THE INFLUENCE OF PERFORMANCE MANAGEMENT ELEMENTS ON NIGERIAN PUBLIC SECTOR PERFORMANCE: PERFORMANCE AUDIT AS MODERATOR

ABDULKADIR ABUBAKAR

DOCTOR OF PHILOSOPHY
UNIVERSITI UTARA MALAYSIA
July, 2018

THE INFLUENCE OF PERFORMANCE MANAGEMENT ELEMENTS ON NIGERIAN PUBLIC SECTOR PERFORMANCE: PERFORMANCE AUDIT AS MODERATOR

By

ABDULKADIR ABUBAKAR

Thesis Submitted to
Tunku Puteri Intan Safinaz School of Accountancy,
Universiti Utara Malaysia,
in Fulfillment of the Requirement for the Degree of Doctor of Philosophy

TUNKU PUTERI INTAN SAFINAZ
SCHOOL OF ACCOUNTANCY
COLLEGE OF BUSINESS
Universiti Utara Malaysia

PERAKUAN KERJA TESIS / DISERTASI
(Certification of thesis / dissertation)

Kami, yang bertandatangan, memperakukan bahawa
(We, the undersigned, certify that)

ABDULKADIR ABUBAKAR

calon untuk Ijazah DOCTOR OF PHILOSOPHY
(candidate for the degree of)

telah mengemukakan tesis / disertasi yang bertajuk:
(has presented his/her thesis / dissertation of the following title):

THE INFLUENCE OF PERFORMANCE MANAGEMENT ELEMENTS ON THE NIGERIAN PUBLIC SECTOR PERFORMANCE: PERFORMANCE AUDIT AS MODERATOR

seperti yang tercatat di muka surat tajuk dan kulit tesis / disertasi.
(as it appears on the title page and front cover of the thesis / dissertation).

Bahawa tesis/disertasi tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan, sebagaimana yang ditunjukkan oleh calon dalam ujian lisan yang diadakan pada:
26 September 2017.
(That the said thesis/dissertation is acceptable in form and content and displays a satisfactory knowledge of the field of study as demonstrated by the candidate through an oral examination held on:
26 September 2017.

Pengerusi Viva *(Chairman for Viva)*	:	Assoc. Prof. Dr. Noor Afza Amran	Tandatangan *(Signature)*
Pemeriksa Luar *(External Examiner)*	:	Assoc. Prof. Dr. Hj. Nik Kamaruzaman HJ. Abdulatiff (UiTM)	Tandatangan *(Signature)*
Pemeriksa Dalam *(Internal Examiner)*	:	Assoc. Prof. Dr. Rapiah Mohamed	Tandatangan *(Signature)*

Tarikh: **26 September 2017**
(Date)

Nama Pelajar (Name of Student) : Abdulkadir Abubakar

Tajuk Tesis / Disertasi (*Title of the Thesis / Dissertation*) : **THE INFLUENCE OF PERFORMANCE MANAGEMENT ELEMENTS ON THE NIGERIAN PUBLIC SECTOR PERFORMANCE: PERFORMANCE AUDIT AS MODERATOR**

Program Pengajian (*Programme of Study*) : Doctor of Philosophy

Nama Penyelia/Penyelia-penyelia (*Name of Supervisor/Supervisors*) : Assoc. Prof. Dr. Siti Zabedah Saidin

Tandatangan

Nama Penyelia/Penyelia-penyelia (*Name of Supervisor/Supervisors*) : Dr. Aidi Ahmi

Tandatangan

PERMISSION TO USE

ABSTRACT

The study examines the influence of the performance management elements on the organizational performance of the government ministries, departments and agencies (MDAs) in Nigeria, with the moderating effect of the performance audit. A questionnaire reflecting the study variables was designed for the conduct of the survey on the MDAs at the state governments' level in Nigeria. A total number of 551 questionnaires were distributed among the targeted respondents. Hence, 322 usable responses were successfully retrieved to test 11 direct and indirect hypotheses formulated to address the highlighted research problems. The study is underpinned by institutional theory and supported by agency theory. Linear regression and hierarchical regression analysis were employed to analyze the data. The findings of the study revealed that, all the performance management elements exhibited a significant positive relationship with the organizational performance. However, the result of the hierarchical regression reveals that, performance audit moderates the relationship between performance reporting and organizational performance. In addition, no moderation evidence was found on other performance management elements. Specifically, the study's major implication is that, the moderating strength of the performance audit has been tested on the relationship between performance management elements and organizational performance which is not common practice in the current literature. In addition, the study recommended that, in order to ensure efficient management of public resources, then, performance management system must be strengthened across government MDAs. Thus, the 3Es (efficiency, effectiveness and economy) would be firmly secured. Finally, the major limitation of the study is that, the data for the study were collected from the state governments MDAs only, thus, caution must be exercised in generalizing the findings on other tiers of governments in Nigeria. Hence, future studies should consider organizations at other levels.

Keywords: public sector, performance audit, organizational performance, Nigeria, performance management elements.

ABSTRAK

Kajian ini mengkaji pengaruh elemen pengrusan prestasi terhadap prestasi organisasi dalam kementerian, jabatan dan agensi kerajaan (MDA) di Nigeria dengan audit prestasi sebagai kesan penyederhanaan. Soal selidik yang menggambarkan pemboleh ubah kajian disediakan untuk tujuan tinjauan kajian terhadap MDA di peringkat kerajaan di Nigeria. Walau bagaimanapun, hanya 322 soal selidik berjaya dikumpulkan dan boleh digunakan untuk menguji 11 hipotesis langsung dan tidak langsung yang dirumuskan untuk mengkaji sorotan masalah kajian yang dinyatakan. Kajian in didukung oleh teori institusi dan disokong dengan teori agensi. Analisis regresi linear dan regresi hierarki digunakan untuk menganalisis data. Hasil kajian menunjukkan, semua elemen pengurusan prestasi mempunyai hubungan positif yang signifikan dengan prestasi organisasi. Namun, hasil regresi hierarki menunjukkan audit prestasi menyederhanakan hubungan di antara laporan prestasi dengan prestasi organisasi. Di samping itu, tiada bukti penyederhanaan dijumpai pada elemen pengurusan prestasi yang lain. Secara khususnya, implikasi utama kajian ini telah menguji kekuatan audit prestasi sebagai penyederhana terhadap hubungan antara elemen pengurusan prestasi dan prestasi organisasi yang bukan merupakan amalan yang biasa dalam soroton kaya semasa. Pada masa yang sama, kajian ini juga mencadangkan supaya sistem pengurusan prestasi diperkukuhkan secara menyeluruh dalam MDA kerajaan bagi memastikan keberkesanan pengurusan sumber awam. Oleh itu, 3Es (kecekapan, keberkesanan dan ekonomi) akan terjamin. Akhir sekali, batasan utama kajian ini adalah data yang diperoleh hanya diambil daripada MDA kerajaan negeri, maka adalah perlu untuk berhati-hati sebelum membuat sebarang anggapan umum di peringkat kerajaan yang lain di Nigeria. Oleh itu, kajian akan datang harus mengambi kira organisasi pada lain-lain peringkat.

Kata kunci: sektor awam, audit prestasi, pencapaian organisasi, Nigeria, elemen prestasi pengurusan

ACKNOWLEDGEMENTS

The most superlative and excellent words of praises are due to Almighty Allah (SWT), the most beneficient, the most merciful, for keeping me healthy and alive to go through this programme. May the blessings and peace of Allah (SWT) be upon the seal of prophets, Muhammad (SAW). Firstly, I would like to profoundly thank my supervisors, Associate Professor Dr Siti Zabedah Saidin and Dr Aidi Ahmi, for being remarkably supportive in this journey. They have dedicated much of their time guiding me, and jealously reading and re-reading my manuscript. Words and verbal appreciation could never express my eternal debt of gratitude to you. Again, I would like to show my appreciation to Associate Professor Dr Rapiah Mohamed and Associate Professor Dr Hj Nik Kamaruzzaman Hj Abdullatif, my internal and external examiners respectively for their corrections and constructive observations on this study, May Allah bless you all.

I am greatly indebted to my father who generously and tirelessly sacrificed much on my studies but could not live to witness this moment. To him, I pray Allah (SWT) to illuminate and make his grave spacious for him, may HE reward my father with Jannatul Firdausi. My appreciation also goes to my loving mother for her advice and guide. I would like to also appreciate my wife and my kids for their kind support and prayers, this journey wouldn't have been possible without your support. My appreciation also goes to entire staff TISSA, my brothers and sisters and Bauchi state University.

Alhamdulillah!!

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

LIST OF ABBREVIATIONS

3Es	Effectiveness, Efficiency and Economy
AC	Accountability
ADB	African Development Bank
AMOS	Analysis of Moment Structures
ANOVA	Analysis of Variance
BPSR	Bureau of Public Service Reform
CSO	Civil Society Organizations
DFAGs	Director of Finance, Administration & General Services
EFA	Exploratory Factor Analysis
FRN	Federal Republic of Nigeria
GAO	General Accountability Office
GO	Goal Orientation
GPRA	Government Performance and Results Act
IMF	International Monetary Fund
INTOSAI	International Organization of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
MDAs	Ministries Departments and Agencies
MSPB	Merit System Protection Board
NPC	National Population Commission
NPM	New Public Management
OC	Organizational Culture
OECD	Organization for Economic Co-operation and Development
PA	Performance audit
PCA	Principal Component Analysis
PER	Organizational Performance
PLS-SEM	Partial Least Square-Structural Equation Modelling
PM	Performance Measurement
PMA	Performance Management Analysis
PPS	Proportionate Population Sample
PR	Performance Reporting
SAIs	Supreme Audit Institutions
SAP	Structural Adjustment Programme
SEM	Structural Equation Modelling
SFOs	Senior Finance Officers
SPSS	Statistical Package of Social Sciences
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
US	United States
USAID	United States Agency for International Development
UUM	Universiti Utara Malaysia
VAT	Value Added Tax
PPP	Public Private Patnership

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The improved public sector performance is a powerful trigger that builds robust public sector organizations and institutions; as well as strengthening the course of public service delivery; therefore, a country with a well-established and vigorous public sector, anchored around efficiency, effectiveness, economy and sustained quality of service delivery is on the right track of positive developmental trajectory (UNDP, 2014; World Bank, 2015). Organizational performance of the public sector boils down to the everyday issues of effective financial management, efficient performance management procedures, sound administrative policies, effective civil service, accountability in the public service delivery, fair and equitable tax system. Thus, in summary, organizational performance in the public sector is anchored around efficiency, effectiveness and economy (3Es) (Otley, 2001; Mihaiu, Opreana & Cristescu, 2010). The concept of 3Es in the public sector and the quality of the service delivery have, for quite a long period of time, attracted the attention of the researchers, administrators, public policy moulders and international development agencies (Onalo, Lizam, & Kaseri, 2013; Otley, 2001; Owusu, 2012; World Bank, 2011).

Interestingly, it is observed that, performance management techniques if not fully deployed and maintained, then, the institutions in the public sector might be significantly constrained to perform effectively and efficiently (Arnaboldi, Lapsley & Steccolini, 2015; Abdullahi, 2011; Beugre & Offodile, 2001). Therefore, these institutions are likely to become weak in terms of organizational performance which invariably implies that the 3Es will be affected (Boyne, 2010; Brignall & Modell, 2000). Specifically, enhancing the weak institutions in the public sector and improving their capacity to perform effectively and efficiently is a task worthy of efforts and interests of all stakeholders including academic researchers (UNDP, 2014).

Explicitly, 3Es is fundamentally a concept that involves an essential meaning of each of its elements. For example, Curristine, Lonti and Jourmard (2007) argue that, efficiency refers to any activity or commitment that maximize output towards a given input or alternatively any activity or commitment that minimize inputs towards a given output. Equally, Otrisinova and Pastuszkova (2012) described effectiveness as expressing or evaluating the degree of progress accomplished towards a set objectives. Furthermore, Curristine et al (2007); Otrisinova and Pastuszkova (2012) maintains that, economy refers to the lowest possible expenditure of funds within the appropriate quality. Therefore, it is worthy to note that, in the public sector, 3Es determines the organizational performance of the public departments and agencies due to the absence of profit motive (Mathew & Patrick, 2013; Modell, 2001; Otley, 2001).

Evidently, the significance of the public sector in every economy has been deeply established and cannot be over-emphasized. For example, it has been established in the past decades that, in almost every developing country, public sector constituted the largest spending sector of the economy, and the largest employer of labour as well (World Bank, 2011). Yet again, public sector revenues and spending among all the developing countries is above 30% of the total spending on average, thereby making it a major real and potential contributor to the social welfare and growth; thus, a well-managed public sector that ensures efficiency, effectiveness and economy brings about quality outputs for both citizens and the firms (World Bank, 2012). Therefore, this development has attracted the attention of international financial institutions to focus their interventions and advocacy policy/initiatives on the public sector by supporting in facilitating their performance through the performance management system.

For instance, one-sixth of the annual intervention projects of the World Bank, supported the developing countries in the area of the public sector reforms with a sole view of achieving efficient, effective and resourceful public sector (World Bank, 2011). Indeed, this fact has once again amplified the essence, currency and significance of the public sector performance studies across broad spectrum of researchers globally especially within the discipline of accounting and finance and with specific reference to 3Es (Mathew & Patrick, 2013; Owusu, 2012). Therefore, it is argued that, many of the advocacy initiatives of the international financial and monetary institutions have pointed towards the direction of building strong and sound public sector organizations with a strong sense of creating value and achieving 3Es (IMF, 2014). Thus, the output of the public service delivery will be meaningfully guaranteed.

Incidentally, this growing interest of the global institutions on the public sector performance has coincided with equally a growing interest of the researchers on the public sector across different academic disciplines. For example, public sector organizational performance studies have become quite a multidimensional imperative, depending on the researcher's area, perspective and the objective of the study. This is because, public sector cut across several disciplines and field of studies. Thus, public sector is also believe to be a complex phenomenon with both subjective and objective constructs that needed to be unravel by extensive research studies (Carlos, Paula, & Sally, 2014). For instance, in accounting and finance some decades ago, performance of organizations in every sector were assessed using financial yardstick alone (Sauaia, 2014). Thus, key accounting ratios like financial ratio, liquidity ratio, profitability ratio, gearing ratio and investment ratio were used as the only yardstick and parameters of corporate success or failure especially in the private sector where the profit motive is the ultimate goal (Anand, 2014; Sauaia, 2014).

In addition, vital combinations of these ratios like current ratio, liquidity ratio, gross profit margin, return on assets, debt/equity ratio, stock turnover ratio, price/earnings ratio, price/book value ratio and dividend yield ratio were analytically and methodically used sufficiently in analyzing performance (Anand, 2014; Habib, 2015). This is more evident especially in the private sector companies and some partly-owned commercial public enterprises (with profit-oriented motives). The purpose then was to evaluate their organizational performance and report the findings to the wider stakeholders/shareholders for various types of timely and informed decisions (Anand, 2014; Habib, 2015). Interestingly, these were the usually common practice used in the recent past to assess the performance of organizations. Arguably again, compelling evidence have indeed suggested that, in a corporate setting, managers are more inclined to weighing financial performance heavily in comparison to non-financial performance by reason of familiarity, external pressures or outcome effects (Cardinaels & van Veen-Dirks, 2010).

However, studies that were conducted in recent times have, time and again identified certain key shortcomings of that traditional method of determining performance using only financial parameters extracted from the set of financial statements (Kanji & Moura E Sá, 2007; Otheitis & Kunc, 2015). Thus, non-financial methods are strongly recommended for broad and elaborate picture as well as the future prospects of the organizations. Explicitly speaking, financial performance refers to the analysis of results of organization's operations, activities and policy expressed in monetary terms (Ozkan, Cakan & Kayacan, 2017; Modell, 2001). In other words, financial performance is defined as the analysis of organization's activities that relies heavily on the financial statements, which also determines the degree to which the financial objectives of a firm are achieved (Zhao & Murrell, 2016). It is worthy to note that, financial performance outputs comprises of, for example, return on assets, operating income, net assets value e.t.c. (Low & Siesfeld, 1998; Ozkan et al, 2017; Zhao & Murrell, 2016). This holistically implies that, financial performance is aimed at achieving two objectives, namely financial soundness and profitability (if any) (Zhao & Murrell, 2016).

Non-financial performance on the other hand refers to the qualitative parameters which are not expressed in monetary terms but rather quantify the results, operations and future prospects of an entity (Hoque, 2005; Ittner & Larcker, 1998; Kaplan & Norton, 2001). Non-financial performance involves leading indicators that focuses on long term success, efficiency, quality, satisfaction, effectiveness, outcomes and economy (Kaplan & Norton, 2001; Modell, 2001). Thus, non-financial performance assesses the activities that are significantly important to the achievement of the strategic objectives of an organization (Hoque, 2005; Kaplan & Norton, 2001). It is worthy to note that, 3Es and the performance management system in the public sector falls more aligned to the non-financial performance parameters basically because of the absence of profit motives in the public sector (Kaplan & Norton, 2001; Ittner & Larcker, 1998; Modell, 2001).

Probing further, it is observed according to Neely (1999) that, the financial performance parameters are strongly criticized because they encouraged short-termism, fails to provide detailed information on certain critical areas of the organization, lack of strategic focus, and finally they are historically focused. Therefore, it is specifically established that, methods that are purely financial in nature cannot be meaningfully interpreted, especially in a complex and dynamic environment like public sector (Otheitis & Kunc, 2015). However, non-financial performance have several important benefits in comparison to financial performance. For instance, as previously highlighted, non-financial performance parameters are positively related to long-term future prospects of an organization (Hoque, 2005; Ittner & Larcker, 1998). Hence, there is need for assessing the non-financial factors (like performance management elements) and their relationship with 3Es especially in the public sector where the financial parameters have evidently failed to be forthcoming and equally failed to produce meaningful outcome over time (Boyne, 2010; Neely, 1999; Ittner & Larcker, 1998).

Specifically, the performance management elements have continue to gather more interest and momentum in the public sector recently because of the emergence of the new public management (NPM). NPM refers to the broad set of belief, doctrines and codified experiences that collectively serve as a frame of reference in the evaluation and redesign of the public sector (Verbeeten & Spekle, p. 953). From the broader perspective, NPM connotes the significant administrative reforms started in 1980s that emphasizes on the application of some private sector principles in the public sector in order to achieve more efficiency and effectiveness (Hood & Peters, 2004; Modell, 2009). For example, NPM has further highlighted the shortcomings of the financial performance parameters by equally highlighting the need for performance management system to accomplish a number of objectives and tremendously contribute to the positive development in public sector especially in terms of improving efficiency, effectiveness and economy (3Es) (Ferreira & Otley, 2009; Heinrich & Marschke, 2010; Otley, 1999).

Generally, the organizational performance of the public sector institutions from the non-financial perspective is predicated on 3Es (Otley, 2001; Verger & Curran, 2014). Interestingly, 3Es are strongly influenced by many factors and views especially the performance management elements (Verbeeten, 2008; Verger & Curran, 2014). Kloot and Martins (2000); Otley (2001) specifically argue that, the most fundamental perspective that manifestly attracted attention across the broad spectrum of researchers in accounting, finance and management accounting is the performance management system. It is therefore established by the studies that, performance management elements exerted both positive and negative influence on the public sector organizational performance or more specifically, the performance management elements are strongly associated with 3Es in the public sector (Glynn, 1996; Verbeeten, 2008). For instance, elements like performance measurement, goal orientation, performance reporting, accountability and organizational culture are quite familiar constructs investigated in relation to the public sector organizational performance or 3Es in the past literatures (Otley, 2001; Otley, 2003; Cavalluzzo & Ittner, 2004; Kagaari, Munene, & Mpeera Ntayi, 2010; Moynihan, Pandey, & Wright, 2012; Spekle & Verbeeten, 2014; Verbeeten, 2008).

For instance, in Nigeria, the public sector management has generated so much interest in the academic and professional circles also. This implies that, Nigeria as a global player is also fundamentally affected by the NPM philosophy. Specifically, public sector accounting has gained a fair share of studies in an attempt to tackle the myriad of problems facing governments. For example, Onuorah and Appah (2012) conducted a study on the financial management and accountability in the Nigerian public sector. Again, Ijeoma (2014) conducted a study on the adoption of the International Public Sector Accounting Standards (IPSAS) in the Nigerian public sector and how it could improve the efficiency in government agencies. Many other researchers have also contributed in many areas and aspect of the public sector accounting, management accounting, finance and management control e.g (Ibanichuka & Aca, 2014; Iyoha & Oyerinde, 2010; Ofoegbu; Okekeocha, 2013). Thereupon, it is quite believe from this evidence that, public sector organizations are at the center of attention in an ever-changing and dynamic world, thus, the imperative of their performance management system has never been in doubt either (Carlos *et al*., 2014). For instance, in its draft final report, the United Nation Country Team in Nigeria has indicated specifically that, a number of challenges have consistently inhibited the Nigeria's public sector towards realizing its full potential, major among which is the poor/weak organizational performance resulting from equally weak performance management system (UNCT, 2012).

It is interesting to note that, for the specified period of time spanning over a decade, the World Bank had sunk a large sum of money in supporting the African governments to transform their public sector to meet the global best practices. For example, in the record time in this decade alone, the bank had supported the Nigerian government with sum worth $198 million in facility to reform its public sector to a world class status by achieving elaborate efficiency, effectiveness and economy through a robust performance management system (World Bank, 2011). Similarly, this is expected to rise in the coming years not only from the World Bank but also other institutional partners, as the Nigeria intends to be among 20 top economies in the world by the year 2020 (World Bank, 2015). However, it is quite pertinent to note that, all these global intermediations and support are key responses to the declining and deteriorating efficiency, effectiveness and economy of the Nigerian public sector organizations generally (Ibietan, 2013; Oladoyin, 2012; UNDP, 2014). Arguably, it is also further observed that, public sector organizations at the state governments' level in Nigeria are much more affected in terms of poor organizational performance (Abubakar, Saidin & Ahmi, 2015; Adeosun, 2016). For example, the budgeted finances of the state governments in Nigeria have not been managed well to ensure that 3Es are judiciously observed and promoted (Soludo, 2013; Adeosun, 2016).

Specifically, there is acute absence of balance in terms of 3Es in many public organizations at the state governments' level in Nigeria (Adeosun, 2016; Soludo, 2013). In other words, the annual budget of the MDAs at the state level seems like an annual routine without any concrete evidence that, the budgetary resources (funds) have been utilized efficiently, effectively and economically which invariably brings visible impact on the general public (Adeosun, 2016; Brinkerhoff & Brinkerhoff, 2015). Arguably again, the absence of the balance on 3Es may be directly proportional to the poor practice of the performance management system at the state governments level in Nigeria (UNCT, 2012; World Bank, 2011). For instance, Abubakar et al (2016) maintains that, the NPM related reforms like performance management in Nigeria remains largely and manifestly weak, especially at the state governments' level because of the poor political will. Interestingly, this point has been consistently corroborated by Adeosun (2016), where it was argued that, weak performance management system at the state government level is directly related to the poor efficiency, effectiveness and economy in the operations of the MDAs.

Therefore, in this regards, many options have been adopted by successive governments to rectify the hindrances that are slowing down the organizational performance of the government ministries, departments and agencies (MDAs) in Nigeria, but unfortunately this prevailing reality has continue to indicate that such measures are fast becoming counter-productive and unsuccessful (Onuorah & Appah, 2012; World Bank, 2011, 2015). Opinion differs on the root causes of this fundamental ills that continue to consume the public resources and equally fails to produce any commensurate value through improved service delivery (Okekeocha, 2013). Many critical stakeholders and researchers believes that, at the bottom of this problem lies the combination of elements that are inextricably interwoven and possibly revolves around performance management system, therefore, this illustrated that, many institutional elements directly, indirectly and jointly constraint public sector efficiency, effectiveness and economy (Ajibolade & Akinniyi, 2013; Aruwa, 2009; Esu & Inyang, 2009).

Arguably, some public sector executives and international organizations have pointed out severally that, ministries, departments and agencies (MDAs) have optimum capacity and resources to set the public sector on a clear regenerative process, but some perceived entrenched cultures that lies within the performance management system stand in the way to reverse whatever gain is expected to achieve (Njoku, 2014; UNDP, 2014). Truly, many experts, public sector executives and public sector accounting researchers have indicated that, the root causes of this problem hinges completely around the performance management practice in Nigeria (Idemobi & Onyeizugbe, 2011; Abubakar *et al*., 2016;

Kagaari *et al.*, 2010; Sarrico, Lee Rhodes, Halligan, Biondi, *et al.*, 2012). Specifically, performance measurement, goal setting, organizational culture, performance reporting and accountability are some of the performance management elements that are poorly practiced in Nigeria and have, directly or indirectly affected the 3Es at the state governments' level in Nigeria (Abubakar *et al.*, 2016; Adeosun, 2016; Esu & Inyang, 2009; Soludo, 2013).

Moreover, researchers have unanimously agreed that, the NPM reform in the public sector had equally generated what is now described as the audit explosion (Eze & Ibrahim, 2015; Glynn, 1996; Morin, 2008; Power, 1999). Audit explosion refers to the growing frequency and practice of audit in the business of public governance (Morin, 2008; Tudor, 2007). For instance, Pollitt (2003) maintains that, NPM movement has strongly influenced the expectation of the stakeholders towards auditors in particular and auditing profession in general. This implies that, auditing is a bedrock of the NPM reforms (English, 2007; Kells, 2011). Besides, Sterck (2007) claims that, evolution of the performance management in the public sector has obliged and necessitated government auditors to develop entirely a new class of audit called performance audit. Performance audit refers to the audit of efficiency, effectiveness and economy (Johnsen *et al.*, 2001; Morin, 2008; Tanko *et al.*, 2010). Anecdotal evidence and the implied suggestions of many research studies have highlighted the latent role of the performance audit in moderating the relationship between the performance management elements and the organizational performance (Arnaboldi *et al.*, 2015; Eze & Ibrahim, 2015; Lonsdale, 2008; Morin, 2008). Although, the performance audit has been elaborately practiced in the Nigerian public sector at the state governments' level, but the extant studies in the literature have largely and curiously ignored its role in the performance management research in Nigeria and beyond (Eze & Ibrahim, 2015;

Mathew & Patrick, 2013; Sterck, 2007). Thus, testing the moderating role of the performance audit is likely going to be a major contribution to the literature.

On another score, it is observed that, theories form the premise of the empirical research studies world over. This implies that, applying theoretical supposition in solving real life complexities is an old practice in the empirical context. Therefore, in this context, studies are specifically abound on the suitability of the institutional theory and agency theory on the performance management studies in the public sector (Hood & Peters, 2004; Hoque & Adams, 2011; Modell, 2001; Verbeeten, 2008; Verbeeten & Spekle, 2015). For example, Scott (1987) argue that, institutional theory background and issues have closely defines the entire public sector realities. Again, Tolbert and Zucker (1999); Hoque and Adams (2011) maintains that, the process of institutionalism that comprises of coercive, mimetic and normative pressures is very much pronounced in the NPM related reforms particularly performance management and performance audit.

Moreover, agency theory is another interesting theoretical proposition that is broadly applicable in the public sector with regards to the performance management studies (Althaus, 1997; Verbeeten, 2008). Regardless of the context of application, the ultimate objective of the agency theory is to minimize goal conflict between the principal and agent; and to discourage the excessive pursuance of self-interest (Bhati, 2015; Eisenhardt, 1989; Nielson & Tierney, 2003). For instance, Verbeeten (2008) argue that, agency theory presents an ideal challenge for governments that embraced NPM reforms. Judicious allocation of resources in the public sector that best guarantee the observance of the principle of 3Es must make recourse to the conditions and actions of agency theory by optimizing the agency problems or agency loss (Althaus, 1997; Verbeeten & Spekle, 2015; Verbeeten, 2008).

Therefore, this study is focused on investigating the performance management elements and how these elements influence the 3Es or organizational performance at the state governments' level in Nigeria. Specifically, why 3Es are important in the public sector? What are the selected performance management elements that determines, enhance or improve the public sector organizations in Nigeria? The study is explicitly concern about the MDAs at the state governments' level in Nigeria. It is quite interesting to note that, the variables investigated in relation to the performance management elements includes goal orientation, performance measurement, performance reporting, accountability and organizational culture). This is because a number of studies and the extant literatures have established their profound impact on the organizational performance in other countries and under different conditions e. g. (Pieterse *et al*., 2013; Spekle & Verbeeten, 2014; Moynihan *et al.*, 2012; Dubnick & Frederickson, 2011; Carlos & Sally, 2014). Thus, Nigerian public sector should not be an exception.

1.2 Statement of the Research Problem

Organizational performance of the public sector is a global point of reference (Brewer & Selden, 2000). This is because public sector of a country is a significant aspect of its economy, thus, better or worse performance of the public agencies would invariably have strong effect on the entire economy and even the policy drives (World Bank, 2013; Brewer & Selden, 2000; Sarrico, Lee Rhodes, Halligan & Hawke, 2012). Generally, the organizational performance of the public sector agencies is predicated on a number of essential elements of the performance management (Esu & Inyang, 2009; Verbeeten, 2008). This implies that, organizational performance depends on the careful assessment of these indispensable elements to ascertain improvement across all government establishments and across times, in every county (Idemobi & Onyeizugbe, 2011; Brewer & Selden, 2000; Kim, 2005). This fact is quite true. Therefore the problem of the entire public sector globally or across different countries has always been connected with the poor organizational performance of the public agencies (Spekle & Verbeeten, 2014; Verbeeten, 2008). This clearly implies that, the problem of the public agencies worldwide is directly related with the concept of 3Es (Brinkerhoff & Brinkerhoff, 2015; Otley, 2001; Verbeeten, 2008).

However, this global phenomena has perfectly reflected the situation in Nigeria. Therefore, this signifies that, it is quite evident from all available indices and facts that organizational performance of the public sector organizations in Nigeria has been somewhat dismal, unimpressive and far from being robust (Ene, Ene, & Tsegba, 2014; Soludo, 2013; UNDP, 2014; World Bank, 2013b; Abubakar, Saidin & Ahmi, 2016). Specifically, the situation is more pronounced at the state governments' level in Nigeria where the performance of the MDAs is curiously discouraging (Abubakar *et al*., 2016; Esu & Inyang, 2009; Soludo, 2013). Illustratively, the public sector MDAs at the state governments' level in Nigeria are manifestly not efficient, not effective and their productivity is quite dismal, especially if they are equated with similar organizations in other developing countries (Adewumi, 2012; Adeboye, 2014; UNCT, 2012). Almost on a yearly basis, the money is being budgeted and allocated to the state MDAs, but at the end of the budgetary period, there is little or virtually nothing concrete to show for it. Thus, this implies that, the money has either been utilized wrongly or it has been channeled for the purpose for which it was not meant for (Adeosun, 2016; World Bank, 2011; UNCT, 2012). Therefore, whatever the case may likely be, this scenario is the question of three things in accounting. It is ideally the question of efficiency, effectiveness and economy (3Es) (Otley, 2001; Otrusinova & Pastuszkova, 2012). To illustrate this point further for example, Manning and McCourt (2013) highlights that, the way public sector is being managed has become an intensely practical concern in the developing countries. For instance, the totality of Nigerian governments' spending on health is four times as much per head than that of Ethiopia, but practically more under five children dies in Nigeria than in Ethiopia (Manning & McCourt, 2013). So this clearly shows that, the money budgeted for healthcare delivery in many states of Nigeria is not efficiently and effectively utilized for that purpose. Thus, the problem with regards to 3Es comes into play once again. Explicitly again, the healthcare delivery problem has been just a hypothetical example or a sample of the occurrence in almost all the other public sector organizations across state governments in Nigeria (Manning & McCourt, 2013; UNCT, 2012; World bank, 2013).

Specifically, in the past few years, organizational performance of the public sector in Nigeria has been noticeably declining (Refer to Appendix A for statistical evidence). To illustrate this point further, it is explicitly examined that, in almost 18 years from 1996-2016, the Nigerian public sector has experienced low global ranking in terms effectiveness and efficiency. The whole public sector scored between 10-20 points on a global scale of 100 in the affected years (World Bank, 2013b). Some of the major causes of this discouraging outlook are apparently borne out of the poor practice of the performance management system in many state governments in Nigeria. Specifically, the poor practice of the performance management system at the state governments' level includes but not limited to the lack of coherent goal orientation (Agbolade & Anthony; Ijewereme & Olaniyi, 2014), absence of clear commitment to the system of performance measurement (Esu & Inyang, 2009; Ijewereme & Olaniyi, 2014), arbitrary reluctance to ensure the smooth performance reporting across all shades of critical stakeholders (Mande, 2015), gross deficiency in the public accountability (Aruwa, 2009; Ibietan, 2013) as well as entrenched injurious organizational cultures often being associated with the dysfunctionality of the public sector organizations (Ajibolade & Akinniyi, 2013; Owusu, 2012). These issues have been illustratively found to revolve around the key performance management elements in theory and practice.

Additionally, weak organizational performance or poor balance among 3Es in the Nigerian public sector especially at the state governments' level appears to have provoked series of scholastic debates among the scholars and researchers. This debate is to fundamentally understand why the problem persists for quite long period of time despite the different measures taken by different governments (Abubakar *et al*., 2016; Njoku, 2014). Hence, despite the debate and growing interest, different government agencies continue to exhibit inefficiency, ineffectiveness and general difficulty in the discharge of their mandate economically. This situation systematically hampered the services these organizations are expected to offer to the public (Ejere, 2013; Njoku, 2014). Therefore, on a general note, this problem affects almost all government establishments across all tiers of government in the Nigerian Federation, (Abubakar, Saidin & Ahmi, 2016; Esu & Inyang, 2009; Idemobi & Onyeizugbe, 2011), but the most typically affected are the state governments' MDAs in Nigeria (Adeosun, 2016; World Bank, 2011, UNCT, 2012).

Despite the fact that, good organizational performance of the public sector is essentially important in a developing country like Nigeria, but the expanding growth in population has invariably become a catalyst for the growing needs of the citizens on governments, which translates into more strain on the government's institutions to respond to the prevailing pressures of improved performance at hand (Ejere, 2013; Onuorah & Appah, 2012). Thereupon, it is established that, the problems of governments' ministries, departments and agencies in Nigeria with regards to the performance management are far-reaching on both qualitative and quantitative scales (Owusu, 2012; Soludo, 2013; World Bank, 2013a). Moreover, the extent to which the performance management elements influenced 3Es is what is practically translated into good organizational performance (Soludo, 2013; Esu & Inyang, 2009, Curristine *et al.*, 2007).

Researchers in the public sector accounting, management control and managerial accounting have severally pronounced the importance of the organizational performance studies (especially with regards to the performance management system) in expanding the frontiers of knowledge and articulating the management capabilities as well as highlighting the fundamental institutional elements needed to achieve efficiency, effectiveness and economy (Verbeeten, 2008; Andrews, Boyne, Meier, O'toole, & Walker, 2012; Andrews, Boyne, & Walker, 2006). Therefore, in response to this, research interest on this area continue to grow and gain prominence lately. These presumptions gives birth to different models of the performance management and management controls (see Otley, 1999; Otley, 2001; Otley, 2003; Ferreira & Otley, 2009).

However, in addition to the practical problems highlighted above with respect to the public sector organizational performance or 3Es in Nigeria and elsewhere, the extant literatures revealed that, huge theoretical gaps exist which need to be plugged with regards to the issues under the scope of this study. To illustrate this point further, it is established that, several research studies have explored the relationship between the performance management elements (goal orientation, performance measurement, performance reporting, accountability, and organizational culture) and public sector organizational performance.

Specifically, researchers have identified the relationship between goal orientation and performance with mixed findings. Some findings revealed positive relationship (Porath & Bateman, 2006; Porter, 2005; Radosevich, Allyn, & Yun, 2007; VandeWalle, Brown, Cron, & Slocum Jr, 1999) while others revealed a negative relationship (Ford, Smith, Weissbein, Gully, & Salas, 1998). Again, it appears that, very limited studies exists with regards to the role of goal orientation at the organizational level (see Nurkholis & Ismail, 2014).

Moreover, research studies have investigated the relationship between the performance measurement and organizational performance. The results also indicated inconsistencies and conflicting findings. While some studies indicated a positive relationship (Chenhall & Langfield-Smith, 1998; Hoque & James, 2000; Grafton, Lillis, & Widener, 2010; Spekle & Verbeeten, 2014; Verbeeten, 2008; Evans, 2004; Zakaria *et al*., 2011; Scott & Tiessens, 1999). Others are however far from being unequivocal in their findings as they expressed strong apprehension in the role of performance measurement in improving organizational performance (see Nielsen & Ejler, 2008; Ruzita, Azhar, & Hasan, 2012). Yet again, others revealed a negative relationship (see Braam & Nijssen, 2004; Cavalluzzo & Ittner, 2004).

Again, performance reporting has been widely discussed with regards to its significance in influencing organizational performance. Specifically, de Waal (2010); Lee (2008); Moynihan et al. (2012); Taylor (2011); Tooley, Hooks, & Basnan (2010) revealed that, positive association between performance reporting and the public sector performance exists. In contrast, Cunningham and Harris (2005) found that, dependence on performance reporting is not sufficient to improve the public sector organizational performance. Equally still, Christensen and Yoshimi (2003) revealed that, although performance reporting and organizational performance are deem to be related, but empirical evidence has not yet completely established the absolute stability of such relationship.

Furthermore, mixed findings and inconsistencies are also found to be existent in the relationship between organizational performance and the concept of accountability. Specifically, Dubnick (2005); Dubnick and Frederickson (2011) theorized that, public sector organizational performance and accountability are strongly and positively related. Besides, de Waal (2010); Cavalluzzo and Ittner (2004) empirically established that, significant positive relationship exists between accountability and performance. Interestingly, Ossege (2012); Kim and Lee (2009) contradicts their findings by observing in their studies that, there are increasingly more empirical evidence that indicated that, there is likelihood of inverse relationship between outcomes, behavior or performance on one hand and accountability on other hand.

Similarly, the link between organizational culture and organizational performance is not new in the literature either. Because, it has been established in the literature that, the two concepts are strongly associated to each other. A number of studies established a positive and significant relationship between organizational performance and organizational culture

(Abubakar *et al*., 2016; Lee & Yu, 2004; Ajibolade & Akinniyi, 2013; Campbell, 2015; Garnett, Marlowe, & Pandey, 2008; Parker & Bradley, 2000; Shahzad, Luqman, Khan & Shabbir, 2012). While other researchers found insignificant relationship (see Aluko, 2003; Carlos *et al*., 2014).

Ultimately, these results of the empirical and other studies implies that, the relationship between organizational performance and the performance management elements (goal orientation, performance measurement, performance reporting, accountability and organizational culture) is quite inconsistent by showing varying results, conflicting notions and mixed findings. Therefore, bearing this in mind, it is appropriate to add a moderating variable which hopefully could determine the ability of the public sector organizations to derive performance benefits from the performance management factors by improving 3Es.

For instance, literatures have suggested that, performance audit can significantly impact on the performance management elements in the public sector. Because, performance audit capabilities if carefully and systematically instituted would definitely explore and exploit the internal processes in the public sector organization, which invariably influence the performance management practice as well as 3Es (Al Athmay, 2008; Antipova, 2013; Barzelay, 1996; Kells & Hodge, 2009).

Specifically in Nigeria, the performance audit has taken a firm root in government organizations (Tanko, Samuel & Dabo, 2010; Eze & Ibrahim, 2015). This is because, government organizations have discovered the critical importance of the performance audit in examining the performance management practice and ensuring the efficiency, effectiveness and economy of the government projects, programmes and activities (Rosa, Morote & Prowle, 2014; Eze & Ibrahim, 2015). Not only that, literature has extensively highlighted that, performance audit could strengthen the performance management practice (Arnaboldi *et al*., 2015; Rosa *et al*., 2014; Arnaboldi & Lapsley, 2008). Therefore, rationale for using performance audit in moderating the inconsistencies between performance management elements and organizational performance has been strongly but rather impliedly justified in the literature (Morin, 2008; Arnaboldi *et al*., 2015; Tanko *et al*., 2010; Rosa et al, 2014; Arnaboldi & Lapsley, 2008). The justification for using performance audit as a moderator is supported by Frazier, Tix & Baron (2004), where it was argued that, a potential moderator is any variable that is impliedly or directly recommended by the related studies. Thus, the implied but rather indirect suggestions of Morin (2008); Arnaboldi & Lapsley (2008) and other related studies stands to be a cogent justification for using performance audit as a moderator in this study. Interestingly, despite the literature's implied justification, the moderating effect of the performance audit on the relationship between the performance management elements and organizational performance has never been empirically tested. Thus, the present study has tested this moderating role in the Nigerian context, specifically at the state governments' level.

Altogether, few empirical studies were conducted with respect to the performance audit. For instance, Barton, Grönlund, Svärdsten, and Öhman (2011) conducted a study on how performance audit is being utilized to improve efficiency, effectiveness and economy in the Swedish public sector. Again, Reichborn-Kjennerud (2013) empirically consider performance audit as a tool for improving public sector accountability and performance in the Norway public sector. In all the studies, the researchers strongly infer, rather indirectly, on how the performance audit could moderate the relationship involving performance management practice.

Yet again, many other literatures have strongly underscored the importance of the performance audit in linking the performance management elements to organizational performance (Arthur, Rydland, & Amundsen, 2011; Funnell & Wade, 2012; Gendron, Cooper, & Townley, 2007; Justesen & Skærbæk, 2010) However, it is convincingly found that, the moderating effect of the performance audit on the relationship between performance management elements and the organizational performance is worth examining, hence the need for this study.

Moreover, the theories are profoundly established to be the major background proposition of every empirical study. Because the theoretical supposition always underpin and support the ideal reality of any empirical academic exercise. Specifically, institutional theory has been the major theory that explains most of the studies involving public sector in many countries and context (Broadbent & Guthrie, 1992; Brignall & Modell, 2000; Frumkin & Galaskiewicz, 2004). Institutional theory takes into cognizance, the process by which social structures like schemes, norms, rules and routines becomes firmly established through the operating and authoritative guidelines for social behavior in an organization (Meyer & Rowan, 2006). Thus, coercive, mimetic and normative pressures which are the basic pillars of the institutional theory proves to be the very essence for the renewed call of efficiency, effectiveness and economy at the state governments' level in Nigeria. Hence, institutional theory introduced to underpin this study.

Equally, agency theory also supports this study simply because of the economic interest and the agency relationship involved between the parties in the public sector. The cardinal principle of the agency theory is to minimize self-interest and to discourage the agency loss (Althaus, 1997; Bhati, 2015). Thus, achieving 3Es at the state governments' level in

Nigeria would obviously help in bridging the agency gaps and eliminating the tendency of serving self-interest, therefore, only the contractual objective of the public interest would be pursued. Thus, agency theory is quite appropriate in supporting the study's framework.

Likewise, it is worthy to note that, empirical and other studies to date on the performance of the public sector organizations in Nigeria are largely constrained within some few government establishments at the federal government level (Idemobi & Onyeizugbe, 2011; Ene *et al*., 2014; Esu & Inyang, 2009; Onuorah & Appah, 2012), while other sub-units of governments at the state and local government levels are curiously neglected despite their enormous financial muscles as well as the financial and managerial responsibilities assigned to them (Hinchliffe, 2002). This skewed approach in terms of balance and logic are far from being feasible. Therefore, this sentiment has been severally expressed by many stakeholders of the public sector in Nigeria with a view of taking holistic approach on it (Adeosun, 2016; Soludo, 2013). Thus, this study deems it methodologically ideal to take the holistic approach on the relationship between performance management elements and the organizational performance especially at the state governments' level.

In conclusion, the problems and issues as holistically highlighted above signifies that, the public sector organizations at the state governments' level in Nigeria have a problem with 3Es or organizational performance. Therefore, this gives a genuine concern for the problem to be investigated empirically through lenses of the performance management elements. Hence, conducting this study is aimed at proffering solution to this problem which is quite an interesting research endeavour, at least in the Nigerian context.

1.3 Research Questions

In line with the stated problems above, the following research questions are developed:

1. Does goal orientation influence the organizational performance of the public sector at the state governments' level in Nigeria?
2. Does performance measurement influence the organizational performance of the public sector at the state governments' level in Nigeria?
3. Does performance reporting influence the organizational performance of the public sector at the state governments' level in Nigeria?
4. Does accountability influence the organizational performance of the public sector at the state governments' level in Nigeria?
5. Does organizational culture influence the organizational performance of the public sector at the state governments' level in Nigeria?
6. Does performance audit influence the organizational performance of the public sector at the state governments' level in Nigeria?
7. Does performance audit moderates the relationship between the performance management elements and the organizational performance of the public sector at the state governments' level in Nigeria?

1.4 Research Objectives

The major objective of this research study is to examine the relationship between performance management elements and organizational performance of the public sector at the state governments' level in Nigeria. Other specific objectives includes:-

1. To examine the influence of goal orientation on the organizational performance of the public sector at the state governments' level in Nigeria.

2. To examine the influence of the performance measurement on organizational performance of the public sector at the state governments' level in Nigeria.
3. To determine the influence of performance reporting on organizational performance of the public sector at the state governments' level in Nigeria.
4. To determine the relationship between accountability and organizational performance of the public sector at the state governments' level in Nigeria.
5. To examine the influence of organizational culture on organizational performance of the public sector at the state governments' level in Nigeria.
6. To determine the influence of performance audit on organizational performance of the public sector at the state governments' level in Nigeria.
7. To examine the moderating effect of the performance audit on the relationship between performance management elements and the organizational performance of the public sector at the state governments' level in Nigeria.

1.5 Scope of the Study

This research study titled "The influence of the performance management elements on the public sector performance: the performance audit effect" is designed to cover the public sector entities at the state governments' level in Nigeria which in other words are described as state ministries, departments and agencies. The study covers all the state governments under all the geo-political regions in Nigeria. Specifically, the states under the North-East, North-West, North-Central, South-East, South-West and South-South regions forms the scope of this study. (Note that, the next chapter explains more about the composition and the structure of the Nigerian public sector including explanations on the geo-political regions). This is because of the fact that, there is quite limited empirical studies on this area in developing countries particularly Nigeria (Hoque & Adams, 2011; Esu & Inyang, 2009; Abubakar, Saidin & Ahmi, 2016) and therefore, the public sector performance management has not received the needed academic attention (Nõmm & Randma~Liiv, 2012). Besides, the research study seeks to consider performance management elements (goal orientation, performance measurement, performance reporting, accountability and organizational culture) as independent variables, with organizational performance and performance audit as dependent variable and moderating variable respectively. The study focused on the state governments in Nigeria because of the volume of resources and the unlimited spending powers lies at this level of governments in the Nigeria. Thus, it is quite pertinent to assess their ministries, departments and agencies' organizational performance or 3Es, because evaluating the organizational performance of the federal government institutions alone could be meaningless without a corresponding assessment of the organizational performance of the state government institutions (Idemobi & Onyeizugbe, 2011; Soludo, 2013).

The choice of the state governments is borne out of the fact that, huge financial resources are legitimately allocated to the states in Nigeria on annual basis through the constitutional revenue sharing formula (Adeosun, 2016; Soludo, 2013; World Bank, 2011). But the judicious utilization of such funds in the public service delivery has been somewhat below expectation of the critical stakeholders (Abubakar *et al*., 2016; UNCT, 2012). For example, the major issues highlighted by the experts in the public sector policy making and the international organizations is the doctrine of 3Es (Brinkerhoff & Brinkerhoff, 2015; UNDP, 2014; World Bank, 2011). Equally, the essence of considering the entire states in

Nigeria is that, the issues of 3Es and the performance management practice is the general problem of all states across Nigeria (Esu & Inyang, 2009). Thus, considering the states in their entire number would give more light on how the operations of the MDAs could be improved to ensure the strict compliance and balance with the concept of 3Es.

With regards to performance audit, it is obviously clear that, performance audit is a critical issue in the public sector, because it is a rapidly growing set of activities that emerged recently along with NPM and audit explosion which is otherwise a set of audit prominence in the public sector activities as popularized by Power (Eze & Ibrahim, 2015; Morin, 2008; Power, 1999). This is because, focus has now been shifted from the regularity and other known audit practices to other essential audit approach, specifically the performance audit which investigates the effectiveness and efficiency of the public programmes, projects and institutions through the performance audit (Rosa, Morote, & Prowle, 2014). Performance audit has a considerable implications on the performance management arrangements of the public sector (Rosa *et al*., 2014; Visser, 2014). Literature has established that, performance audit if carefully utilized could strengthen the existing performance management mechanisms in the public sector. Therefore, rationale for using performance audit in moderating some of the inconsistencies in the relationship between performance management elements and the organizational performance has been somewhat indirectly and impliedly indicated in a number of studies but it has not been tested empirically. Therefore, performance audit was tested empirically in this study towards moderating the relationship involving performance management elements. Thus, it's moderating strength or otherwise has been established in this study.

1.6 Significance of the Study

This research study presents a multidimensional and integrated framework by bringing together all the distinct literature streams on the related areas of the public sector organizational performance, 3Es, performance management elements and performance audit. Thus, the combined associated influence of the performance management elements and performance audit on the public sector organizational performance was analyzed in the Nigerian context.

Practically, it appears that, this research study is regarded as among few studies in Nigeria that examines the integrated impact of the performance management elements on the public sector organizational performance. The study provides practical implications to the policy makers regarding the importance of the performance management in the public sector organizations especially in improving and building robust organizational performance and making 3Es more balance and responsive. The study also provides incentive and guide on how to evolve efficient, workable and effective performance management system at the state governments' level in Nigeria. Equally, the study offers a solution on how to stimulate and strengthen the existing measures of improving 3Es at the state governments' level in the Nigerian public sector which are currently not fully optimized. Moreover, the study provides guide to government MDAs in terms of resource allocation, budgeting and auditing procedures. The study also gives the policy makers ample empirical evidence on how accountability and culture should be improved. Because, culture and accountability are two most commonly discussed issues in the Nigerian public sector.

Moreover, this is one of the pioneering studies that holistically considers the public sector organizations at the state governments' level in Nigeria. It is evidently clear that, despite their strategic place in the Nigerian institutional arrangement, state governments are more often ignored by the academic researchers in the country. The implication of this is that, the enormous resources of the state governments and their enormous spending power are regrettably and curiously overlooked. In this view, Melkers and Willoughby (2005) argue that, examining the organizational performance of governments at all levels is pertinent, particularly by given a broader perspective of the commonalities and differences of their challenges and the likely prospects. Therefore, with this study, the attention has been somewhat shifted to the state governments in Nigeria.

Theoretically, the study contributed to the existing body of knowledge by addressing the identified research gaps. Although, the previous studies have identified the relationship between the performance management elements highlighted in this study with the organizational performance, but the elements were considered in isolation, thus, the studies were conducted in a fragmented manner with each variable treated independent from one another. Therefore, this study combined all the performance management elements and were collectively examined empirically with a moderating effect of the performance audit. Yet again, most of the previous studies, e.g. Carlos *et al*. (2014); Dubnick and Frederickson (2011); Lee (2008); Otheitis and Kunc (2015); Porter (2005) have all strongly emphasized on the need for more empirical studies to be conducted in other countries' contextual environment. In response to this, this study examines these variables in the Nigerian public sector.

On a general note, constructs like accountability and performance reporting were subjected to the deep empirical investigation, because vast majority of the literatures on these constructs cater for conceptual aspect more than the empirical perspective thereby leaving more room for empirical research. Hence, there is need to enrich the body of the academic literature with more empirical evidence with respect to these variables. Similarly, there is dearth of studies on the relationship between goal orientation and performance at the organizational level. Most of the studies discussed and investigated this relationship at the individual, team and divisional level. Few studies on institutional goal orientation like Nurkholis and Ismail (2014) are mere exceptions in this regard. Therefore, this gap has been plugged by conducting a study on the relationship between these constructs at the organizational level in Nigeria.

Methodologically, a quite number of previous studies on this area have utilized qualitative case studies, conceptual review and meta-analysis as their methodology (Arthur *et al*., 2011; Dubnick, 2005; Marcuccio & Steccolini, 2009; Micheli & Mari, 2014), therefore, the present study covers this methodological gap by systematically employing quantitative approach in a cross-sectional manner. Again, a number of studies conducted used small data set (Meng & Minogue, 2011; Mimba, Helden, & Tillema, 2013; Ossege, 2012) and called for future researchers to use large data set so as to obtain more detailed and elaborate results and to enable proper generalization in due course. Therefore, this study uses a reasonably large dataset from the public sector organizations in Nigeria.

Finally, this study employs institutional theory and agency theory to underpin the study's framework. Previous studies used different theories for different variables, for instance Verbeeten (2008); Moynihan et al. (2012) used agency theory, and Mucciarone and Neilson (2012) utilized institutional theory, some other researchers used stakeholders' theory, contingency theory, goal setting theory and motivation theory. This study combined the institutional theory and the agency theory to support the framework under review.

Specifically, a number of empirical studies uses either institutional theory, goal setting theory, stakeholders' theory or agency theory usually independently. Therefore, combining the institutional theory and agency theory is notable significance this study highlighted.

With regards to the instrument of the study, this study has successfully added a new item to the instrument measuring the dependent variable-organizational performance. This is because, the original item as adapted from Verbeeten (2008) combined the item measuring the efficiency and effectiveness together as one. Hence, the item is eventually broken down appropriately in this study. Equally, the instrument measuring the goal orientation has been redesigned from the 7-point Likert scale to 5-point rating scale. All these are notable significance worthy of attention.

Finally, this study has successfully bridged all the practical, theoretical and methodological gaps highlighted above.

1.7 Motivation of the Study

Having highlighted the problems and issues that necessitated the conduct of this study, it is imperative also to highlight the context to which and why it would be essential and useful to proffer solution, or in case to have more better solution if the other previous solutions fails to give the required or anticipated answer to the problems. Therefore, attempt to highlight the need to have useful or appropriate solution is what is termed as motivation of the study (Sekaran & Bougie, 2013).

Interestingly, this study's major motivation is to find the solution on how 3Es could be improved in the Nigerian public sector at the state governments' level. For instance, the annual budgetary expenditure of many MDAs at the state governments' level have been more of annual exercise than a concrete plan to spend the expected finances efficiently and effectively in public service delivery.

In addition, the NPM reform has been around in Nigeria for quite a reasonable period of time (Brinkerhoff & Brinkerhoff, 2015), but like in many OECD countries, the NPM in Nigeria is affected by undesired and unanticipated consequences (Verbeeten & Spekle, 2015). For example, it is widely confessed in a number of studies that, after almost two decades of reforms, the clear cut impact of the performance management elements remains unclear and controversial at some governments' level (Bejerot & Hasselbladh, 2013; Verbeeten & Spekle, 2015). Thus, the state governments in Nigeria are not explicitly and exclusively beyond that problematic possibility also. Therefore, it is quite a notable motivation to conduct the empirical study that brings the reform constraint to a meaningful light by acknowledging the ideal solution to the problems of 3Es in relation to the performance management practice in Nigeria.

Another motivation that necessitated the conduct of this study is that, a number of public sector reform programmes were carried out in Nigeria by successive governments. Interestingly, most of these reforms contain almost similar objectives of making the public sector in Nigeria more vibrant and competitive (World Bank, 2012; World Bank, 2015). For instance, most of the recommended solutions of these previous reforms have virtually been proved not viable or at least insufficient (World Bank, 2015). Therefore, investigating this problem using the performance management elements is a great motivation at least in the Nigerian context.

From the theoretical point of view, it is worthy to note that, one of the motivating factors that necessitated this study is that, many studies that were carried out on the organizational performance and performance management were underpinned by theories other than the institutional theory. Few studies uses institutional theory in the areas of NPM and performance management. For example, contingency theory and goal setting theory were conspicuously prevalent in the studies involving NPM and performance management (see Rejc, 2004; Shahmehr *et al*., 2014). Equally, agency theory has been tested in a number of studies involving private organizations. The emerging trend in the literature is that, since NPM and performance management are reforms initiative that are aimed at instituting principle of managerialism, then a popular theory underpinning many studies under the principle of managerialism should be tested, at least as a supporting theory under the performance management system (Jensen, 1994; Leruth & Paul, 2006). Thus, agency theory has been severally suggested to be fittingly appropriate theory in that regard (Althaus, 1997; Leruth & Paul, 2006). Therefore, it constituted a great motivation testing institutional theory and even the agency theory in the areas of the NPM and performance management and with specific reference to the developing countries.

1.8 Organization of the Thesis

The thesis is divided into seven chapters and carefully organized in accordance with the research process employed while conducting the study.

Specifically, chapter one gives the brief introduction of the study including the detailed background in relation to the issues examined. Consequently, the statement of the research problem was concisely discussed. This is followed by the research questions and research objectives. Thereafter, the scope of the study was presented to indicate the boundary the study covers. Significance of the study and motivation of the study follows to suggest the anticipated impact of the study, then, organization of the overall thesis.

Chapter two discusses the structure of the Nigerian public sector. It explains the concept and the functions of the public sector in the Nigerian context. Subsequently, the brief history of the public sector and its evolution in Nigeria was discussed. Thereafter, composition of state governments in Nigeria were fairly explained. In addition to that, the configuration of the ministries, departments and agencies were highlighted, and their strategic place in the Nigerian public sector is also clearly demonstrated. This is to furnish the reader about the nature, structure and approach of the government operations in Nigeria which might likely differ from other countries' public sector.

Chapter three synthesized and discussed the literature concerning variables under review in this study. It also explained the functions, vital role and applicable definitions of the concepts examined. The chapter critically review some of the empirical studies conducted with regards to the variables examined in this study. The review of the various studies were highlighted to appropriately indicate the need for the conduct of this study. Yet still, the rationale for using performance audit as the moderator in this study has been discussed. Extensively, this chapter gives the holistic picture of the direction and approach the study adopted.

Chapter four provides the highlights on the conceptual framework of the study which among other things includes the research framework examined in this study. The chapter also shows the hypothesis formulated for the purpose of this study, where strong case were made for the conduct of this study drawing evidence from the previous literatures. Equally still, the underpinning theories supporting the study's framework were explained and appropriately related to the variables investigated.

Chapter five describes the methodology employed in the study. The chapter clearly explained the population of the study, research design, sample size and sampling techniques, procedure for data collection, questionnaire design and distribution as well as method of data analysis.

Chapter six discusses in detail the data analysis and results. Specifically, the content of the chapter comprises of data cleaning and preliminary analysis. Again, assumptions of the regression analysis were clearly clarified and examined in sequential order. Furthermore, linear regression and hierarchical regression analysis were conducted along with the test of hypotheses.

Chapter seven summarizes the study's findings in totality. The major findings of the study were discussed elaborately. Yet still, the findings of the study were analytically related with the findings of the previous studies. Furthermore, the contribution of the study to the literature, theories, methodology and managerial policies were equally highlighted. Finally, limitations and suggestions for future studies were proposed.

1.9 Conclusion

This chapter has thoroughly highlighted the background and the direction of the study. It reveals in detail, the basis for conducting the study at this point in time by disclosing the concern expressed from various quarters as to the existing and long-drawn problems of below-the-optimum organizational performance or weak 3Es in the public sector in Nigeria, particularly at the state ministries, departments and agencies where the bulk of the public resources trickle down to, but without making the practical and commensurate impacts. The chapter has also highlighted both the practical, theoretical and methodological research gaps that necessitated the conduct of this study. The research questions, research objectives, scope, significance of the study and motivation of the study are appropriately presented and explained in due course which provides the necessary guide, and consequently contextualized in simple terms the need for conducting the study of this nature at this point in time.

The next chapter titled: The overview of the public sector in Nigeria explains in detail, the nature, scope, structure and composition of the entire Nigerian public sector from the Federal government through state governments down to the Local government level as well as their associated powers and functions as enshrined in the constitution of the Federal republic of Nigeria.

CHAPTER TWO

OVERVIEW OF THE PUBLIC SECTOR IN NIGERIA

2.1 Introduction

This chapter is entirely dedicated to highlight the nature, structure and functions of the public sector and its variant branches in Nigeria. The chapter intends to look at the three tiers of government in Nigeria as well as the accompanying administrative layers. The diagrammatical structure of the public sector in Nigeria was drawn for easy comprehension and self-explanatory demonstration. The aim of this is to furnish the reader with the firsthand information about how the public sector operates in Nigeria and how it looks like in terms of structure and procedure. This is because public sector tends to differ from one country to another. Thus, Nigeria's might be different as well.

2.2 Functions of the Public sector in Nigeria

The composition of the public sector differs from one country to another, but in most countries despite the different structures, the basic functions are the same viz: provision of basic services to the populace; to ensure adequate provision of public goods and services and to establish social orders through the adjustment and redistribution of income (Van Dooren, Bouckaert & Halligan, 2015; Stiglitz & Rosengard, 2015; Atkinson & Stiglitz, 2015). Basically, in many developing countries including Nigeria, public sector has virtually been at the vanguard of every economic development initiative conceived (Tanzi, 2016: Brinkerhoff & Brinkerhoff, 2015). Therefore, due to the strategic significance of the public sector in many countries, there is a determined effort to bring to the front burner the issues of the efficient public sector management (Rasaki *et al*., 2014; Brinkerhoff & Brinkerhoff, 2015) in the public sector accounting, management accounting and financial management literature. For example in Nigeria it is observed that, the mechanisms in the market cannot effectively perform all functions that will ensure optimum welfare of the people. Therefore, public sector intervention is a necessary condition to formulate policies and to direct the affairs of all organizations and stakeholders in the country (Tanzi, 2016; Bayraktar & Moreno-Dodson, 2015; Kyenge, 2013). Effective management of the public sector organizations always tends to be seen as practically improving the welfare and public good (Van Dooren, Bouckaert & Halligan, 2015). Thus, the public sector in Nigeria performs an equitably important functions for the suitable running of the economy and for the provision of welfare services to the country in general. Therefore, the formulation of the public policy is seen as an important government exercise at least in the Nigerian context (Kwede, 2013; Kyenge, 2013).

2.3 Brief History of the Nigerian Public Sector

The early history of Nigerian public sector could be traceable to the colonialism period through independence era of 1960 down to the period of military regime of late 1960s through 1970s, 1980s and 1990s as well as the current civilian administration which started in 1999 and popularly known as fourth republic (Adewumi, 2012; Nkwede, 2013). Before the Nigeria's independence, the public sector was dominated by the Europeans at all levels and layers from the executive to the judiciary and legislature, although, the local chiefs and traditional rulers were integrated at the lower levels of governments to participate in making light decisions (Nkwede, 2013).

With Nigeria gaining independence on 1st October, 1960, the structure of the public sector changed dramatically from the colonial public sector to the full-blown and home-grown public sector with key emphasis on the developmental policy formulation and careful execution of programmes (Sklar, 2015). Incidentally, at the independence, the regional governments were the system and the structure that was holding sway up till 1967 (Demaki, 2013; Nkwede, 2013). There were four regions in Nigeria at the independence comprising of Northern region, Eastern region, Western region and Mid-western region. The system then utilized the Native authority (equivalent of the local government) at the lower levels closer to the people (Egbe, 2014; Sklar, 2015).

However, there were series of reforms during the colonial regime as well as at the independence, but the one that changed the entire public sector structure is the reform established under the Nigeria's military regime of 1967 (Demaki, 2013). This reform marked the end of the regional governments by abolishing all the four regions along with all the native authorities and replaced them with state governments and local governments respectively, while the federal government retains its status and sovereignty as the center of excellence and unity in the country (Nkwede, 2013; Egbe, 2014).

Several attempts were made on this to restructure the country previously but failed due to multiplicity of factors among which are: delicacy and complexity of the issue as well as the possible resentment from certain quarters (Mustapha, 2006). From the 1967 onward, having broken the circle, the sustained and series process of state creations continue unabated. Therefore, the number of the states in Nigeria grows from twelve in 1967 to nineteen in 1976, to twenty one states in 1987, to thirty states in 1991 and lastly thirty six states in 1996 which remained craftily institutionalized in the constitution of the Federal Republic of Nigeria up till this present moment (Mustapha, 2006; Egbe, 2014). Equally around the same period spanning from 1967-1996, the third tier of government i.e. Local governments grows also in number from 300-774 local government areas (Mustapha, 2006).

2.4 Public Sector Structure and Governance in Nigeria

The Nigerian entire public sector structure is an embodiment of three layers and three tiers of governments comprising of the Federal government (Central government), 36 State governments and 774 Local government areas. From the background, the public sector activities and the delivery of public good and functions are carried out by a number of ministries, departments (parastatals) and agencies at the Federal level as well as at the states level. Each federal or state ministry is being manned by a federal permanent secretary or a state permanent secretary at the highest echelon of the civil service respectively, while the departments and agencies are being manned by chief executives.

A state in the Nigerian context is one of the established 36 administrative units or divisions created within the federation and shares sovereignty with the Nigerian federal government (Egbe, 2014). The 36 states are further sub-divided into the 774 local government areas with assigned powers, functions and responsibilities.

Each ministry at the level of the federal government is also under the leadership of a federal minister (political head) appointed by the president of the Federal Republic of Nigeria as he may deem fit at any point of time to represent him on the routine and ad-hoc administrative matters that requires the attention of the president. At the state level, each ministry is also under leadership of a state commissioner (political head) appointed by the state governor to represent him or act on his behalf regarding the day to day routine and ad-hoc administrative matters that requires the attention of the state governor. It should be noted at this point that, the decentralized structure of governments being practiced in

Nigeria sometimes necessitated overlap of functions between different tiers of governments (Nkwede, 2013). For example the state governments and local governments are the most closest to the people and are assigned the primary responsibility of providing basic public service to the populace in rural, semi-urban and some urban areas across the country (Khemani, 2001).

The distribution of responsibilities between the tiers of government is clearly spelt out under the three sub-heads in the part 1 and part 2 of the second schedule of the constitution of the Federal Republic of Nigeria. The sub-heads are as follows:

1. Exclusive lists
2. Concurrent lists
3. Residual lists

Incidentally, the constitution has not spelt out in details and in definitive terms, the functions of the Federal government and the State governments (Khemani, 2001). Therefore, the functions and powers of the federal government and state governments could only be understood through the instrumentality of the exclusive lists, concurrent lists and residual lists.

For instance, the exclusive list in the constitution entails a number of jurisdictions whereby only the federal government is entitled to have exclusive rights to act. No state government or local government would have entitlement to such right whatsoever. The exclusive list of the Federal government is established and builds in accordance with the global best practices. It includes areas like defence, foreign policy formulation, general regulations, fiscal and monetary policies, police affairs, double taxation agreement and the rest (Khemani, 2001; Mustapha, 2006). Others includes the export duties, stamp duties, bankruptcy and insolvency management, currency, coinage and legal tender items, mines and minerals, including oil fields, oil mining, natural gas and geological surveys (Ihedioha, 2013).

Yet again, the concurrent list entails a number of areas where both the federal government and the state governments can act. Specifically, the concurrent lists spelt out certain items or issues upon which the federal government and state governments can legislate and act on. For instance, the burden of service delivery on certain areas like health, education, agriculture, commerce, industry and infrastructures are shared concurrently between the states and the federal government (Ihedioha, 2013; Khemani, 2001). Other items under the concurrent lists are the management of public funds at the state and local government levels, monuments and antiquities, collection of some identified classes of taxes (as explained by relevant tax laws), registrations of companies at state and local government levels, topographical and cadastral surveys, and other related matters.

Furthermore, residual power or lists entails a number of jurisdictions which exclusively belong to the state governments alone in Nigeria. The residual powers by the states are wholly derived from the section 4(7)(a) of the constitution. Under the section, the house of assemblies of the states have powers to legislate on matters that are not expressly stated in either exclusive or concurrent lists. This include but not limited to the issues of housing, physical planning, urban planning and the rest (Ihedioha, 2013; Mustapha, 2006). Although, there are concern expressed in certain quarters about the likely ambiguities and supposed overlapping of functions in the residual lists as asserted by Ekweremadu (2012) that "the absence of clearly defined residual list in the constitution has however creates ambiguity as to its exact scope and content, leading to several clamors for its express function to be identified by the constitution".

The diagrammatical structure of the entire Nigerian public sector is presented in Figure 2.1 below. With regards to Figure 2.1 below, it is observed that, there are clearly three tiers of government in Nigeria namely Federal government, State governments and Local governments. It is worthy to note that, this study is constrained to focus on the state governments in Nigeria only. Therefore, as mentioned earlier, there are 36 state governments in Nigeria. Thus, each state contains a number of public ministries, departments and agencies (MDAs) as clearly explained in details in chapter 5 of this thesis. The next section after the diagram explains the structure of the state governments in Nigeria, the revenue allocation formula, the share of the states in terms of revenue as well as other miscellaneous revenue sources.

