theory assumes that control mechanisms, including budgeting control systems, information management control systems, and training and development systems, are necessary for effective performance within organizations. These assumptions highlight the role of control in setting goals, allocating resources, providing information, and influencing employee behavior to achieve desired outcomes. By examining these assumptions in the context of the Mkinga District Council, the study can assess how the implementation and effectiveness of budgeting control systems, information management control systems, and training and development systems influence employee performance within the local government authorities.

Criticism of Control Theory

Overemphasis on hierarchical control: Critics argue that Control Theory places excessive emphasis on top-down control and may neglect the importance of employee autonomy and self-regulation.

Limited consideration of external factors: The theory's focus on internal control mechanisms may overlook the influence of external factors such as market dynamics and environmental conditions.

Lack of adaptability: Control Theory may not adequately address the need for organizations to be flexible and adaptable in complex and rapidly changing environments.

Relevance of the Theory

Control Theory is highly relevant to the study on the effects of management control systems on employee performance in the context of the Mkinga District Council. The theory provides a framework to understand how management control systems, such as budgeting control systems and information management control systems, influence employee behavior and performance within the local government authorities.

2.4 Empirical Literature Review

2.4.1 Worldwide Literature Review

A study by Kiliç and Zehir (2017) conducted a study on the implementation of management control systems in local governments in Turkey. The study used quantitative research approach with cross-sectional research design. The study was conducted using a population of 134 employees from the selected local government. A sample of 84 employees was obtained from the population using simple random sampling technique. The data were collected using structured questionnaires and analysed using descriptive statistics. The study found that local governments use a variety of management control systems to monitor and control their activities. These include budgeting, financial management, performance measurement, and reporting systems. The study recommends that enhancing budgeting processes, strengthening

financial management practices, developing more effective performance measurement frameworks, and improving reporting systems. The recommendations should be specific, actionable, and tailored to address the identified gaps and challenges in the current management control systems.

Another study by Rahman and Omar (2019) on management control systems in local government agencies in Malaysia. The study involved mixed research approach with the use of mixed research design for a population of 120 employees and the sample size of 75 employees were obtained through stratified sampling techniques. The data were collected using both questionnaires and interviews. The study involved the use of descriptive analysis and thematic analysis for qualitative data. The study found that the most commonly used control systems were budgeting, performance measurement, and internal audit systems. The study recommends that the government should strengthening budgeting processes, improving performance measurement frameworks, enhancing internal audit practices, promoting accountability and transparency, and providing training and capacity building for staff involved in control systems.

A study by Chen and Chen (2018) studied the relationship between management control systems and employee performance in China. The study used quantitative research approach with explanatory research design with a population of 145 employees. A study used a sample size of 100 employees which were obtained using stratified simple random sampling techniques. Data were collected through structured questionnaires and analysed using correlation analysis and regression analysis and found that performance measurement and feedback systems had a

significant positive impact on employee performance. The study also found that goal setting had a positive but not significant impact on employee performance. The study recommends that the government should aligning performance measurement systems with organizational goals, providing training and support for employees to understand and utilize control systems effectively, fostering a culture of accountability and performance-driven management, and regularly evaluating and adapting control systems to meet changing organizational needs.

Another study by Nouri and Parker (2018) on the impact of management control systems on employee performance in the public sector in United Kingdom. The study used mixed research approach with explanatory research design with a population of 122 employees. A study used a sample size of 98 employees which were obtained using stratified simple random sampling techniques. Data were collected through structured questionnaires and interview analysed using correlation analysis and regression analysis and found that employee involvement in the design and implementation of control systems had a positive impact on employee performance. The study recommends that local government should ensure clear communication and understanding of control systems among employees, providing training and support for employees to effectively utilize control systems, promoting a culture of performance-driven management, and considering contextual factors and organizational needs when designing and implementing control systems.

A study by Wang and Lin (2020) on the challenges of implementing management control systems in public organizations in China. The study used qualitative research approach and employed case study design. The study used a sample of 20 key

informant's selected using purposive sampling technique. The study used semi-structured interviews and focus group discussions to collect data from the respondents. The data were analysed using content analysis and the findings indicate that resistance to change, lack of employee participation, and inadequate training were the main challenges facing the implementation of management control systems. The study recommended that public organization should ensure providing training and support to employees involved in the implementation process, fostering communication and collaboration among different stakeholders, aligning control systems with organizational goals and context, addressing cultural and organizational barriers, and ensuring effective change management strategies.

A study by Trigo & Santos (2020) examined the impact of management control systems on employee performance in Brazilian companies. The study used quantitative research approach with application of descriptive statistics and cross-sectional design was employed in the survey of 259 employees working in Brazilian companies across sectors and industries. The study used a sample of 120 employees which was obtained using stratified sampling technique and the study used structured questionnaires to collect primary data which were analysed using descriptive statistics and the findings suggested that the use of performance measures, such as financial and non-financial indicators, can improve employee performance by providing clear objectives and feedback. The study recommends aligning control systems with organizational goals and strategies, providing training and support for employees to understand and utilize control systems effectively, fostering a culture of performance and accountability, regularly evaluating and adapting control systems

based on employee feedback, and promoting communication and collaboration between management and employees.

A study by Perera & Wickramasinghe (2017) investigated the relationship between management control systems and employee performance in Sri Lankan firms. The study used a quantitative method and the study used a descriptive design. The population surveyed consist of employees working in various Sri Lankan firms across different sectors and industries. The study used a sample of 94 owners of the selected firms which were obtained using stratified techniques. The data were collected using structured questionnaires and the analysis was done through regression analysis and the findings suggested that the use of control practices, such as budgeting and performance measurement, had a positive influence on employee performance. The study recommends that local government should provide support for employees to understand and utilize control systems effectively, fostering a culture of performance and continuous improvement, promoting employee engagement and participation in decision-making processes, and regularly evaluating and updating control systems based on feedback from employees.

A study by Sarker et al. (2020) examined the effect of management control systems on employee performance in the context of Bangladesh. The study used quantitative research approach with cross-sectional design consists of a sample of 102 employees which were obtained using stratified sampling technique. The data were collected using structured questionnaires and analysed using multiple regression analysis. The results showed that the use of control practices, such as performance measurement and feedback, positively impacted employee performance. The study recommends

that it should ensure effective management control systems through utilize control systems effectively, fostering a positive and motivating work environment, and considering the cultural context and specific challenges faced by organizations in Bangladesh when designing and implementing control systems.

2.4.2 Empirical Reviews Based on African Countries

A study by Mutie et al. (2019) examined the relationship between management control systems and employee performance in Kenyan manufacturing firms. The study used quantitative research approach with the focus on cross-sectional design. The study used a sample of 100 employees working in manufacturing firms in Kenya which were obtained through stratified sampling technique. The data were collected using structured questionnaires and analysed using inferential analysis. The findings show that the use of control mechanisms, such as budgeting and variance analysis, had a positive influence on employee performance. The study recommends promoting effective communication and coordination among employees and management, providing training and development opportunities to enhance employees' skills and competencies, offering performance-based incentives or rewards, and fostering a positive work environment that values employee participation and involvement in decision-making processes.

Ahmed and Ahmed (2020) conducted a study in Nigeria to investigate the relationship between management control systems and employee performance. The study used quantitative research approach with the focus on cross-sectional design. The study used a sample of 150 employees in Nigeria which were obtained through

stratified sampling technique. The data were collected using structured questionnaires and analysed using inferential analysis and found that the use of formal control systems, such as budgeting and financial reporting, positively influenced employee performance. The study recommends providing training and support for employees to understand and utilize control systems effectively, fostering a positive and motivating work environment, and regularly evaluating and adapting control systems based on employee feedback.

In a study conducted in South Africa, Baloyi and Mafini (2019) examined the effect of performance measurement systems on employee performance in the public sector. The study used quantitative research approach with the focus on sequential explanatory design. The study used a sample of 113 employees in South Africa which were obtained through stratified sampling technique. The data were collected using structured questionnaires and analysed using inferential analysis and found that performance measurement systems positively influenced employee performance, but noted that their implementation was hindered by factors such as lack of resources and skills. The study recommends enhancing employee engagement and involvement in the development and monitoring of performance measures, providing training and support to employees to ensure their understanding and buy-in of the systems, fostering a culture of continuous improvement and learning, and ensuring that the performance measurement systems are transparent and fair.

In Ethiopia, Arega and Adem (2020) conducted a study on the impact of budgeting on employee performance in Ethiopian public sector. The study used quantitative research approach with the focus on a cross-sectional design. The study used a

sample of 75 employees in Ethiopia which were obtained through stratified sampling technique. The data were collected using structured questionnaires and analysed using inferential analysis and found that budgeting positively influenced employee performance, particularly when employees were involved in the budgeting process. The recommends ensuring transparency and accountability in budget allocation and utilization, providing training and capacity-building programs to enhance employees' financial management skills, aligning budgeting with organizational goals and priorities, and establishing effective performance monitoring and feedback mechanisms.

Another study conducted in Nigeria by Abiola and Adeyemi (2018) examined the effect of internal control systems on employee performance in the public sector. The study used quantitative research approach with the focus on a concurrent triangulation design. The study used a sample of 123 employees in Nigeria which were obtained through stratified sampling technique. The data were collected using structured questionnaires and analysed using correlation analysis and regression analysis. They found that the use of internal control systems positively influenced employee performance, but noted that their implementation was hindered by factors such as lack of resources and training. The study recommends promoting a culture of accountability and ethical behavior, establishing regular monitoring and evaluation mechanisms to assess the effectiveness of internal controls, and fostering leadership commitment and support for effective internal control implementation.

2.4.3 Empirical Reviews Based on Tanzania

Rajabu and Komba (2019) revealed that a lack of employee participation in the

development and implementation of management control systems was another challenge. The study used mixed research approach with the focus on a case study design. The study used a sample of 95 employees in which were obtained through stratified sampling technique. The data were collected using structured questionnaires and interview analysed using descriptive analysis and thematic analysis. This lack of participation resulted in employees feeling disconnected from the goals and objectives of the organization, leading to decreased motivation and lower levels of performance. The study recommends providing training and education programs to enhance employees' understanding of management control systems, involving employees in decision-making processes, and establishing mechanisms for feedback and continuous improvement.

A study by Mboya (2018) found that one of the major challenges facing the application of management control practices which is the lack of proper training and development opportunities for employees. The study used mixed research approach with the focus on a case study design. The study used a sample of 125 employees in which were obtained through stratified sampling technique and purposive sampling technique. The data were collected using structured questionnaires and interview analysed using descriptive analysis and content analysis. The findings show that lack of understanding of the purpose and benefits of management control practices, as well as a lack of knowledge were challenges facing the application of management control practices.

A study by Moshi (2017) studied on the effective implementation and application of management control practices. The study used mixed research approach with

concurrent triangulation design. The study used a sample of 140 employees from Mlimba District Council which were obtained through stratified sampling techniques. The data were collected using both questionnaires and interview and analysed through descriptive and thematic analysis. The findings identified the lack of clear communication channels and feedback mechanisms as a major challenge in the application of management control practices. This results in a lack of understanding of the expectations and goals set by the management, leading to ineffective implementation and poor employee performance.

In a study by Mlaki (2019) explored the impact of leadership and management practices on application of management control practices. The study used qualitative approach with the application of case study design and purposive sampling technique was used to obtain a sample of 20 key informants. The data were collected interview and analysed using thematic analysis and it was found that poor leadership and management practices also contribute to the challenges faced in the application of management control practices which includes ineffective communication, lack of motivation and support for employees, and a failure to provide clear expectations and goals. The study recommends providing leadership training and development programs for managers to enhance their skills in communication, motivation, setting clear expectations and goals, and supporting employees. Organizations could also focus on creating a positive work environment that encourages effective communication, employee engagement, and collaboration among teams.

A study by Msofe (2020) conducted a study on the challenges facing implementation of management control practices. The study employed qualitative approach with the

use of case study design and purposive sampling technique was used to obtain a sample of 15 respondents. The data were collected through interview and analysed using content analysis. The findings identified resistance to change as a major challenge in the implementation of management control practices. This includes resistance from employees who may be resistant to new processes or procedures, as well as resistance from management who may be resistant to changes in their established practices. The study recommends implementing effective communication strategies is crucial to address resistance to change, involving employees in the decision-making process and implementation of management control practices can foster a sense of ownership and reduce resistance and recognizing and rewarding employees for their efforts in adopting and embracing management control practices can motivate and incentivize them to overcome resistance.

A study by Mwakasege (2018) conducted a study on the impact of employee involvement and participation on management control practices in Korogwe District Council, Tanga. The study used qualitative research approach and case study design to collect data from 25 key employees. The data were collected using interview and focus group discussions. The data were analysed using content analysis and the study found that the lack of employee involvement and participation in the implementation of management control practices is a challenge in Mkinga District Council. This can lead to a lack of buy-in from employees, resulting in poor implementation and employee performance. The study recommends promoting a culture of employee empowerment and participation, establishing formal channels for employee input and feedback, providing training and development opportunities to enhance employees'

knowledge and skills in management control practices, and fostering open and transparent communication between employees and management.

2.5 Research Gap

Reviews of various studies (Omar, 2019; Chen and Chen, 2018; A study by Wang and Lin, 2020; Rajabu and Komba, 2019; Mlaki, 2019; Msofe 2020; A study by Lugendo, 2019 & Sarker et al. 2020) provide general overview between management control systems and employee performance which lack insight on the effects of MCS on employee performance. However, these studies exhibit gaps in terms of providing comprehensive insights into the effects of MCS on employee performance. They lack in-depth knowledge about the specific mechanisms through which MCS influence employee performance and fail to explore the extent to which MCS can significantly impact employee performance outcomes.

