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DETERMINANTS OF EXPENDITURE BUDGET IMPLEMENTATION: EVIDENCE FROM SOUTH NATION NATIONALITY AND PEOPLES REGIONAL STATE PUBLIC SECTOR, ETHIOPIA

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Abstract

The public sector's budget management primarily focuses on attaining government goals, including issues relating to national economic growth and citizens' primary interests. This study sought how determinants affect expenditure budget implementation in the public sectors of Ethiopia's South Nation Nationalities Peoples Regional State. Descriptive survey and explanatory research design were adopted and used on target population of 1,200 representatives from 45 budgetary institutions of SNNPRS. The study intended to use a total of 291 participants from the target population as sample size. Probability (simple random and stratified random) sampling techniques were employed for the study. For data collection structured questionnaire was administered and then filled by respondents. Descriptive statistics through frequency distributions, and percentages and determination of correlation and multiple regressions were achieved by Statistical Package for Social Sciences Version-25. The study found that a p-value less than 0.001 and an adjusted R square value of 0.692, or 69.2 percent, indicated the explanatory variables significantly affected the outcome variable. Plan and budget development, spending control and monitoring, and budget review had seriously affected SNNPR'S public sectors expenditure budget implementation. Based on the study's findings, the researcher concluded that budget planning and preparation, expenditure control, monitoring, and assessment have favourable and statistically significant relationships with budget implementation in the SNNPR'S public sectors.

1. INTRODUCTION

A budget is a work plan which quantified, expressed in standard monetary terms, and measured in other units over a year. A promise from the executive to the authorizer is the budget in government (legislature). A budget is a managerial tool used in the public sector to carry out budgetary institutions plans and accomplish institutional goals, one of which is delivering public services (Ambarwati Subhinigsih & Kelana Asnawi, 2023). A prominent topic in public budgeting has been preparing a budget plan that proposes a series of recommended policies while staying within whatever financial constraints are deemed politically feasible. Setting clear dollar ceilings on budget requests is one process. This method has the distinct benefit of forcing organizations to prepare requests that only include solutions that are financially viable (Anohene, 2011). Kimani (2014), as cited in EZegye. (2021) stated that budgetary institutions had developed several methods and procedures to aid in the planning and control activities required in today's corporate environment. Budgeting entails setting specified targets, disclosing performance data, and reviewing performance following the set objectives. Budgetary control systems are widely utilized and recognized as critical financial planning tools. Budgetary control seeks to anticipate income and expenses.

As Habtewolde (2022) explained, budget execution is affected by the lack of adequate institutional and managerial capacity, variation in understanding the concept of differentiating objectives from targets, lack of harmony and uniformity on terms and definitions and difficulties in making the structures of the organizations. And also challenges of the budget utilization were highly related to poorly managed procurement, unpredictability in the availability and access to budgetary supplies, delayed releases of cash, inefficiencies in collection of local resources, staff capacity, intra-governmental coordination, weak supervision, auditing and accountability mechanisms. Moreover, lack of effective communication, lack of effective budget monitoring and evaluation, and absence of full involvement of the line managers in planning process were the most important internal factors that affect budget utilization in public universities. Budgetary instructions have developed various methods and procedures to assist with the planning and control tasks required in today's corporate environment. Budget control systems are widespread and recognized as crucial financial

planning tools. Budgetary control aims to anticipate income and expenses. According to Dunk (2009) as mentioned in (Zegeye, 2021), the public and private sectors, as well as individuals like heads of household who want to make sure they live within their means, all frequently use budgetary control to limit their spending and the creation of each department's budget using projected data is one of the most efficient ways to monitor, manage, and finance a project. As most businesses have discovered, budgeting and budgetary controls are crucial for efficient financial planning. Then, therefore, pay close attention to their annual budgets and the allocation of resources to the key result areas (Adeniji, 2016) cited in (Ambarwati Subhinigsih & Kelana Asnawi, 2023).

