# CONTROLS, LEADERSHIP COMMITMENT AND FINANCIAL MANAGEMENT OF RELIGIOUS ORGANIZATIONS IN NAIROBI COUNTY, KENYA

MERCY KANINI MBEVA

MASTER OF SCIENCE IN COMMERCE (FINANCE AND ACCOUNTING)

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**CONTROLS, LEADERSHIP COMMITMENT AND FINANCIAL MANAGEMENT OF RELIGIOUS ORGANIZATIONS IN NAIROBI COUNTY, KENYA**

**BY**

**MERCY KANINI MBEVA**

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## DECLARATION

I declare that this dissertation is my original work and has not been previously published or submitted elsewhere for award of a degree. I also declare that this dissertation contains no material written or published by other people except where due reference is made and author acknowledged**.**

Mercy Kanini Mbeva 21/00306

**Signature**… …………… **Date**: 09/ 10 / 2025

I do hereby confirm that I have examined the master's dissertation of

**Mercy Kanini Mbeva**

And have certified that all revisions that the dissertation panel and examiners recommended have been adequately addressed.

Signature……………………………………Date: 11 / 10 /2025

**Dr. Michael Njogo**

**Senior Lecturer**

**School of Business**

**KCA University**

## ABSTRACT

Good financial management plays a crucial role in the successful operation of religious organizations by ensuring stability, accountability, and sustainability while avoiding wastage or misappropriations. Churches, mosques, and other faith-based institutions rely on tithes, offerings, donations, and investments to fund their activities, including worship services and charity programs. However, financial management in religious organizations in Kenya faces several challenges, including lack of transparency, weak controls, and mismanagement of funds. Religious institutions rely on voluntary donations, tithes, and offerings from congregants, but the absence of internal controls often leads to low accountability. Therefore, this study sought to examine the effect of controls, leadership commitment and financial management of religious organizations in Nairobi County, Kenya. The specific objectives were to determine the effect of administrative controls, asset controls and data security controls on financial management of religious organizations in Nairobi County, Kenya. The study was anchored on Stewardship Theory, Fayol's Administrative Theory, Agency Theory and Protection Motivation Theory. This research adopted correlation research design. The unit of observation was 32 registered religious organizations in Nairobi County. Structured questionnaires were adopted to collect primary data. Questionnaires were subjected to validity tests, reliability tests and pilot testing. Pilot tests were based on 6 respondents in selected religious organizations. Data was analyzed by adopting quantitative techniques. This entailed descriptive statistics as well as inferential analysis. The inferential analysis constituted regression analysis and correlation analysis. This was aided SPSS as the statistical software tool for analysis. Findings were presented by use of tables for ease of interpretations. The study found very strong and statistically significant positive relationships between all controls and financial management in religious organizations. Administrative Controls ($r = 0.976$, $p < 0.01$), Asset Management Controls ($r = 0.979$, $p < 0.01$), Data Security Controls ($r = 0.979$, $p < 0.01$), and Leadership Commitment ($r = 0.993$, $p < 0.01$) were all highly correlated with financial management performance. These results indicate that improvements in controls are closely linked to better financial outcomes. The findings imply that effective administrative controls, proper asset management, secure financial data, and strong leadership commitment collectively enhance accountability, transparency, record-keeping and efficient resource utilization in religious organizations. The study recommends that religious organizations strengthen administrative controls by enforcing segregation of duties, proper authorization procedures, and financial training for staff and volunteers. Asset management should be improved through accurate asset registers, regular physical verification, and structured disposal of obsolete assets. Data security controls require investment in secure digital systems, regular backups, intrusion detection, and compliance with data protection laws. Leadership should demonstrate transparency, accountability, and strategic allocation of resources to build trust and ensure responsible financial stewardship. Finally, financial management practices should include timely budgeting, clear reporting, stakeholder involvement, and diversification of income sources without compromising religious values

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## DEDICATION

I wholeheartedly dedicate this research study to my beloved husband Mr. John, whose unwavering support and encouragement have been my greatest strength; to my dear dad Mr. George, whose wisdom and guidance have continually inspired me; and to Elizabeth my loving mum, whose prayers, love, and sacrifice have been the foundation of all my achievements.

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## ABBREVIATIONS/ACRONYMS

| | |
|---|---|
| **ACK** | Anglican Church of Kenya |
| **BOM** | Board of Governors |
| **CFMS** | Centralized Financial Management System |
| **CITAM** | Christ is the answer ministries |
| **ECG** | Enlightened Christian Gathering |
| **ICT** | Information Communication Technology |
| **ISMS** | Information Security Management Systems |
| **NASFAT** | Nasrul-Lahi-il-Fatih Society |
| **NCCK** | National Council of Churches of Kenya |
| **NGOs** | Non-Governmental Organization |
| **OLS** | Ordinary Least Squares |
| **PAG** | Pentecostal Assemblies of God |
| **PLS-SEM** | Partial Least Squares Structural Equation Modeling |
| **PMT** | Protection Motivation Theory |
| **PUEA** | Presbyterian University of East Africa |
| **RNPOs** | Non-Profit Organizations |
| **SUPKEM** | Supreme Council of Kenya Muslims |

## OPERATIONAL DEFINITION OF TERMS

| | |
|---|---|
| **Administrative Controls** | Set of policies, procedures, and oversight mechanisms established to manage day-to-day operations, ensure accountability, and support achievement of organization's spiritual and administrative goals (Torfing & Bentzen, 2020). |
| **Asset Management Controls** | Comprises of controls are designed to prevent misuse, theft, or neglect of assets to ensure they are used effectively to support organization's spiritual and community mission (Shou & Olney, J. (2021 |
| **Data Security Controls** | Comprises of measures, policies, and procedures put in place to protect sensitive information from unauthorized access, loss, theft, or misuse, this safeguards data related to members, donations, financial records (Vance, Benamin& Eggett, 2022). |
| **Financial Management** | The act of planning, directing and controlling of financial activities to ensure responsible stewardship of the organization's resources in alignment with its spiritual mission and goals (Dwiastanti, 2023). |
| **Controls** | Comprises of policies, and procedures to safeguard assets, ensure the integrity of financial records, promote accountability, and ethical operations in line with religious organization's mission (Jabareen, 2020). |
| **Religious Organizations** | Institutions or groups formed to promote, practice, and support a specific set of spiritual beliefs, doctrines, or faith-based activities centered around worship, moral teachings, and community service, guided by a shared religious doctrine or sacred text (Lehman & Hatcher, 2020). |

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## CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Financial management in religious organizations involves responsible stewardship of resources to support mission-driven activities while ensuring accountability and transparency (Abdullah, Mahmoud & Alsmadi, 2020). Historically, religious institutions transitioned from communal resource sharing to structured financial systems. In ancient times, they relied on offerings, tributes, and royal patronage (Vance, Benamin & Eggett, 2022). Over time, financial practices evolved, with the medieval church accumulating significant wealth through tithes and donations. The Protestant Reformation emphasized financial accountability, initiating reforms that shaped modern religious financial governance (Verburg, Marie & Hartog, 2023).

In the contemporary era, religious institutions integrate budgeting, digital finance systems, and investment strategies, aligning with professional accounting standards to promote sustainability and transparency (Manglik & Rohit, 2021; Muktiadji, Mulvane & Bambang, 2020). However, financial mismanagement persists, often attributed to weak internal controls, misconceptions about oversight, and informal governance structures (Nahler & Gerhard, 2021; Munte, Mei & Dongoran, 2021). Some church leaders resist implementing robust internal controls for fear of appearing distrustful, inadvertently increasing financial risk.

In the context of religious organizations, internal controls encompassing activities like control environment, monitoring, information systems, and risk assessment play a critical role in bolstering financial management by ensuring transparency, accountability, and operational discipline (Njoga, 2022). From the lens of Stewardship Theory, such controls reinforce the expectation that church leaders, as entrusted stewards, prioritized collective benefit over personal gain (Ali, 2022). Fayol's Administrative Theory further supports this by emphasizing the principles of planning, organizing, commanding, coordinating, and controlling functions internalized through systematic financial procedures within faith-based institutions (Fayol, 2002.) Meanwhile, Agency Theory underscores the need for internal control frameworks to mitigate the risks of divergence between leaders and congregants (principals and agents), especially in decentralized setups typical of religious organizations, thus safeguarding resources and enhancing financial fidelity (Mutinda & Mugambi, 2020).

Globally, prominent religious institutions such as the Catholic Church, Islamic organizations, and mega churches like Hillsong and Lakewood have established financial policies, budgets, and internal controls to manage resources effectively (Jabareen, 2020). Despite these efforts, financial irregularities are prevalent. According to the *Global Mission* (2024) report, the global Church is projected to receive over US$350 billion annually by 2030. Yet, mismanagement and fraud contribute to losses exceeding US$37 billion, undermining financial sustainability. Regionally, concerns have emerged over fraud in large religious organizations, such as the Redeemed Christian Church of God and the Enlightened Christian Gathering (ECG) Church, which faced financial scandal and legal action over alleged embezzlement (Ukah, 2021). In response, governments and civil society actors have called for stricter regulations and financial oversight (Shou & Olney, 2021).

In Kenya, financial management within religious organizations combines traditional donation systems, structured policies, and modern accountability measures. Institutions such as Christ is the Answer Ministries (CITAM), Nairobi Chapel, and various Catholic dioceses have established finance committees, investment programs, and compliance practices aligned with Kenya Revenue Authority regulations (Getui, Ichuloi & Kandagor, 2023). Nonetheless, challenges remain. Studies have found inconsistencies in record-keeping, weak budgetary controls, and misuse of funds, particularly among smaller or independent religious entities (Njoga, 2022; Kenya Law, 2020). The Seventh-day Adventist Church, among others, has implemented centralized financial management systems across various unions, demonstrating that digital solutions and internal controls can significantly enhance accountability and efficiency (Stewardship Ministries, 2025).

While past studies have provided valuable insights into financial practices in religious institutions globally and regionally, few have examined the specific contextual challenges facing Kenyan religious organizations. Most existing research has concentrated on general governance, regulatory compliance, and fraud cases, but has not sufficiently explored the intersection of financial management practices and accountability structures within faith-based institutions in Kenya. This leaves an important gap in understanding how these organizations can strengthen transparency and sustainability amid increasing financial responsibilities. Addressing this gap is timely and significant because religious organizations in Kenya command vast resources, influence large populations, and play a critical role in social and economic development, yet they remain vulnerable to financial mismanagement and weak accountability mechanisms (Getui *et al*., 2023)

### 1.1.1 Controls

Controls are policies and procedures designed to safeguard assets, ensure financial accuracy, and promote organizational compliance (Shou & Olney, 2021). In religious institutions, controls include administrative controls (that includes governance structures and approval hierarchies), asset management controls (which comprises of tracking acquisition, use, maintenance, and disposal of assets) (Mwaura, 2023), data security controls (which involves ensuring data protection through encryption, secure systems, and cyber hygiene protocols) (Abdullah *et al*., 2020).

Some controls have been successfully implemented in some regions, including the Western Kenya Union Conference, East Kenya Union Conference and Rwanda Union, and Uganda Union. This underscores their willingness in strengthening financial stewardship through robust administrative controls. By leveraging digital solutions, the Seventh-day Adventist Church in Kenya exemplifies how administrative controls can be effectively utilized to manage church funds (Stewardship Ministries, 2025). Empirical evidence from the Kenya Revenue Authority and organizations like Safaricom demonstrates how robust controls can significantly improve performance (Chepkonga *et al*., 2023; Chege, 2023).

### 1.1.2 Financial Management

Financial management entails planning, organizing, directing, and controlling an entity's financial resources to achieve strategic goals. In religious institutions, it includes budgeting, income tracking (tithes, donations), expenditure monitoring, investment decisions, and reporting (Jabareen, 2020). However, financial management is often hindered by: Weak internal controls, inconsistent revenue flows, lack of trained financial personnel and limited regulatory oversight. In Kenya, such issues have led to publicized scandals. For instance, leaders of the Pentecostal Assemblies of God faced litigation over alleged mismanagement of retirement funds (Kenya Insights Team, 2020).

Similarly, Citadel Salvation Army Church leaders were accused by congregants of embezzling over Ksh. 400,000 (Oduor, 2025). The Kenya Human Rights Commission advocated for auditing church financial records to promote transparency and prevent financial exploitation, especially in light of incidents like the Shakahola tragedy. Furthermore, studies have identified issues such as inadequate training and skills among personnel managing church finances, leading to sustainability challenges, as observed in the South-East Kenya Field of the Seventh-day Adventist Church. These instances underscore the need for robust financial management practices within Kenyan religious organizations (Padre, 2024).

### 1.1.3 Leadership Commitment and Financial Management

Leadership commitment plays a pivotal role in determining the effectiveness of controls in religious organizations. It refers to the degree of dedication, integrity, and accountability demonstrated by leaders in upholding governance and financial stewardship standards (Yukl, 2013). Leaders influence the establishment of control systems but also their consistent enforcement. In many organizational settings, controls often fail not because of poor design but because leaders lack the will to enforce them. In religious organizations, where financial management is closely tied to trust, leadership commitment becomes central in ensuring resources are managed transparently and in alignment with the organizational mission (Eldenburg et al., 2017).

Empirical cases reveal both positive and negative effects of leadership commitment on financial management in religious organizations. For example, studies in Kenya have shown that some churches with committed leadership successfully implemented internal auditing practices and accountability frameworks, leading to better resource utilization and minimized cases of fraud (Ongeri, 2019). On the other hand, weak leadership commitment has been linked to high-profile financial scandals in religious institutions globally, such as misappropriation of funds in the Catholic Church and accountability challenges in some Pentecostal ministries (Gberegbe, 2020). These examples highlight that even well-structured controls can be undermined when leaders either bypass controls for personal gain or fail to ensure compliance.

Leadership commitment can therefore be seen as a moderating variable, shaping the relationship between controls and financial management outcomes in religious organizations. Strong leadership fosters a culture of accountability, ethical behavior, and compliance with financial procedures, while weak leadership creates opportunities for mismanagement and fraud (Adegbie & Fakile, 2012). In the context of Nairobi County, where religious organizations hold significant influence both socially and economically, leadership commitment determines whether controls translate into effective financial management. Thus, incorporating leadership commitment as a moderating factor acknowledges the practical realities faced by these organizations and strengthens the explanatory power of the study framework.

### 1.1.4 Religious Organizations in Kenya

Kenya is a diverse nation with a rich religious landscape, where religious organizations play a significant role in shaping society. The country has a constitutional provision for freedom of worship, allowing different faiths to thrive. The dominant religions include Christianity and Islam, with a minority of followers practicing Hinduism, traditional African religions, and other faiths. Christian denominations, including Roman Catholic, Anglican, Pentecostal, and evangelical churches, have the largest following, while Islam, primarily practiced along the coast and in parts of Nairobi, also has a strong presence. Hindu and Sikh communities are mainly concentrated in urban centers like Nairobi and Mombasa (World Faith Development Dialogue, 2020).

The Catholic Church, Islamic foundations, and other faith-based entities run schools, hospitals, and charity programs. Their influence extends to governance and peacebuilding efforts, often mediating in political crises and advocating for social justice (Gibbs & Ajulu, 2022). Given their reliance on public donations, maintaining financial integrity is vital for their credibility and sustainability. While established churches like the Catholic Church and the Anglican Church of Kenya (ACK) have structured financial systems with audits and oversight committees, many smaller and independent churches struggle with financial discipline due to weak governance (Gitee *et. al.,* 2021).

## 1.2 Statement of the Problem

Good financial management plays a crucial role in the successful operation of religious organizations by ensuring stability**,** accountability, and sustainability while avoiding wastage or misappropriations. Churches, mosques, and other faith-based institutions rely on tithes, offerings, donations, and investments to fund their activities, including worship services, charity programs, infrastructure development, and missionary work **(**Njoga, 2022). Strong controls, financial reporting, and audits promote transparency and trust among congregants, encouraging more financial contributions. By adopting sound financial management practices, religious institutions in Kenya can expand their outreach, support community development, and maintain long-term sustainability, allowing them to fulfill their spiritual and social missions effectively (Chepkonga *et. al.*, 2023).