2.6 Conceptual Framework

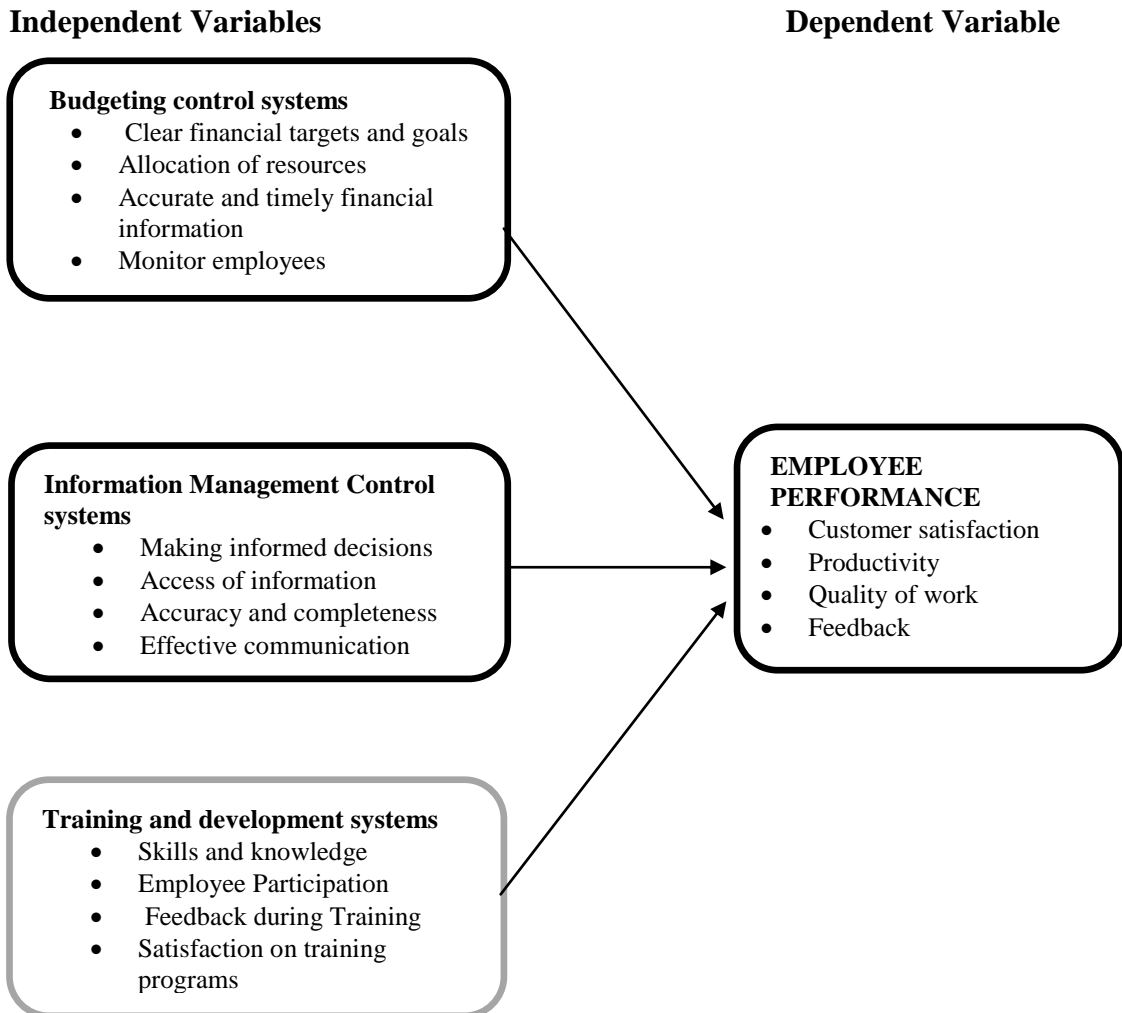


Figure 2.1 Conceptual Framework

Source: Literature Reviews, 2023

2.7 Relationship Between Independent and Dependent Variables

2.7.1 Budgeting Control System and Employee Performance

The successful integration of robust budgeting control systems, characterized by transparent financial objectives, efficient resource allocation, timely financial insights, and vigilant employee oversight, exerts a profound influence on various facets of employee performance. When organizations establish unambiguous

financial targets and goals, they provide a clear gauge for performance, motivating employees to align their efforts with the organizational mission (Hassan & Siraj, 2015). Optimal allocation of resources ensures that employees are equipped with the necessary resources to perform at their peak potential, directly impacting productivity and work quality (Faleti & Myrick, 2012). Moreover, timely access to financial data enables informed decision-making, guiding employees to take actions that enhance customer satisfaction and overall work quality (Isaac et al.2015). Simultaneously, diligent monitoring of employees provides valuable performance feedback, fostering a culture of continuous improvement and reinforcing productivity and work quality (Mohamed et al. 2016). As performance improves in critical areas such as customer satisfaction, it triggers a positive feedback loop, further elevating overall employee performance within the organization.

2.7.2 Information Management Control Systems and Employee Performance

Effective information management control systems (IMCS) can profoundly impact employee performance across key dimensions. IMCS facilitate informed decision-making, ensure accessible and accurate information, and promote effective communication. Incorporating effective information management control systems in an organization, characterized by facilitating informed decision-making, ensuring accessible and accurate information, and promoting effective communication, can profoundly impact employee performance across key dimensions. Making informed decisions through access to reliable information empowers employees to make choices that positively affect customer satisfaction, productivity, and the quality of work (Abualoush et al.2018). Providing accessible information ensures that

employees have the necessary resources to enhance their productivity and deliver high-quality work (Macintosh & Daft, 2019). Moreover, accuracy and completeness of information enable employees to perform their tasks with precision, consequently influencing the quality of work and customer satisfaction (Nani & Safitri, 2021). Effective communication, facilitated by robust information management systems, contributes to a collaborative work environment, ultimately impacting employee productivity, the quality of work, and customer satisfaction (Verburg et al.2018)

2.7.3 Training, Development Systems and Employee Performance

Effective training and development systems play a vital role in shaping employee performance across various dimensions. When organizations invest in training programs that enhance employees' skills and knowledge, it translates into improved job performance, higher productivity, and better quality of work (Rodriguez & Walters, 2017). Employee participation in training programs not only promotes a sense of ownership but also boosts engagement and motivation, leading to improved productivity and quality of work (Sal & Raja, 2016). Additionally, providing feedback during training enables employees to identify areas for improvement, aligning their efforts towards enhanced performance and higher quality work (Jeffrey & Prasetya, 2019). Moreover, when employees are satisfied with the training programs offered, they tend to be more engaged, resulting in improved job performance, higher customer satisfaction, and better quality of work (Okechukwu, 2017).

2.8 Hypothesis

- i. There is no significant relationship between Budgeting control systems and employee performance at Mkinga District Council
- ii. There is no significant relationship between information management control systems and employee performance at Mkinga District Council
- iii. There is no significant relationship between training and development systems and employee performance at Mkinga District Council

CHAPTER THREE

THE STUDY AREA AND RESEARCH METHODOLOGY

3.1 Overview

In this chapter, the methods for collecting and analysing data in this study are discussed. The chapter provides details on the research area, research design, study population, and the method of sampling. The emphasis is also placed on data collection, analysis, and presentation.

3.2 Research Paradigm

This study used a positivism research paradigm. Positivism paradigm is a research paradigm that seeks to establish causal relationship between variables through the collection and analysis of quantitative data. It assumes that objective reliability exists and that it can be measured and studied through scientific methods (Bryman, 2016).

3.3 Research Approach

This study used quantitative research approach. The researcher selects this technique due to the fact that this technique helped to quantify the effects of management control systems on employee performance which is necessary for drawing statistical inferences, the use of quantitative approach also allows for generalization of findings to a larger population beyond the study sample (Hug & Dewan, 2021). Also, the researcher used the technique due to the fact that it can help validate the findings and establish the reliability of the study.

3.4 Research Design

This study adopted an explanatory research design. An explanatory research design, also known as causal research design, is a type of research design that aims to explore cause-and-effect relationships between variables. It seeks to investigate the impact of an independent variable(s) on a dependent variable(s) and understand the underlying mechanisms or reasons behind the observed relationship (Hair et al., 2019). The main objective of an explanatory research design is to determine whether changes in the independent variable(s) result in changes in the dependent variable(s) and to explain why this relationship exists.

3.4.1 Area of the Study

Mkinga District is located in the Tanga Region of Tanzania, East Africa. Mkinga District is located in the Tanga Region of Tanzania. The study area was selected because of the unique characteristics of the council, which includes a high turnover of employees and a lack of proper management control practices (Mwakatumbula et al. 2020). This allowed the researcher to acquire meaningful and trustworthy data from these various groups/departments. Furthermore, the study was completed at a lower cost because the researcher is familiar with the context and expects a high response rate from the respondents.

3.4.2 Population of the Study

The target population of this study were all 1330 staffs (employees) working at Mkinga District Council from various departments/units.

3.5 Sample and Sampling Techniques

3.5.1 Sampling Procedure

The study employed probability sampling for descriptive statistics and non-probability sampling techniques for in-depth analysis for this research. The stratified sampling techniques was used as a form of non-probability sampling to select a total sample of 93 respondents for the study were obtained from 1330 population of the study using a formula developed by Taro Yamane in 1967. The meaning and procedures for each technique are listed below;

3.5.1 Stratified Sampling Technique

The study used a non-proportional stratified simple random sampling technique. This was necessary because of the nature of the research objectives and was used to obtain the group of employees from departments which was transformed to stratum. Each group contained individuals with homogenous characteristics that differ from the other group. To collect data by using this technique, the researcher required to define a population of the study which is employees' members. Thus, the elements from each stratum required to obtain a sample using simple random sampling techniques; where a researcher picked 93 employees from all departments.

3.5.2 Sample Frame and Sample Size

The study adopts the formula of Yamane (1967) as shown in equation below to determine the sample size of the research respondents with confidence level of 95% and margin of error of 10% (0.1), the formula is expressed as hereunder;

$$n = \frac{N}{1 + N(e)^2}$$

Where: n = is a required number of samples

N = Total population (1330) and

e = Error tolerance (level) or margin of error (0.1)

From that point of view, the sample size is derived as follows;

$$n = \frac{1330}{1 + 1330(0.1)^2}$$

$$n = \frac{1330}{1 + 1330(0.1)^2} = 93$$

Thus, the researcher used a sample of 93 employees from various departments as presented at Table 3.1.

Table 3.1 Sample Size and Sampling Techniques

N/ S	Departments and Units	Population	Sample size
	Administration and Human Resources		11
1	Management	133	
2	Finance and Accounts Unit	6	2
3	Internal Audit Unit	2	1
4	Procurement Management Unit	2	1
5	Information Communication Technology Unit	2	1
6	Legal Services Unit	2	1
7	Planning and Coordination	5	2
8	Community Development	27	9
9	Infrastructure, Rural and Urban Development	4	2
10	Pre-Primary and Primary Education	545	25
11	Secondary Education	324	16
	Natural Resources and Environment		1
12	Conservation Unit	1	
13	Health, Social Welfare and Nutrition Services	203	12
14	Agriculture, Livestock and Fisheries	71	8
15	Industry, Trade and Investment	3	1
	TOTAL	1330	93

Source: Field Data, 2023

3.6 Sources of Data

3.6.1 Primary Data

Primary data are first-hand data compiled by a researcher in the field and are considered unique in character (Kothari, 2004). Primary data was used in this study to get the first-hand data concerning the effect of management control system on employee performance. In this study questionnaire instrument and interview guides was applied in data collection.

3.7 Data Collection Methods

3.7.1 Questionnaires

The questionnaire method was used for the respondents obtained from Mkinga District Council. The questionnaires were used and was equally distributed to a total of 93 employees including middle and lower level employees from each departments and units in Mkinga District Council. The questionnaire was employed to make it possible to gather enough data from a significant number of respondents. Questionnaires was used also because there were chances for accurate information from respondents.

3.9 Data Analysis

3.9.1 Descriptive Analysis

In order to achieve preliminary results, descriptive statistics was utilized; nevertheless, further investigation is required. The descriptive analysis was provided straightforward descriptions of the properties of the sample, including the mean, the standard deviation, and the percentages, amongst other statistics. In this study,

frequencies and percentage was used to present the respondents demographic information.

