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African Journal of Business Management

Full Length Research Paper

Internal control systems and organizational performance in Small and Medium Enterprises (SMEs) in Nigeria

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Research on the effects of internal control systems on organizational performance have been concentrated on large firms with little attention given to Small and Medium Scale Enterprises. To this end, the study examines the effect of internal control systems on the organizational performance of SMEs in Ondo State, Nigeria. The study employs survey primary data which are collected from 323 SMEs that were selected using stratified and random sampling techniques. The data collected were analyzed using descriptive statistics and multiple regression analysis. The results show a significant positive relationship between internal control and all proxies of organizational performance which are business growth, survival and operational efficiency. Furthermore, internal control systems and organizational performance when all the three proxies are aggregated have positive relationship. The findings of this study suggest that internal control systems are necessary, and they should be established in SMEs' business operations for enhanced productivity, business growth and organizational performance. The study recommends the use of internal control systems by SMEs for their growth, sustainability, operational efficiency and curtailment of wastes. Also, agencies of government that provides financial support and financial advisory services to the SMEs should educate the SMEs operators on the importance of internal control systems in their business operations.

Key words: Internal control systems, business growth, small and medium enterprises, operational efficiency, control environment.

INTRODUCTION

Small and Medium Enterprises (SMEs) are no doubt the engines of growth and catalyst for socio-economic transformation globally (Wang et al., 2019; Vu and Nga,

2022). When they perform at their best, their business survival, operational efficiency and business growth are assured. While the survival of SMEs is assured by the

continuous growth of sales, profitability and liquidity, the operational efficiency is evidenced by the ability of the firm to maximize outputs with minimal input through fraud reduction, asset protection, and decrease of misappropriation of funds and reliability in financial information. The optimal performance of SMEs and their ability to generate wealth and create employment is a function of how efficient they are in terms of expense minimization and enthronement of strict internal control measures.

SMEs are therefore expected to put resources, policies and procedure in place to enhance their operational efficiency. The level of success a business achieves in ensuring business survival and operational efficiency determines the chance of business growth.

However, SMEs are often pre-occupied with activities that enhance profitability and liquidity without paying much attention to internal control systems. The SMEs perceived the internal control systems as non-income generating activities without understanding the critical role internal control systems play in curbing wastages, protecting assets and improving organizations performance. Studies have shown that SMEs business performance depends on several internal and external factors. A key external factor related to performance of SMEs is macroeconomic factors (Ipinnaiye et al., 2017; Yang and Li, 2019). Internal factors include business plans, marketing strategy, capitalization level, entrepreneurial ability, human resources, and entrepreneurs' financial knowledge. In addition, competency and internal control systems were also found as determinants of SMEs performance (Heywood et al., 2017). Internal control systems are critical factors in the overall performance of any corporate organization as its sum up passes all management strategies designed to facilitate efficiency, effectiveness, compliance and reliability of business transactions as well as business communication. However, studies on the effect of internal control systems on organizational performance are scarce most especially on SMEs. Research efforts have been concentrated on large firms with little attention given to SMEs in emerging economies. This study attempts to address this gap and contribute to empirical literature.

The study uses survey research design to collect primary data through the use of structured questionnaire from 323 SMEs selected from population of 1,999 SMEs using stratified and random sampling techniques. Descriptive statistics and regression analysis were adopted as data analysis techniques. The results show positive relationship between internal control systems and organizational performance. This suggests that internal control systems are germane to successful operation of SMEs and sustainability.

The study is structured as follows. Section two discusses the literature and hypothesis development while section three gives details of the research design and data analysis methods that were used to accomplish the research objectives. Section four discusses data analysis and discussion of findings while section five summarizes with policy implications.

LITERATURE REVIEW

The American Institute of Certified Public Accountants (AICPA) defines internal control as a strategy and other coordinated means and ways by which businesses protect their assets, verify the accuracy and dependability of their data, improve their effectiveness, and ensure that management policies are in place (Yang and Li, 2019). The Committee of Sponsoring Organizations (COSO) definition, on the other hand, has gained more attraction. An organization's internal control system is defined by COSO as a process that managers and other employees use to provide reasonable assurance that the organization's goals are being met while also adhering to all applicable rules and regulations. This assurance includes accurate financial reporting (Sofyani et al., 2021). This definition provides a holistic view of what internal control is all about as it encompasses the need for organizations' to abide by their own rules as well as those set by statutory bodies to which they often must answer. It is also reasonable to think of the internal control of an organization as encompassing all the financial and non-financial safeguards that have been put in place by top management to assure adherence to company regulations, protect company assets, and maximize the accuracy and completeness of records (Adekunle et al., 2021).

The processes of quantifying the actions of a company in terms of the goals it has set for itself are what are meant by organizational performance. Performance can be measured in monetary terms as well as in non-monetary terms. Both metrics are utilized by organization's that are competitive and operate in an environment of dynamic business activities.

Return on assets, sales, equity, organic growth, survivability, and profitability are all examples of financial metrics that can be used to evaluate an organization's success (Souto, 2021). On the other hand, non-financial measures will relate to risk reduction, and curtailment of waste in the context of this study because it is the focus of those measures. This will include the prevention of fraud, the protection of company assets, the lessening of improper use of company cash, and the assurance of the trustworthiness of financial information.

Empirical literature, theoretical framework and hypothesis development

There are many studies on the effect of internal control systems on corporate performance (Nawawi and Salin, 2018; Kabuye et al., 2019; Bure and Tengeh, 2019; Adegboyega et al., 2020; Yangklan, 2022). They however

find that the impact of internal controls varies in the five different stages of corporate life cycle of a business organization. The corporate life cycle was divided into introduction, growth, mature, shake-out and decline stages and the impacts of internal controls were found to be more significant at both the maturity and shake-out stages. Also, Yangklan (2022) find that internal controls positively impact firm performance through balanced scored card. Wang et al. (2019) assert that SMEs faces more risks than larger firms because of their lack of access to resources. The study found out that internal controls mitigate turbulent market risks and enhances the sustainability of the SMEs in turbulent times.

Using the Committee of Sponsoring Organizations' (COSO, 2013) framework Adegboyegun et al. (2020) examine the relationship between internal control systems and operating performance of SMEs in Ondo State. They found significant positive relationship between internal control systems and control environment and control activities in SMEs. Since resources that are at the disposal of SMEs are meagre, there must be efforts to establish control measures that will ensure optimal utilization of scarce resources for maximum productivities of the SMEs in line with Resources-based Theory. The Resource-based theory as propounded by Barney (1991) opined that resources available for optimal performance of business organizations' are scarce. Hence, long term survival of business enterprises depends on continuous access to these resources that are not readily substituted. Internal control systems are to ensure that available organizational resources are rightly deployed to achieve organizational goals. The internal control systems prevent waste and protect assets of organization from being misused or misappropriated (Attah-Botchwey, 2018). Thus, resource-based theory is relevant to our study because SMEs that strive for competitive advantage would entrench internal control policies that would help in both efficient and effective use of scarce resources (Ahmad et al., 2021).