Effective budgeting and budgetary control are an aspect of public financial management aimed at ensuring effective planning for and use of financial resource to achieve service delivery targets. Effective financial resource management relates to the ability of an organization to raise the optimal amount of financial resources and deploy those resources to achieve its set qualitative and quantitative short term and long-term objectives through effective processes which include: standard procurement practices, effective treasury and cash management processes (McKinney, 2015) cited in ((Atuilik et al., 2019). As Badu (2011) mentioned in (Zegeye, 2021) conducted a budgeting and budgetary control investigation at Ernest Chemist Laurea. This study aimed to investigate the budgeting procedures at Ernest Chemist, a Ghanaian pharmaceutical company, and to identify and assess the opinions of the budgeting specialists within the organization. The study had identified an employee of the company was sent a self-made interview questionnaire to get his opinions on the company's budgeting and financial management issues and concerns. The study's conclusions demonstrated that an efficient budgeting and budgetary control structure had been implemented and used to plan the pharmacy's budgets. Still, they also highlighted a few ethical issues. According to(Ivanchenkova, 2021) a public internal financial control is a system of internal control, internal audit, inspection, harmonization activities to ensure quality management of government resources based on the principles of legality, economy, efficiency, effectiveness and transparency. It is a set of measures used by the head to ensure compliance with the legality and efficiency of budget funds, achieving results in accordance with the established purpose, objectives, plans and requirements for the activities of the budgetary institution and it is

subordinate institutions. The basic principle of a public internal financial control is a clear distinction between internal control and internal audit. An internal audit should determine how internal control has performed, including methods of extant control. An internal control is a management tool that allows the management of a public sector body to check the status of the body's tasks.

In a study on budget management and control focusing on the Ministry of National Defence, Tilahun (2010), mentioned in (Etalem Zegye, 2021), used a descriptive and qualitative methods of a analysis. Here the researcher discovered that the Ministry of Defence has idle cash because there isn't a compelling procurement schedule, which causes a spending frenzy near the end of the budget year. With a focus on budget practice and transparency, As cited in Etalem Zegye (2021), Birhanu (2011) evaluates Ethiopia's budget practice with two East African countries (Kenya and Uganda). The findings demonstrate the deficient levels of transparency in Ethiopia, Kenya, and Uganda concerning the disclosure of all pertinent budget information. Ketema (2015), cited in (Etalem Zegye, 2021), conducted the research in the Addis Ababa city administration health Bureau's budget planning, utilization, and evaluation department because there aren't enough qualified experts to make the budget transparent and develop market-oriented cost estimates. Due to a lack of budgets in preparation and control, funds are being used arbitrarily for less practical purposes. Budget targets are unmet because middle and lower management staff members do not understand the budget structure. The Finance and Economic Development Bureau must achieve budget efficiency for rapid and sustained economic growth. As a result, the research focused on evaluating budget implementation and control in the Bureau of Finance and Economic Development (BoFED) within the Southern Nation Nationalities & Peoples Regional State. By considering the implementation and controlling system in enhancing the performance of budget implementation and controlling in the BoFED. In Ethiopian non-governmental organizations, budgeting and budget monitoring procedures were studied by Yesuf (2015), cited in (Taye, 2022).

This study's objective is to evaluate the effects of budgeting and budget monitoring procedures in non-governmental organizations in Ethiopia. The convenience sampling approach was used to achieve the thesis' objectives, and managers of the sample company were contacted to identify the key employees who, according to each organization's structure, are in charge of the

budgeting process. The findings show that in the sample budgetary institutions the preparation of the budget with input from the staff promotes team work, communication, and encouragement as a means of achieving the desired level of results. The analysis suggests that the finance department should keep track of the budget versus actual expenses to make measuring revenue and cost levels easier during operational activities and budget review meetings.