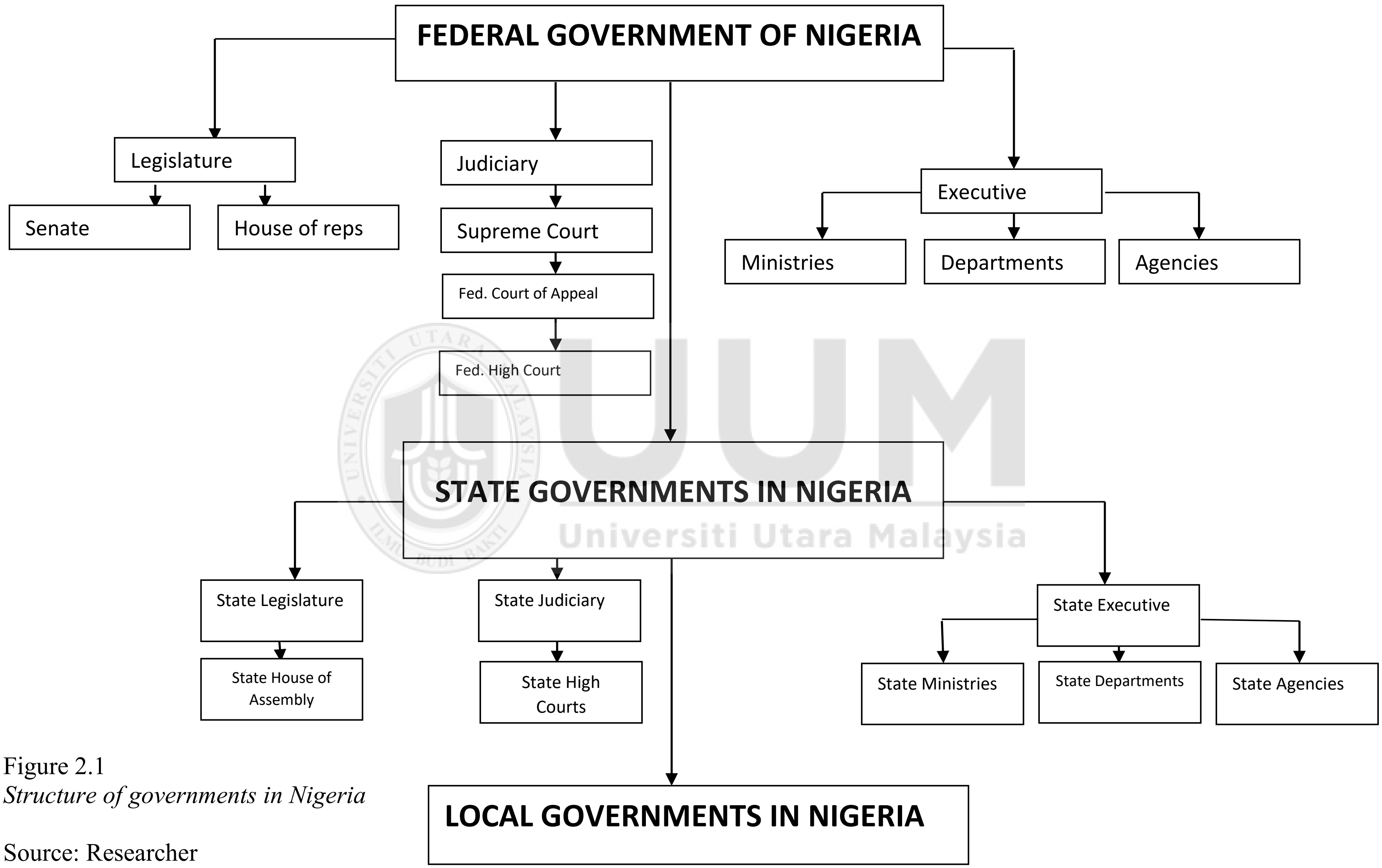


Figure 2.1
Structure of governments in Nigeria

Source: Researcher

2.5 State Governments in Nigeria

As explained previously, this section explains the state governments in Nigeria. According to Kyenge (2013), a state, region or province is the widest geographical area or portion into which the entire country is sub-divided. The judicial, executive and legislative authorities of the state governments are applicable over the whole area of the individual state. In countries like Nigeria where federalism is being practiced, enormous powers and responsibilities are assigned to the state governments. A state government has the constitutional and fiscal authority to impose taxes on individuals and institutions resident within the state and engaging in economic activities within the state's sphere of influence. A state government in Nigeria has powers to appoint officers to work in the state, independent of the Federal government's interference. The state governments in Nigeria derived their powers from the constitution of the FRN 1999 (as amended), and other relevant legislations as may from time to time be promulgated depending on the challenges of the moment and the magnitude of the demand at hand. Therefore, the states' authority to impose economic regulation on both individuals and companies is systematically derived from the inherent powers of the state to regulate public welfare (Demaki, 2013). The state governments in Nigeria have various sources of revenue to enable them execute their programmes, policies and projects. However, the most significant and fundamental source is from the federation account (Omotoso, 2010; Romanus, 2014). The federation account is the account established by the constitution of the Federal Republic of Nigeria into which all incomes generated from all sources in Nigeria will be deposited and eventually shared among the governments in the country (Omotoso, 2010). The revenue in the federation account will then be shared monthly using the agreed revenue sharing formula. The current ratio for sharing is shown in Table 2.1.

Table 2.1
Nigerian Revenue Sharing Ratio

S/N	Type of Government	Revenue Ratio
1.	Federal Government	52.68%
2.	State Governments	26.72%
3.	Local Governments	20.60%
	Total	**100%**

Source: Patrick, Terngu, & Joseph (2017).

The other miscellaneous sources of revenue for state governments include the Value Added Tax (VAT), Internally Generated Revenue (IGR) through personal income tax and other taxes. For example, the following table depicted the aggregate income of state governments in Nigeria for the period of 13 years from 2000-2013. The Table 2.2 below shows that, the share of the state governments from the federation account constituted about 80% on average.

Table 2.2:
State Governments Revenue Sources in Nigeria

State Governments Revenue Source						Percentage of Revenue Source		
Year	**Federal Allocation**	**Value Added Tax**	**Internally Generated Revenue**	**Total**		**Federal Allocation**	**Value Added Tax**	**Internally Generated Revenue**
2000	359.1	30.6	51.2	440.9		81.4	7.0	11.6
2001	404.1	44.9	59.4	508.4		79.4	9.0	11.6
2002	388.3	52.6	89.6	530.5		73.1	10.1	16.8
2003	535.2	65.9	118.8	719.9		74.3	9.2	16.5
2004	777.2	96.2	134.2	1007.6		77.1	9.6	13.3
2005	921.0	87.4	122.7	1131.1		81.4	7.8	10.8
2006	1016.4	110.6	125.2	1252.2		81.1	9.0	9.9
2007	1169.3	144.4	305.7	1619.4		72.2	9.0	18.8
2008	1709.2	198.1	441.1	2348.4		72.7	8.6	18.7
2009	1342.8	229.3	461.2	2033.3		66.0	11.4	22.6
2010	1674.8	275.6	757.9	2708.3		61.8	10.3	27.9
2011	1886.3	318.0	509.3	2713.6		69.5	11.8	18.7
2012	2842.6	347.7	548.1	3738.4		76.0	9.4	14.6
2013	3210.3	389.5	585.9	4185.7		76.6	9.5	13.9

Source: Romanus (2014); CBN statistical bulletin (2014).

2.6 Ministries

Ministries refers to the civil service entities established at the Federal government and State governments' levels in Nigeria, and are responsible for the public service delivery to the country. Each ministry comprises of various directorates, divisions and units specialized in different aspects and in line with the core responsibility of the ministry. Ministries are best described as channels through which the myriad challenges of government developmental policies are planned and executed.

The functions of the ministries differ from one ministry to another. The functions are designed to take care of core government responsibilities specific to each ministry under review. Although, the manner of day-to-day running of the affairs of all establishments (ministries and agencies) are the same.

2.7 Agencies/Departments

Agencies and departments are semi-autonomous institutions established by enabling laws called "Act" or sometimes by administrative mandates instead of legal pronouncement. These agencies and departments are specially established because their activities cannot be carried out efficiently by the mainstream government units or ministries and are also unattractive or unsuitable for private sector management (Babaita, 2001). Agencies and departments are specifically created to take care of a very vital area or sector where government has strategic interest in. Usually, the role and functions of agencies and departments are designed to suit their specific needs. For example, in many states of the federation, the management of government hospitals is excluded from the core functions of the ministry health, and another agency is established known as "Hospital Management Board" to supervise the management of hospitals and disbursement of drugs where necessary. Yet again, the maintenance of roads has been excluded from the core responsibilities of the ministry of works. Instead, a fully semi-autonomous agency is established to monitor and supervise roads maintenance known as "State Road Maintenance Agency".

It is worthy to note that, the internal structure of the departments and agencies as well as their units and divisions within, are exactly similar to the ministries, hence, there is no any marked difference in the operations between the three organizations. Therefore, to examine the Nigerian public sector, all the three public sector organizations must be considered equally (Ihimodu, 1986). Therefore, to get the elaborate picture of the Nigerian public sector, both MDAs must be considered.

2.8 Conclusions

The chapter explains in detail, the nature of the Nigeria's public sector. It also threw more light on the number of organizations and layers entails in the entire public sector structure. The chapter makes reference to the various legal provisions with regards to the role, powers and functions of each tier of government. It also touches on the brief history and the origin of the Nigerian public sector. Finally, it demonstrated the source of revenue to state governments. The next chapter focuses on the literature review of the study.

CHAPTER THREE

LITERATURE REVIEW

3.1 Introduction

This chapter attempts to provide an overview of the major variables in the study. The public sector organizational performance and the previous study on it were discussed in detail. The performance management elements, basically goal orientation, performance measurement, performance reporting, accountability and organizational culture; along with some previous studies conducted on these elements were thoroughly reviewed. The concept of the performance audit was also discussed and link with the research variables to highlight its role as the moderating variable as well as its influence in determining the strength or weakness of the relationship between the variables.

3.2 Definition of the Public sector

Public sector refers to the entire organizations that co-exist as pillars of government machinery for the purpose of implementing policy decisions and service delivery that are valuable to the citizens (Singh & Malhotra, 2015; Van Dooren, Bouckaert & Halligan, 2015). According to Rasaki *et al.* (2014), public sector refers to the aspect of the economy that deals with the provision of government basic services. In strict economic sense, public sector is defined as the portion of economic system that is controlled entirely by national, state, provincial or local government (Atkinson & Stiglitz, 2015; Stiglitz & Rosengard, 2015). Public sector of a country consists of public organizations or authorities and their agencies, which are entities, duly created through the country's political processes and legally expected to exercise executive, legislative and judicial powers within the country's territorial jurisdictions. So, therefore, public sector also consists of all institutional units principally engaged in non-market activities in a country (Bayraktar & Moreno-Dodson, 2015; Stiglitz & Rosengard, 2015; Van Dooren, Bouckaert & Halligan, 2015).

Generally, public sector and private sector overlaps in providing public goods to the citizens, but the extent of overlapping varies from country to country (Atkinson & Stiglitz, 2015; Stiglitz & Rosengard, 2015; Van Dooren, Bouckaert & Halligan, 2015). Public sector institutions are necessary organizations for the conduct of the business of governance and delivery of public good. Therefore, having efficient and effective organizations for that purpose is a necessary condition for the desired organizational performance to be achieved (Brinkerhoff & Brinkerhoff, 2015; Suleiman, 2009). Public sector accounting on the other hand refers to the accounting method applies to non-profit pursuing entities in the public sector, including, federal government, state and local governments as well as quasi-governmental organizations (Atkinson & Stiglitz, 2015; Singh & Malhotra, 2015).

3.3 New Public Management

Generally, the New Public Management (NPM) is a unique approach of managing the public sector organizations and other public service institutions at national and sub-national levels in accordance with the principles of managerialism (Abdulkhalid, 2008; Cavalluzzo & Ittner, 2004; Hood, 1995). Managerialism on the other hand refers to the ideology or value system that involves managing organizations with strict adherence to control mechanisms, accountability and measurement (Helachmi & Greiling, 2011; Hood, 1995; Pollitt, 1990) and in a business-like manner (Cavalluzzo & Ittner, 2004). NPM is an emerging pattern that looked at the public sector organizations and their managers more beyond the traditional public management system where bureaucratic bottlenecks and other presumably rigid public service rules holds sway (Bryson, Crosby & Bloomberg, 2014). NPM is a product of a long-drawn efforts to copy the private sector models where the customers enjoys huge premium (Pollitt, 2007). Thus, like in private sector, NPM attaches significant concern and attention on the service delivery to the public recipients. This implies that, the public sector stakeholders are at the center of every decision taken by the public sector executives under NPM (Verger & Curran, 2014).

According to Pollitt (2007), NPM concept strongly suggests that, better management of the public sector organizations will make the institutions performs well, provide the key to national revival, help to identify and eliminate waste, concentrate resources where benefit can be seen to be greatest, and finally to give a clearest display of the value where the money is spent. Equally, Hoque and Moll (2001) maintains that, NPM strongly advocates customer satisfaction, empowered employees, encourages decentralization and facilitates mission-driven and result-oriented model of management. Specifically, it is important to note that, NPM is widely adopted in many countries because of the persuasive argument that, it exhaustively addresses the complex question of accountability and performance in the public sector (Clifton & Diaz-Fuentes, 2011; Verger & Curran, 2014).

Regardless of a particular country, it is believe that, NPM is a response to multitude number of challenges and pressure from the public sector stakeholders as a result of globalization (Bryson *et al.*, 2014). In fact, it is a sort of liberation and market-driven management that emerges as the dominant approach in the area of public sector management (Bryson *et al.*, 2014; Terry, 1998). For example, under NPM, the role of government agencies is extensively modified from the position of a public service provider to a more decentralized and efficient units where the agencies double as service providers as well as service enablers (Alonso *et al.*, 2015; Glynn, 1996; Pollitt, 2006).

Despite the existence of other managerialist techniques of the public sector reforms, many experts and countries in the global environment opted for NPM. Thus, NPM becomes a household concept early in countries like US, UK, Canada and Australia in 1980s (Clifton & Diaz-Fuentes, 2011; Hoque & Moll, 2001). Generally, the principal rationale for elaborate support of the NPM-related reforms across broad spectrum of countries is that, NPM was considered as the austerity and fiscal measure that appears certain to contribute to efficiency gain in the public sector (Modell, 2009; Verger & Curran, 2014;). For instance, the international financial institutions like IMF and World Bank disseminated the idea relentlessly to most of the developing countries through various approaches and intermediation (Fine, 2006; Verger & Curran, 2014). For example, Nigeria embraced the NPM reform agenda through the IMF and World Bank (Husain & Faruqee, 1994).

Specifically, in the late 1980s, the price of oil (which is the Nigerian major foreign exchange earner) fell down sharply in the international market (Schatz, 1994). Consequently, the Nigeria's export revenue and the expected revenue receipt also fell down along with the oil price (Schatz, 1994; World Bank, 1994). Equally still, the Nigeria's public spending continue to slow down which necessitated the build-up of large fiscal and external deficit as well as austerity pressures (Mustapha & Warning, 1991; Riddell, 1992; World Bank, 1994). Furthermore, when the problem multiplied and assumed a scale of intensity, Nigerian government approached the IMF and World Bank for borrowing to fill in the widening deficit because the country was obviously in economic crisis at that particular point in time (Husain & Faruqee, 1994; Riddell, 1992). Consequently, the IMF and World Bank unequivocally demanded for Structural Adjustment Programme (SAP) in Nigeria as a precursor for any form of borrowing (Mustapha & Warning, 1991; Riddell, 1992; World Bank, 1994). For instance, SAP intends to first address the malaise and inefficiency in the public sector by adopting the NPM-related reforms and doctrine like performance management, decentralization, commercialization, performance audit, privatization, performance related pay, downsizing and rightsizing (Esu & Inyang, 2009; Riddell, 1992; Schatz, 1994; World Bank, 1994).

To illustrate this point further, the NPM-variant reforms took a firm root in the Nigerian public sector through these actions and programmes as strongly espoused by IMF and World Bank (Ene *et al.*, 2014; Schatz, 1994; World Bank, 1994). Thus, it is safe to infer that, NPM has been the component of SAP as promoted by these international financial institutions especially in the developing countries including Nigeria (Verger & Curran, 2014), because they believe that, for conventional macro-economic stability mechanisms to be more effective, there is strong need to combine them with the public choice approach towards public sector reforms (Fine, 2006; Verger & Curran, 2014).

In conclusion, this section explained how the NPM reform are adopted and implemented in many countries around the globe including Nigeria. It also looks at re-contextualisation of the NPM and how it is scaling up in Nigeria at the level of both Federal and State governments. The next section looks at the performance management holistically in the Nigerian context.

3.4 Performance Management in the Public Sector

Performance management is defined as a planned and deliberate integrated approach towards achieving a continuous success in an organization, by developing and improving the individual and general performance of the employees, units, divisions in order to attain the core targets and goals of the organization (Buckingham & Godall, 2015). Performance management is a process of continuously identifying, measuring and systematically developing performance at individual and group (team) levels and aligning the performance with the strategic objectives of the organization (Yadav & Dabhade, 2013). The concept of performance management derived its origin from the private sector as advocated by NPM. Initially, in private sector, the corporate managers usually use some tools/techniques such as key performance indicators, total quality management, performance pyramid and balanced score cards to measure essential input and output at regular interval in evaluating performance improvement (Veladar *et al*., 2014). Consequently the practice gained widespread acceptance in the public sector through the NPM, thus, the public sector organizations have accordingly adopted different measures to ensure optimal performance management is observed, to trail and manage activities as well as meeting the yearnings and aspiration of the major stakeholders (Mihaiu, Opreana, & Cristescu, 2010). Today, the concept of the performance management has become a common place, and the context within which the idea is being considered and applied is changing rapidly (Bititci, Garengo, Dörfler, & Nudurupati, 2012), specifically from management control models developed (Emmanuel, Otley & Merchant, 1990; Merchant & Otley, 2006; Otley, 2003) down to the performance management models (Otley, 2001; Otley, 2003; Otley, 2012; Ferreira & Otley, 2009).

Public sector performance management is a topical issue for both academics and practitioners globally, and there are number of publications and academic outputs concerning its operations and activities, in addition to the evolution, history, critique and theory of the performance management trajectory (Ferreira & Otley, 2009; Otley, 2012; Sarrico, Lee Rhodes, Halligan, & Biondi, 2012). Performance management is a wider concept with a broader imperatives that consists of understanding and acting on the issues bordering on performance at various levels of organization and across the board from top to bottom or from bottom upward (Poister, Pasha & Edwards, 2013; Yadav & Dabhade, 2013). However, more often, the concept appears to involve different layers beyond the usual meaning and scope. Performance management is usually a valid and reliable managerial tool used in improving general organizational performance (Arnaboldi, Lapsley, & Steccolini, 2015). Therefore, going by its wider coverage, performance management in the public sector is often associated with a number of elements. These elements cut across a number of empirical and conceptual academic exercises and outputs as well as models proposed (Bovens, 2007; Boyne, 2010; Campbell, 2015; Emmanuel, Otley & Merchant, 1990; Ferreira & Otley, 2009; Pollitt & Bouckaert, 2000; Verbeeten, 2008;). For example, different studies covers different elements of the performance management e. g. goals and performance measurement (Spekle & Verbeeten, 2014; Verbeeten, 2008), decentralization and outsourcing (Alonso *et al*., 2015; Pollitt, 2007), disaggregation (Pollitt, 2007), customer orientation (Kaplan & Norton, 1995; Pollitt, 1993), incentives (De Bruijn, 2002; Newberry & Pallott, 2004; Spekle & Verbeeten, 2014) and others.

Nonetheless, the public sector institutions and administrators in the developing countries are presently confronted with challenges of insufficient resources (Bayraktar & Moreno-Dodson, 2015). Again, the growing problem of corruption, informality and other likely tendencies have constituted a stumbling block in the effective utilization of the performance management system (Brinkerhoff & Brinkerhoff, 2015; Mimba *et al.*, 2013; Tillema, Mimba, & Van Helden, 2010). Although, shifting attention towards the performance management system is not new in the public sector agencies given the global order of this seemingly common practice, organizations in both private and public sector tends to continuously track and accomplish good performance via the system of the performance management (Blackman, Buick, O'Donnell, O'Flynn, & West, 2012; Buckingham & Goodall, 2015).

Interestingly, the number of governments using the systems of performance management has been increasing on yearly basis, this has been fairly as a result of different but related factors (Arnaboldi *et al.*, 2015; Halachmi & Greiling, 2011) ranges from the fiscal pressures (Hood, 1995), ever-changing and dynamic environments (Pollitt & Bouckaert, 2011), intense pressure and quite greater expectations from the general public (Micheli & Mari, 2014; Pollitt & Dan, 2013). Therefore, performance management in the public sector is out to achieve among other things certain antecedents depending on the general notion and the most immediate needs of the organization at stake (Dicker, 2010). The antecedents or elements consist of performance measurement, accountability in managing public resources, improving organizational culture and provision of periodic performance reporting to the stakeholders to substantiate the discharge of institutional responsibilities among others (Dicker, 2010).

In some countries, the performance management system is formally backed by the extant laws and regulations of the parliament. These laws are specifically designed to achieve that purpose, for example, the United States' Government Performance and Result Act of 1993 holds public sector agencies accountable for whatever performance they are able to achieve over time. Again, GPRA emphasized for reporting of results (performance reporting) within a particular budgeting period. Ultimately, this is a case in point for reference from the global perspective (Melkers & Willoughby, 2005). Yet again, this legislation remains further strengthened by another equally mutually reinforcing variant of the previous Act known as GPRA modernization Act of 2010 with some slight modifications and additions like goal orientation and priority settings (Ayers, Malgeri & Press, 2014).

As previously asserted, the evolution of performance management system derived its origin from the private sector, thus, the spillover effect of such system has so far dominated the public sector (Brinkerhoff & Brinkerhoff, 2015). The traditional method of performance management system relies heavily and exclusively on the financial measures alone; it pays little emphasis to the organizations intellectual assets and intangible assets that are the driving forces for future growth and long term creation of value (Buckingham & Goodall, 2015). This is because of inability to quantify them in monetary terms; therefore, managing these and other related elements can only be accomplished through non-financial techniques of the performance management by virtue of their very nature (Ruzita *et al*., 2012). Therefore, the growing popularity and relevance of the system of performance management in different sectors and in different countries around the globe is a testimony of its vital importance in stimulating the organizational performance and in setting high standards for achieving efficiency, economy and effectiveness (3Es) in running the institutions in the public sector (Bayraktar & Moreno-Dodson, 2015; Dicker, 2010).

Performance management system is a broad managerial accounting concept, although it is argued that public sector performance management forms part of the public sector accounting (Otley, 1999; Berry *et al.*, 2009). For instance, it involves several components and elements that are adaptable, and also depends on the environment at a particular point in time. For example, some elements are suitable and adaptable in one organization but may not necessarily be fit for another organization (Kennerly & Neely, 2002). However, performance management frameworks usually concern about the influence of the overall performance management system in an organization not a particular component or element involved (Kennerly & Neely, 2002; de Waal, 2010). Therefore, developing elements of the performance management suitable for a particular organization is always at the discretion of the management of an organization (de Waal, 2010). Thus, different public sector organizations define their performance management based on the needed features alone.

In conclusion, this section highlight the general operation of the performance management system in the public sector across different countries. Thus, it is imperative to highlight the performance management practice in Nigeria. The following section focuses on the performance management practice in Nigeria.

3.5 Performance Management Practice in Nigeria

Creating public value is a hot subject for both scholars, practitioners and public sector executives/managers alike (Bryson *et al*., 2014). Fulfilling that mission has established several approaches in many countries which comprises of NPM and performance management system (Arnaboldi *et al*., 2015). Therefore, values that are more centered on efficiency and effectiveness are arguably promoted in countries like Nigeria (Ene *et al*., 2014). Specifically, performance management system is adopted in Nigeria to measure input and output, to imbibe culture of accountability, to break away from the hitherto cumbersome public management system and to finally ensure that, efficiency, effectiveness and economy are achieved with limited public resources in order to get the best value from the public money judiciously expended (Abubakar *et al*., 2016; Esu & Inyang, 2009).

Incidentally, in Nigeria, the performance management practice in the public sector could be traced back to the historical antecedents of the various public sector reforms from 1970s to 2014 (Report on public service reforms in Nigeria, 1999-2014). This implies that, from 1970 to date, various administrative and review commissions had been established to improve the management efficiency of the public agencies (Report on public service reforms in Nigeria, 1999-2014). Over this period, Nigeria faced many serious and significant public sector challenges like any other country (Ene *et al*, 2014; Esu & Inyang, 2009). The prominent challenges include lack of accountability in governance, corruption and poor culture of public service which negatively affects 3Es in the public agencies (Ene *et al,* 2014; Esu & Inyang, 2009). Public sector stakeholders across broad spectrum of layers argue much later that, the nation has no option than to bring into the public sector governance, a holistic reform capable of repositioning the vibrant public service sector for efficient and better service delivery (Brinkerhoff & Brinkerhoff, 2015; World Bank, 2013).

In February, 2004 a Bureau of Public Service Reform (BPSR) was commissioned by the Nigerian President to undertake an independent and holistic enquiry into the need for promoting the public service competitive policy so as to create efficiency gain by wholesale adoption and implementation of the performance management system (Report on public service reforms in Nigeria, 1999-2014). Although, previously there was attempted effort to track input, process, output using the modalities of the performance measurement under the structural adjustment programme (Mustapha & Warning, 1991; World Bank, 1994), but other essential aspects of the performance management system like culture, reward system, performance audit and strong accountability were not well-rooted in the Nigerian public sector then (Abubakar *et al*, 2016; Esu & Inyang, 2009).

Consequently, after careful examination of the Nigeria's public sector, the BPSR introduced an elaborate performance management system across layers and tiers of governments with the following objectives:-

i. To facilitate the measurement of MDAs performance in a fair, objective and comprehensive manner.
ii. To create the result-oriented public service delivery mechanisms.
iii. To promote transparency and accountability in governance through the public display of performance results measured against performance contract commitment of MDAs.
iv. Promote responsiveness of the MDAs through the design of its service delivery charter and then hold the MDAs accountable for implementing its charter.
v. Transforming administration with the development of an MDA-specific strategic plan to define the direction it wants to take within a defined time frame.
vi. Increase efficiency and focus resources on the attainment of key national policy priorities.
vii. Institutionalize performance-oriented culture in the public service through the introduction of an objective performance appraisal system.

Therefore, with the elaborate implementation of the integrated performance management system in the Nigerian public sector combining both institutional and individual framework together, a monitoring and evaluation departments were established at the National

Planning Commission (NPC) as well as in various budget and planning offices across the 36 states in Nigeria (Report on public service reforms in Nigeria, 1999-2014).

In conclusion, this highlight is the brief explanation of the performance management practice in the Nigerian public sector. The next section explains the justification for choosing certain specific performance management elements in this study.

3.6 Justification for Specific Performance Management Elements

Performance management elements refers to the specific factors or components that basically explains the performance management operations in a particular public sector environment (Hoque & Moll, 2001). It is worthy to note that, a number of performance management elements are manifestly and prominently presented in the stream of the extant literatures, depending on the context and interest. For example, many performance management frameworks employs only essential elements suitable for a particular country, sector and context (Ferreira & Otley, 2009).

Generally, the studies on the performance management elements or antecedents of the performance management are abound (Alonso *et al.*, 2015; Adams, 2011; Cavalluzzo & Ittner, 2004; Verbeeten, 2008). To illustrate this point further, there are several attempts to systematically investigate the performance management elements and their influence on 3Es or organizational performance within the public sector context in many countries (Hoque & Adams, 2011; Ossege, 2012; Otheitis & Kunc, 2015; Verbeeten, 2008). Specifically, studies on the performance management elements like performance measurement, planning, decentralization/disaggregation, organizational culture, reward system, performance reporting, management style, accountability, contractibility, goal setting, incentives, organizational size e.t.c have been conducted at both national and sub-national levels across many countries that adopted the NPM-variant public sector reforms (Poister, Pasha & Edwards, 2013; Pollitt, 2006; Sarrico *et al*., 2012; Schillemans, 2015; Verbeeten, 2008). Despite this, Alonso *et al*. (2015) argue that, some performance management elements are quite difficult to investigate empirically if not impossible, especially in some peculiar public sector settings mostly in the developing countries. Thus, performance management elements that are operationally available in a particular public sector settings are mostly investigated in the affected studies (Alonso *et al*., 2015).

Specifically, in the Nigerian public sector, performance management elements that concerned about culture, goals, accountability, measurement and reporting are mostly promoted, because they present visible presence and guarantee quick impact in the Nigerian context (Abubakar *et al*., 2016; Ejere, 2013; Ajibolade & Akinniyi, 2013). For example, in Nigeria, the NPM reform doctrine has relegated issues regarding outsourcing, decentralization and competition to the background, though they represents the useful elements of the performance management. This implies that, outsourcing, decentralization and competition presents no significant value to the policy making in Nigeria presently. Therefore, the choice of goal orientation, performance measurement, performance reporting, accountability and organizational culture in this study is guided by the prevailing significance of these elements in the public sector organizations especially at state governments' level in Nigeria.

Finally, the next sections discusses about the chosen variables in this study, beginning from the dependent variable followed by the independent variables, and then, the moderating variable.

3.7 Organizational Performance

3.7.1 Concept of Organizational Performance

The concept of organizational performance is a term that cut across contemporary societies. It is commonly used to evaluate the extent of individual and organizational effort towards a particular goal (Micheli & Mari, 2014). It is argued that, organizational performance as a concept is a complex and often debatable notion, this is because different jurisdictions of human endeavor infer different meaning to it (Coste & Tudor, 2013). For example, in the opinion of Onalo *et al.* (2013), organizational performance is assumed to be a dynamic concept and it varies considerably across geographical locations. They further maintain that, what constitutes organizational performance as well as its crucial features differs or changes depending on the space, time and perspective. Thus, organizational performance as a concept has been defined in several different ways (Sarrico, Lee Rhodes, Halligan, & Hawke, 2012).

In the context of both public and private sector, organizational performance is often assumed at the very best to be a multi-dimensional concept. For instance, Marcuccio and Steccolini (2009) claims that, organizational performance is a comprehensive concept that encompasses both non-financial and financial aspects of an organization. In the public sector, organizational performance has become a popular agenda and it basically involves running the public entities in a way to ensure 3Es are achieved (Ruzita *et al*., 2012). Brewer and Selden (2000) noted that, organizational performance is usually referred to as socially constructed phenomenon that is sometimes subjective and difficult to define particularly in the public sector, but they contends that, it significantly encompasses 3Es. Equally, Andrews *et al*. (2012) highlights that, organizational performance hinges completely around individual performance within an organization. In other words, it is the individual performance that is built up to create organizational performance. Therefore, despite the different meanings of the concept, the definition of Verbeeten (2008) is adopted for the purpose of this study. The definition reads "public sector organizational performance refers to the comprehensive operational quality and strategic capacity of an organization which includes accuracy, innovation, efficiency and long-term effectiveness". This implies that, the organizational performance in this context is largely focused on 3Es (efficiency, effectiveness and economy). Thus, improvement in 3Es is deemed strongly influence the organizational performance in the public sector. Consistent with this, similar studies have strongly infer that, organizational performance stands for 3Es in the public sector (Abu-Jarad, Yusof & Nikbin, 2010; Daft & Lengel, 2000; Perotti & Suarez, 2002). This is borne out of the fact that in public sector, there is pronounced absence of profit motive unlike in the private sector. Therefore, the ability of a public sector organization to utilize the finances and other resources available in a judicious manner and with due regards to efficiency, effectiveness and economy determines its performance level (Spekle & Verbeeten, 2014; Verbeeten, 2008). Equally, many studies on the performance management in public sector contends that, efficiency, effectiveness and economy are at the very background of the NPM reform (Hoque & Moll, 2001; Pollitt, 2007).

In summary, this section gives brief explanation of the concept of organizational performance. It presents different contextual definitions of the organizational performance and its nexus with 3Es. The operational definition of the organizational performance chosen in this study is presented and briefly explained. The next section therefore delves on the meaning of the 3Es separately and collectively.

3.7.2 The Concept of 3Es

Reforms in the public sector world over, are poised to cover basically three aspects of the public agencies' activities, namely efficiency, effectiveness and economy (Otrusinova & Pastuszkova, 2012; Verbeetn, 2008). 3Es as they are popularly described in the accounting parlance comprises the entire activities in the public sector due to the absence of profit motive (Mihaiu, Opreana & Cristescu, 2010). This implies that, profit criterion as the most significant indicator of performance is eliminated in the public sector (Mihaiu, Opreana & Cristescu, 2010). Thus, better performance in the public sector is defined through the mechanisms of good balance of 3Es (Silvestre, 2016). Specifically, in public sector, 3Es are integrated together to give a good measure of the organizational performance (Otley, 2001; Silvestre, 2016).

According to Otrusinova and Pastuszkova (2012), public governance should be viewed as a complete economic system when assessing the activities of the public agencies in terms of input, processes, output and outcomes. Researchers also views that, 3Es are sometimes difficult to define, sometimes ambiguous and involves both objective and subjective category which often makes the decision making procedures to include ethical and solidarity dimension (Curristine, Lonti & Joumard, 2007). Mihaiu *et al.* (2010) argue that, it is imperative to take cognizance of the fact that, the economic system of the public sector should be adequately probed in terms of costs and revenues, and should equally be genuinely assessed in terms of efficiency, effectiveness and economy. For example, the 3Es gives more meaning if they are elaborately segregated and explained independently, thus, efficiency, effectiveness and economy are explained further as follows:-

- **Efficiency** – Achieving efficiency in the public sector spending requires a corresponding measure of the public sector inputs and outputs (Otley, 2001). In practice, measuring public sector input and output tend to be complex partly because of the differential priorities of the various public sector organizations (Silvestre, 2016). However, the measure tends to be simplified if for example the measure of input is restricted to the funds committed to a particular project or programme, and the measure of output is restricted to a number and quality of projects and programmes executed (Barrett, 2017). Generally, there is no universally accepted parameter regarding the determinants of efficiency. Although researchers differs on the definition of efficiency in the public sector. For example, efficiency is simply described by Otrusinova and Pastuszkova (2012) as "doing things right". According to Silvestre (2016), efficiency refers to achieving necessary outputs for little money. Curristine et al (2007) defines efficiency as cost per unit of output. This implies that, in public sector, efficient activities tends to maximize the output towards a given input or alternatively minimize inputs towards a given output (Mihaiu *et al*., 2010). In a nutshell, efficiency means spending well (Mathew & Patrick, 2013; Otley, 2001).

  Interestingly, evaluation of the efficiency of the public sector spending should focus carefully on minimization of cost before eventually assessing the process link to output (Curristine *et al*., 2007; Mihaiu *et al*., 2010). Assessing the process link to output ensures that, whether the public spending has achieved the desired result. Therefore, when the two conditions of cost minimization and meeting the desired result are achieved, then, it can be safely assumed that, the efficiency principle has been achieved (Mihaiu *et al*, 2010; Barrett, 2017). Thus, efficiency shows how much you get in relation to what is put in (Mathew & Patrick, 2013).

- **Effectiveness** – Effectiveness in the public sector focus on the extent to which the objectives are achieved (Curristine *et al.*, 2007). This implies that, effectiveness monitors the variance (if any) between the actual and the intended impact of an activity in the public sector spending (Curristine *et al*., 2007). Therefore, effective activity is the activity whose results most closely match the expected goals (Mihaiu *et al*., 2010). For instance, Verbeeten (2008) claims that, effectiveness in the public sector highlight the operational quality of the public spending. Mathew and Patrick (2013) argue that, effectiveness is described as expressing or evaluating the degree of progress towards set objectives. Effectiveness involves the evaluation criterion for output based on the principle of doing only those things that really should be done (Otrusinova & Pastuszkova, 2012). Therefore, effectiveness in the public sector spending comprises of question like "Do we have what we wanted?" thus, if the budgeted fund is optimally spent on the targeted activities, then, it can safely be assumed that, effectiveness is achieved.
- **Economy** – Economy in the public sector spending refers to the lowest possible expenditure of funds within the appropriate quality (Bryson *et al.*, 2014). The evaluation criterion for economy is that, input should be procured at the lowest possible and inexpensive rate (Mihaiu *et al.*, 2010). In the public sector, one way of determining whether the principle of economy is achieved with regards to the budgeted funds is to ensure that, the cost incurred on a particular project or programme is significantly minimize without compromising or reducing quality of

the results (Otrusinova & Pastuszkova, 2012). It is worthy to note that, cost minimization alone does not qualify public spending to be economical, because under some circumstances, the cheapest option is not the most economical (Otley, 2001). Therefore, public sector spending must meet the two conditions of lower cost and quality before it is considered as economically appropriate under the concept of 3Es (Otley, 2001; Mihaiu *et al*., 2010). Consistent with the above assertion, Mathew and Patrick (2013) maintained that, economy of a public organization's spending refers to the acquisition in appropriate quantity and quality at minimum cost.

It is worthy to note that, the 3Es are separately and independently explained above, although some researchers maintain that, often times, it is difficult to concisely and unconnectedly define the term 3Es, because the meaning of efficiency, effectiveness and economy tend to overlap systematically (Barrett, 2017; Mathew & Patrick, 2013). In summary, Otrusinova and Pastuszkova (2012) simply presents the 3Es in diagrammatical form as follows:

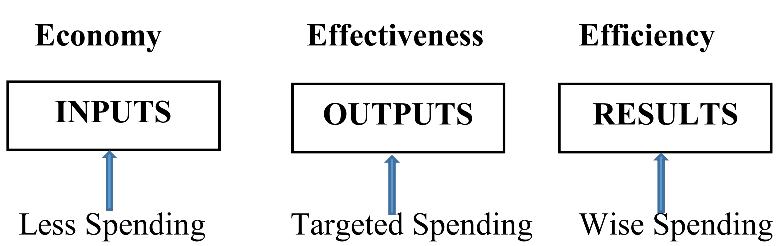


Figure 3.1
Diagrammatical structure of 3Es
Source: Otrusinova & Pastuszkova (2012).

It is therefore argued strongly by researchers that, 3Es collectively represents the measure of organizational performance in the public sector (Barrett, 2017; Silvestre, 2016; Verbeeten, 2008). Finally, the concept of 3Es has been exhaustively explained, and their symbiotic relationship with organizational performance is equally explained. The next section highlight on the importance/function of public sector organizational performance.

3.7.3 Importance of Public Sector Organizational Performance

Performance of the public sector organizations has been a cardinal point of concern to the public sector managers and stakeholders alike from the time immemorial (Christensen & Lægreid, 2015). The functions and importance of the organizational performance in the public sector is quite a prominent topic of discussion in many quarters and at many levels (Carlos *et al*., 2014; Lee & Yu, 2004). Although, some researchers have commonly seen the public sector as difficult and complex set-up for the conduct of the study owing to the managerial culture and other attendant political influences (Arnaboldi *et al*., 2015), but the public sector management literature has gained increasing attention from the researchers, managers and various developmental initiatives more specifically in developing countries, therefore, Nigeria is not an exception (Ene *et al*., 2014; Brinkerhoff & Brinkerhoff, 2015). This is as the result of the strategic role, the public sector is playing. Result-based organizational performance has become everyday issue at all levels in the public sector; national, regional and local levels. It has become every day's talk in the schools and other agencies as well as international and non-governmental organizations, this concern has obviously underscored the importance of organizational performance or 3Es (Van Thiel & Leeuw, 2002). Therefore, the functions and importance of the organizational performance not only in the public sector organizations, but also all organizations cutting across all professions and endeavors cannot be practically over-emphasized (Carmeli & Tishler, 2004).

Globally, the emerging trend is that, organizational performance is a powerful indicator of the capacity of both the management, the organization and the employees alike (Carlos *et al*., 2014). Continuous improvement of organizational performance by paying attention to 3Es has over the years become a careful and foremost objective of many organizations specifically in the public sector and non-governmental organizations (Onalo *et al*., 2012; Lee & Yu, 2004). Therefore, knowing and acting on the determinants of the organizational performance which are 3Es, has assumed a prominent place in the scheme of things lately (Andrews *et al*., 2012; Shahzad, Luqman, Khan & Shabbir, 2012). Organizational performance always enables the management to identify the areas that need the increased interest and prompt attention and actions (Kim, 2005).

Upon all the attentions and rekindled concern expressed about public sector organizational performance in Nigeria, it has been recognized that, the sector is replete with inefficiency, ineffectiveness and typically operates at below expectations of the public (Abubakar, Saidin & Ahmi, 2015; Adeosun, 2016; Adeyemo & Salami, 2008). On this similar score, it is argued that, although, the public sector in Nigeria has undergone series of reforms and transformation over the past years and some significant impact has been somewhat achieved, but still a lot need to be done to ascertain the snail pace of the performance in this sector (Ibietan, 2013; Suleiman, 2009). Therefore, in tackling the evolving challenges of the public sector, it is quite necessary to view it from the multi-faceted perspective, especially from the 3Es point of view, because the sector is useful to the national development (Adeyemo & Salami, 2008).

Public sector organizations in various countries are said to have been shaped by many dynamics and at different levels, but notwithstanding, the inherent challenges are common.

Therefore, this unique feature makes the evaluation of the public sector organizational performance more difficult than in its private counterpart (Onalo *et al*., 2013; Kaagari *et al*, 2010). In many countries, public sector organizations are known for providing critical services like transport, education and health. It is worthy to note that, the good balance of the 3Es in the institutions providing these services should be a foremost concern if the needed headway is to be affected and the required impact is to be made. The conduct of the public service in Nigeria has been categorized into three main groups, ministries, department and government agencies. The departments and agencies are semi-autonomous (Akinbuli, 2012). According to Chukwuebuka and Chidubem (2011), this tripartite government structure is designed systematically to serve as an instrument through which agencies and institutions of government regulates, manages and drives all aspect of society. The performance of these organizations undoubtedly affects the cost and quality of services. Therefore, improving the government agencies' organizational performance is a central concern of every government; and speculation about the likely factors that influence the public organization's effectiveness as well as the likely functions or importance are abundant in the research literatures and elsewhere (Brewer & Selden, 2000). The increasing concern about the organizational performance of the public sector agencies is nowadays indicated through the emphasis on auditing, monitoring and evaluation, focus on efficiency, effectiveness and value for money (Power, 1999).

Good and judicious utilization of the budgeted finances in the public sector efficiently, effectively has been a major source of interest and concern to the researchers in developing countries including Nigeria (Ajibolade & Akinniyi, 2013). Organizations both public and private always seek to constantly review their organizational performance. Therefore, the evaluation of organizational performance has become a recurring problem upon which a number of extensive empirical research studies were conducted (Carlos *et al*., 2014). However, with regards to Africa, only few will contradict that, public sector organizations are mired in glaring inefficiency and ineffectiveness. Therefore, the remote, intermediate and immediate causes and solutions have become subjects of intense debate emerging from different perspectives; and over time, the nature of the debates have been consistently changing (Owusu, 2012). It is believe that, organizational performance is a multi-dimensional and rather complex phenomenon that represent both objective and subjective constructs (Carlos *et al*., 2014), but the universally accepted philosophy is that organizational performance is synonymous with 3Es (Carlos *et al*, 2014; Otley, 2001).

Public sector organizations in many developing countries perform poorly. In some few notable cases, they barely exist and functions at all (Grindle, 1997). Therefore, in accounting, these problems are directly related with 3Es. For example, Radin (2011) argue that, public sector stakeholders are obviously skeptical about the organizational performance of the various government agencies. In contrast, innovation in the management of the public sector organizations now travels faster around the world than ever before. Most countries on a global scale have witnessed radical changes in their public sector over time (Al Athmay, 2008). Therefore, the organizations ability to wield enormous capacity for efficiency, effectiveness and economy is sometimes curtailed by the multiplicity of sources of legitimate authority; this may be as the result of competing expectation for performance from various diverse stakeholders (Christensen, Jantz, & Lægreid, 2014a). Owusu (2012) claims that, in every country one can identify some public sector institutions performing relatively well notwithstanding the constraints and the environment, but the factor behind the differential organizational performance have not yet been sufficiently and systematically investigated despite the expected positive contribution of such research studies in setting coherent and articulate policy direction.

This view is corroborated by Grigoroudis, Orfanoudaki, and Zopounidis (2012) where they pointed out that, non-profit and public organizations plays a strategic role worldwide as service providers. Therefore, their efficiency, effectiveness and economy are equally topical especially in the public sector accounting literature. Equally, Boland and Fowler (2000) argue that, parallel development in the public sector in various countries where the term organizational performance has been seen as everyday feature or a common language is a significant testimony of the positive consequence of the 3Es. Although, some researchers have argued that, performance in the public sector is sometimes difficult to define and measure (Bringselius, 2012) but recently the consensus is that, 3Es are major pillars that defines organizational performance (Otley, 2001; Owusu, 2012). The general view is that, governments at different levels should not only provide basic services to the citizens but also thereafter track the organizational performances through the various accounting method of evaluating outcomes or feedback (Arthur *et al*., 2011).

Conclusively, this section highlight the importance of 3Es or organizational performance in the public sector. Therefore, the significance of this study could be pointed out especially in the Nigerian context where the state governments have issues with 3Es. The next section explains the first independent variable namely goal orientation.

3.8 Goal Orientation

3.8.1 Concept of Goal Orientation

Goal orientation refers to the preferences of individual or organizational goals in achievement settings (Button, Mathieu, & Zajac, 1996). Goal orientation is generally mean to serve a cognitive framework towards reacting to possible challenges in goal attainment, interpretation of feedback as well as responding to performance outcomes (Alexander & Van Knippenberg, 2014; VandeWalle *et al*., 1999). Equally, de Lancer Julnes and Holzer (2001) defines goal orientation as "the extent to which the organization is oriented towards efficient goal achievement. (p. 706)". Goal orientation assists in developing a mental framework used by individuals and organizations to respond to achievement situations (VandeWalle *et al*., 1999) especially when confronted with challenging tasks. Nurkholis and Ismail (2014) view that, the definition of goal orientation in private sector could sometimes be different from the public sector. In organizational business performance research for example, goal orientation is commonly associated with maintaining fit in goals of individuals and organizations. This means that, the level of individual and organizational goal congruence positively or negatively affects organizational performance. However, in public sector organizations, goal orientation refers to the public sector institutions orientation towards achieving their mission (Nurkholis & Ismail, 2014).

For example, in psychology, the major distinction in goal orientation is between the performance goal orientation and learning goal orientation. Where the learning goal orientation focused basically on mastery which entails that, success at either individual or organizational level is understood in terms of learning. It is therefore, recognized as seeking out new challenges and resiliently persisting difficult situations in order to get the needed opportunity by developing a mastery in the conduct of a particular task (Alexander & Van

Knippenberg, 2014). Performance goal orientation on the other hand, deals with the orientation towards preferences for situation where doing well is the basic expectation and therefore, the risk of failure is discouraging (Alexander & Van Knippenberg, 2014).

For the purpose of this study, the definition of Nurkholis and Ismail (2014) will be adopted. Hence, according to Nurkholis and Ismail (2014), "goal orientation is defined as the degree and extent to which a person or organization focuses on the task goals as well as the end results of those tasks." Specifically, this implies that in public sector organizations, the measure of success or failure of an institution is determine by its ability to stick to its goals (Jung, 2012). Thus, when a public sector organization set goals to be accomplished within a specific time frame, then, the ability, commitment and determination to make sure that, these goals are achieved without much deviation or hindrances is what is termed "goal orientation" (Latham, Borgogni & Petitta, 2008). Moreover, public sector organizations relies on budget for service delivery. Therefore, when an organization is equipped with a workable plan of action to ensure that, the ultimate goal of an organization is significantly accomplished, then it is safe to assume that, the organization demonstrate a sound goal orientation.

3.8.2 Importance of Goal Orientation

From the previous decades, the concept of goal orientation has invariably become an important perspective in different field of studies (Kaplan & Maehr, 2007). Its specific functions and importance emerged to describe it as a vital motivational variable in organizational research by providing the needed explanation towards the responses, reasons and approaches that individuals and organizations uses in engaging achievement of activities or outcomes (VandeWalle *et al*., 1999; Kaplan & Maehr, 2007). The functions or focus of goal settings and goal orientation in an organization is that, it is a motivational process towards the accomplishment of the defined outcomes.

Therefore, setting goals and establishing the necessary orientation enables organization to achieve higher performance (Radosevich *et al*., 2007). Although, the research studies on goal orientation begins at the individual level on school children, but over the past few decades, the interest on goal orientation spread to other disciplines simply because of its link with the individual and organizational performance (Button *et al*., 1996; Radosevich *et al*., 2007). For instance, in highlighting the role and importance of goal orientation in the public sector organizations, Nurkholis and Ismail (2014) stressed that, organizations that have an established goal orientation at departmental and organizational level are likely to achieve higher performance than organizations with absence of clear cut and well-articulated goal orientation.

Interestingly, as the result of the distinguished characteristics of the public sector organizations, the basic pre-occupation of mostly their performance management practice is to establish how such an organization is able to have a well-articulated goal orientation and how it is observing and accomplishing its dedicated goals (Grigoroudis *et al*., 2012). However, public sector organization demands to have a clearly defined goals at any point in time. Therefore, effective management aims at building efficient performance management system through the optimum use of resources, strengthen the government accountability and achieve better service delivery (IFAC, 2013).

Goal orientation in an organization deals with motivational focus of such an organization as well as self-imposed strategies in achieving targets (Pieterse, Van Knippenberg, & Van Dierendonck, 2013). It is established that, goal orientation and performance are related;

and if certain performance level is required in an organization, then, the goal orientation of the employees within the organization needs to be robustly improved (Pieterse *et al*., 2013). Porter (2005) claim that, goal orientation is a fundamental attribute of performance management, although goal orientation and organizational performance are related, sometimes the nature of the relationship is quite complex.

Porter (2005) further maintains that, goal orientation and performance management are neither mutually exclusive but rather mutually supporting factors in organizational settings. Pieterse *et al*. (2013) explained the perspective of two dimensions of the goal orientation. They contends that, goal orientation assumes preference in the context of achievements which reflects two distinct dimensions. The basic motivation of learning goal orientation is to gain skills, competence and quite unique approaches of achieving targets while performance goal orientation deals with effort to avoid being incompetent and try to outperform other organizations or competitors.

Porath and Bateman (2006) established that, both learning and performance goal orientation holds a potentially essential implication on individuals, teams and ultimately organizational performance. They further added that, organizations that is peopled with employees that have commitment to the organization's well-aligned and well-articulated goal orientation are likely to operate at optimum performance level with a view of possibly outperforming other organizations. Equally, Button *et al*. (1996), argue that, goal orientation is potentially an essential variable or construct in conducting research on organizational performance. Though, there seems to be different views on the context and situation it could be operated; as whether it is a situational trait or dispositional trait.

In the performance management literature, organizational performance is only relevant and meaningful if the goals are clearly and explicitly stated and serve as yardstick of assessing under or over performance (Verbeeten & Speklé, 2015). Evidence has in fact shown that, placing more emphasis on incentives and targets could likely results in a jeopardized dysfunctional behavior when public sector organizations' goals are not clearly defined (Spekle & Verbeeten, 2014). This view is consistent with the submission of the United State Government Accountability Office (GAO) report, where it was emphasized that, goal orientation and priority setting are key elements of the public sector performance management (GAOReport, 2013).

For example Ayers, Malgeri, and Press (2014) noted that, in the past, there were glaring weaknesses in assessing the performance of the United States' Federal agencies because of poor articulation of goal orientation that are relatively not aligned to (or partially aligned) to the public organization's performance management practice. Even Otley (2012); Ferreira & Otley (2009); Merchant and Otley (2006) strongly indicated in their management control models and performance management models that, goal setting is a key element of the performance management.

Therefore, it is strongly stressed that, public agencies should identify the most essential goals which are described as useful pre-requisite for assessing organizational performance (Ayers *et al*., 2014; GAOReport, 2013). This is the purpose behind the establishment and promulgation of GPRA modernization Act, 2010 in USA (Ayers *et al*., 2014; GAO Report, 2013). Presently, goal orientation is a critical aspect of the government agencies in different countries (Moynihan *et al*., 2012).

Finally in view of this, the performance management practice in Nigeria and beyond is dependent upon the articulated goals of the public sector organizations (Jung, 2012; Latham et al, 2008). This implies that, goals are the basic attributes of evaluating the 3Es in the public sector world over. Therefore, discussing the performance management elements in Nigeria is quite lacking without aligning the study to the concept of goal orientation. Thus, the role of goal orientation in determining performance is a needed research effort particularly at the state governments' level in Nigeria.

3.8.3 Relationship between Goal Orientation and Organizational Performance

A number of studies investigated the relationship between goal orientation and performance (Nurkholis & Ismail, 2014; Pieterse *et al*., 2013; Porath & Bateman, 2006; Porter, 2005; Radosevich *et al*., 2007; VandeWalle *et al*., 1999) but obtained different outcomes under different situation and different organizational set-up.

Specifically, VandeWalle *et al*. (1999) conducted a study on the influence of goal orientation on sales performance. The aim of the study was to explicitly examine the relationship between goal orientation and performance. The sample of the study comprises of 167 respondents. The data from the sampled respondents was collated through survey. The data was further analyzed through a multivariate regression analysis. The findings of the study reveal that, there is positive and significant relationship between some dimensions of goal orientation and performance but rather established no relationship between other dimension of goal orientation and performance. VandeWalle (1999) *et al*. further reveals that, the relationship between goal orientation and performance could sometimes be deleterious. This implies that, it could exhibit little or no interrelationship.

On another score, Ford *et al*. (1998) conducted a study on the role of goal orientation on outcomes. The objective of the study was to find out whether goal orientation is a strong determinant of the outcomes or performance. The study was extensively conducted from the data of a sampled 93 respondents. The data collected was analyzed using a regression analysis. Specifically, a hierarchical regression analysis was conducted to get the study's findings. The findings of the study reveal that, negative relationship exists between goal orientation and performance. This study has corroborated the multitude number of studies conducted previously, although it recommended for more studies on the construct.

In a study of Porter (2005), the actual predictive validity of goal orientation was empirically examined to determine its effect on the team outcome and efficacy (performance). Porter specifically hypothesized that, positive relationship exists between goal orientation and task performance, and that the relationship is partially mediated by behavior. The study was conducted using sample of 320 respondents (employees) working together to perform a particular task. Porter utilized correlation and hierarchical regression analysis to obtain the result of the experiment. The findings reveal that, all the hypothesized relationship and variables are found to be highly correlated and positively significant. Finally, Porter recommends that, future studies should focus on organization's goal orientation which could directly or indirectly influence outcomes and organizational performance. Again the use of larger sample in future studies is recommended.

In a study conducted by Porath and Bateman (2006) to examine the effect of goal orientation on job performance in a longitudinal field study on salespersons in a large multi-national computer outlets using a survey of 121 participants, the study found that, goal orientation is positively and significantly related to job performance. They further suggested that, the findings might reflect different result, had it conducted under different situations and settings. The regression analysis was used to analyze the study data. These findings are similar and consistent with the findings of Porter (2005).

Specifically, Radosevich *et al*. (2007) in their study examines the goal orientation and goal settings as constructs for predicting performance. The study covers 335 respondents whom participated on the premise that, their individual goal settings and goal orientation will be assembled and analyzed. The study utilized survey through questionnaire and structural equation modeling (SEM). The study found that, all the variants of goal orientation exerted a relevant influence on the performance. In other words, the goal orientation and performance are positively and significantly related. The study recommended that, the study could be extended to organizations in different sectors.

In a study of Kagaari et al. (2010), the relationship between goal settings/orientation as dimension of performance management practice is investigated in relation to organizational performance. The data of the study was obtained from 900 respondents from four public universities in Uganda using questionnaire. Zero-order correlations and regression analysis were carried out using SPSS. The findings of the study indicates that, goal setting/orientation has significant positive relationship with organizational performance.

In another study conducted by Pieterse *et al*. (2013), where the role of goal orientation is examined in relation to the team performance and cultural diversity. It was initially proposed that, team goal orientation influences team performance. The reason for considering team as a unit is not far-fetched, thus, the teams are basic structures of organizations. It is argued in the study that, task performance requirement can trigger the team goal orientation which invariably calls different efforts to organizational performance. The study was conducted on a team of respondents from Dutch business school through questionnaire which were administered on 376 respondents divided into 22 teams. The findings of the study reveal that, goal orientation is a strong variable that affects performance but the relationship is quite moderated by cultural diversity. The study also highlighted that, the limitation of the study is that, it is conducted exclusively in Dutch setting. Therefore, future studies may replicate this in another environment with different institutional background.

At organizational level, a study conducted by Nurkholis and Ismail (2014) on the effect of regulation and goal orientation on performance utilization in Indonesian local governments with the aim of establishing the mediating role between goal orientation and adoption, it was found that, goal orientation do actually mediates the relationship. In other words, the relationship becomes stronger when there is goal orientation. The study utilized survey method through self-administered questionnaire on the local governments in East Java, Indonesia. The result was analyzed using structural equation modeling (SEM). Nurkholis and Ismail finally recommended that, future studies should take a dispassionate look at the complexities surrounding the goal orientation and probably in relation to organizational performance, not only in Indonesia but in other developing countries.

To critically analyze the above literature, it could be established that, some of the studies were conducted in the private sector (e.g. Vande Walle *et al*, 1999; Porath & Bateman, 2006). This implies that, the public sector also is quite essential but implicitly ignored to some extent with regards to the relationship involving goal orientation. Again, some studies like Porter (2005) considers efficacy or outcomes as the proxy of performance.

Notwithstanding, studies have argued rather strongly that, outcomes or other likely proxy might not necessarily and profoundly explain the performance of an organization exhaustively (Jung, 2012). Therefore, this is quite a huge gap in the literature which should be plugged by conducting more studies. Moreover, most of the studies reviewed so far have ordinarily highlighted that, the relationship between goal orientation and performance is more explicitly conducted on team or at divisional level within an organization (e.g Pieterse et al, 2013), thus goal orientation at the level of organization is seemingly ignored. Therefore, it is quite established that, investigation of goal orientation/performance relationship at the organizational level, and involving several organizations would be a huge literature contribution if considered systematically. Thus, this study has virtually accomplished that task by assessing the relationship involving public organizations in Nigeria, specifically at the state governments' level. In addition, the methodological aspect of the substantial number of the above studies involves only few samples. Therefore, a study with a large sample would be worthwhile research effort if the critical extent of this relationship is to be established.

From the foregoing studies, it could be established that, a research gap exists as to what role does goal orientation plays in enhancing the organizational performance of the public sector organizations. This challenge is what this study intends to systematically address in the context of the Nigerian public sector. Therefore, it is the priori expectation of this study that, goal orientation being a strong element of the performance management, is a factor to contend with, either directly or indirectly when investigating the organizational performance of the public sector organizations in Nigeria. Note that, the summary of some of the literature is shown in Appendix B.

3.9 Performance Measurement

3.9.1 Concept of Performance Measurement

Performance measurement is defined as the process of identifying the significance or worth of a performance, program or policy and to ensure that, feedback received is utilized for the purpose of timely and informed decisions (Kloviene & Valanciene, 2013). The cardinal objective of the performance measurement system is to improve the organizational performance (Nurkholis & Ismail, 2014). Performance measurement has been a key issue in the government institutions for many decades, but its significance has manifested due to the paradigm shift brought by the new public management (NPM) (Gajda-Lupke, 2009) and other accompanying public sector reforms in the developed and developing countries whose emphasis revolves around outcomes, control of output and input, efficient budgetary processes and effective utilization of available but limited resources (Jan van Helden, Johnsen, & Vakkuri, 2008).

Neely, Gregory, and Platts (2005) defined performance measurement as a procedure of quantifying the input, output and outcomes of certain actions in an organization. International Public Sector Accounting Standard Board (IPSASB) described performance measurement as "used to indicate the way in which public sector entities set financial and non-financial objectives, measure performance and report from the resulting data". Performance measurement is an old concept that began decades ago. For instance, the early effort towards application of performance measurement in an organization started by Taylor in 1911, the major motivation then had been improving workers' effort, output and tasks; and to create a functional procedure according to an established technical logic as well as setting standards and control mechanisms so as to maximize efficiency (Heinrich & Marschke, 2010). New interests and attentions on the performance measurement by researchers and academicians necessitated the development and advancement of performance measurement as a distinct aspect of the management accounting and management control which also later spread to public sector (Otley, 2012; Otley, 2003; Merchant & Otley, 2006; Kloviene & Valanciene, 2013; Veladar, Bašić, & Kapić, 2014). Thus, performance measurement is a strong element of the performance management (Modell, 2009; Micheli & Mari, 2014). Therefore, the extent of the ties between the two concepts (performance management and performance measurement) sometimes necessitated their usage interchangeably (Kaplan & Norton, 2001; Meng & Minogue, 2011; Modell, 2009).

Moreover, in the opinion of Hoque and Adams (2011), performance measurement refers to the process of identifying the worth of a project, program or policy and to ensure that, feedback received is utilized for the purpose of timely and informed decisions. Specifically, for the purpose of this study, the definition of Spekle and Verbeeten (2014) is adopted. Spekle and Verbeeten defines performance measurement as the process of monitoring and quantifying the organizations' most important aspect of its systems, programs and processes. For instance, to explain this definition further, the performance measurement system in an organization monitors resources usage by quantifying input of resources, the processes, the output and even the outcomes. The input, output, processes and outcomes are the most important aspect of the public organizations system as highlighted by the above definition. Therefore, performance measurement system in an organization measures every available activity within the organization that requires management decision.

Finally, this aspect provides definition of the performance measurement from various researchers and within different context. The different definitions of the performance measurement is a major highlight of the strategic role of the performance measurement in the public sector and beyond. Thus, the next section explains vividly about the importance or functions of the performance measurement.

3.9.2 Importance of Performance Measurement

Institutions in the private and public sector have evolved different categories of performance measurement system because of its significant importance (Bititci, Bourne, Cross, Nudurupati & Sang, 2015). Performance measurement system in organizations comprises of several functions, movements and methods depending on the organization and its focus on the service delivery (de Waal & Kourtit, 2013, Modell, 2009). Each method adopted was aimed at improving the input, output and outcomes and to fast track the process of decision making (Bititci *et al*, 2015; Zakaria *et al*., 2011). In many countries, performance measurement is inextricably connected with the necessity of the system, thus, the benefit and practical applicability of which are sometimes difficult to analyze (de Waal & Kourtit, 2013; Micheli & Mari, 2014; Kloviene & Valanciene, 2013). For instance, in the United States, the public sector reforms adopted over time were aimed at ensuring that, the government institutions achieves outcomes and meet the expectations of the citizens (Heinrich & Marschke, 2010; Bititci *et al*, 2012). Thus, performance measurement system was initially at the forefront of these reforms (Heinrich & Marschke, 2010; Bitici *et al*, 2012).

Besides, many countries whose public sectors were reformed have reflected the benefit of the performance measurement model (de Waal & Kourtit, 2013; Bititci *et al*, 2015). For example, Government Performance and Result Act, 1993 (GPRA) and PART (Performance Assessment Rating Tool) necessitated every Federal agency in U.S to establish a functional performance goals and measures, regardless of the agency's complex nature of the task, thus, this will provide evidence of the agencies performance relative to their goals and targets (Bititci *et al*, 2015; Bititci *et al*, 2012; Heinrich & Marschke, 2010). However, in Nigeria, many governments and government agencies have instituted functional and workable frameworks of performance measurement at both Federal and State levels, and this giant stride is an attempt to assess the level of progress of budgetary indices and to assess how possible and feasible is the overall adopted system (Abubakar, Saidin & Ahmi, 2015; Adeboye, 2014).

It is apparently clear that, standardized performance measurement system in Nigeria provides a basis for judging governments' impacts and outputs, and therefore comparing the actual status with the targets and expectations (Abubakar *et al*., 2015; Esu & Inyang, 2009). By so doing, it becomes easy to evaluate government performance and provide basis for future budgetary allocation and areas of primary priorities (Brinkerhoff & Brinkerhoff, 2015). This is quite obvious at all levels of governments, particularly state government which is closer to the people and establish frequent contact with people at the grassroots (Abubakar *et al*., 2016; Adeboye, 2014).

The development of the performance measurement system in an organization is principally because of the seeming general acceptance that, the adoption and utilization of such measures constituted a powerful formula for improving weak performing organizations in the public sector (Verbeeten, 2008; Kaplan & Norton, 2001). Equally important is that, performance measurement is primarily established in the public sector to tackle bureaucratic bottleneck prevalent mostly in the public governance (Nurkholis and Ismail, 2014).

In addition, Grace (2014) further noted that, development of performance measurement system in a public sector organization induce managers to concentrate dutifully on their responsibilities and focus on how the overall organizational goal could be attained. Kloviene and Valanciene (2013) further argue that, the functions, importance and aims of the performance measurement is to attempt to identify the appropriateness of organizational goals and the procedure for their implementation and secondly, is to develop sustainability and impact in a corporate environment and to strengthen pillars of internal control system and sound corporate governance.

Even though, the performance measurement system is conceptually considered from two perspectives i.e decision facilitating performance measurement and decision influencing performance measurement (Grafton *et al*., 2010), but it is strongly maintain that, the impacts of both perspectives on the pattern of organizational decision making process as well as organizational efficiency and effectiveness has never been in doubt (Bourne, Mills, Wilcox, Neely, & Platts, 2000; Grafton *et al*., 2010).

The idea of government organizations measuring their performance has been in existence for long, therefore the current practice of performance measurement has only expanded the existing practice recently (Cohn Berman, 2008). For sometimes now, key performance indicators (KPIs) have become tools for measuring the performance in public sector organizations (Zakaria *et al*., 2011; Hoque & Adams, 2011). Having this in mind, Taylor (2006) specifically highlights that, in a country where the empirical academic research on performance measurement is sufficiently inadequate, then, it is more proper to start off by observing how different departments drive their systems of performance measurement and how this influence public sector organizational performance.

Specifically, Bititci *et al*. (2012) averred that, the public sector organizations needs the performance measures to trail operations and improve organizational performance. And again, there is a collective consensus among various stakeholders that holds the view that, performance measurement directly affects how the public sector organizations acts (Kanji & Moura E Sá, 2007).

A pool of literatures on performance measurement established that, the premise upon which the performance measurement was founded is glaringly aimed at creating a number of benefits to the organization (both public and private) through the provision of broad-based and strategically-aligned metrics through which the managerial decision making and organizational performance will be technically enhanced and significantly improved (Bititci *et al*, 2015; de Waal & Kourtit, 2013; Goh, 2012; Grafton *et al*., 2010; Ittner & Larcker, 1998; Kaplan & Norton, 1996, 2001; Micheli & Mari, 2014; Tung, Baird, & Schoch, 2011). Various literatures have also indicated that, different models have been established and extended, to measure organizations performance which includes the Business Excellence Model (BEM), balanced scorecard (BSC), capital maturity model (CMM), and key performance indicators (KPIs). Although the models originated from different backgrounds, they have considerably achieved success in the improvement of performances of organizations (Otley, 2012; Ferreira & Otley, 2009; Meng & Minogue, 2011).

The performance measurement has practically shown that, it has tendency to influence the overall individual and organizational performance. For example, in UK, the Research

Assessment Examination (RAE) which is the performance measurement system used to assess the UK academic output has within short period of time boosted the productivity and performance of the tertiary institutions in the country (Neely, 1999).

Performance measurement has actually cut across all aspects of human endeavors. For example, not only the public sector organizations, even the non-profit organizations have keyed into this revolutionary process by establishing performance measurement system to evaluate their activities. By so doing, the much-sought after trust, confidence and good image will be established and enhanced (LeRoux & Wright, 2010).

Conclusively, the performance measurement has evidently shown multiple importance within an organization. The importance has been exhaustively highlighted above which covers strict monitoring of resource utilization in the public sector generally. This implies that, almost every activity within organizations from the planning, budget formulation process, input, process, output, outcomes, other social contract and community expectation, legislative requirement and organization's reward system are taken care of by the performance measurement system. The next section covers the empirical relationship between the performance measurement and organizational performance.