This study is different from other previous studies as it examines the relationship between internal control systems in COSO framework and organization performances which were measured by three proxies: Business growth, operational efficiency, and business survival. Hence, we hypothesize as follows:

H01: There is no significant effect of internal control system on business growth of SMEs Ondo State

H02: There is no significant effect of internal control system on operational efficiency of SMEs in Ondo State

H03: There is no significant effect of internal control system on business survival of SMEs in Ondo State

H04: There is no significant effect of internal control systems on the organizational performance of SMEs in Ondo State.

MATERIALS AND METHODS

Survey research design was employed to examine the effect of internal control systems and organizational performance of SMEs in Ondo State. The population of the study includes all registered one thousand, nine hundred and ninety-nine managers of SMEs whose list was obtained from Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) in Ondo State. Stratified and random sampling techniques were used to take sample of 323 SMEs from five stratified local government areas of the state. These local government areas are: Akure South, Akoko South-West, Okitipupa, Ondo West, and Akoko North-East. This decision is informed by the dominant numbers of SMEs in the LGAs.

The sample size was derived using the Raosoft online sample size calculator. The margin error was 0.05 while the confidence level is 0.95.

Research instrument

Structured questionnaire was the research instrument used to collect primary data on the effect of internal control on organizational performance. The questionnaire is divided into three main sections as follows: Section A is used to obtain demographic information of the respondents. This section of the questionnaire contained information on the background characteristics of the respondents on variables such as name of respondents, sex, age range, name of SME, and year(s) of operation. Section B is used to obtain information on the extent of control measures in the SMEs. The section contains five (5) subsections such as control environment, risk assessment, control activities, information and communication, and monitoring. Each sub-section has minimum of five statements. Each construct will be measured using a four-point Likert Scale with the following options: SA= Strongly Agree; S = Agree; D= Disagree; SD =Strongly Disagree Section C: measures organizational performance metrics. This section deals with the organizational performance indicators in the SMEs. The section has three subsections namely, business growth, performance efficiency and business survival. Each subsection contains statements to be measured using a four-point Likert scale with the following options: SA= Strongly Agree; S = Agree; D= Disagree; SD =Strongly Disagree.

Validity of the research instrument

The research instruments were validated using criterion, content, and construct validity. For criterion and content validity, the instruments were validated by opinion of practitioners who took part in the pilot study and the SMEs researchers. The contributions were used to modify the questionnaire as necessary for the main study taking into consideration how each of the variables were measured in existing literature. Construct validity was ensured using AVE and HTMT criterion to ascertain convergent and divergent validity. The Average Variable Extracted/Explained (AVE) value greater than 0.5 provided proof of convergent validity and the discriminate validity value for the entire construct below one on the Heterotrait-Monotrait (HTMT) criterion provided additional evidence of construct validity for each of the measured variable.

Reliability of the research instrument

The questionnaire was subjected to test reliability. The internal consistency was used to establish the reliability of a measure by evaluating the within-scale consistency of the responses to the items of the measure. Applicable to multiple-item measurement instruments (like that of this study), Cronbach's alpha coefficient is

Table 1. Reliability statistic.

Variable	Cronbach's alpha coefficient
Business growth	0.782
Business survival	0.865
Control activities	0.780
Control environment	0.700
Information and communication	0.772
Monitoring	0.795
Operational efficiency	0.803
Risk assessment	0.833

Source: Computed from pilot study (2022).

widely employed for assessing this internal consistency. A Cronbach's alpha coefficient of > 0.7 but < 1 score for a questionnaire is adjudged to be reliable (Hair et al., 2017). Table 1 depicts the reliability statistic of all the variables in this study. From Table 1, all the measured variables had reliability statistic which is within the acceptable threshold (for Cronbach's Alpha coefficient) to suggest that the instrument is reliable for its usage in the main study.

Model specification

$Y = f(x)$

Y = dependent variables which are measures of organizational performance: Business growth, Business survival, and operational efficiency. x = independent variables which are measures of internal control systems: control activities, control environment, information and communication, monitoring, and risk assessment. This was adopted from the study of Ernst and Young (2003) internal control systems evaluation model.

Administration of research instrument, methods of data collection and analysis

The questionnaire administrations were distributed by the authors with the aid of three (3) Graduate Assistants. The questionnaires were retrieved from the offices of the SMEs operators four weeks after the date of their initial distribution. Three hundred and twelve (312) copies were returned. After sorting the questionnaires 301 copies were certified as duly filled and considered usable. The useable questionnaire represented 93.1% response rate. Field data collected were analyzed using inferential and descriptive statistics.

RESULTS AND DISCUSSION

Demographic data of respondents

Table 2 presents the demographic information of the respondents of this study. The demographic and personal information of the respondents who participated in this survey is detailed in Table 2. According to the gender profile, 177 of the respondents, which is equivalent to 58.6%, were male whereas 124 of the respondents,

which is equivalent to 41.1%, were female. This suggests that most of the respondents were male.

Demographic and personal profile of respondents as shown in Table 2 by years of operation revealed that 89 respondents representing 29.5% had less than 5 years, 102 respondents representing 33.8% had 5-10 years, 49 respondents representing 16.2% had 10-15 years, 34 respondents representing 11.3% had 15-20 years, and 28 respondents representing 9.3% had over 20 years, indicating that most of the respondents had 5-10 years. Also, 99 respondents representing 32.8% were owner/manager, 110 respondents representing 36.4% were employed manager, and 92 respondents representing 30.5% were account officers. Furthermore, 53 respondents representing 17.5% had SSCE, 206 respondents representing 68.2% had BSc/BA etc., 34 respondents representing 11.3% had Masters' Degree, and 9 respondents representing 3.0% had PhD.

Internal control systems and business growth

The values of the internal control system sub-measures were regressed on the values of business growth. The data for internal control system (independent variable) was produced by adding responses to each of the variables used to measure it (Control Environment, Risk Assessment, Control Activities, Information Communication, and Monitoring), whereas the data for business growth of SMEs in Ondo State (dependent variable) was produced by adding responses to each of the variables used to measure it. The regression test results are presented in Table 3.

According to the findings in Table 3, internal control system and the expansion of small and medium-sized enterprises in Ondo State, Nigeria, have a positive but marginally significant association (R = 0.307, p0.05). The internal control system dimensions explain 7.9% of the variations in the business growth of SMEs in Ondo State, Nigeria, according to the coefficient of determination (Adj. R^2) of 0.079, whereas the remaining 92.1% of the

Table 2. Demographic characteristics of respondents.

Variable	Category	Frequency	Percentage
Gender	Male	177	58.6
	Female	124	41.1
	<5	89	29.5
	5-10	102	33.8
Years of operation	10-15	49	16.2
	15-20	34	11.3
	> 20	28	9.3
	Owner/manager	99	32.8
Roles in enterprise	Employed manager	110	36.4
	Account officer	92	30.5
	SSCE	53	17.5
Academic qualification	BSc/BA	206	68.2
	Masters' degree	34	11.3
	PhD	9	3.0

Source: Field Survey Results (2022).

Table 3. Summary of multiple regression analysis for the effect of internal control system on business growth of SMEs (Dependent Variable: Business growth).