The prior researchers' studies tried to address budget transparency, accountability, budgetary control and evaluation as factors that affect budget implementation. However, those researchers did not adequately address how the predictors such as planning and budget preparation, expenditure control and monitoring ,and evaluation have affected the implementation of expenditure budget in general (Taye, 2022). As a result, as far as the knowledge of the author's no study has conducted to sought what type of factors did affect the expenditure budget implementation in the SNNPR'S public sector. Hence, the researcher aimed to investigate factors that affecting expenditure budget implementation in the SNNPRS public sector.

2. MATERIAL AND METHODS

2.1. Research Design and Approach

In this study, descriptive survey and explanatory research design was employed. It is the procedure of gathering data to test hypotheses or respond to inquiries about the current state of the participants in a study. The researcher chooses the explanatory research design because it enables the discovery of a causal relationship between variables, which may aid in resolving the current issue. It is a quantitative method showing a relationship between independent and dependent variables. The investigation made use of quantitative research techniques. According to Creswell (2012), quantitative methods are more impartial and support the study of correlations between the mentioned variables. The strategy sought to collect information from the general public and explain the phenomenon by asking respondents about the factors influencing the expenditure budget execution in Ethiopia's Southern Nations Nationality & Peoples Regional State public sectors.

2.2. The population of the study

Kothari (2004) describes that, sampling is required when the general population is greater than 100 (N > 100). Since the study's target population of 1,200 regional-level employees engaged in budgeting, budget implementation/execution, and budget management was known, also provides a straightforward method to determine sample sizes of respondents (finite).

The sample size for this study was calculated by dividing the target population of 45 budgetary institutions by 30% (45 budgetary institutions times 30% = 14). The target population was divided into five strata. After proportionally choosing the sample, institutions and respondents were chosen using simple random sampling within each stratum. Consequently, the study's target group consisted of 1,200 directors and experts from 45 SNNPRS governmental sectors. Purposive, stratified, and simple random sampling selection procedures were used to select 291 respondents from 14 public sectors for the sample.

Table 1: Target Population of Budgetary Institutions

Strata of Budgetary Institutions	Population (BI) of BI	Strata/Department of respondents				Target population
		Planning/ Budget officers	Accountants/ Finance officers	Internal auditors	Procurement officers	
Rural Development Sectors	9	68	73	52	61	254
Urban Development Sectors	10	65	74	45	47	231
Social Development sectors	9	63	78	47	44	232
Monitoring & Supervision Sectors	8	60	70	64	58	252
Infra-structure and economy development sectors	9	70	72	41	48	231
Total	**45**	**326**	**367**	**249**	**258**	**1,200**

Source: (SNNPRS Public Service Bureau, 2023)

2.3. Sample Techniques and Sample Size Determination

Sampling is selecting a small number of objects from a theoretically specified population of components. As Bhattacherjee (2012) stated, the sample size is the portion of the target population from which a sample can be taken. The sample frame for this study includes experts involved in the implementation of the expenditure budget Planning/budget officers, accountants/finance officers, procurement officers and auditors are among those who fall within this category. The sampling technique used in this study is probability sampling: stratified and simple random sampling methods. Because the target population is diverse, the sampling strategy used is based on that fact (consisting of different public sectors, all represented in the sample). The stratified random sample approach was employed to guarantee that all budgetary institutions involved in budgeting were represented. If the number of sampling units chosen from each stratum is proportional to the stratum's relative population size. In this research, the target population of budgetary institutions (45) was stratified into five strata. The sample size in Table 2 was obtained by calculating 30 percent of the entire population (45 budgetary institutions multiplied by 30 percent = 14). After proportionally selecting the sample, institutions and respondents were drawn using simple random sampling within each stratum.