3.9.3 Relationship between Performance Measurement and Organizational Performance

Research studies are abound on the link between performance measurement and organizational performance e.g (Bititci *et al*., 2012; Evans, 2004; Boland & Fowler, 2000; Cavalluzzo & Ittner, 2004; De Geuser et al, 2009; Grafton *et al*., 2010; Meng & Minogue, 2011; Hoque & James, 2000; Micheli & Mari, 2014; Otheitis & Kunc, 2015; Ruzita *et al*., 2012; Spekle & Verbeeten, 2014; Taticchi, Tonelli, & Cagnazzo, 2010; Verbeeten, 2008).

Specifically Verbeteen (2008) conducted a study on the effect of performance measurement practices on the organizational performance. The aim was to establish how the performance measurement system enhance organizational performance in the public sector organization. The study was conducted on 93 public sector organizations in Netherlands using questionnaire to obtain data and used partial least square (PLS) to analyze the collated data. The findings of the study revealed that, performance measurement is positively associated with quantitative and qualitative organizational performance. Therefore, all the hypothesized relationships in the study were established to be true and supported. The study also recommended that, subsequent research studies should investigate the impact of performance measurement on the public sector organizations that exhibited ambiguities in their organizational goals.

In another study conducted by Grafton, Lillis and Widener (2010) on the role of performance measurement in assessing organizational performance and building organizational capabilities, its purpose is to establish the link between the organizational performance and organizational control. The study was conducted on the 183 institutions across two countries (United States and Australia). The data was collected using questionnaire and analyzed using structural equation modeling (SEM). The findings of the study revealed that, the performance measurements (decision influencing and decision facilitating) reveals cumulative positive influence on the organizational outcomes and organizational performance. The study recommended that, the future research should focus on the influence of other management capabilities like information on the organizational performance.

In the study of Ruzita *et al*. (2012) on the practices of the performance measurement in the Malaysian public sector, the objective was to determine the extent to which the system of performance measurement is established and link to the public sector organizations' strategy and performance. It is also aimed at establishing the balanced manner of the influence of performance measurement for improving organizational outcomes. The study was conducted purely on the Malaysian public sector on 77 respondents using questionnaire. The findings of the study revealed that, the performance measurement system in Malaysia is moderately developed. It also reveals that, there is deficiency in measuring the performance based on the balanced scorecard. This indicates that, organizational outcomes might be affected in the long run.

The study of Spekle and Verbeteen (2014) investigated, with a fairly larger sample, the effect of performance measurement on organizational performance through the moderating effect of the organizational factors. The study was conducted on 101 public sector organizations in Netherlands. The data was collected using questionnaire and analyzed using ordinary least square regression analysis. The study reveals that, there is significant positive association/relationship between the NPM variant performance measurement system and the organizational performance. It is also established that, the relationship is strongly moderated by the contractibility. The study recommended that, further research should focus on investigating the relationship in other countries, because this study is skewed more to the public sector organization in Dutch only, which might likely differ in one way or the other with some countries.

Yet again, Otheitis and Kunc (2015) have undertaken another study on the performance measurement. The purpose of the study is to establish the effect of the adoption of the performance measurement on the organizational performance. The study was a cross-country research that involves thirteen countries across Europe, Asia and America. The study administered questionnaire on 100 organizations. The findings revealed that, the organizations that have adopted the performance measurement have achieved relatively better organizational performance. The study further recommended that, future research should investigate the relationships in other countries, especially African countries where the performance measurement is evolving.

Conversely, in the study of Cavalluzzo and Ittner (2004), the relationship between performance measurement and outcomes (performance) was investigated. The data of the study was obtained from the government-wide survey conducted by the US General Accountability Office (GAO) on the Federal agencies. The questionnaire was used to collect the data from 905 respondents. Correlation and regression analysis were used for statistical analysis. The findings of the study reveals that, performance measurement has negative relationship with organizational outcomes (performance).

Generally, as a critique to the above studies, it is established that, a huge gap is left unattended with regards to the relationship between the performance measurement and organizational performance. For example, significant number of studies on the performance measurement in public sector utilized only individuals as unit of analysis (e.g Cavalluzzo and Ittner, 2004; Ruzita *et al*, 2012). Few studies like Verbeeten (2008); Spekle and Verbeeten (2015) are mere exception if the general statistics is taken. It should be noted that, performance measurement is an in-built system within an organization as well as a global phenomenon, thus, a study conducted to assess how performance measurement influence organizational performance must evaluate the entire organization not individuals with little managerial responsibilities in such organizations. Moreover, even the few studies on the public organizations collated data only from the insignificant portion of the population. Specifically, organizations covering huge service delivery activities in the public sector which must be involved to gain deeper insight of the relationship have been left out of the equation in most of the studies. Therefore, this study is quite different from many others by coordinating a large number of public organizations in Nigeria.

Equally, studies are abound that recommended the replication of the research on the performance measurement in other context and countries, but still most of the studies conducted so far are inexplicably restricted to the Europe and US. Despite the strong suggestion, only neglible number of empirical studies were conducted yet in Africa. Specifically, the clearer picture of this type of relationship is more pronounced if other countries investigate similar relationship. Therefore, this study has plugged this wide gap by considering Nigerian public sector critically at the state governments' level.

Finally, from the studies reviewed so far, none has been undertaken in Nigeria. Therefore, based on the recommendation of different researchers above, this study intends to carry out an investigation on how the performance measurement affects public sector organizational performance in Nigeria. Specifically, the study would look at the influence of the performance measurement (along with other performance management elements) on the organizational performance of the Nigerian public sector at state governments' level. Note that, the summary of some of the literature is demonstrated in Appendix B.

3.10 Performance Reporting

3.10.1 Concept of Performance Reporting

Performance reporting refers to the process of furnishing information to the stakeholders in the public sector. It involves reporting periodic achievements and the evidence of such achievements (Marcuccio & Steccolini, 2009). Public sector performance reporting regime has been one of the realities and rhetoric of the reforms in the public sector institutions at the dawn of 1980s and 1990s as popularized by the NPM (Christensen, Mark, & Yoshimi, 2001). Indeed, public sector performance reporting could be described as action by the government institutions to ensure and guarantee informed society or citizenry (Melitski & Manoharan, 2014). For instance, public sector institutions produce reports for the purpose of budgeting, auditing, accounting and managerial decision making. They also produce data on revenue and expenditure. However, sometimes the analysis and necessary fine-tuning are made to the reports and release to the ultimate stakeholders as a performance report which involves both qualitative and quantitative information (Cohn Berman, 2008).

However, for the purpose of this study, the definition of Lee (2008) is adopted. The definition reads "Performance reporting refers to the periodic reporting of aims and achievements of public sector organizations relating to the activities and outcomes of the organization to the interested stakeholders." Specifically, according to Lee (2008), performance reporting is the concept that involves reporting different layers of activities and outcomes within the public sector to the interested parties. Lee (2008) further assert that, information that leads to the identification of problems of interest as well as setting priorities for reporting, and taking decision with regards to the identified problems conforms with the public sector performance reporting requirement depending on the information need of the critical stakeholders at a particular point in time. Likewise, reporting on the new and innovative approaches of doing things and mobilizing support from the stakeholders advocating for resources needs to execute a programme is critical pillar of the performance reporting (Lee, 2008). Equally, this is further corroborated by Van de Walle and Cornelissen (2014), where they maintain that, performance reporting in the public sector is assumed to be a mere availability of information that leads to timely and informed decision by considering problems, priorities, resources needs and the eminent value of a particular activity or programme.

In addition, Melkers and Willoughby (2005) claims that, NPM and performance reporting are like Siamese twins, thus, performance reporting is used for advocacy, resource need and priority settings. In the same vein, de Lancer Julnes and Holzer (2001) claims that, performance reporting is an instrument for service improvement and a symbol for wider public policy decision processes. Finally, this assertions generally implies that, the performance reporting in the public sector is a multipurpose instrument for any sort of decision making procedure.

3.10.2 Importance of Performance Reporting

Performance reporting is a vehicle through which public stakeholders recognize the governments' absolute presence for a specified period of time. Curristine and Flynn (2013) maintains that, during the previous decades, governments have embarked on reforms to change pattern of activities in the public sector organizations and the budgeting processes, the output of these activities depend to a large extent on the sound performance reporting. A reasonable practice of performance management system requires not only a carefully developed performance measurement system but also an effective performance reporting system for channeling information to the wider public (Bakar *et al*., 2011). Dissemination of performance information influences the citizens' view by shifting or changing their individual view about government perceived performance (James, 2011).

Radin (2011) contends that, the popular assumption is that, availability of performance report will furnish both internal and external public stakeholders with information sufficient enough to make informed decision. Jan van Helden *et al*. (2008) noted that, public sector performance management does not only entails analysis and measurement of indicators, but also reporting of performance information to the superior managers for managerial decision making and to the political bodies (Legislature) as physical justification for the resources utilization and output which otherwise will be made available and accessible to the general public.

Performance reporting has been a considerable key input into the various managerial decision (Grafton *et al*., 2010), proper utilization of which create an important avenue for enhanced organizational performance (Bakar *et al*., 2011; Coste & Tudor, 2013; Marcuccio & Steccolini, 2009). Performance reporting as a tool for enhancing organizational performance could be utilized as both feedback and feedforward control mechanism in a public sector setting (Grafton *et al*., 2010). In Nigeria for instance, the desire to know what the governments are up to, is becoming more prominent and louder by the day, therefore, the need for both qualitative and quantitative reporting of the service delivery is becoming more popular and glaring than ever before (Ayobami, 2014).

Melkers and Willoughby (2005) reiterated that, today in the United States as the result of "Bush Management Agenda", the Federal agencies have demonstrated a high standards of performance reporting; and this has given a new integrative perspective of how both financial and non-financial reporting would involve a budgeting decisions reporting

(Melitski & Manoharan, 2014). According to Veladar *et al*. (2014). It is worthy to note that, the practice of performance reporting differs from one country to another. For instance, in some countries, government institutions are forced by law to provide performance reporting annually, while in some other countries the reporting is at the discretion of the reporting entities to provide. But one fact that is glaring is that, performance reporting enhances the quality of decision making in short term and organizational performance in the long run.

According to Verbeeten and Speklé (2015) performance reporting is a vehicle for providing feedback on the results, consequences and eventualities of specific action and choices taken to gain deeper understanding of the ground reasons of success or failure and to finally identify practicable ways of improving organizational performance. Again, Coste and Tudor (2013) views that, managers of the public sector entities could learn how to run, manage and improve their distinctive situations using the performance reporting obtained, and this information could be utilized as an effective tool for the organizations in enhancing 3Es.

Previously, under financial reporting system, reporting to the external parties was restricted to the content of the organizations' annual accounts whose thrust lies in the information that are financially compliant (Connolly & Hyndman, 2004). Nowadays, public sector institutions use latest technology and the even the social media platform to engage stakeholders and to report the performance information on the budgets and resource allocation, expenditures and future forecast (Melitski & Manoharan, 2014). This physical development has practically put a lot of strain on the public agencies to ensure that, critical stakeholders are being carried along by reporting the result of their activities, projects and policies on a periodic basis to be able to enjoy some measure of public confidence. The modern information and communication technology has rendered this duty more compelling now than ever before (Mucciarone & Neilson, 2012).

Furthermore, a number of researchers specifically on the public sector performance management have identified from the vast literatures that, performance reporting and the sound decision making are closely related (LeRoux & Wright, 2010; Moynihan *et al*., 2012; Taylor, 2011). Specifically, Van de Walle and Cornelissen (2014) claims that, the emerging trend nowadays is to make public sector performance reporting more and more publicly available to the stakeholders. The popular assumption is that, the performance reporting is a stimulating factor in terms of balance among 3Es. Furthermore Curristine and Flynn (2013) argue that, information improves organizational performance only if it is used for decision making. Therefore, the practice of performance reporting has gained a widespread acceptance recently because of the growing concern and demand for more efficiency, effectiveness, transparency, accountability and information on the public sector organizations as emphasized by the new public management (Taylor, 2011).

Conclusively, it is worthy to note that, the performance reporting has diverse importance and significance as highlighted above. It is also observed that, all the activities within the public sector need to be reported to the multiple classes of stakeholders, thus, public organizations priorities, resources need and the outcomes of every decision taken would be reported to the critical stakeholders as a justification for the service delivery. Specifically, the basis for providing performance reporting as espoused by the NPM is to justify the budgeting expenditure of the resources allocated. The next section considers the relationship between performance reporting and organizational performance.

3.10.3 Relationship between Performance Reporting and Organizational Performance

Research studies were conducted on public sector performance reporting and organizational performance in different countries e.g (Christensen *et al*., 2001; Christensen & Yoshimi, 2003; Connolly & Hyndman, 2004; Lee, 2008; Marcuccio & Steccolini, 2009; Mimba *et al*., 2013; Moynihan & Pandey, 2010; Moynihan *et al*., 2012; Mucciarone & Neilson, 2012; Van de Walle & Cornelissen, 2014).

Connolly and Hyndman (2004) specifically conducted a study on the performance reporting by comparing the British and the Irish non-profit making organizations. The aim of the study was to establish the basis upon which the organizations report information to their stakeholders; and whether non-financial information reporting is given a due priority it deserves. The study focuses much on the information that is mainly reported outside the financial statements of the organizations under review. The study entails 332 organizations in Britain and Ireland in form of sampled respondents. It was established finally that, stakeholders are most interested in the qualitative information than the quantitative ones. Therefore, the findings reveal that, performance reporting is the paramount aspects that both internal and external stakeholders utilize for decision making and equally assess organizational performance.

In another study undertaken by Lee (2008) on the preparation of performance reporting in the public sector from the Australian perspective, the study critically examines through survey, the perception of the public sector managers in Australia about the role and significance of performance reporting towards achieving the objectives of the public sector organizations. The study also seeks to establish the views of the public sector managers on the influence of the performance reporting in improving organizational performance and the extent of gradual development of performance reporting. The findings revealed that, the reporting of performance information is not frequently established outside the annual reports. The study also revealed that, there is positive association between the performance reporting and the general efficiency of the organizations. Again, the findings reveals that, certain non-financial performance information are still being developed to suit the need and the reporting structure of the stakeholders.

In the study of Moynihan and Pandey (2010), the antecedents of the performance reporting and why managers in public sector organizations utilize performance reporting were examined. A number of possibly related variables were considered. The research was conducted using questionnaire and also collected data from 1,538 senior managers, city managers and general managers from the USA local governments. The study data was analyzed using simple correlation and other descriptive statistics. The findings reveal that, performance reporting is positively correlated to the efficient public sector management. The study recommended that, further research can profitably be utilize to examine, in different settings, the performance reporting by testing variety of variables using both qualitative and quantitative research techniques. However, this is hopefully what this study intends to achieve.

The study of de Waal (2010) investigated the relationship between behavioural dimension of performance management and organizational performance. The objective of the study is to establish how some dimensions of the performance management like performance reporting, communication and accountability influence organizational performance. The data was obtained through the distribution of performance management analysis (PMA) questionnaire to the selected organizations. A total of 577 questionnaires were distributed to organizations in Netherlands and UK. The result of the study indicates that, performance reporting (action orientation and communication) dimension of performance management maintain a positive and significant relationship with organizational performance.

In a study of Mucciarone and Neilson (2012) on the performance reporting in the Malaysian government was also considered. The aim of the research was to analyze the extent of disclosure of accountability information (performance reporting) to the stakeholders based on the perception of the senior finance officers (SFOs) and in line with the philosophy of new public management in Malaysia. It was hypothesized that, the extent of use of performance indicators for reporting purpose is being determined by the variables like oversight bodies, accounting ability of the bureaucrats and political visibility. The study was a pilot study which utilized survey using questionnaire and interviews. The result indicates that, there seems to be a weak formal mechanism of reporting performance information in Malaysia, particularly on the effectiveness and efficiency of government programmes.

Another study was also conducted by Moynihan *et al*. (2012) on linking the impact and the performance reporting. The aim of the study was to establish the impact of performance information for internal reporting and for external legitimation. It is argued in the study that, performance management focus on performance reporting rests solely on the social impacts as well as prosocial values. The study collected data through survey in a cross-sectional manner from the U.S public sector employees. The responses of 255 respondents across 8 public institutions in North America were obtained. The data was analyzed using ordinary least square regression. The findings however suggest that, perceived social impact is established to be positively associated with performance reporting ability. Again, the study established that, performance reporting could be used for dual purposes; for internal decision procedure and for external legitimation.

Mimba *et al*. (2013) conducted another study on the reporting of performance information in Indonesian local governments under divergent stakeholders' pressure. The objective of the study was to increase the modalities of understanding the role performance reporting is playing in the Indonesian local authorities' general performance. The performance reporting was hypothesized as a dependent variable in relation to the existing classes of stakeholders viz: regent/majors, local councils and central government. The research was a case study on the two selected local governments in Bali province and Brana regency, Indonesia. The study used interviews to collect data. The findings revealed that, broad and wide spectrum of interests of stakeholders have far-reaching implication on the performance reporting and organizational performance. The study recommended that, subsequent study should investigate the entire system of the public sector performance management so as to establish the reason behind low institutional capacity in the public sector of some less-developed countries.

Fundamentally and relative to its importance, the performance reporting could be said to be an understudied variable (Moynihan *et al*., 2012). Dissemination of information to both internal and external users to facilitate the public sector organizations in making informed decision is said to be the ultimate goal of instituting the system of performance reporting (Moynihan, 2008; Moynihan *et al*., 2012).

One of the main thrust that motivated this study to consider the performance reporting as a construct of interest in the study has been largely captured by Garnett *et al*. (2008) in their argument that, the empirical research studies on the impact of performance reporting on the organizational performance had been largely conducted at the private sector level whose major inclination is profit motive. Not only that, it was also established that, performance reporting in the public sector has received little academic attention (Bakar *et al.*, 2011; Sarrico, Lee Rhodes, Halligan, & Hawke, 2012). Again, Kloot and Martin (2000) observed that, there is little discussion or literatures on the performance reporting in the government institutions and how the information brings the needed impact on the overall performance of the organizations.

For instance, Moynihan and Pandey (2010) maintains that, governments in various countries have utilized a great deal of time and resources to create a system that ensures the provision of performance reporting to the stakeholders but later ignores the mechanisms that should have been used in weighing the impact of performance reporting on the organizational performance. This point has also been amplified by Taylor (2014) where it was argue that, the academics and practitioners have to a large extent noted that, several organizations are not optimally using performance reporting for the purpose for which it was meant for i.e. improve the quality of decision making internally and to report to the diverse stakeholders externally.

Therefore, looking at the above research studies, none has been conducted on the influence of performance reporting on the organizational performance of the public sector institutions in Nigeria. In this regard, this study extends the previous literatures by considering the impact of performance reporting on the public sector organizational performance in Nigeria.

Conclusively, despite the importance of performance reporting within the performance management literature, only little is known about this rather significant construct at least in the Nigerian context. Therefore, in developing country like Nigeria where reporting of information of non-financial nature is quite significant, then, the influence of performance reporting in determining the organizational performance is equally topical and beneficial to the public agencies. Thus, this study is out to empirically establish that fact and to measure its adequacy in bringing to the fore the issues regarding 3Es. Note that, the summary of some of the literature consulted is shown in Appendix B.

3.11 Accountability

3.11.1 Concept of Accountability

A casual look at the contemporary studies on accountability reveals a confusing assortment of definitions due to the fact that, the concept of accountability today is presumably considered to serve various purposes and normative expectations (Behn, 2001; Bovens, 2006; Lewis & Triantafillou, 2012; Schillemans & Bovens, 2011). According to Iyoha and Oyerinde (2010), accountability has become an evolving phenomena over the years and has been broadening from the narrow outlook of mere record keeping of financial transaction to the extensive, integrated concept of financial and non-financial management of organizational resources in an orderly and resourceful manner; so as to accomplish sound decisions and facilitate better organizational performance.

According to Chukwuebuka and Chidubem (2011) accountability as a concept connotes a sense of responsibility and it reflects certain public expectation from the stewardship. For instance, the universal view of accounting described accountability as an activity purposively directed towards end users and tailored in their own specific information needs

(Almquist, Grossi, van Helden & Reichard, 2013). However, bearing that in mind, the concept of accountability in its widest term is more comprehensive and broad than accounting, but focusing on the stakeholders information need seems inextricably linked to the wholesale idea of accountability, especially in the specific context of the public sector organizations (Connolly & Hyndman, 2004). The concept of accountability is frequently but inconsistently used in a broad sense, hence, comprises different terms and meanings depending on the focus and the perspective (Bovens, 2006).

However, the elementary view of accountability hinges upon the management capacity of providing account to the owners, creditors and shareholders on how the company's resources are being managed (Rixon, 2013). In the public sector, accountability is actually crucial for legitimacy; therefore, governments and public bureaucracies are expected to account for the resources under their stewardship (Lewis & Triantafillou, 2012). Accountability is described as the need for public sector agencies to - in accordance with the laid down rules, regulation and law of the land- serve the general public effectively (Okoh & Ohwoyibo, 2010). Accountability is one of the most vital areas of governance (Almquist *et al*, 2013). It refers to obligation or responsibility to perform in line with certain public expectation and bear the consequences of possible failures (Kim, 2009). However, the concept of accountability is sometimes rather amorphous, because it is difficult to correctly define it, in more concise and precise terms, hence, the different definition, explanations and interpretations.

Therefore, for the purpose of this study, the definition of Kim and Lee (2010) is adopted. The definition reads "Accountability refers to the obligation or responsibility to perform in line with certain public expectation and bear the consequences of possible failures". To illustrate this point further, accountability is one of the major issues that necessitated the NPM phenomenon (Northcott & Taulapapa, 2012; Rixon, 2013). This is because, the public spending crisis at the dawn of 1980s is not entirely about finances constraint but rather, the transparent and accountable manner such finances are utilized in the public service delivery and bearing in mind the best public interest (Hoque & Moll, 2001, Van Dooren, Bouckaert & Halligan, 2015). Therefore, one of the significance of public sector performance management is to earn the stakeholders' confidence on how the public finances are being used effectively (Van Dooren *et al*, 2015). Under the performance management, public sector organizations need to be held genuinely responsible and accountable for poor or good organizational performance (Northcott & Taulapapa, 2012). Specifically, optimizing the accountability thrust of the public sector organizations in both developed and developing countries is one of the strategic motivations of the public sector performance management and NPM (Hoque & Moll, 2001). Finally, this implies that, accountability must be placed in an important place in the public management literature, hence, the conduct of this study.

3.11.2 Importance of Accountability

Accountability is generally a vital element that plays a significant and vital role not only in the public sector, but also on wider areas of human endeavor. Accountability issue is a central concept in the public sector organizational performance, performance management and the corporate governance as well (Mucciarone & Neilson, 2012).

Accountability in the public sector is being given more serious attention globally because governments at various levels are the highest spenders of the public money (Akinbuli, 2012). Therefore, because nowadays, stakeholders have unarguably demanded for greater accountability and transparency with regards to the utilization of public funds, government institutions globally have borrowed management techniques (NPM) from the private sector to demonstrate sound accountability which is a precursor for organizational performance or good balance of 3Es (Northcott & Taulapapa, 2012). This has clearly indicated that, accountability is an important as well as key performance management element, the relevance of which cannot be over-emphasized.

Hoque and Moll (2001) strongly maintains that, a range of economic, technological and social pressures have greatly forced governments in various countries to become more transparent and accountable in the allocation and utilization of the publicly-generated funds. Actually, these issues are what the organizational performance and accountability research studies seek to achieve everywhere within the framework of performance management (Almquist *et al*, 2013). The consequences for deficiency or deficit in accountability are enormous; therefore, much discussion in the public sector performance management in the past few decades has focused on accountability in government (Lonsdale, 2013).

However, it may be difficult for public sector professionals and academic researchers to navigate through this term "Accountability" without making reference to its various typologies e.g. public accountability, managerial accountability and administrative accountability. Beside, in general terms, the notion of accountability exist if there exists an interrelations between the undertaking of a certain task and functions by an individual or body. Hence, this may be thoroughly subjected to other peoples' requests, oversight or direction which may equally need information and justifications for whatever actions taken in due course (Mutiganda, 2013; Almquist *et al*, 2013).

Accountability is essentially important and could be observed under different guises and notions; and it operates within the diverse expectations of the stakeholders, especially with regards to the government entities where the level of expectation of the stakeholders is apparently clear and diametrically differs. From the global perspective, socio-economic development of countries is being driven increasingly by accountability, thus, accountability has become essential elements of the performance management system in different countries (Mutiganda, 2013; Lonsdale, 2013). Therefore, given its importance, enhancing good accountability has been a cardinal objective of the various reforms in the public sector management in the last 20-30 years (Mutiganda, 2013). This fact is glaring from the burgeoning interest in assessing how accountability affected the public sector organizational performance (Van Dooren, Bouckaert & Halligan, 2015; Lonsdale, 2013).

Accountability concept has a fairly long tradition in both financial accounting and public sector governance (Tanzi, 2016; Lindberg, 2009). Globally, public sector is assumed to be appropriately designed as a channel of fruitful change and development (Schillemans, 2015, Almquist *et al*, 2013). In Nigeria for example, researchers have noted that, delivery of efficient public service is confronted with problems which includes poor accountability and transparency in the management of public resources (Chukwuebuka & Chidubem, 2011; Okekeocha, 2013).

It is pertinent to note that, in Nigeria, accountability is the provision and requirement of law (Akinbuli, 2012). It is also a key element in the performance management (Van Dooren, Bouckaert & Halligan, 2015). The issue of accountability in the conduct of the public sector institutions has been a foremost and forefront matter, this fact is not lost on the public sector organizations in Nigeria, hence, the pledge to entrench good accountability at all levels of governments (Udo, 2015). The prominence of this concept of accountability has never been so pronounced any other time than now.

There are quite number of issues raised lately with regards to the accountability in particular, and performance management in general. It is contend that, accountability has not been properly discharged by the public sector institutions efficiently and effectively in Nigeria (Akinbuli, 2012). And that, these special concerns have not been sufficiently addressed by the responsible institutions which bring difficulties in monitoring the performance management elements and organizational performance with a view of taking corrective measures before getting to the dead ends (Akinbuli, 2012; Okekeocha, 2013). These concerns have not been thoroughly and dispassionately investigated empirically by the research studies. Not only that, its short-term and long-term implications on organizational performance has yet remained a mirage within the public sector accounting literature.

According to (Hoque & Moll, 2001), the need for accountability in the public sector is always married together with the need for enhanced organizational performance, or more specifically, the improved efficiency and effectiveness. Parker, Guthrie, Milne, and Broadbent (2008) opined that, it is high time to shift focus from understanding different concepts in the public sector accounting research to the areas of performance management and their essential elements.

According to Yang (2011), despite the fact that, accountability is established as the hallmark of the public sector accounting research, accountability remains a rather irritating problem. Still, public sector organizations are dealing with accountability issues on daily basis. Therefore, establishing a conceptual and empirical link between accountability and organizational performance within the framework of performance management studies has become subject of intense debate and interest to the researchers given the fluid and dynamic economic environment of today (Otley, 2012; Schillemans, 2015). This idea of the relationship between accountability and organizational performance is more imminent and popular in the public sector performance management, hence, accountability is an essential element of the performance management (Kim & Lee, 2009; Schillemans & Bovens, 2011; Yang, 2011).

In conclusion, it is worthy to note that, accountability importance in the public sector performance management arrangement cannot be over-emphasized. In fact, studies have highlighted several time that, accountability is one of the legitimate concerns that gave the emergence of NPM. Thus, further empirical investigation of accountability as an important element of performance management is a worthy research effort especially in Nigeria. Therefore, this study tends to attend to these concerns.

3.11.3 Relationship between Accountability and Organizational Performance

A number of research studies both empirical and theoretical were conducted on the relationship between accountability and organizational performance (Akinbuli, 2012; Behn, 2001; Bovens, 2006; Cavalluzzo and Ittner, 2004; Christensen *et al*., 2014a; Dubnick, 2005; Dubnick & Frederickson, 2011; Ijeoma, 2014; Kim, 2009; Ossege, 2012).

For example, in the study of Cavalluzzo and Ittner (2004), the relationship between accountability and perceived benefits (outcomes) among other performance management variables was investigated. The data of the study was obtained from the government-wide survey conducted by the US General Accountability Office (GAO) on the Federal agencies. The questionnaire was used to collect the data from 905 respondents. Correlation and regression analysis were used for statistical analysis. The findings of the study reveals that, accountability has a significant positive relationship with outcomes (performance).

Equally for instance, in an effort to determine the assumed relationship between organizational performance and accountability, Dubnick (2005) has explored the contemporary need of the moment for conducting empirical study on this area. Dubnick in his study used social mechanism theoretical approach to clearly articulate the factors necessary for accountability and public sector organizational performance. However, the Dubnick (2005) study is not based on any empirical evidence but rather divulging a theory and relating it with the assumed relationship between accountability and performance. At the conclusion, the case has been made for the logicality of broadening the perspective of the argument by conducting an empirical study with the aim of disentangling the accountability paradox. Therefore, this study is aimed at consolidating on what Dubnick (2005) recommended in his study.

In a study conducted by Kim and Lee (2010) on accountability and work related performance in a non-profit making organizations in USA, with the aim of establishing the impact of accountability on performance, it was proposed that, all types of accountability e.g. managerial accountability, administrative accountability or hierarchical accountability e.t.c are either directly or inversely related to the performance, depending on the context and environment within which the research is conducted and which the organization operates. The study used survey to obtain data from 180 employees. The study utilized structural equation modelling (SEM) for the purpose of statistical analysis. The findings of the study revealed that, all the classes of accountability (compliance accountability, professional accountability and political accountability) through the intervening effect of perceived workload have a significant negative relationship with perceived performance. Kim and Lee (2010) further contended that, the challenges of the present time leaves much to be desired as to which type of accountability takes precedence over others. Also, their findings reveal that, accountability is truly a multi-dimensional construct that places competing weight of pressures on the employees' work-related performance. In other words, the accountability pressure might or might not inhibit the organizational performance subject to its rigidity, flexibility or applications in the organizations' day to day activities. They concluded that, further research on accountability should expand the likely variables specifically on the dynamics of accountability in public sector and non-profit organizations with possibly of evaluating different and larger samples.

The study of de Waal (2010) investigated the relationship between accountability (as a behavioural dimension of performance management) and organizational performance. The data of the study was obtained through the distribution of a specialized instrument called performance management analysis (PMA) questionnaire. A total of 577 questionnaires were distributed to organizations in Netherlands and UK. The findings of the study indicates that, accountability as a behavioural dimension of the performance management maintain a positive and significant relationship with the organizational performance.

Again, Dubnick and Frederickson (2011) stretched the previous argument further in their study on the public accountability. The aim of the study is to deconstruct the myths about none or weak relationship between public sector organizational performance and accountability. They argued that, it seems troubling and puzzling that, although a straight, clear and positive relationship between the improved organizational performance and accountability exists by reason of anecdotes, but it has not been extensively and sufficiently explored empirically. They recommended that, an empirical studies need to be conducted in different countries with different administrative models and styles so as to establish more evidence-based argument about the relationship between organizational performance and accountability.

In contrast, Ossege (2012) conducted a study to explore the relationship between the concepts of accountability and outcome to find out whether the investigated organizations are better off with accountability or without it. It is one of the studies that empirically review the effects of accountability on public managers' works behavior. The aim of the study is to examine the effects of accountability on related work behavior and performance in the public sector settings. It is argued in the study that, a quite number of public sector managers have been increasingly complaining about the likely negative effects of accountability on performance. The study used self-administered questionnaire and composed of a sample of 73 public sector managers in Netherlands public sector. The findings of the study indicated a positive relationship with prosocial behavior (outcomes) and a negative relationship with political behavior (outcomes). The findings of the study further suggests that, accountability though a golden principle that no one can go against it, is a double-edge sword that could be both beneficially important or adversely affected the course of organizational performance and the related behavior in the public sector organization.

In another study conducted by Akinbuli (2013) which looked into the accountability requirement in Nigerian public sector, where the trust on the public managers and the extent of rendering stewardship on public resources were examined. It was established that, upon all the legal and regulatory framework in place, the instruments have not been sufficiently utilized in holding public officers to account, thus, affecting public sector organizational performance. The study explored that, there is need for reviewing the policies towards monitoring public accountability so as to raise the public confidence and expectations. The study was conducted to seek the view (through survey) of 130 (respondents) staff of the ministry of finance and justice. The Chi-square was used in the analysis. The study finally recommends that, there is need for in-depth studies on accountability in Nigeria, therefore, governments would choose from the pool of research findings for and recommendations that will help enhance the accountability regime and by extension, organizational performance.

Ijeoma (2014) has corroborated what Christensen *et al*. and Dubnick asserted, in her study on the impact of the public sector accounting standards on the state governments in Nigeria. The aim of the study was to evaluate the impact of International Public Sector Accounting Standard (IPSAS) on credibility, reliability and integrity of financial reporting in Nigeria. The findings revealed that, the concept of accountability need to be taken to the empirical level in Nigeria. This is because the concept of accountability has assumed a fundamental dimension and becomes only pertinent subject of discussion around the academic and professional forum; this may not be unconnected with the alleged fashionable place the corruption and kickback have occupied in Nigeria.

Therefore, it is obviously clear from the aforementioned studies that, the circumstances and the prevailing reality upon which the concept of accountability found itself, specifically in relation to the public sector performance management, need to be critically examine especially in countries like Nigeria where the accountability debate and its cherished place in the scheme of things has been consistently elusive. This view about accountability and performance management in Nigeria has been re-echoed by researchers in different quarters. However, it could be deduced that, a gap exist on how the accountability affect organizational performance in the Nigerian public sector, specifically on the state governments as no study of this nature with the same theme and objective was conducted.

Additionally, Dubnick (2005) after considering various alternative perspectives of the relationship between accountability and performance, and sometimes the spurious or paradoxical nature of such relationship claims that, performance improvement and accountability are quite instrumental to each other, which means that, one variable can positively or negatively influence the other. This view was further reiterated by Dubnick and Frederickson (2011), they argue further that, accountability is positively associated with the organizational performance. They presuppose that, the strength of the relationship is so powerful that, the two are interchangeably used as the indicator of each other.

Though, a quite number of researchers have expressed certain reservation and misgivings about how the concept of accountability becomes rather a paradox. Consequent upon that, Behn (2001) highlights that, several attempts and efforts to facilitate effective accountability have in some public sector institutions met with a brick wall, as some elements in the institutional arrangement perceived strong accountability as counter-productive.

In accordance with the divergent overviews on accountability and organizational performance, Christensen *et al*. (2014a) have this to say "Thus, the question of what the mechanisms are, if any, that link account giving to individual leaders and organizational performance, is still contested" (p. 5). Behn (2001) on accountability paradox equally argue that, accountability enjoys explicit and more than sufficient attention in the public sector organizations at the expense of absolute organizational performance. Dubnick and Frederickson (2011) despite their theoretical findings on the assumed positive association between the organizational performance and accountability, maintains that, the researchers with the contrarian view opined that, public organizations are held accountable for how efficient they execute the formal organizational accountability processes, procedures and policies rather than how efficient they observe their primary responsibilities and tasks. Therefore, it is apparently clear from the above that, according to this line of argument, rather than becoming mutually reinforcing, accountability and performance tends to become mutually exclusive (Behn, 2001). Thus, if the position of Behn (2001) is adopted, then the propositions and findings of (Christensen *et al*., 2014a; Christensen, Jantz, & Lægreid, 2014b; Dubnick, 2005; Dubnick & Frederickson, 2011) as accountability having a positive relation with performance could be vitiated.

Finally, this study intends to unravel the mystery behind the paradox and would establish the nature of the relationship whether direct, inverse or otherwise using data from the state governments' ministries, departments and agencies in Nigeria. This is to illustrate further on the studies of Cavalluzzo and Ittner (2004); Kim and Lee (2009); de Waal (2010); Dubnick and Frederickson and many other similar studies within the public sector performance management. In conclusion, despite differing research findings on the relationship between accountability and performance, literature is still acutely short of stretching the link especially in developing countries like Nigeria. Thus, this study is aimed at testing that relationship in the Nigerian context. Note that, the summary of some of the literature consulted is shown in Appendix B.

3.12 Organizational Culture

3.12.1 Concept of Organizational Culture

Culture is both dynamic phenomenon and a coercive background structure that influences people and organizations in multiple ways. It is constantly re-enacted and created by our interactions with others and shaped by our own behavior (Schein, 2010). Like at individual level, culture also has a profound significance in the organizations, both private and public alike. Hence, the essence of the concept of organizational culture (Pandey, 2010).

Over the last few decades, organizational culture has drawn the attention of researchers from a number of disciplines, e.g sociology, anthropology, cognitive psychology and it becomes popular in management and accounting research study lately (Schein, 2010). Organizational culture could be described as shared norms, ethics and behavioral expectations of an organization. For example, Grindle (1997) defines organizational culture as “the extent to which beliefs and standards of behavior are shared by individual within an organization and the extent to which such factors are attributed to the organization (p. 482)”. Rainey and Steinbauer (1999) views organizational culture as “pattern of shared values and belief about appropriate behavior and action (p. 17)”.

Wong, Alexander, and Venable (2012) described organizational culture as invented, discovered or developed attitude by members of an organization, which also defines organization’s distinctive character and manner of the belief of its employees. Equally, Pandey (2014) views organizational culture as an infinite term that lays the foundation of an organization, nurtures and build it, articulate its purposes, define its direction, link its strategies, guide the behaviour of its people towards achieving the desired result.

Ultimately, for the purpose of this study, the definition of Brewer and Selden (2000) is adopted. The definition reads "organizational culture refers to the patterns of shared meaning in an organization which includes beliefs, symbols, rituals and myths that evolve gradually over time and functions as the glue that holds organization together." To illustrate this point further, it is argued that, different culture within the public sector organizations influences how the organization fare and how they accomplish elaborate performance (Pandey, 2014; Parker & Bradley, 2000). However, in a highly dynamic environment like public sector, organizational culture is a significant feature that determines every function and reform process (Grindle, 1997; Wong *et al*, 2012). For example, Ehtesham, Tahir and Shakil (2011) argue that, a number of scholars have attributed the differences in success of performance management applicability between the developed and developing countries to the concept of organizational culture. Equally, this point of argument has been stretched further by researchers that, the key to good organizational performance is organizational culture (Lee & Yu, 2004; Wong *et al*, 2012).

In conclusion, it is observed that, without good organizational culture, the performance management system will be counter-productive. Thus, organizational performance will be equally affected. Therefore, this study tends to give a fair view to the concept and how its effect brings 3Es into the play.

3.12.2 Importance of Organizational Culture

No doubt the organizational culture plays a vital role in the public sector globally (Ehtesham *et al*, 2011). Therefore, Nigerian public sector is not an exception. In the Nigerian public sector, cultures are enormous, some good and others negative (Abubakar *et al*., 2016). Some cultures like complacency, low-morale, graft; lax attitudes which are known as established and well-founded characteristics are always found to have adverse effect on the productivity and performance of some ministries, departments and agencies in Nigeria (Abubakar, *et al*., 2016). Therefore, in conducting a study on the relationship between the performance management elements and organizational performance of the public sector entities in Nigeria, organizational culture is an essential variable to consider. For example, Wong *et al*. (2012) maintains that, organizational culture is a vital determinant of failure or success in a corporate settings. Organizational culture is an attribute that shapes the attitudes of the individual employees and the organization (Ehtesham *et al*, 2011; Lee & Yu, 2004).

Consequent upon that, improving organizational culture is assumed to be the channel of improving 3Es (Nica, 2013; Shahzad *et al*, 2012). Culture indicated the purpose of organization, provide direction, and it is a mirror that reflects the performance of organization (Pandey, 2014). Since the emergence of the concept of organizational culture in early 1980s, there are burgeoning interest on it by researchers and administrators alike because of its significant importance and purpose in determining the organizational performance (Ramachandran, Chong, & Ismail, 2011).

For example, the series of public sector reforms in Africa in 1980s and 1990s recorded little success in some countries because of the failure to take into cognizance some unique organizational cultures of the affected countries' peculiar public sector settings (Bayraktar & Moreno-Dodson, 2015; Brinkerhoff & Brinkerhoff, 2015). In fact, the wave of reform had been largely driven by the prevalent views and the suggested solutions of international organizations and international development partners, thereby paying a scant attention to the differences in the organizational cultures and the management style in these countries (Owusu, 2012).

Organizational culture has been claimed severally by researchers to have effect on the organizational performance (Pandey, 2014; Ramachandran *et al*., 2011; Schein, 2010; Nica, 2013). It is one of the attributes of organization that greatly distinguish it from others (Shahzad *et al*, 2012). In fact, organizational culture systematically determines the success or failure of an organization (Lee & Yu, 2004; Wong *et al*., 2012). The renewed interest on the organizational culture in public sector accounting research has clearly underscored its importance in achieving success or otherwise (Abubakar *et al*., 2016). For instance, in public sector accounting research and performance management literature, organizational culture has gained prominence lately, because it is observed that, in determining the non-financial performance of the public organization, organizational culture is deemed to feature prominently (Ehtesham *et al*, 2011; Ojo, 2008).

Rainey and Steinbauer (1999) specifically established that, well-managed public sector agencies have demonstrated a strong organizational culture. In addition, it was found that, culture is an overlooked dimension particularly in the public sector accounting, but applying culture in determining the performance of an organization is not new either, thus, it is an essential element of the performance management (Martinez, Beaulieu, Gibbons, Pronovost & Wang, 2015; Grindle, 1997). Organizational culture has become like a fad in management research and it is widely seen as giving a quick fix for managers trying to achieve enhanced organizational performance, general or improved productivity specifically (Nica, 2013; Parker & Bradley, 2000). Pollitt and Dan (2013) stressed that, organization and civil service culture are cumulatively expected to bring to bear influence on productivity and organizational performance.

Specifically, in highlighting the significance of the organizational culture and organizational performance study in the public sector institutions, Ramachandran *et al*. (2011) opined that, empirical and conceptual studies on the organizational culture are not only restricted to private organizations and small and medium enterprises, studies are abound on the organizational culture in the public sector and higher education institutions. With this in mind, it is incumbent to understand that, research study on organizational culture and organizational performance within the framework of performance management in Nigeria is very vital, because the role governments and government institutions plays not only in Nigeria, but also globally cannot be over-emphasized, it is indeed a self-evident one (Nica, 2013; Lee & Yu, 2004). Therefore to assist public sector organizations to fully understand their culture and its relative effect on their capacity and ability to achieve optimum organizational performance and make changes where necessary, organizational culture study is quite timely and essential. This will aid them to withstand and weather the challenges of the present time (Ajibolade and Akinniyi, 2013; Beugre & Offodile, 2001).

Moreover, Usoro and Adigwe (2014) claimed that, sometimes the low budgetary implementation is caused by entrenched injurious culture in the Nigerian public sector organizations. Therefore, to deeply investigate and explain the inefficiency or poor organizational performance in the public institutions, it is quite necessary and appropriate to consider the inhibiting dynamics like organizational culture with a view of taking remedial measures (Usoro & Adigwe, 2014). Ultimately, different harmful cultures in the Nigerian public sector have been pointed to be the likely problems mitigating achievement of the optimal organizational performance. For example, the culture of wastages, alleged corruption, poor commitment of managers and employees and shred norms and values in the Nigerian public sector are collectively found to affect organizational performance, thus 3Es are invariably affected (Beugre & Offodile, 2001; Suleiman, 2009).

A few reasons attributed to the subtle resistance to the system of performance management in some public sector organizations are that, general performance improvement in any environment undoubtedly calls for change of organizational culture, by instituting or evolving culture of innovation, commitment and cooperation (Sá, Kretz, & Sigurdson, 2013). Different organizational cultures have been observed to have a tremendous impact on how the organizations conduct its affairs and perform effectively (Beugre & Offodile, 2001). Clearly, the widespread existence of certain cultures like rent-seeking, low-morale, corrupt tendencies and host of others calls for the attention of the researchers to gauge its effect on the organization especially in the developing countries where these adverse cultures are too obvious to be ignored (Abubakar *et al*., 2016; Beugre & Offodile, 2001; Grindle, 1997).

For clear understanding and appreciation of the importance and functions of the organizational culture in the public sector, it is critically important to understand the model that is virtually applicable in all public sector organizations which is also developed in a purpose-driven way to take into cognizance the various aspects of organizational challenge as claimed by Pandey (2014). It is shown in Figure 3.2 below:

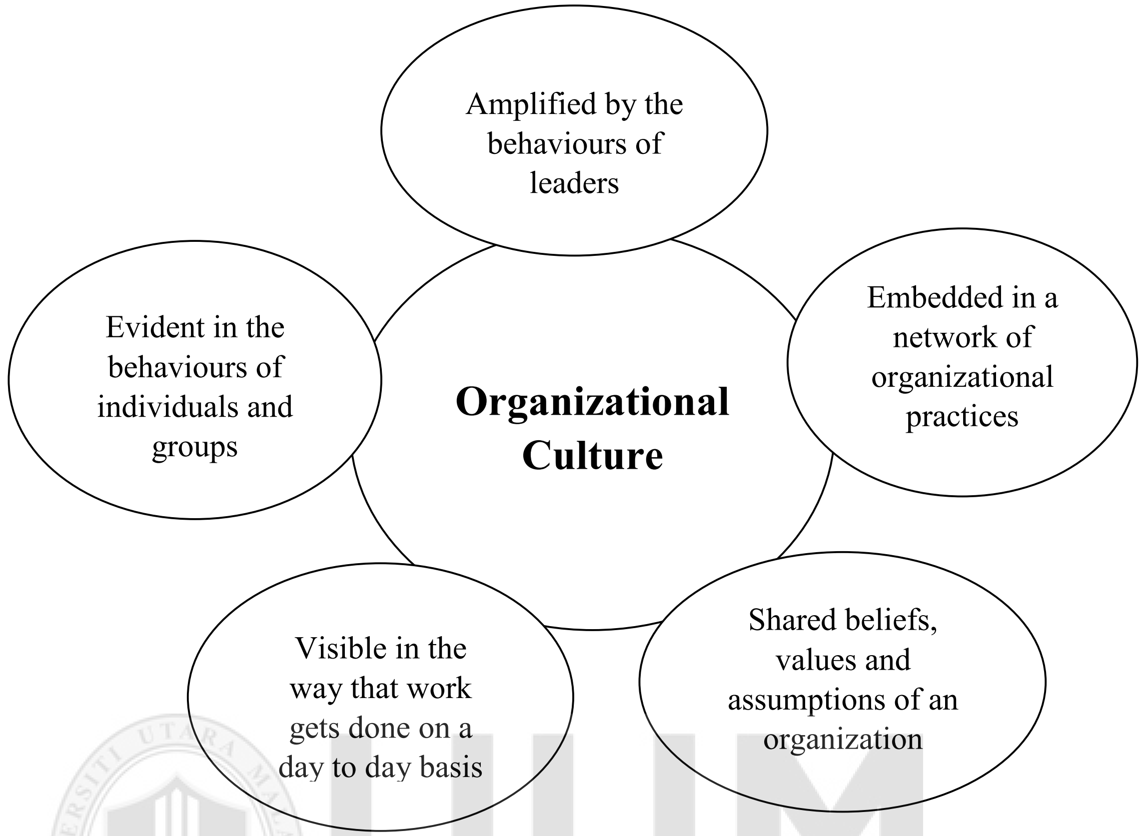


Figure 3.2
Model of Organizational Culture in the Public Sector Organization
Source: Pandey, 2014

It could be seen from the Figure 3.2 above that, organizational culture is always amplified by the conduct of the leaders within a particular organization. This implies that, if the leaders imbibe good cultures, then other employees would definitely imbibe same. Again, as indicated above, organizational culture is evident by the frequent behaviours of individual within a particular organization. Therefore, it is appropriate to see the culture as a prominent characteristic of employees working within such organization. In addition to that, culture demonstrate itself from the way work is being done in an organization. On a daily basis, a lot of work is carried out. Therefore, the routine work of an organization showcase its culture frequently. Culture of an organization is also its shared belief, contains its assumptions and it is a mirror that reflects its norms and values of an organization.

Finally, the culture of an organization is quite embedded in the network of its daily practices. Thus, a particular practice that is observed over and over again forms part of an organizational culture. In a nutshell, the Figure 3.2 above has virtually summarized everything about organizational culture in the public sector.

In conclusion, culture has been part of the performance management practice from the very onset of the NPM paradigm. Therefore, the success or failure of the performance management system in an organization lies on the organizational culture being practiced in that particular organization. Thus, investigating organizational culture is a worthy research cause in every organization and could likely be a notable research exercise especially at the state governments' level in Nigeria.

3.12.3 Relationship between Organizational Culture and Organizational Performance

A number of research studies were carried out on the relationship between the organizational culture and the organizational performance (Abubakar *et al*., 2016; Ajibolade & Akinniyi, 2013; Aluko, 2003; Brewer & Selden, 2000; Campbell, 2015; Carlos *et al*., 2014; Garnett *et al*., 2008; Grindle, 1997; Lee & Yu, 2004; Pandey, 2014; Parker & Bradley, 2000; Rainey & Steinbauer, 1999; Ramachandran *et al*., 2011; Usoro & Adigwe, 2014; Wong *et al*., 2012) in many countries and in different sectors.

Specifically, Parker and Bradley (2000) have undertaken a study on the organizational culture in the public sector: evidence from six organizations. The aim of the study was to highlight the importance of organizational culture, specifically in the ever-changing and dynamic global public sector as well as its changing role. A mail-survey was used to obtain data from the employees in the public sector of Queensland, Australia. The data was particularly obtained from the employees with definite managerial responsibilities. A total number of 191 sampled employees were drawn from the sampling frame of 530 employees. The findings of the study revealed that, organizational culture in the four out of the six departments was non-rational which can adversely affect organizational performance. Although, the study ultimately established that, organizational culture has become like a fad in the organization, it is absence or non-functionality is a point of serious concern in the public sector no doubt.

Again, Brewer and Selden (2000) conducted a study on predicting and assessing the relationship organizational performance and organizational culture. It is argued in the study that, enhancing organizational performance is a central and vital role in public management, administration and cultural norms of the organizations. The aim of the study was to evaluate the organizational performance in the US Federal agencies in relation to culture and other likely factors. The study used a survey on 9,710 respondents extracted from 18,163 permanent and full time employees obtained from the data base of Merit System Protection Board (MSPB). The regression analysis was used in the data analysis. Overall, the study findings revealed that, the Federal agencies are found to have performed adequately over time. The final assessment of the result indicated that, significant positive relationship between organizational performance and organizational culture exists. The study also reveals that, there is still room for further improvement in the organizational performance of the US federal agencies.

Another study was conducted by Aluko (2003) on the impact of organizational culture on the organizational performance across certain selected textile industries in Nigeria. The aim of the study is to take a look at organized textile industries in Nigeria in terms of culture and performance. The study used mixed method of questionnaire and interviews on the 630 selected respondents. The findings reveals that, organizational culture and organizational performance were established to have a direct positive but insignificant relationship. This is because organizational culture is not the sole determinant of the organizational performance, thus, other equally fundamental factors strongly influence organizational performance.

Carmeli and Tishler (2004) have undertaken another study to examine the relationship between organizational performance and other intangible organizational elements (organizational culture) in the public sector organizations. The aim of the study is to determine how these intangible elements interactively, complementary and independently influence organizational performance. The data was collected using questionnaire from 106 local authorities in Israel, and correlation and regression analysis were used to analyze the data. The findings of the study reveal that, organizational performance can well be explained by the organizational culture. The final assessment of the results indicates that, a significant and positive association between organizational performance and organizational culture exists. The study recommended that, future studies should focus more on other variables that could be used in explaining changes in the organizational performance.

In a study undertaken by Garnett *et al*. (2008) with the aim of establishing and understanding the nature and magnitude of the impact of organizational culture on organizational performance. The study findings reveal that, another important dimension has been added to the culture-performance relationship, which is communication which could mediate the established relationship between the variables. The data of the study were obtained through survey in 272 institutions. The study established that, vital breakthrough has been achieved in hypothesizing the relationship between organizational performance and organizational culture. The findings revealed a significant positive relationship between organizational culture and organizational performance. It further recommended that, studies of this nature should be undertaken in other countries to ascertain the possible explanation of the public sector good or poor performance.

Ramachandran, Chong and Ismail (2011) also conducted an exploratory study on organizational culture by comparing public and private universities relative to their performance in Malaysia. The objective of the study was to examine the organizational culture in both public and private sector with the aim of getting the empirical insights and to pave way for cross-learning between the sectors. The data was collected from 594 faculty members drawn from six higher education institutions in Malaysia using questionnaire. The result reveals that, overall; the higher education institutions in Malaysia display and maintain a moderate culture. This implies that, the institutions are in a position to effect changes that will engender good organizational performance and success. The study further recommended that, subsequent research on organizational culture should be replicated in other settings and environments by co-opting other variables like size, mission and characteristics that are likely assumed to have far-reaching implication on the relationship between organizational culture and organizational performance.

In the Nigerian context, a study was undertaken by Ajibolade and Akinniyi (2013) on the influence of the organizational culture on the public sector budgetary implementation process. The objective was to examine the efficiency of the budget process from the cultural perspective of the employees in the public sector organization and to establish whether the public officers have culturally been rendering their stewardship and discharging the trust placed on them. The study also examined the likelihood of budgetary slack in the Nigerian public sector. The study used descriptive statistics and utilized self-administered questionnaire on the 272 budgetary staff among ten federal universities in the country. The findings of the study revealed that, majority of the institutions have demonstrated control culture that could practically enhanced their performance.

Moreover, Pandey (2014) conducted a study on organizational culture as a root of organizational prosperity. The objectives of the study are: how to systematically trace the paths of building a culture that will be reflected throughout the organization; to identify the relationship between the organizational performance and organizational culture; and to determine the effect of organizational cultural change in achieving organizational success. The study utilized only secondary sources of data. The findings established that, culture is ordinarily the soul of organizations which control its activities, direction and its purpose of existence. Ultimately, organizational culture builds image of the organization and reflects its performance drive. It is again, a compass that defines the success and achievement of the organization.

Consistent with Ajibolade and Akinniyi (2013), Usoro and Adigwe (2014) conducted another study on the Nigerian budget practices and organizational culture. The aim is to determine the Nigerian public sector organizational culture and its relevance on the budget implementation exercise. The study also utilized self-administered questionnaire on the 144 respondents across six ministries in the federal civil service randomly selected for that purpose. The findings revealed that, the organizational culture being dominantly practiced in the Nigerian public sector is hierarchical. The study also recommended that, subsequent studies to be undertaken on the organizational culture in other government institutions in Nigeria so as to examine the nature of their culture and its possible impact on their corporate performance or 3Es.

Again, in a study of organizational culture and performance undertaken by Carlos and Sally (2014) with the aim of establishing and exploring the relationship between the constructs on the not-for-profit organizations (including government establishment) in Portugal, it was established that, organizational culture has an obvious effect on the organizational performance. The study used e-mail survey among the 250 institutions to obtain data. The study found that, organizational culture have significant impact practically on the organizational performance. The study further established that, there is need for quite a number of studies on the relationship between organizational performance and organizational culture. This is due to the fact that, organizational culture is a phenomenon that is virtually linked to varieties of organizational outcomes, processes and achievements.

Overall, Arnaboldi *et al*. (2015) opined that, public sector organizations are sometimes commonly seen as complex or rather difficult in conducting study because of the managerial and organizational culture. For example, it is remarked that, "corruption is an aspect of culture" (Pollitt & Dan, 2013 p. 19). Therefore, an organization that is prone to corruption might have an adverse effect on its performance drive (Oladoyin, 2012). Sá *et al.* (2013) reveals that, bureaucratic culture clearly promotes certain functional barriers and builds inactivity and indolence, which if put together would create a negative consequence on the efficiency and effectiveness of the public sector organizations. Grindle (1997) further argue that, positive organizational cultures are quite instrumental to good performance of the public sector organizations in most developing countries. Pollitt and Dan (2013) strongly share the popular sentiment that, in order to consider impacts of performance reforms, one is expected to consider the organizational elements like culture. Yadav and Dabhade (2013) contends that, there is evidence to strongly support that, organizational and environmental cultural norms influences in either way the performance of the public sector organizations.

Some researchers hold the view that, cultural diversities in an organization may be a double-edged sword, because it could stimulate performance and equally disrupt it (Pieterse *et al*., 2013). Culture indicates the purpose of organization, provide direction, and it is a mirror that reflects the performance of organization (Pandey, 2014). Despite the sustained interest by the researchers on organizational culture, there seems to be different views pertaining the relationship between organizational culture and performance. While some subscribe to the idea that, organizational culture involves commonality of values, which facilitates the manner of thinking within an organization. Others in contrast, assumed organizational culture as quality attached to the organization (Wong *et al*., 2012).

Evidence has shown that, public sector differs from private sector on a number of perspectives (Arnaboldi *et al*., 2015; Ramachandran *et al*., 2011; Ruzita *et al*., 2012). Therefore, the organizational and institutional values might likely differ. However, public sector organizations' orientation and culture towards results, outcomes, goals and productivity might also differ in the like order. This is because, it is evident that, most of the research studies on culture focused largely on the values of the organization as the clearest and visible construct representing organizational culture (Ramachandran *et al*., 2011).

With regards to the developed nations, the significance of the organizational culture and the organizational performance has been sufficiently investigated and established by array of research studies, but the role of organizational culture in shaping the Nigeria's national and sub-national institutions has been less-researched (Abubakar *et al*., 2016; Ajibolade & Akinniyi, 2013). Owusu (2012) also holds similar view, where he strongly argue that, the concept of organizational culture will be helpful in clear understanding of the common reference point of the public sector organizations. Owusu (2012) further opined that, although the relationship between these variables has been extensively discussed under different circumstances, but it could help and bring some vital insights on where the performance drivers lies in the African public sector, if empirically investigated and tested. In order to disentangle the web of debates and curtail the series of anecdotes. Thus, the approach of Schein, (1992); (1999); (2010) in theorizing a link between the organizational performance and the corporate/organizational culture will be employed in this study.

From the above studies reviewed, it is clear that, gap still exist on the impact of organizational culture (as a performance management element) on the organizational performance specifically at the state governments level in Nigeria. This is because, no study so far conducted that clearly investigated the likely impact of the organizational culture on the ministries, departments and agencies performance in the Nigeria's state governments. Therefore, this study intends to fill the gap by considering organizational culture as a variable of interest. Equally still, the recommendations for further studies in almost all the empirical and conceptual studies reviewed so far have pointed the need for studies on these variables in different settings, environments and levels of governments. Note that, the summary of some of the literature consulted is shown in Appendix B.

3.13 Performance Audit

3.13.1 Concept of Performance Audit

According to (INTOSAI-3000), "Performance auditing is an independent examination of the efficiency and effectiveness of government undertakings, programs or organizations, with due regard to the economy, and with the aim of leading to improvements (p. 11)". Performance audit is sometimes referred to as value for money audit (Craig, Amernic & Tourish, 2014; Loke, Ismail & Hamid, 2016). Performance audit is defined as audit that presents conclusions or findings based on an assessment of adequate and appropriate evidence against a particular standard (Burkhart & Goldman, 2013). Simply put, performance audit is referred to as audit of efficiency, effectiveness and economy popularly known in accounting parlance as 3Es (Kells, 2011; Al Athmay, 2008; Barrett, 2012). Performance audit is a systematic and objective evaluation of government institution programs, performance measures, legal and policy compliance, information systems, resources and public accountability (Australian National Audit Office, 2008).

Performance audit is a distinctive class of audit exercise that is dissimilar to the statutory audit (which is conducted on a set of financial statement). It is commonly undertaken on ad-hoc basis to consider certain discrete subjects and usually make recommendations on a step up efforts to be put in place to enhance organizational procedures and practices (Lonsdale, 2008). Antipova (2013) pointed out that, taxpayers under whatever guise are interested in knowing how effective public sector executives are spending the public resources, and the tool mostly devised by management to achieve that purpose and to satisfy the stakeholders is the performance audit exercise.

Performance audit is gradually becoming a prominent feature in the public sector management (Kells, 2011; Van Dooren, Bouckaert & Halligan, 2015; Arnaboldi, *et al*., 2015) and has increased in scale and intensity in the past few decades (Pollitt, 2013; Van Dooren, Bouckaert & Halligan, 2015). Thus, performance audits have become vital activity central to the activities of the public sector organizations in many countries around the globe (Johnsen, Meklin, Oulasvirta, & Vakkuri, 2001; Reichborn-Kjennerud, 2013), because public sector institutions world over are facing a consistent challenge towards evolving a better performance approach in managing resources (Loke, Ismail & Hamid, 2016; Barrett, 2012).

The idea of performance audit has its origin from the United Kingdom's National Audit office which has been producing performance audit report on how the public money was expended across the broad spectrum of government agencies' operation (Barr & Christie, 2015). It emerged around 1970s and early parts of 1980 as a separate and distinct task to be conducted by the supreme audit institutions (Arthur *et al*., 2011). It has over the years constituted and established efficient ways of dealing with challenges of non-performance in public sector institutions (Tudor, 2007, de Waal & Kourtit, 2013).

Therefore, for the purpose of this study, the definition of Australian National Audit Office (2008) is adopted. The definition reads "Performance audit is a systematic and objective evaluation of government institution's programs, performance measures, legal and policy compliance, information systems, resources and public accountability" (Australian National Audit Office, 2008). This implies that, government organizations engage on activities which involves spending a lump sum of money for activities, programmes and projects. Thus, ensuring that, every penny is efficiently and effectively expended is the sole responsibility of the management. Therefore, management of the government organizations usually establish the veracity of the fund expended through the performance audit exercise. Likewise, ensuring compliance with the performance management system, accountability requirement as well as other legal and information system within the government organizations is adequately define through the conduct of performance audit. The next section delves on the importance of the performance audit especially in the public sector where it is eminently significant.

Conclusively, to sum it up, performance audit emerged along with the NPM as a notable contribution of auditing profession to the performance management system. Therefore, considering performance audit within the broad concept of the performance management is quite a worthy exercise. For example, testing its direct and indirect effect on the performance management elements is quite essential.

3.13.2 Importance of Performance Audit

Performance audit is designed to achieve a number of functions across different organizations and institutions and its importance in the scheme of things particularly in the public sector is enormous (Arthur *et al.*, 2011; Loke, Ismail & Hamid, 2016). For example, performance audit seeks to achieve its purpose by observing how effective the resources are being utilized (Kells, 2011; Barrett, 2012). This important function of performance audit which is complemented by the emergence of the new public management has, in the last three decades, brings about sharp increase in the public attention towards government institutions, their policies and efficient ways they are conducting the business of governance (Barr & Christie, 2015; Craig, *et al*., 2014). Essential instruments being used to achieve this includes performance measurements, performance reporting, review, checks and cost-benefit analysis (Arnaboldi *et al*., 2015; Lonsdale, Wilkins, & Ling, 2011). This continuous increase in attention is unconnected to the fact that, performance audit has become a factor of prominent importance in the private and public sector alike, and has become part of the routine public sector activities in many countries around the globe (English, 2007; Agbo & Aruomoaghe, 2014).

The new public management has been severally cited as inextricably linked and interwoven with the concept of performance auditing (Funnell & Wade, 2012; Justesen & Skærbæk, 2010; Kells & Hodge, 2009). Simply put, Barzelay (1996) strongly argue that, there is close affinity between the new public management and the performance auditing, since the cardinal purpose of both of them is similar and complementary to each other. Therefore, performance audit reinforces the entire performance management arrangement in the public sector organization (Barr & Christie, 2015).

The importance and benefits of the performance audit cannot be over-emphasized in the modern era of public sector performance needs (English, 2007; Van Dooren, Bouckaert & Halligan, 2015). For instance, in Nigeria, the level of corruption, embezzlement, misappropriation of public resources and the declining level of the quality of service delivery have necessitated the professionals and the public sector executives to seek for avenues of mitigating this bad practice through the channel of performance management, one of the ways realized is through conducting performance audit at frequent interval and across all tiers of governments in the country (Agbo & Aruomoaghe, 2014). In some countries, the conduct of performance audit is an exclusive preserve of the supreme audit institutions.

For instance, in the Anglo-Saxon or Westminster style, the supreme audit institution is headed by the Auditor-General and periodically reports to the parliament. The system is widely adopted mainly by the Commonwealth countries including Nigeria (Arthur *et al*., 2011; Reichborn-Kjennerud, 2013). The performance management which is the brain child of the new public management requires a sound performance auditing system in place to monitor inputs, outputs, outcomes, process, performance information and accountability (Abubakar *et al*., 2016; Barzelay, 1996). Performance audit is a powerful tool of identifying organizational performance, for instance, the early attempts at evaluating the performance of organizations centered on the value for money assessment (English, 2007; Boland & Fowler, 2000).

Performance audit is practically applicable to all sections and areas of concern in the public sector organization without border (Loke, Ismail & Hamid, 2016; Reichborn-Kjennerud, 2013). The major aim and purpose is to enable the management of the public organization to genuinely improve governance (Reichborn-Kjennerud, 2013; Kells, 2011). The link between the performance audit exercise in tracking the input, output, throughput and outcomes is aptly represented diagrammatically by Barton, Grölund and Svärdsten, (2011) in Figure 3.3 below:

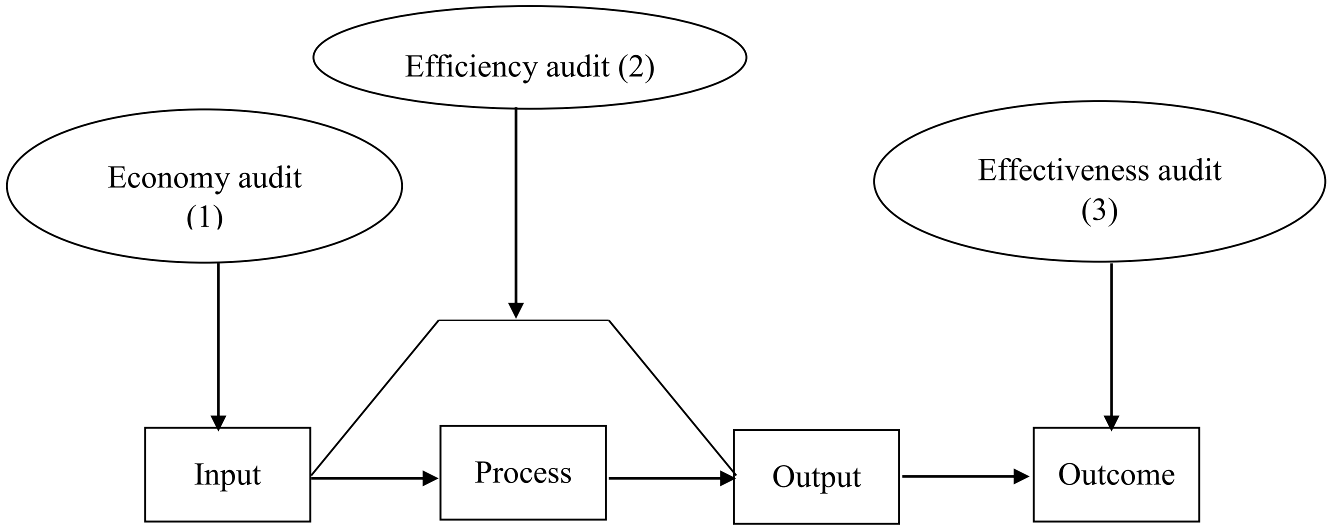


Figure 3.3
Procedural Structure of Performance Audit Exercise
Source: Barton, Grölund and Svärdsten, 2011.

From the Figure 3.3 above, it is clearly identified that, performance audit generally contains three types of audit namely, economy audit, efficiency audit and effectiveness audit. Economy audit is concern with the audit of the funds budgeted for a programme, project or activity. For example, the economy audit ensures that, the money for procurement of input is economically expended. Secondly, efficiency audit covers the processes and output stages. Efficiency audit monitor the funds to ensure that, the output realized is efficiently justified for the funds claim to have been expended on it. Finally, the effectiveness audit is undertaken to establish that, the objective for which the money was spent has been adequately and effectively realized.

The adoption of performance audit in the public agencies is seen as a major addition to the traditional audit exercise. In the traditional statutory audit, the auditor expresses his/her opinion on whether or not the set of financial statement represent the true and fair view of the activities of the organization (Ruhnke & Schmidt, 2016). On the other hand, the performance audit is undertaken to ensure that, a particular project or programme is carried out effectively, efficiently and economically (English, 2007; Tudor, 2007). The conduct of the performance audit differs from one organization to another depending on the approach utilized by the supreme audit institution (Arthur *et al*, 2011). Certainly factors like economic, administrative and legal environment have a direct bearing on how the performance audits are to be carried out and the nature of the performance audit exercise itself (INTOSAI-3100). It is quite interesting to note that, performance audit has no definite and standard procedure or terms of reference, it is always in relation to the particular need at a particular point in time and within the framework of performance management practice of the affected organization (Kells, 2011; Kells & Hodge, 2009).