Model	Independent variable					
		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	1.818	0.278		6.527	0.000
	Control environment	-0.055	0.086	-0.051	-0.635	0.526
	Risk assessment	0.052	0.089	0.048	0.590	0.556
	Control activities	0.295	0.103	0.230	2.868	0.004
	Information communication	0.085	0.106	0.070	0.796	0.427
	Monitoring	0.047	0.075	0.045	0.629	0.530
	R	0.307				
	R square	0.094				
	Adjusted R square	0.079				
	Sig	0.000				

Significant level ≤ 5%.
Source: Author

variation in the business growth of SMEs in Ondo State is explained by other variables not examined in this study. The ANOVA (overall model significance) of the regression test findings are shown in Table 3. It was shown that internal control system dimensions significantly affect the business growth of SMEs in Ondo State, Nigeria. The F-value (6.158) and low p-value (0.000), which is statistically significant at a 95% confidence range. Hence, the result posited that internal control system dimensions significantly influenced the business growth of SMEs in Ondo State, Nigeria.

Additionally, Table 3 regression coefficient results showed that, with a 95% degree of certainty, a change in Control Activities would result in a 0.295 rise in the business growth of SMEs in Ondo State, Nigeria, if all other variables remained the same. Only control activities out of all the internal control system sub-variables investigated had a substantial relative impact on

Table 4. Summary of multiple regression analysis for the effect of internal control system on operational efficiency of SMEs (Dependent Variable: Operational Efficiency).

Model		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
	(Constant)	1.324	0.248		5.345	0.000
	Control environment	-0.083	0.076	-0.081	-1.081	0.281
	Risk assessment	0.290	0.079	0.277	3.679	0.000
1	Control activities	0.071	0.092	0.058	0.776	0.438
	Information communication	0.148	0.095	0.128	1.562	0.119
	Monitoring	0.179	0.067	0.176	2.663	0.008
	R	0.465				
	R square	0.216				
	Adjusted R square	0.203				
	Sig	0.000				

Significant level ≤ 5%.
Source: Author

company growth for SMEs in Ondo State, Nigeria. This study rejects null hypothesis one (H01), which claims that there is no significant impact of internal control system on business growth of SMEs in Ondo State, Nigeria, based on this finding (Adj. $R2$ = 0.079, $F(5.296)$ = 6.158; p=0.000).

Internal control systems and operational efficiency

The values of the internal control system sub-measures were regressed on the operational efficiency values in the study. The operational efficiency of SMEs in Ondo State (dependent variable) was generated by adding responses to all items used to measure the variable, whereas the data for internal control system (independent variable) was generated by summing responses of all variable items (Control Environment, Risk Assessment, Control Activities, Information Communication, and Monitoring). The regression test results are shown in Table 4.

From the results in Table 4, internal control system has a positive but weak significant relationship with the operational efficiency of SMEs in Ondo State, Nigeria (R = 0.465, p<0.05).

The coefficient of determination (Adj. R^2) of 0.203 shows that internal control system dimensions explain 20.3% of the changes in operational efficiency of SMEs in Ondo State, Nigeria, while the remaining 79.7% variation in operational efficiency of SMEs in Ondo State is detailed by external variables not appearing in this study regression model. The results of the regression test using the ANOVA (overall model significance) method are shown in Table 4. It was shown that the internal control system dimensions significantly affect the operational effectiveness of SMEs in Ondo State, Nigeria. This is explained by the low p-value (0.000), which is statistically

significant at a 95% confidence range, and the F-value (16.299). Hence, the result posited that internal control system dimensions significantly influenced the operational efficiency of SMEs in Ondo State, Nigeria.

In addition, the results of regression coefficients in Table 4 revealed that at 95% confidence level, a unit change in Risk Assessment will lead to a 0.290 increase in the operational efficiency of SMEs in Ondo State, Nigeria, given that all other factors are held constant. In addition, the results also revealed that at 95% confidence level, a unit change in monitoring will lead to a 0.179 increase in the operational efficiency of SMEs in Ondo State, Nigeria, given that all other factors are held constant. Out of the internal control system sub-variables examined, Risk Assessment and monitoring have a significantly relative effect on operational efficiency of SMEs in Ondo State, Nigeria while Control Activities, Control Environment, Information communication, presents insignificant relative effect. More so, it is important to stress that Risk Assessment has the highest relative effect with a beta of 0.290 and t value of 3.679 followed by monitoring with beta of 0.179 and t value of 2.663. It is on the strength of this result (Adj. R^2 = 0.203, $F(5.296)$= 16.299, p= 0.000), this study rejects the null hypothesis two (H_{02}) which states that there is no significant effect of internal control system on operational efficiency of SMEs in Ondo State, Nigeria.

Internal control and business survival

The data for internal control system (independent variable) was generated by summing responses of all variable items (Control Environment, Risk Assessment, Control Activities, Information communication, and Monitoring) respectively while that of business survival of

Table 5. Summary of multiple regression analysis for the effect of internal control system on business survival of SMEs (Dependent Variable: Business Survival).

Model		Independent variable				
		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	1.908	0.269		7.088	0.000
	Control environment	0.023	0.083	0.022	0.271	0.786
	Risk assessment	0.066	0.086	0.063	0.770	0.442
	Control activities	0.066	0.099	0.054	0.663	0.508
	Information communication	0.107	0.103	0.092	1.045	0.297
	Monitoring	0.132	0.073	0.129	1.809	0.071
	R	0.288				
	R square	0.083				
	Adjusted R square	0.067				
	Sig	0.000				

Significant level ≤ 5%.
Source: Author

SMEs in Ondo State (dependent) was generated by adding responses of all items used to measure the variable. The regression test results are presented in Table 5.

From the results in Table 5, internal control system has a positive but weak significant relationship with the business survival of SMEs in Ondo State, Nigeria (R = 0.288, $p < 0.05$).

The determination coefficient (Adj. R^2) of 0.067 shows that internal control system variation predict 6.7% of the changes in business survival of SMEs in Ondo State, Nigeria, while the remaining 93.3% changes in business survival of SMEs in Ondo State is explained by external variables not included in this study regression model. The ANOVA (overall model significance) of regression test findings are shown in Table 5. They show that internal control system dimensions significantly affect the ability of SMEs in Ondo State, Nigeria, to remain in operation. This may be explained by the F-value (5.338), which is statistically significant at a 95 percent confidence range, and the low p-value (0.000).

Hence, the result posited that internal control system dimensions significantly influenced the business survival of SMEs in Ondo State, Nigeria.

Additionally, Table 5 regression coefficient results showed that, if all other variables are held constant, a unit change in monitoring will result in a 0.132 increase in the business survival of SMEs in Ondo State, Nigeria, at a 95% confidence level. The monitoring sub-variable of the internal control system that was evaluated had a large relative impact on the survival of SMEs in Ondo State, Nigeria, but risk assessment, control environment, control activities, and information communication have negligible relative impacts. It is on the strength of this result (Adj. R^2 = 0.067, $F(5.296) = 5.338$, $p = 0.000$), this null hypothesis one (H_{03}) is rejected in this study which stipulated that there is no very significant effect of internal control system on business survival of SMEs in Ondo State, Nigeria.

Internal control and organizational performance

In the analysis, the values of organizational performance were regressed on the values of internal control system. The data for internal control system (independent variable) was generated by summing responses of all variable items (Control Environment, Risk Assessment, Control Activities, Information communication, and Monitoring) respectively while that of organizational performance of SMEs in Ondo State (dependent) was generated by adding responses of all items (business survival, business growth and operational efficiency) used to measure the variable. The regression test results are presented in Table 6.