Table 2 Population and Sample Size of Budgetary Institutions

Strata of Budgetary Institutions	Population of BI	The sample size of BI
Rural Development Sectors	9	3
Urban Development Sectors	10	3
Social Development Sectors	9	3
Monitoring and Support Sectors	8	2
Infrastructure and Economy Development nstitutions	9	3
Total	**45**	**14**

Source: Author computation (2023)

Sampling is necessary when the accessible population is greater than 100 (N > 100), according to Kothari (2004). It gives a simplified formula to calculate the sample sizes of respondents

because the study's target population was 1,200 regional-level employees involved in budgeting, budget implementation/execution, and budget control, and the population size was known (finite).

$$n = \frac{NZ^2 * (1-p)}{e^2(N-1) + z^2 * (1-p)}$$

Where:

N = Target population

n = is the sample size for a finite population

p = proportion in the target population (or frequency estimated for a sample of size n), the mostconservative sample size value of p = 0.5, was considered in this study.

Ɛ= margin of error considered is 5% for this study.

z = Standard average deviation set at 1.96 correspond to the confidence level of 95%.

$$n = \frac{1{,}200 * 1.96^2 * 0.5(1-0.5)}{0.05^2(1{,}200-1) + 1.96^2 * 0.5(1-0.5)}$$

$$n = \frac{4{,}609.92 * 0.25}{2.9975 + 3.8416 * 0.25}$$

$$n = \frac{1{,}152.48}{3.9579}$$

$$= 291.1847191693$$

$$n = 291$$

Hence, 291 sample respondents were selected for this study to respond to the administered questionnaire. The researcher also used the following formula to get the sample proportion of each directorate:

$$\text{Sample proportion (\%)} = \frac{Sample\ Size}{Total\ Population}$$

$$\text{Sample proportion (\%)} = \frac{291}{1{,}200}$$

Sample proportion (%) = 24%

Sample percentage was used to compute the sample size for each directorate, and the results are displayed in Table 3 below.

Table 3 Target Population and Sample Size of the Respondents

Directorates	Number	Proportion (%)	Sample size
Planning/Budget staff	254	24%	62
Accountants/Finance staff	231	24%	56
Internal auditors	232	24%	56
Procurement staff	252	24%	61
Directors (Finance, audit, planning and budget)	231	24%	56
Total	**1,200**	**100%**	**291**

Source: Author computation (2023)

2.4.Sources of Data and Data Collection Instruments

The researcher employed primary data sources. Primary data for this study came from amended questionnaires from secondary data from different journals. The type of data to be collected significantly impacted the appropriate research instrument. Furthermore, considered are factors like the number of respondents and their dispersion. We employed these self-administered surveys and methodical record reviews.

2.5. Methods of Data Processing and Analysis

Inferential statistics were applied to primary data using tables and percentages to make sense of the gathered data. The statistical package for the social sciences (SPSS) Version 25:0 programme was used. It was collected, coded, and corrected before and after the research to ensure the data was accurate, complete, and free of mistakes and omissions. Additionally, it involved scanning the questionnaire for trends, consistency, and connections.

2.6.Model Specification

Regression determines a statistical relationship between two or more variables(Kothari, 2004). This regression analysis is conducted to know how much the independent variable explains the

dependent variable. This study tested the research hypothesesusing regression analyses, as this technique is considered the most appropriate. This regressionanalysis is conducted determine how much the independent variable explains the dependent variable. In this study, the research hypotheses were tested using regression analyses as this technique is considered most appropriate. According to Kothari (2004), a simple linear regression is carried out to estimate the relationship between a dependent variable, *Y*, and a single explanatory variable, *x*, given a set of data that includes observations for both of these variables for a particular population, for independent variables, x, it can be possible to find a dependent using $Y_i=\beta 0+\beta 1x_i+e_i$, *where* β0 the *intercept* and β1 is the slope of the line. The relationship between y and x is then estimated using simple linear regressionanalysis. In multiple linear regressions, there are p explanatory variables, and the following equation represents the relationship between the dependent variable and the explanatory variables:

$$Y_i=\beta 0+\beta 1X1i+ \beta 2X2i + \beta 3X3i..... \beta pXpi + e_i$$

Where:

$\beta 0$is the constant term, and $\beta 1$to βp are the coefficients relating the *P* explanatory variables to thevariables of interest. So, multiple linear regression can be considered an extension of Multiple linear regression, where there are P explanatory variables or simple linear regression can be considered a special case of multiple linear regression, where P=1. The term 'linear' is used because, in multiple linear regressions, we assume that y is directly related to a linear combinationof the explanatory variables. Multiple linear regression analysis is carried out to predict the values of a dependent variable, *Y*, given a set of p explanatory variables (x1, x2….,x^p). Thus, in this study, the multiline regression will be conducted between Independent variables (Plan and Budget preparation, Expenditure control, monitoring and Budget evaluation) and the dependent variable (budget utilization) of SNNPRS public sectors. The regression analysis model for the study should be presented as follows.

$$Y=a+b1X1+b2X2+b3X3+\mathcal{E}$$

In the above equation,

Y stands for expenditure budget implementation, which id dependent variable of the model.

X1 refers Plan and Budget Preparation

X2 represents Expenditure Control and Monitoring

X3 stands for Budget Evaluation

Ɛ refers Error term

3. RESULTS AND DISCUSSION

In this section, the results and discussion were carried on using inferential statistics. Here the relationship between dependent and independent variables was presented and discussed. In addition, the effect of independent variables on the dependent variable was interpreted and discussed. Before starting the major interpretation and discussion part diagnostic tests (linearity test, multicollinearity test, normality test, and homoscedasticity test) were carried on using SPSS version-25. Finally, Pearson's correlation and multiple linear regression analysis were presented and discussed.

3.1.The Effect of Independent Variables on the Dependent Variable

To see if the multiple regression fits the regression model, the classical (conventional assumption test is utilized first. It is crucial to verify that the multiple linear regression assumptions are met, according to Osborne and Waters (2012), as mentioned (Thomas, 2018), to ensure that the coefficients are unbiased and linear estimators. Here the budget implementation was determined using a multiple linear regression model. Before applying the regression analysis to get the effect of independent variables on the dependent variable, diagnostic tests, namely multicollinearity, linearity, normality and homoscedasticity tests, are made for identifying misspecification of data, if any, to fulfil research quality as follows:

3.2.Multiple regression Assumption tests

Assumptions of multiple regressions, such as normality, multi co-linearity and homoscedasticity, have been cited as primary concerns in the study. Each assumption should be thoroughly explained in this section, along with the effects of assumption loss, how to measure each assumption, and how to interpret the results. Tests for normality Multiple regressions (Darlington, 1968; Osborne & Waters, 2002), cited in Tyae (2022), imply that the distributions of the variables are expected. This shows that errors are evenly distributed, and a

map of the residual values would look like a standard curve (Keith, 2006) cited in Zagye (2021).

3.2.1. Normality test

Based on Figure 3, the diagnosis of the normality test should be interpreted

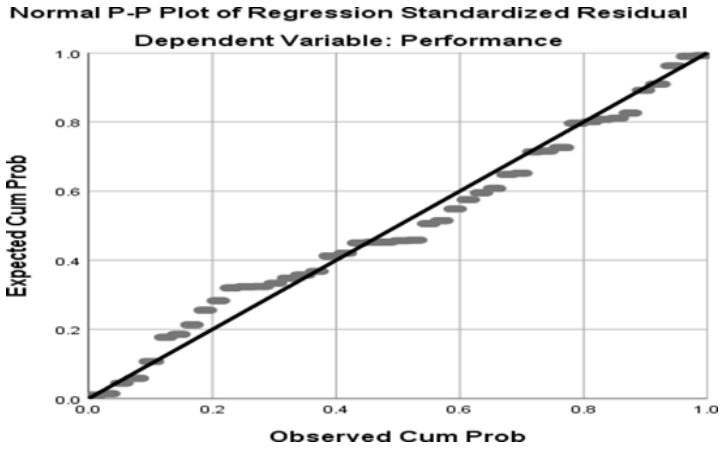

Figure 3: Normality test using P-P plot test

Source: Sample survey Analysis, 2023

As shown in Figure 3 above, the expected and observed cumulative probabilities, while not matching perfectly, are relatively similar. This suggests that the residuals are approximately normallydistributed.