However, with the umbrella body of the supreme audit institutions suggestion that, the performance audit exercise should focus primarily on the 3Es (INTOSAI-3000; INTOSAI-3100), then it is assumed that, the vital responsibilities of the public sector organizations and similar agencies subjected to audit are automatically covered by the performance audits and performance management practice (Barr & Christie, 2015; Bringselius, 2012) since achieving highest organizational performance is the vital and ultimate objective.

There has been a growing debate on whether evaluation of government programmes and projects and the performance audit, performs the same functions; though majority of the opinion skewed in favor of the fact that, the two concepts performs complementary functions but are quite distinct (Van Dooren, Bouckaert & Halligan, 2015). Moreover, evaluation and performance auditing jointly operates successfully in an environment where performance management system is actively growing (Arthur *et al*., 2011).

With regards to the performance reporting, for instance in the UK, the United Kingdom's National Audit Office has specifically been recommended as the only body responsible for internal and external validation of the performance reporting through the conduct of performance auditing (Bowerman, Humphrey, & Owen, 2003).

Similarly, in achieving a high standard of accountability in the public sector organizations, performance audit is ordinarily applied to play a key role in that regard. To buttress this point further, there is widely-held view that, compliance or accountability audit forms part of the performance audit (Barton *et al*., 2011; Johnsen *et al*., 2001), therefore, assessment of the organizations' observance of the laid down procedures, rules, policies and legislations would basically not be left out (Barton *et al*., 2011). Similarly, performance audit are conducted with a clear sole interest and in order to ultimately establish public accountability (Johnsen *et al*., 2001). Equally still, performance audits are essential instruments for achieving sound accountability and transparency (Lonsdale *et al*., 2011). Performance audit provides a detailed and thorough analysis towards assisting management and those who shoulders governance responsibilities. Therefore, using performance audit output in improving the performance of program and operations, promotes decision making, reduce costs, take corrective measures where necessary and facilitate public accountability (Burkhart & Goldman, 2013).

In the opinion of Taylor (2006) on the public sector performance in Hong Kong and Australia, it was indicated that, some public sector institutions rarely conducted performance audits, and those that have conducted intermittently involves more of financial data verification than what performance audit seek to achieve. However, the origin of performance audit emanated from the financial audit as argued by Behn (2001), the scope, focus and functions of the performance audit are much bigger than financial audit (Taylor, 2006). Taylor (2006) further explains that, the coverage and scope of value for money audit should practically be extended beyond the financial data to include what is termed as non-financial aspect for which it was meant for, because sometimes errors do arise from the data collection regardless of whether they are financial or non-financial.

However, there is a belief in certain quarters that, performance audit has no clear-cut and explicit purpose and applicability. According to this line of argument, performance audit is a self-motivated tool that is applicable to suit the demand of the management and the challenges of the time. This might not be entirely unfounded as researchers like Lonsdale (2000) argue that, despite securing of obvious place in the organizations' accountability arrangements, the performance auditing practice is still evolving and changing in line with the unfolding challenges. This view is consistent with Funnell and Wade (2012), in which they argue that, performance audit is an evolving social construct that is growing in relevance and prominence recently and it is accepted worldwide along with managerialist model; the two have cumulatively enhance the public sector performance management.

Lonsdale (2008) further opined that, performance audit is a flexible and dynamic activity which is constantly evolving and make use of circumstantial demands and assumptions, this distinguished characteristic is what necessitated the absence of a generally accepted framework for the conduct of the performance audit. Johnsen *et al*. (2001) remarked that, despite the widespread importance of the performance audit in public sector performance management, its exact approach is difficult to ascertain. Equally important is the fact that, the changing nature of the performance audit exercise usually originated from the external pressures as well as the internal reactions to these pressures (Lonsdale, 2008).

Conclusively, it is generally identified that, performance audit improves the performance management system in the public sector. Thus, performance audit reinforces organizational performance if the appropriate approach is adopted. Although, performance audit is viewed differently by different countries including Nigeria.

3.13.3 Relationship between Performance Audit and Organizational Performance

Studies are abound on the practice of performance audit and its significant impact on the public sector organizational performance. Specifically, a study was conducted by English (2007) on the performance audit. The aim of the study is to establish the impact of the performance audit on the performance of Public Private Partnership (PPP) projects and programmes in Australia. It is argued in the study that, the risk associated with PPP projects and programmes calls for the robust performance audit to evaluate its performance. The data of the study was assembled by elaborate and in-depth analysis of the substantive audit report of the PPP projects over a long period of time, along with the accompanying performance audit reports. The findings of the study revealed that, performance audit appears to have improved the efficacy of the PPP projects in Australia. The study recommended that, performance audit should be promoted towards governments' obligation with regards to the mutual financing like PPP.

Similarly, another study was conducted by Rosa, Morote and Prowle (2014). The purpose of the study was to examine the influence of performance audit on the organizational performance of the public entities in Spain. It is argued in the study that, performance audit strengthen the public organizations in accomplishing the elaborate performance. The study collected from 109 internal auditors and 14 external auditors working at the Spanish local governments. The reason for this combination is that, performance audit is conducted by both internal auditors and external auditors at various governments' levels in Spain. The data was analyzed using descriptive statistics and correlational view of the actual data collected. The study findings revealed that, performance audit improves organizational performance. Furthermore, the study recommended that, the actual impact of the performance audit on the performance improvement should be investigated and more sophisticated techniques of data analysis should be employed in the subsequent studies.

Consistent with these studies, Bringselius (2008); Gendron *et al*. (2007) found that, performance audit improves 3Es in public organizations. Specifically, studies are scarce on the impact of performance audit on public organizations in developing countries. Thus, this study attempts to carry out a study measuring the impact of the performance audit in Nigeria. As an offshoot of the NPM, the impact of performance audit is going to clearly demonstrate the appropriate place of the performance management and NPM in the public sector settings of the developing countries.

In conclusion, investigating the influence of the performance audit on the organizational performance of the MDAs at the state governments' level in Nigeria is a worthy exercise that is likely going to attracts interest from researchers and policy makers in Nigeria and beyond.

3.13.4 Performance Audit Practice in Nigeria

Performance audit functions in Nigeria is a constitutional creation (Eze & Ibrahim, 2015). This implies that, it is a statutory responsibility of governments at various levels in Nigeria to ensure that, the concept of performance audit is adequately embraced and fully integrated into the common practice of the public sector organizations (Agbo & Aruomoaghe, 2014; Odia, 2014; Tanko *et al*, 2010). By so doing, the public agencies in

Nigeria would be able to determine how effective, efficient and economical are the government programmes in accomplishing the noble objective of public service delivery (Eze & Ibrahim, 2015; Tanko *et al*, 2010). Specifically, the performance audit is virtually a mandatory exercise for the government ministries, departments and agencies in Nigeria. It is frequently carried out by the Auditor General of the Federation as far as Federal MDAs are concern. Equally, the conduct of performance audit is being coordinated by the State Auditor General of every state base on the specific demand of the public sector executives of a particular state and at any point in time (Tanko *et al*, 2010).

Incidentally, not only in Nigeria, the performance audit has quite tremendously becomes popular with many African governments principally because of the concern on the public accountability (Agbo & Aruomoaghe, 2014). Interestingly, auditing in the African public sector has been transformed nowadays by moving several notches higher than what it used to be in the previous decades (Pollitt *et al*, 1999; Tudor, 2007; Visser, 2014). Specifically, the audit practice in many developing countries has manifestly expanded beyond the usual legal supervisory and control (Tanko *et al*, 2010; Tudor, 2007). The audit culture in Nigeria and other developing countries has greatly metamorphosed by focusing more on the matters regarding efficiency, effectiveness and economy recently (English, 2007; Eze & Ibrahim, 2015). This implies that, the governments' programmes and activities have been brought under the meticulous scrutiny of the audit bodies so as to establish the actual value of the resources expended and the value derived therefrom (Pollitt, 1999; English, 2007).

For example, Ijeoma and Nwufo (2015) argue that, the major reason for the wide adoption of the performance audit across governments at various levels in Nigeria is because of the incidence of corruption, weak accountability in handling government finances and poor budget implementation. This argument is in line with the assertion of Reichborn-Kjennerud (2013) that, if the budget is not well monitored through the mechanisms of the performance audit, then, the much talk emphasis about transparency and efficiency will be elusive, and the opportunity to improve the organizational performance will be lost (Helachmi & Greiling, 2011).

According to Arnaboldi and Lapsley (2008); Morin (2008), auditors conduct different classes of audit in governments, but the audit explosion which has its origin in NPM movement has significantly amplified the importance of the performance audit. Therefore, public sector administrators in Nigeria observes that, the advent of NPM and managerialism approach in the public sector governance has affected the traditional audit, thus, performance audit has become the main requirement when assessing the performance of government MDAs (Odia, 2014; Eze & Ibrahim, 2015). This implies that, performance audit has been well embraced in the public spending process in the Nigerian public sector (Agbo & Aruomoaghe, 2014).

To illustrate this point further, the state parliaments in Nigeria relies heavily on the findings of the performance audit exercise to gauge the budget performance of the MDAs (Bawole & Ibrahim, 2017; Ijeoma & Nwufo, 2015). Annual budgetary provision for every government organization for the coming fiscal year is dependent upon the efficient utilization of the previous year's allocation. Thus, the evidence of the efficient utilization of the previous budgetary provision is understand only through the outcomes of the performance audit (Tanko *et al.*, 2010). In fact, governments in Nigeria attach critical importance to the performance audit than other classes of audit like regularity audit or compliance audit (Ibietan, 2013). This view has been strongly corroborated by the researchers in other countries. For example, Morin (2008) claims that, the public expenditure crises in many developed and developing countries has led governments to modify their focus on what the governments' audit functions truly constituted by instituting a performance audit exercise in addition to other classes of audit like statutory and compliance audit.

In conclusion, it is safe to assume that, performance audit has been a foremost arrangement in the public sector in Nigeria. Thus, assessing the activities of MDAs in Nigeria always takes cognizance of the critical presence of the performance audit.

3.13.5 Rationale for Performance Audit as a Moderator

Performance audit has emerged as a key source of proper performance management paradigm (Reichborn-Kjennerud, 2013). Generally, the vital task of performance audit is to checkmate the improper practices and to develop the performance management elements' capabilities towards greater contribution to organizational performance (Loke, Ismail & Hamid, 2016; Johnsen *et al*., 2001). As asserted by Al Athmay (2008), performance audit possesses capabilities that could strengthen performance management arrangements which could lead to higher performance in the public sector.

Evidently, past studies have established the relationship between performance audit and the performance management elements (Al Athmay, 2008; Barzelay, 1996; Kells & Hodge, 2009; Barrett, 2012). Again scholastic debates, empirical studies and theoretical postulations have yielded contradictory results and mixed findings. The substantial empirical evidences supported the positive relationship between performance management elements and organizational performance. For instance, goal orientation (Kagaari *et al.*, 2010), performance measurement (Spekle & Verbeteen, 2014), performance reporting

(Moynihan *et al*., 2012), accountability (Cavaluzzo & Ittner, 2004), organizational culture (Brewer & Selden, 2000) have all exhibited certain degree of relationship.

On the other hand, other studies revealed an evidence of negative relationship between the performance management elements and organizational performance. For example, performance measurement (Cavaluzzo & Ittner, 2004), performance reporting (Cunningham & Harris, 2005), accountability (Kim & Lee, 2009), organizational culture (Parker & Bradley, 2000).

Therefore, this emerging scenario raises concern, and adequately asserted the need for the relationship between performance management elements and organizational performance to be moderated. Hence, the most convincing potential moderator is the performance audit as impliedly suggested by Al Athmay (2008); Barzelay (1996); Kells and Hodge (2009). Because, it can be argued with confidence that, for the public sector organizations to adequately exploit the performance management elements, they must have the capable performance auditing to deal with internal and external challenges (Arnaboldi, Lapsley & Steccolini, 2015; Arnaboldi & Lapsley, 2008; Loke, Ismail & Hamid, 2016; Barrett, 2012; Van Dooren, Bouckaert & Halligan, 2015). Yet still, the critical substance of the findings of many studies have pointed the significance of performance audit in accomplishing performance management arrangements of public sector organizations; and have attested to the role of performance audit in a number of literatures (Craig, Amernic & Tourish, 2014; Tudor, 2007; Barrett, 2012; Reichborn-Kjennerud, 2013; Barzelay, 1996).

However, past studies have curiously overlooked to investigate the moderating effect of performance audit. Therefore, this study has addressed this gap in the literature by examining the moderating effect of the performance audit on the relationship between performance management elements and organizational performance. By this logical reason, performance audit qualifies as the worthy moderator. Therefore, the rationale for using the performance audit as the moderator has been justified.

3.14 Moderating Relationship between Performance Audit, Performance Management Elements and Organizational Performance

Having established and contextualized the study variables within the appropriate literature levels, it is also imperative to highlight the literature in terms of the moderating relationship between the performance audit, performance management elements and organizational performance. Therefore, the capabilities of the moderating variable will be strongly underscored in relation to the performance management elements. By so doing, the justification for the moderation relationship will certainly be further guaranteed.

3.14.1 Performance Audit, Goal Orientation and Organizational Performance

A number of studies have previously been cited on the relationship between goal orientation and organizational performance. Performance audit being one of the essential rudiments of the NPM has also been strongly advocated to come into play in terms of the influence of the performance management elements and organizational performance.

Specifically, a study was conducted by Sanusi, Iskandar and Poon (2007). The aim of the study was to examine the effect of goal orientation and task complexity on the audit judgment performance. The data of the study was collected from the auditors of small and medium-sized audit firms in Malaysia. Specifically, 171 completed and returned questionnaires were used for the analysis out of the 600 questionnaires distributed across 100 small and medium-sized audit firms drawn from the Malaysian Institute of Accountants. Ultimately, the performance audit exercise is conducted by external auditors as part of the special arrangement between the client and the firms so as to have independent assessment of 3Es. Regression analysis and hierarchical regression analysis were used for data analysis. The result shows that, goal orientation is positively related to audit judgment performance. Plainly, the study indicates that, goal orientation improves audit judgment performance which ultimately improves organizational performance.

Yet still, a study was conducted by Aminian and Sabet (2012). The purpose of the study is to establish whether performance audit reinforces goal of organization in accomplishing good performance. The data of the study was collected through questionnaire. Specifically, 314 questionnaires were successfully retrieved out of 479 distributed. The sampled respondents were drawn from the managers and directors of the registered companies listed on the Tehran stock exchange, Iran. Regression analysis was used to statistically analyze the collated data. The study found that, there is significant relationship between performance audit and increased management effort to achieve organizational goals. This implies that, performance audit reinforces goal orientation which by extension promotes organizational performance in equal measure.

On similar score, the link between goal orientation and performance audit as well as between goal orientation and organizational performance has been firmly established in the literature. Therefore, testing the moderating role of the performance audit on the relationship between goal orientation and organizational performance could be an appropriate contribution to the literature especially within the performance management purview of the developing countries.

In conclusion, this study tested the moderating effect of the performance audit on the relationship between goal orientation and organizational performance using the data collected from the public sector organizations at the state governments' level in Nigeria.

3.14.2 Performance Audit, Performance Measurement and Organizational Performance

Literature is noticeably rich with studies that investigated the link between performance audit and performance measurement as cited earlier in the chapter. Equally, studies are abound on the relationship between performance audit and organizational performance. For example, Justeen and Skæbæk (2010) had undertaken a study on the performance audit and new auditee identity, the objective is to highlight the process through which the value for money audit (performance audit) determines the reconstruction of the public sector organizational identity in line with the performance measurement system. It is argued in the study that, performance audit has gradually developed to effect changes and ensure the improved performance of the public sector organizations at all levels and in all aspects and processes within the organization, principally due to the performance measurement arrangement. The data of the study was drawn from the text audit reports, observations, interviews and strategy papers, spanning over the period of 2002-2004 in the Danish public sector by analyzing the chronological actions and events. The findings reveals that, performance audit has proved to be a tool of constructing new corporate identity via performance measurement which by extension brings about improved efficiency. This study implies that, performance audit is an essential tool of the performance management that ensures sound performance measurement accomplished and robust organizational performance realized.

Again, Funnell and Wade (2012) have undertaken a longitudinal field study on the performance audit. The aim of the study was to conduct in-depth observations and the series of interviews to examine the negotiation process between the auditees and the Australian supreme audit institution. The negotiation process always make recourse to the performance measurement system of the organizations in question. The study considers the areas where the conduct of performance audit is most needed for the performance measurement system and organizational performance to be significantly improved. The study utilized the Oliver's typology of strategic response to qualitatively analyze the auditees' response. The finding reveals that, the practice of the performance auditing has continued to be a significant activity in the public sector performance management, and therefore, it is credibility towards improving the performance measurement and organizational performance has never been in doubt.

A number of other studies (see Berry *et al*., 2009; Dunleavy, Margetts, Bastow & Tinkler, 2006) have further corroborated that, performance measurement and performance audit are mutually dependent within the NPM philosophy, but it appears that, the extant literature highlighted the performance measurement more prominently, thereby performance audit is relegated in stature to the level of inconsequential significance (Berman & Wang, 2000; Micheli & Mari, 2014). Presumably, performance audit should be highlighted by testing its strength in reinforcing not only the performance measurement but also other performance management elements in the public sector. Therefore, this study has attempted to give it the deserving deep empirical attention.

In conclusion, testing the moderating effect of the performance audit with regards to the relationship between performance measurement and organizational performance is a worthy exercise, hence, the perceived skewed attention towards the performance measurement will be filled up and balanced in the upcoming literature.

3.14.3 Performance Audit, Performance Reporting and Organizational Performance

Like performance measurement, performance reporting is another essential performance management element that is being reinforced by the performance audit. The general belief among the public sector executives is that, the reporting ability of the public entity is being strongly supported by the public sector control apparatus like performance audit. Research studies have adequately highlighted the role of performance audit in that regard in a number of significant studies.

For instance, Johnsen *et al*. (2001) examines the impact of the performance audit in building capabilities of the public institutions in Finland and Norway. Specifically, the impact of performance audit in enhancing reporting capabilities of the public institutions were investigated. The purpose of the study is to clearly contextualize the performance audit within the appropriate performance management framework in the Nordic countries. Being an exploratory study, the data of the study was collected from the internal auditors of the municipal councils in the affected countries using phone interview. The study found that, performance audit is a major tool that improves reporting capabilities of the public institutions in Finland and Norway. In the same vein, the study explains that, when performance audit is properly established and observed, then, the general organizational performance will commensurately be improved.

In another study conducted by Raudla, Taro, Agu and Douglas (2016), performance audit was also considered in relation to the performance management system. The aim of the study is to examine how performance audit contributes to the wider public sector performance management debate, and to specifically establish the role of audit in reporting the public output and outcomes to the wider class of stakeholders. Equally, the study seek to evaluate how audited public institutions perceive the overall usefulness of the performance audit report in the realm of the performance management. The data of the study was collected from the Estonian public officials and managers with experience on the performance audit. In totality, 398 survey questionnaires were distributed and 118 were successfully retrieved. Correlation analysis were used to establish the perceived usefulness of the performance audit in improving the reporting abilities of the audited institutions. The findings of the study reveals that, there is a correlation between performance audit expertise and the reporting quality to the stakeholders. The study also recommended that, research studies on the impact of the performance audit should be extended to other government levels and other countries.

From the aforementioned, it is clearly identified that, performance audit is principally an important tool for improving performance reporting and general organizational performance of the public sector institutions. Although, its impact on the reporting capabilities and organizational performance has been extensively established, the indirect effect of the performance audit has never been tested in the literature. Thus, in line with the current need and reality, this study attempts to test the moderating effect of the performance audit on the relationship between performance reporting and organizational performance in a developing country, particularly Nigeria.

In conclusion, it is also observed that, the concept of the performance management has been a popular public sector arrangement in Nigeria especially at the state governments' level, though empirical studies tends to pay scant attention to that level of government in Nigeria despite its essential role in the Nigerian governance process. Thus, this study attempted to investigate the indirect effect of the performance audit on the relationship between performance management elements (including performance reporting) and organizational performance at the state governments' level in Nigeria.

3.14.4 Performance Audit, Accountability and Organizational Performance

A number of studies have investigated the link between performance audit and accountability as well as the relationship between accountability and organizational performance. Some of the studies are highlighted earlier in this thesis. For example, it observed that, the essence of the entire trend of the performance management system is to build a strong accountability arrangement in the public sector (Dittenhofer, 2001). Therefore, performance audit is one of the instruments of the performance management that promotes accountability (Craig *et al*., 2014; Pollitt, 1999).

Specifically, a study was conducted by Reichborn-Kjennerud (2013). The purpose of the study was to determine the degree and extent to which performance audit assists the government entities in ensuring accountability so that efficiency, effectiveness and economy could be improved. The study was conducted through survey. The web-based questionnaires were sent to 520 employees of the Norwegian public institutions. 353 completed questionnaires were retrieved. The data of the study were analyzed using bivariate correlation, regression analysis and one-way ANOVA. The result of the regression analysis revealed that, the role of performance audit in holding public entities accountable is positive and significant. Therefore, this implies that, the link between accountability and organizational performance could be strengthened by the performance audit.

Equally important, in the study conducted by Agbo and Aruomoaghe (2014), the performance audit was investigated in relation to good governance (using accountability as a proxy). The aim of the study was to determine the extent to which the resources (finance) of the public organizations are managed with regards to economy, effectiveness and efficiency towards achieving good governance. Specifically, a total number of 100 questionnaires were distributed to the staff of various ministries and local governments in Edo state, Nigeria. Pearson correlation was used in analyzing the collated data. The findings of the study revealed that, performance audit shows a positive and significant correlation with accountability. This implies that, performance audit brings good governance (better organizational performance) through good accountability arrangement. The study further recommended that, performance audit should be investigated under different guise to establish its complete and definitive effects.

Squarely, it is safe to assume that, testing the moderating effect of the performance audit is not out of place. Indeed, it could afford institutions in government circles to acquire firsthand empirical proof about the latent impact of the performance audit. This is consistent with the argument stressed in the literature that, the consolidated position of the performance audit in the government organizations will prove its significant versatility and robustness as a foremost method of attaining accountability and good organizational performance (Power, 1998; Reichborn-kjennerud, 2013; Pollitt, 1999). By the same token, a number of studies have argued rather strongly that, the rapid emergence of the multiplicity of new evidence attributing performance audit to every notion of resource management is quite an intensely engaging task that requires a comprehensive and meticulous empirical evaluation towards establishing its lasting impact within the public sector (Linderberg, 2007; Power, 1999).

Conclusively, in an attempt to identify the direct and indirect impact of the performance audit in the Nigerian public sector, this study had tested the moderating effect of the performance audit on the relationship between accountability and organizational performance at the state governments' level.

3.14.5 Performance Audit, Organizational Culture and Organizational Performance

Audit explosion as highlighted by Power (1999) is a significant watershed that promoted audit exercise to the enviable height in the organizational procedures. This fact has defined audit from different facets including organizational culture (Power, 1999). For example, it is observed that, performance audit is capacitated to monitor even the organizational culture in the public sector, because organizational culture is a significant determinant of organizational performance (Power, 1999).

Specifically, a study was conducted by Ehtesham *et al*. (2011) on organizational culture and performance management practices in Pakistan. From the point of view of the study, performance management practice includes clear and measurable goals, performance measurement, training, appraisal and evaluation exercise. The appraisal and evaluation involves monitoring and control mechanisms like performance audit. The purpose of the study is to investigate the extent of the relationship between the organizational culture and the performance management practices. The study collected data from 60 employees of the public institute of information technology in Pakistan. Pearson correlation analysis was used in analyzing the data. The study found that, all the dimensions of organizational culture exhibits a significant and positive correlation with the performance management practices. The study recommended that, other performance management practices should be investigated further.

Equally, a study was carried out by Ahmad (2012) on the relationship between organizational culture and performance management practices. In similar vein, the study identified the performance management practices to mean a whole lot of the elements of the performance management as rightly pointed out by the study under review. The performance management practices include monitoring, evaluation and appraisal which in other words mean mechanisms like performance audit exercise. The study collected data from public institutions in Pakistan. The regression analysis was used in analyzing the data. The result of the analysis revealed that, there is significant relationship between organizational culture and performance management practices.

Consistent with these studies, literatures on the performance audit maintains that, the rapidly growing interest on the performance audit should make recourse to the belief system within an organization (Kells, 2011; Lonsdale, 2000). For instance, Funnell and Wade (2012) argue that, in developing countries, many critical services are financed using the taxpayers' money, hence, the culture within the public organizations should be systematically examined using the apparatus of the performance audit. This implies that, the value of the taxpayers' money will be secured. In another study, Arthur *et al*. (2011) noted that, the role of performance audit in checkmating the organizational deficiency has been extensively assured from the pool of literatures. It is also worthy to note that, the capacity of the public institutions is closely interwoven with its belief system or culture.

Therefore, using the instrument of performance audit to monitor not only the 3Es but also the organizational culture is quite necessitated by the revealing phenomenon in most of the countries in the developing world (Campbell, 2015).

Conclusively, this study attempts to test the moderating role of the performance audit on the relationship between organizational culture and organizational performance. Although, studies were carried out on the effect of the performance audit, but its symbiotic relation with the performance management system has been largely ignored. Therefore, this study attempted to annex the performance audit towards the performance management as earlier advocated by the NPM.

3.15 Review of Theories

Regardless of the sector of interest, many theories underlies and explained the organizational performance in relation to the concept of the performance management. Specifically, the theories that were evidently used in different studies involving organizational performance and performance management includes institutional theory (Brignall & Modell, 2000; Scott, 2005; de Grosbois, 2016; Park & Shaw, 2013; Berry *et al*., 2009), complexity theory (Arnaboldi *et al*., 2015; Teisman & Klijn, 2008; Skaržauskiene, 2010), goal setting theory (Shahmehr, Safari, Jamshidi & Yaghoobi, 2014; Verbeeten, 2008), contingency theory (Hoque, 2004; Husted, 2000; Fisher, 1998; Rejc, 2004) and agency theory (Sloof & van Praag, 2008; Johnsen, 2005; Verbeeten, 2008). Although, all the theories are essentially vital in the study involving public sector and non-profit making organizations, but some are more valid and pertinent than others.

For example, goal setting theory is a theory that has been usually channeled for the purpose of promoting motivational characteristics of employees within an organization (Locke &

Latham, 2006). Goal setting theory seek to motivate individuals and teams within an organization on setting defined goals and performing task to accomplish the stated goals (Locke & Latham, 2006). Specifically, goal setting theory is generally accepted theory in an industrial and organizational psychology (Pervin, 2015). Thus, goal setting theory encourages people to set specific, measurable, attainable, relevant and time-bound goals (Pervin, 2015; Locke & Latham, 2006). It is observed that, the major limitation of goal setting theory is that, the theory excessively encourages individuals within an organization to pursue goals that might not necessarily be the same with the broad organizational goals which is harmful to the organizational goal congruence (Schunk, 1990). This arrangement brings about sub-optimality. On the contrary, goal congruence is a significant emphasis of the public sector performance management (Merchant & Otley, 2006; Nurkholis & Ismail, 2014).

Contingency theory on the other hand is a theory of organization that systematically describe that, there is no perfectly best way of organizing a company, or to lead an organization or even to make decision. Instead, the ultimate course of action is contingent upon the available situations and conditions (both internal and external) (Ven de Ven, Ganco & Hinings, 2013; O'Brien & Sasson, 2017). Contingency theory emphasized on the importance of the specific environmental situation as well as leaders' personality trait (O'Brien & Sasson, 2017; Otley, 2016). Arguably again, contingency theory is also a theory that is manifestly individual specific. This implies that, the leader's personality trait always determines the outcome (Otley, 2016; Ven de Ven *et al*, 2013). On the flip side, public sector performance management is a holistic approach that is about the entire system or organization not the individual leader's specific characteristics. Therefore, as far as this study is concern, the contingency theory does not perfectly capture the reality at least in the Nigerian public sector context despite the fact that, some studies on management accounting and control adequately utilized the contingency theory (Otley, 2016). This is because, the major preoccupation of the performance management in Nigeria is to ensure general system cleansing.

Moreover, complexity theory is also another theory that is quite familiar in the organizational and behavioural studies. Complexity theory is an offshoot of the system theory which is dedicated to study the extremely complex systems (Anderson, 1999; Manson, 2001). Complexity theory involves understanding how firms or organizations adapt to their environment and how they manages conditions of uncertainty (Skarzauuskiene, 2010; Teisman & Klijn, 2008). Although, some studies on the performance management have utilized complexity theory, it is obvious that, NPM reform in most countries is a one-off event not a continuous process. Whereas, complexity theory is an emergent approach that strongly believes that, change adaptation is continuous, uncertain and unpredictable (Anderson, 1999; Skarzauuskiene, 2010). Therefore, because of this dominant proposition, many studies on the public sector performance management rejects the idea of complexity theory, and instead applies an alternative theory.

However, with regards to the institutional theory and the agency theory, it is practically observed that, the scope of the institutional theory and the agency theory have tremendously expanded more, by exploring the nature of the social interactions and the relationships within the public sector more than the other theories mentioned earlier. This fact has significantly promoted these two theories in terms of essence, importance and relevance specifically in the public sector research studies (Brignall & Modell, 2000).

For example, institutional theory connotes the process of institutionalization of new ideas, innovative measures and direction in an organization through the institutional pressures and changes (Frumkin & Galaskiewicz, 2004). Institutional theory focused on the perspective of the behaviours or actions that influenced organizations to imbibe certain cultural beliefs and rules by reason of a wider social and environmental forces (Doherty, McConnell & Ellis-Chadwick, 2013). The institutional theory believes that, institutions are susceptible to mimetic, coercive and normative pressures or isomorphism (Frumkin & Galaskiewicz, 2004). For instance, coercive isomorphism or pressure refers to the pressures from other organizations as well as pressures from the external or cultural expectations (Meyer, 2008). Mimetic isomorphism or pressure on the other hand refers to the tendency of public organizations to copy and imitate other organizations due to the fact that, the structure of other organizations appears promising and beneficial (Meyer & Rowan, 1977; Tolbert & Zucker, 1999). Equally, normative pressure or isomorphism refers to the pressure brought about by legitimate professional allies (Meyer & Rowan, 1977). Thus, by popular practice, the professional allies approach problems from similar perspective and point of view (Dacin, 1997; Meyer & Rowan, 2006). Therefore, in this order, Doherty *et al*. (2013) specifically argue that, public sector organizations are more vulnerable to these institutional pressures or forms of isomorphism than any other organization. Consequently, these pressures positively or negatively impacts on organizational performance (Doherty *et al.*, 2013).

Yet still, agency theory have significant implications on the performance management study in the public sector. This is because, the supposed different objectives of individuals, teams, units or even the organization as a whole could be in conflict in any given public sector organization. Therefore, this implies that, goal conflict tends to motivate incompatible actions in an organization which might pose a potential negative effect on the organizational performance (Sloof & van Praag, 2008). Again by opposite, when the objectives of the actors within the public sector are aligned in line with that of the organization, then, the organization is expected to benefit substantially and materially. This is because, when the different objectives are streamlined, the organizational performance will be significantly and positively maximized (Solino, 2015). Hence, balancing and harmonizing various interests and goal conflicts is the cardinal objective of the agency theory (Modell, 2001). Therefore, this point has been highlighted in several studies involving performance management in the public sector.

Explicitly, studies have shown that, Institutional theory and agency theory have more general and comprehensive coverage in terms of public sector research than other likely relevant theories like goal setting theory, complexity theory, stakeholders theory and contingency theory (de Grosbois, 2016; Brinall & Modell, 2000; Frumkin & Galaskiewicz, 2004). Therefore, this raises the positive concern about the significant contribution of the institutional and agency theories in the public sector accounting research studies. To illustrate this point further, the justification for using these theories in this study is that, evidence from previous studies have strongly demonstrated the superiority of these two theories in terms of suitability, fitness and appropriateness in a number of significant studies (Scott, 2005; Berry *et al*, 2009; Verbeeten, 2008; Johnsen, 2005; de Grosbois, 2016; Sloof & van Praag, 2008 Frumkin Galaskiewicz, 2004). Therefore, this study determines to re-examine the application of the institutional theory and agency theory in observing and promoting the organizational performance in the public sector within the framework of the performance management system.

Thus, this study framework is underpinned by the institutional theory and ably supported by the agency theory. In considering the multidimensional nature of the organizational performance issue in the public sector where the interest of different stakeholders sometimes with conflicting relationship are assumed, it is virtually necessary to look into the interplay of various actors and their rational interest from the contextual background of these two theories. Therefore, going by this theoretical justification, the institutional theory is the underpinning theory in this study while the agency theory is the supporting theory in the study.

3.16 Conclusion

This chapter synthesized thoroughly and in details, all the study variables. It described on each variable, the definition, functions/importance and the review of previous studies on the relationship between dependent and independent variables. The chapter critically exploited and convincingly displays the need for the study to be conducted on these variables, hence, the significance of this study. The chapter also tries to certain extent, to highlight the existing gap that is needed to be filled by this study. Meanwhile, the next chapter dwells on the study's conceptual framework, hypothesis development and the underpinning theories. The summary of some of the literatures consulted were presented in Appendix B.

CHAPTER FOUR

RESEARCH FRAMEWORK AND HYPOTHESES DEVELOPMENT

4.1 Introduction

In the previous chapter, the underlying literatures were discussed extensively on the research topic that led to the establishment of the framework under review. Therefore, in this chapter, the interrelationship between the variables in form of hypothesis formulation were discussed. The research variables are: organizational performance (dependent variable), goal orientation, performance measurement, performance reporting, accountability, organizational culture (independent variables) and the performance audit (moderator). The relationship between these variables were also depicted in a diagrammatical form describing the research framework. Finally, the basic underpinning theory and the supporting theory sustaining the framework were equally discussed within the context of the study framework.

4.2 Institutional Theory

Specifically, this study is strongly underpinned by the institutional theory. Originally, the institutional theory is propounded by the seminal efforts of John Meyer and Brian Rowan and manifestly amplified by other scholars like Walter Powell, Paul DiMaggio, William Richard Scott and Tina Dacin (Dacin, 1997; Meyer & Rowan, 1977; Scott, 1995). Basically, institutional theory is a theory that focuses on the deeper and often more salient aspects of the social structure within an organization (Meyer & Rowan, 1977). Institutional theory takes into cognizance the process by which social structures like schemes, norms, rules and routine becomes firmly established through operating and authoritative guidelines for social behavior within an organization (Meyer & Rowan, 2006). Institutional theory comprises of different components that adequately explain how the organizational elements are created, adapted, adopted and diffuse over a given space and time (Scott, 1987). Therefore, these different components are described as sources of institutional pressures vis-à-vis coercive, mimetic and normative isomorphism or pressure (Meyer & Rowan, 1977).

For instance, DiMaggio and Powell (1983) argue that, organizations tend to converge on similar behaviours and practices, and over time these organizations appears similar in conduct and practice. Therefore, this homogenous process of change over time is explored through isomorphic influence of three forces of coercive, normative and mimetic pressure. Coercive isomorphism is a pressure that stems from the political influence and organizational legitimacy which otherwise emanates from the regulation, laws, constant practice as well as cultural expectations from the society (Meyer & Rowan, 2006). Normative isomorphism is a pressure that stems from the professional values of the allies (DiMaggio & Powell, 1983). This implies that, professional network between organizations tend to forcefully encourage one another to learn and adopt certain mode of practices and social interactions and behaviours (Dacin, 1997; Tolbert & Zucker, 1999). Mimetic isomorphism on the other hand is the pressure that emanates by the reason of mimicking or copying the behaviours or mode of practice from other organizations as a result of growing uncertainty in terms of which standard, norms or practice should be adopted (Meyer & Rowan, 2006; Meyer & Rowan, 1977). Mimicking or imitation implies that, organizations copy certain appropriate behaviours from their peers rather than establishing their own separate practices, decisions and structures (Bruton, Ahlstrom & Li, 2010). Thus, institutionalization of new approach, schemes, norms or standard through the coercive, normative and mimetic pressure is what institutional theory generally entails.

In a nutshell, institutional theory is like a coherent system of rules that guides the social behavior within and out of the organization on a consistent support of the mechanisms for institutionalization. These mechanisms for institutionalization are the isomorphic influence as discussed earlier. Although, institutional theory consist of old and new institutionalism which give rise to institutional theorists and neo-institutional theorists, but the focus of the theory on the coercive, mimetic and normative isomorphic influence has never been distorted or manipulated over time (Kostova, Roth & Dacin, 2008; Meyer & Rowan, 2006).

Scholars have argued that, history of institutional theory is closely interwoven with the history of the social theory where early attempts to theorize what institutions represent and how institutions influence structure and actions are well documented in the writings of classical scholars like Emile Durkheim and Max Weber (Meyer & Rowan, 1977; DiMaggio & Powell, 1983). Specifically, the works of Emile Durkheim in social theory where it was argued that, institutions are symbolic systems that absolutely comprises of systems of beliefs, systems of knowledge and moral authority has been a great foundational contribution towards the development of institutional theory (Bruton *et al*, 2010; Dacin, 2008; Meyer & Rowan, 1977; Scott, 1995).

Generally, institutional theory attempts to integrate different institutional perspective into a single but rational framework (Bjőrck, 2004). For example, institutional perspective or components are frequently adopted in the research studies within the numerous disciplines as diverse as accounting, business studies, economics and sociology (Bjőrck, 2004; Scott, 2005). Thus, coercive, mimetic and normative components of the institutional theory is adequately applied in the management and other behavioural organizational studies to explain the rational actions of social behavior within corporate settings (Doherty *et al*, 2013). In recent decades, institutional theory has tremendously expanded, and it is used to examine how the institutional pressures (coercive, mimetic and normative) influence organizational performance (Powell, 1991; DiMaggio & Powell, 1983), especially within the popular context of the public sector performance management system (Brignall & Modell, 2000; Modell, 2001).

Thus, managing performance in a constantly changing environment like public sector requires a reasonable consideration to the perceived pressures within such organizations as exemplified by institutional theory (Tolbert & Zucker, 1999; Meyer, 2008). This implies that, in understanding the elements that influence organizational performance from the point of view of performance management, then, institutional pressures or perspectives as discovered by the institutional theorists must be examined and clearly explained (Doherty *et al*, 2013; Modell, 2001). Specifically, having applied in a wide range of organizational phenomena, from the policy drive to the redefinition of organizational forms and missions, institutional theory is best suitable theory in examining the organizational performance or 3Es in the public sector (Tolbert & Zucker, 1999). Consistent with this, Meyer (2008); Bjőrck, (2004) argue that, it is rationally logical to locate the nexus between the factors within the institutional settings and the organizational performance. For instance, questions like how institutions change, how institutions die, how institutions relate with one another are the integral focus of the institutional theory (Bruton *et al*, 2010; Kostova *et al*, 2008). Equally, the entire NPM reform and the performance management in the public sector are mere a change of process from the traditional public sector management approach where rules and bureaucratic allegiance are sacrosanct to the new method of management where efficiency, effectiveness, economy, incentives and decentralization are promoted (Verbeeten & Spekle, 2015). It should be noted that, these changes evolved through the isomorphic influence of coercive, mimetic and normative pressures (Modell, 2001). Therefore, considering the performance management elements from the perspective of the institutional theory is likely going to be a significant research effort especially in the developing country like Nigeria.

4.3 Agency Theory

The agency theory is the supporting theory in this study. Fundamentally, agency theory is a theoretical supposition that explains the relationship between two parties (principal and agent). Historically, agency theory emanates from the concepts of financial economics and focused on conflicts of interests between two parties with different interest on the same asset (Brignall & Modell, 2000). Specifically, agency theory is propounded by two separate, independent but concurrent work of Stephen Ross and Barry Mitnick (Eisenhardt, 1989; Mitnick, 1975; Ross, 1973). To illustrate this point further, Stephen Ross originated the "economic theory of agency" while Barry Mitnick originated the "institutional theory of agency" (Jensen & Meckling, 1976; Mitnick, 1975; Ross, 1973). Interestingly, the underlying concept governing these two approaches are quite similar (Eisenhadt, 1989; Modell, 2001; Nelson & Tierney, 2003). For example, Ross is specifically interested in agency problem with regards to compensation, whereas Mitnick focuses on common insight that institutions forms around agency contract vis-à-vis imperfections of agency relationship (Althaus, 1997; Eisenhadt, 1989; Nooreen, 1988). In summary, the first work published on the general theoretical approach of agency theory was proposed by Mitnick after interface with the Stephen Ross groundwork on same theory (Mitnick, 1975). Eventually, the much cited work of Jensen and Meckling on the agency theory explaining about the agency cost and self-interest motivation of both the principal and agent was published much later (Jensen & Meckling, 1976).

Although, Ross and Mitnick laid the basic foundation of the agency theory, thereafter subsequent researchers on agency theory contributed immensely by addressing the topical and fundamental questions on the principal and agent relationship (Eisenhadt, 1989; Nooreen, 1988). For instance, the general principle and assumption of these researchers' emphasis involves questions like "Is there an optimal fee that would align both the principal and agent under certain conditions?" or "How would the logics of agency theory be applied in practical sense within a wide variety of social contexts including different sectors of the social and economic strata?" (Althaus, 1997; Bhati, 2015; Nelson & Tierney, 2003).

Specifically, the agency theory argues that, separation of ownership and management create issues of self-interest pursuance as well as the agency cost (Bhati, 2015; Eisenhadt, 1989). Therefore, as a consequence, the agency loss will be created (Althaus, 1997). Agency loss is the extent to which return to the residual claimants, the owners fall below what is expected if the principal (owners) control the organizations (Gailmard, 2012; Jensen & Meckling, 1976). In spite of this, the agency theory specify the mechanisms to be used in reducing the agency loss (Jensen & Meckling, 1976). Thus, the main emphasis of the agency theory is minimizing the self-interest and the agency loss (Jensen & Meckling, 1976; Mitnick, 1975; Ross, 1973).

Besides, as the society grows bigger, the application of the agency theory becomes even more complex and broad, thereby management of the public sector becomes one of the crucial focus of the agency theory (Sloof & van Praag, 2008). Specifically, Schillemans and Busuioc (2015) asserted that, agency theory has been dominant at the heart of the public sector accountability research. Equally, Atkinson and Fulton (2013) argue that, the public sector performance has been an ongoing concern in many countries, and the most popular theoretical approach to the issues of public sector performance and ethics is the principal and agent theory. Atkinson and Fulton (2013) further maintain that, the relevance of the agency theory in the modern public sector is because of the dominance of NPM and the managerialist perspective of the public management.

Explicitly again, the principal-agent theory has been a guiding paradigm in empirically examining the relationship involving the organizational performance in the public sector (Schillemans and Busuioc, 2015). In that aspect, the principal-agent theory has been a motivating theory because it emphasizes strongly on the way to minimize the effects of self-interest and goal conflicts between the larger body of stakeholders and the public sector executives. Minimizing the effects of self-interest and goal conflicts would definitely bring sanity, trust and promotes organizational performance or 3Es in the public sector (Althaus, 1997; Modell, 2001; Verbeeten, 2008). To illustrate this point further, efficient services from the public sector organizations lies at the ability of both parties to strictly adhere to the incentives of the agency theory, thus, the organizations would get rid of the unnecessary controls and restrictions, therefore, the organizational performance gets the needed boost (Johnsen, 2005; Schillemans & Busuioc, 2015; Althaus, 1997). To illustrate this point further, it is observed that, when the public sector executives and the other stakeholders pursue mutually agreed goals that are beneficial to all, then, the issue of self-interest from the executives will be significantly mitigated. Therefore, when the agency cost and self-interest are mitigated, the public organizations would render services that are efficient, effective and extensively achieve elaborate performance (Schillemans & Busuioc, 2015).

4.4 Research Framework

Generally, the concept of organizational performance refers to the sufficient utilization of 3Es (efficiency, effectiveness and economy) which adds value in delivering services and taking decisions (Perotti & Suarez, 2002; Daft & Lengel, 2000). For instance, in public sector settings, efficiency, effectiveness and economy connotes organizational performance (Verbeeten, 2008). Specifically, efficiency, effectiveness and economy revolves around every action taken by government to ensure that, best accounting, auditing and other practices are guaranteed. In fact, a number of elements are found to be directly and indirectly related to the concept of organizational performance. Some of these elements are related to the concept of the performance management as well. The performance management elements that appears to have relationship with organizational performance includes goal orientation, performance measurement, performance reporting, accountability and organizational culture.

Therefore, the research framework used in this study has been developed after careful consideration, postulation and extensive literature review. The linkages between the variables as presented in Figure 4.1 below are well grounded in the extant literature. To begin with, goal orientation enables organization and individuals within the organization, a unique opportunity to improve their strong commitment and pursuit towards achieving organizational performance. Many studies have asserted the salience of goal orientation on organizational performance in a number of landmark and significant research contributions (Ford *et al*, 1998; Kagaari *et al*, 2010; Latham, Borgogni & Petitta, 2008).

Performance measurement is also as an outstanding performance management element that assists in creating innovative and suitable atmosphere within the public sector organizations through measuring input, output and outcomes as well as improving organizational performance. This fact has also been severally emphasized in the literature. In fact, performance measurement has been a unique element of the performance management system that is strongly and broadly associated with organizational performance (Evans, 2004; Grafton *et al*, 2010; Poister, Pasha & Edwards, 2013).

Equally important, performance reporting and accountability have also been recognized as fundamental performance management elements utilized in improving organizational performance. These two performance management elements are quite instrumental for leveraging organizational performance in the public sector. Therefore, the valid process towards achieving good organizational performance must include strong accountability and sound performance reporting which definitely generates positive organizational outcomes as well as 3Es (Connolly & Hyndman, 2004; Dubnick, 2005; Kim & Lee, 2010; Lee, 2008; Waal, 2010).

Similarly, in order to develop and maintain a functional organization, and to boost public sector organizational performance, adequate, well-sustained and positive organizational culture is necessary. Organizational culture is like a compass that determines poor or good organizational performance (Abubakar *et al*, 2016; Ehtesham *et al*, 2011; Lee & Yu, 2004).

Ultimately, all the hypothesized relationships are quite evident and found to be well-integrated in the pool of literature from the previous studies as mentioned above. Thus, the need for more studies on these variables has been suggested and recommended severally (Behn, 2001; Hoque & Adams, 2011; Lee, 2008; Lee & Yu, 2004; Moynihan & Pandey, 2010; Neely *et al*, 2005; Otley, 2001; Porath & Bateman). Equally still, the need for moderating effect of the performance audit has been underscored and strongly reasserted but rather impliedly indicated (Arnaboldi & Lapsley, 2008; Eze & Ibrahim, 2015; Morin, 2008; Tanko *et al*, 2010).

Notwithstanding, a considerable body of literature has developed various models in the areas of the management control and performance management (Otley & Fakiolas, 2000). Therefore, studying the evaluative impact of the performance management elements requires the integrative segment of these established models to be coopted and investigated (Otley, 2001). For instance, the stream of work on the NPM related reforms and the performance management has been exhaustively critical and cut across varieties of context (Verger & Curran, 2014; Otley & Fakiolas, 2000). Specifically, defining the evaluative ability of the performance management elements on 3Es or organizational performance comes easier if only the various models are largely considered in a holistic manner (Evans, 2004; Otley, 2001; Otley & Fakiolas, 2000; Verger & Curran, 2014). Therefore, to illustrate this point further, the framework of this study is wholly drawn from the sections performance management framework of Otley (Otley, 1999), Simon's Levers of control (Simons, 1994), performance management extended framework of Otley (Ferreira & Otley, 2009) and balanced scorecard framework of Kaplan and Norton (Kaplan & Norton, 1996).

Besides, it is argued that, the integrative framework provides a useful research tool for studying operational efficiency of the performance management system (Ferreira & Otley, 2009). Moreover, in choosing the variables to be investigated in this study, the key aspects of the performance management operations in Nigeria were taken into consideration. Thus, the selected performance management elements in this study are recognized based on the coherent foundations in the previous models and the studies mentioned above. Equally, the Institutional Theory (IT) underpins the direct and indirect relationship in the framework and the Agency Theory (AT) ably supported the stated relationship.

Specifically, the contribution of this study to the literature is quite multiple. Firstly, the previous studies on the performance management elements were conducted in isolation. This implies that, the studies were conducted on the separate performance management elements independent of one another and by different authors. Therefore, combining these elements in a single framework is a notable contribution. Secondly, introducing the moderating effect of the performance audit is another significant contribution to the literature. Thirdly, using the institutional theory to underpin a relationship involving a number of performance management elements and supported by the agency theory is also an essential contribution that is completely novel to most of the previous studies.

Therefore, from the foregoing highlighted relationships among the variables which are also fundamentally established from the previous studies, the following research framework is developed and was used for the conduct of the empirical study in the Nigerian context.

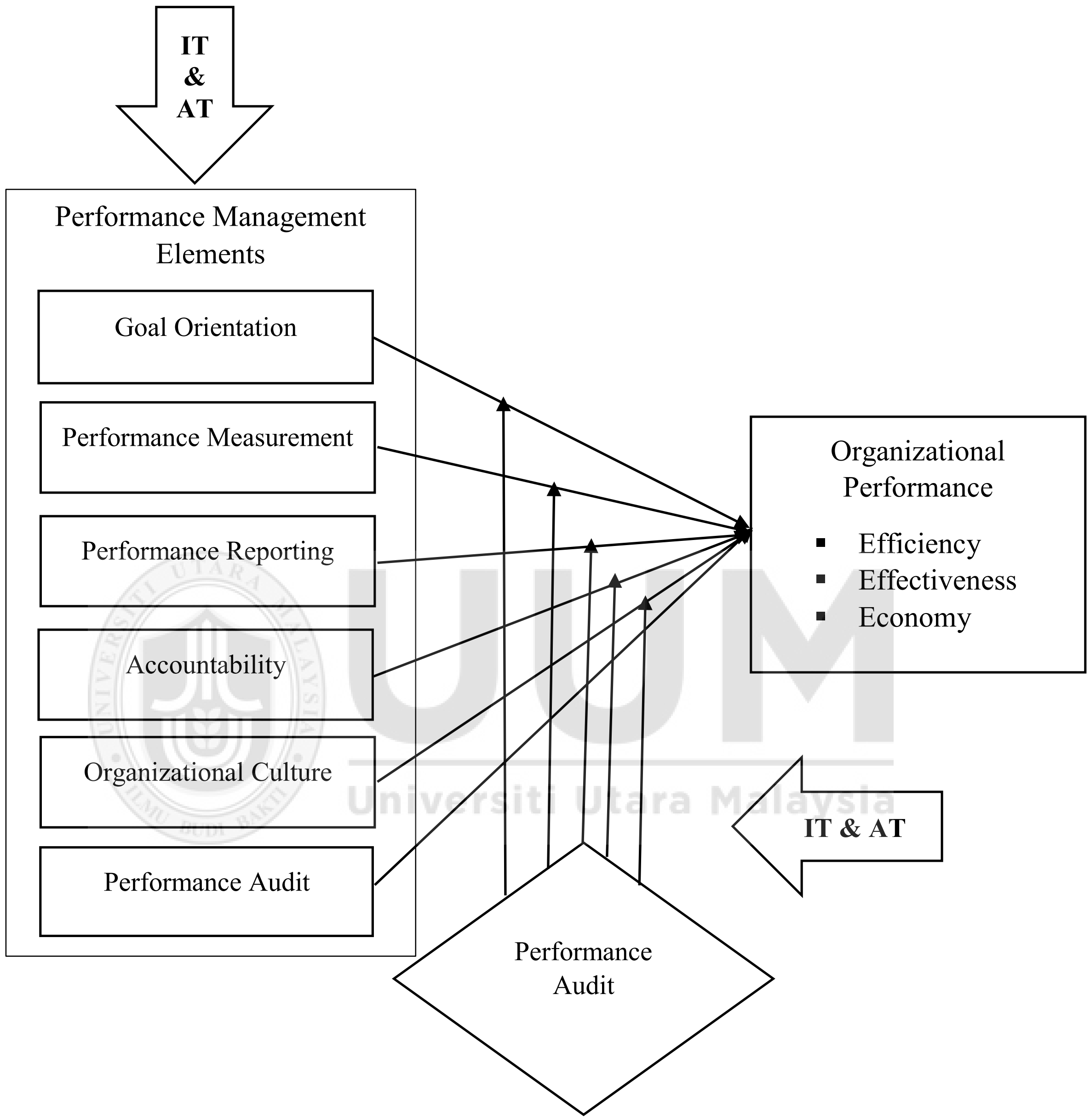


Fig 4.1
Research framework

Key:
IT- Institutional Theory
AT- Agency Theory

4.5 Hypotheses Development

The hypotheses of the study are formulated in two folds. Firstly, the direct relationship between the performance management elements and organizational performance is presented. Secondly, the moderating effect of the performance audit on the relationship between performance management elements and organizational performance follows. This is to draw the distinction between the direct hypotheses and the moderating or indirect hypotheses.

4.5.1 The Relationship between Performance Management Elements and Organizational Performance (H_1 – H_6)

This section covers the hypotheses concerning the direct relationship between the performance management elements and organizational performance. The section entails six hypotheses proposed from the various strand of literature. Equally, the hypotheses are well grounded in the theory. Specifically, institutional theory underpins the proposed direct relationship while the agency theory supports the relationships.

4.5.1.1 Goal Orientation and Organizational Performance

Goal orientation is an element of the performance management that affects how an organization performs. Therefore, clear and well-articulated goal setting along with the good goal orientation enables organization to perform effectively and efficiently (Nurkholis & Ismail, 2014). In the public sector performance management, it is established that, commitment to goals leads to persistence, increased focus and good organizational performance (Borgogni & Petitta, 2008; Kagaari *et al*., 2010). Yet still, in the performance management literature, it is observed that, broad goal orientation outlines the purpose of the organization, and indicates the direction towards achieving good organizational performance (Ferreira & Otley, 2009; Otley, 2003). For example, Pieterse *et al*. (2013) views that, goal orientation in an organization stimulate strategies, re-energize the staff and institutions towards accomplishing goal. Thus, goal orientation is a performance management element that influences organizational performance.

Furthermore, Porter (2005) strongly opined that, goal orientation is strongly related to organizational performance. Again, Porath and Bateman (2006) highlights that, goal orientation promotes organizational performance. Consistent with the views of Porter (2005); Porath and Bateman (2006), it is further asserted that, goal orientation is a significant motivational variable that improves the processes of accomplishing the individual and organizational performance (Kaplan & Maehr, 2007). Moreover, good goal orientation at the organizational level enables institutions to achieve higher performance (Radosevich, Allyn & Yun, 2007). Empirical evidence has also shown that, positive relationship exists between goal orientation/settings and performance in a number of studies (Kagaari *et al*., 2010; Latham *et al.*, 2008; Ford *et al*, 1998).

From the lenses of the institutional theory, DiMaggio and Powell (1983) argue that, the model of isomorphic change explains the process of institutionalization through organizational goals. Identifying and defining the goals in the short run, and developing a long term strategy to achieve the goals explains how organizations respond to coercive, normative and mimetic pressure (Frumkin & Galaskiewicz, 2004). For example, healthy competitive tendencies among public agencies necessitated them to conceive good goal orientation as a response to the coercive pressure (Dacin *et al*, 2002). Arguably again, the environment within which the public sector operates today is dynamic, and the excessive pressure from the external environment forces public agencies to succumb to the coercive isomorphic pressure (Frumkin & Galaskiewicz, 2004). Moreover, public organizations nowadays operates within the confines of professional standards (Modell, 2000). Therefore, these professional norms, more often than not, influence public agencies to identify only goals that are in tandem with the professional network of organizations (Brignall & Modell, 2000; Modell, 2001). This tendency is a symbol of normative pressure. In addition, close and symbiotic relationship between public agencies is an impending sign of imitation resulting from uncertainty owing to the mimetic pressure (Bruton *et al*, 2010).

However, with regards to the connection between goal orientation and the agency theory, it is found that, goal orientation constituted the basic undercurrent of the principal-agent relationship and contract (Wright, Mukherji, & Kroll, 2001). Strong goal orientation and high level of trust are two most important, collaborative and complementary emphasis of the agency theory. Agency theory assumes that, perfect goal orientation consistently improves efficiency and/or organizational performance (Agranoff, 2012; Bhati, 2015).

For instance, agents' stewardship (which is central to the agency theory) actually emerged out of the notion that, clearly identified goals will be pursued on behalf of the principal, with strong instinct and orientation within the contextual environment of the public sector organizations so as to meet the principal's demand (Agranoff, 2012; Wright *et al*., 2001). This clearly explains the contextual condition that, strong binding factor between the agents (public sector executives/administrators) and the principal (citizens) is the abiding commitment to the concept of goal orientation (Wright *et al*., 2001). Apparently, it is observed more often that, principal and agents have divergent goal orientations and risk preferences (Wessel, 2013). Therefore, minimizing the quantum and the intensity of the divergence improves the goal orientation in the public sector, which invariably enhance organizational performance (Wessel, 2013; Wright *et al*., 2001).

In this view, it is speculated that, institutional theory underpins the relationship between the goal orientation and organizational performance and agency theory supports the relationship.

Therefore, based on these literature and theoretical presumptions, the following hypothesis is proposed:

H_1: Goal orientation significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.1.2 Performance Measurement and Organizational Performance

A study conducted by Zakaria *et al*. (2011) argue that, the performance measurement has been empirically proved to be a successful method of enhancing individual and organizational performance. It was strongly opined according to this line of argument that, although it may be difficult and sometimes involve gradual process, but performance measurement eventually brings about enormous improvements in the organizational performance and/or the efficient and effective delivery of services (Koufteros Verghese & Lucianetti, 2014; Ittner, Larcker & Randall, 2003; Cavalluzzo & Ittner, 2004). It is argued again that, performance management system is a key public sector system that influences organizational performance (Arnaboldi *et al*., 2015; Verbeeten, 2008). In fact, performance measurement is a robust and vital element of the performance management (AbdulKhalid, 2008).

For instance, organizations utilize performance measurement because the relevance of the system is frequently promoted in order to accomplish good organizational performance (Bititci *et al*., 2012; Otheitis & Kunc, 2015). Thus, empirical evidence have established that, performance measurement has significant relationship with organizational performance (De Geuser, Mooraj & Oyon, 2009; Verbeeten, 2008; de Lancer Julnes & Holzer, 2001). Again, Hoque and Adams (2011) noted that, the performance measurement system could improve the weak performance drive in the public sector knowingly or unknowingly. However, De Bruijn (2002) added that, public sector organizations are at liberty to embrace and utilize the various methods of performance measurement in line with their long term vision. However, in line with performance management strategy, the public sector organizations are expected to utilize the performance measurement to ascertain whether the organization records improved organizational performance or not (Sharma & Gadenne, 2011).

Moreover, Nurkholis and Ismail (2014) claimed that, the practical impact of the performance measurement in the developing and emerging economies could be costly and sometimes problematic, but it is importance is by far exceeded other considerations. Consistent with that, Davis & Albright (2004) stressed that, most accomplishment of the performance measurement could be due to the compelling needs of complying with the organizations' regulation, it is rather unarguably confirmed that, performance measurement improves organizational performance. Gajda-Lupke (2009) noted that, the performance measurement system established methodologies that, if properly utilized will help to determine and evaluate efficiency, quantify effectiveness and furnish management with a powerful tool to continuously accomplish good outcomes. Evidence in the literature has established that, performance measurement has a direct significant effect on the organizational performance in the public sector (Verbeeten, 2008; Spekle & Verbeeten, 2014; Tapinos, Dyson & Meadows, 2005; Koufretos, Verghese & Lucianetti, 2014; Cavalluzzo & Ittner, 2004; Lillis & Widener, 2010).

However, with regards to the underpinning function of the institutional theory it is observed that, institutional theory underpins and explains the relationship between performance measurement and organizational performance. Thus, understanding the role of performance measurement and how it is utilized to enhance efficiency calls for equally understanding the three vital institutional pressure being exerted on the organizations to perform in a particular manner suitable to the need of the stakeholders vis-à-vis coercive, normative and mimetic pressure (Brignall & Modell, 2000). Truly, this interface between the burden of pressure on the public sector organizations and similar efforts by the organizations to remain effective in the discharge of their responsibilities is what necessitated certain management control approaches like performance measurement; and again, this apparently brings into play the huge significance of the institutional theory (DiMaggio & Powell, 1983). This pressure from the internal and external forces is what is termed as "Isomorphism" in the context of the institutional theory (DiMaggio & Powell, 1983).

As mentioned earlier, institutional pressure or isomorphism could be coercive, normative or mimetic; and these classes of pressure have exhibited a strong tendencies of checkmating poor organizational performance in the public sector through certain management control mechanisms like performance measurement (Pollitt, 1986). Although, the institutional actors are numerous, but the institutional theorists like Brunsson (1994) and Powell (1991) have strongly claimed that, the framework, directions and actions of these actors are combined as one formidable force facing public sector organizations that always manipulate organizational performance. For instance, Van de Walle, Van Dooren, and Greiling (2006) specifically suggested that, the problem of whether the performance measurement could enhance organizational performance can best be examined by applying the relevant dimensions of the institutional theory. Therefore, this implies that, the formal official mandate and the pressure from the stakeholders necessitated public organizations in Nigeria to come under coercive pressure or isomorphism. Equally, prepared action against uncertainty as well as influence of network of other similar organizations encourages public organizations to succumb to normative and mimetic pressure (Meyer & Rowan, 1977, Dacin, 1997).

Meyer and Scott (1983) claims that, institutions in the public sector are inclined to ensure technical efficiency, effectiveness and/or organizational performance, therefore, conformity to external institutional norms is the most important approach to achieve that. Furthermore, Meyer and Scott (1983) concluded by suggesting that, coercive, normative and mimetic pressure of the institutional theory can best explain such technical relationship with the ultimate expectation of achieving better organizational performance through performance measurement. Many studies have utilized institutional theory on the relationship between performance measurement and other institutional processes (Brignall & Modell, 2000; Modell, 2001, 2009; Van de Walle *et al*., 2006), thus its fitness in this study can be guaranteed.

However, the agency theory is another interesting theory with regards to the relationship between performance measurement and organizational performance, thus, it is introduced in this study to support the relationship. Specifically, the essential expectation of the agency theory is to ensure that, goals are adequately streamlined to achieve only broader public interest at the expense of the excessive individual managers' interest (Frumkin & Galaskiewicz, 2004). Equally, the performance measurement in the public sector is adopted to ensure that, the necessary agency cost is minimized by promoting greater public interest as well (Verbeeten, 2008). Therefore, by this submission, the agency theory supports the relationship between the performance measurement and organizational performance.

Therefore, based on these theoretical evidences and past empirical findings and conceptual suggestions, the institutional theory is anticipated to underpin and explain the relationship between performance measurement and organizational performance. Equally, the agency theory anticipated to support in explaining this relationship.

Therefore, based on the aforementioned empirical and theoretical presumptions, the following hypothesis is formulated;

H$_2$: Performance measurement significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.1.3 Performance Reporting and Organizational Performance

Performance reporting is also a key element of the public sector performance management (Ferreira & Otley, 2009; Moynihan, Pandey & Wright, 2012; Lee, 2008). The performance reporting is as a result of detailed guidelines that requires public sector institutions to produce reports in line with their goals and objectives statements and targets of achievements (Politt, 2006; Otley, 2001; Otley, 2003). The assumption is that, the channel designed to ensure performance reporting to internal employees, the essential policy makers and the external stakeholders (general public) enhances organizational performance in no small measure (Melitski & Manoharan, 2014; Hyndman & Anderson, 1995; Taylor, 2011). Cohn Berman (2008) argue that, engaging personnel and public through frequent performance reporting is critically important, thus, such actions tremendously improves organizational performance. Performance reporting in the public sector is increasingly required not only for the internal importance and decision making but for the external purpose by the legislative bodies, regulatory bodies and eventually becomes accessible to the public, therefore, such requirements if observed devotedly would have tendency of improving organizational performance (Gajda-Lupke, 2009; Mucciarone & Neilson, 2012).

It is established that, performance reporting plays a strategic role in identifying and exploiting the vital capabilities within an organization, which in turn impacts and influence the organizational performance (Grafton *et al*., 2010; Lee, 2008). Performance reporting both internally and externally has been a considerable key element of the performance management that brings sound managerial decisions and efficiency (Adcroft & Willis, 2005; Grafton *et al*., 2010) proper utilization of it creates a suitable avenue for improved organizational performance (Coste & Tudor, 2013; Adcroft & Willis, 2005). Again, Spekle and Verbeeten (2014) support the proposition that, performance reporting is positively associated with the organizational performance. Radin (2011) also claims that, availability of performance reporting for internal and external stakeholders assists public sector organization in making informed decisions, the compounding effect of which improves organizational performance (Anderson, 1995; Otley, 2003). Moynihan *et al*. (2012); Moynihan and Pandey (2010) established that, performance reporting and organizational performance are closely related, thus, improvement of performance reporting undoubtedly improves decision making processes and 3Es. Ultimately, empirical evidence has established that, performance reporting influence organizational performance (Lee, 2008; Moynihan *et al*, 2012; Spekle & Verbeeten, 2014; Taylor, 2011).

However, in terms of the underpinning function of the institutional theory with regards to the relationship between performance reporting and organizational performance, Berry, Coad, Harris, Otley, and Stringer (2009) noted that, performance reporting is being utilized by the institutional theory propositions to influence organizational performance. Thus, the relationship between the performance reporting and organizational performance has been unarguably explained, underpinned and promoted by the institutional theory as described hereunder. For example, as in the performance measurement relationship treated earlier, the coercive, normative and mimetic isomorphism are found to be strategic pillars in explaining the relationship between performance reporting and public sector organizational performance for obvious reasons (Brignall & Modell, 2000; Modell, 2001).

Specifically, the frequent performance reporting to a wider class of stakeholders is apparently a consequential response to the coercive, normative and mimetic pressures (Berry *et al*., 2009; Zucker, 1987). For instance, as DiMaggio and Powell (1983) highlighted, the isomorphic forces of coercive, normative and mimetic pressure perfectly presents set of organizations and environments that are induced by other organizations to which they are dependent upon, or societies' cultural pressure within a particular social make-up. Likewise, the professional networks of public organizations by reason of globalization induce pressure on public organizations especially in developing countries to operate in a particular manner or otherwise, imitate other public organizations by reason of fear of uncertainty (Modell, 2001). Because recent global experience has become like a source of confidence crisis between the stakeholders and the institutions, which forced institutions to grapple with heightened scrutiny from the stakeholders, part of which is frequent demand for performance reporting. This pace of institutional isomorphic changes, if maintained, would strengthen and improve organizational performance (DiMaggio & Powell, 1983; Modell, 2001; Zucker, 1987).

Moreover, agency theory is devise in this study to support the institutional theory in explaining the relationship between the performance reporting and organizational performance. Specifically, frequent performance reporting greatly minimize the tendency of the agency gap between the stakeholders and public sector administrators (Schillemans & Busuioc, 2015). The implication of this is that, when the agency gap is minimize, then, the agency cost would be virtually eliminated which invariably promotes goals that are genuinely conceived for good organizational reporting outcomes (Gailmard, 2012). Therefore, agency relationship enable the public to demand more performance reporting which by extension improves organizational performance (Gailmar, 2012; Schillemans & Busuioc, 2015).

Therefore, based on this theoretical undertone, institutional theory is anticipated to underpin the relationship between performance reporting and organizational performance. Likewise, the agency theory supports the relationship. Equally, based on the aforementioned empirical and theoretical presumptions, the following hypothesis is formulated;

H$_3$: Performance reporting significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.1.4 Accountability and Organizational Performance

Although research studies on accountability differs on emphasis it lays on holding to account and giving to account, but the assessment of general organizational performance outlined fundamental elements of accountability (Bovens, 2007; Bovens, 2010). In other words, accountability is a vital element to consider in performance management when assessing the organizational performance of the public sector institutions (Gailmard, 2012; Boyne, Gould-Williams, Law, & Walker, 2002). Berman and Wang (2000) argue that, as a fall-out of the performance management system, the interest on the public sector institutions is becoming intense. Thus, various government departments took special note in improving their organizational performance, and the strong tool for improving organizational performance is to strengthen the accountability arrangement (Waal, 2010; Kim & Lee, 2009; Behn, 2003). Therefore, the emphasis placed on accountability in the public sector especially under public sector performance management should not be considered only in accordance with compliance to certain institutional procedures, but rather as an important and significant management process for improving organizational performance and demonstrating to stakeholders that their expectations are efficiently met (Sharma & Gadenne, 2011; Christensen & Laegreid, 2015; Ossege, 2012).