3.10 Inferential Analysis

The information concerning the nature of the connection between the independent variables and the dependent variables were subjected to factor analysis, regression analysis, and correlation analysis respectively. This study used multiple regression model and the overall employee performance was treated as the dependent variable, and three extracted dimensions were used as independent variables to analyse the relationship between the two.

$$Y_1 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu_i \dots \dots \dots (2)$$

Where:

Y= Employee Performance (EP)

β_0 = Constant

X_1 Budgeting Control System (**BCS**)

X_2 Information Control System (**ICS**)

X_3 Training and Development System (**TDS**)

3.11 Variables and Measurement Procedures

Table 3.2 Measurement of Variables

Variables	Item researched (constructs)	Type of scale	Source
Employee performance (Dependent variable)	<ul style="list-style-type: none"> • Efficiency • Customer satisfaction • Regular feedback • quality of work • Constructive feedback and guidance • Service delivery 	Ordinal	Arega and Adem (2020); Rajabu and Komba (2019)
Budgetary control system (Independent variable)	<ul style="list-style-type: none"> • Effective and clear financial targets • Efficient allocation of resources • Accurate and timely financial information • Monitors employee's performance • Transparency and fairness 	Ordinal	Kiliç and Zehir (2017); Rahman and Omar (2019); Chen and Chen (2018); Mutie et al. (2019)
Information management system (Independent variable)	<ul style="list-style-type: none"> • Informed decision • Quality of works • Accuracy and completeness • Increases feedback • Quick retrieve of information 	Ordinal	Perera & Wickramasinghe (2017); Sarker et al. (2020)
Employee training and development system (Independent variable)	<ul style="list-style-type: none"> • Skills and knowledge • Employee participation • Feedback • Employee satisfaction • Increased confidence 	Ordinal	Wang and Lin (2020); Ahmed and Ahmed (2020); Baloyi and Mafini (2019); Mboya (2018)

3.11 Validity and Reliability

3.11.1 Validity

Validity refers to how accurately a research method or technique measures what it is supposed to measure, or how accurately research findings reflect what they are intended to represent. In the context of survey data, validity can be assessed by considering the techniques used, response rates, and the questionnaire itself. In this study, validity was tested by piloting research questions to ensure they are clear and unambiguous. Any inconsistencies or uncertainties were corrected to establish the face, content, and construct validity of the study. To minimize interpretation differences, the researcher provided clarification and conceptual associations for the respondents as they complete the questionnaire. Additionally, the study's validity was maintained by ensuring that the voices of the respondents are heard through discussion.

3.11.2 Reliability

The degree to which a research instrument generates data that are comparable under conditions that are consistent is referred to as its reliability (Kothari, 2004). For the purpose of determining if the data in each study variable are reliable or consistent internally, the researcher used Cronbach's alpha procedures in this particular investigation. When conducting research that utilizes a questionnaire with numerous Likert questions to build a scale, the Cronbach's alpha approach is a popular choice to use. The researcher was able to determine whether or not the questionnaire is dependable and appropriate for data collection and whether or not it produces similar results under consistency conditions with the assistance of this procedure. According

to the findings of Tavakol and Dennick (2011), the recommended range for the minimum acceptable Cronbach's Alpha value is "between" 0.7 and 0.95 at the most.

3.12 Ethical Research Issues

To protect the participants from any harm and ensure their privacy, confidentiality, and safety, the study adhered to ethical standards and principles of social science research. Informed consent was obtained from the participants after informing them about the purpose of the study, and the confidentiality of their information was assured. The researcher also makes sure that the participants were willingly and voluntarily took part in the study without any interference. All interviews and questionnaires were conducted at the participants' workplaces, and at convenient times as proposed by them, to avoid any disruption to their work performance.

CHAPTER FOUR

PRESENTATIONS DISCUSSIONS OF FINDINGS

4.1 Introduction

This chapter presents demographic characteristics of the respondents and data analysis as per the requirement of the study objectives. This chapter covers discussion of the findings based on three (3) specific objectives by relating with concepts and theories discussed in Chapter two of this study. Discussion of the findings is based on the effect of budgeting control system, information control system and training and development on employee performance at Mkinga District council. The results from factor analysis show that KMO and Bartlett's Teston was 0.748 and p-value was 0.000, furthermore results show that reliability of the study was 0.926 which is acceptable and appropriate for the study.

4.2 Demographic Characteristics of the Respondents

The demographic characteristics involve information on age, gender, the level of education, and working experience of the respondents who were included in the study.

4.2.1 Age of the Respondents

The Table 4.1 provides insights into the age distribution of the respondents who participated in the study conducted on the effect of management control systems on the employee performance of Mkinga District Council. The findings indicate that the highest number of respondents fell within the age range of 41 to 50 years, comprising

38.7% of the total participants. This indicates a significant presence of mid-career employees within the study. The second-highest number of respondents were in the age range of 31 to 40 years, accounting for 36.5% of the total participants. This suggests a considerable representation of employees in their early to mid-career stages. Approximately 15.1% of the respondents were aged 50 years and above. This indicates the presence of more experienced and senior employees within the study. The lowest number of respondents were in the age range of 21 to 30 years, comprising 9.6% of the total participants. This suggests a smaller proportion of younger employees within the study.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included a diverse range of participants from different age groups, representing various stages of their careers. The inclusion of employees across different age groups allows for a comprehensive understanding of the impact of management control systems on employee performance, considering the perspectives and experiences of employees at different stages of their professional journey.

Table 4.1 Age of the Respondents

Age of the Respondents	Frequency	Percent
21 to 30 years	9	9.6
31 to 40 years	34	36.5
40 to 50 years	36	38.7
50+ years	14	15
Total	93	100.0

Source: Data Analysis, 2023

4.2.2 Gender of the Respondents

Gender can also be an important factor on the effect of management control systems on the employee performance of Mkinga District Council. During an interview respondent were asked to indicate their gender. The findings in Table 4.2 indicate that the majority of the respondents were female, comprising 55.9% of the total participants. This suggests a higher proportion of female employees from Mkinga District Council who were interested in and participated in the study. Approximately 44.1% of the respondents were male. While the percentage is lower than that of female respondents, it still represents a significant portion of male participants. This indicates a relatively balanced representation of both genders in the study.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included both male and female participants, with slightly higher representation from female respondents. The balanced gender distribution allows for a comprehensive analysis of the impact of management control systems on employee performance from diverse gender perspectives. It demonstrates the inclusivity of the study and ensures that insights and conclusions are not biased towards one gender.

Table 4.2 Gender of the Respondents

Gender of the respondents	Frequency	Percent
Male	41	44
Female	52	55.9
Total	93	100.0

Source: Data Analysis, 2023

4.2.3 Education level of Respondents

Education is an important factor in providing the relevance on the effect of management control systems on the employee performance of Mkinga District Council. Table 4.3 provides insights into the education levels of the respondents who participated in the study conducted on the effect of management control systems on the employee performance of Mkinga District Council. The majority of respondents held a Certificate level and Diploma level, accounting for 42 (45.2%) of the total respondents. This indicates a relatively higher proportion of participants with undergraduate qualifications. Approximately 37 (39.7%) of the respondents had attained a Bachelor's degree level of education and 8 (8.6%) attended Master's degree, suggesting a significant portion of participants with advanced academic qualifications beyond the Bachelor's level. This indicates a portion of participants with educational qualifications. This suggests a limited number of participants with the highest level of academic qualification.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included a diverse range of participants with various levels of educational attainment. The distribution of education levels allows for a comprehensive understanding of the impact of management control systems across different educational backgrounds, enhancing the study's generalizability and capturing perspectives from individuals with diverse educational experiences.

Table 4.3 Education Level of the Respondents

Education level of the respondents	Frequency	Percent
Certificate level and Diploma level	42	45.2
Bachelor degree level	37	39.7
Master's level	8	8.6
Total	93	100.0

Source: Data Analysis, 2023

4.3 Descriptive Statistics Results

A set of techniques known as descriptive statistics is used to enumerate and explain a dataset's key characteristics, such as its central tendency, variability, and distribution. These techniques give a summary of the data and assist in finding trends and connections. The study computed the lowest, maximum, mean, and standard deviations.

4.3.1 Budgetary Control System Descriptive Statistics Results

The descriptive statistics presented in Table 4.4 provide a comprehensive view of how a Budgetary Control System is perceived in influencing various organizational aspects at Mkinga District. The mean scores indicate the average perceptions regarding the system's impact on employee performance. The system is considered to have a moderate effect on managing clear financial targets and goals (Mean = 3.3441, SD = 1.37125), as well as encouraging efficient resource allocation (Mean = 3.7097, SD = 1.22102), providing accurate and timely financial information to employees (Mean = 3.8495, SD = 1.18822), and monitoring employee performance (Mean = 3.7527, SD = 1.23935). On the other hand, the system is seen as having a lower impact in facilitating effective communication and coordination among

employees (Mean = 1.9570, SD = 0.93150). In contrast, it is perceived to have a high impact in providing employees with clear performance goals and targets (Mean = 4.1505, SD = 1.11264) and fostering transparency and fairness in resource allocation (Mean = 4.0645, SD = 1.11127). The findings from the descriptive statistics suggest that the Budgetary Control System at Mkinga District has a varying impact on different aspects related to employee performance and organizational management. The moderate mean scores in managing financial targets and encouraging efficient resource allocation imply that while the system is in place, its effectiveness in these areas could be improved. The higher mean scores in providing clear performance goals and fostering transparency in resource allocation indicate that the system is notably effective in these areas. This suggests that the Budgetary Control System successfully contributes to setting clear objectives and ensuring fairness in allocating resources, positively influencing employee performance. However, the lower mean score related to effective communication and coordination among employees implies that the system may not be as effective in promoting these aspects within the organization. It could be beneficial to re-evaluate the system's communication mechanisms and coordination strategies to enhance its impact in this domain, which is crucial for overall organizational efficiency.

Table 4.4 Budgetary Control System Descriptive Statistics Results

	Minimum	Maximum	Mean	Std. Deviation
Budgetary Control System Is Effective in Managing clear financial targets and goals	1.00	5.00	3.3441	1.37125
Budgetary Control System Encourages You to Use and allocate Resources Efficiently	1.00	5.00	3.7097	1.22102
Budgetary Control System ensures accurate and timely financial information to employees	1.00	5.00	3.8495	1.18822
Budgetary control system monitors employee's performance	1.00	5.00	3.7527	1.23935
The budgetary control system facilitates effective communication and coordination among employees	1.00	5.00	1.9570	0.93150
The budgetary control system provides employees with clear performance goals and targets	1.00	5.00	4.1505	1.11264
The budgetary control system fosters transparency and fairness in resource allocation	1.00	5.00	4.0645	1.11127

Source: Data Analysis, 2023

4.3.2 Information Management System Descriptive Statistics Results

The descriptive statistics outlined in Table 4.5 provide a comprehensive view of the perceived effectiveness of the Information Management System across various organizational facets at Mkinga District. The mean values and standard deviations in the table reflect respondents' perceptions regarding the influence of the information management system (IMS) on various aspects of employee performance and efficiency. A mean value of approximately 3.97 (SD = 1.31) is observed for "Making informed decisions enhances employee performance," indicating a high level of

agreement among respondents, suggesting they strongly believe in the positive impact of IMS on this factor. For "Access to information increases employee's quality of work," the mean is approximately 4.04 (SD = 1.31), suggesting a significant consensus among respondents regarding the positive impact of IMS on enhancing work quality. "Accuracy and completeness enhance employee productivity" has a mean of about 3.97 (SD = 1.31), reflecting a similarly high level of agreement. The statement "Effective communication increases feedback among employees" has a mean of approximately 3.99 (SD = 1.07), indicating a moderate level of agreement. "The IMS enhances employee efficiency by reducing the time spent searching for information" is rated with a mean of about 4.24 (SD = 1.14), signifying a strong consensus on the efficiency-improving aspect of IMS. "The IMS effectively organizes and categorizes data allowing quick retrieval of information" has a mean of approximately 3.98 (SD = 1.09), indicating moderate agreement. Lastly, "The system facilitates easy access to relevant and accurate information enabling employee work efficiency" has a mean of around 4.06 (SD = 1.14), reflecting a strong consensus on the efficiency-enhancing aspect of IMS. The findings imply that a well-implemented and effective information management system is seen as a valuable tool that positively influences employee performance, efficiency, and the quality of work.

Table 4.5 Information Management System Descriptive Statistics Results

	N	Minimum	Maximum	Mean	Std. Deviation
Making informed decision enhance employee performance	93	1.00	5.00	3.9677	1.31423
Access to information increases employee's quality of works	93	1.00	5.00	4.0430	1.30978
Accuracy and completeness enhance employee productivity	93	1.00	5.00	3.9677	1.31423
Effective communication increases feedback among employees	93	1.00	5.00	3.9892	1.06826
The information management system enhances employee efficiency by reducing the time spent searching for information	93	1.00	5.00	4.2366	1.13634
The information management system effectively organizes and categorizes data allowing quick retrieve of information	93	1.00	5.00	3.9785	1.09325
The system facilitates easy access to relevant and accurate information enabling employee work efficiency	93	1.00	5.00	4.0645	1.14024
Valid N (listwise)	93				

Source: Data Analysis, 2023

4.3.3 Employee Training and Development System Descriptive Statistics Results

In Table 4.6 indicate the descriptive statistics for the Employee Training and Development System, providing a comprehensive view of its perceived effectiveness

in employee performance at Mkinga District. Skills and knowledge emerge as significant contributors with a mean of approximately 3.98 (SD = 1.26), indicating a moderate level of influence on employee quality of work and customer satisfaction. Employee participation in training is also pivotal, averaging at about 3.97 (SD = 1.31), implying a moderate impact on work quality. Feedback during training, with a mean of approximately 3.82 (SD = 1.39), suggests that providing constructive feedback during training can moderately enhance employee productivity. Employee satisfaction with training programs, averaging around 3.77 (SD = 1.25), signifies a moderate influence on work quality and productivity. The tools and resources provided through training and development initiatives are moderately impactful, indicated by a mean of about 3.84 (SD = 1.29). Moreover, training and development opportunities fostering confidence and adaptability to job-related changes stand at a mean of approximately 3.86 (SD = 1.21), suggesting a moderate impact on employee performance. These insights emphasize the need to optimize these factors to ensure an even more substantial influence on employee effectiveness and productivity.

