



Analysing Compliance to Public Financial Management Regulations in Malawi Police Service: A Case of South West Region Police Headquarters

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ABSTRACT

The research focused on the non-compliance of PFM. It was supported by three theories namely; Bureaucratic Structural Theory, Principal-Agent Theory, and Institutional Theory. Pragmatism, inductive approach, descriptive research design, quantitative and qualitative methods were used. The results showed that there is non-compliance with PFM regulations in the Malawi Police Service and a number of root causes. It recommended that police officers should be allocated according to qualification, laws should be clear, strengthen internal control, regular trainings programs, anti-corruption policies should be established, financial discipline should be promoted, enhanced oversight and audits, increased resource allocation, strengthening legal consequences and improving process efficiency. The findings from the research would help the Malawi Police Service in allocation of resources, legal standing and minimizing costs while achieving organization's objectives.

KEY WORDS: Public Financial Management, Compliance, Malawi Police Service.

INTRODUCTION

Cahyono (2017) defines PFM as the system directing and controlling financial resources to efficiently deliver public service goals, efficient allocation of resources, fiscal discipline, and the provision of quality public services. The Malawi Police Service which is mandated to enforce law and order to make the country be at peace and attract investors. Clarity on rules improves compliance, fostering cooperation and engagement Oberfield, (2010). Andrews, (2013) discussed effective enforcement of financial management rules and regulations. However, in Malawi Police Services the resource allocation has not been implemented effectively evidenced by Police lawyers, nurses, teachers, accountants, finance officers etc. being conducting regular Patrols while legal office needs law experts, Police Hospitals have shortage in Nurses. Accounts and finance offices need such manpower. Fiscal discipline involves controlling expenditure in a country through MDAs to achieve sustainable macroeconomic indicators like fiscal deficit and public debt ratios. The objective of analyzing the relationships between operational practices within the Malawi Police Service and compliance with PFM regulations is identifying the factors that contribute to non-compliance and recommending strategies for improvement. Procurement involves needs identification, procedure determination, and tendering Allen, (2013). Managing and monitoring contract progress, asset management, and disposal are key parts of the procurement cycle CIPFA, (2010). Corruption in procurement requires transparent, fair policies and competitive pricing Allen, (2013). Legal frameworks should set procurement standards, mitigate conflicts of interest, delegate authority, assign responsibilities, and rotate officials periodically (Lawson, 2013). Effective disbursement procedures, crucial for fiscal stability, depend on accurate fund matching and timely adaptations to macroeconomic changes Simson et al., (2011). Agencies must manage budgets to support PFM's goals of stability, efficiency, and value. PFM evaluation is the measure of the effectiveness of a given fiscal strategy in achieving its objectives. The objective of the study is to analyze compliance to PFM regulations so that the findings can help to address the problem of non-compliance.

LITERATURE REVIEW

Richard and Daniel (2001) provide detailed exploration of public financial management (PFM): budgeting, accounting, reporting, internal controls, fiscal policy execution. While Savoie, (1995). advocated for integrating private sector practices to enhance government efficiency and responsiveness to public needs on PFM (Hildreth and Justin (2011) examine governmental accounting and financial reporting. Review of standards, practices, challenges, trends, and proposed research agenda. Premchand (2005) argues by exploring complexities and challenges in PFM reform. Theoretical frameworks and practical strategies with global case studies. Henry (2013) provides Fundamental principles of managing public bureaucracies. Covers bureaucratic structure, decision-making, leadership, performance evaluation. While Johnson (2017) looks into Theoretical framework for public administration and governance. Relationship between bureaucracy and governance, organizational behavior, decision-making, and accountability mechanisms. While Huber & Ting,

(2016) argued that Process-based accountability invites scrutiny from external monitoring bodies, necessitating strict adherence to rules. Andrew (2016) found that Canadian Public Service had improved by strategically implementing its plans through strong leadership and clear communication. Adrian (2001) argued that resource allocation decisions in the public sector are made through a political process in which technical analysis is not the most important consideration. Rosen and Houser (2009) impact of bureaucratic characteristics (hierarchy, formalization, centralization, specialization) on organizational effectiveness. Valina and Rodriguez (2016) examined non-compliance factors in public sector: regulatory frameworks, culture, leadership, enforcement, external pressures.