Effective system of internal control plays a significant role in the public sector particularly in the assurance chain of the financial accountability; financial accountability on the other hand induces better organizational performance (Behn, 2003; Bovens, 2006; Abdullahi, 2011; Akinbuli, 2012). This implies that, accountability influences organizational performance. For instance, recently, there seems to be a shift towards accountability system in the government agencies courtesy of performance management, so as to gradually improve public sector organizational performance (Boyne *et al*., 2002; Christensen & Laegreid, 2015; Ossege, 2012). Reforms in the public sector usually consider accountability as a vital aspect, because ultimate stakeholders requires public sector institutions to be transparent on issues, therefore, the stakeholders will hold the government institutions accountable; and consequently the demand for organizational performance improvement remains always at the centre (Mimba, van Helden & Tillema, 2013). It is argued that, accountability is assumed to influence and improves the organizational performance (Christensen *et al*., 2014b). Empirical evidence has ultimately established that, accountability has mixed empirical relationship with organizational performance (Kim & Lee, 2010; Ossege, 2012). Efficient accountability regime in the public sector institution greatly improves organizational performance (Dubnick, 2005; Dubnick & Frederickson, 2011).

With regards to the underpinning function of the institutional theory, it is observed that, coercive, normative and mimetic pressure influences public organizations especially in the developing countries to strengthen their accountability (Brignall & Modell, 2001; Modell, 2001). Specifically, coercive isomorphism influence public organizations to succumb to the pressure of other public sector organizations that are well accountable by also being equally accountable, especially from the OECD countries' public sector model (Dacin, 1997). Equally, accountability is one of the fundamental reasons for the emergence of NPM paradigm shift, thus, professional associations and other Civil Society Organizations (CSOs) put excessive pressure on the public organizations especially in the developing countries through normative isomorphic change so as to remain fairly accountable (Brignall & Modell, 2000). In addition, the public sector organizations themselves imitate the accountability arrangement of other organizations especially those with a robust performance management system by reason of mimetic isomorphism (Tao, 2012; Modell, 2000). Thus, the combined effect of the three isomorphic factors is quite translated to mean that, institutional theory is brought to bear influence on government accountability.

However, agency theory also supports the relationship between accountability and organizational performance. Hence, the agency theory perfectly describes the convention of the rational choice between the actors in an institution towards making decisions that are most preferred to the principal. However, the relationship between the agent and principal presupposes responsiveness of the agents' decisions to the principal's goals (Schillemans & Busuioc, 2015). The responsiveness of the agent to the principal is underscored by the strong accountability function (Andrews *et al*., 2012; Gailmard, 2012). Consequently, this gives the basic overview of the nature of the relationship between accountability and the public sector organizational performance. The emphasis on the accountability by the citizens (principals) on the public sector executives/administrators (agents) as well as other representatives of the public like public accounts committee of the parliament is to ensure better organizational performance (Leruth & Paul, 2006; Malmir, Shirvani, Rashidpour, & Soltani, 2014). Therefore, agency theory play a central role in every accountability issue in organizations.

It is therefore established that, institutional theory evidently underpins the relationship between accountability and organizational performance (Modell, 2001). Equally, the principal-agent (agency) theory has been a significant theory in this study that supported the relationship between the accountability and organizational performance (Gailmard, 2012; Pepper & Gore, 2015).

Therefore, based on the aforementioned theoretical and empirical presumptions, the following hypothesis is articulated;

H$_4$: Accountability significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.1.5 Organizational Culture and Organizational Performance

Organizational culture is a significant performance management element that affects the organizational performance (Schein, 2010; Brewer & Selden, 2000). For instance, it is argued that, in order to explain the reason behind inefficient conduct and unimpressive practices in the public sector organizations which could lead to discouraging organizational performance, it is quite necessary to gauge the inhibiting factors like organizational culture (Garnett *et al*, 2008; Usoro & Adigwe, 2014). Organizational culture is one of the key elements of performance management that determines success or failure of an institution (Carmeli & Tishler, 2004; Ehtestam *et al.*, 2011; Wong *et al*., 2012).

Certain institutionally-entrenched cultures like corruption are deemed inimical to the organizational performance of the public sector (Abubakar *et al*., 2016; Ojo, 2008). Carlos *et al*. (2014) established that, organizational culture is found to have impact on the organizational performance. Again, organizational culture is an attribute that distinguish one organization from others. Thus, Parker and Bradley (2000) noted that, in the public sector performance management, organizational culture has become like a fad within the organizations, it is absence or non- functionality would affect the general organizational performance. Therefore, the shared norms and values which are collectively described as culture of an organization strongly affects how it performs (Pandey, 2014; Lee & Yu, 2004). Ramachandran *et al*. (2011) claims that, changes in the culture of the organizations critically affects the organizational performance for better or for worse. Again, empirical studies on the performance management have established that, institutional culture influences organizational performance (Abubakar *et al*., 2016; Ehtesham *et al*., 2011; Shahzad *et al.*, 2012; Campbell, 2015; Brewer & Selden, 2000; Lee & Yu, 2004).

Theoretically, institutional theory is poised to underpin the relationship between organizational culture and organizational performance. For example, one of the sociological formulations and viewpoints of the institutional theory is that, it reinforces institutional focus and other associated dimensions like organizational culture through its isomorphic change process (Scott, 1987). According to Selznick (2011) and Scott (1987), the model of institutional theory in the organizational hierarchy is viewed as an adaptive vehicle shaping the characteristics, commitments and culture of the participants within an organization as well as the external and environmental influences. Therefore, the process of institutionalization refers to the adaptive process of instilling new values and characteristics in the organization towards achieving rational performance (Oliver, 1997; Scott, 1987). Thus, organizational culture in a Nigerian public sector is a by-product of isomorphic influence of coercive, normative and mimetic pressure. Hence, institutional theory promotes institutionalization or adaptation of new organizational cultures in achieving good organizational performance.

Therefore, to illustrate this point further, public sector organizations learn to adapt new organizational culture from other organizations upon which they depend or from the cultural practices within the public policy frameworks (Arnaboldi *et al*., 2015). Thus, this is what is described by Meyer and Rowan (2006) as coercive isomorphism. Yet still, public organizations imbibe new organizational culture through new professional standards, or by professional practice of other developed or more prosperous institutions or through imitation necessitated by impending uncertainty which are termed as normative and mimetic pressure respectively (Brignall & Modell, 2000; Modell, 2001). Because, it has been claimed by the institutional theorists that, institutionalization is a means of instilling values, supplying intrinsic worth to an organization, promotes stability and persistence over time as well as improving organizational performance (Dacin, Goodstein, & Scott, 2002; Selznick, 2011). Therefore, by this submission, it is assumed that, the three dimensions of the institutional theory namely coercive, normative and mimetic institutional pressures underpin the relationship as expressed in this hypothesis.

In addition, agency theory supports the proposition that, organizational culture improves organizational performance. Specifically, when goal congruence is achieved through the optimum agency relationship, the agency cost will be diluted or possibly eliminated, and if the process is imbibed over and over again, the culture will form part of the organizational known norms and shared belief. Thus, if these good cultures of strict agency contract is uphold, then organizational performance will be greatly boosted. Hence, because of this theoretical proposition, agency theory is anticipated to support the relationship between organizational culture and organizational performance.

Therefore, based on this general premise, the relationship between organizational culture and public sector organizational performance is underpinned by the institutional theory and ably supported by the agency theory.

Basically, based on these theoretical assumptions and empirical evidence, the following hypothesis is formulated:

H_5: Organizational culture significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.1.6 Performance Audit and Organizational Performance

Performance audit constituted an iconic monitoring mechanism promoted by the NPM package which glaringly poses strong influence on the organizational performance especially in the public sector (Morin, 2003). Performance audit determines the management ability in deploying public sector resources towards achieving elaborate performance (Bowerman, 1996). For example, Kells and Hodge (2009) found that, performance audit is an integral elements that influence performance especially in the public sector. Equally, Barzelay (1999) strongly argue that, performance audit has a strong relationship and affinity with organizational performance. Davis (1990) asserted that, achieving technical quality in the public sector organizations requires a standard practice of the evaluation through the performance audit exercise. Consistent with that, English (2007) found that, performance audit is a legitimizing force that improve the outcomes and performance of the public projects. Again, Morin (2008) found that, good public sector performance entirely depends on the performance audit practice across the public sector organizations. Ultimately, empirical evidence has strongly demonstrated that, performance audit is significantly related to the organizational performance (Bringselius, 2008; English, 2007; Gendron *et al*., 2007; Lonsdale, 2008).

Institutional theory also underpins the relationship between performance audit and organizational performance. Specifically, Modell (2006) argue that, the discernible focus of the performance audit on the efficiency, effectiveness and economy is a testimony and evidence of the isomorphic influence of coercive, normative and mimetic pressure in the public sector governance. Public sector stakeholders on the other hand assumed an important place in the scheme of things especially with regards to the management of public sector organizations courtesy of the NPM (Johnsen *et al*., 2001). Consequently, the public agencies themselves respond quickly to the tendencies and development in other organizations or within the environment so as to accord importance to the network of activities in the sector generally, or to imitate others for the fear of unforeseen uncertainties. Thus, the coercive, normative and mimetic pressure are observed through these actions. Therefore, these dimensions of institutional theory perfectly underpins the relationship between performance audit and organizational performance in the Nigerian public sector.

Equally, the agency theory supports the relationship between the performance audit and organizational performance. Specifically, both performance audit exercise and other public sector evaluation mechanisms are strong apparatus of control to ensure that, the public goals are observed and upheld appropriately (Eze & Ibrahim, 2015). When goals of public interest are upheld, the agency cost will be significantly minimized, and the tendency of self-interest will be weakened, thus, the resulting outcome will be better organizational performance. Thus, agency theory always supports the relationship of this nature by being an antidote for pursuing personal unreasonable goals in the public sector. Therefore, based on this theoretical and empirical evidence, it is anticipated that, institutional theory underpins the relationship between performance audit and organizational performance, whereas agency theory supports the relationship. Therefore, the following hypothesis is formulated:

H_6: Performance audit significantly and positively influences organizational performance at the state governments' level in Nigeria.

4.5.2 Research Hypotheses of the Moderating Effect of Performance Audit on the Relationship between Performance Management Elements and Organizational Performance ($H_7 – H_{11}$)

Having explained and proposed the hypotheses of the direct relationship between the performance management elements and organizational performance, it behoves that, indirect relationship also should be explained as well from empirical and theoretical point of view. Hence, the moderating effect of the performance audit on the aforementioned relationship will be established and place in a proper empirical and theoretical context. Specifically, the following hypotheses on the moderating effect of performance audit achieves that purpose.

4.5.2.1 Moderating Effect of the Performance Audit on the Relationship between Goal Orientation and Organizational Performance

Clearly identified goals along with good organizational orientation are always at the center of the performance management. Therefore, in ensuring suitable and better management controls (Otley, 2001; Otley, 2003) as well as organizational performance, performance audit (or value for money) is practically devised to guarantee the improved goal orientation (Aminian & Sabet, 2012). Therefore, goal-related audit has nowadays dominated significant place within an extended performance audit exercise (Gendron *et al*., 2007). Thus, performance audit is contrived to examine whether goals have been clearly formulated, and to consequently ensure that, the goals are consistent and unambiguous in the public sector organizations (Al Athmay, 2008; Aminian & Sabet, 2012; Dittenhofer, 2001). Ultimately, performance audit involves assessing whether government organizations are committed to goal orientation at all levels and to ensure the linkage between the goals, vision and organizational performance are clearly spelt out and maintained (Al Athmay, 2008; Gendron *et al*., 2007). Literature is replete with the studies about the link between goal orientation and performance audit (Aminian & Sabet, 2012; Dittenhofer, 2001; Johnsen *et al*, 2001). For example, Aminian and Sabet (2012) found that, there is a significant positive relationship between performance audit and increased management effort to achieve organizational goals. Equally, Sanusi, Iskandar and Poon (2007) found that there is significant positive relationship between goal orientation and audit judgments on performance. Johnsen *et al*. (2001) proposed that, significant and positive affinity exists between performance audit and goal orientation. Pollitt *et al*. (1999) found that, performance audit is closely correlated with goal orientation.

Institutional process of change as explained by the institutional theory is a product of evaluative monitoring mechanism like performance audit (Johnsen *et al*., 2001). Coercive, normative and mimetic influence collectively explore public organizations to audit programmes and other monitoring activities in order to ensure legitimacy and organizational survival (Johnsen *et al*., 2001). For instance, audit explosion that give birth to the prominence of performance audit exercise is a by-product of the institutional influence of coercive, normative and mimetic pressure (Lapsley, 2008). DiMaggio and Powell (1983) further maintain that, institutional pressure increase homogeneity of the organizational structure, thus, audit and other evaluative mechanisms also represents isomorphic pressure through synergy with other organizations, environmental influence or imitation as a contingent plan for future eventualities. Therefore, this implies that, institutional theory underpins the moderating effect of the performance audit on the relationship between goal orientation and organizational performance.

From the perspective of the agency theory, it is observed that, strong goal orientation and high level of trust as well as control are the essential and most important, collaborative and complementary emphasis of the agency theory (Atkinson & Fulton, 2013). Agency theory assumes that, perfect goal orientation with emphasis on strict monitoring mechanisms of performance audit consistently improves efficiency and/or organizational performance (Agranoff, 2012; Bhati, 2015). Therefore, goal orientation and performance builds significant collaborative effort only if the monitoring mechanism of the performance audit is undoubtedly guaranteed. Hence, agency theory supports the aforementioned relationship involving the moderating effect of performance audit.

Therefore, based on this theoretical and empirical presumption, the following hypothesis is developed.

H_7: The relationship between goal orientation and organizational performance is moderated by performance audit.

4.5.2.2 Moderating Effect of the Performance Audit on the Relationship between Performance Measurement and Organizational Performance

Many literatures on the performance management considers performance audit as the only instrument which if carefully established and strengthened in the public sector organization could reinforce performance measurement practice (Bowerman, 1995; Goh, 2012). Public sector organization that is devoted to promoting the system of performance measurement must also vigorously pursue the conduct of the performance audit so as to build confidence in the system and to avoid vulnerabilities that are capable of hindering the organization from reaping the full benefit of the system and other likely positive effect like improved organizational performance (Arnaboldi *et al*., 2015; English, 2007; Kells & Hodge, 2009). In order to specifically evaluate and highlight the appropriateness of the performance measurement, then performance audit must be fully established to trail its link, and the strategic role it is playing in improving organizational performance (Bourne *et al*., 2000).

Literatures are abound about the link between performance audit and the performance measurement, especially within the stream of performance management studies (Barzelay, 1996; Bourne, Melnyk, Bititci, Platts, & Andersen, 2014; Kells & Hodge, 2009). Specifically, Gendron *et al*. (2007) found that, performance audit has significant affinity with performance measurement. Equally, Sanger (2008) found that, performance audit shows a sign of correlation with performance measurement. Berry *et al*. (2009); Dunleavy *et al*. (2006) have also corroborated that, performance measurement and performance audit are mutually dependent within the NPM philosophy based on the existing empirical reality.

However, with regards to the underpinning function of the institutional theory it is observed that, institutional theory underpins and explains the moderating effect of the performance audit on the relationship between performance measurement and organizational performance. Thus, understanding the monitoring role of the performance audit and how it is utilized to enhance efficiency calls for equally understanding the three essential pillars of institutional theory and the pressure being placed on the public agencies to perform in a particular channel and with due regards to efficiency and effectiveness. Thus, coercive, normative and mimetic pressure have been the focal point that necessitated the significance of performance audit in the performance management system (Brignall & Modell, 2000). This view strengthened the argument that, institutional theory fundamentally buttress changes in organizations.

Furthermore, agency theory supports the proposition that, performance audit moderates the relationship between performance measurement and organizational performance.

Specifically, auditing generally is aimed at giving guarantee that, the laid down procedures have been adequately observed (Kells, 2009). Therefore, when the performance audit is observed satisfactorily, then, the agency problem would inevitably die down, hence, the public goal would be securely promoted in line with the long term expectation of stakeholders.

Therefore, based on the above theoretical presumption and empirical evidence, the following hypothesis is developed.

H_8: The relationship between performance measurement and organizational performance is moderated by performance audit.

4.5.2.3 Moderating Effect of the Performance Audit on the Relationship between Performance Reporting and Organizational Performance

The performance reporting is an obligation and foremost requirement for the discharge of stewardship in the public sector organization (Moynihan, Pandey & Wright, 2012). Ensuring that, performance reporting is quite on track and serving its basic purpose is one of the unique tasks within the purview of the performance audit exercises (Christensen *et al.*, 2001). Empirical evidence has shown that, auditing has a close affinity with reporting (Raudla *et al*, 2016). Equally, Chen, He, Ma and Stice (2016) found that, empirically audit exercise and reporting are mutually reinforcing, and have significant relationship. Similarly, Johnsen *et al*. (2001) empirically found that, performance audit is a major tool that improves reporting capabilities of the public institutions in Norway and Finland. Yet still, literature has established that, monitoring and assessing the performance reporting in the public sector is achieved through the instrumentality of the performance audit (Cohn Berman, 2008; Connolly & Hyndman, 2004; Cunningham & Harris, 2005).

From the perspective of the institutional theory, Meyer and Scott (1983) claims that, institutions in the public sector are strongly inclined to ensure that, performance audit is deployed to enhance public sector reporting technique as a result of multiple factors. One of the factors is the isomorphic influence of the coercive, normative and mimetic pressure. Technical efficiency and effectiveness are best reported to the stakeholders in the public sector if the efficiency and effectiveness audit is fully integrated by reason of coercive isomorphic process of institutionalization. Therefore, conformity to external norms by reason of imitation and professional influence are also most important approach to achieve adequate reporting. These forms of isomorphic process are termed as normative and mimetic pressures. By this, it is anticipated that, institutional theory underpins the moderating role of performance audit as indicated in this study.

Equally, agency theory is anticipated to support the moderation effect of performance audit on the relationship between performance reporting and organizational performance. Explicitly, suitable and timely reporting of activities is a central demand of the agency theory (Eisenhadt, 1989). This implies that, reporting creates awareness, and by extension highlights the engagement and devotion of both the principal and agents. Therefore, by so doing, the goals of both parties could be streamlined and the agency costs likely reduced. But, in public sector, reporting process need to be stimulated through the conduct of audit actions. Thus, careful and deliberate deployment of the performance audit actions excites the performance reporting process. Specifically, by this conclusion, agency theory is anticipated to support the moderating role of the performance audit on the relationship between performance reporting and organizational performance.

Therefore, based on this theoretical highlights and empirical evidence, the following hypothesis is established.

H9: The relationship between performance reporting and the organizational performance is moderated by performance audit.

4.5.2.4 Moderating Effect of the Performance Audit on the Relationship between Accountability and Organizational Performance

Performance audit has become a widespread tool being used universally for improving accountability in the public sector (Newberry, 2015). Performance auditing is viewed as channel of strengthening the "bond of accountability" and to reorient the terms of accountability between the stakeholders and the policy makers (Barrett, 2012; Justesen & Skærbæk, 2010). Literature suggest that, performance auditing plays a catalytic role in enhancing accountability in the public sector organization (Loke, Ismail & Hamid, 2016; Justesen & Skærbæk, 2010; Kells, 2011; Reichborn-Kjennerud, 2013). It is suggested again that, performance audit can enable public institution to optimally exploit the benefit of its accountability arrangements in achieving good organizational performance (Johnsen *et al*., 2001; Newberry, 2015; Tudor, 2007). Empirical studies have severally established the role of performance audit in enforcing accountability in the public sector. For example, Reichborn-Kjennerud (2013) found that, performance audit exhibited a positive relationship with the role of accountability. Yet still, Agbo and Aruomoaghe (2014) have found a positive relationship between performance audit and accountability (as a proxy of governance). Thus, the moderating role of performance audit on the relationship between accountability and organizational performance is quite a predicted phenomenon within the public sector.

Regarding the underpinning theory of the study, it is observed that, the institutional theory is best fit to explain the moderating effect of the performance audit on the relationship between accountability and organizational performance. Universally speaking, contrary to other related theories, the institutional theory has a fundamental basis on the symbolic matters as well as appropriate conduct within an organization (Meyer & Rowan, 1977). Specifically, it is worthy to note that, within the institutional framework of the institutional theory, the most significant goal of the actors and organizations alike is their own survival and their legitimacy (Meyer & Rowan, 1977; Scott, 2008). Therefore, the emphasis on the public accountability through the instrumentality of the performance audit is an important arena of the institutional theory, because the survival and legitimacy of the public sector organizations are achieved through the isomorphic approach as reflected by the performance audit (Bovens, 2007). Incidentally, exploiting the performance audit to ensure the strict accountability and good organizational performance by the audited entities occur as a response to these coercive, mimetic and normative isomorphic forces (Reichborn-Kjennerud, 2013). Even Bovens (2007) describes coercive, mimetic and normative pressures as social accountability mechanisms that necessitated the need for performance audit and other related exercise in the public entities. Thus, performance audit visibly addresses the concern for public accountability and equally constrain inefficiency and ineffectiveness in the audited public entities through the practical path of the institutional theory dimensions (Bovens, 2007; Reichborn-Kjennerud, 2013). Therefore, institutional theory underpins the moderating effect of the performance audit on the relationship between accountability and organizational performance.

Furthermore, agency theory also supports the moderating effect of the performance audit on the relationship between accountability and organizational performance. This is because, the intending purpose the agency theory determines to achieve is to ensure that, the self-interest of the agent is gradually diminished; and to guarantee that, the agency cost/loss is significantly reduced in exchange of the accomplishment of the overall organizational objectives (Eisenhardt, 1989; Pepper & Gore, 2015). By and large, the performance audit exercise is inexorably predicted to achieve that purpose by ensuring that, accountability of the activities within the public sector organizations is safeguarded so that, the efficiency and effectiveness of the public agencies could be meaningfully improved (Gailmard, 2012; Leruth & Paul, 2006). Therefore, drawing from that proposition, it is strongly expected that, agency theory supports the moderating effect of the performance audit on the aforementioned relationship.

Therefore, based on this empirical and theoretical foundation, the following hypothesis is developed.

H_{10}: The relationship between accountability and organizational performance is moderated by the performance audit.

4.5.2.5 Moderating Effect of the Performance Audit on the Relationship between Organizational Culture and Organizational Performance

Organizational culture lies at the heart of the activities of the public sector performance management (Carlos *et al*., 2014). To build confidence in the government agencies and to ensure strong commitment to the good ethical norms; and to mitigate the constant risk of integrity failure, the public sector organizations usually put in place robust performance audit mechanisms (Johnsen *et al*., 2001; Craig, Amernic & Tourish, 2014). The fundamental need to define and constantly analyze the organizational culture has been of the key roles of audit exercise in the public sector (Arthur *et al*., 2011; Tudor, 2007). Again poor organizational culture has been the foremost concern of the auditing, particularly performance audit, this is because poor organizational culture has been the root of many scandals in the global public sector experiences (Agbo & Aruomoaghe, 2014; Burkhart & Goldman, 2013). Therefore, ensuring that, the public sector organization is pulling in the same direction in terms of culture is the cardinal responsibility of the performance audit exercise (Craig, Amernic & Tourish, 2014). It has been severally illustrated in the literature that, performance audit improves organizational culture and by extension organizational performance (Agbo & Aruomoaghe, 2014; Barton *et al*., 2011; Funnell & Wade, 2012). Equally, empirical studies have demonstrated that, performance audit improves organizational culture, and good culture by extension improves organizational performance. For instance Ahmad (2012); Ehtesham (2011) empirically established that, organizational culture and other performance management elements (including evaluation and appraisal which is the proxy of performance audit) have significant and positive relationship.

The moderating role of the performance audit on the relationship between culture and performance is underpinned by the institutional theory. Specifically, DiMaggio and Powell (1983) stressed that, strong monitoring mechanism in an organization helps it to converge on similar practices, behaviours and cultures. Therefore, these homogenous set of cultures and behaviours are usually the by-product of the coercive, mimetic and normative pressures (DiMaggio and Powell, 1983). Incidentally, performance audit is a robust monitoring mechanism that ensures and guarantee good organizational culture and practices arising from the isomorphic forces. Explicitly, coercive pressure/isomorphism is a pressure originated from the organizational legitimacy, laws or outside environment (Meyer & Rowan, 1977). Normative isomorphism is a pressure that stems from the compliance with professional values, while mimetic isomorphism involves copying cultures and behaviours from other similar or related organizations (Dacin *et al*., 2002; Meyer & Rowan, 2006). The role of performance audit in safeguarding and promoting good organizational culture has reinforces the meaningful but latent importance of these isomorphic style of the institutional theory in the public organizations. For instance, DiMaggio and Powell (1983) further theorized that, institutionalized cultures and behaviours, if not controlled, may limit organizations' innovative capacity and performance. This implies that, performance audit as a management control machinery can fairly institute a good control procedure for achieving elaborate performance in the public organizations in line with the institutional theory philosophy.

In addition, the agency theory also supports the moderating role of the performance audit on the relationship between the organizational culture and organizational performance. Specifically, the agency problem in an organization arises when the agency conflict of interest occurs between the existing stakeholders which otherwise brings about agency cost/loss (Leruth & Paul, 2006; Ross, 1973; Nielson & Tierney, 2003). To redirect the behaviours of the stakeholders to operate within the good cultural framework as well as avoiding agency conflict, the organizations must employ appropriate control apparatus like performance audit. Therefore, when the performance audit is critically established, the good cultures and practice would consequently build up within the organization and the performance will be boosted.

Therefore, based on this empirical and theoretical background, the following hypothesis is produced.

H_{11}: The relationship between organizational culture and organizational performance is moderated by the performance audit.

4.6 Conclusion

This chapter brings the research framework the study covers. The research framework comprises of one dependent variable, five independent variables and one interacting variable otherwise known as moderating variable. The previous contributions of other researchers are appropriately presented to underscore the meaning, suitability and theoretical presumption of each hypothesis proposed. Again, the institutional theory and agency theory are explained; and the way, manner and process of how they underpinned and supported the research framework respectively are duly clarified. The next chapter delves into the methodology of the study which explains the procedure of the study including the method of data collection and instruments used.

CHAPTER FIVE

RESEARCH METHOD

5.1 Introduction

This chapter examines the methodology and techniques adopted in the study that eventually assisted in achieving the research objectives. The chapter encompasses research design, population of the study, sample size, measurement of the variables, sampling techniques, data collection procedure and techniques of data analysis.

5.2 Research Design

Employing appropriate research design is an essential step that helps in the accomplishing the objectives of the study (Zikmund, Babin, Carr & Griffin, 2013). Design in the research study involves the process to be observed in obtaining the required data necessary for the conduct of the study (Sekaran & Bougie, 2013). Research design is a complete plan indicating in clear terms, the method and procedure for the collection and analysis of the required information (Lion, 2009).

Specifically, there are three major types of research design namely, descriptive, exploratory and causal research design (Sekaran & Bougie, 2013). Therefore, the type of research design suitable for a particular study hinges upon the nature and the purpose of the study at hand (Cresswell, 2013). For instance, exploratory research is suitable when there is little information on how similar or related problems are solved in the past. Causal studies are conducted to examine whether one variable causes others to change i.e. to determine the cause and effect relationship. Descriptive study on the other hand is conducted to describe a phenomena (Kumar, Talib & Ramayah, 2013; Sekaran & Bougie, 2013). Thus, generally, descriptive study is undertaken when the researcher is interested in examining the relationship between the variables of interest. However, descriptive study may be qualitative or quantitative, it can also be a cross-sectional or longitudinal (Kumar, Talib & Ramayah, 2013). Therefore, this study employed quantitative research design. This also implies that, cross-sectional study was adopted (Sekaran & Bougie, 2013).

To illustrate this point further, quantitative research helps in describing the nature of the relationship between the variables of interest being examined using quantitative data (Zikmund, Babin, Carr & Griffin, 2013). It is also involves measuring and counting of events as well as performing statistical analysis on the numerical data gathered (Sekaran & Bougie, 2013). Furthermore, it is used when the researcher wants to make generalizations to the population of interest or to test certain research hypothesis (Cresswell, 2013). However, cross-sectional study involves collecting data at once and at a particular point in time so as to meet the research objectives (Zikmund *et al*., 2013). The benefit derived from using quantitative cross-sectional study is that, it saves time and it is suitably cost-effective (Kumar, Talib & Ramayah, 2013). Overall, survey method was employed for the purpose of this study. Survey method is the most-widely used technique in social and management science research studies (Bryman & Bell, 2015; Sekaran & Bougie, 2013). Again, survey research has been adjudged by researchers as a cheap, fast, accurate and efficient method of research about a given population (Zikmund *et al*., 2013). Additionally, survey study using questionnaire is easy and inexpensive, especially when compared with other methods like observation (Cresswell, 2013). Therefore, survey method is vital when collecting data from the large sample (Zikmund *et al*., 2013).

In formulating the research design for the purpose of this study, extensive literature review has been conducted to identify the deficiencies and gaps in the previous studies. The focus of the study is to examine the relationship between the performance management elements and the organizational performance in the Nigerian public sector, with the moderating effect of the performance audit. Specifically, the ministries, departments and agencies (MDAs) were considered under the state governments in Nigeria. In order to carry out the study, the data was collected using questionnaire. For elaborate explanation, other essential aspects of the methodology were explained under the sub-heads below.

5.3 Method of Data Collection

The method for data collection through questionnaire was used for this study. The questionnaires were administered on the state ministries, departments and agencies (MDAs). Specifically, the method of data collection through questionnaire was adopted because of its likelihood to obtain the needed information at a speedy rate and on a one-off basis (Patten, 2016; Sekaran & Bougie, 2013). The questionnaires were filled up by the Director of administration and finance (DFAs) of each of the selected organization, and/or other senior management staff authorized by him/her. The questionnaires were self-administered on the respondents. However, in order to get the completed questionnaires returned within the stipulated time, hand delivery method was used. This is to specifically suit the peculiarity of the Nigerian public sector and to gain high response rate. In addition to that, empirical evidence has shown that, mail and postal questionnaires in Nigeria records a very low response rate within the negligible range of 3%-4% (Asika, 1991; Ringim, 2012). Therefore, hand delivery is the most appropriate method in Nigeria, because of its likelihood to record appreciable response rate.

5.4 Survey Based Approach

Survey based research is a specific type of field study that involves the collection of data from a sample of elements drawn from a well-defined population through the use of questionnaire (Visser, Krosnick & Lavrakas, 2000). Yet still, it is the process of asking participants about their perceptions, behaviours and opinion by means of an established research questionnaire (Cresswell, 2013). In general sense, survey is any activity that collects information in an organized and methodical manner about characteristics of interests from some of, or all units of a population using well-defined concepts, methods and procedures; and eventually compiles such information into a useful summary form (Franklin & Walker, 2010). Overall, survey based approach consists of certain interconnected steps that involves some established procedures (Sekaran & Bougie, 2013). Hence, survey research should be carried out on step by step basis following that established procedures and rules (Sekaran & Bougie, 2013; Visser *et al*., 2000).

5.4.1 Survey Questionnaire

Questionnaire is defined as a set of questions arranged and itemized in a sequential order to obtain information on variables of interest to the researcher depending on the feelings, understanding and perception of the respondents (Asika, 2000; Fowler, 2013). It is also a written set of questions pre-formulated, from which the researcher seek the respondents' answers and views usually within a closely defined alternatives (Sekaran & Bougie, 2013). Questionnaire may be structured or unstructured. The structured questionnaire may be close-ended or dichotomous. For the purpose of this study, the structured questionnaire was used. Hence, the questions in the questionnaire are designed as close-ended and counter-check. This enables the researcher to restrict the respondents' choice around the limited set of questions by obtaining the objective and sometimes subjective feelings about the variables under investigation (Cresswell, 2013; Fowler, 2013). To effectively accomplish this task, the researcher engaged in sufficient standardization of questions via a well-designed and unambiguous questions in the questionnaire. This thorough effort is quite imperative going by the fact that, the responses are very essential in achieving the objectives of the study and the final statistical analysis (Hair, Black, Anderson, & Tatham, 2006).

However, design of questionnaire is a distinctive and significant stage in the research study (Sekaran & Bougie, 2013). As rightly observed from the vast literatures, the major objectives of the questionnaire design are that, it gives the researcher a unique opportunity in getting the number of intended responses (Cresswell, 2013), and secondly, to help in minimizing the possible measurement error through the logical and rational arrangement of questions in a sequential manner (Patten, 2016; Sekaran & Bougie, 2013), and finally, to be simply understood by the targeted respondents (Fowler, 2013). In constructing the questionnaire in this study, the researcher relied heavily as much as possible on the research instruments already validated in the previous research studies and sometimes with minor modifications and slight adjustments to suit the unique context of this study. Specifically, the questionnaire used on every variable contains a 5-point rating scale because for its ease of use and flexibility, especially in the field of management research studies (Mathew & Ross, 2014).

5.4.2 Pilot Study

Pilot test is generally described as a trial study conducted in microcosm before the conduct of the full blown study (Gay, Mills, & Airasian, 2006). It is carried out to obtain the validity and reliability of the research instrument and to also obtain some useful insight into the likely situation and condition of the intended research study (Bernard & Bernard, 2012; Sekaran & Bougie, 2013). This implies that, by conducting pilot study, the researcher would get the early glimpse of the expected condition of the study. Yet still, pilot study helps researcher to rectify the potential anomaly (if any) and to take some corrective and remedial measures before taking a plunge into the full scale study (Fowler, 2013; Patten, 2016). Furthermore, pilot study helps in pre-testing the research instrument and assess whether the research protocol is practically realistic (Bernard & Bernard, 2012).

In conducting a pilot study, a researcher is expected to ascertain the purpose and the minimum number of respondents required. Specifically, Johnson and Brooks (2010) noted that, thirty (30) numbers of respondents is the minimum required figure for the conduct of the pilot study. However, in this study, the pilot test was conducted on the selected MDAs in Nigeria. Thus, in conducting the pilot study, a total of 85 copies of questionnaires were distributed for completion to the MDAs. Consequently, 63 copies of the questionnaires were properly completed and returned, therefore, this number is considered fit for pilot test and analysis. The response rate of this pilot study is considered excellent, this is because 74% response rate was achieved due to the sustain pressure from the researcher and the regular reminder. Note that, the validity and reliability results using the data of pilot study are presented in the sections 5.6.3 and 5.6.4 of this thesis.

However, the outcome of the pilot study assisted tremendously in making few corrections and minor re-arrangement of the questions in the instrument. This implies that, wordings and order of the questions were re-arranged in line with the suggestions from the responses in the pilot test. Equally still, ambiguous and difficult questions were simplified.

5.4.3 Population and Sample size

This study employed organizations as the unit of analysis. Unit of analysis refers to what or who is being studied in a given research study or situation (Cresswell, 2013; Sekaran & Bougie, 2013). Individuals, groups and organization are commonly used units of analysis in the social and management sciences research (Kumar, Talib & Ramayah, 2013). Specifically, the population of the study is the entire state ministries, departments and agencies across the Federal Republic of Nigeria. The population is the collection of data whose objects are to be assessed or evaluated in a given research situation (Sekaran & Bougie, 2013). Creswell (2012) defines population of the study as a group of individuals, who have the common features and similar characteristics that the researcher is interested in identifying for the purpose of undertaking a study. There are 36 state governments in Nigeria; and the number of MDAs under each state is explained and shown in the following Table 5.1 below.

Table 5.1
Estimated Population of the Study

S/N	STATES	No. of Ministries	No. of Departments	No. of Agencies	Total
1	Abia	15	12	10	37
2	Adamawa	15	11	7	33
3	Akwa Ibom	22	11	9	42
4	Anambra	19	15	11	45
5	Bauchi	19	17	13	49
6	Bayelsa	20	7	7	34
7	Benue	13	13	9	35
8	Borno	15	8	11	34
9	Cross Rivers	23	5	7	35
10	Delta	17	10	7	34
11	Ebonyi	17	10	8	35
12	Edo	24	14	9	47
13	Ekiti	14	10	9	33
14	Enugu	24	12	9	45
15	Gombe	19	16	13	48
16	Imo	17	13	8	38
17	Jigawa	20	17	11	48
18	Kaduna	13	14	9	36
19	Kano	22	15	14	51
20	Katsina	13	17	8	38
21	Kebbi	15	10	9	34
22	Kogi	15	11	10	36
23	Kwara	14	12	12	38
24	Lagos	24	17	11	52
25	Nassarawa	18	15	13	46
26	Niger	19	15	14	48
27	Ogun	21	14	13	48
28	Ondo	17	12	8	37
29	Osun	14	12	8	34
30	Oyo	17	12	7	36
31	Plateau	17	12	8	37
32	Rivers	24	13	11	48
33	Sokoto	23	10	9	42
34	Taraba	16	9	11	36
35	Yobe	20	9	11	40
36	Zamfara	17	9	5	31
	TOTAL	**652**	**439**	**349**	**1440**

Therefore, from the Table 5.1 above, it is established that, there are at least 1,440 organizations across the Federation which entirely forms the population of the study.

However, with regards to the sample and sample size, Sekaran and Bougie (2013) described sample as a sub-group of the population that is selected by the researcher at the level of sampling process. Sampling involves taking selected representatives of the study population which the researcher indicated interest to study (Mathews & Ross, 2014). However, sample is described as representative because each sampled unit selected represent the features of a known number of identified units in the population (Cresswell, 2013; Mathews & Ross, 2014). Additionally, it is worthy to note that, sample is important in the research for obvious reasons, notably because it is a subset of the entire population upon which the researcher draws conclusion from (Mathews & Ross, 2014; Sekaran & Bougie, 2013). So, given the fact that, the population size of this study is in the neighborhood of 1,440, the sample size can be computed using the appropriate formula for calculating the sample size (Watson, 2001). The formula is as follows:-

$$n = \frac{N}{1+N(e)^2}$$

Where: n = computed sample size

N = population size

e = error term

This research study was conducted at 95% confidence level; therefore, the error term or level of significance is 5%. The computed sample size is

$$N = \frac{1440}{1+1440(0.05)^2} = 313$$

However, the 313 sample size obtained was increased to 551 which helps minimized the possible sampling error (Mathews & Ross, 2014; Hair et al, 2010). This also assisted in minimizing the possible non-response bias as well, which might arose in the course of the study (Hair, Black, Babin, Andersen, & Tatham, 2010).

5.4.4 Sampling Technique

A proportionate stratified sampling technique was used in this study. A stratified sampling refers to a sampling technique where every item of the population in the stratum is given an equal chance of being selected (Asika, 2000; Sekaran & Bougie, 2013). Specifically, the researcher consider proportionate stratified sampling method appropriate in this study. This is because, ultimately in this case the population was divided into various strata. Therefore, the state governments forms the stratum which to a large extent depends on from which geo-political zone a state falls. Generally, there are six geo-political zones in Nigeria, namely: North-East, North-West, North-Central, South-West, South-East and South-South. Each geo-political zone or region has 6 states under it except North-West and South-East which have 7 states and 5 states respectively. Thus, each geo-political zone is a stratum. The list of the states and the grouping under each geo-political zone is presented in Table 5.2 below.

Table 5.2
Geo-political Zones and Cluster of States under Each Zone

A. North-West Zone		
S/N	**States**	**Capital**
1.	Jigawa	Dutse
2.	Kaduna	Kaduna
3.	Kano	Kano
4.	Katsina	Katsina
5.	Kebbi	Birnin Kebbi
6.	Sokoto	Sokoto
7.	Zamfara	Gusau

B. North-East Zone		
S/N	**States**	**Capital**
1	Adamawa	Yola
2	Bauchi	Bauchi
3	Borno	Maiduguri
4	Gombe	Gombe
5	Taraba	Jalingo
6	Yobe	Damaturu
C. North-Central Zone		
S/N	**States**	**Capital**
1.	Benue	Makurdi
2.	Kogi	Lokoja
3.	Kwara	Ilorin
4.	Nasarawa	Lafia
5.	Niger	Minna
6.	Plateau	Jos
D. South-West Zone		
S/N	**States**	**Capital**
1.	Ogun	Abeokuta
2.	Ondo	Akure
3.	Osun	Oshogbo
4.	Oyo	Ibadan
5.	Lagos	Ikeja
6.	Ekiti	Ado – Ekiti
E. South-East Zone		
S/N	**States**	**Capital**
1.	Abia	Umuahia
2.	Enugu	Enugu
3.	Ebonyi	Abakaliki
4.	Imo	Owerri
5.	Anambra	Awka
F. South-South Zone		
S/N	**States**	**Capital**
1.	Akwa Ibom	Uyo
2.	Cross Rivers	Calabar
3.	Delta	Asaba
4.	Bayelsa	Yenagoa
5.	Rivers	Port Harcourt
6.	Edo	Benin City

Therefore, the number of ministries, departments and agencies were divided based on the stratum, thus it consisted of 280 organizations in North-west, 240 North-east, 240 North-central, 240 South-west, 240 South-south and 200 South-east. Yet again, the sample size selection from the strata/region was made in accordance with the probability proportionate to size method (PPS) (Maiyaki & Moktar, 2011). This method enhances the representation of the entire population in the study. The Table 5.3 below presents the breakdown in terms of PPS.

Table 5.3:
Population Frame

Geo-political zone	No. of Institutions	Computations	Proportionate Sample
North-west	280	280/1440 x 551	107
North-east	240	240/1440 x 551	92
North-central	240	240/1440 x 551	92
South-west	240	240/1440 x 551	92
South-south	240	240/1440 x 551	92
South-east	200	200/1440 x 551	76
			551

Therefore, the number of organizations (MDAs) obtained under the proportionate sample above were duly selected from each respective stratum using simple random sampling method.

5.4.5 Data Collection Strategy

In this study, the data collection exercise began seven weeks after the defense for proposal. In summary, the data collection lasted for four and half months, ranging from the 3rd week of February, 2016 to the 4th week of June, 2016 (See Appendix C for detailed breakdown). The data collection commenced after the pilot study was conducted. As mentioned earlier, the data was collected through a self-administered questionnaire. Specifically, the nature of the MDAs in the Nigerian public sector made it compulsory for the usage of personallyadministered questionnaire method, so that, the minimum required responses could be achieved without the study being affected by the effect of non-response bias.

At the initial stage, the letter for data collection was officially requested from the OYA graduate school of business, UUM. This is to introduce the researcher to the targeted organizations (respondents) and to also explain to the targeted respondents, the purpose and the duration of the study. The letter motivated, in no small measure, the respondents to fill the questionnaire as timely as possible. Overall, the questionnaire was seven pages (see Appendix D). The entire survey package was arranged in an envelope containing the questionnaire, the cover letter and a pen with UUM logo. The cover page of the questionnaire also contains the instructions on how to fill the survey questionnaire. Explicitly, to re-energize and stimulate the willingness of the respondents to participate in the study, the guaranteed promise of confidentiality was confirmed on the cover page of the questionnaire (see Appendix D).

Exactly, two months after sending the questionnaires, 211 completed questionnaires were successfully retrieved. Eventually, the reminder phone calls were put through on other respondents whose questionnaires were not returned in order to get more questionnaires retrieved. Thus, more additional questionnaires totaling about 111 were collected two months later. Therefore, the total collected but useful questionnaires stood at 322.

5.4.6 Treatment of Non-Response Bias

Non-response bias is virtually a common issue affecting survey research (Collier & Bienstock, 2007). Non-response bias refers to the bias that occurs when the survey results obtained considerably differs from the results that would have been obtained from those who happens not to answer the survey despite the fact that, they were in the target sample

(Armstrong & Overton, 1977; Collier & Bienstock, 2007). It is specifically observed that, low non-response bias is an indicator of higher survey quality (Mentzer & Lambert, 2015). In contrast, high non-response bias affects the validity and inference drawn from the study findings (Mentzer & Lambert, 2015; Studer *et al*., 2013). Sometimes, researchers' effort in convincing the unwilling respondents to participate in the survey might not necessarily brings about higher participation or better picture of the study's outcome (Mentzer & Lambert, 2015; Studer *et al*., 2013).

Specifically, researchers deploys different method in checkmating the problem of non-response bias. For instance, Armstrong and Overton (1977) strongly recommended the usage of time-trend extrapolation approach in dealing with non-response bias. Under this approach, the response is divided into two groups (e.g between early response and late response). Therefore, in this study, the early response constituted 211 completed questionnaires obtained in the first 2 months of the data collection exercise, this represents 66% of the total response. Equally, the late response constituted 111 completed questionnaires collected in the last 2 months of the data collection exercise, this represents 34% of the total response. The next chapter contains the analysis and the results of the non-response bias test.

5.5 Operationalization and Measurement of Variables

The aim of this section is to attempt to operationalize the study variables. Therefore, all the variables under investigation were systematically operationalized and defined appropriately. Moreover, the source of the measurement adaptation (or adoption as the case may be) were also highlighted and explained. This helps in shedding more light on whether the variables originated from the valid and reliable constructs or not (Mathews & Ross, 2014; Sekaran & Bougie, 2013). The variables in this study were measured on a 5-point rating scale type. The purpose of using 5-point scale is that, it eases understanding of the available options for the respondents' precise and appropriate answers (Lundmark, Gilljam & Dahlberg, 2016). Despite the fact that, some studies in social and management research used seven, six and even four point rating scales, a number of researchers have strongly and convincingly argued that, 5-point Likert scale is more accurate and provide better results (Lundmark, Gilljam & Dahlberg, 2016; Maitland, 2013). Specifically, Schuman, Presser and Ludwig (1981) noted that, scales with midpoint gives wider chance for the respondents to clearly express their stand and perception accurately. In addition, it is equally asserted that, 5-point Likert scale is appropriate because the respondents will stay focused on the set of questions and options available and answer them with honesty, uprightness and a near precision (Boone & Boone, 2012) and therefore comparability between the results could be easily done, thus added outcomes and benefits will be highlighted (Krosnick & Presser, 2010; Shaftel, Nash, Learning, & Gillmor, 2012). Equally still, all the instruments adapted in this study were originally on 5-point scale with the exception of the instrument for "goal orientation" which was 7-point but has been narrowed down to 5-point rating scale to achieve uniformity between the variables in the study and to avoid misleading or confusing the respondents in attempting to select their chosen options (Krosnick & Presser, 2010).

5.5.1 Dependent Variable - Organizational Performance

Organizational performance in the public sector refers to the series of organizational activities and actions that involves planning, review, assessment, implementation and evaluation of the efficiency, effectiveness and economy of the government policies, projects and programmes. The key aim of organizational performance is to engender strict management controls and processes in regulating and guiding the actions of organization or parts therefrom to accomplish efficient outcome (Otley, 1999; Otley, 2003). Therefore, the definition of Verbeeten (2008) will be adopted for the purpose of this study. The definition reads "public sector organizational performance refers to the comprehensive operational quality and strategic capacity of an organization which includes accuracy, innovation, efficiency and long term effectiveness". Specifically, it is worthy to note that, overall, organizational performance as defined by Verbeeten (2008) revolves around 3Es (efficiency, effectiveness and economy). Consistent with this, Perotti and Suarez (2002); Daft and Lengel (2000); Abu-Jarad, Yusof and Nikbin (2010) conceptualized organizational performance to mean 3Es.

Specifically, the instrument for organizational performance was adapted and operationalized from Spekle and Verbeteen (2014) with some modifications (as explained in the tables below). The instrument was originally developed by Ven de Ven and Ferry (1980). It was widely adapted by Williams, Macintosh, and Moore (1990), Dunk and Lysons (1997), and Verbeteen (2008). The Cronbach alpha for Spekle and Verbeteen (2014) is 0.770.

For example, the following table indicated how the instruments on the public sector organizational performance in the Verbeeten (2008) and Spekle & Verbeeten (2014) appears. The questions were answered on a 5-point Likert scale. From 1-Far below average, 2-Below average, 3-Average, 4-Above average and 5-Far above average. How would you compare the performance of your organization to other comparable organization?

Table 5.4:
Original Instrument for Organizational Performance

1.	Quantity or amount of work produced	1	2	3	4	5
2.	Quality or accuracy of work produced	1	2	3	4	5
3.	Number of innovations or new ideas by the unit	1	2	3	4	5
4.	Reputation of "work excellence	1	2	3	4	5
5.	Attainment of unit production or service goals	1	2	3	4	5
6.	Efficiency of unit operations	1	2	3	4	5
7.	Morale of unit personnel	1	2	3	4	5

To illustrate this point further, the following operationalized items reveals how the original instrument was modified and adapted for the purpose of conducting the study on the organizational performance in Nigeria. The 5-point Likert scale were still maintained in due course i. e. 1-Far below average, 2-Below average, 3-Average, 4-Above average and 5-Far above average. But the narration changed as follows.

Table 5.5
Modified Instrument for Organizationa Performance

1.	PER1	How would you quantify the organizational performance of your ministry or parastatal in terms of services rendered or projects executed to the citizens?	1	2	3	4	5
2.	PER2	How would you assess the organizational performance of your ministry or parastatal with regards to the quality of the services rendered or projects executed to the citizens?	1	2	3	4	5
3.	PER3	What is the extent of innovations of new policies, programs and projects by your ministry or parastatal in order to boost the organizational performance?	1	2	3	4	5
4.	PER4	What is the extent of the reputation of work excellence in your ministry or parastatal in improving organizational performance?	1	2	3	4	5
5.	PER5	How would you score your ministry or parastatal in terms of the attainment of goals or targets set to it for the achievement of optimal organizational performance?	1	2	3	4	5
6.	PER6	How efficient is your ministry or parastatal in discharging its mandate and boosting its organizational performance?	1	2	3	4	5

Table 5.5 Continued

7.	PER7	How effective is your ministry or parastatal in discharging its mandate and boosting its organizational performance?	1	2	3	4	5
8.	PER8	How economical and resourceful is your ministry or parastatal in achieving organizational performance?	1	2	3	4	5
9.	PER9	How high is the morale of the staff of your ministry or parastatal in boosting organizational performance?	1	2	3	4	5

It can be observed from the tables that, the instrument was modified from comparison to giving details on every particular organization. For instance PER1 stand for No.1 in the original instrument. PER2 in the modified instrument represent No.2 in the old instrument, PER3 represent No.3, PER4 represent No.4, PER5 represent No.5, PER6, PER7 and PER8 represent No. 6 because Verbeeten (2008) and Spekle and Verbeeten (2014) claimed several time in their study that, when "efficiency of operations" is mentioned (as in No. 6 above), it represents all other elements of 3Es. Thus, in order to highlight this fact clearly in this study, it is broken down into the three elements for ease of understanding (Creswell, 2013). Equally, PER9 in the modified instrument represent no. 7 in the old instrument.

5.5.2 Independent Variables

This section covers the operationalization of the independent variables in the study. It shows clearly how the measures and the operational definition of the independent variables were extracted from the previous studies.

5.5.2.1 Goal Orientation

Goal orientation refers to the extent to which an organization is committed towards efficient goal achievement. It also refers to the mental framework used by individuals and organizations to respond to achievement situation. In public sector settings, goal orientation is defined as the organizations' orientation towards achieving their goals and missions. This variable was adapted and operationalized from Nurkholis and Ismail (2014) with some modifications. Therefore, the operational definition of Nurkholis and Ismail (2014) was equally used in this study. Hence, according to Nurkholis and Ismail (2014), goal orientation is defined as the degree and extent to which a person or organization focuses on the task goals as well as the end results of those tasks.

The following table revealed exactly how the instruments on the goal orientation in the Nurkholis and Ismail (2014) appears. The questions in the old instrument were originally answered on a 7-point Likert scale. From 1-To no extent, 2-To a little extent, 3-To some extent, 4-Neutral, 5-To a fairly greater extent, 6-To a greater extent, 7-To a very great extent.

Table 5.6
Original Instrument for Goal Orientation

1	Your agency has formulated clear mission statement	1	2	3	4	5	6	7
2	The mission statement is based on local government's mission.	1	2	3	4	5	6	7
3	Your programs and activities have been focused on achieving its mission	1	2	3	4	5	6	7
4	The mission statements were translated into stated goals.	1	2	3	4	5	6	7
5	The stated goals of this SKPD are of your main concern to achieve	1	2	3	4	5	6	7
6	Stated goals and objectives of this SKPD are measurable	1	2	3	4	5	6	7

Consequently, the following operationalized items indicated how the original instrument was modified and adapted for the purpose of conducting the study on goal orientation in the Nigerian public sector. The 5-point Likert scale was used instead of 7-point Likert scale used in the original instrument i. e. 1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent and 5-To a very greater extent.

Table 5.7
Modified Instrument for goal Orientation

1	GO1	To what extent does your organization formulate a clear mission statement?	1	2	3	4	5
2	GO2	To what extent does the mission statement of your organization reflect the broad mission of the state?	1	2	3	4	5
3	GO3	To what extent does your programs, activities, policies and projects focused on achieving your organization's mission?	1	2	3	4	5
4	GO4	To what extent does your mission statements are translated into the stated goals?	1	2	3	4	5
5	GO5	To what extent does the stated goals of your organization are translated into the main concern of your employees to achieve?	1	2	3	4	5
6	GO6	To what extent are the stated goals and objectives of your organization measurable?	1	2	3	4	5

The process of modification is quite similar, uniform and straight forward. For instance, question No.1 in the original instrument is modified to represent GO1 in the modified instrument. Question No. 2 represents GO2, No. 3 represent GO3, No. 4 represent GO4, No.5 represent GO5, and No. 6 represent GO6. The original instrument was meant for other government units not MDAs in Indonesia. Thus, the SKPD is replaced with public organization in this study.

5.5.2.2 Performance Measurement

Performance measurement refers to the regular measurement of input, output, processes and outcomes (as the case may be) which invariably generates relevant and reliable data relating to efficiency and effectiveness of the projects, policies and programmes using some yardsticks, usually key performance indicators. It is also defined as the process of identifying the significance or worth of a program or policy and to ensure that, feedback received is utilized for the purpose of timely and informed decisions. Therefore, for the purpose of this study, the operational definition of Spekle and Verbeeten (2014) was used. According to Spekle and Verbeeten (2014), performance measurement is defined as the process of monitoring and quantifying the organizations' most important aspect of its systems, programs and processes. Specifically, this variable was adapted and operationalized from Hoque and Adams (2011). This implies that, it is adapted with some modifications. This is because the items in the instrument perfectly captures nearly similar role of this variable in the Nigerian public sector organizations. Thus, the Cronbach alpha for Hoque and Adams (2011) is 0.89.

The following table exactly revealed how the instruments on the performance measurement in Hoque & Adams (2011) appears. The questions are to be answered on a 5-point Likert scale. From 1-To a little no extent, 2-To some extent, 3-Neutral, 4-To a greater extent, 5-To a very great extent. It reads "Please indicate on a 5-point scale, the extent to which performance measures are being used in the following activities of your department.

Table 5.8

Original Instrument for Performance Measurement

1	In strategic planning	1	2	3	4	5
2	In budget formulation	1	2	3	4	5
3	To achieve environmental goals	1	2	3	4	5
4	To achieve social responsibility goals	1	2	3	4	5
5	To manage an activity or program	1	2	3	4	5
6	To measure program performance	1	2	3	4	5
7	To satisfy legislative requirements (law, ordinance, policy, etc)	1	2	3	4	5
8	To satisfy community expectations	1	2	3	4	5
9	To satisfy professional associations	1	2	3	4	5
10	To punish or reward staff	1	2	3	4	5
11	Taking actions based on the results	1	2	3	4	5

Table 5.8 Continued

12	Follow others	1	2	3	4	5
13	Others (please specify)	1	2	3	4	5

Therefore the following operationalized items in the table below reveals how the original instrument was modified and adapted for the purpose of conducting the study on the performance measurement in Nigeria. The 5-point Likert rating scale was retained the same way as it appeared in the original instrument i. e. 1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent and 5-To a very greater extent.

Table 5.9
Modified Instrument for Performance Measurement

1	PM1	To what extent does your organization use performance measurement in long term planning?	1	2	3	4	5
2	PM2	To which extent does your organization use performance measurement in budget formulation?	1	2	3	4	5
3	PM3	To which extent does your organization use performance measurement to achieve organizational goals?	1	2	3	4	5
4	PM4	To which extent does your organization use performance measurement to fulfil social contract with the citizens?	1	2	3	4	5
5	PM5	To which extent does your organization use performance measurement to manage activity or program?	1	2	3	4	5
6	PM6	To what extent does your organization utilize performance measurement to measure program performance?	1	2	3	4	5
7	PM7	To what extent does your organization use performance measurement to satisfy legislative requirements (law, ordinance, policy, etc)?	1	2	3	4	5
8	PM8	To what extent does your organization use performance measurement to satisfy community expectations?	1	2	3	4	5
9	PM9	To what extent does your organization use performance measurement to satisfy professional associations and labour unions?	1	2	3	4	5

Table 5.9 Continued

10	PM10	To what extent does your organization use performance measurement to punish or reward staff?	1	2	3	4	5
11	PM11	To what extent does your organization take actions based on the results or outcomes of its activities?	1	2	3	4	5
12	PM12	To what extent does your organization use performance measurement to copy or learn from other organizations?	1	2	3	4	5

The original instrument (see Table 5.8) was modified from the statement form to question form for the purpose of this study. In the original instrument, the question was stated at the top, then, the remaining items follows in a statement form. Therefore, in this study, the questions are simplified to give meaning to the respondent at first sight (see Table 5.9). Thus, the first statement in the original instrument (No.1) represent PM1 in the modified instrument, No.2 represent PM2, No.3, represent PM3, No.4 represent PM4, No.5 represent PM5, No.6 represent PM6, No.7 represent PM7, No.8 represent PM8, No9 represent PM9, No. 10 represent PM10, No.11 represent PM11, No.12 represent PM12. Specifically, statement No.13 in the original instrument is ignored in the modified instrument because it is an open-ended question that requires different category of answer and explanation. Thus, it cannot be meaningfully interpreted in the quantitative study. Overall, the questions in the original instrument (as in Table 5.8 above) corresponds with the statements in the modified instrument (as in Table 5.9 above).

5.5.2.3 Performance Reporting

Performance reporting refers to the detailed statements of the results of some of the organizational activities in terms of success over a certain and specific time frame which enable the internal and external stakeholders to assess how well a policy or a budget or resource constraints were adhered to. It is also defined as the process of furnishing information to the various stakeholders in the public sector setting. However, for the purpose of this study, the definition of Lee (2008) was adopted. The definition reads "Performance reporting refers to the periodic reporting of achievement of public sector organizations relating to the activities and outcomes to the interested stakeholders." However, this variable was adopted and operationalized from Moynihan, Pandey and Wright (2012).

The following table exactly revealed how the instruments on the performance reporting in Moynihan, Pandey & Wright (2012) look like. The questions were answered in the old instrument on a 5-point Likert scale. From 1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree.

Table 5.10
Original Instrument for Performance Reporting

1.	I regularly use performance information to make decisions.	1	2	3	4	5
2.	I use performance information to think of new approaches for doing old thing.	1	2	3	4	5
3.	I use performance information to set priorities.	1	2	3	4	5
4.	I use performance information to identify problems that need attention.	1	2	3	4	5
5.	I use performance information to communicate program successes to stakeholders.	1	2	3	4	5
6.	I use performance information to advocate for resources to support program needs.	1	2	3	4	5
7.	I use performance information to explain the value of the program to the public.	1	2	3	4	5

Therefore the following operationalized items revealed how the above instrument was adopted for the purpose of conducting the study on the performance reporting in Nigeria. The 5-point Likert scale was used the same way as it appeared in the original instrument, but the narration has been changed for the purpose of uniformity i. e. 1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent and 5-To a very greater extent.

Table 5.11
Modified Instrument for Performance Reporting

1	PR1	To what extent does your organization regularly uses performance information to make decisions?	1	2	3	4	5
2	PR2	To what extent does your organization use performance information to think of new approaches for doing old things?	1	2	3	4	5
3	PR3	To what extent does your organization been using performance information to set priorities?	1	2	3	4	5
4	PR4	To what extent does your organization use performance information to identify problems that need attention?	1	2	3	4	5
5	PR5	To what extent does your organization been using performance information to communicate program successes to stakeholders?	1	2	3	4	5
6	PR6	To what extent does your organization use performance information to advocate for resources to support program needs?	1	2	3	4	5
7	PR7	To what extent does your organization use performance information to explain the value of the program to the public?	1	2	3	4	5

From the Tables 5.10 and 5.11 above, it could be observed that, the modified instrument is exactly the modified version of the original instrument. Although some changes were made. For instance, the original instrument was composed in a statement form, the modified instrument has been slightly modified to be in the question form for the purpose of uniformity with the other constructs in this study. Equally, the rating scale has been modified from “strongly agree, strongly disagree” to “to a little or extent and to a very greater extent”. Therefore, these changes affect the configuration of the questions but the meaning and the purpose of the instrument remain undiluted. Specifically, the statement No.1 in the old instrument represent PR1 in the new instrument, No.2 represent PR2, No.3

represent PR3, No.4 represent PR4, No.5 represent PR5, No.6 represent PR6, No.7 represent PR7.

5.5.2.4 Accountability

Accountability refers to the willingness or obligation to account for one's actions, or willingness or obligation to accept responsibility. Accountability also refers to liability, answerability, expectation of account giving or blameworthiness. It also refers to an assumption and acknowledgement of responsibility for actions, decisions and consequences. This instrument was adapted from Kim and Lee (2010).

Therefore, for the purpose of this study, the operational definition of Kim and Lee (2010) was adopted. The definition reads "Accountability refers to the obligation or responsibility to perform in line with certain public expectation and bear the consequences of possible failures.

The following table exactly revealed how the instruments on accountability in Kim & Lee (2010) appears. The questions were answered on a 5-point Likert scale. From 1-Never, 2-Rarely, 3-Sometimes, 4-Rather often, 5-All the time. It reads "Please indicate how frequently, if at all, you have been required to engage in each of the following at work?

Table 5.12
Original Instrument for Accountability

1	Increasing work productivity (e.g direct service time)	1	2	3	4	5
2	Following management directions	1	2	3	4	5
3	Following administrative procedures and rules	1	2	3	4	5
4	Helping people in need	1	2	3	4	5
5	Dedication to mission of the agency	1	2	3	4	5
6	Observing the agency ethics policy in providing services to clients	1	2	3	4	5
7	Achieving professional credentials	1	2	3	4	5
8	Improving quality of services and best practices	1	2	3	4	5

Table 5.12 Continued

9	Responsive to clients' performance expectations	1	2	3	4	5
10	Working with community members in shaping policies	1	2	3	4	5
11	Working with advocacy groups in shaping policies	1	2	3	4	5
12	Working with the state agency in shaping policies	1	2	3	4	5
13	Maintaining a good relationship with the local media	1	2	3	4	5

Therefore, the following operationalized items indicated how the accountability instrument was modified and adapted for the purpose of assessing the accountability in the Nigerian public sector. The 5-point Likert scale was used the same way as it appeared in the original instrument i. e. From 1-Never, 2-Rarely, 3-Sometimes, 4-Rather often, 5-All the time.

Table 5.13
Modified Instrument for Accountability

1	AC1	How often does your organization observe accountability in increasing work productivity?	1	2	3	4	5
2	AC2	How often does your organization strictly follow management direction on accountability?	1	2	3	4	5
3	AC3	How often does your organization strictly follow administrative procedures and rules in achieving accountability?	1	2	3	4	5
4	AC4	How often do employees in your organization assist one another in maintaining strong accountability in their duties?	1	2	3	4	5
5	AC5	How regular do staff in your organization are required to dedicate religiously to the mission of the organization in terms of accountability?	1	2	3	4	5
6	AC6	How regular do staff in your organization are required to observe the organizations' ethics and policy in providing services to the public with strong sense of accountability?	1	2	3	4	5
7	AC7	How often does your organization demands staff to observe professional ethical conduct of accountability?	1	2	3	4	5
8	AC8	How often does your organization request staff members to demonstrate high degree of accountability in improving the quality of services and organizational best practices?	1	2	3	4	5

Table 5.13 Continued

9	AC9	How often do you assess your organization in fulfilling the accountability obligation in response to the public performance expectation?	1	2	3	4	5
10	AC10	How often does your organization observe accountability relationship in working with the public in shaping policies?	1	2	3	4	5
11	AC11	How often does your organization observe accountability relationship in working with advocacy groups in shaping policies?	1	2	3	4	5
12	AC12	How often does your organization observe accountability relationship in working with other organizations in shaping policies?	1	2	3	4	5
13	AC13	How often does your organization observe accountability relationship in maintaining good relationship with the general public through media?	1	2	3	4	5

From the Tables 5.12 and 5.13 above, it is observed that, the items were modified directly from the original instrument sequentially. Thus, No.1 item in the original instrument represent AC1, No. 2 represent AC2, up to No.13 which represents AC13. The questions are broken down clearly in the modified instrument for easy grasp by the respondents unlike in the original instrument where the general question is only mentioned at the top, then, every other statement follows.

5.5.2.5 Organizational Culture

Organizational culture refers to the shared assumptions, beliefs and values that governs and direct how people behave in an organization. The organizational culture has a far-reaching consequence on the entire organization, specifically in the public sector. It also refers to the shared norms, ethics and behavioral expectations of an organization. Ultimately, for the purpose of this study, the operational definition of Brewer and Selden (2000) was adopted. The definition reads "Organizational culture refers to patterns of shared meaning in organization which includes beliefs, symbols, rituals and myths that evolve over time and functions as the glue that holds organization together." The instrument used in measuring this variable was adapted and operationalized from the study of Brewer and Selden (2000). The questions were answered on a 5-point Likert scale. From 1-Strongly disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly agree.

Table 5.14
Original Instrument for Organizational Culture

1	At the place of my work, my opinion seems to count.	1	2	3	4	5
2	A spirit of co-operation and team work exist in my immediate work unit.	1	2	3	4	5
3	My organization promotes high standards of integrity, conduct and concern for the public interest among agency employees.	1	2	3	4	5
4	My organization protects employees against arbitrary personnel action.	1	2	3	4	5
5	My organization protects employees against personal favoritism	1	2	3	4	5
6	My organization protects employees against coercion for partisan political activities.	1	2	3	4	5
7	My organization protects employees against reprisal for whistleblowing.	1	2	3	4	5

Therefore the following operationalized items reveals how the instrument on organizational culture was modified and adapted for the purpose of conducting the study on the organizational culture in the Nigerian public sector. The 5-point Likert scale was still used the same way as it appeared in the original instrument, i.e. 1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent, 5-To a very greater extent.

Table 5.15
Modified Instrument for Organizational Culture

1	OC1	To what extent does the opinion of employees count in your organization?	1	2	3	4	5
2	OC2	To what extent does the spirit of co-operation and team work exist in your organization?	1	2	3	4	5

Table 5.15 Continued

3	OC3	To what extent does your organization promotes high standard of integrity?	1	2	3	4	5
4	OC4	To what extent does your organization promotes concern for the public interest among the employees?	1	2	3	4	5
5	OC5	To what extent does your organization protect employees against arbitrary personnel action?	1	2	3	4	5
6	OC6	To what extent does your organization protect employees against personal favoritism?	1	2	3	4	5
7	OC7	To what extent does your organization protects employees against coercion for partisan political activities?	1	2	3	4	5
8	OC8	To what extent does your organization protects employees against reprisal for whistleblowing?	1	2	3	4	5

From the Tables 5.14 and 5.15 above, it is observed that, the original instrument was modified to come up with the modified instrument. The original instrument was composed in a statement form comprising of rating scale of "strongly disagree/strongly agree". The modified instrument had been changed to question form which invariably would affect the rating scale. Thus, the rating scale "to a little or no extent/to a greater extent" was used in the modified instrument. This is done to ensure uniformity among all the constructs in this study. Specifically, statement No.1 in the original instrument represent OC1 in the modified instrument, likewise No.2 in the original instrument represent OC2 in the modified instrument. But No.3 in the original instrument is broken down into two because the original statement in the original instrument contains two elements namely "integrity" and "public interest" therefore every element carries a separate question. Thus, statement No.4 represent OC5 in the modified instrument, No.5 represent OC6, No.6 represent OC7 and finally No.7 in the original instrument represent OC8 in the modified instrument.

