

Budgetary Control Systems and Accountability in Kenya's Public Sector Organizations: A Management Accounting Perspective

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ABSTRACT: Budget control and accountability are key aspects of public sector financial management. Both in developed and developing economy, public institutions exist to manage public resources in an efficient, transparent, and accountable manner. Concerns about transparency and accountability in Kenya's public sector institutions are a result of corruption, mismanagement of funds, weak internal control, and inefficient management of public resources. From a management accounting viewpoint, budgetary control systems aid in the planning, coordination, and evaluation of activities. This research explores the contribution of budget control systems to accountability in public sector institutions in Kenya. Specifically, it examines the contribution of management accounting techniques to transparency, governance, operational and financial accountability. The study also examines the key challenges in public sector budgeting relating to politics, behavior, inadequate technology and corruption, and recent trends such as digital budgeting, and performance-based budgeting. A Structured Literature Review was utilized, accessing publications from 2020 to 2026, including peer reviewed journals, government publications, authoritative policy papers, and other relevant and scholarly works. The research concludes that efficient budget control systems enhance governance and operational effectiveness, and facilitate transparency in public sector institutions. It also posits that the enhancement of budget control systems is essential for improving public financial management and accountability in Kenya.

KEYWORDS: budgetary control systems, accountability, management accounting, public financial management, Kenya

INTRODUCTION

Public institutions are vital for national development and the provision of public services. Governments are provided with public resources and are expected to manage these resources with a sense of trust and responsibility. The growing public demand for accountability and responsible governance is increasing pressure on public organizations to enhance management of finances and improve the systems and procedures of budget execution (Anessi-Pessina et al., 2023).

Changes to public-sector finance are influencing public accountability and positively affecting public governance and the management of public resources in government agencies (Pollitt & Bouckaert, 2021). There is constant pressure on governments from citizens, regulators, and other entities to account for how public resources are obtained, the ways in which these resources are distributed, and their use for accomplishing public and organizational objectives. Modern literature reinforces the notion that public financial management policies have a strong focus on openness, responsibility, and a results-based budgeting approach to bolster governance and the provision of public services (Grossi et al., 2023; OECD, 2023).

Effective financial management in public institutions has made budgetary control an important management accounting practice. Budgetary control comprises the creation of a budget, supervision of budget implementation, comparing actual performance with projected outcomes and making modifications when appropriate (Drury, 2021). These tasks allow institutions to oversee and control expenditure, regulate financial activities and improve efficiency in the firm. It also helps ensure budgetary compliance. Control of budgets helps to improve planning, coordination, and communication in the organization (Hansen et al., 2022).

In Kenya, enhancing accountability and financial responsibility in the public sector is an important policy issue. Despite the reforms to the public financial management system, corruption and misallocation of public resources continue to afflict government organizations (Controller of Budget, 2024; Office of the Auditor-General, 2024). The Office of the Auditor General and Controller of Budget has produced numerous reports documenting financial malfeasance, improper expenditure, rising bills and poor financial documentation from both the national and county administrations. Such challenges have contributed to the erosion of



public confidence in the adequacy and effectiveness of existing accountability structures and responsible and judicious administration of public resources.

To address these challenges, the Government of Kenya has undertaken many public financial management reforms intended to enhance transparency, accountability, and expenditure control. One of these reforms was the introduction of the Integrated Financial Management Information System (IFMIS) which was designed with the objective of improving the execution of the public budget and improving both the public institution's financial accountability and the control of public expenditures. The enactment of the Public Finance Management Act in 2012 was a further step to the system, as it established a legal system framework that codifies and enhances the control of management practices of public funds. The passing of these measures demonstrates the government's continued dedication to prioritizing financial management and enhancing governance through the reinforcement of accountability for public resources.

From a management accounting perspective, budget control systems are financial oversight tools and governance procedures that improve transparency, efficiency, and effectiveness. Well-designed budgeting systems help managers to monitor the usage of resources, discover deviations, evaluate effectiveness and monitor the alignment of operations to the strategies of the business (Merchant & Van der Stede, 2022). Furthermore, recent advancements such as digital budgeting systems, performance-based budgeting, and integrated financial management systems have updated traditional budgeting and broadened the scope of budget control in the public sector (Allen et al., 2021).