Mohieldin and Odusola (2014) looked at Non-compliance in developing countries: institutional capacity, governance, corruption, political dynamics, economic conditions. Blanco and Bana (2018) studied Non-compliance in Philippine PFM: regulatory frameworks, capacity, corruption, political dynamics, economic conditions. While, Fakier and Mamba (2012) assessment of PFM components in Lesotho: budgeting, accounting, procurement, internal controls, institutional capacity, governance, political dynamics. South Africa, a study by Nienaber (2015) found that there are still gaps in terms of performance despite numerous approaches. Atambo (2018) said that institutions must have strategic plan to improve service delivery. Gakobo (2017) highlighted that resource allocation affects PMF regulations implementation.

RESEARCH METHODOLOGY

Research Methodology is the process of gathering data significant to a study. It consists of research philosophy, research approach, design, time horizon, population, sample size, sampling techniques, procedures, instrumentation, data collection and data analysis. The philosophy is based on the research questions and pragmatism is chosen. Research approaches are deductive, induction, and abduction. Deductive and inductive research approaches are used to identify theories and prepositions. Inductive research is concerned with collecting and developing theory as a result of research data analysis. The research employed both Qualitative and quantitative research method. Qualitative approach is used to gain an understanding of the underlying reasons, opinions and motivation and Quantitative approach is used for data collection as it qualifies the problem under review. Research design and strategy is a plan which provides a strategy thought to the research. Primary data was collected using questionnaire while secondary data were collected using Police Magazine, Journals and Books. 63 police officers and 7 auditors were sampled randomly. The questionnaires were administered to both commissioned and Non-Commissioned Officers (NCOs).

Sample Size

The researcher used purposive sampling also known as Judgmental, selective or subjective sampling which was a form of non-probability sampling in which researchers select a sample based on their knowledge to participate in their study. This occurs when elements selected for the sample are chosen by the judgement of the researcher. Researchers often believe that they could obtain a representative sample by using a sound judgement which would result in saving time and money. In this case, the study applied the purposive sampling as it was appropriate method available due to limited number of primary data sources who could contribute to the study and also enabled exploring in anthropological situations where the discovery of meaning could benefit from an intuitive approach.

Research Design and Strategy

Research design refers to a plan which gives the strategy of an inquiry thought appropriate to the research (Kothari, 2019) For the purpose of this study, descriptive research design was employed. It was the overall plan for connecting the conceptual research problems with the pertinent (and achievable) empirical research. In other words, the research design sets the procedure on the required data, the methods to be applied to collect and analyse this data, and how all of this is going to answer the research question (Grey, 2014)

Research strategies as per (Saunders et al., 2019) quantitative research is associated with the experimental and survey. In case of this research study, the researcher conducted the survey by using questionnaire to collect data associated with the four variables being investigated.

To learn more about compliance to Public Financial Management regulations in the Malawi police service, the study adopted the mixed method approach, where the study used both quantitative data collected during the survey and qualitative data collected through interviews. A mixed method study involves the collection or analysis of both quantitative and qualitative data in a single study in which the data were collected concurrently or sequentially, are given a priority, and involve the integration of the data at one or more stages in the research process (Saunders et al., 2019). In other words, the approach helped the researcher answered questions that could not be answered using only qualitative or qualitative methods alone. Mixed methods provided a more complete picture by noting trends and generalizations as well as in-depth knowledge of participants' perspectives.