According to the results in Table 6, internal control system and organizational performance of SMEs in Ondo State, Nigeria, have a positive but marginally significant association (R = 0.413, $p0.05$). The internal control system predicts 17% of the variation in organizational performance of SMEs in Ondo State, Nigeria, according to the coefficient of determination (R2) of 0.170, while the remaining 83% of variation in organizational performance of SMEs in Ondo State is explained by extraneous variables not considered in this study. The ANOVA (overall model significance) of the regression test findings are shown in Table 6. They show that internal control system has a substantial impact on organizational performance of SMEs in Ondo State, Nigeria. The F-value (61.653) and low p-value (0.000), which is statistically significant at a 95% confidence range, provide an explanation for this. As a consequence, the

Table 6. Summary of simple regression analysis for the effect of internal control system on organisational performance of SMEs in Ondo State, Nigeria (Dependent variable: Organizational performance).

Model		Independent variable				
		Unstandardized coefficients		Standardized coefficients	T	Sig.
		B	Std. error	Beta		
1	(Constant)	1.747	0.195		8.939	0.000
	ICS	0.458	0.058	0.413	7.852	0.000
	R	0.413				
	R square	0.173				
	Adjusted R square	0.168				
	Sig	0.000				

Significant level ≤ 5%.
Source: Author

findings suggested that internal control system dimensions had a substantial impact on how well SMEs performed as an organization in Ondo State, Nigeria.

A unit change in the internal control system will, with a 95% degree of confidence, result in a 0.458 rise in the organizational performance of SMEs in Ondo State, Nigeria. This study rejects null hypothesis four (H04), which claims that internal control systems have no effect on the organizational performance of SMEs in Ondo State, Nigeria (R^2 = 0.170, F(1.300)= 61.653, p=0.000).

DISCUSSION

The relationship between internal control systems and business growth was found to be positive. This implies that internal control systems had a substantial impact on the expansion of SMEs. SMEs' sales and profitability growth are enhanced when internal control systems are deployed to monitor sales and profitability performances, and report variances from management targets for immediate remedial actions that will ensure that growth targets are reasonably met. This agrees with the studies of Wang et al. (2019); Adegboyegun et al. (2020), Vu and Nga (2022) and others in China and South Africa (D'Mello et al., 2017; Dubihlela and Nqala, 2017)) respectively. However, only control activities had a substantial relative impact on the business growth of SMEs, out of the internal control systems sub-variables evaluated. Similarly, the effect of internal control systems on operational efficiency of SMEs was positive. This suggests that internal control systems curtails losses and entrenches the use of organizational resources to achieve optimum returns in accordance with the resource-based theory. The breakdown of the analysis also reveals that the effect of Control Environment, Information Communication and Control Activities on the operational effectiveness of SMEs is not significant while risk assessment and monitoring have the highest effect on operational efficiency at 5% significance.

The implication of the finding is that the establishment of control mechanisms to anticipate and mitigate risks, and periodic evaluation of control systems to determine their capacities to prevent business risks will enhance operational efficiency of the SMEs.

Furthermore, internal control systems have a substantial impact on small business survival according to the findings of the study. However, a thorough analysis of the internal control systems' components revealed that only monitoring; as opposed to other sub-variables (risk assessment, control environment, control activities, information, and communication) has a significant relative impact on the survival of SMEs. According to some empirical findings, 95% of the SMEs failed within the first five years of their operations because of frauds perpetuated by both the employees and clients or customers to the SMEs. The employees either carried out the fraud independently of the clients or in connivance with them. These empirical studies recommend among others the establishment of internal control systems in the SMEs. Hence, internal control systems reduce the risk of fraud, error, and loss (Zainal et al., 2022).

Finally, the effect of internal control systems on the overall performance of small and medium scale enterprise was examined. The study found that internal control system significantly contributes to overall organizational performance of SMEs in Ondo State, Nigeria. The organizational performance as proxied by business growth in sales and profitability, business survival and operational efficiency The findings agree with the findings of Khakhonova (2021) and Bure and Tengeh (2019). It should however be noted that the control environment and control activities sub-variables have the most significant effect on the organizational performance of the SMEs. This implies that SMEs entrepreneurs should exhibit high ethical standards in formulation of control policies and executing them in management of SMEs business activities. This will enhance the performance of the organization and optimal utilization of scare organization's scarce resources in accordance with the resource-based theory.

Conclusion

The study investigated the effect of internal control system on the performance of SMEs in Ondo state, Nigeria, based on the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) internal control integrated framework. Internal control systems have been implemented by various organizations' to support best business practices and it has helped them achieved improved accountability, profitability, and survival. This is also found to be true for the SMEs examined in this study. The findings of this study have highlighted the importance of effective internal control system to the survival, growth and operational efficiency of small-scale enterprises in Ondo state. It is obvious that SMEs in the state have taken steps to avoid the common pitfalls of many SMEs that operate with poor internal control systems. Development finance institutions in Nigeria, Bank of Industry and Bank of Agriculture for example, which provide financial supports to the SMEs and government regulatory agencies that perform financial advisory services to the SMEs, for instance Small and Medium Scale Enterprises Agency of Nigeria (SMEDAN), should make financial education of the SMEs operators on the use of effective internal controls a mandatory part of their financial support and advisory service.

The study has focused on SMEs in Ondo State. However, due to time and logistical constraints, the study did not cover the whole of the state but selected some local governments. Small sample from the study cannot be used to make generalization. However, further studies could cover the thirty-six states of the country.

CONFLICTS OF INTERESTS

The authors have not declared any conflicts of Interests.

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Full Length Research Paper

Stakeholder's resource mobilization and sustainability of government funded agricultural projects in Uganda: A case study of potato projects in Kabale District

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This study sought to determine the impact of resource mobilization by stakeholders on the viability of government-funded agricultural initiatives, using a case study of the Kabale area. The lack of stakeholder participation in resource mobilization and decision-making has an influence on the long-term viability of donor-funded potato projects in the Kabale district. This study required a prior study of the cross-sectional survey in order to lead to expected outcomes. 75 respondents provided information, and we integrated quantitative and qualitative analysis. The analysis, which was conducted at three separate levels, utilized descriptive, bivariate, and multivariate approaches. The descriptive analysis required the presentation of just one variable and its properties, frequency tables were used to illustrate the data. A Pearson correlation matrix was used to analyze the bivariate correlations between the dependent variable and the predictor components. At the multivariate level, the dependent variable was regressed against the updated predictor factors of sustainability of government projects. The results of a regression analysis showed that resource mobilization from stakeholders has a positive impact on the effectiveness of potato initiatives in Kabale District (coef = -0.890, p-value = 0.000). The main finding of this study is that resource mobilization by stakeholders has a substantial impact on the sustainability of potato projects. The study recommends putting greater attention on implementing stakeholder resource mobilization by defining the provision of capital, human resources, and availability of land in order to assure the sustainability of potato projects.

Key words: Stakeholders, resource mobilization, sustainability, and donors funded potato projects, Kabale District, Uganda.