Despite the spiritual and social importance of religious organizations in Kenya, many face persistent financial management challenges. These include lack of transparency, misappropriation of funds, inadequate budgeting, and weak controls (Sandimba & Ndede, 2023). Cases of financial misconduct such as the closure of the Presbyterian University of

East Africa due to debts exceeding US$6 million (Nzwili, 2020) highlight the vulnerability of faith-based institutions to poor financial oversight. Further, localized scandals (misuse of development funds in Citadel Salvation Army Church) reveal disconnect between resources received and their effective deployment (Oduor, 2025). Such issues undermine donor trust, organizational credibility, and the capacity to deliver social programs.

An empirical study by Ibrahim, Diibuzie and Abubakari (2020) focused on the impact of control systems on financial performance of health institutions in Upper West Region of Ghana while Sandimba and Ndede (2023) conducted a study on internal controls and financial performance of deposit-taking savings and credit co-operative societies in Nairobi City County, Kenya. Muli and Musau (2022) examined internal controls and financial management of humanitarian non-governmental organizations in Nairobi City County, Kenya. Although several studies have investigated controls in non-profits and public entities, there exists a contextual and conceptual gap in examining how controls affect financial management of Kenyan religious institutions. This study aims to address this gap.

## 1.3 Objectives of the Study

The study was guided by general objectives and specific objectives.

### 1.3.1 General Objectives

To establish the effect of controls on financial management of religious organizations in Nairobi County, Kenya.

### 1.3.2 Specific Objectives

i. To determine the effect of administrative controls on financial management of religious organizations in Nairobi County.

ii. To examine the effect of asset management controls on financial management of religious organizations in Nairobi County.
iii. To evaluate the effect of data security controls on financial management of religious organizations in Nairobi County.
iv. To establish the moderating effect of leadership commitment on the relationship between controls and financial management of religious organizations in Nairobi County.

## 1.4 Research Hypotheses

**$H_{01}$:** Administrative controls have no statistically significant effect on financial management of religious organizations in Nairobi County.

**$H_{02}$:** Asset management controls have no statistically significant effect on financial management of religious organizations in Nairobi County.

**$H_{03}$:** Data security controls have no statistically significant effect on financial management of religious organizations in Nairobi County.

**$H_{04}$:** Leadership commitment has no statistically significant moderating effect on the relationship between controls and financial management of religious organizations in Nairobi County.

## 1.5 Significance of the Study

The study addressed significance of the study in terms of significance to policy, significance to practices, significance to theories and other researchers.

### 1.5.1 Policy Implications

The study provides insights that can inform policies on governance and financial oversight within faith-based organizations. Policymakers may use these findings to craft regulatory frameworks that balance religious freedom with financial accountability.

### 1.5.2 Practical Implication

Religious leaders and finance officers can use the findings to strengthen internal systems, enhance transparency, and improve service delivery. Improved internal controls may also increase donor confidence and resource mobilization.

### 1.5.3 Theoretical Implications

The study contributes to theories on agency, stewardship, and institutional governance. It offers empirical support for models linking internal controls with financial performance, especially within faith-based contexts.

### 1.5.4 Other Researchers

This research will expand academic literature on nonprofit financial management, offering a foundation for future studies and curriculum development in accounting and religious finance

## 1.6 Scope of the Study

The study examined internal controls (administrative, asset management, and data security) and their effect on financial management in religious organizations. The focus is on religious institutions located in Nairobi County, Kenya. A descriptive research design was adopted. The target population comprised of administrative staff of selected religious organizations, sampled purposively. Data was collected using structured questionnaires. The study was conducted over six months, from March 2025 to September 2025.

# CHAPTER TWO

# LITERATURE REVIEW

## 2.1 Introduction

This chapter presented the theoretical review outlining all theories applicable in this research work. The chapter also presented empirical review covering the study objectives; there were summary and research gaps, conceptual framework and operationalization of variables.

## 2.2 Theoretical Review

The study was anchored on Stewardship Theory and other supporting theories comprising of Fayol's Administrative Theory, Agency Theory and Protection Motivation Theory. These were discussed below.

### 2.2.1 Stewardship Theory

The theory of stewardship was introduced by Donaldson and Davis (1991) as an alternative to agency theory, arguing that managers, when empowered, act as stewards of the organization and are motivated to act in the best interests of the company and its stakeholders, rather than purely in self-interest. This theory emerged as a counterpoint to Agency Theory, which assumes that managers act in their own self-interest. Stewardship Theory proposes that managers, when entrusted with organizational responsibility, are stewards whose behavior is aligned with the objectives of their principals or stakeholders (Chrisman, 2019). Rather than being motivated solely by individual gain, stewards are intrinsically motivated to act in the best interests of the organization, promoting trust, collaboration, and long-term organizational success.

Stewardship Theory rests on several key assumptions about human nature and organizational relationships. First, it assumes that stewards are motivated by proorganizational, collectivist, and trust-based goals, rather than personal, self-serving interests. Second, it presumes that stewards seek to attain organizational success because it also fulfills their own needs for achievement and self-actualization. Third, it views managers as trustworthy and capable of aligning their goals with those of the organization (Chrisman, 2019). Additionally, the theory assumes a high level of psychological ownership among stewards and that governance structures promoting autonomy, empowerment, and participative decision-making yield better results than strict monitoring.

Despite its strengths, Stewardship Theory faces several criticisms. One major critique is its idealistic view of human nature, assuming that all managers inherently act in the organization’s best interest. Critics argue that not all individuals are intrinsically motivated, and some may still act opportunistically when not properly monitored. Another criticism is its limited applicability across different organizational cultures and leadership styles, particularly in competitive or high-pressure environments. Furthermore, it lacks a clear mechanism for handling conflicts of interest or misconduct (Torfing & Bentzen, 2020). Scholars also argue that the theory may not provide adequate safeguards or accountability structures in complex or large-scale organizations.

In the financial management of religious organizations, Stewardship Theory provides a valuable framework. Religious leaders and financial stewards are often entrusted with managing resources on behalf of congregations or faith communities. The theory supports the view that these individuals act not for personal gain but out of a moral and spiritual commitment to the organization’s mission. It encourages transparent financial practices, trust-based relationships, and participatory decision-making. By promoting values such as accountability, service, and ethical responsibility, Stewardship Theory aligns closely with the principles upheld by many religious organizations in managing donations, budgeting, and resource allocation.

### 2.2.2 Fayol's Administrative Theory

The Administrative Theory introduced by Fayol (1916) in his book "General and Industrial Management," where he outlined key principles for effective administrative management. The theory emphasizes the importance of managerial practices and proposes that all organizations, regardless of size or purpose, can be managed more efficiently through a set of defined administrative principles (Bacud, 2020). He identified five primary functions of management: planning, organizing, commanding, coordinating, and controlling.

Administrative theory operates on several core assumptions. First, it assumes that management is a universal process applicable to all organizations, whether public or private. Second, the theory assumes that organizational success depends on the effectiveness of managerial functions rather than technical skills (Wren *et al*., 2002). It also assumes a hierarchical structure in which authority flows from top to bottom, and that discipline, order, and equity are essential for maintaining a productive work environment. Additionally, the theory assumes that a clear division of labor and centralized decision-making improve efficiency and control within the organization.

According to Bacud (2020), despite its influence, Fayol's administrative theory has faced various criticisms. One major critique is that the theory is too rigid and mechanical, lacking the flexibility required in dynamic and modern organizational environments. Critics argue that Fayol's principles are overly simplistic and do not account for the complexities of human behavior in the workplace. Behavioral theorists, such as Elton Mayo, have criticized Fayol for neglecting social and psychological aspects of management, such as motivation and teamwork. Additionally, the theory is often considered outdated, especially in contemporary organizations that value decentralization, innovation, and participatory decision-making.

Fayol’s administrative theory can be applied to administrative controls in religious organizations by providing a structured framework for leadership and organizational management. For instance, planning can be utilized for setting spiritual and operational goals, while organizing can ensure clear role distribution among clergy, administrative staff, and volunteers. Commanding helps leaders guide and motivate their congregations, coordinating ensures alignment between different ministries, and controlling involves evaluating performance against spiritual and financial goals. Using Fayol’s principles, religious organizations can enhance accountability, communication, and efficiency, thereby fostering spiritual growth and institutional stability within the faith community.

### 2.2.3 Agency Theory

Agency theory was developed by Jensen and Meckling (1976) in their paper titled: Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. The theory states that managers (agents), who are hired to act on behalf of owners (principals), may not always act in the best interests of the owners especially when their goals differ. The theory posits that conflicts arise when agents, who are entrusted with managing resources on behalf of principals, act in their own self-interest rather than in the best interest of the principals. This misalignment of interests leads to agency problems, such as inefficiencies, increased costs, and a need for monitoring mechanisms. According to Zogning (2022), agency theory is grounded on several key assumptions. First, it assumes that both principals and agents are rational actors motivated by self-interest. Second, it presumes that agents have more information about their actions and intentions than principals, creating an information asymmetry. Third, the theory assumes that contracts can be designed to align the interests of agents with those of the principals through incentives and monitoring. Lastly, it holds that agency costs such as monitoring expenditures, bonding costs, and residual loss are inherent in principle-agent relationships and must be minimized for optimal governance.

Despite its widespread application, agency theory has faced significant criticism. Scholars argue that it overly simplifies human behavior by reducing it to self-interest and economic rationality, neglecting ethical, social, and emotional factors. It also assumes that all agency relationships are inherently conflictual, which not hold may true in settings emphasizing trust and shared values. Feminist and stakeholder theorists critique the theory's narrow focus on shareholders, arguing for a broader view of corporate responsibility (Hendrastuti & Harahap, 2023). Furthermore, critics highlight that the emphasis on control mechanisms may foster a culture of distrust and stifle innovation and collaboration within organizations.

In religious organizations, agency theory can be applied to understand and improve asset management controls. Religious leaders or trustees act as agents managing financial and material resources on behalf of the congregation or higher religious authority (principals). Given the potential for misalignment, robust governance structures, such as transparent accounting systems, audits, and oversight committees, are crucial. The theory supports the use of internal controls and accountability mechanisms to reduce agency costs and ensure stewardship aligns with the organization's mission. Emphasizing ethical behavior and aligning incentives with spiritual values can also mitigate agency risks in these unique organizational contexts.

### 2.2.4 Protection Motivation Theory

Protection motivation theory (PMT) was developed by Rogers (1975) to explain how individuals are motivated to protect themselves from perceived threats. Initially proposed to understand fear appeals in health communications, the theory has since been applied to various domains involving behavioral change (Rogers, 1975). PMT posits that people protect themselves based on four cognitive evaluations: the perceived severity of a threat, the perceived probability of its occurrence (vulnerability), the perceived efficacy of the recommended preventive behavior (response efficacy), and the individual's belief in their ability to perform the behavior (self-efficacy).

The theory assumes that individuals engage in a cognitive mediation process when exposed to fear-inducing messages. The first assumption is that behavior change is influenced by threat appraisal, which involves evaluating how severe the threat is and how vulnerable one feels to it. Secondly, coping appraisal assesses whether the recommended action is effective in reducing the threat and whether the individual is capable of executing it (Floyd *et al*., 2000). The theory also assumes that fear can be a motivator, but only when individuals believe in their ability to take effective action. Thus, adaptive or maladaptive responses result from the interaction of threat and coping appraisals.

Despite its utility, PMT has faced several criticisms. One critique is that it overly emphasizes rational cognitive processes and underestimates the role of emotions, habits, and social influences in decision-making. Critics argue that behavior is not always the result of careful appraisal but may be impulsive or socially driven. Additionally, the theory does not account for the possibility that high fear levels may lead to denial or avoidance rather than protective actions (Rogers, 1975). Another concern is the limited consideration of environmental and structural factors that may constrain an individual’s ability to act, such as financial or institutional barriers.

Protection motivation theory can be effectively applied to enhance data security controls within religious organizations by influencing user behavior through targeted communication strategies. Leaders can use PMT by presenting the severity of data breaches such as unauthorized access to sensitive member information and the organization's vulnerability due to outdated systems. Educating staff and volunteers on secure practices, like password management and recognizing phishing attempts, addresses response efficacy and self-efficacy. By enhancing their confidence and skills, organizations can foster a culture of cybersecurity awareness. These efforts promote protective behaviors and reduce the likelihood of security lapses driven by negligence or ignorance.

## 2.3 Empirical Review

The study is based on empirical literature review that addressed relationship between administrative controls, asset management controls, data security controls, and financial management.

### 2.3.1 Administrative Controls and Financial Management

A research study conducted by Mahadi, Sariman, and Hiung (2021) examined the financial control practices of religious non-profit organizations (RNPOs) in Malaysia, focusing on documentation and record-keeping. The study employed a qualitative research design with a case study approach, targeting representatives from various religious-based NGOs, including Islamic, Buddhist, and Christian organizations. Purposive sampling was used to select participants, and data were collected through semi-structured interviews. The findings indicated that financial control practices in RNPOs were influenced by the religious values of the organizations, their affiliations (local-based, foreign-based, or semi-government), and the level of sponsorships and grants received. The study highlighted the importance of proper documentation and record-keeping in enhancing financial accountability and transparency within religious organizations. However, there is contextual gap since the Malaysian study reflects a context with relatively strong regulatory frameworks and a multi-religious environment. However, Kenyan religious organizations often operate in a less regulated, donor-dependent context with varying accountability standards prompting the need for the study.

In his 2023 doctoral study, Senoga investigated financial control practices, focusing on authorization and approval processes, within selected dioceses of the Church of Uganda in Central Uganda. Employing an interpretivist paradigm and qualitative research design, the study targeted diocesan secretaries and treasurers. Purposive sampling was utilized to select participants for semi-structured interviews. Data collection involved in-depth interviews, and thematic analysis was conducted to interpret the findings. The study revealed that structured authorization procedures, including multi-level approvals and clear documentation, significantly enhanced financial transparency and accountability. However, challenges such as resource constraints and resistance to policy implementation were noted. The research concluded that robust authorization and approval processes are vital for effective financial management in religious organizations. However, there is contextual gap arising considering that this research was conducted in Uganda focusing on Christian churches whereas the present study focuses on different denomination based in Kenya.

A research by Mungai, Maina, and Kungu (2021) examined the effect of internal control systems on the financial performance of public universities in Kenya. Adopting a causal research design, the study targeted 185 respondents, including deputy vice chancellors of finance, registrars of finance and administration, ICT personnel, finance officers, and internal auditors across 37 public universities. Using stratified random sampling, 34 universities were selected for the study, while the remaining three were used for pilot testing. Data collection involved semi-structured questionnaires for primary data and evaluation of reports and organizational publications for secondary data. Analysis was performed using SPSS, employing both descriptive statistics and inferential statistics, including Pearson correlation and regression analysis. The findings indicated a strong positive relationship between detective controls and financial performance, with regression results showing that a unit increase in detective controls led to an improvement in financial performance by a factor of 0.237 ($p < 0.05$). The study concluded that robust internal control systems, particularly detective controls, significantly enhance the financial performance of public universities in Kenya. However, from the research, there was contextual gaps observed considering that public universities have formal governance, well-documented financial procedures, and oversight bodies whereas the religious organizations often lack such structured governance which has motivated the need for this research.

A study by Atieno and Kiganda (2022), evaluate the effect of internal control systems, specifically segregation of duties, on financial accountability in national public secondary schools in Kenya. Employing a survey research design, the study targeted 309 respondents comprising 103 principals, 103 bursars, and 103 Board of Management (BOM) chairs across national public secondary schools. Purposive and simple random sampling techniques were used to select participants. Primary data were collected through structured questionnaires, while secondary data were obtained from audited financial statements. The data were analyzed using descriptive statistics and inferential statistics, including correlation analysis, ANOVA, and regression analysis. The study found that segregation of duties significantly influenced financial accountability, recommending that roles among principals, bursars, BOM members, and other staff be clearly defined and enforced to enhance financial accountability. However, there is methodological gap observed in the sense that Atieno and Kiganda adopted survey research design and secondary data source whereas this research adopted correlation research design and primary data.