Despite earlier research identifying budget control, accountability, and public financial management in their respective areas, not much literature has explored the budget control systems regarding accountability in the public sector in Kenya from the viewpoint of management accounting. Many of these studies center around certain government sectors, county governments, or financial management reforms and do not include the larger picture regarding accountability, transparency, and the newer budget practices. For these reasons, there is a need for a thorough evaluation that pulls together the existing knowledge surrounding budget control systems and accountability in the public sector of Kenya.

This research investigates how budgetary control systems improve accountability in public sector organizations in Kenya. It focuses on how management accounting practices foster transparency and governance as well as the efficient running of operations and financial accountability. Additionally, the study looks at the prominent issues affecting budgeting in the public sector including political and bureaucratic encroachments, corruption, lack of appropriate and sophisticated technology, and behavioral issues. It also investigates modern phenomena like the numerous digital budgeting systems that are emerging as well as performance-based budgeting and their impact on accountability and public financial management in Kenya.

I. LITERATURE REVIEW

This section reviews previous literature related to budgetary control, accountability, management accounting and financial management in the public sector. The goal of the literature review is to provide theoretical and empirical understanding of the function of budgetary control systems in promoting accountability of public sector organizations. The review also examines key concepts, relevant theories, and findings from previous studies on budgeting systems, governance, transparency, internal controls, and organizational performance.

A. *Concept of Budgetary Control*

The primary objective of budgetary control is to guide the implementation of various activities within the organization so that they are geared toward the achievement of organizational goal. It does this through the establishment of budgets. According to Drury (2021), Budgetary control systems assist in the design, organization, and assessment of control and performance.

In public sector organizations, budgetary control systems ensure the organization's goals are met within the prescribed financial resource limits. Budgetary control also makes finances more accountable, reduces wasteful spending, and increases the effectiveness of operations. Hansen et al. (2022) state that for budgetary control, management accounting systems are crucial because they generate the financial and operational data that aid control and decision-making within the organization.

Budgetary control systems also allow for the tracking of spending and the evaluation of the financial performance of different units within the organization. In addition to this, they assist in the identification of financial irregularities that have a negative effect on the overall performance of the organization. As a result, budgetary control systems are vital for financial management and accountability in the public sector (Merchant & Van der Stede, 2022).

B. Accountability in Public Sector Organizations

Public sector organizations exist to provide services to the public using funds collected from taxation. This makes accountability the most important principle in public sector governance. Public sector managers have to defend their choices and the use of public funds. Accountability is critical now more than ever with growing governance concerns and the public's desire to see transparency and the judicious use of public funds (Anessi-Pessina et al., 2023).

Public accountability can be categorized into different types: financial, administrative, legal and operational accountability. The financial accountability of public institutions refers to the management of public resources according to the budget and relevant laws and policies. Effective accountability systems improve the governance of public institutions, increase public confidence, and diminish the incidence of corruption and financial malfeasance.

Performance-based budgeting and accounting control systems positively impact government accountability and the performance of public organizations (Afronisa and Erawati, 2024). Eton et al. (2022) state that the provision of strong internal control systems within public institutions helps to meet both financial and operational accountability. Weak accountability systems, on the other hand, allow for the corruption and misappropriation of public resources, poor service delivery, and the ineffective use of public funds. This makes the enhancement of accountability systems a priority for governments that wish to improve the management of their resources and the performance of the public sector.

C. Budgetary Control and Accountability in Kenya's Public Sector

The reforms to public financial management to enhance transparency and governance has made budgetary control and accountability a focal point in Kenya. The frameworks in the Constitution of Kenya (2010) and the Public Finance Management Act (2012) promote fiscal discipline and accountability and the responsible use of public resources.