Table 4.6 Employee Training and Development System Descriptive Statistics**Results**

	N	Minimum	Maximum	Mean	Std. Deviation
Skills and knowledge enhance employee quality of work and customer satisfaction	93	1.00	5.00	3.9785	1.25956
Employee participation in training enhances quality of work	93	1.00	5.00	3.9677	1.31423
Feedback during training increases employee productivity	93	1.00	5.00	3.8172	1.39054
Employee satisfaction on training program enhances quality of work and productivity	93	1.00	5.00	3.7742	1.25221
Training and development initiatives have equipped necessary tools and resources to effective performance of employee	93	1.00	5.00	3.8387	1.28782
Training and development opportunities have increased confidence in handling job-related tasks and responsibilities	93	1.00	5.00	3.8602	1.21218
The training and development programs help me adapt to changes in my job and work environment.	93	1.00	5.00	3.9462	1.32177
Valid N (listwise)	93				

Source: Data Analysis, 2023

4.3.4 Employee Performance Descriptive Statistics Results

In Table 4.7, the descriptive statistics offer valuable insights into the perceived impact of Employee Performance within Mkinga District Council. The mean values from the presented table provide insights into various factors influencing employee performance within the context of ensuring effective employee performance. A higher mean value, as observed in "Employee performance improves service delivery" (Mean = 4.0430), indicates that employees perceive a strong correlation between their performance and enhanced service delivery. This suggests that when employees perform well, it positively impacts the quality of services provided. On the other hand, lower mean values, such as "Regular feedback on your performance" (Mean = 3.7742) and "Actively seek opportunities for growth and development to enhance my performance" (Mean = 3.7849), signify areas where there might be room for improvement. These aspects are important for fostering employee growth and performance but might require additional attention to elevate their effectiveness. Moderately placed mean values, like "Employee performance increases quality of work" (Mean = 3.9677) and "Work productivity increases employee performance" (Mean = 3.9785), suggest that there is a perceived link between employee performance and the quality of work or productivity. Enhancing these factors could further boost employee performance and overall organizational effectiveness. Overall, these findings emphasize the critical role of employee performance in achieving organizational goals, with feedback, growth opportunities, and productivity being significant contributors to overall performance improvement.

Table 4.7 Employee Performance Descriptive Statistics Results

	N	Minimum	Maximum	Mean	Std. Deviation
Employee performance enhance customer satisfaction	93	1.00	5.00	3.9462	1.18290
Regular feedback on your performance	93	1.00	5.00	3.7742	1.22589
Employee performance increases quality of work	93	1.00	5.00	3.9677	1.31423
Work productivity increases employee performance	93	1.00	5.00	3.9785	1.17934
Actively seek opportunities for growth and development to enhance my performance	93	1.00	5.00	3.7849	1.21449
Constructive feedback and guidance from supervisor's help improve employee performance	93	1.00	5.00	3.7097	1.25612
Employee performance improves service delivery	93	1.00	5.00	4.0430	1.22398
Valid N (listwise)	93				

Source: Data Analysis, 2023

4.4 Correlation Analysis for all Variables

Pearson correlation analysis used to determine the relationship between variables. The researcher used bivariate correlation to establish whether there is significant relationship between dependent variable i.e. employee performance and independent variables i.e. budgeting control, information control system, training and development. The value of correlation coefficient range between -1 to +1, the value of +1 show that variables are perfect and positive related in linear model, the value of -1 show that variables are perfect but negative in a linear model and 0 values shown no relationship between variables in linear model (Mwangi, 2017).

Correlation analysis, result in Table 4.8 revealed ($r=0.834^{**}$, $p=0.000<0.05$), which means there was strong positive and significant relationship between budgeting control system and employee performance at Mkinga District council.

The results also discovered ($r= 0.873$, $p>0.05$), which means there was strong and positive significant relationship between information control system and employee performance at Mkinga District Council.

Furthermore, the results depict ($r=0.743$, $p=0.000>0.05$), which means that there was strong positive and significant relationship between training and development control system and employee performance at Mkinga District. Table 4.8 show result of correlation analysis.

Table 4.8 Correlation Matrix of All Variables

BGT	Pearson Correlation	1			
INFO	Pearson Correlation	.872 ^{**}	1		
TD	Pearson Correlation	.743 ^{**}	.838 ^{**}	1	
EP	Pearson Correlation	.834 ^{**}	.917 ^{**}	.858 ^{**}	1

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

Key; BGT= Budgeting Control System, INFO=Information Management System, TD=Training and Development, EP=Employee Performance

Source: Data Analysis, 2023

4.5 Inferential Analysis

The inferential analysis is used to explore either relationship between variables or differences between groups (Mohajan, 2018; & Raimundo *et al*, 2018). In order to examine the strength and relationship between variables and to achieve the study objectives, researchers often utilize inferential analysis. In this study regression models were employed. Regression analysis was used to establish the relationship between the variables. Before regression analysis, a researcher first ensure the consistence of results by checking on reliability.

4.5.1 Reliability Test

The study tested the reliability of ten (10) questionnaire items and the results showed a reliability value of 0.895, which is above the minimum acceptable level of 0.7 as recommended by Tavakol and Dennick (2011). It is also within the maximum acceptable limit of 0.95 for Cronbach's Alpha value. These results are presented in Table 4.11.

Table 4.11 Item-Total Statistics

	Cronbach's Alpha if Item Deleted
V200c - ensures accurate and timely financial information	0.917
V200d - system monitors employee's performance	0.915
V200e - effective communication and coordination among employees	0.937
V200f - provides employees with clear performance goals and targets	0.917
V200g- fosters transparency and fairness in resource allocation	0.918
V300f - effectively organizes and categorizes data	0.917
V300g- easy access to relevant and accurate information	0.939
V400g- adapt to changes in my job and work environment.	0.915
V500a - enhance customer satisfaction	0.916
V500b - Regular feedback on your performance	0.917
V500c - increases quality of work	0.915
V500e - Actively seek opportunities for growth	0.915
V500g- Employee performance improves service delivery	0.917
Total	0.926

Source: Data Analysis, 2023

4.6 Diagnostic Tests of variables

4.6.1 Normality Test

To assess the normality of the dependent variable, which is employee performance, both the Kolmogorov-Smirnov and Shapiro-Wilk tests were conducted. The normality test results indicated that the data for the employee performance variable were normally distributed. This was evidenced by the p-values obtained from both the Kolmogorov-Smirnov and Shapiro-Wilk tests, which were less than the level of significance ($\alpha = 0.05$), with values of 0.000. The results are presented in Table 4.14

and Figure 4.1 below revealed that employee performance was normally distributed since data lies the line of best fit.

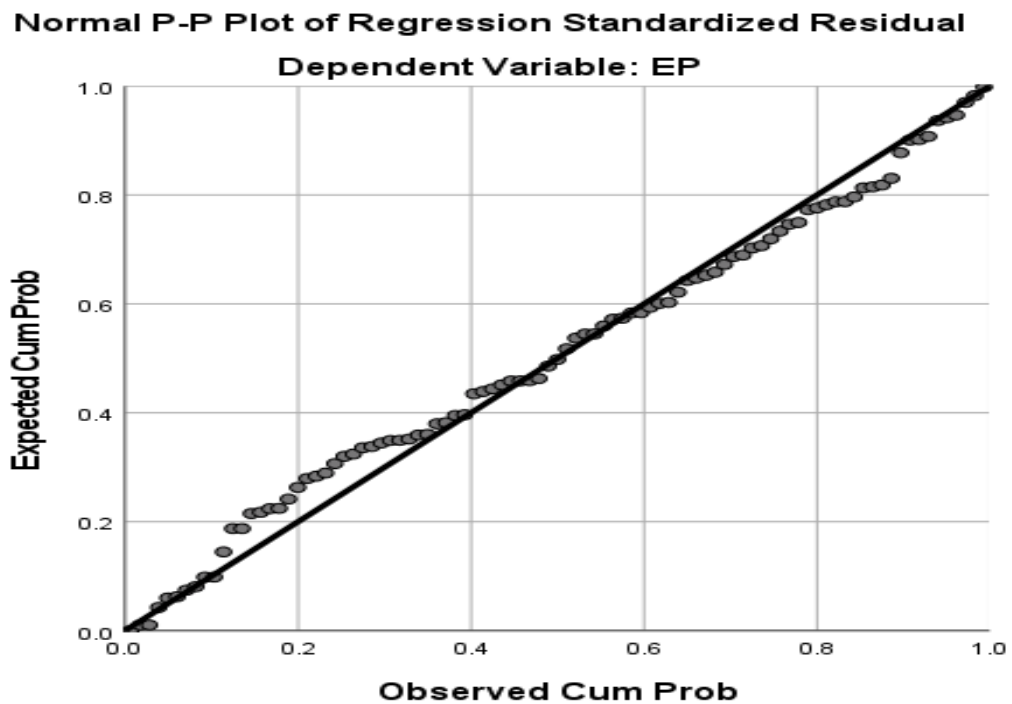
Table 4.12 Normality Test

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
EMPLOYEE PERFORMANCE	.280	93	.000	.696	93	.000

a. Lilliefors Significance Correction

Source: Field computations, 2023

Figure 4.1 Normal Distribution Curve for Employee Performance



Source: Data Analysis, 2023

4.6.2 Multicollinearity

The Multicollinearity test was used to see whether there could be any correlations between the variables. Multicollinearity is a problem that can result in unstable and hard to interpret regression coefficients and can render significance tests invalid. This problem arises when two or more variables in the model are correlated and provide redundant information regarding the response, according to Kothari & Garg (2014), Wilson (2014), and Creswell (2015). To detect potential Multicollinearity in the regression model, VIF analysis was employed in this study to examine the dependent variables. With the VIF, a value larger than 5 denotes that the variable is substantially linked with other explanatory factors, as per (Kothari & Garg, 2014; Wilson, 2014; Gibson, 2017). Moreover, tolerance may be used to find Multicollinearity. The research encountered Multicollinearity if the tolerance value is less than 0.2 or 0.1. (Greene, 2012; Fuller, et.al, 2015).

The results from Table 4.13 below reveals that the VIF for budgeting control system was 3.917, for training and development was 3.956 and for information control system was 1.0038, these values are less than 5, this means that the value are not correlated and can fit for regression model. Furthermore, Tolerance indicated that budgeting control system was 0.225, for training and development was 0.253 and for information control system was 0.963, these values are greater than 0.2, this means that value are not correlated and can fit for regression model.

Table 4.13 Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
1	(Constant)	
	BUDGETING SYSTEM	.239
	TRAINING AND DEVELOPMENT	.159
	INFORMATION SYSTEM	.297

Source: Data Analysis, 2023

4.6.3 Heteroscedasticity

Heteroscedasticity refers to the absence of uniform error variance, which can happen when there is non-normal distribution of responses or when the error term doesn't maintain uniform variance, according to Creswell (2014) and Kothari & Garg (2014). Since one of the basic assumptions of regression is that the error term remains constant in all observations of a study, it's crucial to ensure that the variance of errors remains constant (homoscedasticity) among independent variables to produce consistent responses and achieve better outcomes, as stated by Greene (2012). To check for heteroscedasticity in the independent variables, an ANOVA is therefore shown in Table 4.14. The findings conclude that there is heteroscedasticity since the p-value of 0000 which is less than 0.05, rejecting the null hypothesis.

Table 4.14 ANOVA Test for Heteroscedasticity

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.742	3	.914	11.039	.000 ^b
	Residual	7.368	89	.083		
	Total	10.110	92			

a. Predictors: (Constant), TD, BGT, INFO

b. Dependent Variable: EP

Source: Data Analysis, 2023

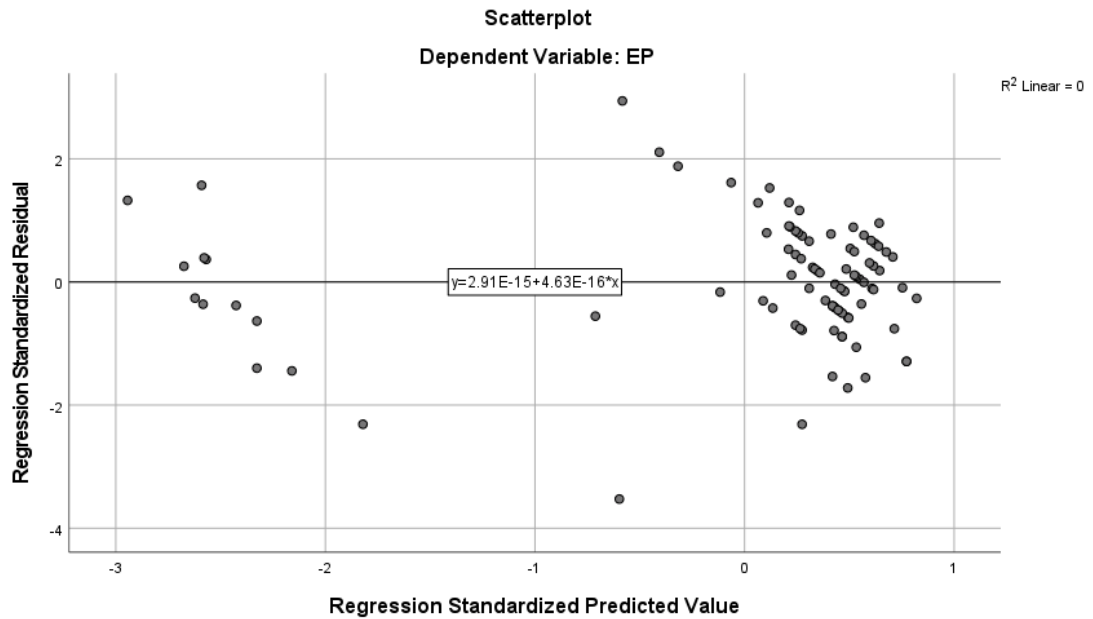


Figure 4.2 Heteroscedasticity Test

4.7 Multiple Linear Regression for all Variables

According to Pallant (2010), a technique for examining the relationship between variables is multiple regression analysis. The effect of independent factors, such as budgeting control, information control system, training and development, on the dependent variable, employee performance, was examined in this study using multiple regression analysis. With an R value of 0.933, the regression analysis's findings show a significant positive correlation between the variables. The research also reveals that independent variables may account for 87.1% of the variation in electronic tax compliance (R-squared = 0.871), with other factors accounting for the remaining 12.9%. A summary of the regression analysis is presented in Table 4.15.