Research conducted by Nyambori, Nyang'au and Onwong'a (2023) focused on the effect of budgetary control practices on financial accountability of Nyamira County Government, Kenya: A Moderating Role of Government Policy. This study assessed the effect of budgetary control practices on financial accountability in Nyamira County Government. Employing a descriptive survey research design, the study targeted 190 county employees and achieved a sample size of 184 through stratified sampling. Data were collected using structured questionnaires, with validity and reliability ensured through expert evaluation and Cronbach's alpha coefficient, respectively. Analysis involved descriptive statistics and inferential statistics, including correlation and regression analyses. The findings indicated a strong positive correlation between budget approval and financial accountability ($r = 0.882$, $p = 0.000$), suggesting that effective budgetary control practices significantly enhance financial accountability in county governments. The study demonstrated the importance of budgetary control practices in enhancing accountability within county governments. However, it did not extend its scope to religious organizations, which face unique administrative control challenges such as reliance on donations and faith-based governance structures. This creates a contextual gap in understanding how administrative controls influence financial management in faith-based settings.

Research by Sandimba and Ndede (2023) focused on the internal controls and financial performance of deposit taking savings and credit co-operative societies in Nairobi City

County, Kenya. The study was grounded in agency theory, stakeholder theory, and systems theory. It utilized a descriptive survey design and focused on a target population of 42 registered deposit-taking SACCOs. A census survey technique was adopted, incorporating all 42 SACCOs in Nairobi County. Primary and secondary data were gathered via structured questionnaires, administered using a drop-and-pick method. The study found that the segregation of duties, approval of accounting transactions, physical controls, arithmetic controls, and the organization's plan significantly influence the financial performance of SACCOs in Nairobi County. Thus, the study concluded that these variables greatly impact the performance of deposit-taking SACCOs in the county.The study highlighted how internal control practices such as segregation of duties and approval systems affect the financial performance of SACCOs. Nonetheless, it was limited to cooperative societies and overlooked religious organizations whose administrative structures and accountability systems differ significantly. This presents a sectoral gap in assessing the role of administrative controls in financial management within religious institution.

### 2.3.2 Asset Management Controls and Financial Management

The analysis by Tufani *et al*. (2024) was carried out to examine the asset governance performance of mosque management, focusing on asset management practices, at two historic Jami' mosques in the Special Region of Yogyakarta, Indonesia. Utilizing a qualitative research design, the study employed a case study approach to gain an in-depth understanding of mosque management practices. Data were collected through in-depth interviews, observations, and document analysis, with a focus on asset registries and their role in financial management. The findings indicated that effective asset management, including the maintenance of comprehensive asset registries, contributed to improved governance performance by ensuring accountability and transparency in the utilization of mosque assets. The study highlighted the importance of proper asset documentation in enhancing financial management within religious organizations. However, there is existence of contextual gap considering that the Indonesian mosques operate under structured governance models including community oversight, mosque boards, and government linkages. While in Kenya, the study present religious organizations as loosely structured with varying governance systems. This motivated the need for research to fill gaps.

According to Oti and Asuquo (2023), analyzed the framework of church accounting in Nigeria, focusing on the problems, prospects, and financial implications of the proliferation of churches. The study employed a mixed-methods research design, utilizing both primary and secondary data sources. The target population included church administrators and accounting personnel across various denominations in Nigeria. Purposive sampling was used to select participants who were knowledgeable about church accounting practices. Data collection involved structured questionnaires and interviews, as well as analysis of existing financial records. The findings revealed that while church accounting practices share similarities with those of non-profit organizations, there are significant challenges, including inadequate asset disposal procedures. The study highlighted the need for churches to employ qualified accounting personnel and implement proper financial management practices, including effective asset disposal methods, to ensure accountability and sustainability. However, there was methodological gap observed since the study majored on mixed-methods research design and used primary and secondary data sources. For the present study, it sought to cover correlation research design and data mostly covered primary data sources for descriptive and correlation analysis.

An analysis by Senoga (2023) explored the effect of control practices, including physical access control to assets and financial documents, on enhancing the financial performance of churches. Guided by agency theory and adopting a positivist research philosophy, the study employed a survey research design with a quantitative approach to test hypotheses. The target population comprised twelve church leaders from the six central dioceses of the Church of Uganda. Purposive sampling was used to select participants, and primary data were collected through questionnaires distributed between April and August 2022. The study found that compliance with rules and policies, internal auditing, and physical access control to assets and financial documents significantly influenced the financial performance in the administration of church funds. The findings suggest that church management should develop effective compliance with rules and policies, internal auditing, and physical access control to assets and financial documents to improve the church's financial performance. However, further methodological is also established since Senoga's study was anchored on Agency theory and adopting a survey research design. The present study is anchored to Stewardship Theory and other supporting theories comprising of Fayol's Administrative Theory, Agency Theory and Protection Motivation Theory, lastly, adopting correlation analysis.

The research by Tanui and Moronge (2020) focused on the determinants influencing the implementation of asset disposal practices in state enterprises in Kenya. Employing a descriptive research design, the study targeted senior procurement officers from 187 state-owned enterprises. Stratified random sampling was used to select a sample of 127 respondents. Data were collected through structured and semi-structured questionnaires, which were analyzed using Microsoft Excel and SPSS version 22. The findings indicated that disposal planning, staff competency, ethical procedures, and disposal processes positively influenced the implementation of asset disposal practices. The study highlighted the importance of these factors in ensuring effective asset disposal and enhancing organizational performance. The study established that disposal planning, staff competency, and ethical procedures positively influence asset disposal practices in state enterprises. However, it focused exclusively on state corporations that operate under formalized financial systems and strict regulatory frameworks. This leaves a contextual gap in understanding how asset management controls function within religious organizations, which often rely on donated assets and operate with less structured financial oversight.

A study by Mawudor (2021) evaluated the asset management challenges facing financial management in the sustainability of church-related organizations in Kenya. The study employed a cross-sectional survey design and targeted 298 respondents, including members of governing bodies, development/donor partners, general secretaries, and church leaders. Stratified proportionate random sampling was used to select a sample of 168 respondents. Data were collected using questionnaires and analyzed quantitatively using SPSS version 17. The findings revealed that financial management and donor funding significantly affected the financial sustainability of church-related organizations. The study highlighted the importance of effective financial management practices, including asset disposal, in ensuring the sustainability of these organizations. However, there was conceptual gap since the study only focused on one construct of internal control which was asset management. However, the current research focused on various constructs comprising of administrative controls, asset management controls and data security controls.

### 2.3.3 Data Security Controls and Financial Management

Research by Zhang *et al*. (2023) was conducted to investigate the influence of data security perceptions on the adoption of Fintech services among commercial bank users in Pakistan. Employing a cross-sectional research design, the study surveyed 297 banking service users through self-administered questionnaires. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Findings revealed that perceived data security, along with perceived ease of use and usefulness, significantly influenced customer trust and the intention to adopt Fintech services. The study underscores the importance for Fintech innovators to prioritize data security and transparency to enhance user adoption. The study linked perceived data security to Fintech adoption in commercial banking, showing how user trust is shaped by security perceptions. However, it was confined to the banking sector and did not address non-profit or religious institutions that increasingly rely on digital donation and reporting systems. This presents a contextual gap in assessing the role of data security controls in faith-based organizations

According to Prasuna and Rachh (2023) who explored challenges related to data security and privacy in India's healthcare sector through a SWOT analysis, the study employed a quantitative research design, collecting primary data via online surveys distributed through Google Forms. Statistical analyses, including independent sample t-tests and one-way ANOVA, were conducted to interpret the data. Results indicated a significant concern among healthcare professionals regarding data security and privacy, with female respondents emphasizing the importance of consent before sharing personal information. The study emphasized data security and privacy challenges in India’s healthcare sector, with a focus on patient consent and information sharing. While valuable, it overlooked faith-based organizations where data security concerns extend beyond personal data to the protection of financial records and donor information. This leaves a sectoral gap in understanding these controls within religious contexts.

An analysis by Osanyinbola (2024) was conducted as an empirical study to assess the impact of technology-based forensic auditing tools, including intrusion detection systems, on financial crime detection in Nigerian deposit money banks. Employing a survey research design, the study targeted accounting staff from selected deposit money banks in Abuja, Nigeria, with a total population of 58 individuals. Data were collected through structured questionnaires distributed to the respondents. The collected data were analyzed using multiple linear regressions with the Ordinary Least Squares (OLS) technique. The findings revealed that the adoption of technology-based forensic auditing significantly enhances the detection of financial crimes in the banking sector. The study demonstrated that forensic auditing tools enhance financial crime detection in Nigerian banks. However, its focus on the banking industry limits generalization to religious organizations, which often lack sophisticated forensic systems. This creates a contextual gap in exploring how simpler data security controls influence financial management in faith-based settings

An analysis by Gitau and Masinga (2022) focused on the information security challenges in the absence of ICT in protecting personal and organizational data in Nairobi County, Kenya. The target population included employees from Kenya Revenue Authority and Kenya Data Networks in Nairobi headquarters offices. The study employed purposive and simple random sampling techniques to select the required sample of 110 participants drawn from the four groups. A structured questionnaire was administered. The researchers interviewed key informants from the three organizations, NPS, KRA and KDA, to complement the data collected using the questionnaires. The findings established that challenges were associated with the need for more ICT in managing personal information and organizational data. The study identified challenges in safeguarding personal and organizational data within revenue authorities and ICT firms in Kenya. Yet, it did not extend to religious organizations, where limited ICT infrastructure and capacity may pose even greater risks to financial data security. This indicates a contextual and institutional gap

The study conducted by Chege (2023) was a qualitative case study to analyze the adoption of Information Security Management Systems (ISMS) frameworks, such as ISO/IEC 27001, COBIT, and NIST CSF, within Kenyan organizations. The study involved semi-structured interviews with Chief Information Officers and reviews of internal ISMS documentation from organizations like Safaricom and Equity Group Holdings. Findings indicated that while ISO/IEC 27001 was the most commonly adopted framework, organizations often combined multiple frameworks to address specific security needs. Effective ISMS implementation was associated with reduced security incidents, enhanced customer trust, and improved regulatory compliance. Nevertheless, challenges such as budget constraints and limited employee awareness were noted. The study analyzed adoption of ISMS frameworks in large corporations such as Safaricom and Equity Group. While it showed the benefits of formal security frameworks, it did not explore smaller organizations such as religious institutions that lack resources for full-scale ISMS adoption. This highlights a contextual and practical gap in applying data security controls in faith-based organizations.

### 2.3.4 Leadership Commitment and Financial Management

The leadership commitment has been shown to play a critical role in ensuring effective financial management within religious organizations. A study by Van der Merwe and Grobbelaar (2023) in South Africa, though positioned globally due to its broader application to faith-based contexts, found that committed leaders in churches promoted transparency, accountability, and adherence to financial policies, which enhanced donor trust and organizational sustainability. Similarly, Ilesanmi (2020) emphasized that the integrity and dedication of leaders in religious settings directly influenced how financial resources were allocated and safeguarded. The findings underscore that leadership commitment is not only about ensuring compliance with accounting procedures but also about cultivating a culture of stewardship that reflects the values of the faith community. These insights are particularly relevant to Kenya, where many religious organizations rely on voluntary contributions that demand high levels of trust and responsible leadership.

Several studies affirm the role of leadership commitment in shaping financial practices within religious organizations in Africa. For instance, Olayinka and Adedayo (2021) in Nigeria observed that churches with leaders who demonstrated commitment to transparency and financial accountability recorded better financial health and member satisfaction compared to those without such practices. They highlighted that leaders who invested in capacity building for financial officers, adhered to reporting standards, and modeled ethical practices reduced incidences of financial mismanagement. A related study by Muthengi (2021) in Tanzania found that when religious leaders actively engaged in financial oversight, congregations exhibited stronger financial discipline and improved project outcomes. These studies demonstrate that leadership commitment extends beyond vision-setting to include hands-on involvement in financial governance, which strengthens accountability mechanisms in religious organizations across the region.

The research confirmed the significant influence of leadership commitment on financial management in religious organizations. Wainaina and Kirimi (2020) studied mainline churches and revealed that committed leadership enhanced transparency, proper record-keeping, and timely financial reporting, which in turn strengthened members' confidence in the management of church resources. Likewise, Mutua (2021) found that leadership dedication to financial stewardship in evangelical churches ensured better budgeting and resource allocation, leading to the sustainability of outreach and development programs. More recently, Njoroge (2022) emphasized those religious organizations where leaders modeled ethical stewardship and instituted internal controls managed to minimize cases of financial impropriety. These local studies illustrate that in the Kenyan context, leadership commitment is vital not only for sound financial governance but also for maintaining the moral authority of religious organizations

### 2.4 Summary of Empirical Literature and Research Gaps

Although several studies have examined financial management practices, asset disposal, and data security in various organizational contexts, limited attention has been given to religious organizations in Kenya. This section highlights the contextual, empirical, and conceptual gaps that justify the need for the present study.

**TABLE 1**

**Summary of Research Gaps**

| Author(s) & Year | Country / Context | Focus Variable(s) | Methodology | Key Findings | Identified Gaps |
|---|---|---|---|---|---|
| Mahadi *et al*. (2021) | Malaysia (RNPOs) | Administrative Controls (Documentation & Record-keeping) | Qualitative; Case study; Interviews | Proper documentation improves financial accountability | Contextual gap: Malaysian vs. less-regulated Kenyan religious context |
| Senoga (2023) | Uganda (Church Dioceses) | Administrative Controls (Authorization & Approval) | Qualitative; Thematic Analysis | Multi-level approvals enhance accountability | Contextual: Uganda-based, Christian only; Kenya's multi-denomination context not covered |
| Mungai *et al*. (2021) | Kenya (Public Universities) | Internal Controls (Detective Controls) | Quantitative; Regression Analysis | Detective controls improve financial performance | Contextual: Formal governance in public universities vs. informal in churches |
| Atieno & Kiganda (2022) | Kenya (Secondary Schools) | Internal Controls | Survey; Regression & ANOVA | Clear role division boosts | Methodological: Survey and secondary data |

| Author(s) & Year | Country / Context | Focus Variable(s) | Methodology | Key Findings | Identified Gaps |
|---|---|---|---|---|---|
| | | (Segregation of Duties) | | financial accountability | vs. correlation & primary focus in this study |
| Nyambori *et al*. (2023) | Kenya (County Government) | Budgetary Control Practices | Descriptive survey; Regression | Budget approval strongly enhances accountability | Contextual: County govt. structure vs. loosely governed religious bodies |
| Sandimba & Ndede (2023) | Kenya (SACCOs) | Internal Controls (Segregation, Physical, Approval) | Census; Quantitative | Controls significantly improve SACCO performance | Contextual: Commercial SACCOs vs. nonprofit religious orgs |
| Tufani *et al*. (2024) | Indonesia (Mosques) | Asset Management (Registries, Accountability) | Qualitative; Case Study | Asset records improve governance in mosques | Contextual: Structured mosque boards vs. variable Kenyan religious orgs |
| Oti & Asuquo (2023) | Nigeria (Churches) | Asset Management & Accounting Framework | Mixed Methods | Lack of asset disposal procedures weakens accountability | Methodological: Mixed method vs. correlation design in this study |
| Tanui & Moronge (2020) | Kenya (State Enterprises) | Asset Disposal Practices | Descriptive Survey | Disposal planning and ethical processes improve effectiveness | Contextual: Structured public bodies vs. informal church systems |
| Mawudor (2021) | Kenya (Church NGOs) | Asset Management & Sustainability | Cross-sectional Survey | Asset controls affect donor funding and sustainability | Conceptual: Focused only on asset management; current study has 3 control dimensions |
| Zhang *et al*. (2023) | Pakistan (Commercial Banks) | Data Security Perception | Cross-sectional; PLS-SEM | Security perceptions affect Fintech adoption | Contextual: Banking vs. nonprofit, faith-based setting |

| Author(s) & Year | Country / Context | Focus Variable(s) | Methodology | Key Findings | Identified Gaps |
|---|---|---|---|---|---|
| Prasuna & Rachh (2023) | India (Healthcare Sector) | Data Security & Privacy | Quantitative; ANOVA & T-test | Strong privacy concerns among staff; recommends controls | Contextual: Health sector vs. church-based institutions |
| Osanyinbola (2024) | Nigeria (Banks) | Forensic Audit Tools & Data Security | Quantitative; Regression | Forensic tools improve financial crime detection | Contextual: For-profit banks; Religious setting lacks such systems |
| Gitau & Masinga (2022) | Kenya (Govt. Institutions) | Data Security & ICT Infrastructure | Mixed; Interviews & Questionnaires | ICT gaps weaken data management | Contextual: Formal ICT orgs vs. low digital capacity in churches |
| Chege (2023) | Kenya (Corporate Orgs) | ISMS Adoption (ISO 27001, NIST, COBIT) | Case Study; Interviews | Multiple ISMS frameworks reduce data breaches | Methodological: Qualitative interviews vs. structured survey used in this study |