Although reforms have been enacted, the Kenyan public sector still struggles with financial mismanagement, corruption, procurement irregularities, and weak internal control systems (Controller of Budget, 2024; Office of the Auditor-General, 2024). The Office of the Auditor-General issued several reports on the failure of the national and county governments to comply with the financial regulations and the poor implementation of budgets.

In response to these challenges, the Kenyan government initiated the Integrated Financial Management Information System (IFMIS) to control expenditures and enhance financial reporting and budget transparency. Majani et al. (2022) found that IFMIS improved budgetary controls, expenditure monitoring, and financial accountability within Kenyan county governments by enhancing the accuracy and transparency of financial reporting.

Reports from the Controller of Budget (2024) indicate that effective budget monitoring, expenditure control, and financial reporting are essential for improving accountability and financial performance within Kenya's public sector institutions. The reports further emphasize the importance of compliance with budgetary regulations and continuous monitoring of public expenditure to enhance governance outcomes.

Inadequate technical and institutional capacity, political and financial corruption, resistance to change, and weak enforcement mechanisms limit the improvement and the overall efficacy of budgetary systems in Kenya. This proves that improving budget control systems is a priority for strengthening governance and accountability in the public sector of Kenya.

D. Management Accounting and Public Sector Financial Management

Management accounting provides both financial and non-financial information for planning, controlling, and decision-making process within organizations. Management control practices play an important role in public sector budgeting, expense control, performance evaluation, internal controls, and financial reporting. Merchant and Van der Stede (2022) assert that management control systems facilitate the attainment of an organization's objectives by aligning operational and strategic levels of the organization. In public sector organizations, management accounting practices enable greater accountability through the clear presentation of finances and improved performance appraisal.

Ferreira and Otley (2021) contend that management control systems are vital for the alignment of an organization's strategy with the performance appraisal and accountability functions of contemporary organizations. Consequently, budgetary control is considered a key management accounting practice as it allows organizations to manage resources and assess organizational financial performance. Management accounting systems enable public sector managers make better decisions on resource use and operations (Hansen et al., 2022).

Additionally, management accounting aids in the governance reforms by refining financial reporting and enhanced internal control. As government organizations modernize their budgeting processes, management accounting becomes even more relevant by improving accountability and efficiency within government organizations (Rieg & Ulrich, 2024). Recent studies also suggest that public sector accounting reforms increasingly emphasize performance measurement, transparency, and accountability as mechanisms for improving governance and service delivery (Bracci et al., 2022; Grossi et al., 2023).

II. THEORETICAL FRAMEWORK

E. Agency Theory

Agency Theory identifies the relationships between the principals and the agents in an organization. In most public organizations, citizens and the government serve as principals, while the public officials and managers are the agents in charge of managing public resources. Agency Theory holds that the pursuance of an agent's personal interest over the public interest or the interest of the organization will create a conflict. Agency issues appear in the form of corruption, misappropriation of public funds, budgetary slacks, and poor financial resource allocation.

Agency Theory advocates for the adoption of budgetary control systems, as these systems incorporate planning, control, and evaluation as well as mechanisms of accountability. Agency Theory, therefore, advocates for the adoption of budgetary control systems in public financial management to enhance transparency, accountability, and integrity of the management systems (Merchant & Van der Stede, 2022).

F. Contingency Theory

Contingency Theory states that there is no single best management accounting system suitable for all organizations. The effectiveness of budgetary control systems is influenced by a system's organizational design, the technology applied, and external and governance systems. In practice, public sector organizations operate in different political, economic, and social environments, which influence the effectiveness of budgeting systems and accountability mechanisms. Consequently, organizations require flexible budgeting systems that can adapt to changing organizational and environmental conditions (Drury, 2021).

Contingency Theory is particularly relevant in modern government institutions because technological advancement and governance reforms continue to transform budgeting practices and financial management systems. According to Pollitt and Bouckaert (2021), public management reforms have significantly transformed budgeting practices, accountability systems, and governance structures within public sector institutions.

G. Institutional Theory

Institutional Theory explains how organizations adopt structures and practices in response to institutional pressures such as government regulations, professional standards, governance reforms, and societal expectations.