Table 4.15: Overall Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.933 ^a	.871	.867	.37339

a. Predictors: (Constant), TD, BGT, INFO

b. Dependent Variable: EP

Source: Data Analysis, 2023

4.7.2 Analysis of Variance (ANOVA) for all Variables

The ANOVA findings in Table 4.16 demonstrate the validity of the model employed to examine the connection between budgeting control, information control system, training and development, and employee performance in Mkinga District. This is because the F-value is 200.493 and the p-value is less than 0.05 with degrees of freedom of 89. This result suggests that the effect budgeting control, information control system, training and development, can accurately predict the relationship with employee performance at Mkinga District Council.

Table 4.16: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	83.859	3	27.953	200.493	.000 ^b
	Residual	12.409	89	.139		
	Total	96.268	92			

a. Dependent Variable: EP

b. Predictors: (Constant), TD, BGT, INFO

Source: Data Analysis, 2023

4.7.3 The influence of Independent Variables to Dependent Variable

Table 4.17 shows the results of a regression analysis, with employee performance as the dependent variable, and information system, budgeting system and training and development as the independent variables. The results suggest that all three independent variables have a significant positive effect on employee performance, as indicated by their positive beta coefficients and low p-values.

However, the constant or intercept (-0.218) represents the expected value of the dependent variable (employee performance) when all independent variables (budgeting system, training and development, information system) are zero. In this context, when all independent variables are zero, the expected employee performance is equal to -0.218.

4.7.3.1 Budgeting Control System

The coefficient for budgeting control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results in Table 4.17 revealed that ($\beta=0.178$, $t=1.685$, $p=0.096$) which means budgeting control system significantly affect employee performance in Mkinga District. Budgeting control system has a positive coefficient of 0.456, which indicates that it for every unit increase in budgeting control system, there is a 0.456 unit increase in employee performance, holding other variables constant. This means that when employees have a clear understanding of budgetary goals and targets, they are better able to align their efforts and resources to achieve them. This clarity enhances motivation, accountability, and performance, leading to improved outcomes for both

individuals and organizations. Results suggests that an effective budgeting control system can positively influence employee performance.

4.7.3.2 Training and Development Control System

The coefficient for training and development control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results in Table 4.17 revealed that ($\beta=0.307$, $t=4.213$, $p=0.000$) which means training and development control system significantly affect employee performance in Mkinga District. Training and development control system has a positive coefficient of 0.307, which indicates that it for every unit increase in training and development control system, there is a 0.307 unit increase in employee performance, holding other variables constant. This means that when these systems exist may enhance provision of employees with opportunities to acquire new skills, knowledge, and competencies can enhance their job performance, productivity, and job satisfaction. Effective training initiatives also contribute to employee engagement and organizational commitment, leading to improved overall performance.

4.7.3.2 Information Control System

The coefficient for information control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results in Table 4.17 revealed that ($\beta=0.566$, $t=5.820$, $p=0.000$) which means information control system significantly affect employee performance in Mkinga District. Information control system has a positive coefficient of 0.566, which indicates that it for every unit increase in information control system, there is a 0.566 unit increase in

employee performance, holding other variables constant. This means that an efficient information control system plays a crucial role in facilitating employee performance. Access to accurate and timely information enables employees to make informed decisions, solve problems effectively, and perform their tasks efficiently. A well-designed information control system fosters effective communication, collaboration, and knowledge sharing, which positively impact employee performance and overall organizational outcomes.

Overall, the findings suggest that all three management control mechanisms, namely the budgeting control system, training and development, and information control system, have significant positive effects on employee performance at Mkinga District Council. By implementing effective budgeting control systems, investing in training and development initiatives, and ensuring a robust information control system, organizations can create an environment conducive to high employee performance. Moreover, the joint effect model goodness of fit was employee performance = $-.218 + 0.178X_1 + 0.566X_2 + 0.307X_3 + \epsilon$.

Table 4.17 Multiple Regression Model Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.218	.191		-1.141	.257
	BGT	.178	.106	.131	1.685	.096
	INFO	.566	.097	.556	5.820	.000
	TD	.307	.073	.294	4.213	.000

Source: Data Analysis, 2023

4.8 Hypothesis Test

The results from regression analysis based on objectives achievement level show that all the hypothesis was confirmed. Based on the effect of management control system, the study fails to rejected alternative hypothesis that there is significant relationship between budgeting control system, training and development as well as information control system and employee performance in Mkinga District. Table 4.18 show summary of hypothesis test.

Table 4.18 Hypothesis Test

Hypothesis	Relationship	Sig .value	Decision
There is no significant effect of budgeting control system on employee performance in Mkinga District	Positive	0.096	reject H ₀
There is no significant effect of training and development system on employee performance in Mkinga District	Positive	0.000	reject H ₀
There is no significant effect of information control system on employee performance in Mkinga District	Positive	0.000	reject H ₀

Source: Data Analysis, 2023

4.9 Discussions of Findings

4.9.1 Budgeting Control System and Employee Performance

The coefficient for budgeting control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results means that budgeting control system significantly affect employee performance in Mkinga District. Budgeting control system has a positive coefficient, which indicates that it for every unit increase in budgeting control system, there is an increase in employee performance, holding other variables constant. This means that when

employees have a clear understanding of budgetary goals and targets, they are better able to align their efforts and resources to achieve them. This clarity enhances motivation, accountability, and performance, leading to improved outcomes for both individuals and organizations. Results suggests that an effective budgeting control system can positively influence employee performance.

The findings were consistent to the study conducted by Arega and Adem (2020) conducted a study on the impact of budgeting on employee performance in Ethiopian public sector and found that budgeting positively influenced employee performance, particularly when employees were involved in the budgeting process. Ahmed and Ahmed (2020) conducted a study in Nigeria to investigate the relationship between management control systems and employee performance and found that the use of formal control systems, such as budgeting and financial reporting, positively influenced employee performance. Similar to Trigo & Santos (2020) examined the impact of management control systems on employee performance in Brazilian companies and the findings suggested that the use of performance measures, such as financial and non-financial indicators, can improve employee performance by providing clear objectives and feedback. Also, a study by Kiliç and Zehir (2017) conducted a study on the implementation of management control systems in local governments in Turkey. The study found that local governments use a variety of management control systems to monitor and control their activities. These include budgeting, financial management, performance measurement, and reporting systems.

4.9.2 Training and Development Control System and Employee Performance

The results shows that training and development control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results revealed that which means training and development control system significantly affect employee performance in Mkinga District. Training and development control system has a positive coefficient, which indicates that it for every unit increase in training and development control system, there is a unit increase in employee performance, holding other variables constant. This means that when these systems exist may enhance provision of employees with opportunities to acquire new skills, knowledge, and competencies can enhance their job performance, productivity, and job satisfaction. Effective training initiatives also contribute to employee engagement and organizational commitment, leading to improved overall performance.

Numerous studies have demonstrated the positive impact of training and development programs on employee performance. Similar studies were conducted by Chen and Chen (2018) studied the relationship between management control systems and employee performance in China and found that performance measurement and feedback systems had a significant positive impact on employee performance. The study also found that goal setting had a positive but not significant impact on employee performance. Also, a study by Wang and Lin (2020) on the challenges of implementing management control systems in public organizations in China and the findings indicate that resistance to change, lack of employee participation, and

inadequate training were the main challenges facing the implementation of management control systems.

4.9.3 Information Control System

The coefficient for information control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results in revealed that information control system significantly affect employee performance in Mkinga District. Information control system has a positive coefficient, which indicates that it for every unit increase in information control system, there is a unit increase in employee performance, holding other variables constant. This means that an efficient information control system plays a crucial role in facilitating employee performance. Access to accurate and timely information enables employees to make informed decisions, solve problems effectively, and perform their tasks efficiently. A well-designed information control system fosters effective communication, collaboration, and knowledge sharing, which positively impact employee performance and overall organizational outcomes.

The findings regarding the positive effect of information control systems on employee performance are consistent with prior research. A study by Bosua, Venkitachalam, and Fam (2016) showed that access to accurate and timely information positively influences employee decision-making, problem-solving, and task performance. A study by Sarker et al. (2020) examined the effect of management control systems on employee performance in the context of Bangladesh. The results showed that the use of control practices, such as performance

measurement and feedback, positively impacted employee performance. A study by Moshi (2017) studied on the effective implementation and application of management control practices. The findings identified the lack of clear communication channels and feedback mechanisms as a major challenge in the application of management control practices.

CHAPTER FIVE
SUMMARY, CONCLUSION, RECOMMENDATIONS AND POLICY
IMPLICATIONS

6.1 Overview

This chapter presents summary of the study, conclusion based on the findings of the study, recommendations and policy implications based on study findings.

6.2 Summary

The main aim of the study is to evaluate the effects of management control systems on employee performance in Mkinga District Council, specifically this study aim to examine the effect of budgeting system on employee performance at Mkinga District Council, to examine the effect of information system on employee performance at Mkinga District Council and to determine the effect of training and development system on employee performance at Mkinga District Council. This study adopted an explanatory research design. This study employed the stratified sampling techniques to obtain 93 respondents. This study used multivariate regression model to analyse the effect of independent variables to dependent variable. Based on objective one the findings indicate that there is positive and significant effect of the training and development control system on employee performance. This implies that implementing a well-structured and comprehensive training and development program has a significant impact on employee performance in the Mkinga District. The findings also indicate that there is positive relationship between training and development control systems and employee performance. The findings highlight the importance of investing in employee development. Based on objective number three,

the findings show that there is significant positive effect of information management system and employee performance in Mkinga District.

6.3 Conclusion

Based on the findings regarding the positive and significant effect of the budgeting control system on employee performance, it can be concluded that a well-implemented and understood budgeting control system plays a crucial role in enhancing employee performance in the Mkinga District. When employees have a clear understanding of budgetary goals and targets, they are more motivated, accountable, and focused in their work. This leads to improved performance outcomes, increased productivity, and better alignment with organizational objectives. Therefore, organizations in the Mkinga District should prioritize the implementation and effective communication of budgeting control systems to maximize employee performance and achieve organizational success.

Based on the findings regarding the positive and significant effect of the training and development control system on employee performance, it can be concluded that implementing a well-structured and comprehensive training and development program has a significant impact on employee performance in the Mkinga District. When organizations provide employees with opportunities to acquire new skills, knowledge, and competencies through training initiatives, it enhances their job performance, productivity, and job satisfaction. The positive relationship between training and development control systems and employee performance is supported by previous studies and highlights the importance of investing in employee

development. Additionally, such initiatives contribute to higher levels of employee engagement and organizational commitment, leading to improved overall performance. Therefore, organizations in the Mkinga District should prioritize the establishment of effective training and development control systems to enhance employee performance and foster a positive work environment.

Based on the findings regarding the positive and significant effect of the information control system on employee performance, it can be concluded that an efficient and well-designed information control system is essential for enhancing employee performance in the Mkinga District. Access to accurate and timely information empowers employees to make informed decisions, effectively solve problems, and carry out their tasks efficiently. A robust information control system also promotes effective communication, collaboration, and knowledge sharing among employees, leading to improved performance outcomes and overall organizational success. Therefore, organizations in the Mkinga District should prioritize the development and implementation of information control systems to optimize employee performance and drive positive organizational outcomes.

6.3 Recommendations and Policy Implications

6.3.1 Recommendations

Based on the findings regarding the positive effects of budgeting control systems, training and development control systems, and information control systems on employee performance, here are recommendations and policy implications:

Regarding the effect of budgeting control system organizations should ensure that employees have a clear understanding of budgetary goals and targets. This can be achieved through effective communication, training, and providing relevant resources. Encourage employee participation in the budgeting process to foster a sense of ownership and commitment. Seek their input and insights to make the budgeting process more collaborative and inclusive.

The findings indicate that there is direct effect of training and Development on employee performance. The study recommends that organization should establish comprehensive training and development programs that provide employees with opportunities to acquire new skills, knowledge, and competencies. Tailor these programs to individual employee needs and career aspirations. Create a culture that promotes continuous learning and development. Encourage employees to seek learning opportunities, share knowledge, and engage in self-improvement activities. Also, the organization should implement Performance-Based Incentives by linking employee performance to incentives and rewards. Develop a performance-based compensation system that motivates employees to achieve budgetary and performance targets.

The study recommends that the organization should strengthen Performance Evaluation by establishing a robust performance evaluation system that provides regular feedback, identifies areas for improvement, and recognizes exceptional performance. Use performance evaluations as a basis for employee development and career advancement.