### 2.5 Conceptual Framework

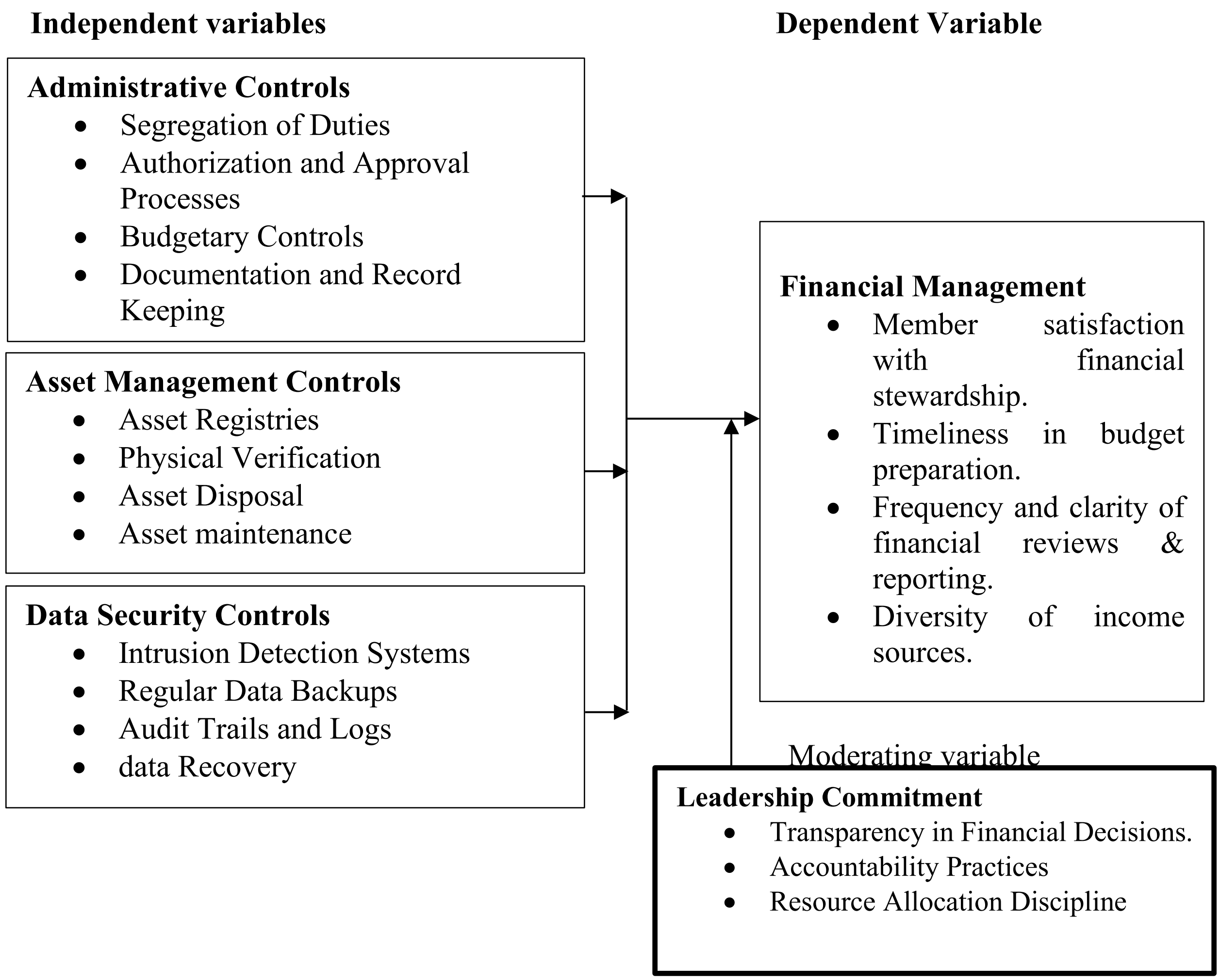
A conceptual framework provides the foundation for explaining how the study variables relate to one another, thereby guiding the research process. It draws on existing theories and empirical findings to define linkages among constructs under investigation (Adom *et al*., 2024). For this study, the framework explains how financial management practices, asset disposal practices, and data security controls influence the financial performance of religious organizations in Nairobi.

Financial management practices are fundamental in ensuring accountability, transparency, and sustainability in organizations. According to Van Helden and Uddin (2021), strong financial management systems promote efficiency in the use of resources and are essential for organizational survival. Religious organizations, like other non-profits, often rely on member contributions and donations, which necessitates effective financial management to enhance trust and ensure sustainability (Otiso, 2023).

Asset disposal practices are also significant in maintaining financial health. Properly managed disposal processes minimize losses and safeguard organizational resources. Tanui and Moronge (2020) showed that disposal planning, staff competency, and ethical procedures positively influence the success of asset disposal in state enterprises. While their focus was on public entities, similar principles apply to religious organizations that hold valuable assets such as land, buildings, and vehicles.

Data security controls represent another important aspect of organizational performance. With the growing reliance on digital systems, securing financial and operational data is crucial. According to Alshaikh (2020), organizations that prioritize information security build stronger stakeholder confidence and protect themselves from potential losses. For religious organizations, safeguarding donor records and financial data helps maintain transparency and trust.

The conceptual framework, therefore, posits that effective financial management practices, robust asset disposal procedures, and strong data security controls jointly contribute to improved financial performance in religious organizations. The interactions among these variables provide the lens through which this study sought to examine organizational sustainability and accountability in Nairobi-based religious institutions.




**Source (Author, 2025)**

**FIGURE 1**

**Conceptual Framework**

### 2.6 Operationalization of Study Variables

Operationalization of the study variables comprises of the process of defining how abstract concepts or theoretical constructs was measured and observed in a practical, empirical way within a study (Lehman & Hatcher, 2020).

**TABLE 2**

**Operationalization of Study Variables**

| Variables | Indicators | Scale | Data Collection Instruments |
|---|---|---|---|
| **Administrative Controls** | • Segregation of Duties<br>• Authorization and Approval Processes<br>• Budgetary Controls<br>• Documentation and Record Keeping | Likert Scale | Questionnaires |
| **Asset Management Controls** | • Asset Registries<br>• Physical Verification<br>• Asset Disposal<br>• Asset maintenance | Likert Scale | Questionnaires |
| **Data Security Controls** | • Intrusion Detection Systems<br>• Regular Data Backups<br>• Audit Trails and Logs<br>• data Recovery | Likert Scale | Questionnaires |
| **Leadership Commitment** | • Transparency in Financial Decisions.<br>• Accountability Practices<br>• Resource Allocation Discipline | Likert Scale | Questionnaires |
| **Financial Management** | • Member satisfaction with financial stewardship<br>• Timeliness in budget preparation<br>• Frequency and clarity of financial reviews & reporting<br>• Diversity of income sources | Likert Scale | Questionnaires |

**Source (Author, 2025)**

# CHAPTER THREE

# RESEARCH METHODOLOGY

## 3.1 Introduction

This chapter was about research design, population study, sampling approaches, instrument for collection of data, the validity and reliability of research instruments, pilot study tests, procedures of collecting data, presentation of data analyzed, finally, considerations for ethical practices.

## 3.2 Research Design

This study adopted a quantitative research design since it sought to test the relationship between the independent and dependent variables using numerical data. A quantitative approach is appropriate because it allows for the collection of standardized data that can be analyzed statistically to establish patterns, relationships and generalizations about the population (Creswell & Creswell, 2018). The study employed a descriptive and explanatory research design.

The descriptive aspect helped in summarizing the characteristics of the target population, while the explanatory aspect allowed the researcher to establish causal relationships between the study variables. The choice of design was suitable because the study relied on primary data collected through structured questionnaires, which was efficient for obtaining quantifiable information from a large group of respondents within a short period of time. This was based on a study addressing the effect of controls on financial management of religious organizations in Kenya.

### 3.3 Target Population

The population in research constitutes the number of elements that share some characteristics (Kerlinger, 2015). According to Glen (2018), target population refers to the whole population of interest to the researcher for generalization of outcomes of the study. In a research study, it answers for the whole population from which the sample is selected, and to which the generalization of the study is intended.

The accessible population consisted of 32 registered religious organizations in Nairobi County as the unit of observation carefully selected based on their central administrative setup. Within each selected organization**,** two administrative representatives such as treasurers or financial stewards were targeted for data collection forming unit of analysis. This yields an accessible population of 64 informed respondents**.** These individuals were chosen because they were directly involved in financial decision-making, implementation of internal controls, and monitoring of financial transactions. Their experiences and insights were therefore vital in assessing how internal controls influenced financial management within religious organizations in Nairobi County.

### 3.4 Sample Size and Sampling Techniques

Sampling is defined as choosing part of a population to act as sample in a study so that conclusions can be made about the whole population and is a crucial step in research design, since it determines the extent to which the findings of a study is generalized to the broader population of interest (Cohen, 2016).

#### 3.4.1 Sampling Technique

This study adopted a census sampling technique, which involved collecting data from all members of the target population rather than selecting a sample. Therefore, all 64 respondents were involved in the study. The justification for using census sampling lies in the manageable size of the population of registered religious organizations in Nairobi County. Since the population is not excessively large, it is practical and more accurate to include every religious organization in the study. According to Kothari (2019), a census eliminates sampling errors, provides comprehensive information, and ensures that findings reflect the realities of all religious organizations without the need to generalize from a subset. This approach is particularly suitable for studies involving governance and financial management practices, where the experiences of all organizations were crucial in building a holistic understanding.

The process of implementing census sampling involves several steps. First, the complete list of registered religious organizations in Nairobi County was obtained from relevant government or regulatory bodies, which serve as the sampling frame. Second, each organization in the list was included in the study, ensuring that no unit of analysis was left out. Lastly, structured questionnaires were distributed to the identified financial administrators or leaders responsible for financial management within each organization. By engaging all units in the population, this method guarantees inclusivity and enhances the reliability and validity of the study findings, making the results useful for both academic inquiry and practical application.

### 3.5 Instrumentation and Data Collection

The research adopted questionnaire in collecting the data. According to Mugenda and Mugenda (2003) a questionnaire is a data collection instrument used to gather information from respondents by presenting them with a series of questions. Questionnaires are typically standardized tools consisting of a set of structured or semi-structured questions designed to elicit specific information relevant to the research objectives. The advantages of questionnaires as stated by Cohen (2018) reveal that they are more cost-effective and time-efficient for evaluation purposes.

The structured questionnaire was used which provided options for the respondent to select their choices. The questionnaire was structured into two sections where the first section was aimed at gathering demographic information like gender, work experience, and level of education of the respondent. The other second section was based on variables; this was section B: controls with sub sets such as administrative controls, asset management controls and data security controls. Lastly, Section C: was on financial management of religious organizations. The structured questionnaire therefore adopted Likert scale of 5 point options comprising of 5=Strongly agree, 4=Agree, 3=Neutral, 2=Disagree, 1=Strongly disagree.

### 3.5.1 Data Collection Procedures

In data collection procedures, according to Diniz and Amado (2019), the process of collecting data is described as the way of getting facts from the subjects that have been chosen for the inquiry. For the purpose of distributing questionnaires to the respondents in the religious organizations in Nairobi, a drop and pick approach was adopted. To be more specific, the questionnaires was handed out to the individual participants, and they were given a period of 5 days to respond to the questionnaires. This was followed by the collection of the questionnaires at a later agreeable time.

### 3.6 Validity and Reliability of Research Instruments

The data collection instruments were subjected to validity tests and reliability tests as provided;

#### 3.6.1 Validity of Research Instruments

Validity test for academic research constituted the degree to which an instrument (such as a questionnaire, test, or survey) accurately measures what it is intended to measure which is mostly about correctness and appropriateness; whether the tool truly captures the concept or variable it is designed to assess (Kothari, 2019). Validity assesses the credibility or adequacy of the research design, the approach and tools applied to data collection. Ensuring validity is crucial for drawing accurate conclusions and making meaningful interpretations of research findings (Taber, 2018).

Content validity was tested and was aimed at determining whether the research instrument-questionnaire embraced all necessary facets or variables of the subject being researched. Whereas, construct validity assessed the extent to which a measurement instrument measures the theoretical construct or concept that it has set out to measure, for instance, use of factor analysis, convergent validity; the degree of correlation between the construct under the study and other related construct.

Construct validity was tested; it is the degree of correlation between the construct under study and other unrelated construct. Lastly, face validity was adopted to determine the degree to which a measurement instrument seems to measure, on its face, the intended construct. It assesses whether the items in the instrument appears relevant and appropriate to respondents and experts without formal statistical analysis.

### 3.6.2 Reliability of Research Instruments

For reliability research instruments, Hazzi and Maldaon (2019) defined reliability as the process of determining whether a study accurately measures its intended objectives or the degree of truthfulness in its findings. Using the Cronbach alpha approach, every one of the study subjects that was related to internal controls on financial management of religious organizations in Nairobi was examined to determine their level of reliability. A determination of the reliability of the questionnaire was made as a consequence of the Cronbach alpha analysis. For the purpose of this study, a Cronbach alpha of at least 0.7 was required.

## 3.7 Pilot Study

Piloting, as defined by Faber and Fonseca (2018), is the process of pre-testing a questionnaire by administering it to a group that closely resembles the actual population the author intends to study in their research. Hazzi and Maldaon (2017) states that preliminary research is conducted to identify deficiencies in design and instrumentation, as well as to provide an initial phase for selecting samples. A pilot group of individuals from religious organizations in Nairobi was used to assess the reliability of the research instrument that was used in the study. Therefore, 6 respondents comprising of 10% of population of study (64) was involved in selected religious organizations.

According to the rule of thumb Cooper and Schindler (2019), the pilot test should constitute 10% of the overall sample. The trial dataset was excluded from the final analysis. The pilot study enabled the researcher to familiarize themselves with the research, its procedures and to identify any necessary modifications. The findings assisted the researcher in rectifying tool disparities, guaranteeing that the tools accurately assessed the intended measurements.

### 3.8 Data Analysis and Presentations

Data analysis in research is the systematic examination and interpretation of data to derive meaningful insights, identify patterns, test hypotheses, and draw conclusions. It is a critical step in the research process that transforms raw data into actionable information to address research questions or objectives (Kothari, 2019). Prior to the processing of the final questionnaire, it was amended for validation. In order to facilitate the categorization of the responses, the information was then converted into codes in SPSS system version 26. For the most part, quantitative data was acquired. In order to analyze quantitative data, descriptive statistics were utilized respectively to generate measures of tendencies such as mean and std. deviation.

The study utilized inferential analysis. This involved the use of correlation analysis to determine the extent of relation between the variables. In order to analyze the relationships between the independent and the dependent variables, a correlation matrix was computed. A correlation of zero means that the dependent and independent variables do not have a direct relation to one another in the format of a straight line. On the other hand, having a correlation coefficient of ± 1.0 implies positive or negative perfect association. The values obtained were then plotted on a '0 to 1.0 scale,' with '0' representing that the two values have no relation and '1.0' signifying that the two values have a perfect positive relation.