According to Indrawijaya & Nuralmasari (2022), Public sector organizations increasingly adopt digital budgeting systems, e-government platforms, performance-based budgeting, and transparency reforms in order to improve legitimacy and public trust. Public sector organizations implement these practices to gain legitimacy and foster public trust. Thus, Institutional Theory accounts for the increased efforts by governments to strengthen accountability and public financial management.

H. Stewardship Theory

From the standpoint of Stewardship Theory, public managers and officials have the capacity to act in the best interests of the public. In contrast to Agency Theory, Stewardship Theory assumes that managers value responsibility, integrity, accountability, and organizational success.

Furthermore, this theory is important because accountability in public sector organizations depends not only on monitoring systems but also on ethical leadership and responsible organizational behavior. Effective budgetary control systems therefore support stewardship by encouraging transparency, ethical financial management, and responsible utilization of public resources (Anessi-Pessina et al., 2023).

I. Management Control Systems Theory

Management Control Systems Theory explains how organizations use formal systems and procedures to ensure that organizational activities align with strategic objectives. These systems include budgeting, the evaluation of performance, and a

variety of internal controls and monitoring systems. Simons (2020) maintains that effective management control systems help organizations achieve a balance between accountability for plans and the performance of the organization.

Management Control Systems Theory emphasizes effective control systems within an organization result in operational efficiency and accountability. In public organizations, budgetary control systems support planning, coordination, resource allocation, as well as the evaluation of organizational performance (Merchant & Van der Stede, 2022). Therefore, Management Control Systems Theory directly connects budgetary control with accountability, governance, and organizational effectiveness in public institutions.

III. EMPIRICAL STUDIES

Many studies have explored the impact budgetary control systems have on public sector organizational accountability. Evidence suggests that budgeting systems positively impact governance, budgeting discipline, and overall organizational effectiveness.

On an international scale, Afronisa and Erawati (2024) argued that accounting control systems and performance-based budgeting significantly enhance accountability and performance in government and organizations. Furthermore, Indrawijaya and Nurmalasari (2022) argued that local government digital budgeting systems and e-government systems increase the transparency of financial reports and improve accountability in local government. The findings illustrate those contemporary systems of budgeting address financial control and governance.

The role of internal control systems on accountability has been the subject of many past studies. Eton et al. (2022) argued that the effect of internal control systems on organizations is that financial irregularities and inefficiencies are reduced. Similarly, Anessi-Pessina et al. (2023) argued that contemporary public sector management has become a balancing act for accountability and transparency, with substantial trust in the public and the effectiveness of budgeting reforms for public sector institutions.

There have been several studies that have analyzed the role of budgeting control systems in increasing accountability in public sectors within the Kenyan public institutions. Evidence from the Controller of Budget (2024) indicates that effective budget monitoring, expenditure control, and transparent reporting systems contribute significantly to financial accountability and organizational performance within Kenya's public sector. The report highlights the importance of strong internal controls, compliance with budgetary regulations, and continuous oversight in improving public financial management.

Majani et al. (2022) examined the use of the Integrated Financial Management Information System (IFMIS) in Kenyan county governments and found that the system enhances budgetary control, expenditure monitoring, financial reporting, and financial accountability. However, the study also emphasized that technological reforms alone are insufficient to guarantee accountability, as challenges related to technical capacity, implementation effectiveness, and user adaptation continue to affect system performance.

The studies reviewed show that budget control systems have a positive effect on accountability, and yet, a wide array of problems subsist that specifically manifest in the public sector. These include among others interference by politicians, corruption, poor internal controls, and inadequate technology, as well as resistance to reform of the organization. Further, most of the available studies focus on specific institutions, specific counties, or specific financial management reforms. Therefore, few studies have explored the relationship between budget control systems and accountability in the public sector in Kenya from the management accounting point of view. This study hopes to address this by combining evidence from budgeting, governance, and management accounting to broaden the understanding of public financial management in Kenya.