INTRODUCTION

Sustainability is defined by Turyasingura et al. (2021) as more than just projects continuing after their grant financing cycle has finished. To increase potato production output in Kabale District, Uganda, the local and central governments are focusing on improving access to funds and resources. Additionally, the governments are also providing incentives for farmers to increase the quantity and quality of potatoes produced in the region (Turyasingura et al, 2022). However, there is a void regarding how the sustainability of the potato project

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will continue after donor exit. There is no indication of how potato projects will continue to be funded, how potato farmer groups will continue to be supported and organized, how the financial security of potato farmers will be improved, or how their quality of life will be improved. To address issues and fill gaps for sustainability, donor-funded potato projects, the involvement of stakeholders is crucial for resource mobilization in the potato project, according to Turyasingura et al. (2022). When this is accomplished, it will improve resource management practices, including planning, scheduling, and assigning personnel, funds, and technological resources to a project or program, in order to optimize organizational value. When resources are properly managed, the right resources are made available at the right moment for the right work.

According to Aseto et al. (2022), the adoption of sustainable consumption and production (SCP) practices is proven to increase agricultural resilience and contribute to rural development. Stakeholders can significantly contribute to any project if they are involved in resource mobilization; however, for donor-funded potato projects, participants are not obligated to make any donations that have an effect on the project's ownership. With the contribution of money, human capital, physical space, and time, these projects can become self-sustaining. Stakeholders are motivated to work hard for the sustainability of the potato project by taking ownership and making decisions after the donors have left, which will contribute to resource mobilization and the continuation of the initiative, thereby facilitating the transition of farmer livelihoods to a more conventional system. According to Cuéllar-Gálvez et al. (2018), the concept of scaling up innovations has become increasingly important in recent years, emphasizing the need to disseminate successful innovation projects on a larger scale in order to maximize their socio-economic impact, in order to foster broad rural development and to promote public policies that generate equitable and sustainable outcomes in potato projects. These contributions, which include time, cash, and human resources, will lift the spirits of the project stakeholders and provide them with the motivation they need to continue leading the potato project and positively influencing its beneficiaries and stakeholders. According to Eidt et al. (2020), various stakeholder groups within agricultural innovation systems (AIS) inevitably interpret 'sustainability of donor funded innovation potato projects' from their own vantage point of privilege and power. Without proper resource mobilization and commercialization initiatives, funded potato initiatives in rural developing areas where small-scale and subsistence farming systems support livelihoods are likely to fail after donor withdrawal, leading to a continued shortage of potato production. Between the 19th and 20th centuries, Christian missionaries introduced potato projects to Africa (Gebeyehu et al., 2021). They did,

however, discourage those who benefited from the potato initiative from taking part by limiting them access to things like time, money, and space. The colonial government forced Nigerian farmers to produce potatoes during World War II to feed British troops stationed in West Africa in addition to potato programs to better their living conditions (Henry et al., 2020) However, potato programs failed as donor funding stopped coming in. According to Eidt et al. (2020) the lack of stakeholder involvement in resource mobilization renders practically all donor-funded potato programs in Africa worthless. Iese et al. (2018) state that adaptation interventions can become ineffective as farmers can change their minds very quickly. After the donor has left, potato projects with donor funding are like a steed running wild in the night, as the low degree of community involvement leads to the departure of donors and potato farmers in Egypt, Algeria, and South Africa turn to other ventures. In addition, Kibet (2018) notes that in order to keep donor-funded potato projects in Uganda going, resource mobilization from stakeholders is still essential. Potato projects supported by donors are unable to continue without the mobilization of resources from stakeholders. The Community must be proactive and involved during all stages of project management for the potato in order to continue the project beyond the donor exodus.

In Uganda, potatoes are emphasized as a top priority crop that can help smallholder farmers improve their livelihoods, particularly in the highland regions in the southwest and southeast of the country. This is according to the agriculture sector strategic plan (ASSP) for the years 2015-2020 (Turyasingura et al., 2022). In Uganda, potatoes were grown in about 300,000 farming households as of 2010. However, because stakeholders were not invited to participate in resource mobilization, the performance of donor-funded potato projects has not improved. Potato initiatives, particularly those in Uganda's Kabale District, have been impacted. According to Turyasingura et al. (2021) most of Uganda's potato production is carried out on a local level, with an average potato farm size of 0.4 hectares per farming household and yearly outputs of 7.1 metric tons per hectare. This is the outcome of inadequate resource mobilization participation from stakeholders.

According to Leeuwis et al. (2018) the western area of Uganda produces approximately 88% of the nation's potatoes. Thomas et al. (2018) asserts that the largest potato-growing zone in the western region is the Southwestern Highlands Agro-Ecological Zone (SWHAEZ), which includes the districts of Kabale, Kisoro, Rukungiri, Kanungu, Rubanda, and Rukiga. About half of all the potatoes produced in Uganda come from these six SWHAEZ areas. The purpose of this research was to examine the effect of stakeholder's resource mobilization on sustainability of government funded agricultural projects in Uganda, A case study of potato projects in Kabale District. This study was guided by research

question "what is the effect stakeholder's resource mobilization on sustainability of potato projects in Kabale District?

LITERATURE REVIEW

Sustainability of government funded potato projects

According to Taiti (2020) sustainability is the capacity of an organization to sustain itself, projects, operations, services, and benefits over the course of a projected lifetime. Seifu et al. (2022) contends that an organization's choice of potato initiatives will determine whether or not shifting social, economic, and political conditions continue to benefit its users or consumers. Sustainability, in the opinion of Vugt et al. (2019) goes beyond only continuing projects after the grant funding period for the potato project has ended. For a business, sustainability could mean one of three things namely; environmental, financial (economic) and social sustainability. Financial sustainability refers to an organization's ability to raise funding to further its mission while ensuring a constant stream of income. Systems for a project must continue to function correctly, therefore a company or institution needs to be able to support itself. When a nonprofit organizations can maintain its initiatives and operations without receiving donations, that program is said to be sustainable. Therefore, there is a gap when it is not explained how potato initiatives would continue if donors stopped giving and the stakeholders stopped taking part in resource mobilization. "Sustainable development" is described as "development that meets the requirements of the present without compromising the ability of the future generations to satisfy their own needs" by the World Commission on Environment and Development Vogt et al. (2019). The three pillars of sustainability-economic, environmental, and social-have been identified; nevertheless, there is a gap where stakeholders are mostly discussed in the two social and economic issues that would aid the potato project in sustainability, which has an effect on donor exit.

If long-term sustainability is to be achieved, it is crucial to assist all stakeholders in resource mobilization and include them in all sustainable development pillars, which understand that each dimension has unique traits that call for specialized methods. The "three pillars of sustainable development" are another name for these three components (Warinda et al., 2020). The needs of the present and the needs of the future are both met by sustainable development.

The researcher failed to identify who should be in charge of project design, implementation, and resource allocation in order to support the project's sustainability as well as monitoring and assessment. According to Makuma-Massa et al. (2022), a corporation may continue its projects or programs if the project's beneficiaries have been actively involved throughout the entire project's life cycle. As a result, the project's stakeholders gain stability and aren't in danger of being kicked out.

Stakeholders' resource mobilization

A resource mobilization strategy serves as a key road map for project sustainability by outlining how resources from multiple sources can be leveraged to meet the organization's resource needs (Yami et al., 2021). To maximize staff participation in resource mobilization and ensure their contributions are as effective and efficient as possible, organizations need a strategy for recruiting stakeholder resources that enables them to plan ahead and evaluate the best routes for raising resources. Coordinate how you approach resource partners, and work to establish a long-lasting connection with them. A resource mobilization strategy serves as a key road map for project sustainability by outlining how resources in a project financed by a single donor are to be leveraged to meet your organization's resource needs (Yami et al., 2021).