The research study is evaluative. Data that is collected during interviews will be evaluated by the researcher through comparing, contrasting, analysing and synthesizing all points of view on compliance to PFM. This was done to fill a research gap. According to (Bless et al., , 2013) evaluation research studies are done in order to assess designs, implementations and usefulness by testing their interventions.

RESULTS AND DISCUSSIONS

Respondents' response rate

Figure 1: Showing Respondents Rate



Source: Researcher 2024

The questionnaires were administered to 70 respondents, out of 70 respondents, 67 of them returned representing 97% while 3 respondents did not return representing 3%.

4.2.2 Demographic information analysis

The demographic characteristics of the respondents that were tested included respondent's gender, age, marital status, religion, academic qualifications, professional qualifications and working duration in the Malawi police service.

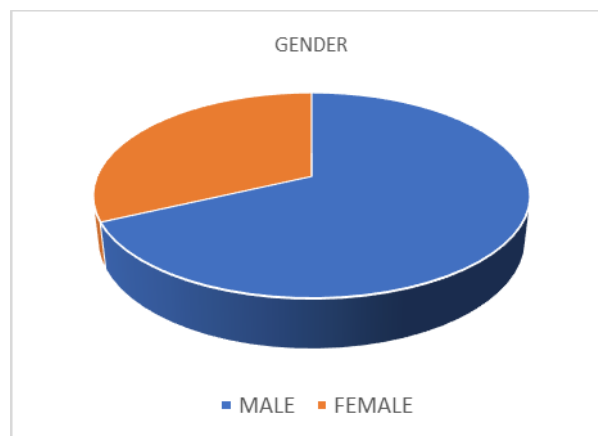
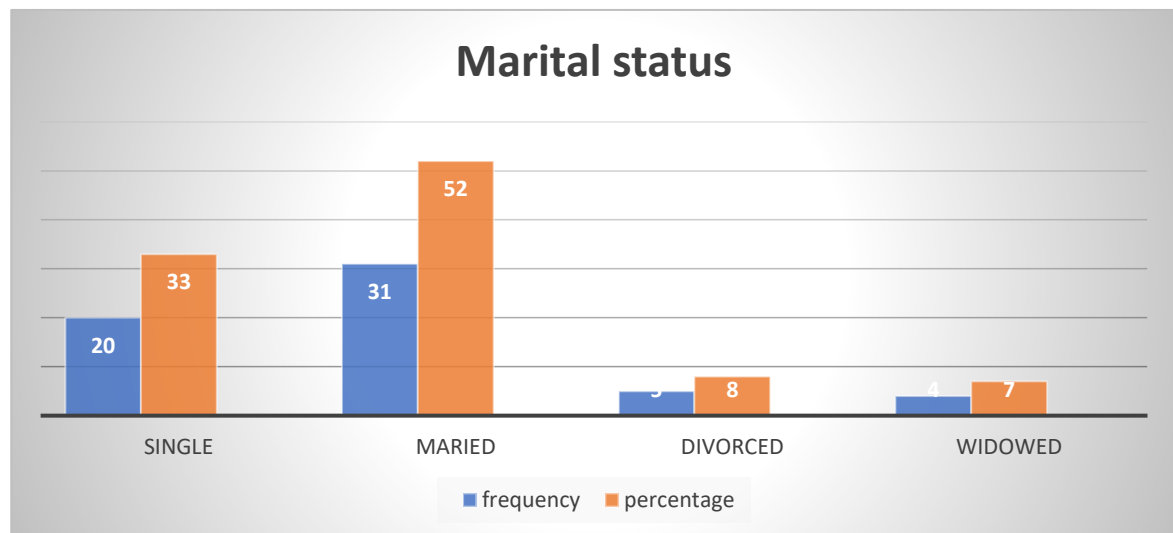


Figure 2: distribution of Gender

Out of a total of 63 police officers surveyed, 36 are male, which constitutes 60% of the sample, The remaining 27 officers are female, accounting for 40% of the sample. This indicated that there was a significant gender disparity within the police service at SWR, with males representing a substantial majority. This indicated fair presentation of gender of the respondents in the research study as this attributed to the energy the government of Malawi puts to make sure that affirmative action is applied in the Malawi police service when recruiting police officers.