IV. METHODOLOGY

This study adopted a qualitative approach and utilized Structured Literature Review (SLR) to investigate budgetary control systems and their impact on accountability in Kenya's public sector. The structured literature review approach is preferred because it enables the identification, evaluation, and synthesis of existing literature pertaining to budgetary control, accountability, management accounting, governance, and public financial management.

The study relied exclusively on secondary data obtained from peer-reviewed journals, academic books, government reports, policy documents, and other scholarly publications that pertained to budgetary control, accountability, and management accounting as well as public financial management. In order to keep the results in line with recent trends in public sector financial management,



the review mainly included studies published between the years 2020 and 2026. However, seminal studies and foundational theoretical works were included where necessary to strengthen the theoretical framework and provide conceptual context for the study.

Relevant literature was obtained from various academic sources, including Google Scholar, Scopus indexed journals, government publications, and management accounting literature. During the data collection process, several keywords were used, such as “budgetary control systems,” “accountability,” “management accounting,” “public financial management,” “governance,” “IFMIS,” “internal controls,” and “Kenya public sector.”

In order to enhance the review's quality and credibility, the focus was on peer reviewed publications classified under Scopus's Q1 and Q2 journals. These journals are recognized for their high level of thoroughness in the peer review process and their overall research quality. Incorporating government reports and policy documents added valuable empirical data related to budget execution, responsibility, governance reforms, and public financial management in Kenya.

The following standards were used for assessing quality and relevance of literature: (1) publication years 2020 to 2026; (2) peer-reviewed articles; (3) articles focusing on control of budgets, accountability, governance, management accounting, internal controls, public financial management and digital budgeting; (4) articles on public sector organizations; (5) relevant official government reports and policy documents. Articles focusing exclusively on private-sector organizations and publications outside the selected period were excluded, except for seminal theoretical works that were necessary to support the theoretical framework.

The literature was assessed based on relevance, credibility, and the contribution to the study. It was subjected to a thematic study to identify repeated ideas and other patterns. Topics such as budget control systems, processes of accountability, and governance reforms were some of the focal points.

The literature was analyzed and synthesized to identify similarities and differences in order to understand in depth how budget control systems in public organizations of Kenya promote accountability and governance. During the study, all sources were cited and referenced in order to promote academic integrity and transparency as well as responsible scholarship.

V. RESULTS AND DISCUSSION

The findings from the reviewed literature indicate that budgetary control systems play a significant role in enhancing accountability, transparency, governance, and organizational performance within Kenya's public sector organizations. Budgetary control systems facilitate financial oversight, promote transparency, and improve internal systems, all of which drive better performance by the organization. From the management accounting aspect, systems of budgeting provide managers with appropriate financial information for effective planning, coordination, and control, as well as for performance evaluation and decision-making.

J. Budgetary Control and Financial Accountability

One of the major findings from the literature is that budgetary control systems improve financial accountability in public institutions. Public sector organizations are responsible for managing public funds and are therefore expected to ensure that financial resources are utilized according to approved budgets and organizational objectives. Budgetary control systems assist managers in monitoring expenditures and comparing actual financial performance with planned targets.

Drury (2021) argues that budgetary control promotes financial discipline because managers are required to justify expenditures and explain budget variances. Similarly, Afronisa and Erawati (2024) found that performance-based budgeting positively influences accountability and organizational performance. These findings suggest that effective budgeting systems strengthen accountability by promoting responsible resource utilization and reducing opportunities for financial mismanagement.

In Kenya, concerns regarding accountability remain a central focus of reports published by the Auditor-General's Office and the Controller of Budget. Issues such as unsupported expenditure, irregular procurement, pending bills, and inadequate budget implementation show the need to strengthen budget control mechanisms. The results of this study indicate that budget control can be enhanced, and accountability and fiscal discipline in public sector institutions can be improved through the effective implementation of budget monitoring, expenditure control, and variance analysis.

K. Budgetary Control and Transparency

The reviewed literature also shows that in public sector organizations; budgetary control systems enhance transparency. Transparency is vital to stakeholders, policymakers, and citizens because they can see how money is spent and how government agencies and non-governmental organizations act and behave.