To maximize staff participation and effectiveness in resource mobilization, organizations need to develop a strategy for recruiting stakeholder resources. This strategy should ensure that resources are planned and obtained upfront, planned ahead where needed, and evaluated for the best routes of raising them. Additionally, organizations should strive to form long-lasting connections with resource partners through coordinated approaches. It is advisable to involve key stakeholders, such as resource partners, early in the project design and implementation process in order to meet the needs of the organization and learn about potential new resource mobilization pathways that will lead to potato projects being sustainable after donor exit. By gathering their opinions and insights on the most effective resource mobilization tactics, the expected course of action for the potato project continuity can be guided and the best strategic decisions can be made (Moraine et al., 2018). The organization must take into account the perspectives of the stakeholders to more fully understand the context of the desired activities. Makuma-Massa et al. (2022) asserts that dialogues also boost organizational support for the developed approach and ownership. The following are the goals of a quick workshop with a select number of participants from the program, field offices, finance, management, board, and maybe resource partners: Inform the parties involved on the goal of the resource mobilization plan; Share the results of the organizational analysis and the ideas for resource mobilization techniques that have been developed thus far; collect more information on options for resource mobilization and thoughts on those options; Improve the resource mobilization strategy to increase the sustainability of donor-funded potato programs by having an

understanding of the audiences, messages, activities, and communication channels.

Once the organization has acquired information from within the organization as well as opinions and input from external stakeholders, the time has come to make decisions regarding the stakeholder's resource mobilization tactics that will be used in the long- and short-term (Murrey and Mutwiri, 2022). As a basis for decision-making, rate and rank the discovered possibilities according to the expected benefit, costs, time till revenue, long-term viability, and dangers.

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Provision of finance and sustainability of donor funded potato projects

Sustainable finance is the process of taking into account environmental, social, and governance (ESG) issues when making investment decisions in the financial sector in order to increase longer-term investments into sustainable economic activities and projects. Regulators, institutional investors, and asset managers are leading this powerful global movement, according to Murrey and Mutwiri (2022). This suggests that stakeholders need to be informed about resource mobilization both during the design stage and during the implementation stage if donor-financed potato projects are to be sustainable.

One project that sustainable finance contributes to is the Global Program on Sustainability (GPS), which promotes the use of high-quality data and analysis on natural capital, ecosystem services, and sustainability to better inform decisions made by governments, the private sector, and financial institutions. Three primary pillars serve as the foundation for the GPS program: The second pillar consists of developing national production and use of natural capital accounting for planning and policy decisions, as well as information-improving global assessments of natural capital and ecosystem services. It works with 18 nations at the moment to assess and evaluate their natural resources. By providing incentives, promote research into how environmental factors impact risk and financial return in fixed income markets. This suggests that resource mobilization by stakeholders is essential for the continuation of donor-funded potato programs (Ndungutse, 2019). Sustainable businesses create both long-term and short-term financial profits while also providing substantial social and environmental benefits. Companies that neglect environmental and

social risks will be less equipped to deal with these challenges, putting their very existence in danger (Nain et al.. 2019). This implies that persons working in potato programs ought to acquire training on how to secure funding so they may continue their work if sponsors stop contributing.

Human resource

Sustainable human resources management refers to the adoption of HRM strategies and practices that enable the achievement of financial, social, and ecological goals with an impact on both inside and outside of the organization over a long period of time, while controlling for unintended side effects and negative feedback (Ng'ang'a et al., 2021). This demonstrates the need for long-term human resources to plan, coordinate, and oversee the project once the donors have left in order to establish donor-funded potato initiatives that are sustainable. By tying together ethical ideas, corporate social responsibility (CSR), and HR responsibilities, a road map for sustainability is produced. To assist and ingrain sustainability, HR professionals can use "everyday tools" like engagement strategies, which are based on an open and honest communication style (Osumba and Recha, 2022).

A company must use all of its essential human resource management procedures to support a sustainable project plan (Turyasingura et al., 2021). The following categories can be used to classify them: hiring and selection, training, professional growth, and compensation of staff; management support and communication; and creation of an environment at work that would support donor-funded potato projects. Stakeholders are more eager to monitor and evaluate how the potato project is progressing after participating in this activity. The adoption of a sustainable culture can be sped up through the utilization of human resources. Because human resources include hiring, onboarding, and training, they may ensure that sustainability is engrained in the cultures of new recruits. Therefore, these practices can help reduce waste during the hiring and training process and establish the framework for more environmentally friendly practices throughout the project (Pandey et al., 2018). This implies that donors should be aware from the start of project management that they will eventually quit sponsoring the project. As a result, the project's human resource must be essential for it to survive when the donor leaves.

Provision of land (physical space)

According to Peter et al. (2021), donor-funded potato initiatives have been difficult since the recipients of these programs haven't gained much in the form of land,

Table 1. Categories of respondents.

Respondent	Proportionately selected sample (n_i)	Sampling technique
Politicians	6	Simple random sampling
Farmers	31	Simple random sampling
Business Community	30	Simple random sampling
NGOs	8	Simple random sampling
Total	75	

Source: Field Data (2022).

manure (both organic and inorganic), or cost-sharing for project operations. Since land should be the top concern, they are really impeding the project's progress. However, a lack of potato project ownership is what causes the discrepancy. According to Peter et al. (2021) land is necessary for the viability of donor-funded potato schemes. The farm serves as a learning resource for potato producers, helping them to increase their food production per unit of land, despite the lack of infrastructure for securing land among the initiative's beneficiaries. According to Phorbee et al. (2022), sustainable agricultural efforts using potatoes require the participation of project stakeholders. This is because doing so increases their desire to assume control of the aforementioned projects. The viability of these donor-funded potato initiatives will be jeopardized once the donors have left because donors disregarded the idea of project recipients giving land to the project.

Press et al. (2020), cite the lack of community resources as a major problem with donor-funded potato projects. He goes on to clarify that in this situation, the issue of supplying land as a method of project funding to the donor-funded project for potatoes does not unite the donor and the receivers. Potato projects will continue to be discussed if things stay this way because project ownership has been negatively harmed. Without providing physical resources for project conceptualization, design, planning, implementation, monitoring, and evaluation, community members may not be encouraged to take part in the project, according to Yami et al. (2021).

METHODS

Research design

This study used a cross-sectional survey research design that incorporated quantitative and qualitative methods. A quantitative technique aids in characterizing the existing condition and examining cause-and-effect relationships between the study variables, whereas a qualitative approach helps to understand and explore the depth, richness, and complexity inherent in the topic being researched (Agaba and Turyasingura, 2022). Using a case study of the potato initiatives in Kabale District, the researcher was able to gather comprehensive justifications for how stakeholders' resource mobilization contributed to the sustainability of government-funded agricultural programs in Uganda.

Area of study

Kabale District, located in the southwest of the Republic of Uganda, lies between 0° and 0° South latitude and between 29° 45° and 30° 15° East longitude, and was the only District included in the analysis. Kabale district is bordered by the districts of Rubanda to the south, Rwanda to the east, and Rukiga to the west, and covers an area of 575 square km (222sq.mi). It is situated approximately 337 km (209miles) from Kampala.

