

**CASH FLOW MANAGEMENT AND FINANCIAL PERFORMANCE IN PUBLIC
SERVICE ORGANIZATIONS
A CASE STUDY OF KIGALI HEALTH INSTITUTE
PERIOD (2007-2011)**

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ABSTRACT

This research is aimed at to analyze the cash flow management and financial performance in public service organizations. The first specific objective is to examine the cash flow management at KHI. The second specific objective focused on examining financial performance of KHI and lastly the third specific objective was to draw a relationship between cash flow management and financial performance in KHI. This study is significant to the researcher, academics, public service organizations and the Government of Rwanda. Firstly, it enabled the researcher to understand the cash flow management and financial performance in public service organizations. Secondly, a public service organization was given an opportunity to know more measure to be taken to the cash flow management and financial performance. Finally, the GoR was given more information on this subject matter which information was used for future policy formulation and decision making purposes. The study attempted to develop empowerment models, strategies and tools to reduce the effect of cash flow management. This study used purposive sampling as data collection technique and the entire process that enabled the researcher to investigate the research problem. Questionnaire, interview and documentary analysis are the methods that the researcher used to collect data and analyze data. These methods were used for selection of the respondents and spelling out how the information were obtained from respondents, analyzed and interpreted to enable the researcher to draw logical conclusions. Basing on the findings of the study, it was concluded that the organization had an effective cash flow management. However, there were challenges in the implementation of financial activities. On financial performance of the organization, the study concluded that the liquidity position of the university was not appropriate and there was a significant positive relationship between cash flow management with financial performance. The study recommended competence profiling, establishing and managing knowledge/information management system within the organization and improving the generation of additional finances for the operations of the university.