3.2.2. Multi co-linearity Test

Using the collinearity statistics provided by SPSS is a moreaccurate technique. Accordingly, Table 4 below talks about the variance inflation factor (VIF) and tolerance based on the statistical interaction of explanatory variables.

Table 4 Multi co-linearity Test

Model		Sig.	Collinearity Statistics	
			Tolerance	VIF
1	(Constant)	.487		
	Plan and Budget Preparation	.000	.257	3.894
	Expenditure control and monitoring	.000	.189	5.282
	Budget Evaluation	.001	.176	5.694

Source: Sample survey Analysis, 2023

Until running the model, Tolerance and VIF (Variance Inflation Factor) tests were used to determine the presence of multi-collinearity problems. According to Pallant (2007) mentioned in Zegaye(2021), tolerance shows how well the independent variables describe the uncertainty of a given independent variable, and the value should not be too low (less than 0.10) to show the absence of co-linearity.Furthermore, the inverse of the tolerance value, VIF, should be less than 10 to eliminate anyquestions about co-linearity (Pallant, 2007) cited in Zegaye(2021). Hence, the values in Table 4 indicate low co-linearity because all Tolerance values are above 0.1 and all VIF values are less than 10. Therefore, these tests reflect that the variables used in the study are free from multi co-linearity.

3.2.3. Homoscedasticity test

Based on Figure 4 below, an explanation was provided.

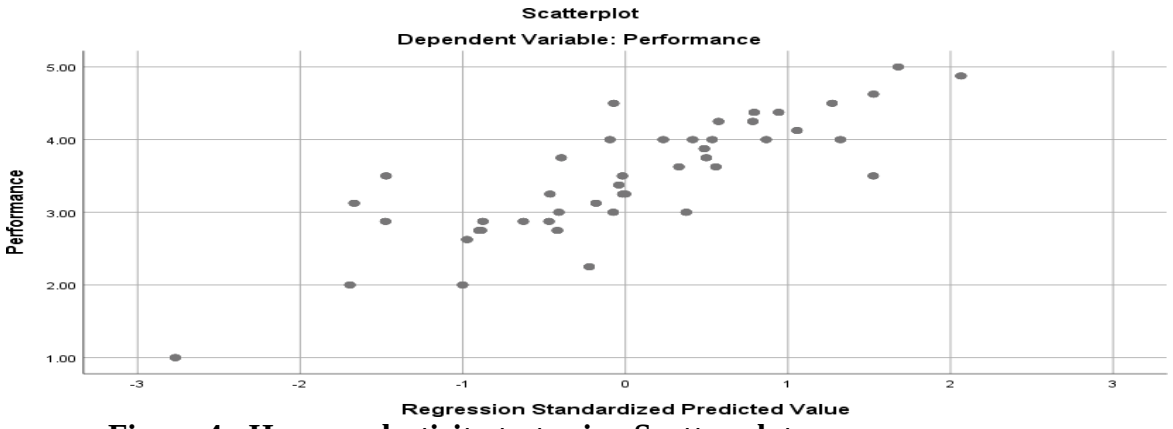

Figure 4: Homoscedasticity test using Scatter plot

Source: Sample survey Analysis, 2023

Figure 4 illustrates how the residuals at all predicted values are spread relatively evenly, and the data points appear randomly distributed. So long as the study's homoscedasticity test is passed, it can be. The data points, however, seem to gravitate towards the minus side of the x-axis, suggesting that the residuals are more variable at higher predicted values than at lower predicted values. The model may be less accurate when estimating lower values than higher ones, which is a problem. It may be possible to transform the outcome measure when the homoscedasticity assumption is unmet.