The findings on the effect of information control system indicate that there is positive relationship with employee performance. The study recommends that organization should implement efficient information control systems that facilitate access to accurate and timely information. Develop platforms and tools that enable effective communication, collaboration, and knowledge sharing among employees.

The study also recommends that organization should deploy appropriate technological solutions to support budgeting control systems, training and development initiatives, and information control systems. Leverage technology to automate processes, improve data accuracy, and enhance employee productivity. Develop clear performance metrics by defining clear performance metrics aligned with organizational goals and objectives. Communicate these metrics to employees and regularly monitor and evaluate performance against these metrics.

The study also recommends the organization should promote employee engagement by fostering an environment that encourages employee engagement by involving them in decision-making processes, encouraging open communication, and providing opportunities for growth and development. Also, the organization should establish mentorship program by implementing mentorship programs where experienced employees can guide and support their peers or junior colleagues. This promotes knowledge transfer, skill development, and professional growth.

The study recommends that organization should encourage managers and supervisors to provide regular feedback to employees regarding their performance, progress, and areas for improvement. This feedback should be constructive, specific, and actionable.

The study recommends allocation of resources for employees to attend conferences, workshops, and training programs relevant to their roles. Encourage employees to pursue professional certifications and memberships in industry associations.

The study also recommends that organization should regularly assess the effectiveness of budgeting control systems, training and development initiatives, and information control systems. Seek feedback from employees and make necessary adjustments to enhance their impact on employee performance.

These recommendations aim to leverage the positive effects of control systems on employee performance and create a conducive environment for employee growth, motivation, and organizational success.

6.3.2 Policy Implications

Based on the significant and positive findings observed for the budgeting control system in the regression analysis, crucial policy implications emerge for optimizing employee performance in Mkinga District or similar organizational contexts. Firstly, investing in comprehensive training programs focused on budgetary understanding and alignment of individual goals with the organizational budget is essential.

Clear communication of budgetary goals is paramount, fostering motivation and performance by enabling employees to align their efforts with organizational objectives. Introducing performance-based incentives tied to budgetary achievements, regular monitoring, and leveraging advanced information systems are vital strategies. Finally, promoting a performance-oriented culture that recognizes and celebrates budgetary successes will reinforce the significance of effective

budgeting control, encouraging heightened employee performance and contributing to organizational success.

The positive and significant findings associated with the training and development control system, highlights the critical impact of this system on employee performance within the Mkinga District context. This finding has the following policy implications. Firstly, organizations should prioritize and invest in robust training and development programs aimed at upskilling employees. These initiatives should be tailored to offer opportunities for acquiring new skills, knowledge, and competencies, ultimately leading to enhanced job performance, productivity, and job satisfaction. Moreover, fostering a culture that encourages continuous learning and growth through regular training sessions, workshops, and seminars is essential. It's imperative to ensure that training programs align with organizational goals and employee needs, maximizing their effectiveness. Additionally, recognizing and rewarding employees who actively engage in training and display improved performance can serve as a strong motivator.

The positive and significant findings associated with the information control system underscores its substantial impact on employee performance within the context of Mkinga District. This finding carries significant policy implications for organizations. Firstly, there should be a strategic focus on investing in and optimizing information control systems to ensure they are efficient, accurate, and timely. Providing employees with seamless access to pertinent information is vital for informed decision-making, efficient problem-solving, and overall effective task execution. This necessitates regular updates, technological advancements, and user-

friendly interfaces in the information systems. Moreover, fostering a culture that promotes transparent communication, collaboration, and knowledge sharing through these systems is crucial. Encouraging employees to actively engage with and utilize the information control systems will contribute to enhanced performance and productivity. By integrating these policy implications, organizations can harness the potential of information control systems to significantly enhance employee performance, ultimately driving improved organizational outcomes and competitive advantage.

6.4 Contribution of the study

The findings will be contributively to various stakeholders including organization (Mkinga District Council), policy makers, employees

The findings will enhance Policymakers to consider incorporating guidelines that encourage organizations to adopt efficient information control systems and budgeting control systems. Recognizing the direct link to employee performance, policies can advocate for investments and strategies that facilitate the effective implementation and utilization of such systems. For organization, recognizing the role of information in performance, organizations can ensure that decision-makers have access to accurate and timely data, enabling more informed and effective decision-making at all levels.

The findings will be useful for the employees by recognizing the importance of being proficient in utilizing the information control systems. Investing in training and skill development related to these systems can empower employees to optimize their

performance. Also, the findings will be useful in understanding that access to timely and accurate information directly influences their performance encourages employees to effectively engage with the information systems, enhancing their efficiency and productivity.

Understanding the positive influence of an effective budgeting control system on employee performance offers significant insights to stakeholders, enabling informed decision-making, targeted policy formation, and the development of strategies that align organizational and employee goals. Ultimately, these insights contribute to a more informed, productive, and harmonious work environment, benefiting both individuals and organizations in Mkinga District and beyond.

Clear understanding and alignment of employees with budgetary goals and targets significantly enhance their performance. The findings will be significant to the management which will ensure that that budgetary objectives are communicated effectively throughout the organization, promoting motivation, accountability, and performance alignment.

To the organizations the findings will be of great deal since organizations can strategically integrate and reinforce budgeting control systems within their operational frameworks. The positive findings signifies that an effective budgeting control system directly translates to improved employee performance, enhancing overall organizational productivity and success.

6.5 Limitations and Area for Further Studies

The study was limited to the effects of information control system, budgetary control

systems and trainings and development on employee performance with a small sample of 93 respondents employing quantitative data analysis (inferential analysis). Further researchers can build on this by conducting in-depth studies to understand the nuances of how each of the elements of management control system influence employee performance in diverse organizational settings with a large sample size and employing pragmatism paradigm. Exploring specific industry applications and longitudinal studies can provide a more comprehensive understanding.

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APPENDICES

APPENDIX I: QUESTIONNAIRES

Dear respondent

I am Amiri, a student at Open University who is currently enrolled in the Master of Human Resource and Management program. I would like to kindly ask for your help in completing this survey by providing your opinions and thoughts on your understanding and beliefs to aid in conducting research on “ **effect of Management Control System on Employee Performance at Mkinga District Council**”. I guarantee you that your perspectives and ideas were kept confidential with great care and utilized solely for their intended purpose.

RESPONDENT NUMBER:

SECTION A: DEMOGRAPHIC DETAILS

Directions: Indicate your answer by placing a checkmark in the parentheses next to the option of your choice, or if necessary, write your response in the provided space.

Respondents Information

1. What is your Gender?

- i. Male []
- ii. Female []

2. What is the range of years in which you age belongs?

- i. 21 – 30 Years
- ii. 31 – 40 Years
- iii. 40 – 50 Years
- iv. 50+ Years

3. What is your highest Education Qualification?

- i) Certificate level and Diploma level []
- ii) Bachelor degree level []
- iii) Master's level []
- iv) PhD []

4. Working experience

- i) 1 to 2 years []
- ii) 2 to 5 years []
- iii) 5 to 10 years []
- iv) More than 10 years []

5. Which department are you working on?

- i. Planning and Administration []
- ii. Finance []
- iii. Human Resource []
- iv. Procurement Management Unit []
- v. ICT Unit []

**PART II: THE INFLUENCE OF MANAGEMENT CONTROL SYSTEM ON
EMPLOYEE PERFORMANCE**

PART II A: BUDGETARY CONTROL SYSTEM

Kindly, indicate to what extent do you agree with the following statements concerning Budgetary Control system available at Mkinga District Council. Use the scale of:

1= Strong disagree, 2= Disagree, 3= Not sure, 4= Agree and 5= Strong agree

Tick **1** if the answer is **Strong disagree**, **2** if the answer is **Disagree**, **3** if the answer is **Disagree**, **4** if the answer is **Agree** & **5** if the answer is **Strong agree**]

S/N	STATEMENTS	SCALE				
		1	2	3	4	5
1	Budgetary Control System Is Effective in Managing clear financial targets and goals					
2	Budgetary Control System Encourages You to Use and allocate Resources Efficiently					
3	Budgetary Control System ensures accurate and timely financial information to employees					
4	Budgetary control system monitors employee's performance					
5	The budgetary control system facilitates effective communication and coordination among employees,					

	leading to enhanced performance.					
6	the budgetary control system provides employees with clear performance goals and targets					
7	The budgetary control system fosters transparency and fairness in resource allocation, which positively impacts employee motivation and performance.					

PART II B: INFORMATION MANAGEMENT SYSTEM

Kindly, indicate to what extent do you agree with the following statements concerning Information Management system available at Mkinga District Council.

Use the scale of:

1= Strong disagree, 2= Disagree, 3= Not sure, 4= Agree and 5= Strong agree

Tick **1** if the answer is **Strong disagree**, **2** if the answer is **Disagree**, **3** if the answer is **Disagree**, **4** if the answer is **Agree** & **5** if the answer is **Strong agree**]

SN	STATEMENTS	1	2	3	4	5
1	Making informed decision enhance employee performance					
2	Access to information increases employee's quality of works					
3	Accuracy and completeness enhance employee					

	productivity					
4	Effective communication increases feedback among employees					
5	The information management system enhances employee efficiency by reducing the time spent searching for information					
6	The information management system effectively organizes and categorizes data allowing quick retrieve of information					
7	The system facilitates easy access to relevant and accurate information enabling employee work efficiency					

PART IIC: EMPLOYEE TRAINING AND DEVELOPMENT SYSTEM

Kindly, indicate to what extent do you agree with the following statements concerning Employee Training and Development system available at Mkinga District Council. Use the scale of:

1= Strong disagree, 2= Disagree, 3= Not sure, 4= Agree and 5= Strong agree

Tick **1** if the answer is **Strong disagree**, **2** if the answer is **Disagree**, **3** if the answer is **Disagree**, **4** if the answer is **Agree** & **5** if the answer is **Strong agree**]

S/N	STATEMENTS	SCALE				
		1	2	3	4	5
1	Skills and knowledge enhance employee quality of work and customer satisfaction					
2	Employee participation in training enhances quality of work					
3	Feedback during training increases employee productivity					
4	Employee satisfaction on training program enhances quality of work and productivity					
5	Training and development initiatives have equipped necessary tools and resources to effective performance of employee					
6	Training and development opportunities have increased confidence in handling job-related tasks and responsibilities					
7	The training and development programs help me adapt to changes in my job and work environment.					

PART II D: EMPLOYEE PERFROMANCE

Kindly, indicate to what extent do you agree with the following statements concerning Employee Performance available at Mkinga District Council. Use the scale of:

1= Strong disagree, 2= Disagree, 3= Not sure, 4= Agree and 5= Strong agree

Tick **1** if the answer is **Strong disagree**, **2** if the answer is **Disagree**, **3** if the answer is **Disagree**, **4** if the answer is **Agree** & **5** if the answer is **Strong agree**]

S/N	STATEMENTS	SCALE				
		1	2	3	4	5
	EMPLOYEE PERFROMANCE					
1	Employee performance enhance customer satisfaction					
2	Regular feedback on your performance					
3	Employee performance increases quality of work					
4	Work productivity increases employee performance					
5	Actively seek opportunities for growth and development to enhance my performance					
6	Constructive feedback and guidance from supervisor's help improve employee performance					
7	Employee performance improves service delivery					

THE UNITED REPUBLIC OF TANZANIA



MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY

THE OPEN UNIVERSITY OF TANZANIA



Ref. No OUT/PG202001633

22nd August, 2023

District Executive Director (DED),
Mkinga District Council,
P.O.Box 6005,
TANGA.

Dear District Executive Director

RE: RESEARCH CLEARANCE FOR MR. AMIRI MGANGA. REG NO: PG202001633

2. The Open University of Tanzania was established by an Act of Parliament No. 17 of 1992, which became operational on the 1st March 1993 by public notice No.55 in the official Gazette. The Act was however replaced by the Open University of Tanzania Charter of 2005, which became operational on 1st January 2007. In line with the Charter, the Open University of Tanzania mission is to generate and apply knowledge through research.

3. To facilitate and to simplify research process therefore, the act empowers the Vice Chancellor of the Open University of Tanzania to issue research clearance, on behalf of the Government of Tanzania and Tanzania Commission for Science and Technology, to both its staff and students who are doing research in Tanzania. With this brief background, the

MKINGA DISTRICT COUNCIL
(All letters should be addressed to the Executive Directors)

Tel: No. 027-2660501
Fax: No. 027-2660500
E-mail: info@mkingadc.go.tz
Website: www.mkingadc.go.tz



P.O. BOX 6005,
TANGA.

If you reply:

Ref No. HW/MKG/A/10/34/VOL II/38
Open University of Tanzania,
P.O. BOX 23409,
DAR-ES-SALAAM -TANZANIA.

23/08/2023

REF: ACCEPTANCE FOR RESEARCH CLEARING FOR MR. AMIRI
MGANGA, REG NO PG202001633

Kindly refer to letter of Ref.No OUT/PG20200 of 22nd August 2023 with the heading above.

2. I take this opportunity to inform you that the request has been accepted and **Mr. Amiri Mganga** is hereby allowed to conduct Research titled "Effect of Management Control Systems on local Government Authorities Employee performance" as related to theoretical learning assuming on duties taking **Degree Programme in Master of Human Resource Management (MHRM)**.
3. This field study will be conducted at Mkinga District Council from **August 23th 2023 to September 30th, 2023.**
4. Kindly note that District Council Management will not provide any compensation for the field practice.
5. We expect a continuing cooperation.