Regression analysis was also used in the study to analyze the effect of controls on financial management of religious organizations. The regression model is specified as follows $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3+\varepsilon$ Where Y = Financial management of religious organizations; $\alpha$ = Constant term; $X_1$ = Administrative Controls; $X_2$ = Asset Management Controls; $X_3$= Data Security Controls; $X_4$= Leadership Commitment; $\beta_1, \beta_2, \& \beta_3$ = Regression coefficients of $X_1,$

$X_2$, $X_3$ & $X_4$; and $\varepsilon$ = Error term. The analyzed data was presented using tables for ease of interpretation.

### 3.9 Diagnostic Tests

Diagnostic tests refer to procedures or tools used to determine whether a person or a subject has a particular attribute; thus, assesses the accuracy of a diagnostic tool in correctly identifying the presence (sensitivity) or absence (specificity) of a condition.

#### 3.9.1 Multi-collinearity Tests

Diniz and Amado (2019) stated that multi-collinearity tests are statistical procedures used to detect multi-collinearity, which occurs when two or more predictor (independent) variables in a regression model are highly correlated. High multi-collinearity can cause problems because it makes it difficult to assess the individual contribution of each predictor to the model, inflates the standard errors of the coefficients, and reduces the reliability of the regression estimates. Multi-collinearity was tested using VIF. A VIF of 10 or more indicates presence of multi-collinearity, while that below 10 indicates absence of multi-collinearity.

#### 3.9.2 Heteroscedasticity

Heteroscedasticity tests were conducted to determine whether the variance of errors in a regression model remains constant across observations. If the variance is not constant, it indicates heteroscedasticity, which can lead to inefficient estimates and unreliable hypothesis testing. Several statistical methods can be used to test for heteroscedasticity. One common method is the Breusch-Pagan Test, which involves regressing the squared residuals on the independent variables; a significant test statistic suggests heteroscedasticity.

The heteroskedasticity is assumed if the Chi-squared value is significant and the p-value is less than a suitable threshold, typically $p < 0.05$**.** In tests like the Breusch-Pagan or White's test, a significant Chi-squared value indicates that the variance of residuals is not constant across all levels of the independent variables. This suggests that heteroskedasticity is present, meaning the assumption of homoskedasticity (constant variance) in regression models is violated. A low p-value (below 0.05) means the null hypothesis of homoskedasticity is rejected in favor of the alternative hypothesis, confirming the presence of heteroskedasticity (Gujarati, 2012).

### 3.9.3 Linearity Tests

Linearity tests were essential in regression analysis to ensure that the relationship between the independent and dependent variables follows a straight-line pattern. Several methods can be used to test linearity, including scatter plots**,** residual plots**,** and statistical tests like the Ramsey RESET test (2010). Thus, a large enough sample size is required to detect linear trends accurately. Small samples can lead to misleading conclusions about linearity.

### 3.9.4 Autocorrelation Test

Autocorrelation occurs when the residuals (errors) in a model are correlated with each other across time or observations, rather than being random and independent. The autocorrelation test evaluates whether this correlation exists and whether it is statistically significant (Cooper & Schindler, 2020). Autocorrelation tests like the Durbin-Watson test assume that the regression equation is correctly specified.

Gujaraji (2020) indicated that the autocorrelation test is carried out by first estimating a regression model and then examining the residuals to determine whether they are independent across time or observations. In a commonly used method like the Durbin-Watson test, the residuals from the fitted regression are analyzed to detect first-order autocorrelation by calculating a statistic that ranges from 0 to 4. A value near 2 indicates no autocorrelation, values below 2 suggest positive autocorrelation and values above 2 indicate negative autocorrelation. If the regression model includes lagged dependent variables, the Breusch-Godfrey test is preferred; it involves regressing the residuals on the original independent variables and their lagged residual terms, and then performing a chi-square test to assess significance.

## 3.10 Ethical Considerations

Ethics was observed in the following areas;

### 3.10.1 Informed Consent

The researcher obtained informed consent from the organization representing the participant in the selected religious organizations before involving them in any research activities. This entailed providing participants with clear information about the purpose, procedures, risks, and benefits of the study, as well as ensuring they understand their rights and can freely decide whether to participate or withdraw from data collection session.

### 3.10.2 Accountability and Oversight

The accountability and oversight require that as a researcher, adhere to relevant ethical guidelines and regulations governing research conduct and ensuring appropriate oversight and accountability for the research activities. This involved obtaining approval from KCA University and NACOSTI and complying with any applicable laws or regulations regarding research conduct and participant protection.

### 3.10.3 Confidentiality and Privacy

As the researcher, there was need to ensure the confidentiality and privacy of participants' data. This involved taking measures to protect sensitive information from unauthorized access, use, or disclosure. The researcher ensured that there was transparency about how data was handled, stored or obtain total consent for any data sharing or publication.

### 3.10.4 Fair Treatment

There was need to ensure equitable treatment of all participants, regardless of factors such as race, ethnicity, gender, age, religion, sexual orientation, or socioeconomic status. This entailed avoiding any form of discrimination or bias during participant selection, recruitment, or treatment, and being sensitive to the diverse perspectives and backgrounds of research participants.

### 3.10.5 Research Integrity

The integrity in research requires the researcher to carry out the research with honesty, transparency, objectivity and adhere to the highest standards of academic integrity. This included accurately reporting research findings, disclosing any conflicts of interest or biases that would influence the research and avoiding plagiarism or other forms of academic misconduct.

## CHAPTER FOUR

## FINDINGS AND DISCUSSIONS

### 4.1 Introduction

The chapter presented the findings and discussion based on study objectives. This involved addressing response rate, reliability test result presentation, demographic data presentation, descriptive analysis per variable and lastly, inferential analysis.

### 4.2 Response Rate

The summary depicting the rate of response

**TABLE 3**

**Response Rate**

The response rate was provided as shown;

| Category | Frequency | Percentage |
|---|---|---|
| Response | 58 | 91 |
| Non-Response | 06 | 09 |
| **Total** | **64** | **100** |

**Source: Research Data (2025)**

Presentation in Table 3 shows that out of the 64 questionnaires distributed to respondents from religious organizations in Nairobi County, 58 were completed and returned, representing a high response rate of 91 percent, while only 6 questionnaires (9 percent) were not returned. This level of participation is considered excellent and suitable for data analysis because a response rate above 70 percent is generally regarded as adequate in survey research to minimize non-response bias and enhance the credibility of findings (Mugenda & Mugenda, 2003). The high response rate also indicates that the respondents were cooperative and interested in the study topic.

## 4.3 Pilot Test Results

The results were in form of validity results and reliability results.

### 4.2.1 Validity Test Results

Validity tests were conducted to ensure that the research instruments measured what they were intended to measure. Content validity was confirmed through expert review by the supervisor, who verified that the questionnaire items adequately covered all the domains of the study. Face validity was established as the items were deemed clear, logical, and aligned with the study objectives. Construct validity was supported by the consistency of the questionnaire items with the theoretical framework guiding the study. Internal validity was strengthened by careful alignment of the independent variables with the research objectives, as confirmed through detailed consultation with the supervisor. External validity was ensured by designing the study to allow findings to be generalized to a wider population beyond the sample. The results of these checks showed that the research instrument met the required standards of validity, thus providing confidence in the accuracy and applicability of the study findings.

### 4.2.2 Reliability Test Results

The reliability results were presented in the Table 4 as shown;

**TABLE 4**

**Reliability Test Results**

| Variables | Registered Items | Values of Cronbach α >0.7 | Alpha Verdict |
|---|---|---|---|
| Administrative Controls | 7 | 0.953 | Approved |
| Asset Management Controls | 7 | 0.940 | Approved |
| Data Security Controls | 7 | 0.927 | Approved |
| Leadership Commitment | 7 | 0.936 | Approved |
| Financial Management | 7 | 0.946 | Approved |

**Source (Research Data, 2025)**

Presentation in Table 4 shows the reliability test results for all the study variables, where each variable had seven registered items and all recorded Cronbach's alpha values above the acceptable threshold of 0.7. Administrative Controls obtained an alpha of 0.953, Asset Management Controls 0.940, Data Security Controls 0.927, Leadership Commitment 0.936, and Financial Management 0.946, leading to an "Approved" verdict for each construct. These results indicate a high level of internal consistency among the items used to measure the variables. According to Nunnally (2018), a Cronbach's alpha value of 0.7 or higher is considered acceptable for reliability in social science research, while values above 0.9 reflect excellent internal consistency.

### 4.4 Demographic Analysis

Analysis on demographic focused on the descriptions related to respondents that participated in the research study.

#### 4.4.1 Gender

This study presentation addressed gender response to illustrate total number of male and female participants. The representation of gender was provided on Table 5.

**TABLE 5**

**Gender of Respondents**

| Category | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| Male | 30 | 51.7 | 51.7 | 51.7 |
| Female | 28 | 48.3 | 48.3 | 100.0 |
| **Total** | **58** | **100.0** | **100.0** | |

**Source: Research Data, (2025)**

Table 5 provided results on the gender distribution of the respondents who participated in the study. The results indicate that 30 respondents, representing 51.7 percent, were male, while 28 respondents, representing 48.3 percent, were female. This near-balanced distribution suggests that both genders were fairly represented in the study, which helps minimize gender bias and enhances the generalizability of the findings. A balanced gender representation is important in organizational studies because it allows for diverse perspectives and more accurate interpretation of the results (Sekaran & Bougie, 2019).

### 4.4.3 Highest Level of Education

Presentation of findings addressed level of education for each respondent as shown.

**TABLE 6**

**Highest Level of Education**

| Category | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|
| O-Level | 5 | 8.6 | 8.6 | 8.6 |
| Diploma | 17 | 29.3 | 29.3 | 37.9 |
| Bachelor's Degree | 27 | 46.6 | 46.6 | 84.5 |
| Postgraduate | 8 | 13.8 | 13.8 | 98.3 |
| Others | 1 | 1.7 | 1.7 | 100.0 |
| **Total** | **58** | **100.0** | **100.0** | |

**Source: Research Data, (2025)**

The results in Table 6 shows the highest level of education attained by respondents. The findings reveal that 5 respondents (8.6 percent) had O-Level education, 17 respondents (29.3 percent) held a Diploma, while the majority, 27 respondents (46.6 percent), possessed a Bachelor's Degree. Additionally, 8 respondents (13.8 percent) had postgraduate qualifications and 1 respondent (1.7 percent) reported having other forms of education. These results indicate that most respondents were well educated, with a large proportion holding at least a Bachelor's degree. Having an educated sample is important in studies involving financial management and internal controls because higher educational levels are often linked to better understanding of organizational systems and informed decision-making (Creswell & Creswell, 2018). Therefore, the suggests that the respondents were capable of providing credible and accurate information, which strengthens the quality of the study findings and supports further analysis of the study variables presented in subsequent tables.

### 4.4.3 Work Experience

The study summarized work experience of respondents as provided below.

**TABLE 7**

**Work Experience**

| **Category** | | **Frequency** | **Percent** | **Valid Percent** | **Cumulative Percent** |
|---|---|---|---|---|---|
| Valid | Less Than 1 Year | 4 | 6.9 | 6.9 | 6.9 |
| | 1-4 Years | 12 | 20.7 | 20.7 | 27.6 |
| | 5-8 Years | 26 | 44.8 | 44.8 | 72.4 |
| | 9-12 Years | 11 | 19.0 | 19.0 | 91.4 |
| | Over 12 Years | 5 | 8.6 | 8.6 | 100.0 |
| | **Total** | **58** | **100.0** | **100.0** | |

**Source: Research Data, (2025)**

Presentation in Table 7 indicated the respondents' work experience in their respective religious organizations. The results indicate that 4 respondents (6.9 percent) had less than 1 year of experience, 12 respondents (20.7 percent) had worked for 1–4 years, while the largest group, 26 respondents (44.8 percent), had 5–8 years of experience. In addition, 11 respondents (19.0 percent) reported 9–12 years of experience, and 5 respondents (8.6 percent) had worked for over 12 years. These findings suggest that the majority of respondents had substantial work experience, particularly between 5 and 8 years, which implies that they were familiar with the controls and financial management practices within their organizations. According to Cooper and Schindler (2014), respondents with longer work experience are more likely to provide informed and credible responses because they understand organizational processes and historical practices.

### 4.5 Analysis of Study Variables

The variables were subjected to descriptive analysis based on study objectives.

#### 4.5.1 Administrative Controls

The analysis addressed the influence of administrative controls as provided in table 8.

**TABLE 8**

**Administrative Controls**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Segregation of duties prevents misuse of funds by ensuring that no single individual has control over all aspects of any financial transaction in the organization | 58 | 1 | 5 | 2.79 | 1.804 |
| Segregation of duties has prevented both intentional fraud and unintentional errors. | 58 | 1 | 5 | 3.31 | 1.581 |
| Authorization and approval processes Provides a trail of responsibility, helping identify who approved what and when. | 58 | 1 | 5 | 2.72 | 1.424 |
| Approval documentation provides clear records for internal and external audits. | 58 | 1 | 5 | 2.76 | 1.636 |
| Budget controls has successfully ensured that expenditures align with available resources and planned activities. | 58 | 1 | 5 | 2.71 | 1.601 |

| | | | | | |
|---|---|---|---|---|---|
| Limited financial literacy among staff or volunteers may result in poor budgeting or misinterpretation of budget reports. | 58 | 1 | 5 | 2.98 | 1.691 |
| Record-keeping supports smooth administration by providing quick access to important information | 58 | 1 | 5 | 3.10 | 1.662 |

**Source: Research Data, (2025)**

Presentation in Table 8 shows the descriptive statistics for Administrative Controls in religious organizations. The results indicate that segregation of duties preventing misuse of funds had a mean of 2.79 with a standard deviation of 1.804, while segregation of duties preventing fraud and errors recorded a slightly higher mean of 3.31 with a standard deviation of 1.581. Authorization and approval processes providing a trail of responsibility had a mean of 2.72 (SD = 1.424), and approval documentation for audits had a mean of 2.76 (SD = 1.636). Budget controls ensuring alignment of expenditures with available resources recorded a mean of 2.71 (SD = 1.601). Limited financial literacy among staff had a mean of 2.98 (SD = 1.691), while record-keeping supporting smooth administration recorded the highest mean of 3.10 (SD = 1.662). Overall, the mean values ranged between 2.71 and 3.31, while standard deviations ranged between 1.424 and 1.804, indicating moderate agreement and noticeable variability in responses.

The study found that administrative controls in religious organizations are generally weak and inconsistently applied, with low enforcement of segregation of duties, authorization procedures, approval documentation and budgetary controls, which exposes these institutions to misuse of funds, fraud and poor financial decisions. These findings are supported by Senoga (2023) who established that strong authorization procedures and multi-level approvals significantly improve transparency and accountability in religious institutions, implying that weak or absent approval systems, as seen in this study, undermine effective financial management. However, the findings contrast with Sandimba and Ndede (2023) who reported that segregation of duties, approval of accounting transactions and other internal control practices were well implemented and had a significant positive effect on the financial performance of SACCOs in Nairobi. Unlike the structured and regulated SACCO environment in their study, religious organizations in this study showed high variability and only moderate financial literacy and record-keeping capacity, highlighting a sector-specific weakness in administrative controls.

### 4.5.2 Asset Management Controls

Results were based on the influence of asset management controls on financial management of religious organizations as shown in Table 9.