5.5.3 Moderating Variable - Performance Audit

Performance audit refers to the independent examination of functions, programs, management systems, procedures and operations of public sector organizations so as to evaluate whether the entity is achieving effectiveness, efficiency and economy in the utilization of the available resources. This variable was adapted and operationalized from Arthur, Rydland and Amunsden (2011). Therefore, for the purpose of this study, the definition of Australian National Audit Office (2008) was adopted. The definition reads "Performance audit is a systematic and objective evaluation of government institution's programs, performance measures, legal and policy compliance, information systems, resources and public accountability" (Australian National Audit Office, 2008).

The following table exactly revealed how the instruments on the performance audit in Arthur, Rydland and Amunsden (2011) appears. The questions were answered on a 5-point Likert scale. From 1-Not at all, 2-To a little extent, 3-To some extent, 4-To a greater extent, 5-To a very great extent. It reads "Please how would you assess your perception of the conduct of the performance audit by the supreme audit institutions?

Table 5.16
Original Instrument for Performance Audit

1	Performance audit relating to economy	1	2	3	4	5
2	Performance audit relating to efficiency	1	2	3	4	5
3	Performance relating to effectiveness	1	2	3	4	5
4	Asking users opinions	1	2	3	4	5
5	Making recommendation to policy makers	1	2	3	4	5

Therefore, the following operationalized items reveals how the instrument on performance audit was modified and adapted for the purpose of conducting the study on the performance audit in the Nigerian public sector. The 5-point Likert scale was still maintained the same way as it appeared in the original instrument i. e. From 1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent, 5-To a very greater extent.

Table 5.17
Modified Instrument for Performance Audit

1	PA1	To what extent does performance audit relating to efficiency is conducted in your organization?	1	2	3	4	5
2	PA2	To what extent does performance audit relating to effectiveness is conducted in your organization?	1	2	3	4	5
3	PA3	To what extent does performance audit relating to economy is conducted in your organization?	1	2	3	4	5
4	PA4	To what extent does supreme audit institutions ask users opinion about the conduct of performance audit?	1	2	3	4	5
5	PA5	To what extent does supreme audit institutions make recommendations to policy makers after the conduct of performance audit?	1	2	3	4	5

From the Tables 5.16 and 5.17 above, it could be seen that, the original instrument is modified. From the items in the original instrument, statement No.1 represent PA1 in the modified instrument, No.2 represent PA2 in the modified instrument, No.3 represent PA3, No.4 represent PA4, No.5 represent PA5.

5.6 Method of Data Analysis

Data analysis is the process of using statistical or logical techniques in describing and evaluating the collated data. Specifically, method of data analysis refers to the procedure and statistical tools which the researchers used in analyzing the collated data, testing the research hypothesis and subsequently refine the theories (Sekaran & Bougie, 2010). Therefore, in this study, the inferential statistics and descriptive statistics were largely employed to analyze the data. Specifically, descriptive statistics were used to explain the characteristics of the data quantitatively. The descriptive statistics also provides summary about the sample as well as the observations being made.

Fundamentally, for the purpose of analysis of data collected, the researcher employed the statistical package of social sciences (SPSS) version 20. For instance, after the data were collected, all the usable questionnaires were coded and keyed-in to the SPSS software. Subsequently the data were thoroughly screened for error entries, frequency test, outliers, missing values and normality, thereafter, the linear regression and hierarchical regression were computed. The elaborate explanation of the techniques of data analysis employed in this study is presented in the following sub-sections:

5.6.1 Descriptive Statistical Analysis

Descriptive statistic is a numerical procedure of summarizing the collected data into a more concise, clear and understandable way. It helps in simplifying the volume of data by summarizing the essential ones for more specific explanations and interpretations (Zikmund, Babin, Carr & Griffin, 2013). Specifically, the first step in data analysis involves describing and summarizing the collected data using the descriptive statistics (Zikmund et al, 2013). In survey research, the entire data analysis process consists solely on calculating and interpreting the descriptive statistics. As the name implies, the descriptive statistics enable the researcher to meaningfully describe the pieces of collected data with few meaningful indices (Leary, 2016). In this study, the mean and the standard deviation were specifically used in summarizing and interpreting the data. Therefore, the descriptive characteristics of the study were presented and explained in the next chapter along with the results of the entire analysis of the study.

5.6.2 Factor Analysis

Factor analysis is a data reduction techniques that removes duplication and redundancy from a set of correlated variables (Hair *et al*., 2010). Yet still, the essential purpose of factor analysis is to summarize the data, so that, the patterns and relationships can be easily interpreted and understood (Yong & Pearce, 2013), thus, the formed factors could be independent of one another. This implies that, the factors represents the correlated variables with a smaller sets of derived variables (Hair *et al*., 2010).

Generally, factor analysis operates on the generic assumptions that, observable and measurable variables can be reduced to fewer latent variables that share common variance that are unobservable (Bartholomew, Knott & Moustaki, 2011). For instance, exploratory factor analysis is employed in a study where the researcher wants to discover the number of factors influencing the variables. And to equally analyze which variables go together (Yong & Pearce, 2013). Specifically, in this study, the collected data is sufficient enough to conduct the factor analysis using 322 responses. Thus, the factor analysis was conducted, the result of which was presented in the next chapter.

5.6.3 Validity Test

The procedure of face and content validity were conducted at the level of pilot study through the consultations and meeting experts on the area of public sector accounting, performance management and management control. In other words, the survey instruments were pre-tested by experts on the public sector accounting, control systems and performance management at the point of pilot study to satisfy the need for content validity. This is to ensure that, the instrument contains actually what belongs to it (Bernard & Bernard, 2012). The instruments were thoroughly evaluated by the panel of experts until consensus was reached and ensure that, the survey items have correctly captured the exact theoretical construct of interest (Bernard & Bernard, 2012). Equally, the survey items were also reviewed for unnecessary ambiguity, undue complexities and to establish the exact clarity of the instruments (Sekaran & Bougie, 2013). On account of this, certain items were rephrased and reworded. This process takes four weeks in January and February, 2016 to complete. The experts consulted includes the senior lecturers, associate professors and professors in both the school of accounting, UUM, department of accounting, Bauchi state university as well as the public sector monitoring and evaluation managers in Nigeria. Similarly, fellow PhD students whom are versatile with the area of the study and the Nigeria's environmental context were also consulted to give useful input on the instrument. Overall, all the observations and recommendations of the experts were taken into account and the instrument was duly improved for the conduct of the study. On another score, the instrument was administered on few selected potential respondents so as to establish whether the questions look like what it supposed to measure when the full-fledged study is launch. This process is what is termed as face validity. A number of recommended input were obtained and appropriately coopted in the instrument from the result of face validity as well. However, with regards to the construct validity, it is observed that, factor analysis is conducted to establish that fact. And the factor analysis is convincingly carried out when the number of the responses is adequate enough (Zikmund *et al*., 2013). Thus, the procedure for construct validity is presented in the subsequent chapter where the factor analysis was done.

5.6.4 Reliability Test

Reliability of a measure is described as the extent to which measurement instrument becomes error free, and therefore, it remains consistent across various items and across time (Hair *et al*., 2010; Sekaran & Bougie, 2013). In this study, the researcher calculated the established reliability of the measurement instruments of all the variables under investigation using the responses from the pilot study. Interestingly, in research study, different methods are used in testing reliability of the constructs. But it is generally contends that, the vital criterion commonly used for testing the reliability of the instruments is internal consistency which is obtain through the Cronbach alpha reliability co-efficients (Hair *et al*., 2010).

Therefore, the data of the pilot study were used to test the reliability co-efficient using SPSS version 20 for windows. It was found that, the measures of all the constructs indicated high reliability standard. This implies that, all the constructs have the Cronbach alpha that ranges from 0.93 to 0.96. Therefore, this indicates that, the alpha coefficients are strong enough and consistent (Hair et al, 2010; Nunally, 1978). The following table indicates the Cronbach alpha of the variables.

Table 5.18
Reliability Test (Pilot Study)

S/N	Variables	No. of Items	Cronbach Alpha
1.	Organizational Performance	9	0.93
2.	Goal Orientation	6	0.95
3.	Performance Measurement	12	0.95
4.	Performance Reporting	7	0.94
5.	Accountability	13	0.96
6.	Organizational Culture	8	0.94
7.	Performance Audit	5	0.95

From the result of the reliability analysis above, it is indicated that, the reliability coefficients of all the constructs are above the recommended 0.70. Therefore, given the established threshold of 0.70, it follows that, the constructs are reliable and consistent (Nunally, 1978; Cavana, Dalahaye, & Sekaran, 2001).

Specifically, it is observed that, the reliability test presented above is drawn from the responses of the pilot study. However, it is expected that, when the data of the full-fledged study is collected, another reliability test should be carried out to show the Cronbach Alpha coefficients of the constructs before and after deletion of some items. This is to show that, the construct under review are still reliable throughout the study. Thus, the reliability test results of the constructs using the data drawn from the broad study (before deletion) is presented below.

Table 5.19
Reliability Test (Main Study Before Deletion)

S/N	Variables	No. of Items	Cronbach Alpha
1.	Organizational Performance	9	0.90
2.	Goal Orientation	6	0.90
3.	Performance Measurement	12	0.94
4.	Performance Reporting	7	0.94
5.	Accountability	13	0.95
6.	Organizational Culture	8	0.92
7.	Performance Audit	5	0.73

It is established from the result of reliability test of the broad study that, all the constructs are within the acceptable limit of coefficient. In other words, the Cronbach Alpha coefficients of all the contructs exceed 0.70 (Cavana *et al.*, 2001). This implies that, the items in all the constructs are reliable across time and space, hence, adequate and amenable for the conduct of further statistical analysis. Equally, it should be noted also that, the reliability test presented above is before deletion of some items in the study instrument were carried out. Thus, the reliability test after deletion is presented below:

Table 5.20
Reliability Test (After Deletion)

S/N	Variables	No. of Items	Cronbach Alpha
1.	Organizational Performance	6	0.88
2.	Goal Orientation	6	0.90
3.	Performance Measurement	11	0.95
4.	Performance Reporting	7	0.94
5.	Accountability	13	0.95
6.	Organizational Culture	8	0.92
7.	Performance Audit	5	0.73

Yet still, the reliability test after deletion of some items in the instrument is presented above. From the result, it is obvious that, all the constructs still maintained their strength of reliability. Hence, the Cronbach Alpha of all the variables still exceeds the minimum threshold of 0.70 (Cavana *et al*., 2001). Finally, it is safe to assume that, all the constructs are reliable at every stage of the internal consistency test.

5.6.5 Correlation Analysis

Correlation analysis quantifies the extent to which two variables are associated. Correlation analysis is one of the assumptions that must be met and guaranteed before conducting regression analysis in any study (Pallant, 2013). In statistics, the measure of correlation is "correlation coefficient". Thus, the degree of association between the variables is expressed by coefficient that ranges from -1 to +1 (Pallant, 2010). Specifically, the correlation analysis enables the researcher to get an idea about the strength and the direction of the association between the variables (Treiman, 2014). For instance, the correlation coefficient is more often produced for ordinal, interval and ratio scales (Pallant, 2013; Pallant, 2010). Thus, it has little or no meaning with nominal scales.

In this study, the correlation analysis was conducted to establish the extent of association between the variables under review. The summary of the measure that describes the extent of the statistical association between the variables is produced in the next chapter. Hence, the conduct of the correlation analysis in this study is to ensure that, the collected data is fit and perfectly qualifies for the conduct of the regression analysis and hierarchical regression analysis subsequently.

5.6.6 Regression Analysis

Regression analysis is a technique that allows the examination of how the independent variable(s) are related to a dependent variable (Konasani & Kadre, 2015). Regression analysis refers to the statistical analysis that gives room for assessing the degree, nature and character of the interrelationship between the dependent and independent variable(s) (Field, 2009; Sekaran & Bougie, 2013). For instance, linear regression provides the relative importance of each of the independent variables in predicting the dependent variable separately (Cohen, Cohen, West & Aiken, 2013). This implies that, when the independent variable is regressed against the dependent variable, then, the value of the regression coefficients shows how much increase in one unit of the independent variable would affect the dependent variable (Zikmund, Babin, Carr & Griffin, 2010; Sekaran & Bougie, 2010).

Generally, regression analysis has become one of the most widely-used statistical techniques in social and management research, especially for the purpose of analysis of data (Sekaran & Bougie, 2010). Specifically, Konasani and Kadre (2015) claims that, regression analysis is the most essential method for empirical analysis in economics and social sciences. Therefore, regression analysis allows the researcher to explicitly control many factors or variables that simultaneously affect the dependent variable (Cohen, Cohen, West & Aiken, 2013). For instance, regression analysis is useful in analyzing or evaluating the policy effects and testing economic theories (Cohen *et al*., 2013; Field, 2009).

Under the concept of regression, researchers are most interested in determining the best predictor in the set of the independent variables (if applicable). Equally still, the researchers are also interested in statistically explaining the most variability in the criterion variable (Konasani & Kadre, 2015). However, in this study the linear regression analysis was conducted in an attempt to understand the relationship between the organizational performance and the various performance management elements under review. For instance, Hair *et al*. (2010) argue that, large sample is required in conducting regression analysis. Equally important is that, the underlying assumptions of the regression analysis must be fulfilled (Cohen *et al*., 2013). The vital assumptions includes normality, linearity, homoscedasticity and multicollinearity. It is worthy to note that, all these fundamental assumptions were examined carefully, and therefore, none was found to be violated. Thus, this makes the conduct of regression analysis more appropriate in this study. It is worthy to note that, the statistical output of the regression analysis is presented in the next chapter.

5.6.7 Other Assumptions of Regression Analysis

This section explains other underlying assumptions of regression analysis. Like any other parametric test, regression analysis has its own key assumptions. It should be noted that, some of the key assumptions of the regression analysis have been taken care of, at the stages of preliminary analysis and data screening in chapter six of this dissertation. The other assumptions includes the following:

5.6.7.1 Assessment of Linearity

Linearity in the regression analysis refers to the straight line relationship between the dependent variable and independent variable (Field, 2009). The existence of linear relationship between the research variables is one of the important pre-requisites of conducting multivariate analysis (Tabachnick & Fidell, 2007). Again, it is one of the fundamental assumptions to be met before conducting regression analysis (Hair *et al*., 2010). This implies that, it is crucial to ensure that, the linear relationship exists between the variables in the study. Therefore, if substantial non-linear relationship exists, then, the variables involved should be ignored for the purpose of regression analysis (Tabachnick & Fidell, 2007). However, it is strongly argued that, linearity or linear relationship is most easily and precisely evaluated by using scatterplots (Field, 2009). Therefore, for the purpose of assessment of linearity, this study used scatterplots which was conducted on all the variables under the study (Tabachnick & Fidell, 2007). Specifically, the shape of the scatterplots as well as the slope of the linearity have indicated that, linearity exists between the research variables. The figure that explains the linearity between the variables under investigation is presented in Appendix E.

5.6.7.2 Autocorrelation

In order to determine that, autocorrelation does not exists, or to ensure that errors of variance are independent in this study, the value of Durbin Watson was observed. It was found that, the value stands at 1.813. Ordinarily, it is established that, the acceptable value of Durbin Watson lies between 1.5 and 2.5 (Campbell, 2015; Durbin Watson, 1951). Therefore, any value less than 1 or greater than 3 is quite beyond acceptability (Durbin Watson, 1951). This indicated that, the value of 1.813 as found in this study strongly confirmed that, errors of variance are independent, which by implication ensures that, the problem of autocorrelation in this dataset is non-existent. This fulfilled the assumption of performing regression analysis.

5.6.7.3 Homoscedasticity

The essential assumption of homoscedasticity is that, the variance of the dependent variable is virtually the same at different levels of independent variables (Hair *et al*., 2010). This implies that, the regression model's error term has constant variance. It is worthy to note that, homoscedasticity is usually examined by inspection of the scatterplots of the regression residuals (Hair *et al*., 2010). Homoscedasticity is indicated when the width of the band of residuals is approximately the same at different level of dependent variable. Thus, in this study, the output of the scatterplots indicated a pattern of residuals normally scattered around the mean (Berry & Feildman, 1985). In other words, homoscedasticity assumption was assessed using linear regression in SPSS. Thus, visual inspection of the residual plots of the study's independent variables indicated that, homoscedasticity assumption has been achieved, hence, not violated. Meanwhile, the output of the homoscedasticity test is produced in Appendix F.

5.6.8 Hierarchical Regression Analysis

Hierarchical regression refers to the sequential process involving entry of independent variables into the analysis in steps as observed by the theory or studies' designed order (Hayes, 2013; Treiman, 2014). Hierarchical regression is useful in evaluating the individual contributions of the independent variables beyond the previously entered predictors, as a means of statistical control as well as examining the incremental validity of the variables (Treiman, 2014). For example, hierarchical regression is appropriate tool for empirical analysis especially when the variance on a criterion variable is being explained by the predictor variables that are somehow correlated (Dawson, 2014; Hayes, 2013). Specifically, hierarchical regression is a statistical mechanism utilized in predicting the dependent variable with one or more independent variables in the sequential entry of independent variables based on the logical and theoretical consideration (Cohen *et al*., 2013; Tabachnick & Fidell, 2007). In other words, this method of regression refers to the moderator or sequential regression (Tabachnick & Fidell, 2007). Hierarchical regression has been used by many researchers as tool of analysis in studies involving moderation effect (Baron & Kenny, 1986; Cohen *et al*., 2013; Frazier, Baron & Tix, 2004).

Specifically, in a study investigating the interaction effect of moderating variable and predictor variables on a response variable, hierarchical regression method is the best suited tool for analysis (Hayes, 2013). For example, in this study, the hierarchical regression model was used in determining the moderating effect of the performance audit on the relationship between the performance management elements and the organizational performance. Thus, the sequential entry of variables follows that, the predictor variables were entered first, then the moderating variable, and finally the interaction effect of IVs and moderator. These were done in line with the proposal of Frazier, Tix, and Barron (2004); Baron and Kenny (1986).

Fundamentally, in order to establish whether performance audit moderates the relationship between goal orientations (H_7), performance measurement (H_8), performance reporting (H_9), accountability (H_{10}), organizational culture (H_{11}) and organizational performance, three steps hierarchical regression was conducted as recommended by Cramer (2003); Bryman and Bell (2007); Cohen and Cohen (1983). This is done to determine whether the percentage of variance in the dependent variable was explained by other variables when those variables are recognized and put into the regression analysis in a definite and specific order (Cohen *et al*., 2013; Cramer, 2003). Similarly, Bryman and Bell (2007) argue that, in a study with multiple predictors, hierarchical regression to determine the moderation effect could be done either collectively or individually.

The statistical order of the entry of variables and the general statistical output for hierarchical regression analysis are contained in the next chapter.

5.6.9 Rationale for Using SPSS

Using the appropriate statistical tool in analyzing the collated data is essentially important in enhancing the validity and the quality of the research findings (Bryman & Bell, 2015; Creswell, 2012). A number of statistical tools are gratuitously available nowadays for analyzing both primary and secondary data. In behavioural studies including social and management sciences research, statistical softwares like STATA, SPSS, AMOS, EVIEWS, PLS-SEM and many others too numerous to mention are available for data analysis (Bryman & Bell, 2015; Byrne, 2010, Cramer, 2003; Field, 2009; Hair *et al*, 2006). While softwares like STATA and EVIEWS are useful when analyzing readily available data like annual reports, softwares like SPSS, AMOS, PLS-SEM are most appropriate when analyzing data collected via survey especially questionnaires (Boone & Boone, 2012; Cavana *et al*., 2001; Fowler, 2013).

Specifically, PLS-SEM is quite appropriate for analysis when the study framework under review is extremely complex horizontally, vertically and diagonally, and the analysis involves archival or big data (Hair *et al*, 2016; Hair *et al*, 2012; Lowry & Gaskin, 2014). Equally, AMOS is appropriate for analysis when the study model or framework is completely theoretically-driven and the study is a confirmatory one (Byrne, 2010; Lowry & Gaskin, 2014; Warner, 2012). Illustratively, in the absence of any of the aforementioned scenario, then SPSS is considered most appropriate (Coakes & Steed, 2003; Pallant, 2013; Pallant, 2011). SPSS is handy and amenable for analysis when the study contains relatively moderate data (Boone & Boone, 2012; Field, 2009). Equally, SPSS as the first generation statistical tool proves to be effective when the framework is not complex and the study does not involve theory testing or comparison of alternative theories (Coakes & Steed, 2003; Field, 2009; Pallant, 2011). Therefore, this study perfectly fits the features of SPSS, hence SPSS was completely used for analysis in this study.

5.7 Conclusion

This chapter presented the methodology for conducting the study. It clarified on the research design adopted, the population of the study and the sample size. All the necessary details with regards to the number of institutions the study covers are provided in this chapter. The unit of analysis of the study is organization. The procedure for the selection of sampled organizations and the necessary computations are well-presented in this chapter. Other accompanying evidences are specifically explained and linked to the appropriate appendices. The instrument for data collection, method of data collection as well as method of data analysis used in the study were also given a due consideration in this chapter. It is worthy to note that, the sample copy of the questionnaire of the study is attached herewith in the appendices. Finally, the pilot test procedure and how it was conducted has been well-articulated. The next chapter dwells on the results of the study.

CHAPTER SIX

DATA ANALYSIS AND RESULTS

6.1 Introduction

The prime objective of this chapter is to report the study's results and findings. These includes data screening and preliminary analysis, study's demographic information using descriptive analysis, results of regression analysis and hierarchical regression results as well as the test of hypotheses. Specifically, response rate, missing value analysis, assessment of outliers, normality test, multicollinearity, non-response bias test, common method variance test, autocorrelation test as well as factor analysis were outlined under this chapter.

6.2 Data Screening and Preliminary Analysis

Data screening exercise is essentially crucial in conducting multivariate data analysis. Indeed, it is an indispensable aspect of social and management science research (Hair Jr, Hult, Ringle, & Sarstedt, 2016). Equally still, data screening assists in identifying the likely violations of the major assumptions regarding the usage of the multivariate techniques (Hair *et al*., 2006). Furthermore, data screening exercise also helps the researcher to gain the first feel of the data collected analytically.

Before the data screening exercise, all the 322 retrieved and usable survey questionnaires were promptly coded and keyed into SPSS version 20. There were no negatively-worded questions in the survey instrument. Therefore, the following preliminary data analyses were performed: (1) Out of range values (2) Analysis of missing data (3) Assessment of outliers

(4) Normality check (5) Multicollinearity test (6) Non-response bias test (7) Common method variance test and (8) autocorrelation (Tabachnick & Fidell, 2007).

6.2.1 Out of Range Values

In conducting data analysis, errors in data entry are possibly common (Field, 2009). Therefore, the data must be carefully screened to ensure that, all the data points are correctly entered so as to avoid out of range values (Field, 2009). Out of range values refers to the observations that appears outside the SPSS value labels owing to the wrong data entry (Tabachnick & Fidell, 2007; Hair *et al*., 2016). Therefore, for the purpose of this study, out of range values were examined and it was found that, all the dataset entered are within the expected range of 1-5 as apparently revealed by the Likert scales employed in this study.

6.2.2 Missing Value Analysis

Missing value in a survey research occurs when no data value is selected for a particular variable in an observation (Von Hippel, 2012). Thus, among the dataset keyed into the SPSS version 20 in this study, it is established that, there are 19,320 data points. 26 data points are apparently missing at random out of the entire data points. Therefore, the total random missing data constituted only 0.135% of the dataset. Specifically, organizational performance contains 6 missing values. Equally still, goal orientation, performance measurement, performance reporting and accountability had 5, 2, 3 and 6 missing values respectively. Finally, organizational culture had 4 missing values and no missing value was found under performance audit.

Generally, in research study, there is no minimum universally acceptable threshold of missing data for drawing valid statistical inference, but significant number of researchers have agreed that, missing values of 5% or less is considered non-significant (Tabachnick & Fidell, 2007). Moreover, researchers have equally recommended that, mean substitution is handy in social and management science research, and often used in replacing missing values that are 5% or less of the total data points (Hill, Smith, & Mann, 1987; Raymond, 1986; Tabachnick & Fidell, 2007). Therefore, in this study, the random missing data were replaced by using mean substitution as widely recommended (Tabachnick & Fidell, 2007). Table 6.1 below shows the analysis and breakdown of the missing values of the study.

Table 6.1
Breakdown and percentage of the missing values

S/N	Variables	Number of Missing Values
1.	Organizational Performance	6
2.	Goal Orientation	5
3.	Performance Measurement	2
4.	Performance Reporting	3
5.	Accountability	6
6.	Organizational Culture	4
	Total Missing Values	26 out of 19,320 data points
	Percentage of Missing Values	0.135%

6.2.3 Assessment of Outliers

Outliers is defined as cases or observations that have typically and uncommonly high or low values, a construct or a distinctive mixture of values across numerous constructs which makes the values stand out from the remaining values (Byrne, 2010; Hair *et al*., 2010). In other words, "outliers are observations or measures that are suspicious because they are much smaller or much larger than the vast majority of the observations" (Cousineau & Chartier, 2010. p 58). In conducting regression analysis and other likely statistical computations, the presence of outlier usually becomes problematic and could lead to distortions of the estimates of regression coefficients and possibly increase variability

(Cousineau & Chartier, 2010; Verardi & Croux, 2008). Outliers could skew data from normal distribution and typically affects the general efficacy and accuracy of the data analysis techniques (Chen, 1997; Tabachnick & Fidell, 2007). In order to assess outliers, it is critically imperative to establish the absence of out of range values which could equally be the cause of outlying cases (Kura, Shamsudin, & Chauhan, 2014). Having established that, the out of range values should be eliminated, then, outliers could be examined. It is worthy to note that, outliers contains two segments vis a vis univariate and multivariate outliers (Tabachnick & Fidell, 2007).

However, the data in this study were examined to observe univariate outliers using the standardized values based on the threshold of ±3.29 as suggested by Tabachnick & Fidell (2007). In line with the proposition of Tabachnick & Fidell (2007), no univariate outlier was identified in this study using the standardized values. Hence, the Z score of all the items under review were found to be below ±3.29.

Equally still, multivariate outliers were investigated using Mahalanobis Distance (D^2). Mahalanobis Distance "refers to the distance of a case from the established centroid of the other remaining cases, where the centroid is the point created at the intersection of the means of all variables" (Tabachnick & Fidell, 2007. p 74). Therefore, in accordance with the observed variables in this study, which have been earlier established to be 60, the recommended threshold of 79.08 (P=0.05) based on the Chi-square table was determined. Thus, in accordance with Mahalanobis Distance (D^2) criterion, no value in the dataset exceeds 79.80. This implies that, no multivariate outlier was found in the entire dataset. Overall, the univariate and multivariate outliers are non-existent in this data set.

6.2.4 Normality Test

Normality test is an essential presumption in multivariate analysis (Tabachnick & Fidell, 2007). It critically examines the association between the natures of the data circulation for individual constructs in relation to the statistical assumption of normal distribution (Tabachnick & Fidell, 2007). Hair *et al*. (2012) strongly averred that, researchers should conduct normality test on the dataset before performing other inferential or statistical analysis. By so doing, the statistical significance of the study will be improved. Because the existence of extremely non-normal data could be problematic (Tabachnick & Fidell, 2007). There are two ways of assessing normality namely: graphical method and numerical method. This study employed graphical method for the purpose of checking and establishing the normality of the data collected. This is because, the normality of the studies involving large sample covering about 200 or more respondents should be checked by taking a look at the graphical shape of the distribution instead of considering the numerical value of the Kurtosis or Skewness statistics (Field, 2009). It is also established that, when sample of the study is large, the standard error tends to decrease which in turn increases the values of the kurtosis and skewness (Field, 2009; Tabachnick & Fidell, 2007). Thus, this underscores the reason for testing the normality using graphical method in this study.

Therefore, in accordance with the above suggestion, histogram and normal probability plot were duly examined to ensure that, the basic assumption of normality is preserved and safeguarded, hence, not violated. In this study, the data collected noticeably follows a normal pattern, thus, all the bars plotted on the histogram were evidently close to a normal curve. This implies that, normality is assumed. Figure 6.1 below depicted the plotted histogram of the study where it was indicated that, the normality assumptions were not violated.

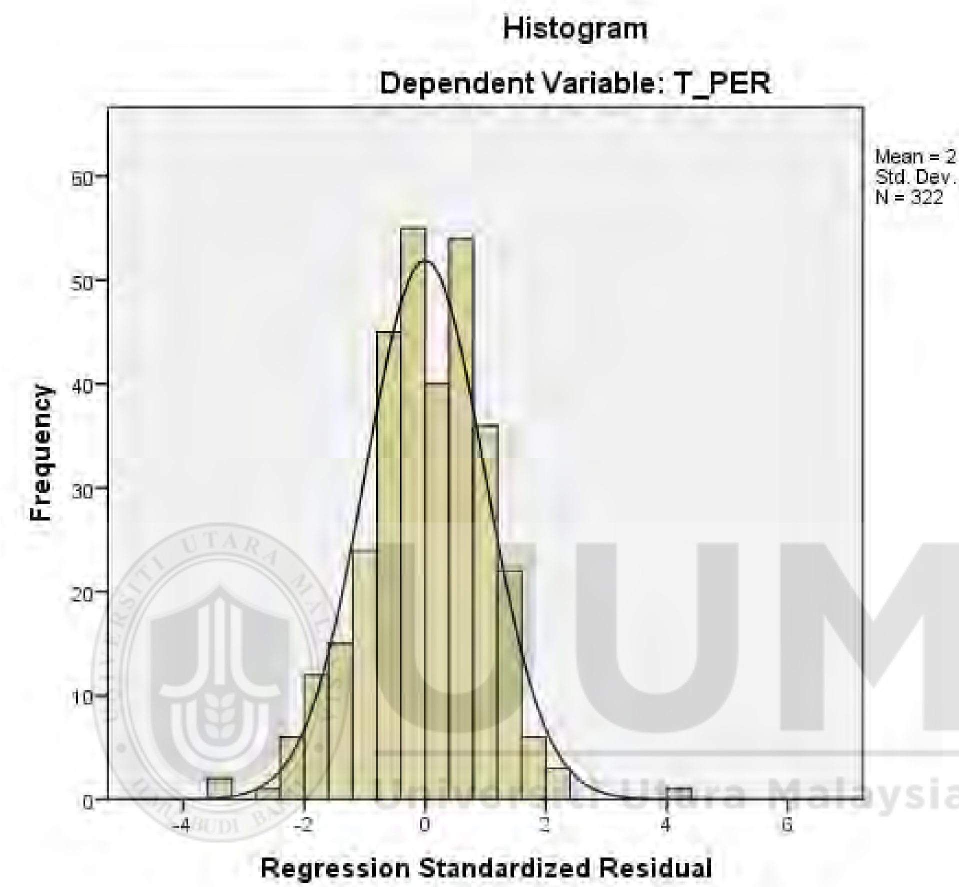


Figure 6.1
Histogram and normal probability plots

6.2.5 Multicollinearity Test

Hair *et al*. (2010) defines multicollinearity as the situation whereby two or more independent variables shows correlation with other independent variables. Multicollinearity becomes problematic in statistical analysis when the independent variables under review are highly correlated with one another (Tabachnick & Fidell, 2014; Hair *et al*. (2010). This implies that, the variables that are highly correlated possibly contains some unnecessary pieces of information that increases the tendency of extremely high error terms (Pallant, 2013). Hence, not all the correlated values are needed for analysis. Equally still, multicollinearity renders the statistical significance of regression coefficients less reliable (Pallant, 2013).

In detecting multicollinearity, two methods are usually employed (Hair *et al*., 2010). One of the methods is by examining the correlation matrix of the independent variables. Therefore, correlation coefficient of 0.90 and above between the variables indicated that, multicollinearity exists between the variables (Hair *et al*., 2010). For the purpose of this study Table 6.2 below shows the correlation matrix between the variables under review.

Table 6.2
Correlation Matrix of Independent Variables

Constructs	GO	PM	PR	AC	OC	PA
GO	1					
PM	.742**	1				
PR	.732**	.871**	1			
AC	.556**	.560**	.600**	1		
OC	.644**	.705**	.697**	.663**	1	
PA	.502**	.596**	.619**	.543**	.694**	1

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

It is clearly indicated from the Table 6.2 above that, the correlation coefficient values between the variables have sufficiently met the minimum recommended threshold of below 0.90 (Hair *et al*., 2010). This implies that, the variables are independent and not highly correlated with one another.

Moreover, another multicollinearity diagnostic factor that is essentially important is through the examination of Variance Inflated Factor (VIF), condition index and tolerance value (Hair *et al*., 2012; Myers, 1990). It is suggested that, multicollinearity occurs if VIF value is greater than 5, condition index is higher than 30 and tolerance value is less than 0.20 (Hair *et al*., 2012). On another score, Myers (1990) asserted that, the acceptable threshold of the level of tolerance is 0.10 and above, while for VIF is any value less than 10. Table 6.3 below shows the values for VIF, tolerance and condition index.

Table 6.3
Tolerance, Variance Inflated Factor (VIF) and Condition Index

Constructs	**Collinearity Statistics**		**Condition Index**
	Tolerance	**VIF**	
GO	.391	2.558	10.830
PM	.225	4.436	24.349
PR	.220	4.548	12.688
AC	.511	1.956	16.587
OC	.327	3.059	19.050
PA	.476	2.100	20.961

Note: GO=Goal orientation, PM=Performance measurement, PR=Performance reporting, AC=Accountability, OC=Organizational culture, PA=Performance audit.

Table 6.3 above indicates that, there is absence of multicollinearity in this data set as all the VIF values are less than 10, condition index were below 30 and tolerance values exceeded 0.10 in line with the suggestion of Hair *et al*. (2012) and Myers (1990). Therefore, multicollinearity is found to be a non-issue in this study.

6.2.6 Non-Response Bias Test

Non-response bias arises when there is noticeable difference in a meaningful way between respondents who answer the survey and those who do not. It also refers to the "differences in the answers between non respondents and respondents in a study" (Lambert &

Harrington, 1990. p.5). According to Hawkins (1975), non-response refers to the researcher's inability to obtain data from some subjects that forms part of the study sample, while non-response bias refers to the bias caused by reason of that failure. In estimating the non-response bias, a number of approaches were suggested by the researchers. Although, some researchers arguably noted that, changes in response rate may not necessarily improve the significance of the survey result, but it is essentially important to realize that, the non-response bias have an impact on the quality of the survey result (Collier & Bienstock, 2007). This, by implication affects in a significant way, the ability to generalize the study findings (Armstrong & Overton, 1977; Collier & Bienstock, 2007).

Moreover, Armstrong & Overton (1977) recommends that, time-trend extrapolation approach should be adopted in examining the non-response bias. Time-trend extrapolation involves comparison between late and early response. Therefore, in line with the suggestion of Armstrong and Overton (1977), this study decided to divide the responses into two vis-à-vis early responses (i.e those who responded within the first two months) and late responses (i.e those who responded after) (Vink & Boomsma, 2008). Specifically, 66% of the respondents which equals to 211 returned the questionnaires within the first two months, while 34% which equals to 111 responded after two months (see Appendix C). Meanwhile, independent sample T-test was conducted to examine the non-response bias on the research variables in this study. Table 6.4 below presents the result of the test.

Table 6.4:
Results of Independent-Samples T-test for Non-Response Bias

Variables	**Group**	**N**	**Mean**	**Levene's Test for Equality of Variance**	
				F	**Sig**
Organizational Performance	Early Response	211	3.35	.044	.835
	Late Response	111	3.39		
Goal Orientation	Early Response	211	3.37	.228	.633
	Late Response	111	3.52		
Performance Measurement	Early Response	211	3.12	.214	.644
	Late Response	111	3.22		
Performance Reporting	Early Response	211	3.14	.052	.820
	Late Response	111	3.24		
Accountability	Early Response	211	3.59	2.988	.085
	Late Response	111	3.66		
Organizational Culture	Early Response	211	3.38	1.460	.228
	Late Response	111	3.56		
Performance Audit	Early Response	211	3.27	.140	.708
	Late Response	111	3.37		

The Table 6.4 shows the independent sample T-test conducted between the early response and late response. The table revealed that, the assumed equal variance significance values for all the study variables are convincingly greater than 0.05 level of significance as recommended in Levene's test for equality of variance. In other words, the two-tailed t-test indicates that, there is no significant difference between early responses and late responses. This is line with the recommendation of Field (2009) and Pallant (2013). Therefore, this output is a testimony to the fact that, assumption of equal variances between the late responses and early responses has not been violated. This brings us to the conclusion that, the non-response bias assumption has been taken care of in this study.

6.2.7 Common Method Bias Test

Given the fact that, the data on both the exogenous variables (independent variables) and endogenous variable (dependent variable) were duly collected at exactly the same time using same instrument, the problem of common method bias could possibly distort the data, hence, common method bias test becomes imperative (MacKenzie & Podsakoff, 2012). According to Podsakoff, Mackenzie, Lee and Podsakoff (2003), common method bias is defined as the variance attributable exclusively to the measurement procedure as opposed to the actual variables the measures represent. It is also a spurious correlation between variables caused by using the same method to measure each variable (Malhotra, Kim & Patil, 2006). Again, a number of arguments were advanced on the extent of impact of common method bias on the data collected. Therefore, it is worthy of attention in behavioural studies (Bagozzi, 2011). Likewise, a number of approach and procedures are adopted in dealing with common method variance (Podsakoff *et al*., 2003).

Researchers' concern about the common method variance is not completely unfounded, because it is a major source of measurement error (Podsakoff *et al*., 2003). Thus, measurement error poses a serious threat to the validity of the results and conclusions especially with regards to the relationship between measures of two or more constructs (Bagozzi, 2011; MacKenzie & Podsakoff, 2012). These errors consists of systematic measurement errors and random measurement errors (Lindell & Whitney, 2001).

Specifically, in examining the common method bias, this study employed the two commonly used approaches as suggested by the studies of (Lindell & Whitney, 2001; MacKenzie & Podsakoff, 2012; Podsakoff *et al*., 2003; Williams, Hartman & Cavazotte, 2010). These includes the statistical and procedural remedies (Bagozzi, 2011; Malhotra *et* *al*., 2006; MacKenzie & Podsakoff, 2012). Procedural remedies involves steps taken in designing and administration of questionnaires to avoid problems arising from erroneous responses (Mackenzie & Podsakoff, 2012). It also involves writing questions that are clearer and concise, and avoiding complicated and double-barrel questions. Equally still, the scales should be clearly written in precise way to avoid confusion and to ensure clarity (MacKenzie & Podsakoff, 2012). All these steps were observed in this study. Again, the respondents were informed that, there is no right or wrong answer, hence, given them a free hands to select the options that best suited their perception (Mackenzie & Podsakoff, 2012).

Furthermore, in case of statistical remedies of controlling common method bias, the variance can only be controlled at the stage after the data has been completely gathered (Bagozzi, 2011; Mackenzie & Podsakoff, 2012). In this regard, the Harman's one factor test was employed in this study. Specifically, unrotated factor analysis with sixty items containing all the variables under review was conducted. The analysis revealed that, no single factor accounted for more than 50% of the variance (Podsakoff *et al*., 2003). Specifically, the analysis yielded nine constructs explaining 71% of the cumulative variance (see Appendix G). Equally important, the first factor explained only 45% of the total variance, the value which apparently falls below the minimum threshold of 50% of the covariance (Lowry & Gaskin, 2014; Kumar, 2012; Podsakoff *et al*., 2003). In conclusion, it is observed that, based on the results of the principal component factor analysis, the common method bias seems not to be a major concern and unlikely to inflate the existing relationship between the variables under review.

6.3 Validity Test

Validity refers to the degree to which a test measures what it is supposed to measure (Yong & Pearce, 2013). Generally, there are three types of validity namely, face validity, content validity and construct validity. The procedure of face validity and content validity have been adequately treated in the previous chapter. However, the construct validity is conducted through the instrumentality of the factor analysis (which is adequately treated in the next section of this chapter). Yet still, validity also refers to the degree to which evidence and theory supports the interpretations of test scores as entails by the proposed uses (Bartholomew *et al*., 2011). This implies that, a measure in itself is neither valid nor invalid, but validity is entirely the issue of interpretations and uses of measure's scores. According to Borsboom and Mellenbergh (2007), the issue of validity has evidently evolved from the question of whether one measures what one intends to measure to the question of whether the existing empirical relations between the test scores match the theoretical relations in a nomological network, and finally to the question of whether interpretations and actions based on test scores are justified in the light of both scientific evidence and social as well as ethical reality. Specifically, factor analysis is one of the statistical tools being used in assessing construct validity (Yong & Pearce, 2013). Thus, for the purpose of this study, factor analysis was conducted.

6.3.1 Factor Analysis

Factor analysis is a data reduction mechanism which is being used in summarizing the structure of the variables in a given data set (Comrey & Lee, 2013). Factor analysis is basically conducted to test the validity of the study constructs (Comrey & Lee, 2013; Field, 2009). Meyers, Gamst and Guarino (2006) noted that, the purpose of factor analysis is "to identify small number of themes, dimensions, components or factors underlying a relatively large set of variables" (p.465). A number of assertions were advanced on the conduct of factor analysis. Specifically, for a factor analysis to be conducted, there should be at least 5 respondents per variable under study (Coakes & Stead, 2003; Hair *et al*., 2010). Equally still, factor analysis requires a minimum of 300 cases (Tabachnick & Fidell, 2007). On another score, it is established that, for the conduct of factor analysis, the sample size of 50 is very poor, 100 is poor, 200 is fair, 300 is good and 1,000 is excellent (Comrey & Lee, 1992; Comrey & Lee, 2013). Hence, with a relatively good data of 322 and seven variables, this study has fulfilled the condition and is rightly fit for the conduct of factor analysis.

Specifically, the method used for factor extraction is the Principal Components Analysis (PCA). This study employed Exploratory Factor Analysis (EFA). Exploratory factor analysis is used in the research to statistically uncover the underlying structures explaining a relatively large set of variables (Fabrigar & Wegener, 2011). Again, EFA is a statistical technique deployed under factor analysis to achieve the goals of identifying relationship between measured variables (Fabrigar & Wegener, 2011). EFA is employed in the studies where the researcher has no established priori model to confirm. In other words, it is analysis conducted when there is absence of theoretical model to confirm (Fabrigar & Wegener, 2011). Thus, EFA is used in this study principally because the study is not a confirmatory study. EFA extracted factors based on the Eigen value that is greater than 1. Factor analysis is to be considered fittingly appropriate when the items in the correlation coefficient are at least 0.30 and above (Hair *et al*., 2010, Pallant, 2013). Similarly, Kaiser-Meyer-Olkin (KMO) which is the measure of sampling adequacy should at least be 0.60

and above for the conduct of good factor analysis. Again Bartlett's test of sphericity should be significant at $p<0.05$. With regards to the KMO, it is noted that, values between 0.50 and 0.70 are average, 0.70 and 0.80 are good, 0.80 and 0.90 are very good, and thus, any value above 0.90 is considered excellent (Hutcheson & Sofroniou, 1999). Hair *et al*. (2010) also noted that, in conducting factor analysis, factor loadings that are lower than 0.50 are removed. Also, similar cases of lower communalities (lower than 0.50) are also excluded during factor analysis (Kaiser, 1974).

Again, Tabachnick and Fidell (2014) argue that, in determining the number of factors to be extracted, it is essentially important to consider the key output (basically, total variance explained and KMO). In addition, the consideration of the factor is dependent upon the items with higher loadings. This implies that, items with loadings and cross-loadings of 0.50 and above are considered for the purpose of this study owing to their practical and statistical significance (Hair et al, 2010; Tabachnick & Fidell, 2014). Therefore, the aforementioned rules serves as the bedrock and basis for conducting factor analysis in this study. Therefore, the factor analysis of the dependent, independent and moderating variables follows:

6.6.1.1 Dependent Variable – Organizational Performance

Table 6.5 below indicated the result of the factor analysis of the study's dependent variable. Initially, organizational performance was measured with nine items, all in one dimension. Therefore, after subjecting the dependent variable to the factor analysis, 2 items namely PER4, PER9 exhibited low communalities and low factor loadings, hence, the affected items were removed. Subsequently, the factor analysis was conducted again with the remaining 7 items, then another item PER3 exhibited low communality and was equally removed. Furthermore, the factor analysis was conducted with the remaining 6 items. The result shows good factor loadings and communalities. It should be noted that, the decision rule is to delete items with a communality lower than 0.50 (Hair *et al*., 2010; Kaiser, 1974). It is pertinent to note that, deleting items with low factor loadings and communality problems add to the value of the total variance explained which increased from 54.6% and 58.8% in the first and second factor test respectively to 62% in the final factor test. The 62% total variance explained is quite appreciable and acceptable (Hair *et al*., 2010; Tabachnick & Fidell, 2014). Similarly, further inspection of the correlation matrix reveals appreciable coefficients. This is because all the values are above 0.30 minimum threshold (Hair *et al*., 2010). In addition to that, Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy shows a value of 0.834 which is quite above the minimum benchmark of 0.60. This indicates that, the sample size of the study is adequate for the conduct of factor analysis. Equally, the Bartlett's test of sphericity is statistically significant and it supported the factorability of the correlation matrix because the P-value equals to 0.000.

Table 6.5
Result of the Factor Analysis of Organizational Performance

Items	Communalities	Loadings
PER1	.635	.797
PER2	.577	.760
PER5	.574	.757
PER6	.709	.842
PER7	.664	.815
PER8	.562	.749
	Eigen Value	3.720
	Percentage of Variance Explained	62.008
	KMO	.834
	Bartlett's Test of Sphericity	986.169
	Significance	0.000

Source: SPSS output

6.6.1.2 Independent Variables – GO, PM, PR, AC, OC

The independent variables of this study are goal orientation (GO), performance measurement (PM), performance reporting (PR), accountability (AC) and organizational culture (OC). All the independent variables are measured as uni-dimensional. Specifically, goal orientation has 6 items, performance measurement 12 items, performance reporting 7 items, accountability 13 items, and organizational culture 8 items. For instance, all the established KMO for measuring sampling adequacy of the variables were found to be above 0.60 minimum value for a good factor analysis (Hutcheson & Sofroniou, 1999; Kaiser, 1974). Equally still, the Bartlett's test of sphericity for all the independent variables were significant at $p<0.000$ which strongly supported the factorability of the correlation matrix, because it indicates adequate correlation among the analyzed items.

Table 6.6, 6.7, 6.8, 6.9 and 6.10 below show the result of the exploratory factor analysis of the independent variables. Regardless of the number of independent variables, the inspection of the correlation matrices were conducted and it clearly shows that, all the items' coefficient were above 0.30. Similarly, the extraction and rotation process of the variables under review produced only one component for each of the considered variables with acceptable loadings and Eigen values greater than 1. In addition to that, the percentage of variance explained of each of the variable exceeds 60%. Specifically, GO is 67.43%, PM is 65.77%, PR is 72.03%, AC is 61.58% and OC is 63.99%.

Besides, the factor communalities of one item under performance measurement (PM10) in Table 6.7 was below the minimum acceptable value of 0.50, hence, the item was dropped (Hair *et al*., 2010; Kaiser, 1974). This confirms the assertion of Idris, Rahman, Hassan, Aminudin and Alolayyan (2013), where they argue that, in the process of confirming indicators that have impact on the instrument, it is commonly possible to loose items that are not fit for the model, thus, the affected items should be deleted. The tables of the factor analysis for the independent variables are presented below.

Table 6.6
Result of the Factor Analysis for the Goal Orientation

Items	Communalities	Loadings
GO1	.624	.790
GO2	.708	.841
GO3	.640	.800
GO4	.704	.839
GO5	.680	.825
GO6	.690	.830
	Eigen Value	4.046
	Percentage of Variance Explained	67.434
	KMO	.908
	Bartlett's Test of Sphericity	1081.055
	Significance	0.000

Table 6.7
Result of the Factor Analysis for the Performance Measurement

Items	Communalities	Loadings
PM1	.668	.818
PM2	.578	.760
PM3	.689	.830
PM4	.683	.827
PM5	.713	.844
PM6	.701	.838
PM7	.675	.822
PM8	.677	.823
PM9	.715	.846
PM11	.534	.731
PM12	.601	.775
	Eigen Value	7.235
	Percentage of Variance Explained	65.773
	KMO	.949
	Bartlett's Test of Sphericity	2708.249
	Significance	0.000

Table 6.8

Result of the Factor Analysis for the Performance Reporting

Items	Communalities	Loadings
PR1	.757	.870
PR2	.702	.838
PR3	.739	.860
PR4	.736	.858
PR5	.719	.848
PR6	.715	.845
PR7	.674	.821
	Eigen Value	5.042
	Percentage of Variance Explained	72.030
	KMO	.924
	Bartlett's Test of Sphericity	1699.159
	Significance	0.000

Table 6.9

Result of the Factor Analysis for Accountability

Items	Communalities	Loadings
AC1	.570	.800
AC2	.662	.814
AC3	.670	.818
AC4	.576	.759
AC5	.616	.785
AC6	.646	.804
AC7	.639	.799
AC8	.534	.731
AC9	.601	.775
AC10	.681	.825
AC11	.641	.800
AC12	.603	.776
AC13	.567	.753
	Eigen Value	8.005
	Percentage of Variance Explained	61.575
	KMO	.943
	Bartlett's Test of Sphericity	3056.965
	Significance	0.000

Table 6.10
Result of the Factor Analysis for Organizational Culture

Items	Communalities	Loadings
OC1	.587	.766
OC2	.629	.793
OC3	.678	.824
OC4	.667	.817
OC5	.650	.806
OC6	.704	.839
OC7	.566	.752
OC8	.639	.799
	Eigen Value	5.120
	Percentage of Variance Explained	63.998
	KMO	.912
	Bartlett's Test of Sphericity	1614.558
	Significance	0.000

6.6.1.3 Moderating Variable – Performance Audit

The Table 6.11 below shows the result of the exploratory factor analysis of the performance audit. The moderating variable was assessed using 5 items in one dimension (uni-dimensional). It was subjected to factor analysis using SPSS. Visual examination of the correlation matrix shows that, the numerals of the coefficients have values greater than 0.30. Again, KMO measure of sampling adequacy is .842 which is above the recommended 0.60 (Hutcheson & Sofroniou, 1999; Kaiser, 1974). Equally important, the Bartlett's test of sphericity is significant at $p<0.000$ which supports the factorability of the correlation matrix (Hair et al, 2010). The cumulative total variance explained of the items is 76.28%. Because the communalities and factor loadings of the items are acceptable, none of the items is deleted or dropped. Table 6.11 present the results of the factor analysis for the moderating variable.

Table 6.11
Result of the Factor Analysis for Performance Audit

Items	Communalities	Loadings
PA1	.817	.904
PA2	.791	.889
PA3	.820	.905
PA4	.729	.854
PA5	.658	.811
	Eigen Value	3.814
	Percentage of Variance Explained	76.277
	KMO	.842
	Bartlett's Test of Sphericity	1343.322
	Significance	0.000

6.3.2 Correlation Test

In statistics, correlation analysis is usually conducted to explain the direction and strength of the linear relationship between two variables (Pallant, 2007). In other words, it is used to explain the level to which the variables relates with each other (Pallant, 2013). Variables could be positively or negatively correlated. Pallant (2013) noted that, 0 correlation between the variables indicates no association, 1 is an indication of perfect positive correlation, while -1 is an indication of perfect negative correlation. For instance, Cohen (1988) asserted that, correlation is categorized in this order: r = 0.10 to 0.29 small; r = 0.30 to 0.49 medium; r = 0.50 to 1.0 large. The following Table 6.12 shows the correlation between the variables in this study.

Table 6.12
Correlation Test between the Research Variables

Constructs	**PER**	**GO**	**PM**	**PR**	**AC**	**OC**	**PA**
PER	1						
GO	.698**	1					
PM	.650**	.742**	1				
PR	.598**	.732**	.871**	1			
AC	.579**	.556**	.560**	.600**	1		
OC	.618**	.644**	.705**	.697**	.663**	1	
PA	.476**	.502**	.596**	.619**	.543**	.694**	1

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

In this study, it is established from the Table 6.12 above that, the variables under review are significantly correlated, hence correlation as a condition for conducting regression analysis has been achieved. It is worthy to note that, existence of correlation between the variables is one of the conditions for conducting regression analysis (Pallant, 2011; 2007).

The SPSS output for correlation result is provided in Appendix H. It should be noted also that, the correlation between the constructs is examined using Pearson's correlation procedure.

6.4 Response Rate

In the study under review, 551 number of survey questionnaires were distributed to the Directors of Finance, Administration and General services (DFAGs) of the state ministries, departments and agencies (MDAs) in Nigeria. In an effort to ensure great and appreciable response rate, consistent phone call reminders (Traina, MacLean, Park, & Kahn, 2005) and personal follow-up visitations (Sekaran & Bougie, 2013) were put through to the respondents whom failed to fill their questionnaires, specifically exceeding six weeks. Hence, these efforts yielded positive outcomes by retrieving a total number of 328 completed questionnaires out of 551 distributed. This translates to 59.5% response rate. It is equally noted that, out of 328 responses, six questionnaires were found to be incorrectly filled, thus, they were excluded and duly rejected as unusable. Therefore, the valid response rate stood at 58.4% which is appreciably enough (Hair *et al*., 2010). For example, other research studies conducted in Nigeria that used survey questionnaire in the public sector and other sectors recorded almost similar or even higher response rate. For instance, Badara and Saidin (2014) recorded 73% response rate, Kura, Shamsudin and Chaun (2014) recorded 59% response rate. Yet still, Gorondutse and Hilman (2014) recorded 64% response rate and Maiyaki and Mouktar (2011) recorded 73% response rate. Table 6.13 below reveals the response rate of the questionnaires.

Table 6.13
Response Rate of the Questionnaires

Response	Frequency	Percentage
Number of questionnaires distributed	551	100%
Returned questionnaires	328	59.5%
Returned & Usable questionnaires	322	58.4%
Returned & Excluded questionnaires	6	1.09%
Questionnaires not returned	223	40.5%
Response Rate	59.5%	59.5%
Valid Response Rate	58.4%	58.4%

6.5 The Respondents' Background

This section deals with the distribution and frequencies of the respondents characteristics. In other words, the section presented the demographic characteristics of the participants. Specifically, the demographic data collected and examined in this study includes the type of the organization, geo-political region, position of the respondents in the organization, years of cognate experience of the respondents, age of the respondents and finally the gender. To illustrate further, the frequencies and percentages of the participants in line with the above mentioned attributes are presented in the Table 6.14 below.

Table: 6.14

Profile of the Respondents (N=322)

	Characteristics	Frequency	Percentage	Cumulative Percentage
1.	**Types of Organization**			
	Ministry	147	45.7	45.7
	Department	96	29.8	75.5
	Agencies	79	24.5	100.0
2.	**Geo-Political zone**			
	North-West	75	23.3	23.3
	North-East	91	28.3	51.6
	North-Central	73	22.7	74.2
	South-West	52	16.1	90.4
	South-East	17	5.3	95.7
	South-South	14	4.3	100.0
3.	**Position**			
	Directors	99	30.7	30.7
	Deputy Directors	48	14.9	45.8
	Assistant Directors	65	20.2	66.0
	Principal Officers	109	33.9	100.0
4.	**Experience**			
	Less than 2 years	77	23.9	23.9
	2-5 years	144	44.7	68.6
	Above 5 years	101	31.4	100.0
5.	**Age**			
	Less than 35 years	16	5.0	5.0
	35-40 years	48	14.9	19.9
	41-45 years	68	21.1	41.0
	Above 45 years	190	59.0	100
6.	**Gender**			
	Male	246	76.4	76.4
	Female	76	23.6	100.0

As can be seen from the Table 6.14 above, majority of the public sector organizations that participated in the study are the government ministries constituting 147 responses which is equivalent to 45.7 percent of the total responses used for the analysis in the study. Likewise, 96 responses are from the government departments representing 29.8 percent of the total responses. The remaining 79 responses representing 24.5 percent comes from the government agencies. This reveals that, the government ministries is the major pillar of the public sector activities in Nigeria (Demaki, 2013; Adeyemo, 2005).

With regards to the geo-political region of the respondents, the data shows that, 75 organizations representing 23.3 percent belongs to the North-west region, 91 organizations representing 28.3 percent are from the North-east region. North-central region accounted for 22.7 percent with 73 respondents drawn from MDAs. Furthermore, 52 organizations responded from the South-west representing 16.1 percent. Finally, South-east and South-south accounted for 5.3 and 4.3 percent respectively. The descriptive statistics of the study revealed that, South-east and South-south records poor responses. The reason for poor response is not far-fetched, this is because agitation for secession by the hoodlums from a segment of south-eastern region was intense during the period of data collection (Yerima, Ibrahim, Terwase & Abdultalib, 2016), and youth restiveness agitating for increase in revenue allocation to south-south states targeted many unsuspecting public for attack and other physical damages (Aturuchi, 2016; Elum, Mopipi & Henri-Ukoha, 2016). These factors renders the researcher vulnerable to likely intermittent attacks which were common occurrences in the area during the period of the study. Thus, these dangers were avoided by the researcher through abrupt curtailing of the reminder and collection visitations.

The next category of respondents' characteristics is concerned with the position of the respondents in their various organizations. The analysis of the descriptive statistics shows that, 30.7 percent of the respondents are directors in their organizations, 14.9 percent are deputy directors, and 20.2 percent are assistant directors, while 33.9 percent are principal officers below the rank of assistant director. This implies that, majority of the responses comes from the officers occupying senior positions in their organizations whom are considered versatile with the performance management arrangement in their various organizations (Melkers & Willoughby, 2005; Verbeeten, 2008; de Waal & Kourtit, 2013).

Concerning the cognate experience of the respondents, the descriptive statistics revealed that, those that spent less than 2 years on their present position constituted 23.9 percent of the respondents. Equally still, those that spent 2-5 years; and above 5 years on their position accounted for 44.7 percent and 31.4 percent respectively. This indicates that, the research instrument was filled by mostly experienced and well-placed personnel in the MDAs. This is essentially crucial due to the fact that, effective performance management system relies heavily on the experience and competence of the staff (Buckingham, M., & Goodall, 2015; Grafton, Lillis & Widener, 2010; Brinkerhoff & Brinkerhoff, 2015).

Additionally, in terms of age, the statistics revealed that, 5 percent of the respondents are less than 35 years of age, 14.9 percent are within the age bracket of 35-40 years, while 21.1 percent are within the age bracket of 41-45 years. Similarly, the descriptive analysis shows that, 59 percent of the respondents are above 45 years of age. This is not surprising because career progression in the Nigerian public sector is age sensitive, therefore moving through the hierarchy to the directorate level comes with number of years of service (Civil service handbook of the Federal Republic of Nigeria, 1997).

Finally, with respect to the gender of the respondents, the descriptive statistics table indicates that, 76.4 percent of the respondents in the sample were male, while the remaining 23.6 percent were female. This descriptive output corroborated the findings of Ekpe, Eja and John (2014); Bryan and Ejumudo (2013), where they strongly and convincingly argue that, Nigerian public sector is dominated mainly by males in comparison to their female counterpart. It is argued in this order that, cultural norms and societal orientation have discourages women from being given managerial roles and opportunities in Nigerian public service (Omar & Ogenyi, 2004).

6.6 Descriptive Statistics

The descriptive statistics of the items under each construct of the study is presented in Table 6.15 below. Specifically, the descriptive data for all the items under the constructs involves 322 number of responses. Hence, the "N" column of the table indicates 322 uniformly across all the items and the constructs. Equally, the mean and standard deviation shows that, the responses on the Likert type scale revolves around "Above Average" for organizational performance, and "To a greater extent" across the goal orientation, performance measurement, performance reporting and performance audit. This is because, the mean column in the descriptive statistics table shows that, the responses skewed more to option "3" and above than other options. Thus, most of the respondents agree more to the questions in the instrument. Yet still, with regards to the record of the options selected in the survey i.e "Min and Max", it is observed that, the respondents selected almost every available option under every items. To illustrate this point further, it is observed that, every item is selected at least once in the course of the survey. This is because, the "Min" and

"Max" shows 1 and 5 respectively. Overall, the descriptive statistics of the study is quite good for subsequent statistical analysis.

Table 6.15
Descriptive Statistics of the Items in the Instrument

Organizational Performance					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
PER7	322	3.48	0.85	1	5
PER6	322	3.46	0.89	1	5
PER2	322	3.40	0.89	1	5
PER4	322	3.38	0.78	1	5
PER5	322	3.38	0.85	1	5
PER1	322	3.35	0.89	1	5
PER9	322	3.31	0.91	1	5
PER8	322	3.27	0.93	1	5
PER3	322	3.22	0.86	1	5
Goal Orientation					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
GO3	322	3.53	0.99	1	5
GO6	322	3.48	1.11	1	5
GO4	322	3.42	1.11	1	5
GO5	322	3.42	1.01	1	5
GO1	322	3.36	1.05	1	5
GO2	322	3.33	1.10	1	5
Performance Measurement					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
PM2	322	3.35	1.15	1	5
PM3	322	3.28	1.17	1	5
PM9	322	3.15	1.21	1	5
PM1	322	3.14	1.14	1	5
PM5	322	3.14	1.15	1	5
PM8	322	3.14	1.14	1	5
PM4	322	3.13	1.18	1	5
PM7	322	3.13	1.19	1	5
PM6	322	3.11	1.20	1	5
PM11	322	3.10	1.13	1	5
PM12	322	3.10	1.25	1	5
PM10	322	3.09	1.31	1	5
Performance Reporting					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
PR5	322	3.28	1.17	1	5

PR4	322	3.20	1.15	1	5
PR6	322	3.19	1.20	1	5
PR1	322	3.15	1.13	1	5
PR2	322	3.15	1.18	1	5
PR3	322	3.15	1.17	1	5
PR7	322	3.11	1.21	1	5

Accountability					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
AC8	322	3.85	1.07	1	5
AC7	322	3.73	1.13	1	5
AC2	322	3.71	1.10	1	5
AC6	322	3.70	1.07	1	5
AC4	322	3.65	1.08	1	5
AC3	322	3.60	1.15	1	5
AC5	322	3.59	1.15	1	5
AC9	322	3.59	1.07	1	5
AC1	322	3.57	1.18	1	5
AC12	322	3.50	0.99	1	5
AC10	322	3.48	1.12	1	5
AC11	322	3.40	1.10	1	5

Organizational Culture					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
OC3	322	3.72	0.99	1	5
OC2	322	3.60	0.98	1	5
OC4	322	3.54	1.03	1	5
OC6	322	3.44	1.09	1	5
OC5	322	3.36	1.02	1	5
OC8	322	3.36	1.16	1	5
OC7	322	3.31	1.18	1	5
OC1	322	3.23	0.99	1	5

Performance Audit					
Items	**N**	**Mean**	**Std Dev.**	**Min**	**Max**
PA3	322	3.24	1.24	1	5
PA2	322	3.11	1.29	1	5
PA1	322	3.02	1.27	1	5
PA4	322	2.98	1.28	1	5
PA5	322	2.65	1.21	1	5

Moreover, the following explanation suffice with regards to the descriptive statistics of the individual variables under review.

6.6.1 Organizational Performance

Table 6.15 above shows that, the mean score of the items under organizational performance indicates a range of between 3.48-3.22. Generally, the response to the items is classified between low, moderate and high. Specifically, the mean of below 2 is considered low, a mean score of between 3 and 4 is considered moderate, while the mean score exceeding 4 is assumed high. With regards to the items under organizational performance, it appears that, the respondents tends to have moderate level of perception on the organizational performance of MDAs. This implies that PER7 which states that "how effective is your ministry or parastatal in discharging its mandate and boosting its performance" gives the highest mean score of 3.48. This is followed by PER6, PER2, PER4, PER5, PER1, PER9, PER8 and PER3 in the equal but succeeding order. This result is therefore interpreted to mean the organizational performance of the MDAs in Nigeria is moderate. Thus, the performance is little bit stable in the affected public sector organizations covers by this study.

6.6.2 Goal Orientation

Table 6.15 indicates that, the mean of the items under goal orientation ranges between 3.53-3.33. As in the classification above, the perception of the responses shows a moderate level of response. This implies that, the responses has an overall moderates points of between 3 and 4. Fundamentally, GO3 which seek to find out "to what extent does your progrms, activities, policies and projects focused on achieving your organizational mission" display the highest mean of 3.53. This is followed by GO6, GO4, GO5, GO1 and GO2 with 3.48, 3.42, 3.42, 3.36 and 3.33 respectively in the like order. This result is interpreted to mean that, the existence of goal orientation as well as the level of commitment of the organizations in safeguarding good goal orientation is relatively and positively moderate.

6.6.3 Performance Measurement

Table 6.15 also describes the level of perception of the responses with regards to performance measurement in the study under review. Like in the organizational performance and goal orientation above, the responses to the questions under performance measurement shows a moderate response. This implies that, the mean of the questions ranges from 3.35-3.09. Explicitly, PM2 which implies that "to what extent does your organization use performance measurement in budget formulation" got the highest mean of 3.35. This is followed by PM3, PM9, PM1, PM5, PM8, PM4, PM7, PM6, PM11, PM12 and PM 10 in the appropriate order. Therefore, this result is generally interpreted to describe that, the questions concerning performance measurement get more positive responses from the respondents. This generally implies that, the practice of performance measurement is moderate with an increasing direction.

6.6.4 Performance Reporting

Table 6.15 also shows the descriptive outputs of the performance reporting. Specifically, the mean of the individual questions ranges from 3.28-3.11. This implies that, all the questions under performance reporting got moderate response from the respondents. From the order of highest to lowest mean, it is observed that, PR5 which seek to establish that "to what extent does your organization been using performance information to communicate program success to stakeholders" got the highest mean of 3.28. Equally, PR7 got the lowest mean of 3.11. Overall, the mean of the items under performance reporting are interpreted to show moderate existence of the performance reporting in the Nigerian public sector. The order of the mean indicates that PR5, PR4, PR6, PR1, PR2, PR3 and PR7 follows one another in the appropriate order.

6.6.5 Accountability

Table 6.15 shows that, accountability as a variable under review got the moderate response on a scale of 1-5 in this study. Specifically, the range of mean covers from 3.85-3.40 with an increasing direction. Explicitly, AC8 which seek to establish that "how often does your organization request staff members to demonstrate high degree of accountability in improving the quality of services and organizational best practices" got the highest mean score. Most of the responses to questions under accountability imply a moderate level of mean score with an increasing direction towards high score. Overall, the interpretation shows that, the respondents respond more positively to all questions under accountability in the Nigerian public sector. In a nutshell, the practice of accountability in the Nigerian public sector takes more proper shape.

6.6.6 Organizational Culture

Table 6.15 also shows the mean score of the organizational culture. The highest to lowest mean score shows 3.72-3,23 ranges of mean value. Specifically, OC3 which seeks to establish that "to what extent does your organization promotes high standard of integrity" carries the highest mean score of 3.72. Equally, all other items implies a moderate response from the respondents of between 3 and 4 as explained earlier. However, all the responses from the respondents under review exhibits a positive approval to good organizational culture in the Nigerian public sector. The arrangement of mean in terms of value is OC3, OC2, OC4, OC6, OC5, OC8, OC7 and OC1.

6.6.7 Performance Audit

Table 6.15 also shows the mean score of performance audit from highest to lowest. The range of mean values covers from 3.24-2.65. Probing further it is shown that, three items under performance audit exhibits a moderate mean of 3.24, 3.11 and 3.02. However, two items under performance audit exhibits a much lower mean score of 2.98 and 2.65. This implies that, the response to PA3, PA2 and PA1 shows a positive but moderate mean. While the response to PA4 and PA5 shows a positive but lower mean score. Overall, the result of this descriptive is interpreted to mean that, performance audit is moderately practiced in the Nigerian public sector.