Table 1: Marital status Distribution of Respondents

| Marital status | Frequency | Percentage % |
|----------------|-----------|--------------|
| Single | 20 | 33 |
| Married | 31 | 52 |
| Divorced | 5 | 8 |
| Widowed | 4 | 7 |
| Total | 60 | 100 |



MAJOR FINDINGS

The study reveals a concerning trend within the Malawi Police Service on how often they encounter non-compliance with PFM regulations.

The study revealed the varied professional qualifications, tailored training programs that could be developed to address specific needs and areas of improvement and providing opportunities for officers to pursue higher qualifications could improve overall compliance and efficiency within the police service. It also revealed a workforce with varied educational backgrounds, from basic secondary education to advanced degrees. This diversity necessitated tailored training and capacity-building programs to ensure effective compliance with PFM regulations. The diverse academic qualifications among auditors in the southern region highlighted the importance of continuous professional development and leveraging advanced expertise to enhance PFM compliance within the Malawi Police Service. The relatively high level of education among auditors is a positive indicator of their potential capability to address non-compliance effectively.

The distribution of years served in the Malawi Police Service reveals a workforce with a substantial proportion of mid-career and experienced officers, complemented by a significant number of early career officers.

SUGGESTIONS AND RECOMMENDATIONS

Based on the results of study, the following were recommendations for future implementation.

Comprehensive Training Programs that include developing and implementing extensive training programs to educate officers on PFM regulations and best practices. Anti-Corruption Measures for example, enforcing strict anti-corruption policies, promote ethical behavior, and establish clear consequences for corrupt activities.

The study also recommended enhanced oversight through strengthen oversight mechanisms by ensuring regular audits, effective monitoring, and empowering oversight bodies.

Controlling authority should Strengthen and implement robust internal control systems, including checks and balances, to ensure transparency and accountability. Departments should adequately be resourced to effectively implement PFM regulations and maintain compliance such as providing access to necessary tools, technology, and guidance to facilitated compliance.

Continuously evaluate and improve operational processes to enhance efficiency and reduce opportunities for non-compliance.

By addressing these key areas, the Malawi Police Service can significantly improve compliance with PFM regulations and enhance overall financial management practices. Periodic meetings with employees to air their grievances to management serves as a motivating factor to the employees. Managers should also be counseled on their relationships with their subordinates. The organization should have a good program in place for their employees work life balance as this can be a great factor to motivate and retain them.

CONCLUSION

The research found that Malawi Police Service needs training programs aiming to equip its work force with PFM skills as a good number of them found it unclear. It has also found that funding is not sufficient, misallocation of resources, which affects public service delivery. It was found that corruption is the key motivation to non-compliance. age, marital status, religion and number of years an officer worked play vital role as far as compliance and

financial discipline is concerned. The study found out that the police facilities or environment affect officers greatly in productivity. These limits Malawi Police Service not realizing its mission statement and vision. The research identified problems related to the root cause of non-compliance to PFM regulations such as misallocation and mismanagement of resources, such as allocating officers who do not have required academic and professional qualifications into financial handling positions, external pressures such as politicians, management. Therefore, the study concluded that police officers should be allocated according to qualifications and duration saved, proper budgeting and controlling officers should refrain from putting at a corner finance officer and should Strengthen and implement robust internal control systems.

The study made recommendations to allocate officers into finance and accounts branch based on academic and profession qualifications, capabilities, number of years saved and integrity. It also recommended to strengthening internal controls, enhancing training programs, fostering a culture of compliance, and providing adequate resources. Future research is needed to investigate if the professional qualification contributes to compliance with PFM.

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