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**RELATIONSHIP BETWEEN FINANCIAL MANAGEMENT PRACTICES AND
HEALTH CARE SERVICE DELIVERY IN BANADIR HOSPITAL MOGADISHU**

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ABSTRACT

This study was carried out to examine the relationship between financial management practices and health service delivery in Banadir hospital in Somalia. The researcher developed three specific objectives namely; to examine the relationship between budgeting and health service delivery in Banadir hospital in Somalia, to examine the relationship between monitoring and health service delivery in Banadir hospital in Somalia and to examine the relationship between financial reporting and health service delivery in Banadir hospital in Somalia. The study adopted a correlation research design to establish the relationship between dependent and independent variables of the study. Data was collected from respondents by use of self administered questionnaires and an interview guide. Convenience and stratified random sampling techniques were used to select 127 respondents out of the study population of 190 staff and patients in Banadir hospital. Pearson correlations and multiple regression analysis were used to establish the relationship among the study variables. The correlations revealed that there was a statistically significant positive relationship between financial management practices (budgeting; $r = 0.759$, $p < 0.05$), financial monitoring; $r = 0.797$, $p < 0.05$) and financial reporting; $r = 0.908$, $p < 0.05$) and health service delivery in Banadir hospital. There should also be regular involvement of different departments in the process of budgetary planning, monitoring and evaluation. Such involvement is expected to enhance transparency and at the same time increase a sense of belongingness among different people in the hospital. Similarly, management of the hospital need to ensure that all weaknesses identified during the monitoring process are reported to higher authorities and an action is taken before things get out hand. The hospital management needs to involve service users in monitoring the activities of the hospital employees since the service users are more informed about the quality of services delivered to them. Finally, management of Banadir hospital need to ensure that all copies of financial reports are given to all departmental heads and are at the same accessible by all stakeholders in the organization. Such a situation would minimize information asymmetry and cases of deception.