On another score, under this section, the descriptive statistics of the major constructs (variables) are also presented. Specifically, the aggregate mean (i.e the sum of all observed outcomes from the sample divided by the total number of events) and the aggregate standard deviation (i. e the measure that is used to quantify the amount of variation or dispersion of a set of data values) were duly computed to obtain the descriptive characteristics of the study's variables as shown in the Table 6.16 below

Table 6.16
Descriptive Statistics of the Constructs (Mean & Standard Deviation)(N=322)

Constructs	Sample	Mean	Standard Deviation
Organizational Performance	322	3.39	0.69
Goal Orientation	322	3.42	0.88
Performance Measurement	322	3.16	0.95
Performance Reporting	322	3.17	0.99
Accountability	322	3.62	0.87
organizational Culture	322	3.44	0.84
Performance Audit	322	2.76	0.54

Explicitly, as mentioned earlier, all the study's constructs were measured on a 5-point Likert scale. Consequently, the mean and standard deviation were equally computed on the basis of the same 5-point Likert-type scale. Specifically, as presented in the table 6.4 above, the mean and the standard deviation of the organizational performance is 3.39 and 0.69 respectively. This indicates that, the study's respondents agrees more to "Above average". Similarly, the mean and standard deviation of other predictor variables are 3.42 and 0.88 for goal orientation; 3.16 and 0.95 for performance measurement; 3.17 and 0.99 for performance reporting; 3.62 and 0.87 for accountability; 3.44 and 0.84 for organizational culture; 2.76 and 0.54 for performance audit. Hence, it is observed that, almost all the independent variables tends to be aligned towards acceptance to "To a greater extent" with the exception of performance audit. Overall, the descriptive statistics indicates that, the data points are close to the mean, because the standard deviations of all the independent variables are not up to 1.

6.7 Hypothesis Testing

This section attempts to present the test of the research hypotheses. This implies that, all the hypotheses formulated in the study are appropriately tested so that the decision would be taken as to whether the hypothesis is accepted or rejected.

6.7.1 Linear Regression Analysis on the Relationship between Performance Management Elements and Organizational Performance

Linear regression analysis was conducted between the performance management elements and organizational performance. The aim of conducting linear regression prior to the conduct of hierarchical regression was to examine the predictive power of each of the independent variables (performance management elements) towards the dependent variable (organizational performance). The result as clearly indicated in the Tables 6.17 to 6.22 revealed that, all the predictors were significant in relation to the response variable. With regards to the variability of the relationships, it is also found that, the regression analysis outcomes presents a good R^2 value for all the variables. For instance, Cohen (1988) categorized R^2 into three. They are (a) 0.02 is weak; (b) 0.13 is moderate; (c) 0.26 and above is substantial. Therefore, based on the categorization of Cohen (1988), the R^2 of all the variables in this study is appreciably substantial. The results of the analysis and the test of the study's hypotheses are further illustrated in the Table 6.17 to 6.22 below.

For instance, hypothesis one (H_1) predicted that, goal orientation significantly and positively influences organizational performance. Result of the linear regression analysis (Table 6.17) indicated that, goal orientation had a significant positive relationship with organizational performance (β = .679, t = 16.524, P < 0.01). Thus, the result of the analysis as reflected in Table 6.17 fully supported hypothesis one. Equally, R^2 value of 0.460 indicated a good model fit, which also means that, 46% of the variation in the organizational performance is explained by the goal orientation.

Table 6.17
Relationship between Goal Orientation and Organizational Performance

Variable	βeta	t-value	P-Value
Goal orientation	.679	16.524	0.000**
R square			0.460
Adjusted R square			0.459
Sig. F change			0.000
Durbin Watson			1.783

*P<0.05, **P<0.01.

In addition, hypothesis two (H_2) anticipated that, performance measurement significantly and positively influences organizational performance. Consistent with the hypothesis, the result of the linear regression analysis (Table 6.18) indicated that, performance measurement had a significant positive relationship with organizational performance (β =

.613, t = 13.868, P < 0.01). This implies that, the result of the analysis had fully supported the hypothesis two. Equally, the R^2 value of 0.375 indicated that, almost 38% of the variation in the organizational performance is explained by the performance measurement. Table 6.18 below presents the result.

Table 6.18
Relationship between Performance Measurement and Organizational Performance

Variable	**βeta**	**t-value**	**P-Value**
Performance Measurement	.613	13.868	0.000**
R square			0.375
Adjusted R square			0.373
Sig. F change			0.000
Durbin Watson			1.873

*P<0.05, **P<0.01.

Moreover, hypothesis three (H_3) predicted that, performance reporting significantly and positively influences organizational performance. In agreement with the hypothesis, the result of the linear regression analysis in Table 6.19 indicated that, performance reporting had a significant and positive relationship with the organizational performance (β = .564, t = 12.202, P < 0.01). It is therefore established that, the result of the analysis had supported the hypothesis three. Equally, the R^2 value of 0.318 implies that, almost 32% of the variation in the organizational performance could be explained by the performance reporting. Table 6.19 below presents the result.

Table 6.19

Relationship between Performance Reporting and Organizational Performance

Variable	**βeta**	**t-value**	**P-Value**
Performance Reporting	.564	12.202	0.000**
R square			0.318
Adjusted R square			0.315
Sig. F change			0.000
Durbin Watson			1.804

*P<0.05, **P<0.01.

Furthermore, hypothesis four (H_4) is composed to predict that, accountability significantly and positively influences organizational performance. Consistent with the hypothesis, the result of the linear regression analysis (Table 6.20) revealed that, accountability had a significant and positive relationship with the organizational performance, thus supporting the hypothesis four as earlier formulated in the study. Probing further, the linear regression results shows that $\beta = .551$, $t = 11.797$, $P < 0.01$. Yet still, the R^2 value of 0.303 reveals that, almost 30% of the variation in the organizational performance could be attributed to the changes in the accountability. Ultimately, Table 6.20 below presents the result.

Table 6.20

Relationship between Accountability and Organizational Performance

Variable	**βeta**	**t-value**	**P-Value**
Accountability	.551	11.797	0.000**
R square			0.303
Adjusted R square			0.301
Sig. F change			0.000
Durbin Watson			1.843

*P<0.05, **P<0.01.

Yet still, hypothesis five (H_5) is formulated to anticipate that, organizational culture significantly and positively influences organizational performance. The outcomes of the linear regression analysis (Table 6.21) reveals that, organizational culture had a significant and positive relationship with organizational performance (β = .579, t = 12.704, P < 0.01). This implies that, hypothesis five is duly supported. Similarly, by examining the result further, the R^2 value of 0.335 indicated that, virtually, 34% of the changes in the organizational performance could be explained by the organizational culture. Table 6.21 below presents the result.

Table 6.21
Relationship between Organizational Culture and Organizational Performance

Variable	**βeta**	**t-value**	**P-Value**
Organizational Culture	.579	12.704	0.000^{**}
R square			0.335
Adjusted R square			0.333
Sig. F change			0.000
Durbin Watson			1.851

$^{*}P<0.05$, $^{**}P<0.01$.

Finally, hypothesis six (H_6) predicted that, performance audit significantly and positively influences organizational performance. Conversely, the outcomes of the linear regression analysis (Table 6.22) reveals that, performance audit had a significant and positive relationship with organizational performance (β = .417, 8.208, P < 0.01). This implies that, the outcomes of the regression analysis had supported the hypothesis six of the study. The analysis further revealed that, R^2 value of 0.174 infer that, almost 17% of variation in the organizational performance is explained by the performance audit. Table 6.22 below presents the result.

Table 6.22
Relationship between Performance Audit and Organizational Performance

Variable	**βeta**	**t-value**	**P-Value**
Performance Audit	.417	8.208	0.000^{**}
R square			0.174
Adjusted R square			0.171
Sig. F change			0.000
Durbin Watson			1.854

$^{*}P<0.05$, $^{**}P<0.01$.

Generally, the Table 6.23 below shows the individual contribution of each of the performance management elements towards organizational performance. From the individual coefficients of the variables in the results as indicated in the Table 6.23 below, it is revealed that, among the six predicting variables, goal orientation is the variable that best predict the criterion variable (organizational performance) principally because it presented the highest standardized coefficient (β = .679). The subsequent vital predictor in order of importance is the performance measurement with the second highest standardized coefficient (β = .613). Similarly, organizational culture, performance reporting, accountability and performance audit are also essential predictors of the organizational performance with the standardized coefficient (βeta) of .579, .564, .551, .417 respectively. Yet still, result from the Table 6.23 below indicated that, the R^2 of all the predictor variables are quite substantial with the exception of the performance audit that shows moderate R^2 value of 0.174 in line with the Cohen (1988) categorization. Therefore, these results of the linear regression analysis of the performance management elements reveals that, goal orientation, performance measurement, performance reporting, accountability, organizational culture and performance audit as highlighted above, are significantly and positively related to the criterion variable (organizational performance). Thus, from the foregoing results, it is observed that, hypothesis 1, hypothesis 2, hypothesis 3, hypothesis 4, hypothesis 5 and hypothesis 6 are strongly supported. Table 6.23 below presents the result.

Table 6.23

Summary of the Linear Regression Analysis for Performance Management Elements

Variables	**R^2**	**βeta**	**t-value**	**P-Value**
Goal orientation	.460	.679	16.524	0.000^{**}
Performance measurement	.375	.613	13.868	0.000^{**}
Performance reporting	.318	.564	12.202	0.000^{**}
Accountability	.303	.551	11.797	0.000^{**}
Organizational culture	.335	.579	12.704	0.000^{**}
Performance Audit	.174	.417	8.208	0.000^{**}

$^{*}P<0.05$, $^{**}P<0.01$.

6.7.2 The Hierarchical Regression Analysis on Moderating Effect of Performance Audit on the Relationship between Performance Management Elements and Organizational Performance

Firstly, before carrying out the moderated analysis or hierarchical regression analysis, it is worthy to explain more about the moderator itself and the steps involved in the moderation analysis. Specifically, moderating variable is any other variable that affects the strength and/or the direction of the relationship between the dependent variable and independent variable (Baron & Kenny, 1986). According to Frazier *et al*. (2004), moderator is any variable that changes the level of the relationship between two other variables usually the dependent and independent variable. A moderator can be qualitative (non-numerical values) or quantitative (numerical values) in nature (Baron & Kenny, 1986). In statistics, the moderator and the predictor (independent variables) are at the same level with regards to their role as causal variables, unlike in mediation analysis where variables shifts roles from effects to causes depending on the focus of the analysis. This implies that, moderating variable is technically another predicting variable (Frazier *et al*., 2004).

Generally, moderator can be divided into three classes. The classification of moderator consists of homologizer moderator, quasi moderator and pure moderator (Sharma, Durand & Gur-Arie, 1981). Homologizer moderator usually changes the strength of the relationship but does not significantly interact with the independent variable, and does not necessarily correlate with DV and IV. Quasi moderator and pure moderator maintain some measure of relationship with the dependent variable and independent variable. For instance, quasi moderator interact with the independent variable and it is also a predicting variable itself, likewise it significantly correlate with the dependent variable. Although, it must not necessarily show a significant relationship with the DV for it to moderate. Finally, pure moderator interacts with the independent variable but does not have the relationship whatsoever with the dependent variable (Sharma *et al*., 1981). Probing further, Bontis and Serenko (2007) contends that, a moderator can be established by employing two significant taxonomies. The first taxonomy is whether the moderator and DV are related. Equally, the second taxonomy is whether the moderator is establish to be interacting with other IVs. Therefore based on this taxonomy, performance audit in this study is a quasi moderator, because it is significantly correlated with the DV and it has adequately interacted with other IVs.

Moderation analysis tests explains whether the prediction of the dependent variable (criterion variable) from an independent variable changes or differs across phases and levels of a third variable called "moderator" (Frazier *et al*., 2004). It is worthy to note that, a moderator must not necessarily be correlated with the other variables in the study to be valid (Baron & Kenny, 1986). The essence of the moderation is to establish the interaction terms which is the product of independent variable and the moderating variable, and to establish the significance of the interaction effects (if any) in relation to the dependent variable. Moderation effect are usually tested with the multiple regression analysis between the variables involved where all the variables involved are first and foremost centered prior to the estimation of the relationship so as to adequately improve the interpretation of the regression coefficients (Frazier *et al*., 2004).

Specifically, the steps involved in the moderation are simple and direct. For instance, the statistical analysis involving moderator, tests and measure only the differential effect of the independent variable on the dependent variable as a function of the moderator (i. e. if the third variable is introduced). Explicitly, if the moderating variable and the independent variable are continuous (like in this study), then, hierarchical multiple regression or moderated multiple regression are carried out after creation of the interaction terms (Baron & Kenny, 1986). Interaction terms is the product of the multiplication between the moderator and the independent variables to come up with another set of variables after considering and eliminating the effect of multicollinearity through the centered means. Centering is the process of subtracting the means of every predictor variable and moderating variable from the actual value (Hair *et al*., 2006).

In conducting the moderation analysis, the variables are analyze in three blocks, sequences or stages. In the first stage or block, the dependent variable and the independent variables are computed. In the second stage, the dependent variable, the independent variable and the moderating variable are computed. In the third stage or block, the dependent variable, the independent variable, the moderating variable and the interaction terms (which is the product of IV and the moderator) are computed. If the result in the third stage is significant between the DV and the interaction terms, then, moderation effect is assumed to be present. Whereas, if the result in the third stage between the DV and the interaction terms is not significant, then, the moderation effect is not deem to be present.

Table 6.24 below presents the hierarchical or moderated regression of the study.

Table 6.24
Hierarchical Regression Result for Moderating Effect of Performance Audit

Variables	**Step 1 Independent Variable**	**Step 2 Moderating Variable**	**Step 3 Interaction Variable**
Goal Orientation	0.000^{**}	0.000^{**}	0.000^{**}
Performance Measurement	0.05^{*}	0.004^{*}	0.013^{*}
Performance Reporting	0.067	0.052	0.101
Accountability	0.000^{**}	0.000^{**}	0.001^{**}
Organizational Culture	0.072	0.059	0.043^{*}
Performance Audit	-	0.063	0.057
Interaction:			
GO*PA	-	-	0.657
PM*PA	-	-	0.637
PR*PA	-	-	0.047^{*}
AC*PA	-	-	0.239
OC*PA	-	-	0.238
F - Change	69.928	3.491	1.595
Sig. F Change	0.000	0.063	0.161
R^2	0.525	0.530	0.542
Adjusted R^2	0.518	0.522	0.526
R^2 Change	0.525	0.005	0.012
Durbin Watson			1.813

$^{*}P<0.05$, $^{**}P<0.01$.

Table 6.24 above presented the results of the moderating effect of the performance audit on the relationship between the performance management elements and organizational performance. Generally, the result of the hierarchical regression are reported in accordance with the stages of analysis involved (Cohen *et al*., 2013). It is worthy to note that, before computing the interaction terms for measuring moderating effect, all the variables to be used were carefully standardized. This implies that, the mean of each variable was subtracted from the value of that variable. In other words, this is what is referred to as centering of the variables. For instance, to center or standardize goal orientation (GO), the mean of GO which is 3.42 was subtracted from each score (each case) under goal orientation. Thus, the new centered variable (standardized variable) created will be used to produce the interaction terms between goal orientation and performance audit. This process was repeated over and again for all other variables including the moderator (but excluding the dependent variable).

In line with Baron and Kenny (1986), the moderated regression analysis were performed in blocks or steps. Specifically, in this study, the moderated regression analysis or hierarchical regression analysis were carried out in three steps or blocks. By established tradition as recommended by Baron and Kenny (1986), in the first block, the dependent variable and the independent variable will be entered. In the second block, the dependent variable, the independent variable and the moderating variable will be entered. In the third block, the dependent variable, the independent variable, the moderating variable and the interaction terms will be entered. Therefore, if this blocks or steps are aggregated, the decision could be made at the third stage on whether the moderating effect is significant or not significant.

Thus, this study follows similar pattern of moderation analysis or hierarchical analysis as strongly recommended by Baron Kenny (1986) and explained adequately above. Specifically, in the first step, the direct effect of the independent variables (performance management elements) were regressed against the outcome variable (organizational performance). This implies that, the DV and all the IVs were entered in the first block. This examines the predictive power of the IVs on the DV directly. In the second step, the dependent variable, the independent variables and the moderating variable (performance audit) were entered. This is because, more often, the moderator is examined as a predictor to determine whether it has a significant direct effect on the criterion variable or not (although immaterial as per as quasi moderator is concerned). In this study, the moderating variable shows insignificant effect on the DV when computed collectively with other variables.

Furthermore, in the third step, both the dependent variable, the independent variables, the moderating variable as well as the interaction terms were entered to establish whether the statistical output indicates any significant relationship, and whether there is additional changes on the total variance explained (R^2). Explicitly, the moderation effect is present if any of the interaction terms shows a significant relationship with the dependent variable.

Drawing evidence from the Table 6.24 above, precisely the inspection of the individual interaction terms under the column "step 3 interaction variables", it can be establish that, only the interaction terms between the performance reporting and performance audit which is PR*PA is statistically significant at $p<0.05$. Specifically, PR*PA shows the P value of 0.047. Therefore, the interaction terms of PR*PA is statistically significant at 5% level of significance in this study. This implies that, performance audit moderates the relationship between performance reporting and organizational performance. Thus, hypothesis nine (H_9) which states that, the relationship between performance reporting and organizational performance is being moderated by performance audit is hereby supported.

Furthermore, according to Baron and Kenny (1986), even if the significant relationship is found between the interaction terms and the dependent variable, it is often difficult to draw conclusions about the moderation effect due to certain statistical factors like multicollinearity. Thus, a graph must be plotted to practically demonstrate the likely moderation effect. Therefore, the graph showing the moderation effect of the performance audit on the relationship between performance reporting and organizational performance is plotted below:

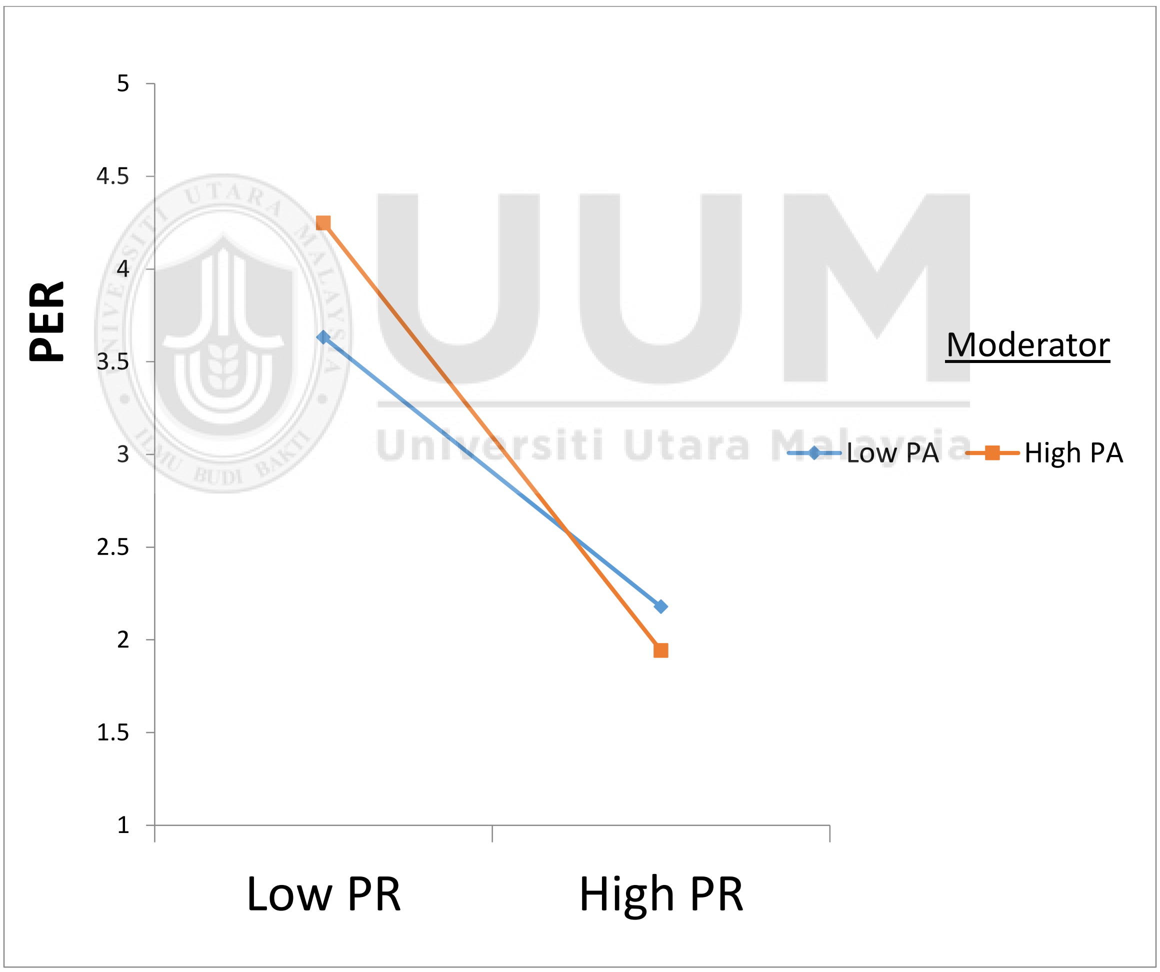


Figure 6.2
The moderating effect of the performance audit on the relationship between performance reporting and organizational performance

The graph illustrated in Figure 6.2 above perfectly elaborates that, the relationship between performance reporting and organizational performance will be stronger when the level of performance audit is lower. This implies that, performance audit negatively moderates the relationship between the performance reporting and organizational performance. Explicitly, the hypothesis could be said to be supported. This is because the moderator variable strengthen or weaken the relationship between the dependent variable and independent variable.

However, the result shows that, the interaction terms of goal orientation and performance audit, performance measurement and performance audit, accountability and performance audit as well as organizational culture and performance audit are not statistically significant in this study. Thus, the P value of interaction terms for goal orientation and performance audit (GO*PA) is 0.657, performance measurement and performance audit (PM*PA) is 0.637, accountability and performance audit (AC*PA) is 0.239, organizational culture and performance audit (OC*PA) is 0.238. This implies that, these interaction terms are not statistically significant at $p<0.05$. This means that, performance audit does not moderate the relationship between goal orientation, performance measurement, accountability, organizational culture on one hand and organizational performance on the other hand. Hence, H_7, H_8, H_{10} and H_{11} that infer the moderating relationship between these performance management elements and organizational performance are not supported in this study, thus, they are hereby not supported.

Yet still, with regards to the effect of R^2 in moderation, Chaplain (1991) noted that, for the moderator effect to be present, the introduction of moderator and the interaction terms should be able to yield at least marginal increase in R square. Incidentally, this has been achieved in this study, because the R^2 increased from .525 to .530 to .542 in step 1, 2 and 3 respectively. Therefore, this demonstrate that, in the first step (step 1), the performance management elements have collectively accounted for 52.5 percent of the variance in the organizational performance (as indicated by the R^2 in step 1). In step 2, the performance management elements accounted for 53 percent variance in the organizational performance. In step 3, the performance management elements accounted for 54 percent variance in the organizational performance. Therefore, this progressive increase in the percentage of variance explained as shown in the 3 steps (see Table 6.24) is another testament of the latent effect of the presence of the performance audit. This is not surprising because Chaplain (1991) argue that, a potential moderator is one whose introduction into the model brings about marginal increase to the total variance explained, irrespective of the moderator's significant or insignificant relationship with the DV.

Overall, the SPSS output of the hierarchical regression is presented in Appendix I. Therefore, to get the overall picture of the significant and non-significant relationship between the variables under investigation, the following table has indicated the summary.

Table 6.25

Summary of the Results of Linear Regression and Hierarchical Regression Analysis

Hypothesis	Description	Decision
H_1	Goal orientation significantly and positively influences public sector organizational performance	Supported
H_2	Performance measurement significantly and positively influences public sector organizational performance	Supported
H_3	Performance reporting significantly and positively influences public sector organizational performance	Supported
H_4	Accountability significantly and positively influences public sector organizational performance	Supported
H_5	Organizational culture significantly and positively influences public sector organizational performance	Supported
H_6	Performance audit significantly and positively influences public sector organizational performance	Supported
H_7	The relationship between goal orientation and public sector organizational performance is moderated by performance audit	Not supported
H_8	The relationship between performance measurement and public sector organizational performance is moderated by performance audit	Not supported
H_9	The relationship between performance reporting and public sector organizational performance is moderated by performance audit	Supported
H_{10}	The relationship between accountability and public sector organizational performance is moderated by performance audit	Not supported
H_{11}	The relationship between organizational culture and public sector organizational performance is moderated by performance audit	Not supported

6.8 Summary of the Chapter

Under this chapter, the summary of the findings of this study is presented. The chapter delves into details of the response rate analysis. Subsequently, the data screening techniques and procedure were examined. Specifically, the procedure for replacing missing data was explained and the assessment of outliers in the study was elaborated. Equally still, the normality test was examined and thoroughly explained. Other preliminary test like common method bias, non-response bias were equally done.

Furthermore, some of the underlying assumptions for conducting regression analysis were observed. For instance, multicollinearity, homoscedasticity, correlation analysis were conducted and adequately explained. Again, the demographic profile of the respondents was explained in relation to the type of the organization, geo-political zone, position, experience, age and gender. Likewise, in order to verify the validity and the goodness of the instruments, factor analysis was conducted, thus few items were deleted.

Finally, hypotheses were tested after computing the linear regression analysis and hierarchical regression analysis. Overall, the findings of this study were attention-grabbing, because they indicated a number of stimulating relationship among the variables. The next chapter throws more light on the findings as well as their managerial, theoretical and methodological implications. In addition, discussion and recommendations for further studies were proposed in the context of the performance management studies in the developing and developed countries public sector.

CHAPTER SEVEN

DISCUSSIONS AND CONCLUSION

7.1 Introduction

This chapter tends to summarize the study findings, discuss and highlight the major contributions of the study to the policy, the existing body of literature and methodology. The chapter also highlights the future course of direction which might assist in encouraging public sector organizations in Nigeria and other developing countries to build and strengthen a sound performance management system for achieving improved public sector organizational performance. The chapter also discussed the limitations of the study and above all, suggests the likely future research avenues/gaps based on the observed study limitations. Conclusively, the chapter draws curtain by highlighting the concluding remarks.

7.2 Recapitulation of the Study

The present study was conducted to examine the relationship between performance management elements and public sector organizational performance with the moderating effect of the performance audit. Originally, what informed and necessitated this study is a typical public sector problem that cut across different countries and organizations, and which clearly manifests in the Nigerian public sector. Specifically, it is observed that, the problem of the public sector at the state governments' level in Nigeria is poor organizational performance which revolves around 3Es. Incidentally, the 3Es are indispensably connected with the performance management elements being used generally within the Nigerian public sector. Equally, available indices and statistics have shown that, the Nigerian public sector performance is quite dismal and not robust (UNDP, 2014; World

Bank, 2013). Therefore, investigating this problem empirically is a foremost demand significantly needed at the policy level as well as in the extant research literatures. This study utilized the quantitative approach, specifically, survey method by using structured questionnaire (adapted from the previous studies) was employed. A total of 551 questionnaires were distributed to the public sector ministries, departments and agencies (MDAs) in Nigeria. 328 completed questionnaires were returned by the respondents. 322 questionnaires were retained for further analysis. This implies that, a total number of 6 questionnaires were considered not suitable, because they were filled haphazardly, therefore, they were excluded/rejected from further analysis. Besides, 11 research hypotheses were formulated for testing in this study. Linear regression analysis and hierarchical regression analysis were employed in analyzing the collated data. However, the findings of the study supported seven hypotheses, while the other four hypotheses were not supported, therefore they were rejected.

Overall, this study has apparently succeeded in improving the basic understanding of the significant elements of the performance management and their influence on the public sector organizations' efficiency and effectiveness. Explicitly, the 3Es and its affinity with the NPM have gotten a careful consideration within the Nigerian public sector context. The next sections discussed the study's findings in detail.

7.3 Discussion

The discussion section focused basically on the study's research questions which were clearly stated in the chapter one of this dissertation. The research questions used in the study are as follows:

1. Does goal orientation influence the organizational performance at the state governments' level in Nigeria?
2. Does performance measurement influence the organizational performance at the state governments' level in Nigeria?
3. Does performance reporting influence the organizational performance at the state governments' level in Nigeria?
4. Does accountability influence the organizational performance at the state governments' level in Nigeria?
5. Does organizational culture influence the organizational performance at the state governments' level in Nigeria?
6. Does performance audit influence the organizational performance at the state governments' level in Nigeria?
7. Does performance audit moderates the relationship between the performance management elements and the organizational performance at the state governments' level in Nigeria?

7.3.1 Influence of Goal Orientation on the Organizational Performance

The first research question of this study which is in line with the first research objective tend to examine whether goal orientation influences organizational performance. Consistent with the aforementioned research question and research objective, a hypothesis was formulated and tested. The result of the linear regression analysis provides that, the hypothesis is supported. This implies that, the result of the analysis strongly shows a significant and positive relationship between goal orientation and organizational performance as shown in Table 6.17 of the previous chapter. The result indicates that, giving priority to the goals that are progressively challenging but not unnecessarily overwhelming in a public sector entity improves organizational performance. In other words, 3Es are strongly determined by the level of goal orientation in the public sector service delivery. Therefore, to emerge as performing institution in the public sector, emphasis should be given to the institutions' specific goal orientation. Hence, such goals are often evaluated, reviewed and aligned to the agency's overall objectives. Therefore, in the public sector performance management, it is fundamentally observed that, commitment to institutional goals leads to persistence, increased focus and performance. As such, organizations that are goal-oriented are capable of enhancing their productivity and achieving good organizational performance.

Specifically, this result is consistent with the study of Latham, Borgogni and Petitta (2008); Kagaari, *et al*. (2010); Chun and Rainey (2005); Moynihan and Pandey (2010); VandeWalle *et al*. (1999); Radosevich *et al*. (2007) where the positive and significant results between goal orientation, goal clarity and/or goal setting on one hand and performance on other hand were found to be existent. Although, not all the cited studies were purely on the public sector, but the findings share similar content with this study.

Explicitly, Ferreira and Otley (2009) strongly averred that, broad goal orientation outlines the overriding purpose of the organization, it is also a clear manifestation of the organization's directions towards achieving performance (p. 268). Equally further, Ferreira and Otley (2009) argue that, goal orientation is a basic rudiment of the NPM that supports 3Es. Therefore, the association between the goal orientation as a performance management element, the NPM and the 3Es has been adequately proven in the extant literature. Notwithstanding, goal orientation has been a key feature in almost all the management control models and performance management models (see; Berry *et al*., 2009; Otley, 1999; Otley, 2001; Otley, 2003; Ferreira & Otley, 2009; Simon, 1995), therefore, this underscores the essential role of goal orientation in assessing the organizational performance or 3Es. Furthermore, goal orientation features prominently in the public sector performance management literature. This exemplifies its fundamental role in determining the level of organizational performance in the public sector agencies. Therefore, the ability to specifically identify the goals and align them with capabilities leads to improved 3Es. Hence, for MDAs in Nigeria to achieve robust 3Es, straight, specific and unambiguous goal orientation need to take a pre-eminent place in the scheme of things. This implies that, the public sector organizations at the state governments' level in Nigeria should attach adequate premium on goal orientation, so that, their 3Es would get the needed boost which by extension would strengthen the NPM initiative in Nigeria generally.

Overall, it can be inferred that, from the result of this study, government institutions must embrace, institutionalize and strengthen goal orientation as a precursor for elaborate organizational performance. This view is corroborated by extant literature. Specifically, Chun and Rainey (2005) noted that, public sector should get fit-right goals in place when drawing strategic blueprint, this would hopefully bring innovative ways of driving organizational capabilities towards achieving desired outcome (3Es).

Moreover, the result of the relationship between goal orientation and organizational performance in this study has unarguably buttressed the point significantly raised by the institutional theory through DiMaggio and Powell (1983), where it is noted that, the model of isomorphic change which entails the process of institutionalization entirely depends on the organizational goal drive of a particular institution. This implies that, identifying goals and developing a robust goal orientation drive to accomplish the objectives especially in the public sector is invariably explaining the careful response to the coercive, normative and mimetic pressure as bandied around by the institutional theory (Frumkin & Galaskiewicz, 2004).

The result of this study had also been supported by the agency theory by conceding to the notion that, goal orientation is the basic undercurrent of the agency theory (Wright, Mukherji & Kroll, 2001). This implies that, purposeful actions aimed at instilling rational and logical choices are driven by conscious efforts to marry goals and performance (Shapiro, 2005). Therefore, the strong aversion to agency conflicts and self-interest as encapsulated by the agency theory could best be curtailed by rallying around a common goal, hence, not specifically skewed to either principal or agent (Jensen, 1994; Shapiro, 2005; Wright *et al*., 2001). Thus, the complementary effort of both principal and agent will be squarely on the organizational performance or 3Es not on anyone's self-interest or individual risk preference (Agranoff, 2012; Bhati, 2015; Wessel, 2013). Finally, it is safe to mention that, the result has been proved, and strongly underpinned by the institutional theory and supported the assertion that, agency theory epitomized the influence of goal orientation on the organizational performance.

Conclusively, the influence of goal orientation on organizational performance has been empirically and theoretically proven to be a foremost arrangement within the performance management system in Nigeria. Therefore, the place of the goal orientation in the NPM has been re-echoed once again. This implies that, goal orientation as a significant determinant of 3Es has been guaranteed.

7.3.2 Influence of Performance Measurement on Organizational Performance

The findings of this study has brought a convincing answer to the study's second research question. This implies that, the second research objective is equally achieved. For instance, the findings of this study revealed that, significant positive relationship exists between the performance measurement and organizational performance as shown in Table 6.18 in the previous chapter. The findings of this study is in line with the numerous other past findings of various studies in both public sector and otherwise. Specifically, Davis and Albright (2004); De Geuser, Mooraj, and Oyon (2009); Evans (2004); Koufteros, Verghese and Lucianetti (2014); Lillis and Widener (2010); Otheitis and Kunc (2015); Poister, Pasha and Edwards (2013); Scott and Tiessen (1999); Spekle and Vebeeten (2014); Tapinos, Dyson and Meadows (2005); VandeWalle et al (2006); Verbeeten (2008); Verbeeten and Spekle (2015); found that, performance measurement significantly and positively relates with performance. In addition, many other studies conceptually postulated that, performance measurement improves organizational performance (Bititci *et al*., 2012; Bourne *et al*., 2014; Grigoroudis *et al*., 2012; Jan Van Helden, 2008). Conversely, the results of this study apparently contradicts the findings of some other studies which found that, performance measurement signifies a negative relationship with organizational performance (Bruijn, 2002; Adcroft & Willis, 2005; Cavalluzzo & Ittner, 2004; Braam & Nijssen, 2004; Ittner, Larcker & Randall, 2003).

As rightly pointed out above, performance measurement is a strong pillar in the public sector performance management arrangement that engenders and drives organizational capabilities to achieve good outcomes (Verbeeten, 2014). It is also seen as a critical element in translating the organizational mission into reality (Koufterous *et al*., 2014). In sum, it can safely be inferred from the result of this study that, in order to achieve sound 3Es, growth, productivity, good managerial accounting practice and embrace innovation, MDAs in Nigeria should fully and adequately strengthen their performance measurement system in all matters concerning public service delivery. Indeed, as globalization gets more intensified, expectations on government gets more sophisticated, therefore, only vibrant public sector anchored around good accounting practice would keep the pace in turning things around positively, by embracing new global orders like performance measurement. Therefore, the adequate benefit of the system would be seen to have been reaped through good balance of 3Es.

In addition, performance measurement, if strictly observed in MDAs, will provide a rational basis for identifying key areas that requires prompt government attention and improvement (Neely, 1999; Neely, Gregory & Platts, 2005). Although, performance measurement is observed in quite significant majority of Nigeria's MDAs, some public agencies may have failed to expand the existing capacity of their performance measurement to support faster decisions and control processes. This area is quite useful because it reinforces organizations and provide rational basis for benchmarking within the public sector domain. Equally still, broad improvement in the government activities will be recorded (Davis & Albright, 2004).

For instance, the NPM concept unambiguously reiterated that, performance measurement is a principal pillar of the performance management (Hood & Peters, 2004). Therefore, in order to define the input, output, process and outcomes in terms of 3Es, then, a good system of performance measurement should be institutionalized (Peters & Bouckaert, 2004). From this perspective equally, the NPM philosophy strongly connotes that, performance measurement improves 3Es (Poister *et al*., 2013; Peters & Bouckaert, 2004). Incidentally, this study has empirically proven that, performance measurement is a good determinant of the organizational performance. Explicitly, the persistent and continual pressure from the stakeholders to ensure that, NPM take a firm root in Nigeria and beyond has been formally seen to have a positive focus.

The positive relationship between performance measurement and public sector organizational performance is quite buttressed by the institutional theory. Specifically, it is observed that, the interface between performance measurement and corporate performance is motivated by the stakeholders' excessive pressure known as "Isomorphism" (Brignall & Modell, 2000). The coercive, normative and mimetic pressure exerted by the stakeholders and other legitimate quarters systematically enables more understanding of the performance measurement by the affected public sector institutions (Meyer & Scott, 1983; Modell, 2001; Modell, 2009; Politt, 1986; Powell, 1991;). Hence, this is further translated into rational approach that will enhance organizational performance or 3Es (Brignall & Modell, 2000; Dubey, Gunasekaran & Ali, 2015; Politt, 1986; Modell, 2001). By this simple approach, institutional theory seems to strongly underpin the role of performance measurement in improving organizational performance in public sector in Nigeria and beyond.

From the perspective of the agency theory, it is observed that, the essential expectation of the agency theory is to ensure that goals are adequately streamlined to achieve only broader public interest at the expense of the excessive individual managers' narrow interest (DiMaggio & Powell, 1983; Frumkin & Galaskiewicz, 2004). On this score, performance measurement in the public sector as explained in the NPM philosophy gauge every effort in the organizational activities to ensure that, agency cost/loss is minimized thereby 3Es would get to be boosted (Goh, 2012). Equally, performance measurement guarantee that, only activities that genuinely and adequately serve the public goal would be targeted so that 3Es would be greatly promoted (Evans, 2004; Goh, 2012). Therefore, the positive relationship between performance measurement and organizational performance in this study is amply supported by the agency theory.

In conclusion, the outcome of this study has proved true to the popular expectation by indicating that, performance measurement positively and significantly influences organizational performance. This implies that, this study has justified beyond the realm of anecdotes that, performance measurement secures an important position in the public sector performance management and NPM by extension. Despite the limited capacity, the Nigerian public sector is readily responding in practical terms to the NPM philosophy, although challenges are quite obvious.

7.3.3 Influence of Performance Reporting on the Organizational Performance

The third research question tends to establish the extent of the relationship between the performance reporting and organizational performance in the public sector. Ideally, the deployment of functional performance reporting system that guarantees informed employees and other stakeholders within the public sector organization will definitely bring about improved organizational performance. In other words, when a public agency attach great importance on reporting activities to its critical stakeholders, then 3Es will be impressively promoted. Even Otley (2012); Ferreira and Otley (2009); Otley (2001) have strongly asserted in their proposed models that, utilization of adequate mechanisms of performance reporting brings improved performance. Following this and the extensive review of the literature, this study examined the relationship between the performance reporting and organizational performance. From the findings of this study, it is observed that, performance reporting maintain a significant and positive relationship with organizational performance as indicated in Table 6.19 under the previous chapter. Overall, the findings of this study is in line with some past studies notably Behn (2002); Boyne (2010); Connolly and Hyndman (2004); Lee (2008); Mimba *et al*. (2013); Moynihan *et al*. (2012); Moynihan and Pandey (2005); Moynihan and Pandey (2010); Waal (2010). Specifically, in the aforementioned studies, the performance reporting is found to be a vital performance management element that positively influences organizational performance.

In addition, the findings of this study has highlighted and confirmed the NPM philosophy that declared that, performance reporting is a powerful institutional mechanism that hold a strong promise of engendering efficiency and effectiveness. For example, the NPM notion of public sector reforms emphasized that, performance reporting advocates for giving critical stakeholders chance for scrutiny of operations of public organizations (Atkinson & McCrindell, 1997; Taylor, 2011). Relying on this submission, it is noted that, provision of easy-to-understand reporting add flavor and amply promotes 3Es (Behn, 2002; Flynn, 1996; Moynihan & Pandey, 2005). Yet still, Taylor (2014) argue that, when stakeholders cannot acquire information in a timely manner, then 3Es will be sacrificed, and the original aim of the performance management system will be vitiated. Equally, Ferreira and Otley (2009) note that, performance reporting offers a broadened capacity in championing the course of efficiency, effectiveness and economy. Incidentally, the heightened concern of the public managers on the performance reporting is always associated with the ability of the public agencies to attain 3Es (Behn, 2002; Lee, 2008; Taylor, 2011). Therefore, the findings of this study has assuredly confirmed the above assertions and mirror similar development in the Nigerian public sector.

Moreover, performance reporting has taken a center stage in the Nigerian public sector. This fact is in accordance with the central notion of the NPM which indicated that, one of the essential goals of the performance management system is to build a resourceful performance reporting and other management accounting procedures (Hood, 1995; Ittner & Larcker, 2001). Although, it may be observed that, some impediments may be identified in some public organizations covered by this study, however, the result of this study indicates a relatively little or no evidence to that effect. This implies that, impediment (if any) are less likely to alter the findings of this study. Thus, consistent with the assertion of Ayers *et al*. (2014) that, mandated reporting of result-oriented performance can altogether enhance the level of efficiency, effectiveness and economy. The overall meaning of this relationship is that, when public sector organizations at the state governments' level in Nigeria improve their reporting procedure, then their performance will adequately increase. Equally, reporting to the stakeholder leads to increased control and articulated conduct within the organization.

However, in distinction, the findings of this study is contrary with the conclusion of Adcroft and Willis (2005); Hyndman and Anderson (1995); Radnor and McGuire (2003); Politt (2006); where they strongly claimed that, performance reporting could likely inhibit efficiency and efficiency especially in a new or different environmental milieu. Interestingly, it is also asserted that, discussing the performance management elements without careful analysis of the context within which the system is evaluated may be meaningless (Adcroft & Willis, 2005). This implies that, performance management is quite responsive to the specific public sector environment. For instance, discussing specific issues in performance management are contingent upon the wider historical and environmental context of the affected organizations (Christensen & Yoshimi, 2003; Lee, 2008; Otley, 2001).

However, the findings of this study has been underpinned by the institutional theory. It is noted that, public agencies always grapple with a heightened pressure and scrutiny from either the environment, other sister organizations or professional groups requiring them to operate and carry out their activities in a particular manner (Zucker, 1987). These pressures are both constructive and instrumental, and poses a heavy burden on the public agencies concern to respond in a particular manner by reporting (Berry *et al*., 2009; Modell, 2001). Performance reporting as a performance management element is a by-product of the coercive, normative and mimetic isomorphic pressure. The general consensus among the NPM experts is that, performance management has taken a firm root in public organizations due to coercive, normative and mimetic pressure, chiefly because, public stakeholders relentless demand for information on governance and utilization of public resources is what gives added boost to the performance reporting trajectory (Moynihan & Pandey, 2010). This is principally and practically because performance management system by extension improves organizational performance or 3Es. This implies that, the positive and significant relationship between performance reporting and organizational performance in this study is being reinforced by the institutional theory.

Similarly, this relationship is being supported by the agency theory. Generally, performance reporting in the public sector produce a robust and rational information dissemination procedure. This implies that, public agencies operates on a deliberately designed system that guarantees informed stakeholders (Gailmard, 2012). Therefore, when information is adequately disseminated in an organization, then, the tendency of agency gap (which give rise to agency conflict) will be significantly minimized. Thus, when agency gap is minimized, the overall goal of the organization will be pursued with no deviation in favor of agent's personal interest thereby the efficiency, effectiveness and economy will inevitably be promoted.

In conclusion, the result of the relationship between performance reporting and organizational performance is not entirely surprising, as information dissemination is a key component of the organizational control and survival across the world. Therefore, the situation in the Nigerian public sector is not an exception.

7.3.4 Influence of Accountability on Organizational Performance

The fourth research question of the study examine whether accountability poses significant positive influence on the organizational performance in the public sector. The aim of the question is to assess whether accountability can be a good predictor towards public sector organizational performance. The findings of this study revealed that, there is significant positive relationship between the accountability and organizational performance as shown in Table 6.20 of the previous chapter. The result is not surprising because accountability is a key determinant of better and concrete outcomes in organizations (Behn, 2003; Bovens, 2006).

Specifically, the findings of this study is consistent with the results of the past studies and past theoretical postulations conducted by Dubnick (2005); Dubnick and Frederickson (2011) and Waal (2010). Furthermore, the result is not entirely surprising, because the key drivers of successful performance management system are contingent upon positive accountability in the public sector.

In contrast, Christensen and Laegreid (2015); Kim and Lee (2009) and Ossege (2012) studies are quite contrary to the findings of this study. The reason is not far-fetched or difficult to accept because, a number of studies have arguably concluded that, accountability does not necessarily enhance performance and positive outcomes (Behn, 2001; Willems & Van Dooren, 2011).

However, Bovens (2007), and Bovens (2010) strongly conceptualized that, accountability is a golden concept that is fundamentally anticipated to provide effectiveness in the organizations. This implies that, accountability in the public sector support 3Es. Thus, the evocative powers of accountability in improving public sector organizational performance has been a proven arrangement in the extant literature and in practice. Ordinarily in Nigeria, it is common for stakeholders to demand for accountability, thus, the usual rhetoric of accountability deficit in the public sector MDAs will be addressed. Therefore by emphasizing on accountability, a strong signal is sent that, enhancing public sector organizational performance as well as accountability helps in stimulating the entire system to turnaround and provides positive outcomes (Akinbuli, 2013; Ijeoma, 2014).

The findings of this study is quite timely, because accountability has been a strong element of the performance management that generated most interest in Nigeria (Abubakar *et al.*, 2016). Therefore, the findings of this study seems to strongly suggest that, public sector organizations whom perceived accountability as a necessary institutional element are more likely to exhibit improved efficiency and effectiveness.

Specifically, this result implies that, accountability is appropriately observed in the public organizations in Nigeria. Accountability is seen as a positive quality that focusses on the assessment of the capacity and behaviours of public agencies. It is worthy to note that, this study rigorously established that, added emphasis on accountability is generally construed to pointedly indicate enhanced level of 3Es in an organization. Simply put, the higher the accountability the higher will be the organizational performance and vice-versa. Ultimately, accountability in Nigeria is a salient mechanisms that assures good performance.

Moreover, the institutional theory has corroborated the point further by asserting that, the anchor-point of accountability is to achieve institutional legitimacy through the new management practices (Brignall & Modell, 2000). This implies that, legitimacy seems to be in place only when accountability is guaranteed. Explicitly again, the need for accountability in the public organizations is at the background of the NPM paradigm shift. The NPM philosophy is the ultimate response to the coercive, normative and mimetic pressure that accumulated to improve the operations of public sector (Scott, 1987). Therefore, the positive relationship between accountability and organizational performance has confirmed the proposition of the institutional theory.

To illustrate this point further, agency theory specifically maintains that, the relationship between stakeholders in the public sector organizations is underscored by strong accountability obligation (Andrews *et al*., 2012; Gailmard, 2012). This implies that, accountability mechanisms is always at the heart of the agency theory (Schillemans, 2015). Therefore, the idea that effective accountability is pre-requisite for effective performance is quite fundamental in the elementary suggestion of the agency theory (Pepper & Gore, 2015; Schillemans & Busuioc, 2015). Specifically, the result of this study that found that, positive relationship exists between accountability and organizational performance is obviously supported by the popular notions of the agency theory as highlighted above. This indicated that, the effect of accountability on organizational performance presupposes the very essence of the agency theory (Schillemans, 2015; Schillemans & Busuioc, 2015; Tao, 2012).

Conclusively, to sum it up, if public sector organization is committed towards engendering sound accountability, then, it is more likely to witness rapid changes and improvement in its core mandate of service delivery (particularly 3Es) in Nigeria and elsewhere.

7.3.5 Influence of Organizational Culture on Organizational Performance

The findings of this study has answered the fifth research question. Interestingly, the fifth of objective of the study has been equally achieved. Specifically, the result of the linear regression analysis revealed that, significant positive relationship exists between organizational culture and organizational performance as shown in Table 6.21 of the previous chapter. The findings of this study is in line with the previous findings of other studies conducted both in the public sector and other sectors (Abubakar *et al*., 2016; Aluko, 2003; Brewer & Selden, 2000; Campbell, 2015; Carmeli & Tishler, 2004; Ehtesham, Tahir & Shakil, 2011; Garnett *et al*., 2008; Lee & Yu, 2004; Pandey, 2014; Shahzad, Luqman, Khan & Shabbir, 2012).

To illustrate further, the concept of performance management has specifically identified organizational culture as a fundamental element or factor that brings improved organizational performance (Moynihan & Pandey, 2005). Therefore, the findings of this study is not surprising given the outcome of the previous studies on the key elements of the performance management and their impact on organizational performance. For instance, culture weigh heavily because organizational cultural norms and expectations determines how well such institution could fare (Campbell, 2015; Shahzad *et al*., 2012). Hence, in shaping the direction of performance and service delivery thrust of the MDAs in Nigeria, culture offered a clear and requisite guide on the way to go.

Organizational culture in the public sector is a significant concept and useful component that connotes belief and norms as well as their reflection in the way the public agencies operates. Specifically, the descriptive statistics output indicated that, the mean score of organizational culture shows a moderate perception of its existence in the Nigerian public sector. Thus, the mean score range of 3.72-3.23 is a testimony of its elaborate existence within the public sphere. For example, Garnett *et al*. (2008) stressed that, norms in the organizations are almost invisible, but if an organization is aimed at improving performance, the norms or culture is the first thing to look at. Therefore, MDAs in Nigeria should try to fully understand and answer the tricky question of good organizational culture. For instance, this study has given an added window of opportunity to the policy makers in Nigeria and beyond that, organizational culture is an important issue that no public manager should attempt to ignore because of its significance. To illustrate this point further, it is observed that, many fraud and scandals uncovered in the Nigerian public sector are attributed to weak organizational culture (Abubakar *et al*., 2015; Aluko, 2003). Therefore, if the cultural belief system of the Nigerian public agencies is strong and on a solid footing, the 3Es would inevitably be promoted and the public service delivery will be guaranteed. This assertion is consistent with the opinion of Brewer and Selden (2000), where it is noted that, "cohesive culture determines the appropriateness of the organizational activities and contributes significantly to its performance drive" (p. 703). Yet still, the ensuing discussion in the circle of public experts in Nigeria is that, the unanimous recommended cure for corruption and carefree attitudes in the public sector is to evolve good organizational culture (Brinkerhoff & Brinkerhoff, 2015). Therefore, the findings of this study has added a new empirical proof to that long-held assertion by establishing positive and significant relationship between organizational culture and organizational performance.

Moreover, the NPM concept has also been proven right by this study. For example, the NPM philosophy advocates for and recognized the importance of culture on 3Es. Specifically, Otley (2003); Hood and Peters (2004) stressed that, culture is a component of performance management that improve 3Es.

However, the significant positive relationship between organizational culture and organizational performance is strongly underpinned by the institutional theory. It is noted in the core postulations of the institutional theory that, the process of institutionalization which is the adaptive process of instilling characteristics and cultures, is deemed effective only if it reinforces rational performance in an organization (Oliver, 1997; Selznick, 2011). Institutionalization on the other hand is one of the cardinal features of the institutional theory that is assumed through isomorphic change process of coercive, normative and mimetic pressure (Selznick, 2011). Equally still, institutional theory asserted that, cultural norms in an organization hinges upon process of adaptation to enable it realize effective performance principally through coercive, normative and mimetic isomorphic pressures (Dacin *et al*., 2002; Oliver, 1997). Therefore, good organizational culture in public organizations originally emanates from the legitimate pressure from other organizations, professional values or through mimicking. This implies that, the three isomorphic forces mentioned above influences the adaptation of good organizational cultures in public organizations and agencies.

With regards to the agency theory, it is noted that, when goals of major stakeholders in the public sector are streamlined and reconciled, the agency cost and conflict arising from the differing goals will be eliminated. In the same vein, the process will become part of the organization in the long run, hence, it consequently becomes part of the organizational culture which most likely improves 3Es.

In conclusion, it is professed on the basis of the findings of this study that, organizational culture facilitates organizational performance. Therefore, public sector organizations in Nigeria should be adaptive and strengthen good cultures for achieving improved organizational performance. Therefore, if this is observed, the non-challant attitude of some MDAs will be deconstructed and certain deteriorating conditions will be got rid of. Overall, the performance management system will be genuinely enhanced in Nigerian public sector.

7.3.6 Influence of Performance Audit on Organizational Performance

The sixth research question of the study evaluates whether performance audit presents a significant influence on the organizational performance. In other words, the aim of the question is to assess whether performance audit is a good predictor of the organizational performance. The findings of this study shows that, there is significant and positive relationship between performance audit and organizational performance (see Table 6.22). The result seems expected and logical because, a number of studies have underscored the significance of the performance audit in relation to the public sector efficiency, effectiveness and economy (Aminian & Sabet, 2012; Kells & Hodge, 2009; Newberry, 2015; Reichborn-Kjennerud, 2013).

Explicitly, the result of this relationship as presented in Table 6.22 has undeniably confirmed the findings of a number of past studies in the public sector and otherwise. Specifically, Barzelay (1996) demonstrated that, performance audit has a strong relationship and affinity with organizational performance. Equally, Bringselius (2008); English (2007); Gendron *et al*. (2007) found a closely related outcomes in their studies by indicating that, performance audit is a significant variable that positively affects the efficiency and effectiveness of organizations.

In Nigerian context, this study has proven the impact of this rather new form of audit (performance audit) in an organized public sector. Therefore, the findings of this study implies that, the government ministries, departments and agencies are significantly assessed not only on their capacity to render accurate accounts of their financial dealings and to raise and spend money in accordance with the extant laws and regulations, but also to evidently demonstrate that, achievement of objectives are accomplished with greater stress on efficiency, effectiveness and economy. Furthermore, this finding has once again regenerated and reinvented the long-standing public policy debate in Nigeria with regards to the fitness of the performance audit within the Nigerian public sector spheres as well as its consequences on resources management. For example, it is established in this study that there is low practice of performance audit in the public sector. This fact could be driven from the descriptive mean of the performance audit as a variable under review in this study. For instance, Table 6.16 clearly shows the lowest descriptive mean of the performance audit hovering around 2.76 and standard deviation of 0.54. Explicitly, this descriptive output is a pointer of low performance audit practice at the state governments' level in Nigeria. Thus, the study has reiterated that, performance audit is quite a worthy mechanism in the public sector that necessitated the prudent management of resources which otherwise improve organizational performance.

Explicitly, the significant and positive relationship between performance audit and organizational performance suggests that, performance audit as a distinctive class of audit offers a workable solution against fiscal stress and inferior performance, thus, the question of utilizing the modalities of performance audit to achieve enhanced efficiency, effectiveness and economy is sealed and guaranteed at least in the Nigerian context (Al Athmay, 2008; Davis, 1990; Newberry, 2015).

On this score again, scholars across international boundaries have raised and shared similar concern that, growing size of public sector world over brings about fiscal stress, inefficient and ineffective methods of provision of public service (Mathew & Patrick, 2013; Pollitt, 1993; Pollitt *et al*., 1999). Therefore, this raised a fundamental question on the adequate suitability of the traditional method of public management, thus, NPM paradigm emerged in response to this rather inadequate system (Al Athmay, 2008; Mathew & Patrick, 2013). Specifically, NPM ensures that, inefficient and ineffective functions of government entities are reassessed and improved through performance audit (Al Athmay, 2008; Mathew & Patrick, 2013). Consequently, the result of this study implies that, auditing in the Nigerian public sector is not only restricted to enforcing compliance in terms of procedural rules, but also involves ensuring that, adequate accomplishment with regards to efficiency, effectiveness and economy are secured in accordance with the NPM paradigm shift.

Furthermore, the result of this study had been inspired by the philosophy of institutional theory. For instance, Modell (2006) stressed that, the discernible focus of the performance audit on the public sector efficiency, effectiveness and economy is a testament of the isomorphic forces of coercive, normative and mimetic pressures. This is because, performance audit is an offshoot of stakeholders demand on the public agencies to ensure good and efficient performance not only in Nigeria but world over as the result of NPM. Therefore, examining the presence of these forces in the Nigerian public sector and the extent to which these isomorphic forces explain the convergence of practices and institutionalized behavior towards organizational performance is a legitimate evidence of the link between performance audit and 3Es or organizational performance.

Equally, the positive and significant relationship between performance audit and organizational performance in this study has shown that, the values and viewpoint of the agency theory are supported. This is because it is believe that, both performance audit and other public sector evaluation mechanisms are strong apparatus of control to ensure that, public goals are observed and upheld appropriately, thus, agency cost would be greatly minimized (Eisenhardt, 1989; Eze & Ibrahim, 2015).

In conclusion, it is noted that, public sector organizations at the state governments' level in Nigeria should institutionalize and significantly strengthen the existing performance audit practice in their domain so as to achieve sustainability in terms of 3Es. Thus, the provision of good public service delivery would be assured.

7.3.7 The Moderating Effect of the Performance Audit on the Relationship between Performance Management Elements and Organizational Performance

Specifically, this section discusses about the effect of moderation on the relationship between the dependent variable and independent variables. As explained earlier, the effect of moderation is establish by examining the significance of the interaction terms created (which is the product of IVs and moderator) on the dependent variable. Therefore, the effect of the interaction terms between the independent variables (performance management elements) and the moderating variable (performance audit) were duly examined against the dependent variable (organizational performance) to test, examine and ascertain the moderating effects. The result of the analysis as revealed in Table 6.24 shows that, performance audit moderates only the relationship between performance reporting and organizational performance. This is because the interaction effect of performance audit and performance reporting as against the organizational performance was found to be significant. In other words, the moderating effect of the performance audit on the relationship between performance reporting and organizational performance shows 0.047 significance (P value) which is obviously below 0.05 level of significance at which the study was originally conducted.

However, the result of the moderation effect (as indicated in Table 6.24 of the previous chapter) shows that, performance audit failed to moderate the relationship between goal orientation and organizational performance, performance measurement and organizational performance, accountability and organizational performance, as well as organizational culture and organizational performance. This implies that, the interaction effect between goal orientations, performance measurement, accountability and organizational culture on one hand and performance audit on the other hand as against organizational performance were not found to be significant. Specifically, the result shows the significance (P value) of the interaction effect of performance audit and goal orientation as 0.657; performance audit and performance measurement as 0.637; performance audit and accountability as 0.239; performance audit and organizational culture as 0.238. Obviously, these figures exceeded by far the 0.05 (5%) level of significance at which the study was originally conducted.

The result explains that, if public sector organizations vigorously and aggressively strengthen the performance audit, they may not benefit greatly from it in terms of organizational performance. Thus, if public sector organizations invested huge time and resources in the conduct and approach of performance audit, the key performance management elements like performance measurement, goal orientation, accountability and organizational culture might not necessarily fetch the expected and commensurate positive outcomes in terms of general organizational performance. For example, in Nigerian context, the conduct of the performance audit is not popularly and routinely examined by public agencies. The testimony of this assertion could be established from the descriptive statistics of the performance audit as a variable in this study. Generally, Table 6.16 implies that, performance audit shows a mean score of 2.76 and standard deviation of 0.54. Fundamentally, this points to a low practice of the performance audit exercise. Therefore, agencies in the public sector are encourage to redouble effort in examining the conduct of performance audit so that certain milestone may be achieved.

In specific terms, performance audit is a good pillar of the NPM initiative, but it does not always and necessarily brings quick solution to the issues of 3Es. In other words, the cost and benefit ratio may be much bigger for the activities (performance audit) which do not yield the immediate result. Specifically, the reason for the failure of the performance audit to moderate the relationship involving some performance management elements (or insignificant interaction effects) is not far-fetched because the effect of performance audit surrounding performance management is seldom impinge upon, which eventually create avenues for unsatisfactory outcome (Johnsen et al, 2001; Politt & Bouckaert, 2000). Consistent with this, Flynn (1996) argue that, performance audit usually over-extend itself to the areas of the public policy spheres where improvement of the skills of the audit approach itself is quite imperative. Therefore, there was general agreement that, performance management system offers a unique challenge across different public organizations. Hence, performance audit should continue to reflect new thinking and new approach in a new and evolving public milieu. Otherwise, the argument that, performance audit is a significant tool that positively encourage NPM philosophy and promote 3Es might lost its meaning and procedural impact (Flynn, 1996). Therefore, the overarching question of why performance audit moderates relationship involving some performance management elements and failed to moderate some other performance management elements is aptly highlighted by Flynn (1996).

However, some studies like Bovens (2007); Behn (2002) have strongly claims that, performance audit is committed to goal clarity, sound cultures, equity, accountability, fairness and performance measurement. Although, performance audit is the single most effective instrument that primarily strengthen the public sector performance management, it is sometimes harder to grasp its immediate action in different contextual environment (Justeen & Skaerbek, 2010; Reichborn-Kjennerud & Johnsen, 2011). Therefore, this might be the reason for immateriality or weak moderation effects of the performance audit on some key performance management elements in the context of Nigeria.

Another plausible reason for the insignificant interaction effects is that, the performance audit exercise in some MDAs in Nigeria is still evolving. This implies that, the mechanisms for its full operations may not necessarily be suitable for the expected and immediate outcome.

Arguably again, Behn (2001); Bememans-Videc, Lonsdale and Perin (2007) claims that, performance audit sometimes leads to defensiveness and excessive caution, which by implication discourages innovation and sometimes minimize performance. Equally still, Craig, Amernic and Tourish (2014) asserted that, sometimes strong audit culture leads to counter-productive outcomes. Hence, when considering new management reforms like NPM or contemplating new management assessment approach like performance management, excessive attention on the conduct of audit could diminish accountability, performance measurement and organizational culture (Behn, 2001; Bovens, 2007; Craig *et al*., 2014).

In Nigeria, few would probably dispute the fact that, excessive desire for accountability, good public sector culture and performance measurement have indeed nourish governments to equally desire for strict audit regime. Perhaps, the counter effects of performance audit on the performance management elements may be due to that reason. Therefore, sometimes excessive audit culture diminishes the performance management elements, thus, the moderation effects of the performance audit on some of the performance management elements appears grossly insignificant. This implies that, the audit-based performance management system becomes fairly counter-productive in worst case scenario. Overall, it is contended that, performance audit deploys power that sometimes eclipse reason (Craig *et al*., 2014), hence highlighting the positive, immediate and legitimate benefits of the performance management elements becomes completely elusive (Prowle, Kalar & Barrow, 2016).

With regards to the institutional theory, it is often emphasized that, firm and strong impact of the performance audit in a public organizations' environment is a proven evidence of the coercive, normative and mimetic isomorphic changes. For instance, Lapsley (2008) stressed that, audit explosion and new public management that jointly gave birth to the performance audit exercise are collectively a by-product of the coercive, normative and mimetic pressure. However, Meyer and Rowan (1977) also highlights that, the process of institutionalization of new methods, approaches and philosophy in an organization is always a gradual movement that brings changes only over a long period of time. Ultimately, in order to pursue a strategic framework of sustainable performance management system including elaborate performance audit, then, applicable operational routine are observed on a gradual process (Bryson *et al*., 2014). Therefore, this explains the reason for the selective moderating effect of the performance audit on some performance management elements, while demonstrating little or partial effect on other performance management elements. Yet still on this score, DiMaggio and Powell (1983) maintain that, the coercive, normative and mimetic pressure increases homogeneity within an organization only when the process of institutionalization of new methods and behaviours takes time to demonstrate practical effects on organization generally. Therefore, this implies that, the performance audit in the public sector need to evolve over a long period of time to display the expected holistic moderating role. Ultimately, drawing from this proof, it can be safely infer that, the moderating role of the performance audit on the relationship between performance reporting and organizational performance is underpinned by the institutional theory. Equally, the deficient or insignificant moderating effect of the performance audit on other performance management elements may be due to the steady and gradual evolution of the performance audit in some of the organizations under review as espoused by Bryson *et al*. (2014); DiMaggio and Powell (1983); Meyer and Rowan (1977).

Agency theory on the other hand emphasized on the pursuance of a single and all-inclusive organizational goal so as to accomplish optimum result (Bhati, 2015). For instance, goals could be accomplished if the emphasis is placed on trust and strong monitoring mechanism like performance audit (Agranoff, 2012; Bhati, 2015). Therefore, the moderating effect of the performance audit on the relationship between performance reporting and organizational performance is in line with the pursuance of good control mechanisms to attain trust and singularity of goal as highlighted by the agency theory. Equally, the deficient or partial moderating effect of the performance audit on other performance management elements are obviously an unexpected exception to the theory's viewpoint. Hence, these relationships are supported by the agency theory.

In conclusion, the moderating role of the performance audit has been contextually assessed in the Nigerian public sector. The results of the hierarchical regression as indicated by Table 6.24 have been explained either. Similarly, the theoretical leanings of the relationship has also been elaborately grounded from the point of view of both institutional theory and agency theory. Thus, the literature and the theories are evaluated with regards to the performance audit practice in the Nigerian public sector.

7.4 Implications of the Study

In this study, many useful insights have been provided with regards to the relationship between performance management elements and the public sector organizational performance. This study is one of the pioneering research studies conducted in a developing country in an attempt to trace the effect of these elements in a truly established public sector settings. Indeed, the study attempts to push and expand the boundaries of the existing pool of literatures, because it investigated the moderating effect of the performance audit on the relationship between performance management elements and the organizational performance. Moreover, by integrating and combining the major elements of the performance management and the performance audit in the hypothesized framework, the present study can safely, confidently and fairly claim the accomplishment of significant and relevant contributions to the existing body of literature. Equally, contribution to the theory and methodology are also highlighted. Besides, the study also offers a pragmatic suggestions for the prompt consideration of the policy makers in the Nigerian public sector in particular, as well as other developing countries' public sector in general. The major contributions of the study are presented under the following sub-sections.

7.4.1 Theoretical Implications

In this study, the hypothesized framework was developed purely on the basis of the literature gaps identified in the course of the in-depth review, and ably underpinned by one theory and supported by another theory. Specifically, the hypothesized framework of this study had been strongly underpinned by the institutional theory (DiMaggio & Powell, 1983; Scott, 1987; Tolbert & Zucker, 1999) and ably supported by the agency theory (Andrews *et al*., 2012; Eisenhardt, 1989; Shapiro, 2005).

Nonetheless, the extensive review of the literature and the consideration of the relevant performance management studies (see Otley, 2003; Ferreira & Otley, 2009) greatly helps in incorporating various performance management elements into a simple and comprehensive framework for consideration in this study. Equally important, the study incorporated performance audit as the moderating mechanism in explaining much better, the influence of performance management elements on organizational performance. To illustrate this point further, this established relationship is investigated in a rapidly changing public sector setting like Nigeria, this is an interesting breakthrough in theory and practice indeed. Therefore, based on the empirical findings, this study has proposed several contributions to the existing body of knowledge, especially with regards to the GO, PM, PR, AC, OC, PA and organizational performance. This implies that, the scarce quantitative studies on the public sector performance management, especially in the developing countries, has been greatly boosted. Thus, this study is projected to set useful precedents in empirical research, by extending the boundaries of the literature on the public sector performance management especially in developing countries. This is because, the significant literature and empirical findings observed with regards to the NPM and performance management were carried out in the developed countries especially in New Zealand, Australia, UK and US (Ayers *et al*., 2014; Berman & Wang, 2000; Bourne *et al*., 2014; Boyne, 2010; Hoque & Moll, 2001). Only few studies considered some of the performance management elements in the developing countries (see Bakar *et al*., 2011; Brinkerhoff & Brinkerhoff, 2015; Ehtesham *et al*., 2011; Esu & Inyang, 2009). Equally, despite the elaborate performance audit mechanisms in some of these developing countries

(Nigeria inclusive), it is virtually observed that, no study take into cognizance its latent role in the public sector performance management.

Secondly, it is highlighted in this study that, past literatures linking organizational performance and performance management elements were scarce (Verbeeten, 2008; Cavalluzzo & Ittner, 2004; Dubnick, 2005; Kaagari *et al*., 2010; Spekle & Verbeeten, 2014). This implies that, various studies involving performance management practice and organizational performance were conducted in isolation not in collective terms. In other words, the performance management elements were considered individually not in combination. For example performance measurement and organizational performance (Verbeeten, 2008), goal orientation and organizational performance (Kaagari *et al*., 2010), accountability and organizational performance (Dubnick, 2005), organizational culture and organizational performance (Ehtesham *et al*., 2011). It is critically important to investigate the aggregate impact of these performance management elements because the moderating effect of the performance audit could be appropriately established if the combined effects of the performance management elements against the organizational performance are tested initially. Therefore, this study has plugged this gap by taking a holistic look at the combination of the key elements of the performance management. Equally still, conducting the study in the Nigerian context is a notable contribution to the literature and theory. Specifically, despite the long presence of the performance management system at the state governments' level in Nigeria, no study investigated the holistic functions of the system and how its elements affected the 3Es of the public organizations at that level. Therefore, being a worthy academic and policy exercise, this study has taken the challenge, so that, the theory and the literature would be enriched.