According to Anessi-Pessina et al. (2023), transparency improves public trust and strengthens governance within public institutions. Budgetary control systems improve transparency by ensuring that financial information is properly documented, monitored, and reported. Digital budgeting systems and e-government systems improve financing and budget information reporting and public access (Indrawijaya & Nurmalasari, 2022).

Improvement of transparency in the public sector in Kenya has been realized by the introduction of the Integrated Financial Management Information System (IFMIS), which allows tracking, reporting, and monitoring of budgeting. However, attention to the technical capacity and compliance to the system is critical for the success of the digital reform of financial management. These studies show that technology reform is necessary, but it must be accompanied by governance reform and strengthening of the systems and institutions.

From a management accounting perspective, transparency helps to hold people accountable because it diminishes asymmetry of information and increases the accountability of managers for finance and the performance of the organization. This is in line with Agency theory which stresses the role of control in curtailing self-interest and fostering accountability.

L. Internal Controls and Organizational Governance

The research continually emphasizes the significance of internal control systems in promoting accountability and governance. Internal controls are crucial for compliance with financial regulations, fraud prevention, safeguarding of public resources and organizational effectiveness. Effective control systems also assist businesses to achieve their goals through the establishment of appropriate monitoring and evaluation methods.

Eton et al. (2022) discovered that robust internal control systems enhance financial responsibility and operational efficiency. Similarly, Majani et al. (2022) found that digital financial management systems such as IFMIS strengthen expenditure controls, improve financial reporting, and enhance financial accountability within public sector institutions. These findings provide support for the notion that accountability is influenced not just by budgeting processes but also by the strength of governance structures and internal control frameworks.

In Kenya, inadequate internal controls have often been mentioned in cases of financial misconduct, procurement irregularities, and problems with the implementation of the budget (Adisa, 2024). Hence, the establishment of internal controls is still a huge approach to improve governance, raise the responsibility and facilitate smart financial administration inside public institutions.

M. Challenges Affecting Budgetary Control Systems in Kenya

Despite the benefits associated with budgetary control systems, several challenges continue to affect their effectiveness within Kenya's public sector organizations.

1) Political Interference

One of the ongoing issues that continue to hinder budget implementation and accountability in the Kenyan public sector is political interference. At times, decisions on budget allocation are influenced more by political interests rather than by public interests or the priorities of the organization. This kind of interference erodes financial discipline and transparency and

ultimately diminishes the effectiveness of accountability. Budget allocations may, therefore, not reflect the priorities of the institution, organization, or the country.

2) Corruption and Financial Mismanagement

Corruption and financial misconduct are other prominent issues documented in the literature regarding the challenges of public sector financial management. When internal controls, monitoring systems, and transparency are weak, public resources are at risk of being misappropriated and public funds spent without authorization. According to Eton et al. (2022), weak accountability results in not only financial irregularities, but also inefficiencies in the operations of public entities. In Kenya, corruption has frequently been linked to procurement irregularities, unauthorized expenditures, and poor service delivery, thereby undermining public trust in government institutions.

3) Technological and Capacity Limitations

Kenya has made much progress with the adoption of IFMIS and reforms in Digital Financial Management. However, technological and capacity challenges persist. Insufficient technical infrastructure, inadequate training, integration problems, and cybersecurity concerns continue hindering the effectiveness of Digital Budgeting Systems. Thus, the digital financial management reforms cannot be fully realized without sustained investment in technology and people.

4) Behavioral Resistance

Resistance to organizational reforms and new control systems may also limit the effectiveness of budgetary control practices. Employees may perceive budgeting systems as restrictive, resulting in reduced commitment and compliance. Ferreira and Otley (2021) argue that excessive control may create tensions between management and employees, thereby affecting organizational performance. Consequently, participative budgeting approaches have been recommended as a means of improving employee involvement, communication, and acceptance of budgeting systems.

5) Emerging Developments in Public Sector Budgeting

According to the findings, technological innovation and governance changes continue to transform public sector budgeting systems. Modern budgeting approaches, including digital budgeting systems, integrated financial management systems, and performance-based budgeting, have substantially improved financial reporting, expenditure tracking, and decision-making.