**TABLE 9**

**Asset Management Controls**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Asset registries provide a clear record of all assets owned by the religious organization | 58 | 1 | 5 | 2.81 | 1.849 |
| Asset registries support accurate valuation and depreciation of assets, essential for long-term financial planning. | 58 | 1 | 5 | 3.28 | 1.565 |

| | | | | | |
|---|---|---|---|---|---|
| Physical asset verification identifies discrepancies such as missing, obsolete, or unrecorded assets, leading to more accurate asset reporting. | 58 | 1 | 5 | 2.66 | 1.470 |
| Physical asset verification demonstrates to donors, members, and regulators that the organization is managing its resources responsibly. | 58 | 1 | 5 | 2.71 | 1.633 |
| Disposing of non-functional or idle assets frees up physical and financial resources for the religious organization | 58 | 1 | 5 | 2.84 | 1.587 |
| Asset disposal updates ensures asset registry reflects only current and usable assets, aiding in better planning and reporting. | 58 | 1 | 5 | 3.02 | 1.649 |
| Minimizes downtime or service interruptions during religious activities | 58 | 1 | 5 | 3.07 | 1.653 |

**Source: Research Data, (2025)**

Results were based on the influence of asset management controls on financial management of religious organizations as shown in Table 9. The findings indicate that maintaining asset registries as a clear record of all assets had a mean of 2.81 with a standard deviation of 1.849, while using registries for accurate valuation and depreciation recorded a higher mean of 3.28 (SD = 1.565). Physical asset verification to identify discrepancies had a mean of 2.66 (SD = 1.470), whereas demonstrating responsible resource management through verification recorded a mean of 2.71 (SD = 1.633). Disposal of non-functional or idle assets had a mean of 2.84 (SD = 1.587), and updating asset disposal to maintain current records showed a mean of 3.02 (SD = 1.649). Minimizing downtime or service interruptions during religious activities had the highest mean score of 3.07 with a standard deviation of 1.653. Overall, the mean values ranged from 2.66 to 3.28, with standard deviations between 1.470 and 1.849, indicating moderate agreement and noticeable variability among respondents.

The study established that although asset management controls exist in religious organizations, they are not consistently or effectively implemented, as shown by low to moderate performance in asset registries, physical verification and disposal procedures, which exposes these institutions to inaccurate reporting, mismanagement and loss of donor confidence. These findings are supported by Oti and Asuquo (2023) who similarly found that churches struggle with inadequate asset disposal procedures and require qualified personnel and proper financial management practices to enhance accountability and sustainability, reinforcing the idea that weak asset controls undermine financial performance. However, the findings contrast with Tufani *et al.* (2024) who reported that historic mosques in Indonesia maintained comprehensive asset registries and effective documentation systems that strengthened governance, accountability and transparency. Unlike the structured and well-governed mosque environments in their study, religious organizations in Nairobi operate with varying governance structures and irregular verification processes, leading to inconsistent and often weak asset management practices.

### 4.5.3 Data Security Controls

The analysis on the influence of data security controls and financial management of religious organizations was shown on Table 10.

**TABLE 10**

**Data Security Controls**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Intrusion detection systems keep logs of suspicious events, which are useful for forensic investigations in the event of a breach. | 58 | 1 | 5 | 2.98 | 1.732 |
| Intrusion detection systems are able to detect an unauthorized user trying to access its donation platform. | 58 | 1 | 5 | 3.26 | 1.562 |
| Regular data backups minimizes disruption to operations such as online services, communication, | 58 | 1 | 5 | 2.84 | 1.387 |
| Regular data backups maintain donor confidence by demonstrating secure handling of their financial contributions. | 58 | 1 | 5 | 2.90 | 1.651 |
| Logs track every financial action including entry of donations, expense approvals, or changes to budgets | 58 | 1 | 5 | 2.86 | 1.605 |
| Audit logs has made it easier to track financial commitments and budget adjustments for the religious organizations | 58 | 1 | 5 | 2.88 | 1.428 |
| This faith-based organization adheres to financial data retention laws. | 58 | 1 | 5 | 2.97 | 1.438 |

**Source: Research Data, (2025)**

Results were based on the influence of data security controls on financial management of religious organizations as shown in Table 10. The findings indicate that intrusion detection systems keeping logs for forensic investigations recorded a mean of 2.98 with a standard deviation of 1.732, while detecting unauthorized access to donation platforms had a slightly higher mean of 3.26 (SD = 1.562). Regular data backups minimizing operational disruption had a mean of 2.84 (SD = 1.387), and maintaining donor confidence through secure data handling recorded a mean of 2.90 (SD = 1.651). Tracking financial actions through logs had a mean of 2.86 (SD = 1.605), while audit logs aiding in tracking financial commitments and budget adjustments recorded a mean of 2.88 (SD = 1.428). Adherence to financial data retention laws had a mean of 2.97 with a standard deviation of 1.438. Overall, mean scores ranged from 2.84 to 3.26, and standard deviations ranged from 1.387 to 1.732, showing moderate agreement and noticeable variability across organizations.

The findings revealed that data security controls in religious organizations are only moderately practiced and inconsistently implemented, with gaps in intrusion detection systems, data backups, and audit logs exposing these institutions to data breaches, donor mistrust and financial manipulation. These results are supported by Gitau and Masinga (2022) who found that even in government bodies and ICT firms, the absence of adequate ICT infrastructure and weak data protection mechanisms created significant risks to personal and organizational data, implying that organizations with limited technological capacity, such as many religious institutions, face even greater data security vulnerabilities. However, the findings contrast with Chege (2023) who reported that large corporations in Kenya, such as Safaricom and Equity Group, successfully adopted formal Information Security Management Systems (ISMS) frameworks like ISO/IEC 27001 and COBIT, resulting in reduced security incidents, enhanced trust and improved compliance. Unlike these highly structured institutions with strong resources and standardized security frameworks, religious organizations in this study exhibited uneven and unreliable data protection practices, demonstrating a sector-specific weakness in implementing consistent data security controls.

### 4.5.4 Leadership Commitment

Presentation of findings sought to address the moderating effect of leadership Commitment in the relationship between controls and financial management of religious organizations as provided in Table 11.

**TABLE 11**

**Leadership Commitment**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| There is access to clear information about how financial resources are utilized. | 58 | 2 | 5 | 3.05 | .759 |
| Financial decisions in this organization are made in a transparent manner | 58 | 2 | 5 | 3.02 | .713 |
| Leaders in this organization take responsibility for the outcomes of their decisions. | 58 | 2 | 4 | 2.97 | .674 |
| There are clear mechanisms in place to hold leaders accountable for their actions | 58 | 1 | 5 | 3.02 | .713 |
| Resources in this organization are allocated based on strategic priorities. | 58 | 2 | 4 | 2.90 | .667 |
| Leadership ensures that resources are used efficiently without unnecessary wastage | 58 | 2 | 4 | 2.93 | .645 |

**Source: Research Data, (2025)**

Results were based on the influence of leadership commitment on financial management of religious organizations as shown in Table 11. The findings indicate that access to clear information on resource utilization had a mean of 3.05 with a standard deviation of 0.759, while transparency in financial decisions recorded a mean of 3.02 (SD = 0.713). Leaders taking responsibility for decision outcomes had a mean of 2.97 (SD = 0.674), and mechanisms to hold leaders accountable recorded a mean of 3.02 (SD = 0.713). Allocation of resources based on strategic priorities had a mean of 2.90 (SD = 0.667), and ensuring efficient use of resources without wastage recorded a mean of 2.93 (SD = 0.645). Overall, mean scores ranged from 2.90 to 3.05 with low standard deviations between 0.645 and 0.759, indicating moderate agreement and relatively consistent responses among respondents.

he study revealed that leadership commitment in religious organizations is present but only moderately effective, as leaders make efforts toward transparency, accountability and resource allocation, yet these practices are not fully optimized, limiting the enforcement of internal controls and financial accountability. These findings are supported by Wainaina and Kirimi (2020) who found that committed leadership improves transparency, record-keeping and timely financial reporting, which strengthens member confidence, yet they also acknowledged that such commitment varies across churches and is not always consistently enforced, reflecting the same moderate effectiveness observed in the current study. However, the findings contrast with Olayinka and Adedayo (2021) who reported that churches with strong leadership commitment to transparency, capacity building and adherence to financial reporting standards achieved significantly better financial health and member satisfaction than those with weak leadership, indicating a higher level of effectiveness than what was observed in the Nairobi religious organizations. While prior studies in Nigeria highlighted leadership as a transformative force when fully engaged, the present study shows that in Kenyan religious institutions, leadership commitment exists but is not maximized, leaving financial management systems partially effective rather than fully strengthened.

### 4.5.5 Financial Management

The analysis was aimed at establishing the state of financial management of religious organizations in Nairobi County.

**TABLE 12**

**Financial Management**

| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| There is access to clear information about how financial resources are utilized. | 58 | 2 | 5 | 3.05 | .759 |
| Financial decisions in this organization are made in a transparent manner | 58 | 2 | 5 | 3.02 | .713 |
| Leaders in this organization take responsibility for the outcomes of their decisions. | 58 | 2 | 4 | 2.97 | .674 |
| There are clear mechanisms in place to hold leaders accountable for their actions | 58 | 1 | 5 | 3.02 | .713 |
| Resources in this organization are allocated based on strategic priorities. | 58 | 2 | 4 | 2.90 | .667 |
| Leadership ensures that resources are used efficiently without unnecessary wastage | 58 | 2 | 4 | 2.93 | .645 |
| Satisfied members are more likely to increase their financial contributions (tithes, offerings, donations). | 58 | 2 | 5 | 3.05 | .759 |

| | | | | | |
|---|---|---|---|---|---|
| Member satisfaction with financial stewardship in religious organizations leads to increased trust | 58 | 2 | 5 | 3.02 | .713 |
| Timely budgets allow religious organizations to align activities with available resources before the year starts. | 58 | 2 | 4 | 2.97 | .674 |
| With a timely budget, funds can be allocated to ministries, outreach, staff, and facilities in a prioritized and planned manner. | 58 | 1 | 5 | 3.02 | .713 |
| Regular and clear financial reporting reassures members and donors that funds are being used ethically and as intended. | 58 | 2 | 4 | 2.90 | .667 |
| Financial discussions are viewed as sensitive or taboo, leading to reluctance in sharing full reviews and reporting details. | 58 | 2 | 4 | 2.93 | .645 |
| Some income-generating ventures conflict with religious beliefs or member expectations, leading to reputational risks. | 58 | 1 | 5 | 3.02 | .713 |

**Source: Research Data, (2025)**

Presentation in Table 12 shows the descriptive statistics for Financial Management in religious organizations. The findings indicate that access to clear information on resource utilization had a mean of 3.05 with a standard deviation of 0.759, while transparent financial decision-making recorded a mean of 3.02 (SD = 0.713). Leaders taking responsibility for decision outcomes had a mean of 2.97 (SD = 0.674), and mechanisms to hold leaders accountable recorded a mean of 3.02 (SD = 0.713).

Strategic allocation of resources had a mean of 2.90 (SD = 0.667), and efficient use of resources without wastage recorded a mean of 2.93 (SD = 0.645). Member-related indicators, including satisfaction increasing contributions and trust, had means of 3.05 (SD = 0.759) and 3.02 (SD = 0.713), respectively. Timely budgets and fund allocation recorded means of 2.97 (SD = 0.674) and 3.02 (SD = 0.713), while regular financial reporting had a mean of 2.90 (SD = 0.667). Challenges such as sensitivity of financial discussions and conflicts in income-generating ventures had means of 2.93 (SD = 0.645) and 3.02 (SD = 0.713). Overall, the mean scores ranged from 2.90 to 3.05, with standard deviations between 0.645 and 0.759, showing moderate agreement and relatively consistent responses among respondents.

Financial management in religious organizations is strongly shaped by how internal control elements are practiced, and findings from previous scholars across administrative controls, asset management controls, and data security controls show both agreement and divergence on this influence. From the administrative controls perspective, Wainaina and Kirimi (2020) argued that clear financial reporting and proper documentation led to improved budgeting and resource allocation, supporting effective financial management. Their position aligns with Olayinka and Adedayo (2021), who, through the lens of asset management controls, found that religious organizations that safeguarded assets and invested in capacity building recorded stronger financial health, implying that well-managed assets contribute directly to financial sustainability. However, Mutua (2021) noted that even when asset registers existed, financial management could still suffer if leaders lacked the will to enforce accountability, suggesting that controls alone are insufficient without ethical leadership.

From the data security standpoint, Njoroge (2022) observed that religious institutions that implemented secure financial systems minimized fraud and enhanced member trust, which strengthened financial stability, showing that data protection is a financial management tool in itself. On the other hand, Muthengi (2021) cautioned that over-reliance on digital systems without proper oversight created loopholes that weakened financial management, indicating that technology must be paired with governance. Collectively, these studies show that financial management is not a standalone function but a product of how well administrative procedures, asset controls, and data safeguards are integrated and supported by leadership commitment. y

### 4.6 Diagnostic Tests

Diagnostic tests were conducted to ensure that the assumptions of the classical linear regression model were met. These assumptions must hold for the model estimates to be valid, efficient, and unbiased. The tests included checks for normality, multi-collinearity, heteroscedasticity, linearity, and autocorrelation.

#### 4.6.1 Normality Test

The normality test was used to determine whether the residuals from the regression model were normally distributed. Normal distribution of residuals is a key assumption of the ordinary least squares (OLS) method because it ensures the validity of hypothesis testing and confidence intervals. The Shapiro–Wilk test was employed to test for normality. The null hypothesis states that the data are normally distributed. A p-value greater than 0.05 indicates that the residuals follow a normal distribution, while a p-value less than 0.05 suggests deviation from normality.

**TABLE 13**

**Normality Test Results- Shapiro–Wilk Normality Test Results**

| Test | Statistic | p-value |
|---|---|---|
| Shapiro–Wilk | 0.821 | 0.08 |

The Shapiro–Wilk test produced a statistic of 0.821 with a p-value of 0.08, which is greater than 0.05. This indicates that the residuals were normally distributed.

### 4.6.2 Multi-collinearity Test

Multi-collinearity occurs when independent variables are highly correlated, which can distort regression estimates. The Variance Inflation Factor (VIF) was used to detect multi-collinearity among the predictors. A VIF value below 10 indicates absence of serious multi-collinearity.

**TABLE 14**

**Variance Inflation Factor (VIF) Results**

| Variable | VIF |
|---|---|
| Administrative Controls | 1.05 |
| Asset Management | 1.04 |
| Data Security Controls | 1.01 |
| Leadership Commitment | 1.08 |

The VIF results show that all variables had VIF values below 10, suggesting that multi-collinearity was not a concern and each independent variable contributed uniquely to the model.

### 4.6.3 Homoscedasticity Test

Heteroscedasticity occurs when the variance of residuals is not constant across observations, which can result in inefficient estimates (Gujarati, 2012). The Breusch–Pagan test was conducted to check this assumption.

**TABLE 15**

**Breusch–Pagan Test Results**

| Test Statistic | Value | p-value |
|---|---|---|
| Lagrange Multiplier ($\chi^2$) | 4.43 | 0.350 |
| F-statistic | 1.10 | 0.368 |

The results show that the p-values were above 0.05, indicating no evidence of heteroscedasticity. The residuals therefore had a constant variance, satisfying the homoscedasticity assumption.

### 4.6.4 Linearity Test

The Ramsey RESET test was used to check whether the relationship between the predictors and the dependent variable was linear. A p-value greater than 0.05 indicates that the model is correctly specified and linear.

**TABLE 16**

**Ramsey Reset Test Results**

| Test | F-statistic | p-value |
|---|---|---|
| Ramsey RESET | 1.20 | 0.279 |

The results show a p-value of 0.279, which exceeds 0.05, confirming that the relationship between the independent variables and financial management was linear and that the model was correctly specified.

### 4.6.5 Summary of Diagnostic Tests

All diagnostic checks confirmed that the regression assumptions were met. Assumptions of normality, absence of multi-collinearity, homoscedasticity, linearity, and independence of residuals were satisfied. The model was therefore suitable for regression analysis examining the influence of Administrative Controls, Asset Management, Data Security Controls, and Leadership Commitment on Financial Management of religious institutions in Nairobi County.

## 4.7 Inferential Analysis

The inferential analysis entails the correlation analysis and regression analysis.

### 4.7.1 Correlation Analysis

Correlation analysis is used to examine the degree and direction of association between two or more variables within a dataset. In this study, it serves as a preliminary analytical step for understanding how key variables move in relation to each other before more complex inferential tests are applied. By quantifying the strength of relationships, correlation analysis helps identify whether changes in one variable are associated with increases or decreases in another, and whether such relationships are weak, moderate, or strong. The correlations results were provided in Table 17.