3.3.Correlation Analysis

The primary goal of performing an analysis using Pearson correlation is to ascertain the strength of the association between the chosen independent variables and budget utilization. As a result, the correlation results summarized in Table 5 below were used to test the hypotheses in this section.

Table 5 Correlations

		Plan and Budget Preparation	Expenditure control and monitoring	Performance Evaluation	Budget implementation
Plan and Budget Preparation	Pearson Correlation	1	.806**	.850**	.770**
	Sig. (2-tailed)		.000	.000	.000
Expenditure control and monitoring	Pearson Correlation	.806**	1	.864**	.796**
	Sig. (2-tailed)	.000		.000	.000
Performance Evaluation	Pearson Correlation	.850**	.864**	1	.789**
Budget implementation	Pearson Correlation	.770**	.796**	.789**	1
	Sig. (2-tailed)	.000	.000	.000	

Source: Sample survey Analysis, 2023

3.3.1. Correlation Analysis Between Plan and Budget Preparation and Implementation

Hypothesis 1

According to the results in Table 5, the Plan and Budget Preparation are statically significant and positively related with budget implementation in the SNNPRS public sector at the coefficient correlation (r) value equals 0.77 and the p-value less than 0.01. As a result, there is no sufficient evidence to accept the null hypothesis (H_0). Also, the result in Table 5 assured that change in the budget preparation and plan impacted the budget utilization of SNNPRS public sectors.

3.3.2. Correlation Analysis between Expenditure control, and monitoring and Budget Implementation

Hypothesis 2

The results of the correlation coefficient (r= 0.796) and the p-value less than 0.01 in Table 5 above indicated that expenditure control and monitoring positively relate to SNNPRS public sector budget utilization and have a statistically significant impact. As a result, the null hypothesis (H_0) is disproved.

3.3.3. Correlation Analysis between Performance Evaluation and Budget Implementation

Hypothesis 3

As results shown in Table 5 above, coefficient correlation (r) equals 0.789 and a p-value less than 0.01) implies that Budget Evaluation has a positive relationship with SNNPRS public sector's budget utilization and statistically significant impact. Therefore, the null hypothesis (H_0) is rejected.

3.4. Multiple Linear Regression Analysis

This multiple regression was specifically carried out to examine the impact of a selected subset of determinant factors of budgeting procedures on the budget utilization of SNNPRS public sectors. See Table 5

Table 6 Multiple Linear Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.
	B	Std. Error	Beta	
(Constant)	.105	.150		.487
Plan and Budget Preparation	.341	.083	.268	.000
Expenditure control and monitoring	.515	.088	.447	.000
Budget Evaluation	.325	.093	.275	.001
F- value = 158.721				
Sig (P- value) = 0.00				
R^2 = ·696				
Adjusted R^2 = ·692				

Source: Sample survey Analysis, 2023

By taking the beta value under the unstandardized coefficients, Table 6 displays the relative contributions of each variable. Estimates of the regression parameter can be found in the values in the unstandardized B column. The intercept for the model is the unstandardized B. The constants represent the value on Y that is expected when all independent variables are zero. When the independent variables are all zero, the conditional mean on Y is another way to state the intercept. Without considering its sign, the stronger the contribution becomes as the beta value increases. As a result, plan and budget preparation (B= 0.341, Sig= 0.000), budget evaluation (Beta= 0.325, Sig=0.001), and expenditure control and monitoring (B= 0.515, Sig= 0.000) make the strongest unique contributions to explaining the dependent variable in which the results revealed that a one unit increase or positive change in "Expenditure control and monitoring" would lead to expenditure control and monitoring, therefore, make up the majority of the predictors. Budgetary Control and Monitoring (Sig. = 0.000), Plan and Budget Preparation (Sig. = 0.000), and Budget performance Evaluation (Sig. = 0.001) all have statistically significant contributions (p-value less than 0.05) for the prediction of the dependent variable (Budget utilization), which refers to that statistically significant effect to make a prediction. As a result, the model's predictors are essential for influencing how much the dependent variable (Budget Implementation) contributes, and they need to be kept.