Study population

A sample size of seventy-five (75) individuals was calculated using the formula provided by Tora Yamane (1970:886–87) and chosen to represent the Kabale District local government, which is made up of Maziba, Kaharo, Kyanamira, Buhara, Katuna town council, Ryakarimira town council, Rubaya, Kitumba, Kahungye, Kibuga, Butanda, Kamuganguzi, and Kabale municipality, which is divided into three regions; the southern, central, and northern (Turyasingura et al., 2023). Table 1 shows the categories of respondents.

$$n = \frac{N}{1 + Ne^2}$$

Therefore, 75 respondents were sampled.

Simple random techniques

Simple random sampling is the process of randomly and equally likely selecting a sample of individuals from a bigger group of individuals. It is a method for selecting a sample at random (Swaffield et al., 2019). The researcher adopted this approach because it allows for the selection of participants depending on how well they comprehend the potato initiatives. This sampling strategy was also taken into account by the researcher since it is cost-effective because just a small portion of the population with relevant knowledge was sampled. The researcher chose politicians, farmers, businesses, and NGOs. This approach is appropriate for the study because it allowed for the collection of precise data and information from respondents who were thought to be more knowledgeable and skilled about the implementation of participatory projects and their impact on the sustainability of projects receiving government funding.

Data collection methods and techniques

A structured questionnaire was employed by the researcher to gather data from primary sources. This provided the enumerators with an opportunity to react to any questions or worries the respondents may have had. There were 75 surveys distributed to lawmakers, businesspeople, farmers, and NGOs, and there was a 100% response rate. All respondents were interested in the study

Table 2. Reliability statistics.

Variable	Cronbach's alpha	Number of items
Provision of finances	0.876	19
Human resources	0.921	16
Provision of land	0.875	17
Sustainability of government funded projects	0.876	22
Total	3.548	
Average	3.548/4=0.887	

Source: Field data 2022.

and there were research assistants and enumerators ready and willing to distribute and collect them at all levels, which is why the response rate was 100%. The questionnaire was distributed by the researcher, two research assistants, and enumerators. The enumerators were prepared to start gathering data after spending a full day obtaining education in conducting basic research, particularly through practice questionnaires.

Quality control (validity and reliability)

Validity

Validity is the degree to which a test accurately predicts the desired outcome. In order to ensure validity, the research tool took into account each facet of the phenomenon under investigation as it is defined in the conceptual framework (Agaba and Turyasingura, 2020). The researcher ensured the validity of the instruments for efficiency and efficacy of the tools in order to provide the trustworthy findings, conclusions, and suggestions required by the study's objectives and problem. They were developed and discussed with experts in the field of research and government-funded agricultural projects to see if the instruments are comprehensive, clear, simple, and relevant to the study objectives. Using the CVI, whose formula is; a Content Validity Test was performed. $\text{CVI} = \frac{\text{Number of relevant items}}{\text{Total number of items}} \times 100 = \frac{100}{110} \times 100 = 99.9$
Summary of the reliability statistics

Judge 1 = 32/35=0.914
Judge 2 =30/35= 0.857
Judge 3 = 33/35= 0.942
Judge 4 = 34/35=0.971
Total   3.864, therefore 3.864/4=0.921

These results indicated the validity of the research methods used to compile data on the viability of government-funded agricultural projects in Kabale District and the implementation of participatory initiatives. Press et al. (2020) state that for instruments to be regarded as legitimate, the average content validity index (CVI), which measures the proportion of items that have been pronounced valid relative to all items, must be at least 0.7. The CVI score was above 90%, which indicated that the instruments were authentic, according to Cuéllar-Gálvez et al. (2018). A questionnaire with a high content validity index of 0.948 qualified as a valid instrument for gathering data.

Reliability

Reliability assessments consider how consistently the results are produced when the same populations of people are measured repeatedly under the same circumstances when assessing a measurement technique's reliability (Cuéllar-Gálvez et al., 2018). Additionally, a pilot study is carried out, in which participants are chosen at random and on purpose from the study area, to evaluate the validity of the research methodology. Participating in a pilot research with questionnaires were NGOs, farmers, businesses, and politicians. They had to look over the layout, phrasing, accuracy, and clarity of the questionnaire. Cronbach's Alpha coefficient was employed by Favretto et al. (2020) to demonstrate the dependability of the instruments. The results are 0.76 on a Statistic Package for Social Scientists (SPSS) scale, indicating that the tools are more accurate and useful. Table 2 shows the reliability statistics.

Therefore, it is inferred that there is a high level of confidence in the dependability of the entire scale if several components are considerably connected to one another. The permissible ranges are "> 0.9 - Excellent, > 0.8 - Good, > 0.7 - Acceptable, > 0.6 - Questionable, > 0.5 - Poor, and 0.5 - Unacceptable".

Data management and analysis

Data management and processing

Processes for descriptive, and bivariate, data analysis were finished. Tables were generated by the descriptive analysis. The Pearson rank correlation was employed in a bivariate inquiry to ascertain the links between independent variables as well as those between categorical factors and the dependent variable. Cross tabulations were once more employed to demonstrate the relationships between the variables.

Multivariate analysis

At this phase, the model had already been fitted, and the linear regression model had simply been expanded to incorporate those independent variables. However, a significant correlation between the independent factors and the dependent variable had been demonstrated at the bivariate stage. To put it another way, only the variables that had been found to be significant at the bivariate level were regressed at the multivariate level. The equation below displays the multivariate model.

$SG = \beta_0 + \beta_1 PIL + \beta_2 CS + \beta_3 PO + \varepsilon$

Where,

$SG= \beta_1 PIL + \beta_2 CS + \beta_3 PO + \varepsilon$

Where SG= Sustainability of government funded projects; $\beta_1 PIL = Provision\ of\ finance, \beta_2 CS = provision\ of\ resources$; $\beta_3 PO =$ Provision of land; ε = error term.

Using potato projects as an example, clearly defined terms will have an impact on the feasibility of government-funded initiatives. β1, β2 and β3 are the partial components that indicate how each of the independent variables affects each other. The partial coefficients of the study demonstrate how each of the independent variables are related to the sustainability of the government-funded potato projects in Kabale District and the benefits of resource mobilization by stakeholders.

Ethical considerations

The researcher requested permission from the Kabale District Local Government and said that the study was being done for academic reasons. She also requested the respondents' consent before delivering the questionnaire.

Limitations and delimitations of the study

Response bias was an issue for the researcher because of the respondents' lack of interest in how finance management approaches affected project performance. Instructions on how to chat to respondents and come up with a solution were given to both the researcher and the research assistants.

The researcher anticipated a challenge in being unable to meet with some of the respondents due to the nature of the respondents' work schedules. The researcher attempted to schedule meetings with this group of respondents in such circumstances.

Finding sufficient funds to cover trip costs, print study materials, and contact all the anticipated respondents proved to be difficult for the researcher. The solution to this problem was to obtain sponsorship money. Time constraints made data collection challenging.

RESULTS

Descriptive statistics for stakeholder resource mobilization and sustainability of government-funded potato initiatives were utilized for a case study of the potato project in the Kabale District.