Performance-based budgeting is gaining popularity because it links resource allocation to measurable outcomes and service performance targets. Unlike traditional budgeting systems, performance-based budgeting prioritizes efficiency, effectiveness, and responsibility over expense management. According to Afronisa and Erawati (2024), this method increases organizational control mechanisms and accountability.

Similarly, digital financial management systems have increased financial transparency and improved access to real-time financial data. International evidence indicates that digital budgeting systems, e-government platforms, and integrated financial management systems have improved expenditure monitoring, fiscal transparency, and public accountability in many developing countries (United Nations, 2023; World Bank, 2022). These developments have encouraged governments to adopt technology-driven approaches to public financial management and budgeting. These advancements have converted budgeting systems from simple expenditure tracking tools to strategic governance tools that promote accountability, transparency, and organizational performance.

6) Implications for Public Financial Management in Kenya

The findings of this study have important implications for public financial management in Kenya. First, public institutions should strengthen budget monitoring and variance analysis procedures to improve accountability and resource utilization. Second, continued investment in IFMIS and other digital financial management systems is necessary to improve transparency and financial reporting. Third, stronger internal control systems and governance frameworks are required to reduce corruption and enhance accountability. Finally, greater emphasis should be placed on performance-based budgeting to ensure that public resources are allocated efficiently and linked to measurable outcomes and service delivery objectives. These recommendations are consistent with international public financial management reforms that emphasize transparency, digitalization, performance-based budgeting, and stronger accountability mechanisms as essential components of effective governance (IMF, 2023; OECD, 2023).

Overall, the reviewed literature demonstrates that budgetary control systems are essential for strengthening accountability, transparency, governance, and operational efficiency within Kenya's public sector organizations. However, the effectiveness of these systems depends on the quality of governance structures, internal controls, technological capacity, and institutional commitment to accountability and financial discipline.

VI. CONCLUSION

From a management accounting perspective, this study investigated the effect of budgetary control systems in improving accountability within Kenyan public sector enterprises. Drawing on evidence from the reviewed literature, the study discovered that effective budgetary control systems have a considerable impact on financial responsibility, transparency, governance, and organizational performance. Budgetary control systems facilitate planning, expenditure monitoring, resource allocation, performance evaluation, and decision-making, supporting responsible use of public resources.

The findings also show that good budgeting processes, accurate financial reporting, strong internal control systems, and constant performance monitoring help to increase accountability in Kenya's public sector. Modern reforms, such as the Integrated Financial Management Information System (IFMIS), digital budgeting systems, and performance-based budgeting, have improved financial management procedures by increasing expenditure control, reporting accuracy, and transparency. These advancements show that budgetary control systems have advanced beyond standard financial monitoring tools to serve as strategic governance mechanisms that promote accountability and public trust.

Despite these advantages, the study highlighted many issues that continue to impede the efficacy of budgetary control systems in Kenya's government sector. Political intervention, corruption, insufficient internal controls, technology limitations, and opposition to organizational reforms continue to be important impediments to efficient accountability and financial management. Addressing these difficulties would necessitate better governance frameworks, increased institutional capacity, improved monitoring systems, and a deeper commitment to transparency and ethics.

The study adds to the current literature by conducting a complete evaluation of budgetary control systems and accountability in Kenya's public sector from a management accounting standpoint. The findings emphasize the significance of strengthening budgeting procedures, increasing digital financial management reforms, and supporting performance-based budgeting in order to improve public sector governance and accountability. Future research should look into the efficiency of budgetary control systems in specific public institutions or county governments, as well as the long-term effects of digital financial management changes on accountability and service delivery in Kenya.

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Cite this Article: Kenyatta, C.M., Suhartini, D. (2026). *Budgetary Control Systems and Accountability in Kenya's Public Sector Organizations: A Management Accounting Perspective*. *International Journal of Current Science Research and Review*, 9(6), pp. 3465-3474. DOI: <https://doi.org/10.47191/ijcsrr/V9-i6-51>