Thank you.


Christina A. Kileo

FOR: DISTRICT EXECUTIVE DIRECTOR
MKINGA



C.C: District Director: Kindly see it on the file

**THE EFFECT OF INFORMATION SYSTEM ON LOCAL GOVERNMENT
AUTHORITIES EMPLOYEE PERFORMANCE; CASE STUDY OF
MKINGA DISTRICT COUNCIL**

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ABSTARCT

The study sought to examine the effects of information system on employee performance in Mkinga District Council. This study used a positivist research paradigm with quantitative research approach and adopted an explanatory research design together with non-proportional stratified simple random sampling technique to obtain 93 respondents from 1330 employees and the data were collected using questionnaire method. The collected data were analyzed using descriptive statistics and multiple regression analysis. The findings indicated that there is positive and significant relationship between budgeting system, training and development control system on employee performance. The study recommends that organization should implement efficient information control systems that facilitate access to accurate and timely information.

Key words: Information system. Employees performance,

INTRODUCTION

Management control systems (MCS) have been widely studied in the context of organizational performance across the globe. Studies have shown that effective use of MCS can help organizations to achieve their goals by ensuring that the right information is communicated to the right people at the right time, which in turn enhances employee performance (Rajabu & Komba, 2019; Mlaki, 2019). However, the effectiveness of MCS is context-specific, and depends on the specific characteristics of the organization and the environment in which it operates (Msofe, 2020).

In Africa, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Obasan & Oyewunmi, 2021; Oyelere et al., 2018). However, the implementation of MCS in African organizations is often hindered by factors such as lack of resources, inadequate training, and resistance to change (Soobaroyen & Poorundersing, 2017).

In East Africa, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Abbas, 2017; Makundi & Julius, 2019). However, the implementation of MCS in East African organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change (Ng'eno et al., 2021; Tirimba & Wanjohi, 2017). Therefore, there is a need for more research on the implementation and effectiveness of MCS in East African organizations.

In Tanzania, the use of MCS has been identified as a critical factor in enhancing organizational performance, particularly in the public sector (Machimu & Makasi,

2020). However, the implementation of MCS in Tanzanian organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change (Machimu & Makasi, 2020). Local government authorities (LGAs) have been the focus of studies on the effects of MCS on employee performance. Abbas (2017) explored the impact of MCS on the performance of LGAs in Tanzania and found that it can improve their financial and non-financial performance. Shirima (2016) also investigated the use of MCS in Tanzanian LGAs and found that it can improve their planning, budgeting, and performance monitoring.

The implementation of management control systems (MCS) in Tanzanian organizations, particularly in the public sector, can have a positive impact on organizational performance. However, this implementation is often hindered by factors such as inadequate training, lack of resources, and resistance to change. Local government authorities (LGAs) have been the focus of several studies on the effects of MCS on employee performance, which have found that it can improve their financial and non-financial performance, planning, budgeting, and performance monitoring.

Mkinga District Council is a local government authority in Tanzania responsible for providing public services and implementing government policies in the district. The council operates in a complex environment characterized by rapid changes in technology, social, and economic factors. To achieve its objectives, the council has implemented various management control systems (MCS) such as budgeting, information, and training and development systems.

However, the effectiveness of these management control systems in enhancing employee performance in Mkinga District Council is not clear and research on the effects of MCS on employee performance in different contexts has shown mixed results, with some studies showing positive effects and others showing no effects or negative effects (Otley, 2016). Therefore, the study aims to examine the influence of the budgeting system, information system, and training and development system on employee performance at Mkinga District Council.

The problem situation is that despite the importance of MCS in enhancing employee performance, its implementation in Tanzanian public sector organizations is often hindered by factors such as inadequate training, lack of resources, and resistance to change leading to poor employee performance. This hampers the ability of these organizations to achieve their goals and meet the expectations of their stakeholders. Various regulations, policies and job procedures are stipulated in the organization to achieve employee performance including workplace policies and procedures as well as human resource policy.

Despite the importance, policies, regulations and implementation of management control system in various organization including Mkinga District Council, employee performance has remained to be low due to absence of understandings on how management control system needs to be executed so as to increase employee performance and has been a challenge due to the complex nature of their operations, which involve providing various services to the community. This is evident from various empirical studies. For example, Deloitte (2016) indicated that although staff have the required qualifications to perform in the job position, the institution

experienced low employee performance. Together with Guguyu (2018) found that there was low employee performance despite having various performance management practices in Kenya. These studies have succeeded to link management practices and employee performance. In Tanzania, Kivuyo (2020) revealed the positive link between management practices and organizational performance.

However, these studies failed to indicate how information system systems influence employee performance. Despite the growing interest in the effects of MCS on employee performance, there is a need for more research on this topic, particularly in the context of Tanzania's public sector. Thus, this study aims to assess the effects of management control systems on employee performance in Mkinga District Council, Tanzania.

LITERATURE REVIEW

Information System

An Information Management System (IMS) refers to a framework or set of processes and tools used by organizations to collect, store, organize, analyse, and disseminate information effectively and efficiently. It encompasses the management of both structured and unstructured data, ensuring the availability, integrity, and security of information assets to support decision-making, operational activities, and strategic initiatives (Laudon & Laudon, 2020). This study adopted a definition developed by (Laudon & Laudon, 2020).

Employee Performance

According to Bernardini & Beatty (2021) defined employee performance as refers to the level of effectiveness, efficiency, and productivity demonstrated by an individual in a specific role within an organization. It involves the accomplishment of assigned tasks and responsibilities, as well as the attainment of organizational goals and objectives. Therefore, this study adopted the definition by (Bernardini & Beatty, 2021).

Control Theory

Control Theory, also known as the Cybernetic Theory of Control, was developed by William Ouchi in the late 1970s. Ouchi proposed this theory as a framework to understand and analyse the relationships between managers and subordinates in organizations. He assumed that theory based on the fact that organizations are systems in which budget systems, and feedback provide positive relationship with employee performances.

according (Ouchi, 1970), control Theory assumes that organizations function as interconnected systems with various components and subsystems. Control Theory assumes that budgeting control systems are an integral part of the organizational system. Budgets serve as a mechanism to allocate resources, set financial targets, and monitor performance within the organization. Control Theory also assumes that information management control systems are an essential component of the organizational system. These systems facilitate the flow of information across different levels and departments within the organization and the theory assumes that training and development systems are integrated within the organizational system.

These systems are designed to enhance employee skills and knowledge, aligning them with organizational goals and objectives.

The assumption is that budgeting control systems provide a structured approach to managing financial resources and ensuring that they are utilized efficiently and effectively. By setting clear financial targets and goals, budgeting control systems enable organizations to control and regulate financial performance. Also, theory assumes that information management control systems help in making informed decisions, accessing accurate and relevant information, and promoting effective communication. By providing timely and accurate information, these systems support control processes and enhance overall organizational performance. Further, theory assumes that training and development systems enable organizations to exercise control over employee capabilities and competencies (Ouchi, 1970). By providing training programs, organizations can shape employee behavior, enhance their performance, and align their skills with organizational requirements.

Control Theory is highly relevant to the study on the effects of management control systems on employee performance in the context of the Mkinga District Council. The theory provides a framework to understand how management control systems, such as budgeting control systems and information management control systems, influence employee behavior and performance within the local government authorities.

H1; *There is no significant relationship between information management control systems and employee performance at Mkinga District Council*

METHODS

This study used a positivism research paradigm. Positivism paradigm is a research paradigm that seeks to establish causal relationship between variables through the collection and analysis of quantitative data. It assumes that objective reliability exists and that it can be measured and studied through scientific methods (Bryman, 2016).

This study used quantitative research approach. The researcher selects this technique due to the fact that this technique helped to quantify the effects of management control systems on employee performance which is necessary for drawing statistical inferences, the use of quantitative approach also allows for generalization of findings to a larger population beyond the study sample (Hug & Dewan, 2021). Also, the researcher used the technique due to the fact that it can help validate the findings and establish the reliability of the study.

This study adopted an explanatory research design. An explanatory research design, also known as causal research design, is a type of research design that aims to explore cause-and-effect relationships between variables. It seeks to investigate the impact of an independent variable(s) on a dependent variable(s) and understand the underlying mechanisms or reasons behind the observed relationship (Hair et al., 2019). The main objective of an explanatory research design is to determine whether changes in the independent variable(s) result in changes in the dependent variable(s) and to explain why this relationship exists.

Population of the Study

The target population of this study were all 1330 staffs (employees) working at Mkinga District Council from various departments/units.

Sampling Procedure

The study employed probability sampling for descriptive statistics and non-probability sampling techniques for in-depth analysis for this research. The stratified sampling techniques was used as a form of non-probability sampling to select a total sample of 93 respondents for the study were obtained from 1330 population of the study using a formula developed by Taro Yamane

Stratified Sampling Technique

The study used a non-proportional stratified simple random sampling technique. This was necessary because of the nature of the research objectives and was used to obtain the group of employees from departments which was transformed to stratum. Each group contained individuals with homogenous characteristics that differ from the other group. To collect data by using this technique, the researcher required to define a population of the study which is employees' members. Thus, the elements from each stratum required to obtain a sample using simple random sampling techniques; where a researcher picked 93 employees from all departments.

The study adopts the formula of Yamane (1967) as shown in equation below to determine the sample size of the research respondents with confidence level of 95% and margin of error of 10% (0.1), the formula is expressed as hereunder;

$$n = \frac{N}{1 + N(e)^2}$$

Where: n= is a required number of samples

N = Total population (1330) and

e = Error tolerance (level) or margin of error (0.1)

From that point of view, the sample size is derived as follows;

$$n = \frac{1330}{1 + 1330(0.1)^2}$$

$$n = \frac{1330}{1 + 1330(0.1)^2} = 93$$

Thus, the researcher used a sample of 93 employees from various departments as presented at Table 3.1.

Table 1 Sample Size and Sampling Techniques

N/ S	Departments and Units	Population	Sample size
	Administration and Human Resources		11
1	Management	133	
2	Finance and Accounts Unit	6	2
3	Internal Audit Unit	2	1
4	Procurement Management Unit	2	1
5	Information Communication Technology Unit	2	1
6	Legal Services Unit	2	1
7	Planning and Coordination	5	2

8	Community Development	27	9
9	Infrastructure, Rural and Urban Development	4	2
10	Pre-Primary and Primary Education	545	25
11	Secondary Education	324	16
	Natural Resources and Environment		1
12	Conservation Unit	1	
13	Health, Social Welfare and Nutrition Services	203	12
14	Agriculture, Livestock and Fisheries	71	8
15	Industry, Trade and Investment	3	1
	TOTAL	1330	93

Source: Field Data, 2023

The questionnaire method was used for the respondents obtained from Mkinga District Council. The questionnaires were used and was equally distributed to a total of 93 employees including middle and lower level employees from each departments and units in Mkinga District Council. The questionnaire was employed to make it possible to gather enough data from a significant number of respondents. Questionnaires was used also because there were chances for accurate information from respondents.

Data Analysis

In order to achieve preliminary results, descriptive statistics was utilized; nevertheless, further investigation is required. The descriptive analysis was provided straightforward descriptions of the properties of the sample, including the mean, the

standard deviation, and the percentages, amongst other statistics. In this study, frequencies and percentage was used to present the respondents demographic information.

Inferential Analysis

The information concerning the nature of the connection between the independent variables and the dependent variables were subjected to factor analysis, regression analysis, and correlation analysis respectively. This study used multiple regression model and the overall employee performance was treated as the dependent variable, and three extracted dimensions were used as independent variables to analyst the relationship between the two.

$$Y_1 = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \mu_i \dots \dots \dots (2)$$

$$Y_1 = \beta_0 + \beta_1 X_1 + \mu$$

Where:

Y= Employee Performance (EP)

β_0 = Constant

X_1 Information Control System (ICS)

3.11 Variables and Measurement Procedures

Table 2 Measurement of Variables

Variables	Item researched (constructs)	Type of scale	Source
Employee performance (Dependent variable)	<ul style="list-style-type: none"> • Efficiency • Customer satisfaction • Regular feedback • quality of work • Constructive feedback and guidance • Service delivery 	Ordinal	Arega and Adem (2020); Rajabu and Komba (2019)
			Mutie et al. (2019)
Information management system (Independent variable)	<ul style="list-style-type: none"> • Informed decision • Quality of works • Accuracy and completeness • Increases feedback • Quick retrieve of information 	Ordinal	Perera & Wickramasinghe (2017); Sarker et al. (2020)

Source: Data Analysis, 2023

3.11 Validity and Reliability

3.11.1 Validity

Validity refers to how accurately a research method or technique measures what it is supposed to measure, or how accurately research findings reflect what they are intended to represent. In the context of survey data, validity can be assessed by considering the techniques used, response rates, and the questionnaire itself. In this study, validity was tested by piloting research questions to ensure they are clear and unambiguous. Any inconsistencies or uncertainties were corrected to establish the face, content, and construct validity of the study. To minimize interpretation differences, the researcher provided clarification and conceptual associations for the

respondents as they complete the questionnaire. Additionally, the study's validity was maintained by ensuring that the voices of the respondents are heard through discussion.