This section includes a case study of the potato project in the Kabale District as well as descriptive data based on respondents' assessments of stakeholder resource mobilization and the sustainability of donor-funded potato programs.

Respondents were asked six questions in order to ascertain whether the potato initiatives in Kabale District are a case study of how resource mobilization by stakeholders influences the sustainability of government-funded programs (Table 3). When asked whether they helped mobilize resources for the potato project in their sub counties, 73% of respondents said no, while 20.7% said yes. This shows that while conducting initiatives in the district, potato programs do not use participatory methods when mobilizing stakeholder resources. A second time, the issue of whether respondents participated in every potato project activity was posed, and this time, 20% of respondents said they agreed with the statement, compared to 80% who disagreed.

The findings from the data collection indicate that 100% of the respondents strongly disagreed with being satisfied

potato project recipients, suggesting that efforts involving potatoes are unlikely to succeed unless the demands of the people involved in its design and execution are taken into consideration. All respondents disagreed with the statement "Potato projects outputs are coming out wonderfully again during data gathering" 100% of the time when asked about it.

If the problem persists, this is a sign that potato projects have already failed, demonstrating that very few members of the community are actively involved in potato projects since they are not owned by the project recipients.

Sustainability of government-funded agricultural projects in Kabale District

This section presents descriptive statistics for a case study of a government-funded agricultural project employing the potato projects in Kabale District based on the opinions of respondents.

Four questions were posed to the respondents in an effort to determine whether the Kabale District would benefit from a potato project. When asked if they have taken part in the management of potato projects, respondents gave their opinions. 13.3% of them strongly agreed with the statement, while 86.7% strongly disapproved. 10.7% of respondents agreed with the statement that there had been effective communication, whereas 89.3% strongly disagreed. 12% of respondents said they were happy with the advantages of the potato project, but 88% strongly disagreed. In the previous question, participants were asked if there was project ownership. Only 17% of those polled concurred with the statement, while 83% disagreed (Table 4). This demonstrates how difficult it would be to implement the parish development model project in the Kabale district.

Bivariate analysis

Correlation analysis

A predictor of stakeholder resource mobilization is the association between the longevity of a government-funded agricultural project and a case study of a potato project. The correlation matrix below shows the association between the predictor variables and the dependent variable.

Relationship between stakeholders resource mobilization and sustainability of government funded agricultural project

According to the data in Table 5, there is a strong positive correlation between the sustainability of government-funded agricultural projects and the mobilization of

Table 3. An analysis of the potato projects in Kabale District's stakeholders' resource mobilization and sustainability of government-funded agricultural initiatives.

Statements	SA		A		UD		SD		D	
	F	%	F	%	F	%	F	%	F	%
In my sub county, I took part in the potato project execution	00	00	20	26.7	00	00	55	73	00	00
I took part in every potato project activity	00	00	15	20	00	00	60	80	00	00
I am satisfied beneficiary of potato projects	00	00	00	00	00	00	75	100	00	00
Potato project outputs are coming out well	00	00	00	00	00	00	75	100	00	00
I have realized potato expansion and scale-up	00	00	00	00	00	00	75	100	00	00
Due to the applicability of stakeholder's resource mobilization, potato projects will be long-lasting.	00	00	00	00	00	00	75	100	00	00

Source: Field Data (2022).

Table 4. Stakeholders resource mobilization. Strongly Agree (SA) 5, (Agree (A) (4), Undecided (UD) 3, Disagree (SD) 2 and strongly Disagree (D) 1.

Statements	SA		A		UD		SD		D	
	F	%			F	%	F	%		
I have participated in the management of potato projects	00	00	10	13.3	00	00	65	86.7	00	00
There has been effective communication	00	00	8	10.7	00	00	65	89.3	00	00
Project beneficiaries are satisfied	00	00	9	12	00	00	66	88	00	00
There is project ownership	00	00	13	17	00	00	62	83	00	00

Source: Field Data (2022).

Table 5. Correlations between the independent variables and the dependent variable (Sustainability Of Government Funded Agricultural Projects).

		Stakeholders resource mobilization	Sustainability of government funded agricultural project
Stakeholders resource mobilization	Pearson correlation	1	0.890**
	Sig. (2-tailed)		0.000
	N	75	75
Sustainability of government funded agricultural Project	Pearson correlation	0.890**	1
	Sig. (2-tailed)	0.000	
	N	75	75

Source: Field Data (2022).

stakeholder resources (r=0.890**; p-value0.01). These findings demonstrate a significant relationship between the sustainability of government-funded agricultural initiatives and stakeholder resource mobilization, which was used as a case study in Kabale District. This comprehends with the research question.

Multiple regression analysis

Using the potato projects as a case study in the Kabale District, this part presents the multivariate results for stakeholder resource management on the sustainability of government-funded agricultural initiatives. The parish development model's dependent variable was the project's success, and this model was chosen since it turned that variable into a continuous one.

Stakeholder resource mobilization is an independent variable that accounts for 64.3% of the variation in potato initiatives, according to Table 6 (adjusted R-squared = 0.743). This demonstrates that the sustainability of government-funded agricultural projects for the potato

Table 6. Model summary.

Model	R	R Square	Adjusted R square	Std. error of the estimate
1	0.890[a]	0.692	0.743	0.32395

a. Predictors: (Constant), stakeholders resource mobilization
b. Dependent Variable: Sustainability of government funded agricultural projects

Source: Field Data (2022).

Table 7. Linear regression evaluating the influence of independent factors on the Kabale District potato projects.

Model	Unstandardized coefficients		Standardized coefficients	t	Sig.
	B	Std. Error	Beta		
Stakeholders resource mobilization	0.421	0.025	0. 890	1.929	0.015

a. Dependent Variable: Sustainability of government funded agricultural projects

Source: Field Data (2022).

projects will only increase by 64.3% with the use of stakeholder resource mobilization. This demonstrates that the success of the potato projects in the Kabale District may depend on the techniques utilized to mobilize resources from a wide range of stakeholders.

According to the findings in Table 7 (coef = 0.890, p-value = 0.028), the stakeholders' resource mobilization plan significantly and favorably affects the potato initiatives. The null hypothesis, which argues that the success of potato projects in Kabale District is not significantly influenced by their execution, is preferable over the alternative hypothesis.

Conclusion

The research and analysis indicate a strong link between potato-related projects and sustainability in the Kabale District. The study's findings support the conclusion that stakeholder financial contributions affect government-funded potato programs in a variety of ways, including project design, planning, implementation, monitoring, and evaluation. Once this is accomplished, project stakeholders will assume control of the potato project and assist them in participating in decision-making.

Recommendation

The following needs to be implemented in order for the potato projects to succeed in their intended objectives: The beneficiaries of potato programs should be informed that they must contribute in order for the programme to continue. It will help them take ownership of their work.

If the people who receive the potato projects are not satisfied, the project cannot continue. Customers must to be content and responsible for anticipating potato project

outcomes as the project grows.

The potato project's beneficiaries should be included at the highest levels of the project so that it is straightforward for them to recognize dangers and limitations and develop a strategy for how to cope with these issues.

Those involved in the implementation of the potato project should specify the project methodology. Decision-making will be made easier as a result of the beneficiaries of the potato initiatives performing well.

CONFLICTS OF INTERESTS

The authors have not declared any conflicts of interests.

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