**TABLE 17**

**Correlation Analysis**

| | | Financial Management Score | Administrative Control Score | Asset Management Control Score | Data Security Control Score | Leadership Commitment Score |
|---|---|---|---|---|---|---|
| Financial Management Score | Pearson Correlation | 1 | | | | |
| | Sig. (2-tailed) | | | | | |
| | N | 58 | | | | |
| Administrative Control Score | Pearson Correlation | .976** | 1 | | | |
| | Sig. (2-tailed) | .000 | | | | |
| | N | 58 | 58 | | | |
| Asset Management Control Score | Pearson Correlation | .979** | .985** | 1 | | |
| | Sig. (2-tailed) | .000 | .000 | | | |
| | N | 58 | 58 | 58 | | |
| Data Security Control Score | Pearson Correlation | .979** | .980** | .968** | 1 | |
| | Sig. (2-tailed) | .000 | .000 | .000 | | |
| | N | 58 | 58 | 58 | 58 | |
| Leadership Commitment Score | Pearson Correlation | .993** | .981** | .977** | .984** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | .000 | |
| | N | 58 | 58 | 58 | 58 | 58 |

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

Table 17 presents the correlation analysis between controls and financial management of religious organizations in Nairobi County. The results indicate very strong positive relationships between all independent variables and financial management. Specifically, Administrative Control Score correlated with Financial Management Score at $r = 0.976$ ($p < 0.01$), Asset Management Control Score at $r = 0.979$ ($p < 0.01$), Data Security Control Score at $r = 0.979$ ($p < 0.01$), and Leadership Commitment Score at $r = 0.993$ ($p < 0.01$). All correlations are statistically significant at the 0.01 level, suggesting that improvements in each of the internal control measures are closely associated with better financial management outcomes. The implication of these findings is that controls play a critical role in enhancing financial management within religious organizations. Strong administrative controls, proper asset management controls, robust data security controls, and committed leadership collectively support accurate record-keeping, accountability, transparency, and efficient use of resources. Weaknesses in any of these areas could compromise financial oversight, increase the risk of mismanagement, and reduce stakeholder confidence, highlighting the importance of consistently enforcing comprehensive internal control practices.

The findings remain as interpreted above without any alteration. These results are supported by Olayinka and Adedayo (2021) who found that churches with strong internal controls and committed leadership demonstrated higher financial accountability and transparency, confirming that effective administrative, asset, and data control systems enhance financial management outcomes. In contrast, Mutua (2021) argued that even when internal controls are present, weak enforcement and low leadership follow-through can limit their effectiveness, suggesting that controls alone may not guarantee improved financial management unless they are consistently implemented and monitored.

### 4.7.2 Regression Analysis

Regressions analysis aids in understanding the model relationships between variables. It is used to predict the value of a dependent (target) variable based on one or more independent (predictor) variables.

**TABLE 18**

**Regression Analysis**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .994[a] | .988 | .987 | 1.830 |

a. Predictors: (Constant), Leadership Commitment Score, Asset Management Control Score, Data Security Control Score, Administrative Control Score

Table 18 presents the regression analysis of the effect of controls on financial management of religious organizations. The model shows a multiple correlation coefficient (R) of 0.994, indicating a very strong relationship between the combined independent variables Administrative Controls, Asset Management Controls, Data Security Controls, and Leadership Commitment and financial management. The R Square value of 0.988 suggests that 98.8% of the variation in financial management can be explained by these control measures, while the Adjusted R Square of 0.987 confirms the model's robustness after adjusting for the number of predictors. The standard error of the estimate is 1.830, indicating the average deviation of observed financial management scores from the predicted values.

The implication of these results is that controls collectively have a substantial influence on financial management in religious organizations. This underscores the importance of strengthening administrative procedures, ensuring effective asset management, maintaining robust data security, and promoting committed leadership to achieve optimal financial accountability, transparency, and operational efficiency.

These results are reinforced by Van der Merwe and Grobbelaar (2023) who found that when administrative systems, asset controls, and leadership commitment worked together, churches achieved higher financial accountability and sustainability, confirming that multiple controls collectively improve financial management outcomes. However, Muthengi (2021) cautioned that in some religious institutions, the presence of several control mechanisms did not always translate into better financial performance due to inconsistent enforcement and low leadership follow-through, showing that strong controls must also be actively supported to be effective

### 4.7.3 Analysis of Variance

The primary aim of Analysis of Variance (ANOVA) is to determine if there are statistically significant differences between the means of three or more independent groups.

**TABLE 19**

**Analysis of Variance**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 14893.157 | 4 | 3723.289 | 1112.056 | .000[b] |
| | Residual | 177.450 | 53 | 3.348 | | |
| | Total | 15070.607 | 57 | | | |

a. Dependent Variable: Financial Management Score

b. Predictors: (Constant), Leadership Commitment Score, Asset Management Control Score, Data Security Control Score, Administrative Control Score

Table 19 presents the ANOVA results for the regression model examining the effect of controls on financial management of religious organizations. The regression sum of squares is 14,893.157 with 4 degrees of freedom, while the residual sum of squares is 177.450 with 53 degrees of freedom. The mean square for regression is 3,723.289, producing an F-value of 1,112.056, which is statistically significant at $p < 0.001$. This indicates that the overall regression model is a good fit and that the combined independent variables (Administrative

Controls, Asset Management Controls, Data Security Controls), and Leadership Commitment significantly predict financial management outcomes.

The implication of these findings is that control measures are critical determinants of financial management in religious organizations in Nairobi County. Strengthening these controls ensures better accountability, transparency, efficient resource allocation, and overall financial stability, highlighting the importance of robust control systems for organizational effectiveness.

These findings are supported by Olayinka and Adedayo (2021), who reported that churches with strong internal control systems and committed leadership demonstrated significantly better financial performance and accountability, confirming that multiple controls working together improve overall financial stability. However, Chege (2023) noted that even when formal control frameworks exist, ineffective implementation or limited leadership engagement can weaken their influence on financial outcomes, suggesting that having controls alone is not enough unless they are actively enforced.

### 4.7.4 Regression Coefficients

Testing regression coefficients is essential in regression analysis to determine if the relationships between independent and dependent variables are statistically significant. If the coefficient of a predictor is not statistically significant, this suggests that the variable may not be an essential contributor to the model and might be excluded in some cases.

**TABLE 20**

**Regression Coefficients**

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | 10.248 | .937 | | 10.933 | .000 |
| | Administrative Control Score | 0.174 | .083 | 0.234 | 2.105 | .040 |
| | Asset Management Control Score | .234 | .066 | .323 | 3.528 | .001 |
| | Data Security Control Score | .101 | .080 | .116 | 1.257 | .214 |
| | Leadership Commitment Score | .677 | .085 | .793 | 7.978 | .000 |

a. Dependent Variable: Financial Management Score

a. Dependent Variable: Financial management Score

Model: $Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3$

$\mathbf{Y = 10.248 + 0.174X_1 + 0.234\ X_2 + 0.101X_3}$

When holding all other variables constant, a one-unit increase in Administrative Control Score is associated with a 0.174 increase in Financial Management Score ($B = 0.174$, $p = 0.040$). This positive coefficient suggests that administrative controls increase the effectiveness of financial management in religious organizations, indicating a need for careful monitoring and strengthening of administrative procedures. These findings align with Wainaina and Kirimi (2020), who observed that strong administrative structures, including proper record-keeping and financial reporting, enhanced accountability and trust in church finances. Similarly, Olayinka and Adedayo (2021) reported that leadership efforts to enforce transparent administrative policies in religious organizations led to improved financial oversight and reduced mismanagement, supporting the importance of reinforcing administrative controls.

When holding other variables constant, a one-unit increase in Asset Management Control Score leads to an increase of 0.234 in Financial Management Score ($B = 0.234$, $p = 0.001$). This positive and significant relationship indicates that proper asset management, including accurate registries, verification, and disposal practices, contributes meaningfully to improving financial management outcomes in religious organizations. These findings are supported by Njoroge (2022), who found that religious institutions with consistent asset tracking and maintenance practices experienced greater financial accountability and sustainability. Likewise, Muthengi (2021) reported that when leaders actively supervised church assets and ensured proper utilization, financial transparency improved and wastage was minimized, reinforcing the importance of strong asset management controls.

When holding other variables constant, a one-unit increase in Data Security Control Score results in an increase of 0.101 in Financial Management Score ($B = 0.101$, $p = 0.214$). However, this relationship is not statistically significant, suggesting that while data security measures may support financial management, their direct impact is less pronounced compared to other control measures within these organizations. This outcome contrasts with Zhang et al. (2023), who found that strong data security significantly enhanced user trust and adoption of financial technologies, implying a more direct influence on financial-related outcomes. On the other hand, Gitau and Masinga (2022) highlighted that weak ICT infrastructure and inconsistent security practices in Kenyan institutions limit the effectiveness of data protection efforts, which may explain why data security alone does not strongly or significantly translate into better financial management in religious organizations

When holding other variables constant, a one-unit increase in Leadership Commitment Score results in a 0.677 increase in Financial Management Score ($B = 0.677$, $p = 0.000$). This is the strongest and most significant predictor, highlighting that committed and accountable leadership greatly enhances financial management by ensuring transparency, strategic resource allocation, and enforcement of internal controls. Leadership Commitment is a strong moderator of the relationship between controls and financial management. Data Security Controls appear to be the weakest and least significant. The implication is that religious organizations should prioritize strengthening leadership engagement and accountability, while continuing to improve administrative, asset management, and data security measures to ensure comprehensive and effective financial management.

## CHAPTER FIVE

## CONCLUSIONS AND RECOMMENDATIONS

### 5.1 Introduction

The chapter provided the summary of findings. The findings were based on study objectives as well as conclusion. The chapter also covered the recommendations, limitations of the study and lastly, the suggestions for further studies.

### 5.2 Summary of Findings

The study found a near-balanced gender distribution among respondents, with 30 males (51.7 percent) and 28 females (48.3 percent), suggesting that both genders were adequately represented and that the perspectives gathered reflect a broad view within religious organizations in Nairobi County. Regarding educational attainment, the majority of respondents were well educated: 27 respondents (46.6 percent) held a Bachelor's degree, 17 (29.3 percent) held a Diploma, 8 (13.8 percent) had postgraduate qualifications, 5 (8.6 percent) had O-Level education, and 1 respondent (1.7 percent) reported other forms of education. This indicates that most respondents possessed the knowledge and skills necessary to understand and provide reliable information on financial management and internal controls. In terms of work experience, the findings show that 26 respondents (44.8 percent) had 5–8 years of experience, 12 respondents (20.7 percent) had 1–4 years, 11 respondents (19.0 percent) had 9–12 years, 5 respondents (8.6 percent) had over 12 years, and 4 respondents (6.9 percent) had less than 1 year of experience.

Correlation and Regression Analysis further confirmed the significant role of controls. All independent variables showed strong positive correlations with financial management ($r = 0.976–0.993$, $p < 0.01$), and regression results indicated that 98.8% of the variance in financial management is explained by the combined effect of controls. Overall, the findings suggest that controls are critical for effective financial management in religious organizations. Weaknesses in administrative controls, asset management controls, data security controls, and partial leadership commitment limit optimal financial oversight, accountability, and transparency, highlighting areas where organizations need to strengthen controls mechanisms to enhance financial stability and stakeholder confidence.

### 5.2.1 Administrative controls and Financial Management

The study found that administrative controls are significantly significant in religious organizations. Segregation of duties, authorization processes, approval documentation, and budget controls if not effectively enforced, create gaps in accountability and increasing the risk of misuse of funds and financial errors. Limited financial literacy among staff may further weaken budgeting and decision-making. Although record-keeping showed moderate effectiveness, the overall results indicate that administrative controls require significant strengthening to support sound financial management.

### 5.2.2 Asset management Controls and Financial Management

The findings revealed that there is a significant positive relationship between asset management controls and financial management among religious organizations in Nairobi County. The results suggest that strong asset control practices enhance long-term financial management and operational effectiveness.

### 5.2.3 Data Security Controls and Financial Management

The study established that data security controls were moderately practiced but lacked consistency and reliability. While some organizations used intrusion detection systems, data backups, and audit logs, these measures were not applied uniformly. Weak data protection exposes financial records to breaches, manipulation, and loss of stakeholder trust. The findings indicate that without stronger data security practices, financial management remains vulnerable to errors and fraud.

### 5.2.4 Leadership Commitment and Financial Management

The findings showed that leadership commitment had a positive moderating influence on relationship between controls and financial management. Leaders demonstrated some level of transparency, accountability, and efficiency in resource use, but these practices were not fully maximized. The results highlight that stronger and more consistent leadership commitment is essential for effective financial management.

## 5.3 Conclusion of the Research Study

The study concludes that administrative controls in religious organizations are significant. Weak segregation of duties, poor authorization procedures, and limited financial literacy undermine accountability and expose institutions to financial risk. Without strengthening administrative controls, organizations will continue to face vulnerability to misuse of funds. Asset management controls and financial management have a significant positive relationship. Strengthening asset control systems is necessary to protect organizational resources and enhance stewardship.

The study concludes that data security controls are only partly in place, leaving financial information exposed to breaches and errors. Inconsistent use of intrusion systems, backups, and audit logs limits the reliability and confidentiality of financial data. Unless data protection practices are standardized and reinforced, financial transparency and trust will remain at risk. Leadership plays a vital moderating role in financial management. Improved leadership involvement and strategic oversight are critical for ensuring responsible resource utilization.

### 5.4 Recommendations for the Research Study

The study provides the following recommendations.

#### 5.4.1 Administrative controls

Religious organizations need to strengthen administrative controls by developing clear financial policies, enforcing segregation of duties, and requiring proper authorization for all financial transactions. Governing boards and finance committees should take the lead in ensuring these controls are consistently implemented, while also training staff and volunteers to improve financial literacy and reduce errors or misuse of funds. By actively overseeing these processes, leadership can build a stronger culture of accountability and transparency.

#### 5.4.2 Asset Management Controls

To enhance asset management controls, religious organizations should maintain updated asset registers, conduct regular physical verification, and adopt structured disposal procedures for obsolete or idle assets. Church administrators and asset management committees must take responsibility for implementing digital tracking systems and enforcing accountability for asset use. When leadership prioritizes proper asset stewardship, resources are better aligned with ministry activities and long-term sustainability

#### 5.4.3 Data Security Controls

There is a need to improve data security through secure digital systems that include intrusion detection, regular backups, and the use of audit logs. IT teams should implement strong access controls and ensure compliance with data protection laws, while organizational leaders must allocate adequate funding for cyber security infrastructure and staff training. By working together, leadership and technical personnel can protect donor information, prevent breaches, and maintain operational continuity

### 5.4.4 Leadership Commitment

Leadership should play an active role in promoting financial transparency, taking responsibility for decisions, and ensuring resources are allocated based on strategic priorities. Governing bodies must establish clear accountability mechanisms to monitor leadership actions, while senior religious leaders should model ethical behavior and open communication. Investing in leadership development programs will further strengthen financial stewardship and encourage responsible decision-making across the organization.

### 5.4.5 Implications for Policy and Practice

The findings of this study reveal that control systems play a critical role in enhancing financial management in religious organizations, which means that both policy and practical interventions are necessary. At the policy level, governing bodies and national religious councils should develop standardized financial control guidelines that include segregation of duties, documentation requirements, budgeting procedures, and accountability mechanisms. These policies should also require periodic internal and external audits to promote transparency and reduce misuse of resources.

Practically, individual religious organizations must translate these policies into daily operations by training staff and volunteers, adopting digital tools for record-keeping and asset tracking, and consistently monitoring compliance with financial procedures. Furthermore, leadership must treat financial integrity as a strategic priority by facilitating open communication and modeling ethical behavior. Strengthening data security through formal IT policies, cybersecurity protocols, and secure backup systems is also essential to protect financial information and donor trust. Overall, effective implementation of internal controls requires collaboration between leadership, administrative staff, finance committees, and regulatory bodies to create a culture of transparency, accountability, and responsible stewardship

## 5.5 Limitations of the Study

Limitations initially encountered were discussed as shown.