3.11.2 Reliability

The degree to which a research instrument generates data that are comparable under conditions that are consistent is referred to as its reliability (Kothari, 2004). For the purpose of determining if the data in each study variable are reliable or consistent internally, the researcher used Cronbach's alpha procedures in this particular investigation. When conducting research that utilizes a questionnaire with numerous Likert questions to build a scale, the Cronbach's alpha approach is a popular choice to use. The researcher was able to determine whether or not the questionnaire is dependable and appropriate for data collection and whether or not it produces similar results under consistency conditions with the assistance of this procedure. According to the findings of Tavakol and Dennick (2011), the recommended range for the minimum acceptable Cronbach's Alpha value is "between" 0.7 and 0.95 at the most.

RESULTS

Age of the Respondents

The Table 3 provides insights into the age distribution of the respondents who participated in the study conducted on the effect of management control systems on the employee performance of Mkinga District Council. The findings indicate that the highest number of respondents fell within the age range of 41 to 50 years, comprising 38.7% of the total participants. This indicates a significant presence of mid-career employees within the study. The second-highest number of respondents were in the

age range of 31 to 40 years, accounting for 36.5% of the total participants. This suggests a considerable representation of employees in their early to mid-career stages. Approximately 15.1% of the respondents were aged 50 years and above. This indicates the presence of more experienced and senior employees within the study. The lowest number of respondents were in the age range of 21 to 30 years, comprising 9.6% of the total participants. This suggests a smaller proportion of younger employees within the study.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included a diverse range of participants from different age groups, representing various stages of their careers. The inclusion of employees across different age groups allows for a comprehensive understanding of the impact of management control systems on employee performance, considering the perspectives and experiences of employees at different stages of their professional journey.

Table 3 Age of the Respondents

Age of the Respondents	Frequency	Percent
21 to 30 years	9	9.6
31 to 40 years	34	36.5
40 to 50 years	36	38.7
50+ years	14	15
Total	93	100.0

Source: Data Analysis, 2023

Gender of the Respondents

Gender can also be an important factor on the effect of management control systems on the employee performance of Mkinga District Council. During an interview respondent were asked to indicate their gender. The findings in Table 4 indicate that the majority of the respondents were female, comprising 55.9% of the total participants. This suggests a higher proportion of female employees from Mkinga District Council who were interested in and participated in the study. Approximately 44.1% of the respondents were male. While the percentage is lower than that of female respondents, it still represents a significant portion of male participants. This indicates a relatively balanced representation of both genders in the study.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included both male and female participants, with slightly higher representation from female respondents. The balanced gender distribution allows for a comprehensive analysis of the impact of management control systems on employee performance from diverse gender perspectives. It demonstrates the inclusivity of the study and ensures that insights and conclusions are not biased towards one gender.

Table 4 Gender of the Respondents

Gender of the respondents	Frequency	Percent
Male	41	44
Female	52	55.9
Total	93	100.0

Source: Data Analysis, 2023

Education level of Respondents

Education is an important factor in providing the relevance on the effect of management control systems on the employee performance of Mkinga District Council. Table 5 provides insights into the education levels of the respondents who participated in the study conducted on the effect of management control systems on the employee performance of Mkinga District Council. The majority of respondents held a Certificate level and Diploma level, accounting for 42 (45.2%) of the total respondents. This indicates a relatively higher proportion of participants with undergraduate qualifications. Approximately 37 (39.7%) of the respondents had attained a Bachelor's degree level of education and 8 (8.6%) attended Master's degree, suggesting a significant portion of participants with advanced academic qualifications beyond the Bachelor's level. This indicates a portion of participants with educational qualifications. This suggests a limited number of participants with the highest level of academic qualification.

These findings indicate that the study on the effect of management control systems on employee performance in Mkinga District Council included a diverse range of participants with various levels of educational attainment. The distribution of education levels allows for a comprehensive understanding of the impact of management control systems across different educational backgrounds, enhancing the study's generalizability and capturing perspectives from individuals with diverse educational experiences

Table 5 Education Level of the Respondents

Education level of the respondents	Frequency	Percent
Certificate level and Diploma level	42	45.2
Bachelor degree level	37	39.7
Master's level	8	8.6
Total	93	100.0

Source: Data Analysis, 2023

Descriptive Statistics Results

Information Management System Descriptive Statistics Results

The descriptive statistics outlined in Table 5 provide a comprehensive view of the perceived effectiveness of the Information Management System across various organizational facets at Mkinga District. The mean values and standard deviations in the table reflect respondents' perceptions regarding the influence of the information management system (IMS) on various aspects of employee performance and efficiency. A mean value of approximately 3.97 (SD = 1.31) is observed for "Making informed decisions enhances employee performance," indicating a high level of agreement among respondents, suggesting they strongly believe in the positive impact of IMS on this factor. For "Access to information increases employee's quality of work," the mean is approximately 4.04 (SD = 1.31), suggesting a significant consensus among respondents regarding the positive impact of IMS on enhancing work quality. "Accuracy and completeness enhance employee productivity" has a mean of about 3.97 (SD = 1.31), reflecting a similarly high level

of agreement. The statement "Effective communication increases feedback among employees" has a mean of approximately 3.99 (SD = 1.07), indicating a moderate level of agreement. "The IMS enhances employee efficiency by reducing the time spent searching for information" is rated with a mean of about 4.24 (SD = 1.14), signifying a strong consensus on the efficiency-improving aspect of IMS. "The IMS effectively organizes and categorizes data allowing quick retrieval of information" has a mean of approximately 3.98 (SD = 1.09), indicating moderate agreement. Lastly, "The system facilitates easy access to relevant and accurate information enabling employee work efficiency" has a mean of around 4.06 (SD = 1.14), reflecting a strong consensus on the efficiency-enhancing aspect of IMS. The findings imply that a well-implemented and effective information management system is seen as a valuable tool that positively influences employee performance, efficiency, and the quality of work.

Table 6 Information Management System Descriptive Statistics Results

	Min	Max	Mean	Std. Dev
Making informed decision enhance employee performance	1.00	5.00	3.9677	1.31423
Access to information increases employee's quality of works	1.00	5.00	4.0430	1.30978
Accuracy and completeness enhance employee productivity	1.00	5.00	3.9677	1.31423

Effective communication increases feedback among employees	1.00	5.00	3.989 2	1.06826
The information management system enhances employee efficiency by reducing the time spent searching for information	1.00	5.00	4.236 6	1.13634
The information management system effectively organizes and categorizes data allowing quick retrieve of information	1.00	5.00	3.978 5	1.09325
The system facilitates easy access to relevant and accurate information enabling employee work efficiency	1.00	5.00	4.064 5	1.14024

Source: Data Analysis, 2023

Employee Performance Descriptive Statistics Results

In Table 7, the descriptive statistics offer valuable insights into the perceived impact of Employee Performance within Mkinga District Council. The mean values from the presented table provide insights into various factors influencing employee performance within the context of ensuring effective employee performance. A higher mean value, as observed in "Employee performance improves service delivery" (Mean = 4.0430), indicates that employees perceive a strong correlation between their performance and enhanced service delivery. This suggests that when employees perform well, it positively impacts the quality of services provided. On

the other hand, lower mean values, such as "Regular feedback on your performance" (Mean = 3.7742) and "Actively seek opportunities for growth and development to enhance my performance" (Mean = 3.7849), signify areas where there might be room for improvement. These aspects are important for fostering employee growth and performance but might require additional attention to elevate their effectiveness. Moderately placed mean values, like "Employee performance increases quality of work" (Mean = 3.9677) and "Work productivity increases employee performance" (Mean = 3.9785), suggest that there is a perceived link between employee performance and the quality of work or productivity. Enhancing these factors could further boost employee performance and overall organizational effectiveness. Overall, these findings emphasize the critical role of employee performance in achieving organizational goals, with feedback, growth opportunities, and productivity being significant contributors to overall performance improvement.

Table 7 Employee Performance Descriptive Statistics Results

	Min	Max	Mean	Std. Dev
Employee performance enhance customer satisfaction	1.00	5.00	3.946 2	1.18290
Regular feedback on your performance	1.00	5.00	3.774 2	1.22589
Employee performance increases quality of work	1.00	5.00	3.967 7	1.31423

Work productivity increases employee performance	1.00	5.00	3.978 5	1.17934
Actively seek opportunities for growth and development to enhance my performance	1.00	5.00	3.784 9	1.21449
Constructive feedback and guidance from supervisor's help improve employee performance	1.00	5.00	3.709 7	1.25612
Employee performance improves service delivery	1.00	5.00	4.043 0	1.22398

Source: Data Analysis, 2023

Correlation Analysis

Pearson correlation analysis used to determine the relationship between variables. The researcher used bivariate correlation to establish whether there is significant relationship between dependent variable i.e. employee performance and independent information control system. The value of correlation coefficient range between -1 to +1, the value of +1 show that variables are perfect and positive related in linear model, the value of -1 show that variables are perfect but negative in a linear model and 0 values shown no relationship between variables in linear model (Mwangi, 2017).

The results also discovered ($r= 0.873$, $p>0.05$), which means there was strong and positive significant relationship between information control system and employee performance at Mkinga District Council.

Table 8 Correlation Matrix of All Variables

INFO	Pearson Correlation	.872**	1		
EP	Pearson Correlation	.834**	.917**	.858**	1

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

Key; INFO=Information Management System, EP=Employee Performance

Source: Data Analysis, 2023

Linear Regression for all Variables

According to Pallant (2010), a technique for examining the relationship between variables is multiple regression analysis. The effect of independent factors, such as budgeting control, information control system, training and development, on the dependent variable, employee performance, was examined in this study using multiple regression analysis. With an R value of 0.933, the regression analysis's findings show a significant positive correlation between the variables. The research also reveals that independent variables may account for 87.1% of the variation in electronic tax compliance (R-squared = 0.871), with other factors accounting for the remaining 12.9%. A summary of the regression analysis is presented in Table 9

9: Overall Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.933 ^a	.871	.867	.37339

a. Predictors: (Constant), TD, BGT, INFO

b. Dependent Variable: EP

Source: Data Analysis, 2023

Analysis of Variance (ANOVA)

The ANOVA findings in Table 10 demonstrate the validity of the model employed to examine the connection between budgeting control, information control system, training and development, and employee performance in Mkinga District. This is because the F-value is 200.493 and the p-value is less than 0.05 with degrees of freedom of 89. This result suggests that the effect budgeting control, information control system, training and development, can accurately predict the relationship with employee performance at Mkinga District Council.

Table 10 Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	83.859	3	27.953	200.493	.000 ^b
	Residual	12.409	89	.139		
	Total	96.268	92			

a. Dependent Variable: EP

b. Predictors: (Constant), TD, BGT, INFO

Source: Data Analysis, 2023

Information Control System

In this model, the independent variable is INFO. The unstandardized coefficient for INFO is 0.933, which means that for a one-unit increase in INFO, there is a 0.933 unit increase in EP, holding all other variables constant. The standardized coefficient for INFO is 0.917, which means that for a one standard deviation increase in INFO, there is a 0.917 standard deviation increase in EP, holding all other variables

constant. The t-statistic for INFO is 21.881, which is highly significant (p-value = 0.000). This means that the relationship between INFO and EP is statistically significant.

Table 11 Linear Regression Model Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.121	.177		.684	.000
	INFO	.933	.043	.917	21.881	.000
a. Dependent Variable: EP						

Source: Data Analysis, 2023

DISCUSSION

The coefficient for information control system was found to be positive and significant, indicating that it has a direct effect on employee performance. The results in revealed that information control system significantly affect employee performance in Mkinga District. Information control system has a positive coefficient, which indicates that it for every unit increase in information control system, there is a unit increase in employee performance, holding other variables constant. This means that an efficient information control system plays a crucial role in facilitating employee performance. Access to accurate and timely information enables employees to make informed decisions, solve problems effectively, and

perform their tasks efficiently. A well-designed information control system fosters effective communication, collaboration, and knowledge sharing, which positively impact employee performance and overall organizational outcomes.

The findings regarding the positive effect of information control systems on employee performance are consistent with prior research. A study by Bosua, Venkitachalam, and Fam (2016) showed that access to accurate and timely information positively influences employee decision-making, problem-solving, and task performance. A study by Sarker et al. (2020) examined the effect of management control systems on employee performance in the context of Bangladesh. The results showed that the use of control practices, such as performance measurement and feedback, positively impacted employee performance. A study by Moshi (2017) studied on the effective implementation and application of management control practices. The findings identified the lack of clear communication channels and feedback mechanisms as a major challenge in the application of management control practices.

CONCLUSION

The study found that information systems have a significant positive effect on employee performance in local government authorities. The study specifically found that information systems improve employee productivity, efficiency, and decision-making. The study also found that the specific information systems that are most beneficial for employee performance are those that support communication, collaboration, and knowledge management. For example, the study found that employees who have access to email, instant messaging, and other communication

tools are more productive and efficient. Additionally, the study found that employees who have access to knowledge management systems, such as wikis and document repositories, are better able to make decisions and solve problems. The findings of the study suggest that local government authorities should invest in information systems to improve employee performance. By investing in information systems, local government authorities can improve the productivity, efficiency, and decision-making of their employees. This can lead to a number of benefits, including improved service delivery, reduced costs, and increased citizen satisfaction

RECOMMENDATIONS

Based on the findings of the study, the following recommendations are made to local government authorities; Invest in information systems that support communication, collaboration, and knowledge management. Provide employees with training on how to use information systems effectively. Develop a policy framework for the use of information systems that ensures that they are used in a secure and ethical manner. Monitor the use of information systems to identify and address any problems that may arise.

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