Hence, all the selected factors (independent variables) had a positive and statistically significant effect on budget utilization (dependent variable. As a result, the null hypothesis was disproved.

3.4.1. Discussion of Results

Based on this study's correlation and regression results, one can understand that the predictors (independent variables) are positively correlated. In the meantime, they were statically significant and positively impacted the observed value (dependent variable) and also all the independent variables have a p-value of less than 0.05. As a result, it is evident that the variables are positively correlated with budget utilization and have a significant value, indicating that budget preparation and planning, expenditure control over spending, monitoring of spending, and budget evaluation process all have played a vital role in the budget implementation.

Similarly, Abebe (2018) found that budget monitoring, at.961**, had a significant impact on the organization's budget implementation, followed by budget preparation, at.943**, and budget evaluation, at.764**. In line with this Study, Teklay (2020), cited in Zegye(2021), stated the EFDRE Construction Works Regulatory Authority consistently performed well in terms of budget planning, budget monitoring, budget evaluation, and budget control. And with magnitudes of 0.129, 0.603, 0.398, and 0.309 for budget planning, monitoring, and control, respectively. Agreeing with this Study, Mwangi (2014), as cited in Zegeye(2021), showed that all independent variables have positive coefficients in multiple linear regression models. According to the study's regression findings, the relationship between the dependent variable (budget utilization) and the independent variables (Planning, Monitoring and Control, and Evaluation) is favorable. A budget enables the establishment of a target, a performance standard, and the subsequent comparison of actual results to the created standard. Consistent with this Study, Scott (2005), as cited in Taye (2022), claims that considering potential courses of action becomes an integral part of budget planning procedures and contributes to increased rationality. Thus, various budget roles have been identified, such as making goals clear, facilitating control, coding learning, and entering into contracts with outside parties. In line with this study, as cited in Zegye (2021), Nyageng's (2013) research, programs and schedules should be the foundation for allocating financial resources for effective budgetary control.

Accordingly, organizational effectiveness and budget preparation have a strong and positive correlation (0.993). The budget outcome goals and objectives should be tied to programmers and clearly defined result targets.

On the same manner, by supporting this study, as evidenced by a correlation of 0.9111, Kimani (2014), cited in Taye (2022), asserts that budget monitoring in the form of budget reviews is crucial because it opens the door for budget adjustments. In support of this Study (Karanja, 2011), cited in Taye (2022), argues that ongoing evaluation of budget variances in actual implementation against planned outcomes enables planned outcomes always to be explained in budget conferences. In line with this Study, Marcormick and Hardcastle (2011), cited in Zegaye (2021), stated that budgetary control and monitoring are essential for successful and economical budget utilization through an accountability framework and ongoing programme implementation for improved budget implementation following predetermined plans.

4. CONCLUSION

According to the study, plan and budget preparation, expenditure control and monitoring, and budget evaluation were the determinant factors that have significantly impacted also, they have a positive correlation with budget utilization in the SNNPRS public sector. As a result, the study also showed that individual practices and the overall bundles significantly impact the utilization of the SNNPR'S public sector. Regarding Plan and Budget Preparation Practices, the public sector creates budgets based on the number of activities, organizational departments create budget plans before the budget year, budgets are made about the organization's annual plans, strategic plan, and overall goal, and the budgeting process begins with the creation of forecasts of the anticipated confirmed income/grants. Concerning expenditure control and budget monitoring, internal auditors can independently carry out their duties and responsibilities and conduct performance auditing to assess the effectiveness and efficiency of budget utilization. They work financial auditing to ensure funds are used for the intended purpose. Regarding budget evaluation, SNNPRS public sectors examine budgets' preparation, allocation, implementation, and monitoring processes; the department promptly informs budget users of any weaknesses; and the organization consistently implements prompt corrective measures if negative variances are reported.

COMPETING INTERESTS

The author has no competing interests to declare.

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