### 5.5.1 Reluctance to Share Financial and Internal Control Information

Financial management and control practices are often sensitive topics in religious organizations. Some respondents were hesitant to disclose information, fearing it might expose weaknesses or be used for criticism. This reluctance posed a challenge in obtaining honest and complete responses. To address this, the researcher provided an official introduction letter explaining the academic purpose of the study, assured participants that all data would remain confidential, and guaranteed anonymity. These measures increased trust and encouraged more open participation

### 5.5.2 Non-Cooperation and Delayed Responses from Participants

Some leaders and staff members had busy schedules or limited interest in research, resulting in delays and initially low response rates. This affected the pace of data collection and risked obtaining insufficient data. To overcome this challenge, the researcher made follow-up calls and visits, offered flexible times for participation, and worked through internal gatekeepers such as administrative assistants or departmental heads to encourage involvement. As a result, more respondents participated and the targeted sample was achieved.

### 5.5.3 Limited Access to Internal Documents and Policies

Certain religious organizations were unwilling to share internal documents such as financial policies, audit reports, or asset registers due to confidentiality concerns. This restricted the researcher's ability to validate some of the information provided in the questionnaires. To mitigate this limitation, the researcher relied on well-structured questionnaires that captured respondents' experiences and perceptions and used multiple related questions to cross-check responses for consistency. This approach ensured that reliable data was still obtained despite limited document access.

## 5.6 Recommendations for Further Research

This study focused on religious organizations in Nairobi County, and future researchers could expand the scope to include other counties or compare rural and urban settings to determine whether control systems differ based on location or organizational size. Since this study primarily used quantitative methods, future research could adopt qualitative approaches such as interviews or case studies to gain deeper insights into the behavioral and cultural factors that affect control systems implementation. Additionally, there is a need to investigate the role of technology adoption in strengthening control systems, particularly in relation to digital donation systems, accounting software, and cyber security frameworks.

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# APPENDICES

## APPENDIX I: ETHICS CLEARANCE LETTER

KCA UNIVERSITY

Thika Road, Ruaraka
P.O. Box 56808-00200 Nairobi Kenya
Pilot Line: +254 20 8070408/9

Tel: +254 20 3537842
Fax: +254 20 8561077
Mobile: +254 734 888022, 710 888022
Email: kca@kca.ac.ke
Website: www.kca.ac.ke

KCA UNIVERSITY SCIENTIFIC & ETHICS REVIEW COMMITTEE

REF: **KCAU/SERC/ SOB0186** **Date: 21ST JULY 2025**

TO: **MERCY KANINI MBEVA (21/00306)**

Dear Sir/Madam,

**RE: INTERNAL CONTROLS AND FINANCIAL MANAGEMENT OF RELIGIOUS ORGANIZATIONS IN NAIROBI COUNTY, KENYA**

This is to inform you that KCA University Scientific Ethics Review Committee (KCAUSERC) has reviewed and approved your above research proposal. Your application approval number is ***KCAUSERC/*SOB0186**. The approval period is ***21st July 2025 – 21st July, 2026.***
This approval is subject to compliance with the following requirements;

i. Only approved documents including (informed consents, study instruments, MTA) will be used.
ii. All changes including (amendments, deviations, and violations) are submitted for review and approval by ***KCAUSERC.***
iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **KCAU*SERC*** within 72 hours of notification
iv. Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to ***KCAUSERC*** within 72 hours
v. Clearance for export of biological specimens must be obtained from relevant institutions.
vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
vii. Submission of an executive summary report within 90 days upon completion of the study to ***KCAUSERC.***

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) https://research-portal.nacosti.go.ke and also obtain other clearances needed.

Yours sincerely

Dr. Caroline Ntara
**Chairperson**
**KCA University Scientific & Ethics Review Committee**

*Advancing Knowledge, Driving Change*

# APPENDIX II: INTRODUCTION LETTER TO NACOSTI

KCA UNIVERSITY

Thika Road, Ruaraka
P.O. Box 56808-00200 Nairobi Kenya
Pilot Line: +254 20 8070408/9

Tel: +254 20 3537842
Fax: +254 20 8561077
Mobile: +254 734 888022, 710 888022
Email: kca@kca.ac.ke
Website: www.kca.ac.ke

**BOARD OF POSTGRADUATE STUDIES**

*KCAU/BPS/2025* *Date: Thursday, September 18, 2025*

**NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION (NACOSTI)**
**P.O BOX 30623-00100**
**NAIROBI**

Dear Sir/Madam,

**RE: MERCY KANINI MBEVA- REG NO. 21/00306**

It is my distinct pleasure to introduce Mercy Kanini Mbeva, a student at our institution pursuing a Master of Science in Commerce- Finance and Accounting degree in the School of Business.

Mercy is conducting research on the topic: ***"Internal controls, leadership commitment and financial management of religious organizations in Nairobi county, Kenya".*** Her study has been reviewed and approved by the University's Ethics Review Committee Approval No. KCAUSERC/SOB0186. The approval period is from 21st July 2025 – 21st July 2026.

Any assistance accorded to her is highly appreciated.

Yours faithfully,

**DR. JACKSON NDOLO**
**DIRECTOR, BOARD OF POST GRADUATE STUDIES**

## APPENDIX III: RESEARCH PERMIT (NACOSTI)

REPUBLIC OF KENYA

**NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION**

Ref No: **563604**

Date of Issue: **29/September/2025**

### RESEARCH LICENSE

**This is to Certify that Miss.. MERCY KANINI KANINI of KCA University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: INTERNAL CONTROLS, LEADERSHIP COMMITMENT AND FINANCIAL MANAGEMENT OF RELIGIOUS ORGANIZATIONS IN NAIROBI COUNTY, KENYA for the period ending : 29/September/2026.**

License No: **NACOSTI/P/25/4180151**

**563604**

Applicant Identification Number

Ag. Director General
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.

**See overleaf for conditions**

## APPENDIX IV: INTRODUCTION LETTER TO RESPONDENTS

KCA UNIVERSITY


Thika Road, Ruaraka
P.O. Box 56808-00200 Nairobi Kenya
Pilot Line: +254 20 8070408/9

Tel: +254 20 3537842
Fax: +254 20 8561077
Mobile: +254 734 888022, 710 888022
Email: kca@kca.ac.ke
Website: www.kca.ac.ke


**BOARD OF POSTGRADUATE STUDIES**

*KCAU/BPS/2025* *Date: Thursday, September 18, 2025*

**TO WHOM IT MAY CONCERN**

Dear Sir/Madam,

**RE: MERCY KANINI MBEVA- REG NO. 21/00306**

It is my distinct pleasure to introduce Mercy Kanini Mbeva, a student at our institution pursuing a Master of Science in Commerce- Finance and Accounting degree in the School of Business.

Mercy is conducting research on the topic: ***"Internal controls, leadership commitment and financial management of religious organizations in Nairobi county, Kenya",*** which is part of the requirements of the program she is pursuing. The research as well as the data procured thereof shall be used for academic purposes only.

Any assistance accorded to her is highly appreciated.

In case of further inquiry, do not hesitate to contact the undersigned.

Yours faithfully,

**DR. JACKSON NDOLO**
**DIRECTOR, BOARD OF POST GRADUATE STUDIES**

## APPENDIX V: QUESTIONNAIRE

My name is **Mercy Kanini Mbeva, 21/00306**, a student at KCA University, School of Business and Master of Science (Finance and Accounting) Degree. "**I am carrying out a research on "Internal Controls and Financial Management of Religious Organizations in Nairobi County, Kenya''**

Please fill the question by ticking where appropriate. The data that is anticipated to be provided was used solely for academic reasons and the utmost level of secrecy has been assigned to it.

You are not permitted to reveal your identity in any part of the section. This is done to protect respondents' privacy.

**Section A: General Information**

1. Gender of Respondents

    Male [ ]

    Female [ ]

2. Highest level of education

    O-level [ ]

    Diploma Level [ ]

    Bachelor's degree [ ]

    Postgraduate degree [ ]

    Other qualifications [ ]

3. Work Experience in this religious organization.

    Less than 1 year [ ]

    1-4 years [ ]

    5-8 years [ ]

    9-12 years [ ]

    12 years and over [ ]

**NOTE: The scale is as follows; 5-(SA) strongly agree, 4-(A) agree, 3-(N) neutral, 2-(D) disagree, 1(SD)-strongly disagree.**

**Section B: Administrative Controls**

4. Please indicate the extent to which you agree or disagree with the following statements: effect of administrative controls on financial management of religious organizations in Nairobi County, Kenya.

| **Statement** | **5** | **4** | **3** | **2** | **1** |
|---|---|---|---|---|---|
| i. Segregation of duties prevents misuse of funds by ensuring that no single individual has control over all aspects of any financial transaction in the organization | | | | | |
| ii. Segregation of duties has prevented both intentional fraud and unintentional errors. | | | | | |
| iii. Authorization and approval processes Provides a trail of responsibility, helping identify who approved what and when. | | | | | |
| iv. Approval documentation provides clear records for internal and external audits. | | | | | |
| v. Budget controls has successfully ensured that expenditures align with available resources and planned activities. | | | | | |
| vi. Limited financial literacy among staff or volunteers may result in poor budgeting or misinterpretation of budget reports. | | | | | |
| vii. Record-keeping supports smooth administration by providing quick access to important information | | | | | |

**Section C: Asset Management Controls**

5. Please indicate the extent to which you agree or disagree with the following statements: effect of asset management controls on financial management of religious organizations in Nairobi County, Kenya.

| Statement | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| i. Asset registries provide a clear record of all assets owned by the religious organization | | | | | |
| ii. Asset registries support accurate valuation and depreciation of assets, essential for long-term financial planning. | | | | | |
| iii. Physical asset verification identifies discrepancies such as missing, obsolete, or unrecorded assets, leading to more accurate asset reporting. | | | | | |
| iv. Physical asset verification demonstrates to donors, members, and regulators that the organization is managing its resources responsibly. | | | | | |
| **v.** Disposing of non-functional or idle assets frees up physical and financial resources for the religious organization | | | | | |
| vi. Asset disposal updates ensures asset registry reflects only current and usable assets, aiding in better planning and reporting. | | | | | |
| vii. Minimizes downtime or service interruptions during religious activities | | | | | |

## Section D: Data Security Controls

6. Please indicate the extent to which you agree or disagree with the following statements: effect of data security controls on financial management of religious organizations in Nairobi County, Kenya.

| | **Statement** | **5** | **4** | **3** | **2** | **1** |
|---|---|---|---|---|---|---|
| i. | Intrusion detection systems keep logs of suspicious events, which are useful for forensic investigations in the event of a breach. | | | | | |
| ii. | Intrusion detection systems are able to detect an unauthorized user trying to access its donation platform. | | | | | |
| iii. | Regular data backups minimizes disruption to operations such as online services, communication, | | | | | |
| iv. | Regular data backups maintain donor confidence by demonstrating secure handling of their financial contributions. | | | | | |
| v. | Logs track every financial action including entry of donations, expense approvals, or changes to budgets | | | | | |
| vi. | Audit logs has made it easier to track financial commitments and budget adjustments for the religious organizations | | | | | |
| vii. | This faith-based organization adheres to financial data retention laws. | | | | | |

**Section E: Leadership Commitment**

6. Please indicate the extent to which you agree or disagree with the following statements: effect of leadership Commitment on financial management of religious organizations in Nairobi County, Kenya.

| Statement | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| i. There is access to clear information about how financial resources are utilized. | | | | | |
| ii. Financial decisions in this organization are made in a transparent manner | | | | | |
| iii. Leaders in this organization take responsibility for the outcomes of their decisions. | | | | | |
| iv. There are clear mechanisms in place to hold leaders accountable for their actions | | | | | |
| v. Resources in this organization are allocated based on strategic priorities. | | | | | |
| vi. Leadership ensures that resources are used efficiently without unnecessary wastage | | | | | |

**Section F: Financial Management of Religious Organizations**

8. Please indicate the extent to which you agree or disagree with the following statements about financial management of religious organizations in Nairobi County, Kenya.

| Statement | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| i. Satisfied members are more likely to increase their financial contributions (tithes, offerings, donations). | | | | | |
| ii. Member satisfaction with financial stewardship in religious organizations leads to increased trust | | | | | |
| iii. Timely budgets allow religious organizations to align activities with available resources before the year starts. | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| iv. | With a timely budget, funds can be allocated to ministries, outreach, staff, and facilities in a prioritized and planned manner. | | | | | |
| v. | Regular and clear financial reporting reassures members and donors that funds are being used ethically and as intended. | | | | | |
| vi. | Financial discussions are viewed as sensitive or taboo, leading to reluctance in sharing full reviews and reporting details. | | | | | |
| vii. | Some income-generating ventures conflict with religious beliefs or member expectations, leading to reputational risks. | | | | | |

**Thank you**

## APPENDIX VI: RELIGIOUS ORGANIZATIONS IN NAIROBI

### 1. Mainstream Christian Churches

- All Saints' Cathedral (Anglican) – A prominent landmark located on Kenyatta Avenue.
- Nairobi Baptist Church – Situated on Ngong Road, known for its strong emphasis on family values and community.
- Presbyterian Church of East Africa (PCEA) – With multiple congregations throughout Nairobi.
- Methodist Church in Kenya – Serving various communities across the city.
- African Inland Church (AIC) – Notably, AIC Milimani is located in Nairobi.
- Roman Catholic Church – The Metropolitan Archdiocese of Nairobi oversees numerous parishes, including:

    - ✓ Church of St. Raphael (Kabete)
    - ✓ Church of St. Vincent de Paul (Kamulu)
    - ✓ Church of St. Joseph the Worker (Kangemi)
    - ✓ Church of St. Peter Claver (CBD)
    - ✓ Church of St. Teresa (Eastleigh)

### 2. Pentecostal and Evangelical Churches

- Nairobi Lighthouse Church – A well-known Pentecostal congregation.
- Jubilee Christian Church (JCC) – Led by Bishop Allan Kiuna, located in Parklands.
- Mavuno Church – A contemporary church with a focus on urban ministry.
- Jesus Alive Ministries – Active in evangelical outreach.
- Sovereign Grace Church Nairobi – A Gospel-centered church in the Westlands area.

### 3. Other Faith-Based Organizations

- ✓ Edmund Rice Advocacy Network – A Catholic-affiliated organization based in Embulbul.
- ✓ Alabasta Africa Moving Hearts – Located in Riruta Satellite, focusing on community outreach.
- ✓ Adventures in Missions (AIM) – Kenya Base – Operating in Kibera, involved in missionary work.
- ✓ Christian Mission Aid (CMA) – Engaged in various humanitarian and religious activities.

**4. Islamic Organizations**

- ✓ Jamia Mosque – Located in the city center, it's one of the largest mosques in Kenya.
- ✓ Masjid Al-Falah – Situated in the Eastleigh area, serving a significant Muslim population.
- ✓ Eastleigh Mosque – Another prominent mosque catering to the local community.

**5. Other Faith Communities**

- ✓ Nairobi Hindu Temple – Serving the Hindu community with religious and cultural activities.
- ✓ Nairobi Synagogue – Catering to the Jewish population in the city.
- ✓ BAPS Shri Swaminarayan Mandir – A Hindu temple known for its intricate architecture and spiritual programs.

## APPENDIX VII: TIME SCHEDULE 2025

| ACTIVITY | March | April | May | June | July | August | September |
|---|---|---|---|---|---|---|---|
| Project registration | | | | | | | |
| Orientation meeting | | | | | | | |
| Produce research topics to share with supervisor | | | | | | | |
| Develop proposal | | | | | | | |
| Introduction, literature review, Research methodology | | | | | | | |
| Proposal defense | | | | | | | |
| Questionnaire Pilot testing | | | | | | | |
| Data collection | | | | | | | |
| Data analysis | | | | | | | |
| Preparation of final report | | | | | | | |
| Submission of Project Report | | | | | | | |

**Source: Author (2025)**

## APPENDIX VIII: BUDGET

| | Description of item | Amount (ksh) |
|---|---|---|
| 1 | Stationery and printing | 12,500 |
| 2 | Travelling | 8,000 |
| 3 | Photocopying and binding | 6,500 |
| 4 | Internet and telephone costs | 3,000 |
| 5 | Data analysis | 12,000 |
| 6 | Other miscellaneous expenses | 3,500 |
| | **Total** | **45,500** |

**Source: Author (2025)**