Thirdly, the present study that linked the performance management elements to the organizational performance with the moderating effect of the performance audit, has been a remarkable attempt in revealing the empirical insights of the importance of public sector performance audit, particularly how it benefitted the MDAs at the state governments' level in Nigeria. Because, audit has been the cornerstone of the current public sector literature on the new public management (NPM) as well as performance management (Behn, 2001; Craig *et al*., 2014). Thus, performance audit or value for money audit has been thoroughly considered in this study. This is notably a new contribution, because no study ever investigated the moderating effect of the performance audit in a truly established public organizations in Nigeria particularly and the developing countries as a whole.

Additionally, the results of this study demonstrated that, the relationship between the performance management elements and the organizational performance has been strengthened by both institutional theory and agency theory. The two theories have identified that, the organizations' intrinsic worth as symbolized by the performance management elements promotes stability, brings new cultures and ensure that, the adaptive characteristics reinforces corporate performance. Similarly, the study confirms the views of notable authors especially as relates to their contributions on these theories (see Berry *et al*., 2009; Bhati, 2015; Schillemans, 2015; Brignall & Modell, 2000; Katsikas *et al*., 2017; Oliver, 1997; Pepper & Gore, 2015; Selznick, 2011; Shapiro, 2005; Wright *et al*., 2001) whom strongly opined the relevance of both institutional theory and agency theory towards achieving superior performance in the organizations.

Moreover, it was revealed by the result of this study that, the integrative effect of the performance management elements is fundamentally important. Although, all the elements of the performance management considered in this study exhibited significant and positive results that does not necessarily stop other studies from being conducted. Thus, this study warrants the need for further studies to re-examine the relationship especially in different clime.

However, with regards to the implication of the study on the performance audit generally, it is observed that, originally performance audit has been strongly amplified by the NPM and the attendant audit explosion that comes with it (Al Athmay, 2008; Antipova, 2013). The emergence of the performance management system as a pillar of the NPM has rekindled the interest of the audit institutions in different countries to also offer a significant contribution to the public sector reforms (Antipova, 2013; Arnaboldi & Lapsley, 2008). It is specifically observed that, performance audit exercise is believe to be the auditors' contribution to the NPM (Arthur *et al*., 2012; Flynn, 1996). Nevertheless, many studies on the performance management and NPM tend to ignore the latent role of the performance audit (Lapsley, 2008; Reichborn-Kjennerud, 2013). Specifically, it is suggested that, every public sector reform process should take into cognizance, the role of the auditors due to the fact that, public sector auditors' assumed independence does not necessarily mean isolation in a well-designed public sector (Van thiel & Leeuw, 2002).

Despite this and many other procedural necessities, studies in the extant literature fails to significantly and satisfactorily measure the impact of the performance audit as part of the performance management system sufficiently. Therefore, this study stands out as one of the few studies that considered performance audit as a complementary part of the performance management system by empirically testing its moderating effect on the relationship between performance management elements and organizational performance.

This is a notable contribution to the concept of the performance audit in particular and auditing generally.

Equally, in Nigeria and many African countries, the major preoccupation of the performance audit practice is to examine the organizational functions and whether inputs are transformed into output in an optimal way especially with regards to costs (Bayraktar & Moreno-Dodson, 2015). Thus, evaluating the practical impact of the performance audit within the appropriate framework has not been a common academic exercise. Therefore, this study has extended the research boundaries in Nigeria and other developing countries by placing the performance audit concept to where it rightly belongs.

For example, in Nigeria, the significant percentage of the public sector executives believe that, NPM, performance management and performance audit are substantively a valuable goals that must be tirelessly pursued, if the much needed performance improvement is to be realized (Esu & Inyang, 2009; Eze & Ibrahim, 2015; Tanko *et al*., 2010). However, the conventional notions have set rather a skewed interest on the NPM and performance management thereby leaving the performance audit out of the equation or at the peripheral background. Therefore, this study has set an appreciated course or trend by bringing performance audit into the practical view in the Nigerian context. Logically, this exercise is quite a notable contribution to the performance audit concept and practice.

Consequent upon that, the study also has an implication on the management accounting generally. For instance, the general view is that, management accounting is a multidisciplinary subject that aligned together the rudiments of accounting, management and other related disciplines under a single banner (Hood, 1995; Kaplan & Norton, 1996; Kloot & Martin, 2000). Firstly, this study has contributed to the management accounting by highlighting issues on the performance management. Specifically, the elements of the performance management treated in this study were historically drawn from different disciplines that makes up management accounting. Equally, the concepts like performance measurement which is fundamentally central to the decision making role of managers, and which forms the critical aspect of the management accounting subject has been given a deep empirical attention in this study.

Of unique importance to the management accounting literature is that, the entire study is focused more on the non-financial performance of the public sector organizations at the state governments' level in Nigeria. Non-Financial performance report is always the exclusive preserve of the management accountant in an organization. Therefore, conducting a study that aims at understanding the non-financial performance in public sector notably from the 3Es perspective has been a significant contribution to the management accounting.

Interestingly again, the study has extensively distinguished between the qualitative and quantitative performance. Specifically, the quantitative performance heavily relies on the accounting ratio which is more of financial accounting or financial reporting, while qualitative performance relies majorly on 3Es and other likely parameters which are of management accounting background. Therefore, this sort of variation in a public sector setting in a developing country like Nigeria is an essential contribution to the management accounting literature.

7.4.2 Practical Implications

In addition to the theoretical contribution, the study also offers some practical contributions. Specifically, in Nigeria, it is observed that, there is generally a paucity of studies on the public sector performance management (Abubakar *et al*., 2016; Esu and Inyang, 2009; Ibietan, 2013; Onuorah & Appah, 2012). Not only that, studies on the performance management in the public sector in other developing countries is quite inadequate (Abdulkhalid, 2008; Arnaboldi *et al*., 2015; Blackman *et al*., 2012; Kagaari et al, 2010; Ruzita *et al*., 2012; Veladar *et al*., 2014). Hence, research studies on how performance management practice exerts influence on the organizational performance is quite needed in Nigeria especially considering the vital role of the public sector on the country's growth, development and future prospects (Abubakar *et al*., 2016; Esu & Inyang, 2009). Therefore, this study has brought vital contribution to the public sector studies in Nigeria specifically, and other developing countries in general.

Consequently, this study is essentially important to the governments and their agencies, specifically MDAs in both states and Federal levels, academic researchers, public sector accountants, public policy experts as well as the global institutions like UNDP, USAID in furthering their understanding on how performance management elements of this study influence organizational performance of the MDAs at the state governments level in particular and the country at a large. Of unique implication is that, the empirical evidence addressing the widely-held notion about the major issues surrounding the inefficient public sector has been fully realized and examined, and has been taken care of in this study. In other words, 3Es has been somewhat thoroughly examined. Specifically, it was often highlighted that, the problems of inefficient public sector in Nigeria comprises of incoherent goals (Soludo, 2013), lean performance measurement because of modernity and complexity of the system in Nigeria's context (Abubakar, Saidin & Ahmi, 2016), poor reporting system (Adeyemo & Salami, 2008), inadequate accountability (Akinbuli, 2012;

Ayobami, 2014) and poor organizational culture (Ajibolade & Akinniyi, 2013). These elements are fundamentally integrated together and examined with a view of investigating their influence on the overall public sector organizational performance at the state governments' level. Besides, Adeosun (2016) indicated that "in the Nigerian public sector at both lower and higher levels of governments, the waste, inefficiency and culture of non-performance have, like a financial cancer eaten away at our core institutions" (p. 59). Thus, using the findings of this study, both government MDAs, public managers and policy experts would be able to identify which of the performance management elements or combination thereof are more relevant to the overall organizational performance drive of the public sector at the state governments' level. Specifically, it is found that in this study that, in order to ensure efficient management of public resources, then performance management system must be strengthened across government MDAs at both state governments' level and Federal level.

In simpler terms, and as mentioned severally in this work, it is contended in the global environment that, competitive tendencies of different public sector initiatives like NPM are fast gaining ground in countries (Bititci *et al*., 2012; Hood, 1995; Moynihan, 2008), thus, it is worthy to note that, specific aspect of the performance management practice is not enough and is rather insufficient to support significant organizational performance (Moynihan *et al*., 2012; Sarrico *et al*., 2012). Therefore, generally in turbulent and uncertain environment like Nigeria, effective public sector organizational performance depends, to a large extent, on the ability of MDAs to integrate and reconfigure different performance management elements together for improved outcomes or for promotion of 3Es to be specific. In similar vein, experts' report has revealed that, public sector MDAs in Nigeria are critically in need of new breath of life, hence, public sector executuives need to immediately respond by strengthening and safeguarding the existing performance management regime in their various domains (UNDP, 2014; UNCT, 2012). This implies that, the findings of this study will be handy in that direction. Explicitly, by taking into cognizance the findings of this study, more broad and holistic approach will be adopted in ensuring superior organizational performance is achieved in the public sector institutions in Nigeria. Therefore, 3Es will get the needed boost in the Nigerian public sector, specifically at the state governments' level.

Specifically, goals of each public sector institution should be clearly stated, thus, the employees would adequately recognize its essential elements and thereby track and monitor their accomplishments (VandeWalle *et al*., 1999). The findings of this study provides further empirical evidence in this regard on how goal orientation leads to performance improvement. Again, the findings of this study lies at the center of the much-talked incoherence of goals of many MDAs at both the state and Federal levels in Nigeria, thus, the findings will be a vital tool in addressing the problem head-on.

Arguably also, the performance measurement is the effective antidote against discouraging performance in the public agencies (Tung *et al*., 2011; Verbeeten, 2008). Equally relevant is that, performance measurement provides avenue for public agencies future prospects or for promoting 3Es (Abubakar *et al*., 2016). Hence, the findings of this study would assist MDAs at both state and Federal levels in Nigeria in devising means for strengthening the performance measurement system. By so doing, the MDAs would engender the innovative ways of favourably competing with other globally-acknowledged public institutions in terms of efficiency, effectiveness and economy or more specifically in terms of good organizational performance.

More importantly, accountability has been an intricate issue in the Nigerian public sector (Onuorah & Appah, 2012; Okoh & Ohwoyibo, 2010). Accountability dominated public discourse for quite long in Nigeria (Okekeocha, 2013). Poor accountability has been a prime factor for non-performance of several public sector organizations in Nigeria (Iyoha & Oyerinde, 2010). Therefore, the findings of this study would give government policy makers an opportunity to see through critically and build strong accountability regime using the instrumentality of the performance management. Thus, complete and rigorous accountability in the MDAs at the state governments' level in Nigeria will definitely improve organizational performance (Dubnick, 2005; Dubnick & Frederickson, 2011). Similarly, there is need for the MDAs in Nigeria to lessen the excessive emphasis on the old bureaucratic ways of doing things, modern accountability arrangement should be instituted, and the process should be supported with IT-based facilities. This implies that, government activities should not rely heavily on manual methods. All these are conspicuously captured by both the NPM as well as this study. Notwithstanding, the findings of this study would evidently assists state governments in that regard.

Furthermore, to foster good organizational culture, public sector organizations must come up with novel ideas in innovative ways towards ensuring that, culture within their various organizations supported civic conducts and encourage efficient discharge of the public responsibilities. Routine programmes and workshops should be undertaken in-house to create atmosphere for sound organizational culture which brings about improved organizational performance or 3Es. Explicitly, this study has proven beyond reasonable doubt that, organizational culture is an essential pre-requisite for good and balanced 3Es. Therefore, the findings of this study provides ample empirical evidence of the importance and influence of the organizational culture, thus, it could assist in giving the first hand information to MDAs at the state governments' level in Nigeria on how to evolve and sustain good organizational cultures.

Explicitly, the findings of this study would be of importance to public sector policy makers in designing policies aimed at boosting the outcomes and productivity as well as 3Es of the government MDAs at state level. This is because performance management is a vital issue that is needed to be considered in overall public sector management control. Thus, the concepts or constructs/variables used in this study needed to be looked into at the design and implementation phases of new or expanded strategies.

Again, the findings of the present study could be a guide to the government agencies at the state level in terms of resource allocation, budgeting, internal control and auditing procedures. This is because performance management encompasses all aspects of organization's procedure from auditing, accounting and control (Behn, 2002; Ehtesham *et al*., 2011; Poister *et al*., 2013). Again, accounting, auditing and internal control are very important concepts in the performance management arrangement, thus, they will go a long way in enhancing organizational performance or 3Es in the public sector (Bourne *et al*., 2014; Otley, 2012; Simons, 1995).

Furthermore, global financial institutions attaches so much premium to the public sector performance management especially in developing countries (Adeosun, 2016). World Bank, IMF, UNDP, USAID and similar international organizations specifically have realized that, the impact of government spending could only be felt if public sector organizations are efficient or their 3Es are managed through good performance management system. Therefore, these global institutions would find the outcome of this study of essential importance, especially in their campaign for probity, transparency and efficiency in government MDAs in Nigeria and other developing countries.

The findings of this study would specifically help state governments in Nigeria by giving them an empirically-tested outcome on certain elements of the performance management. This will assist them in understanding the effect of these variables towards improving organizational performance or 3Es. Thus, careful strategies will be evolved in gaining the full benefit of the performance management system.

The findings would also serve as a document for future reference to students, academic researchers and other stakeholders.

7.4.3 Methodological Implications

Methodologically, this study has successfully demonstrated a useful departure from the established norms of some of the previous researchers. Specifically, the study had succeeded in gaining the perception of senior public sector executives at the state governments' level. Unlike in many past studies where few group of employees were interviewed or their perception collated at the lower and middle cadre, this study targeted senior level employees with bulk of responsibilities in the organizations. Thus, this is a notable contribution to methodology.

Again, a quite number of studies on public sector performance management were qualitative studies, case studies, documentary analysis and content analysis (e.g Aluko, 2003; Barton, 2011; Funnell & Wade, 2012; Justeen & Skaebaek, 2010; Mimba *et al.*, 2013; Pandey, 2014; Rydland & Amundsen, 2011;). Few studies utilized quantitative method using statistical tools to draw conclusion and gain inferential evidence (see Cavalluzzo & Ittner, 2004; Spekle & Verbeeten, 2014; Verbeeten, 2008). Therefore, this study has added a notable methodological contribution by conducting a thorough quantitative study through analyzing the perception of the senior officials of the public sector organizations at the state governments' level in Nigeria.

Equally still, most of the previous studies were conducted using few samples. And many of such studies recommended the usage of large samples in their suggestions for future studies (e.g Akinbuli, 2013; Kim & Lee, 2009; Mucciarone & Neilson, 2012; Ossege, 2012; Porter, 2005; Ruzita *et al*., 2012). Therefore, this study has contributed methodologically in that direction by increasing the respondents to 322 in number. Additionally, many studies on the public sector performance management uses individual as unit of analysis (Brewer & Selden, 2000; Carmeli & Tishler, 2004; Hoque & Adams, 2011; Kagaari *et al*., 2010; Kim & Lee, 2009; Ossege, 2012; Ramachandran *et al*., 2011; Rasodevich *et al*., 2007; Reichborn-Kjennerud, 2013; Ruzita *et al*., 2012). These studies however recommended that, organizations could be used as unit of analysis in future studies. This study has plugged this methodological gap by considering public sector organizations as unit of analysis. No doubt, this is a useful contribution to methodology.

Furthermore, in addition to testing the study's formulated hypotheses, the goodness of the fit analysis has been conducted rigorously to validate the study variables. This indicated that, the study's methodology criterion had rigorously validated the research instrument to ensure that, valid and reliable results are achieved. This specifically implies that, factor analysis conducted has rigorously confirmed and validated the underlying functions of the items of variables under review. Because it is discovered that, measures that are poorly validated often brings about erroneous conclusions. Therefore, in the subsequent related studies, these measures or instruments could be entirely used with no doubt about their validity. This is quite a notable contribution also.

Finally, many of the previous studies used different tools and methods of analysis. Specifically, some studies used SEM and AMOS (e.g. Grafton *et al*., 2010; Nurkholis & Ismail, 2014; Verbeeten, 2008). Therefore, few studies used first generation tool of analysis like SPSS. SPSS is quite a first generation statistical tool because all the other subsequent statistical tool like PLS and AMOS uses SPSS as the entry point and for the purpose of data screening and other accompanying elementary statistical computations. Equally, SPSS is the first among equals with regards to the statistical tools of analysis, thus, it is regarded as the first generation tool by a sizeable section of the modern researchers. Therefore, this study brings a notable methodological contribution by using SPSS as tool of analysis.

7.4.3 Specific Implications on Motivation of the Study

Having separated between the significance of the study and the motivation of the study in chapter one of this thesis, it is equally appropriate to briefly highlight the specific implications of this study on the motivation of the study. Therefore, the study's discussion will broadly and evenly considered from the point of view of significance as well as from the perspective of motivation. This is because, most of the implications of the study highlighted in the previous sections deals with the significance of the study only. This implies that, implication of the study with regards to motivation should also be highlighted for balanced outcome.

Theoretically, the major motivation of this study is the fact that, many studies conducted on the organizational performance and performance management were mostly underpinned by theories other than the institutional theory. For instance, goal setting theory (Shahmehr *et al*., 2014; Verbeeten, 2008), contingency theory (Hoque, 2004; Rejc, 2004). The studies on performance management that utilized the institutional theory tested only the effect of one or few performance management elements (see Berry *et al*., 2009). Therefore, it is a great motivation testing good numbers of the performance management elements as well as the moderating effect of the performance audit using the institutional theory as the underpinning theory. Ultimately, this motivation has been observed and satisfied in this study. It is also observed that, even the studies that utilized other theories have mostly used one theory at a time. Therefore, it is a great motivation using more than one theory in explaining the relationship between these variables. Specifically, this motivation has been adequately pursued and realized by adding a supporting theory namely agency theory. For that reason, it can be safely deduce that, using the institutional theory and the agency theory has demonstrated a great implication of this study on the very theories application on the areas of the performance management. This is quite a notable contribution to the highlighted motivation.

Practically, the principal motivation of this study is to evolve a robust mechanism for improving 3Es of the public sector organizations at the state governments' level in Nigeria. In relation to this, it is noted that, annual budgetary expenditure of the public organizations at the state governments' level in Nigeria seems like annual exercise that fails to recognize the need for the efficient, effective and economical manner of spending the budgeted allocations. Ultimately, this study has found a way of improving 3Es. It is concretely found in this study that, 3Es could be strengthened and improved by reinforcing the performance management elements. This is a notable implication to study's motivation.

Moreover, it is observed that, NPM has been at the forefront of the public sector reforms in many countries around the globe with all its undesired and unanticipated consequences (Bejorot & Hasselbladh, 2013). Specifically, NPM philosophy fails to give a clear cut practical solutions at some public sector levels (Brinkerhoff & Brinkerhoff, 2015). Thus, testing these performance management elements with the aim of suggesting lasting solutions to the problems of government efficiency at the state level in Nigeria has been a worthy contribution to the study's motivation that is adequately and appropriately treated in this study.

7.5 Limitations of the Study

Like so many other research studies, this study has some limitations. The first limitation of this study is that, as it is noted in the literature, performance management has many perspectives depending on the organization of interest and the context one looked at. Therefore, there may be other constructs or elements not considered in this study. Specifically, key elements like reward system, planning, management style and management support may undoubtedly be seen as vital elements in the public sector performance management worthy of attention but have not been investigated in this study. This point has been strongly corroborated by Kagaari *et al*. (2010); Otley (2001). Another shortcomings of this study is that, the data for the study was collected from the state government MDAs in Nigeria. Therefore, caution should be exercised when generalizing the findings of this study to the federal government MDAs in Nigeria.

In addition, the present study was cross-sectional in nature. This implies that, it involves collection of data within the time frame of 4-5 months. The time can safely be considered fairly inadequate given the available resources and the time constraints. Even Sekaran (2003) suggested that, one of the shortcomings of the cross-sectional study might be its difficulty in deeply and thoroughly proving the cause and effect association among the variables. Therefore, this study cannot be completely immuned from the underlying shortcomings of the cross-sectional study.

Likewise, the present study relies heavily on the perception of the directors and other senior subordinates in the MDAs regarding the organizational performance of their organizations as well the performance management practice within such organizations. This is a common phenomenon in the social and management science research. Thus, the response of some of the directors might not necessarily be a precise reflection of the prevailing reality in these organizations, though it evidently gives a significant feel and direction of the performance management practice within these organizations. Hence, there may be likely tendency of overzealous degree of confidence from the respondents whom are susceptible to certain perceptual bias as well as cognitive shortcomings in evaluating their organizations. Although this has been handled elaborately by convincing the respondents in the various organizations to be as precise as possible in their answers, but few cases of the possible bias might not be completely ruled out. Specifically, the cover page of the research questionnaire has been absolutely explicit by indicating that, the response will only be used for research purpose, thus, the confidentiality of the respondents is definitely safeguarded. Upon all these assurances, there may be some deviations, hence the likely possibility of bias from the responses.

Farther on, the concept of organizational performance was measured as a uni-dimensional construct comprising basically of elements of 3Es (efficiency, effectiveness and economy) as adapted from Verbeeten (2008). On the other hand, it may be of high benefit to also measure the organizational performance using other established instruments with two or more dimensions. This is because many other multi-dimensional instruments measuring organizational performance are quite available in the literature.

Finally, another limitation of this study is that, sufficient data was not collected from the restive regions in Nigeria, this is because agitation of secession in some areas of south-eastern region as well as intense (and sometimes, violent) campaign for more revenue allocation in some areas in the south-south discourages the complete retrieval of some questionnaires from the affected areas.

Despite the limitations of the present study, it is a good effort at investigating the relationship between performance management elements and organizational performance with the moderating effect of the performance audit. This study is the first of its kind particularly at the government agencies' level in Nigeria, thus, the study findings indicated a mixture of significant and non-significant relationship between the constructs under study.

7.6 Suggestions for Future Studies

To counteract the aforementioned limitations, the study suggests that, the future studies may address and possibly consider other performance management elements like management style, reward system, planning and management support. Similarly, there is need for further empirical studies that will cover the Federal government MDAs in Nigeria to test the relationship between the performance management elements and organizational performance.

Again, given the fact that, this study is a cross-sectional in nature, future studies may consider longitudinal methods which may likely create better and broader understanding about the constructs under review. Hence, longitudinal study that collects data over two or more points of time could unarguably give a holistic picture of the study and consequently the cause and effect interdependencies between the variables could be drawn appropriately.

More importantly, since the present study relies on the perception of the directors and other senior management executives of the MDAs at the state governments' level, then, the future studies should consider the perception of both lower level, middle level and higher level employees of government MDAs. By so doing, the likely bias might be diluted and minimized appropriately.

The present study employs quantitative design, future studies may employ mixed method or triangulation method/design. The triangulation method (if employed) will ensure that, data is obtained from multiple sources and may give clearer picture of the interrelationship between the constructs. Equally still, this study utilized first generation tool of analysis (SPSS), future studies should test other second generation tools of analysis in Nigeria, like PLS-SEM and AMOS.

In addition, future studies may also consider a comparative study between Nigeria and other developing countries with reference to this research framework. This will give beneficial insights with regards to the comparable countries' strength and weaknesses and areas of further improvements.

7.7 Conclusions

This study is one of the pioneering research efforts that tends to examine the relationship between performance management elements and organizational performance with the moderating effect of the performance audit. The study was conducted within the Nigerian context, specifically, the MDAs at the state governments level. The study contributes substantially to the existing body of literature on performance management, management control, management accounting and public sector accounting. Even more attractive is the fact that, this study was done in the developing country. The study provide suggestions to the public sector policy makers, government MDAs and international organizations on the need to promptly revamp and strengthen the public sector performance management to significantly enhance the organizational performance or 3Es of the MDAs.

Additionally, the study suggested that, MDAs at the state governments' level in Nigeria requires to focus on improving and sustaining their performance management system. This would enable them distinguish their unique identity and image. Good performance management paves way for efficiency, effectiveness, economy and/or sound organizational performance. It would also enable the MDAs to leapfrog and achieve optimum level of service delivery to the public.

The present study extends the boundary of past research studies about the performance management elements and organizational performance by incorporating the performance audit as a moderator. The findings of the study revealed that, significant relationship exists between organizational performance and performance management elements. The main focus of the study was on the state governments in Nigeria. In developing countries like Nigeria, it is important to investigate the impact of performance management in government sector like ministries and agencies. This is because, in many developing countries, governments and their agencies are the significant spending units that supports the entire economy. Thus, their smooth operation or changes in their 3Es could likely improve the entire economy of the nation.

The main contributions of this study are that, it provides answers to the number of questions in accordance with the need expressed in the literature. The study also employed moderator to take care of the inconsistencies that exists between the performance management elements and organizational performance. Besides, the moderator (performance audit) moderates only the relationship between performance reporting and organizational performance. This implies that, the assumed moderating effects between the other predictors and the outcome variable were not supported. Overall, six hypotheses were supported, while the other five hypotheses were not supported. This indicated that, all the study's research questions and research objectives were accomplished and duly answered.

Of unique consideration is the fact that, this study is carried out to genuinely solve the problem raised in the statement of the research problem. For instance, the major issues as highlighted in the problem statement is that, public organizations at the state governments' level in Nigeria are not efficient, not effective and their productivity in terms of service delivery is quite dismal (Adewumi, 2012; Adeboye, 2014; UNCT, 2012). In the same vein, it is indicated that, the budgeted funds being allocated to the public organizations at the state governments' level in Nigeria have not been properly channeled thereby posing a serious challenge to the good balance of 3Es (Adeosun, 2016; World Bank, 2011; UNCT, 2012). Ultimately, this study is able to proffer solutions to these issues by recommending that, strengthening the performance management practice would invariably solve the problems of 3Es at the state governments' level in Nigeria. Therefore, the study's attempt to solve the issues highlighted has been extensively realized finally.

REFERENCES

AbdulKhalid, S. N. (2008). New public management in Malaysia: In search of an efficient and effective service delivery. *International Journal of Management Studies (IJMS)*, *15*, 69-90.

Abdullahi, Y. (2011). Public budget and budgetary control in Nigeria. *Journal of Business and Organizational Development, 3*, 21-27.

Abubakar, A., Saidin, S. Z., & Ahmi, A. (2016). Performance Management Antecedents and Public Sector Organizational Performance: Empirical Evidence from Nigeria. *International Journal of Economics and Financial Issues*, *6*(7S), 232-239.

Abu-Jarad, I. Y., Yusof, N. A., & Nikbin, D. (2010). A review paper on organizational culture and organizational performance. *International Journal of Business and Social Science*, *1*(3), 26-46.

Adcroft, A., & Willis, R. (2005). The (un) intended outcome of public sector performance measurement. *International Journal of Public Sector Management*, *18*(5), 386-400.

Adeboye, A. (2014, 31st August). Performance measurement in governments. THISDAY Newspaper.

Adeosun, K. (2016, March 7). Nigeria: The economic upside. *Daily Trust Newspaper*, P. 59.

Adewumi, F. (2012). Victims as sacrificial lambs: A critique of public service reforms in Nigeria. *Public sector reforms in Africa: Nigerian perspectives*, 111-136.

Adeyemo, D. O. (2005). Local government and health care delivery in Nigeria: a case study. *J. Hum. Ecol*, *18*(2), 149-160.

Adeyemo, D., & Salami, A. O. (2008). A review of privatization and public enterprises reform in Nigeria. *Contemporary Management Research*, *4*(4). 401-418.

Agbo, S., & Aruomoaghe, J. A. (2014). Performance audit: A tool for fighting corruption in the Nigeria's public sector administration. *International Journal of Management and Sustainability*, 3(6), 374-383.

Agbolade, O. K., & Anthony, S. O. (2011). Goal setting and performance appraisal in public sector of Nigeria: An empirical investigation. *E3 Journal of Business Management and Economics Vol. 2 (3)*, 116-124.

Agranoff, R. (2012). *Collaborating to manage: A primer for the public sector*: Georgetown University Press.

Ajibolade, S. O., & Akinniyi, O. K. (2013). The influence of organisational culture and budgetary participation on propensity to create budgetary slack in public sector organisation. *British Journal of Arts and Social Sciences, 13*(1), 164-179.

Akinbuli, S. F. (2012). Evaluation of financial accountability in the public sector: A necessary concept for good governance. *Arabian Journal of Business and Management Review, 1*(3), 1-11.

Al Athmay, A.-A. A. (2008). Performance auditing and public sector management in Brunei Darussalam. *International Journal of Public Sector Management, 21*(7), 798-811.

Alexander, L., & Van Knippenberg, D. (2014). Teams in pursuit of radical innovation: A goal orientation perspective. *Academy of Management Review*, *39*(4), 423-438.

Almquist, R., Grossi, G., van Helden, G. J., & Reichard, C. (2013). Public sector governance and accountability. *Critical Perspectives on Accounting*, *24*(7–8), 479-487.

Alonso, J. M., Clifton, J., & Díaz-Fuentes, D. (2015). Did new public management matter? An empirical analysis of the outsourcing and decentralization effects on public sector size. *Public Management Review*, *17*(5), 643-660.

Althaus, C. (1997). The application of agency theory to public sector management. *The New Contractualism*, 137-153.

Aluko, M. (2003). The impact of culture on organizational performance in selected textile firms in Nigeria. *Nordic Journal of African Studies*, *12*(2), 164-179.

Aminian, H., & Sabet, S. S. (2012). The relationship between performance audit and management tendency to strive towards organizational goal achievement. *Australian Journal of Basic Applied Sciences, 6*(13), 149-153.

Anand, M. (2014). A Study of Financial Analysis in Textile Sector. *Journal of Business Management & Social Sciences Research, 3*(6), 80-86.

Anderson, P. (1999). Perspective: Complexity theory and organization science. *Organization science*, *10*(3), 216-232.

Andrews, R., Boyne, G. A., & Walker, R. M. (2006). Strategy content and organizational performance: An empirical analysis. *Public Administration Review*, *66*(1), 52-63.

Andrews, R., Boyne, G. A., Meier, K. J., O'toole, L. J., & Walker, R. M. (2012). Vertical strategic alignment and public service performance. *Public Administration*, *90*(1), 77-98.

Antipova, T. (2013, July). Performance audit in budgetary entities. In *Global Conference on Business & Finance Proceedings* (Vol. 8, No. 2, p. 133). Institute for Business & Finance Research.

Armstrong, J. S., & Overton, T. S. (1977). Estimating nonresponse bias in mail surveys. *Journal of Marketing Research*, *14*, 396–402.

Arnaboldi, M., & Lapsley, I. (2008). Making management auditable: the implementation of best value in local government. *Abacus*, *44*(1), 22-47.

Arnaboldi, M., Lapsley, I., & Steccolini, I. (2015). Performance Management in the Public Sector: The Ultimate Challenge. *Financial Accountability & Management*, *31*(1), 1-22.

Arthur, A., Rydland, L. T., & Amundsen, K. (2012). The user perspective in performance auditing—A case study of Norway. *American Journal of Evaluation*, *33*(1), 44-59. doi:1098214011408283.

Aruwa, S. A. (2009). Government financial reporting and public accountability in Nigeria: unpublished.

Asika, N. (1991). Research Methodology in the Behavioural Science, Ikeja. *Longmen Nigeria Public liability company*.

Asika, N. (2000). Research methodology in the behavioural sciences. Lagos: Longman.

Atkinson, A. B., & Stiglitz, J. E. (2015). *Lectures on public economics*. Princeton University Press.

Aturuchi, E. G. (2016). Moral education and youth restiveness in Rivers state, Nigeria. *International Journal of Religious and Cultural Practice*, *2*(1), 1-8.

Ayers, R. S., Malgeri, J. R., & Press, J. E. (2014). Assessing senior performance councils: Structures, processes, and promising practices for implementing the GPRA Modernization Act of 2010. *Public Performance & Management Review*, *38*(1), 152-186.

Ayobami, O. I. (2014). Accountability and financial reporting issues in Nigeria: Considering a change from cash accounting to accrual accounting. *International Journal of Management Sciences and Humanities, 2*(1), 30-41.

Babaita, I. S. (2001). Management problems in government parastatals: The Kwara state experience. *Advances in Management*, *2*(1), 32-41.

Badara, M. S & Saidin, S. Z. (2014). Internal audit effectiveness: Data screening and preliminary analysis. *Asian Social Science*, *10*(10), 76-85.

Bagozzi, R. P. (2011). Measurement and meaning in information systems and organizational research: Methodological and philosophical foundations. *MIS Quarterly*, *35*(2), 261–292.

Bakar, N. B. A., Saleh, Z., & Mohamad, M. H. S. (2011). Enhancing Malaysian Public Sector Transparency and Accountability: Lessons and Issues. *European Journal of Economics, Finance and Administrative Sciences, 31*, 133-145.

Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of personality and social psychology*, *51*(6), 1173.

Barr, J., & Christie, A. (2015). Improving the Practice of Value for Money Assessment. Retrieved from www.ids.ac.uk/cdi

Barrett AO, P. (2017). Effectiveness of the development and implementation of Australian public sector management and financial reforms: E= MC2. *Public Money & Management*, 1-6.

Barrett, P. (2012). Performance auditing—addressing real or perceived expectation gaps in the public sector. *Public Money & Management*, *32*(2), 129-136.

Bartholomew, D. J., Knott, M., & Moustaki, I. (2011). *Latent variable models and factor analysis: A unified approach* (Vol. 904). John Wiley & Sons.

Barton, H., Grönlund, A., Svärdsten, F., & Öhman, P. (2011). Value for money and the rule of law: the (new) performance audit in Sweden. *International Journal of Public Sector Management, 24*(2), 107-121.

Barzelay, M. (1996). Performance Auditing and the New Public Management: Changing Roles and Strategies of Central Audit Institutions. Teoksessa Performance Auditing and the Modernisation of Government: OECD, PUMA. Paris.

Bayraktar, N., & Moreno-Dodson, B. (2015). How can public spending help you grow? An empirical analysis for developing countries. *Bulletin of Economic Research*, *67*(1), 30-64.

Behn, R. D. (2001). Rethinking democratic accountability. Washington, DC: Brookings Institution Press.

Behn, R. D. (2002). The psychological barriers to performance management: Or why isn't everyone jumping on the performance-management bandwagon? *Public Performance and Management Review*, *26*, 5-25.

Bemelmans-Videc, M.-L., Lonsdale, J. & Perrin, B. (2007). *Making accountability work: dilemmas for evaluation and for audit*. New Brunswick, Canada: Transaction Publishers.

Berman, E., & Wang, X. (2000). Performance measurement in US counties: Capacity for reform. *Public Administration Review*, *60*(5), 409-420.

Bernard, H. R., & Bernard, H. R. (2012). *Social research methods: Qualitative and quantitative approaches*. California, USA: Sage.

Berry, A. J., Coad, A. F., Harris, E. P., Otley, D. T., & Stringer, C. (2009). Emerging themes in management control: A review of recent literature. *The British Accounting Review, 41*(1), 2-20.

Berry, W. D., & Feildman, S. (1985). *Multiple regression in practice.* London: Sage University Papers series.

Beugre, C. D., & Offodile, O. F. (2001). Managing for organizational effectiveness in sub-Saharan Africa: a culture-fit model. *International Journal of Human Resource Management*, *12*(4), 535-550.

Bhati, S. S. (2015). Relation between trust theory and agency theory. In S. Natarajan, M. Ganesh. Babu, B. Nagarjuna & R. Rajkumar (Eds.), Commerce and Management - A Modern Perspective (pp. 57-65). India: Archers and Elevators Publishing House

Bititci, U. S., Bourne, M., Cross, J. A., Nudurupati, S. S., & Sang, K. (2015). Towards a Theoretical Foundation for Performance Measurement and Management. *International Journal of Management Reviews*, special issues.

Bititci, U., Garengo, P., Dörfler, V., & Nudurupati, S. (2012). Performance measurement: Challenges for tomorrow. *International Journal of Management Reviews*, *14*(3), 305-327.

Bjorck, F. (2004, January). Institutional theory: A new perspective for research into IS/IT security in organisations. In *System Sciences, 2004. Proceedings of the 37th Annual Hawaii International Conference on* (pp. 5-pp). IEEE.

Blackman, D. A., Buick, F., O'Donnell, M., O'Flynn, J. L., & West, D. (2012). Developing high performance: Performance management in the Australian Public Service. Crawford School Research Paper (12-09).

Boland, T., & Fowler, A. (2000). A systems perspective of performance management in public sector organisations. *International Journal of Public Sector Management, 13*(5), 417-446.

Boone, H. N., & Boone, D. A. (2012). Analyzing likert data. *Journal of Extension*, *50*(2), 1-5.

Borsboom, D., & Mellenbergh, G. J. (2007). Test validity in cognitive assessment. *Cognitive diagnostic assessment for education: Theory and applications*, 85-115.

Bourne, M., Melnyk, S. A., Bititci, U., Platts, K., & Andersen, B. (2014). Emerging issues in performance measurement. *Management Accounting Research*, *2*(25), 117-118.

Bourne, M., Mills, J., Wilcox, M., Neely, A., & Platts, K. (2000). Designing, implementing and updating performance measurement systems. *International Journal of Operations & Production Management, 20*(7), 754-771.

Bovens, M. (2007). Analysing and assessing accountability: a conceptual framework1. *European Law Journal*, *13*(4), 447-468.

Bovens, M. (2010). Two Concepts of Accountability: Accountability as a Virtue and as a Mechanism. *West European Politics*, *33*(5), 946-967.

Bovens, M. A. (2006). Analysing and Assessing Public Accountability. A Conceptual Framework. European Governance Papers (EUROGOV), 100, 1-37.

Bowerman, M. (1995). Auditing performance indicators: the role of the Audit Commission in the Citizen's Charter initiative. *Financial Accountability & Management*, *11*(2), 171-183.

Bowerman, M., Humphrey, C., & Owen, D. (2003). Struggling for supremacy: the case of UK public audit institutions. *Critical Perspectives on Accounting*, *14*(1), 1-22.

Boyne, G. A. (2010). Performance management: Does it work? In R. M. Walker, G. A. Boyne, & G. A. Brewer (Eds.), *Public management and performance* (pp. 207-226). Cambridge, NY: Cambridge University Press.

Boyne, G., Gould-Williams, J., Law, J., & Walker, R. (2002). Plans, performance information and accountability: the case of best value. *Public Administration*, *80*(4), 691-710.

Braam, G. J., & Nijssen, E. J. (2004). Performance effects of using the balanced scorecard: a note on the Dutch experience. *Long Range Planning*, *37*(4), 335-349.

Brewer, G. A., & Selden, S. C. (2000). Why elephants gallop: Assessing and predicting organizational performance in Federal agencies. *Journal of Public Administration Research and Theory, 10*(4), 685-712.

Brignall, S., & Modell, S. (2000). An institutional perspective on performance measurement and management in the 'new public sector'. *Management Accounting Research, 11*(3), 281-306.

Bringselius, L. (2012). Efficiency, economy and effectiveness–but what about ethics? Paper presented at the EIASM, Milan, Italy.

Brinkerhoff, D. W., & Brinkerhoff, J. M. (2015). Public sector management reform in developing countries: Perspectives beyond NPM orthodoxy. *Public Administration and Development*, *35*(4), 222-237.

Broadbent, J., & Guthrie, J. (1992). Changes in the public sector: A review of recent "alternative" accounting research. *Accounting, Auditing & Accountability Journal*, *5*(2).

Brunsson, N. (1994). Politicization and'company-ization'—on institutional affiliation and confusion in the organizational world. *Management Accounting Research*, *5*(3), 323-335.

Bruton, G. D., Ahlstrom, D., & Li, H. L. (2010). Institutional theory and entrepreneurship: where are we now and where do we need to move in the future?. *Entrepreneurship theory and practice*, *34*(3), 421-440.

Bryan, K. & Ejumudo, O. (2013). Gender equality and women empowerment in Nigeria: Desirability and inevitability of a pragmatic approach. *Developing Country Studies*, *3*(4), 59-66.

Bryman, A., & Bell, E. (2015). *Business research methods*. Fourth edition. United Kingdom: Oxford university press.

Bryson, J. M., Crosby, B. C., & Bloomberg, L. (2014). Public value governance: Moving beyond traditional public administration and the new public management. *Public Administration Review*, *74*(4), 445-456.

Buckingham, M., & Goodall, A. (2015). Reinventing performance management. *Harvard Business Review*, *93*(4), 40-50.

Burkhart, N., & Goldman, A. (2013). AICPA Standard guidelines for performance audits.

Button, S. B., Mathieu, J. E., & Zajac, D. M. (1996). Goal orientation in organizational research: A conceptual and empirical foundation. *Organizational Behavior and Human Decision Processes*, *67*(1), 26-48.

Byrne, B. M. (2010). *Structural Equation Modeling with AMOS; Basic Concepts, Application and Programming* (2nd ed.). New York: Routledge Taylor and Francis Group New York.

Campbell, J. W. (2015). Identification and performance management: An assessment of change-oriented behavior in public organizations. *Public Personnel Management*, *44*(1), 46-69.

Cardinaels, E., & van Veen-Dirks, P. M. (2010). Financial versus non-financial information: The impact of information organization and presentation in a Balanced Scorecard. *Accounting, Organizations and Society*, *35*(6), 565-578.

Carlos, P. J., Paula, R. A., & Sally, D. (2014). The role of corporate culture, market orientation and organisational commitment in organisational performance: The case of non-profit organisations. *Journal of Management Development*, *33*(4), 374-398.

Carmeli, A., & Tishler, A. (2004). The relationships between intangible organizational elements and organizational performance. *Strategic Management Journal*, *25*(13), 1257-1278.

Cavalluzzo, K. S., & Ittner, C. D. (2004). Implementing performance measurement innovations: Evidence from government. *Accounting, Organizations and Society*, *29*(3), 243-267.

Cavana, R., Dalahaye, B., & Sekaran, U. (2001). *Applied research: Qualitative and Quantitative method*. Australia: John wiley & sons.

Chaplin, W.F. (1991). The next generation of moderator research in personality psychology. *Journal of Personality, 59,*143–178.

Chen, C. W. (1997). Detection of additive outliers in bilinear time series. *Computational Statistics & Data Analysis*, *24*(3), 283-294.

Chen, P. F., He, S., Ma, Z., & Stice, D. (2016). The information role of audit opinions in debt contracting. *Journal of Accounting and Economics*, *61*(1), 121-144.

Christensen, & Yoshimi, H. (2003). Public sector performance reporting: new public management and contingency theory insights. *Government Auditing Review*, *10*(3), 71-83.

Christensen, Mark, & Yoshimi, H. (2001). A two-country comparison of public sector performance reporting: The Tortoise and Hare? *Financial Accountability & Management, 17*(3), 271-289.

Christensen, T., & Lægreid, P. (2015). Performance and accountability—A theoretical discussion and an empirical assessment. *Public Organization Review*, *15*(2), 207-225.

Christensen, T., Jantz, B., & Lægreid, P. (2014a). Accountability and performance in welfare administration reform. Comparing Norway and Germany. A working paper (1503-0946).

Christensen, T., Jantz, B., & Lægreid, P. (2014b). In search of the Holy Grail-accountability and performance in welfare administration reform. In *paper to be presented at the workshop on "Administrative organization and the welfare state: wicked issues and the challenges of accountability, legitimacy and coordination", Universidad de Salamanca*.

Chukwuebuka, E. C., & Chidubem, I. V. (2011). The political economy of public service accountability in Nigeria. *Arabian Journal of Business and Management Review*, *1*(4), 8-18.

Chun, Y. H., & Rainey, H. G. (2005). Goal ambiguity and organizational performance in U. S Federal agencies. Journal of Public Administration Research and Theory, 15, 529-557.

Civil Service Handbook of the Federal Republic of Nigeria (1997). Career management office.

Clifton, J. and Díaz-Fuentes, D. (2011) The OECD and Phases in the International Political Economy, 1961– 2011. *Review of International Political Economy*, 18(5), 552–69.

Coakes, S.J., & Steed, L.G. (2003). *SPSS: Analysis without anguish*. Sydney: John Wiley & Sons.

Cohen, J. (1988). *Statistical Power Analysis for the Behavioral sciences*, (2nd ed). New Jersey: Lawrence Erlbaum Associates.

Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2013). *Applied multiple regression/correlation analysis for the behavioral sciences*. (3rd edition). New Jersey: Routledge.

Cohn Berman, B. J. (2008). Involving the public in measuring and reporting local government performance. *National Civic Review*, *97*(1), 3-10.

Collier, J. E., & Bienstock, C. C. (2007). An analysis of how nonresponse error is assessed in academic marketing research. *Marketing Theory*, *7*(2), 163–183. Doi:10.1177/1470593107076865.

Comrey, A. L., & Lee, H. B. (2013). *A first course in factor analysis*. New Jersey: Psychology Press.

Comrey, A.L., & Lee, H.B. (1992). *A first course in factor analysis* (2nd ed.). Hillsdale, New Jersey: Lawrence Erlbaum Associates.

Connolly, C., & Hyndman, N. (2004). Performance reporting: a comparative study of British and Irish charities. *The British Accounting Review*, *36*(2), 127-154.

Constitution of the FRN (1999).

Coste, A.-I., & Tudor, A. T. (2013). Service Performance-Between Measurement and Information in the Public Sector. Procedia-Social and Behavioral Sciences, 92, 215-219.

Cousineau, D., & Chartier, S. (2015). Outliers detection and treatment: A review. *International Journal of Psychological Research*, *3*(1), 58-67.

Craig, R., Amernic, J., & Tourish, D. (2014). Perverse audit culture and accountability of the modern public university. *Financial Accountability & Management*, *30*(1), 1-24.

Cramer, D. (2003). *Advanced Quantitative Data Analysis*. Maidenhead, Philadelphia: Open University Press.

Creswell, J. W. (2012). Educational research: planning, conducting and evaluating quantitative and qualitative research. (4th edition). Edward brothers inc.

Creswell, J. W. (2013). *Research design: Qualitative, quantitative, and mixed methods approaches*. (4th edition). Los Angeles: Sage publications.

Cunningham, G. M., & Harris, J. E. (2005). Toward a theory of performance reporting to achieve public sector accountability: A field study. *Public Budgeting & Finance*, *25*(2), 15-42.

Curristine, T., & Flynn, S. (Eds.). (2013). In search of results: Strenthening public sector performance. Washington, DC: International Monetary Fund publication services.

Curristine, T., Lonti, Z., & Joumard, I. (2007). Improving public sector efficiency: Challenges and opportunities. *OECD Journal on Budgeting*, *7*(1), 1-41.

Dacin, M. T., Goodstein, J., & Scott, W. R. (2002). Institutional theory and institutional change: Introduction to the special research forum. *Academy of Management Journal, 45*(1), 45-56.

Daft, R. L., & Lengel, R. H. (2000). *Fusion leadership: Unlocking the subtle forces that change people and organizations*. San Francisco: Berrett-Koehler Publishers.

Davis, S., & Albright, T. (2004). An investigation of the effect of balanced scorecard implementation on financial performance. *Management accounting research*, *15*(2), 135-153.

Dawson, J. F. (2014). Moderation in management research: What, why, when, and how. *Journal of Business and Psychology*, *29*(1), 1-19.

De Bruijn, H. (2002). Performance measurement in the public sector: Strategies to cope with the risks of performance measurement. *International Journal of Public Sector Management*, *15*(7), 578-594.

De Geuser, F., Mooraj, S., & Oyon, D. (2009). Does the balanced scorecard add value? Empirical evidence on its effect on performance. *European Accounting Review*, *18*(1), 93-122.

de Grosbois, D. (2016). Corporate social responsibility reporting in the cruise tourism industry: A performance evaluation using a new institutional theory based model. *Journal of Sustainable Tourism*, *24*(2), 245-269.

de Lancer Julnes, P., & Holzer, M. (2001). Promoting the utilization of performance measures in public organizations: An empirical study of factors affecting adoption and implementation. *Public Administration Review*, *61*(6), 693-708.

de Waal, A. A. (2010). Performance-driven behavior as the key to improved organizational performance. *Measuring Business Excellence*, *14*(1), 79-95.

de Waal, A., & Kourtit, K. (2013). Performance measurement and management in practice: Advantages, disadvantages and reasons for use. *International Journal of Productivity and Performance Management*, *62*(5), 446-473.

Demaki, G. O. (2013). Standards and practice of corporate governance in the public sector in Nigeria. *Journal of Contemporary Management*, *1*, 113-118.

Dewettinck, K., & van Dijk, H. (2013). Linking Belgian employee performance management system characteristics with performance management system effectiveness: exploring the mediating role of fairness. *The International Journal of Human Resource Management, 24*(4), 806-825.

Dicker, J. (2010). How Should We Measure Public Sector Performance? Viewpoint Paper for the, 2020.

DiMaggio, P., & Powell, W. W. (1983). The iron cage revisited: Collective rationality and institutional isomorphism in organizational fields. *American Sociological Review*, *48*(2), 147-160.

Dittenhofer, M. (2001). Performance auditing in governments. *Managerial Auditing Journal, 16*(8), 438-442.

Doherty, N. F., McConnell, D. J., & Ellis-Chadwick, F. (2013). Institutional responses to electronic procurement in the public sector. *International Journal of Public Sector Management*, *26*(6), 495-515.

Dubey, R., Gunasekaran, A., & Ali, S. S. (2015). Exploring the relationship between leadership, operational practices, institutional pressures and environmental performance: A framework for green supply chain. *International Journal of Production Economics*, *160*, 120-132.

Dubnick, M. (2005). Accountability and the promise of performance: In search of the mechanisms. *Public Performance & Management Review*, *28*(3), 376-417.

Dubnick, M., & Frederickson, H. G. (2011). Public accountability: Performance measurement, the extended state, and the search for trust. National Academy of Public Administration & The Kettering Foundation.

Dunk, A. S., & Lysons, A. F. (1997). An analysis of departmental effectiveness, participative budgetary control processes and environmental dimensionality within the competing values framework: A public sector study. *Financial Accountability & Management, 13*(1), 1-15.

Dunleavy, P., Margetts, H., Bastow, S. & Tinkler, J. (2006) New Public Management Is Dead – Long Live Digital-Era Governance. *Journal of Public Administration Research and Management*, 16(3), 467–94.

Egbe, E. J. (2014). Native authorities and local government reforms in Nigeria since 1914. *Journal of Humanities and Social Sciences*, *19*(3), 113-127.

Ehtesham, U. M., Tahir, M. M. & Shakil, A. M.(2011), Relationship between organizational culture and performance management practices: A case of a university in Pakistan. *Journal of Competitiveness, 3* (4). 78–86.

Eisenhardt, K. M. (1989). Agency theory: An assessment and review. *Academy of Management Review*, *14*(1), 57-74.

Ejere, E. S. (2013). Promoting accountability in public sector management in today's democratic Nigeria. *Encontros Científicos-Tourism & Management Studies,* 3, 953-964.

Ekpe, D. E., Eja, A. E. & John, E. I. (2014). Women, gender equality in Nigeria: A critical analysis of socioeconomic and political gender issues. *Journal of Research in Peace, Gender and Development*, *4*(1), 15-20.

Ekweremadu, I. (2012). Governors, lawmakers move to curb FG's power, THISDAY Newspaper.

Elum, Z. A., Mopipi, A. & Henri-Ukoha, A. (2016). Oil exploitation and its socioeconomic effects on the Niger-Delta region of Nigeria. *Environmental Science & Pollution Research*, *23*(13), 12880-12889.

Emmanuel, C., Otley, D., & Merchant, K. (1990). Accounting for management control. In *Accounting for Management Control*, 357-384. Springer US.

Ene, J. C., Ene, E. E., & Tsegba, I. N. (2014). Driving performance through strategic and financial planning: The Nigerian experience. *Journal of Business and Management*, *16*(12), 74-83.

English, L. M. (2007). Performance audit of Australian public private partnerships: legitimising government policies or providing independent oversight?. *Financial Accountability & Management*, *23*(3), 313-336.

Esu, B. B., & Inyang, B. J. (2009). A case for performance management in the public sector in Nigeria. *International Journal of Business and Management*, *4*(4), 98-105.

Evans, J. R. (2004). An exploratory study of performance measurement systems and relationships with performance results. *Journal of operations Management*, *22*(3), 219-232.

Eze, N. M., & Ibrahim, M. M. (2015). Value for money audit: A veritable tool for expenditure management. *International Journal of Financial Research*, *6*(3), 150-162.

Fabrigar, L. R., & Wegener, D. T. (2011). *Exploratory factor analysis*. Oxford University Press.

Ferreira, A., & Otley, D. (2009). The design and use of performance management systems: An extended framework for analysis. *Management Accounting Research*, *20*(4), 263-282.

Field, A. (2009). *Discovering statistics using SPSS*. Los Angel:Sage.

Fine, B. (2006). The new development economics: After the Washington consensus. London: Zed Books.

Ford, J. K., Smith, E. M., Weissbein, D. A., Gully, S. M., & Salas, E. (1998). Relationships of goal orientation, metacognitive activity, and practice strategies with learning outcomes and transfer. *Journal of Applied Psychology*, 83(2), 218.

Fowler Jr, F. J. (2013). *Survey research methods*. (5th edition). Los Angeles: Sage publications.

Franklin, S. & Walker, C. (2010) *Survey methods and practices*. Statistics Canada. Social Survey Methods Division

Frazier, P. A., Tix, A. P., & Barron, K. E. (2004). Testing moderator and mediator effects in counseling psychology research. *Journal of Counseling Psychology*, *51*(1), 115.

Frumkin, P., & Galaskiewicz, J. (2004). Institutional isomorphism and public sector organizations. *Journal of public administration research and theory*, *14*(3), 283-307.

Funnell, W., & Wade, M. (2012). Negotiating the credibility of performance auditing. *Critical Perspectives on Accounting*, *23*(6), 434-450.

Gailmard, S. (2012). Accountability and Principal-Agent Models. Chapter prepared for the Oxford Handbook of Public Accountability.

Gajda-Lupke, O. (2009). Performance measurement methods in the public sector. *Poznan University of Economics Review*, *9*(1), 67-88.

GAOReport. (2013). Managing for Result.

Garnett, J. L., Marlowe, J., & Pandey, S. K. (2008). Penetrating the performance predicament: communication as a mediator or moderator of organizational culture's impact on public organizational performance. *Public Administration Review, 68*(2), 266-281.

Gay, L., Mills, G., & Airasian, P. (2006). Educational research: competencies for analysis and application (8th ed.). Uppersaddle River, New Jersey: Pearson Education International, Inc.

Gendron, Y., Cooper, D. J., & Townley, B. (2001). In the name of accountability-state auditing, independence and new public management. *Accounting, Auditing & Accountability Journal*, *14*(3), 278-310.

Gendron, Y., Cooper, D. J., & Townley, B. (2007). The construction of auditing expertise in measuring government performance. *Accounting, Organizations and Society*, *32*(1), 101-129.

Glynn, J. J. (1996). Performance auditing and performance improvement in government: public sector management reform, changing accountabilities and the role of performance audit. A paper presented at the symposium of Public Management (PUMA) service of OECD held in Paris.

Goh, S. C. (2012). Making performance measurement systems more effective in public sector organizations. *Measuring Business Excellence*, *16*(1), 31-42.

Gorondutse, A. H., & Hilman, H. (2014). Effect of business social responsibility (BSR) on performance of SMEs: Data screening and preliminary analysis. *Asian Social Science*, *10*(8), 103.

Grace, N. O. (2014). New public management and accrual accounting basis for transparency and accountability in the Nigerian public sector. *IOSR Journal of Business and Management, 16*(7), 104-113.

Grafton, J., Lillis, A. M., & Widener, S. K. (2010). The role of performance measurement and evaluation in building organizational capabilities and performance. *Accounting, Organizations and Society*, *35*(7), 689-706.

Grigoroudis, E., Orfanoudaki, E., & Zopounidis, C. (2012). Strategic performance measurement in a healthcare organisation: A multiple criteria approach based on balanced scorecard. *Omega, 40*(1), 104-119.

Grindle, M. S. (1997). Divergent cultures? When public organizations perform well in developing countries. *World Development*, *25*(4), 481-495.

Guerreiro, M. S., Rodrigues, L. L., & Craig, R. (2015). Institutional change of accounting systems: the adoption of a regime of adapted International Financial Reporting Standards. *European Accounting Review*, *24*(2), 379-409.

Habib, A. (2015). A Comparison of financial performance of banking industry in Pakistan. *Journal of Poverty, Investment and Development*, *13*, 1-10.

Hair Jr, J. F., Hult, G. T. M., Ringle, C., & Sarstedt, M. (2016). *A primer on partial least squares structural equation modeling (PLS-SEM)*: Sage Publications.

Hair, J. F., Sarstedt, M., Ringle, C. M., & Mena, J. A. (2012). An assessment of the use of partial least squares structural equation modeling in marketing research. *Journal of the Academy of Marketing Science*, *40*(3), 414-433.

Hair, J., Black, W., Anderson, R., & Tatham, R. (2006). *Multivariate data analysis* (6th edition). Upper saddle river, New Jersey: Pearson parentice hall.

Hair, J., Black, W., Babin, B., Andersen, R., & Tatham, R. (2010). *Multivariate data analysis* (7th ed.). Upper Saddle River: New Jersey: Pearson Prentice hall.

Halachmi, A., & Greiling, D. (2011). Imagined promises versus real challenges to public performance management. *International Journal of Productivity and Performance Management,* 60(1), 24-40.

Hawkins, D. F. (1975). Estimation of nonresponse bias. *Sociological Methods and Research*, *3*(4), 461–488.

Hayes, A. F. (2013). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. New York: Guilford Press.

Heinrich, C. J., & Marschke, G. (2010). Incentives and their dynamics in public sector performance management systems. *Journal of Policy Analysis and Management*, *29*(1), 183.

Hill, T., Smith, N. D., & Mann, M. F. (1987). Role of efficacy expectations in predicting the decision to use advanced technologies: The case of computers. *Journal of Applied Psychology*, *72*(2), 307.

Hinchliffe, K. (2002). Public expenditures on education in Nigeria: Issues, estimates and some implications: Africa Region, World Bank.

Hood, C. (1995a). Contemporary public management: a new global paradigm? *Public Policy and Administration*, *10*(2), 104-117.

Hood, C. (1995b). The "New Public Management" in the 1980s: variations on a theme. *Accounting, Organizations and Society*, *20*(2), 93-109.

Hood, C., & Peters, G. (2004). The middle aging of new public management: into the age of paradox?. *Journal of public administration research and theory*, *14*(3), 267-282.

Hoque, Z. (2005). Linking environmental uncertainty to non-financial performance measures and performance: a research note. *The British Accounting Review*, *37*(4), 471-481.

Hoque, Z., & Adams, C. (2011). The rise and use of balanced scorecard measures in Australian government departments. *Financial Accountability & Management, 27*(3), 308-334.

Hoque, Z., & Moll, J. (2001). Public sector reform-implications for accounting, accountability and performance of state-owned entities-an: Australian perspective. *International Journal of Public Sector Management*, *14*(4), 304-326.

Humphrey, C., Miller, P., & Scapens, R. W. (1993). Accountability and accountable management in the UK public sector. *Accounting, Auditing & Accountability Journal, 6*(3), 7-29.

Husain, I., & Faruqee, R. (Eds.). (1994). *Adjustment in Africa: Lessons from country case studies*. World Bank Publications.

Husted, B. W. (2000). A contingency theory of corporate social performance. *Business & Society*, *39*(1), 24-48.

Hutcheson, G., & Sofroniou, N. (1999). *The multivariate social scientist*. London: Sage.

Hyndman, N. S., & Anderson, R. (1995). The use of performance information in external reporting: an empirical study of UK executive agencies. *Financial Accountability & Management*, *11*(1), 1-17.

Ibanichuka, E. A. L., & Aca, O. K. J. (2014). A critique on cash basis of accounting and budget implementation in Nigeria. *European Journal of Accounting Auditing and Finance Research, 2*(3), 69-83.

Ibietan, J. (2013). New Public Management and Public Service Effectiveness in Nigeria: A Pragmatic Discourse. *Public Policy and Administration Research*, *3*(7), 53-61.

Idemobi, E. I., & Onyeizugbe, C. (2011). Performance management as an imperative for effective performance in delta state of Nigerian public owned organizations. *Sacha Journal of Policy and Strategic Studies*, *1*(2), 46-54.

Idris, F., Rahman, N. M. N. A., Hassan, M. E. M., Aminudin, N., & Alolayyan, M. N. (2013). Validating dimensions of operations flexibility in Malaysian service firms: a confirmatory factor analytics approach. *International Journal of Services and Operations Management*, *14*(1), 79-94.

IFAC. (2013). Good governance in the public sector - Consultation draft for an international framework: IFAC & CIPFA.

Ihedioha, E. (2013). [Legislative issues in fiscal federalism in Nigeria].

Ihimodu, I. I. (1986). Managing public commercial enterprises in Nigeria: the case of Kwara State commercial parastatals. *Public Administration and Development*, *6*(3), 223-238.

Ijeoma, N. (2014). The impact of international public sector accounting standard (IPSAS) on reliability, credibility and integrity of financial reporting in state government administration in Nigeria. *International Journal of Technology Enhancements and Emerging Engineering research*, 2(3), 1-8.

Ijeoma, N. B., & Nwufo, C. I. (2015). Impediments of the audit function in the public sector: a critical analysis of the constraints of Auditor-General for the federation of Nigeria. *International Journal of Economics, Commerce and Management*, *3*(1), 1-25.

Ijewereme, O. B., & Olaniyi, D. E. (2014). Goal setting and performance appraisal in Nigerian public enterprises: An empirical study of Nigeria National Petroleum Corporation (NNPC). *Public Policy and Administration Research*, *4*(9), 44-50.

IMF. (2014). Macroeconomic developments in low-income developing countries: 2014 report (pp. Retrieved from www.imf.org/external.). Washington, DC: International monetary fund.

INTOSAI-3000. Standards and guidelines for performance auditing. Vienna, Australia.

INTOSAI-3100. Performance audit guidelines: Key principles. Vienna, Australia.

Ittner, C. D., & Larcker, D. F. (1998). Are nonfinancial measures leading indicators of financial performance? An analysis of customer satisfaction. *Journal of Accounting Research, 36,* 1-35.

Ittner, C. D., & Larcker, D. F. (2001). Assessing empirical research in managerial accounting: a value-based management perspective. *Journal of accounting and economics*, *32*(1), 349-410.

Ittner, C. D., Larcker, D. F., & Randall, T. (2003). Performance implications of strategic performance measurement in financial services firms. *Accounting, Organizations and Society*, *28*(7), 715-741.

Iyoha, F. O., & Oyerinde, D. (2010). Accounting infrastructure and accountability in the management of public expenditure in developing countries: A focus on Nigeria. *Critical Perspectives on Accounting*, *21*(5), 361-373.

James, O. (2011). Performance measures and democracy: Information effects on citizens in field and laboratory experiments. *Journal of Public Administration Research and Theory, 21*(3), 399-418.

Jan van Helden, G., Johnsen, Å, & Vakkuri, J. (2008). Distinctive research patterns on public sector performance measurement of public administration and accounting disciplines. *Public Management Review*, *10*(5), 641-651.

Jensen, M. C. (1994). Self-interest, altruism, incentives, and agency theory. (Forthcoming). *Journal of Applied Corporate Finance* (summer issue).

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of financial economics*, *3*(4), 305-360.

Johnsen, Å. (2005). What does 25 years of experience tell us about the state of performance measurement in public policy and management? *Public Money and Management*, *25*(1), 9-17.

Johnsen, Å., Meklin, P., Oulasvirta, L., & Vakkuri, J. (2001). Performance auditing in local government: An exploratory study of perceived efficiency of municipal value for money auditing in Finland and Norway. *European Accounting Review*, *10*(3), 583-599.

Johnson, G., & Brooks, G. (2010). Initial scale development: sample size for pilot studies. *Educational and Psychological Measurement*, *70*(3), 394-400.

Jung, C. S. (2012). Why are goals important in the public sector? Exploring the benefits of goal clarity for reducing turnover intention. *Journal of Public Administration Research and Theory*, *24*(1), 209-234.

Justesen, L., & Skærbæk, P. (2010). Performance auditing and the narrating of a new auditee identity. *Financial Accountability & Management*, *26*(3), 325-343.

Kagaari, J., Munene, J. C., & Mpeera-Ntayi, J. (2010). Performance management practices, employee attitudes and managed performance. *International Journal of Educational Management, 24*(6), 507-530.

Kaiser, H. F. (1974). An index of factorial simplicity. *Pchometrika, 39*, 31-36. http://dx.doi.org/10.1007/BF02291575

Kanji, G., & Moura E Sá, P. (2007). Performance measurement and business excellence: The reinforcing link for the public sector. *Total Quality Management and Business Excellence*, *18*(1-2), 49-56.

Kaplan, A., & Maehr, M. L. (2007). The contributions and prospects of goal orientation theory. *Educational Psychology Review*, *19*(2), 141-184.

Kaplan, R. S., & Norton, D. P. (1996). Using the balanced scorecard as a strategic management system. *Harvard Business Review*, *74*(1), 75-85.

Kaplan, R. S., & Norton, D. P. (2001). Transforming the balanced scorecard from performance measurement to strategic management: Part I. *Accounting Horizons*, *15*(1), 87-104.

Katsikas, E., Rossi, F. M., & Orelli, R. L. (2017). Accounting change: Integrated reporting through the lenses of institutional theory. In *Towards Integrated Reporting*, 25-63. Springer International Publishing.

Kells, S. (2011). The seven deadly sins of performance auditing: Implications for monitoring public audit institutions. *Australian Accounting Review*, *21*(4), 383-396.

Kells, S., & Hodge, G. (2009). Performance auditing in the public sector: Reconceptualising the task. *The Journal of Contemporary Issues in Business and Government*, *15*(2), 36-60.

Khemani, S. (2001). Fiscal federalism and service delivery in Nigeria: The role of state and local governments. Retrieved from www.worldbank.org/publicsector

Kim, P. S. (2009). Enhancing public accountability for developing countries: Major constraints and strategies. *Australian Journal of Public Administration*, *68*(1), 89-100.

Kim, S. E., & Lee, J. W. (2010). Impact of competing accountability requirements on perceived work performance. *The American Review of Public Administration*, *40*(1), 100-118.

Kim. (2005). Individual-level factors and organizational performance in government organizations. *Journal of Public Administration Research and Theory*, *15*(2), 245-261.

Kloot, L., & Martin, J. (2000). Strategic performance management: A balanced approach to performance management issues in Local government. *Management Accounting Research, 11*(2), 231-251.

Kloviene, R., & Valanciene, L. (2013). Performance measurement model formation in municipalities. *Economic and Management*, *18*(3), 383-393.

Konasani, V. R., & Kadre, S. (2015). Multiple Regression Analysis. In *Practical Business Analytics Using SAS* (pp. 351-399). Apress.

Kostova, T., Roth, K., & Dacin, M. T. (2008). Institutional theory in the study of multinational corporations: A critique and new directions. *Academy of management review*, *33*(4), 994-1006.

Koufteros, X., Verghese, A. J., & Lucianetti, L. (2014). The effect of performance measurement systems on firm performance: A cross-sectional and a longitudinal study. *Journal of Operations Management*, *32*(6), 313-336.

Krosnick, J. A., & Presser, S. (2010). Question and questionnaire design. Handbook of survey research, 2, 263-314.

Kumar, B. (2012). Theory of planned behaviour approach to understand the purchasing behaviour for environmentally sustainable products. (W.P. No. 2012-12-08). Retrieved from http://www.iimahd.ernet.in/assets/snippets/workingpaperpdf/10260621182012-12-08.pdf

Kumar, M., Talib, S. A., & Ramayah, T. (2013). *Business Research Methods*. Oxford Fajar/Oxford University Press.

Kura, K. M., Shamsudin, F. M., & Chauhan, A. (2014). Influence of organisational formal control, group norms, self-regulatory efficacy on workplace deviance in the Nigerian universities: Data screening and preliminary analysis.

Kyenge, J. (2013). The challenges of Local government administration in Nigeria. *Journal of Management and Corporate Governance,* 5(1), 70-76.

Lambert, D. M., & Harrington, T. C. (1990). Measuring nonresponse bias in customer service mail surveys. *Journal of Business Logistics, 11*(2), 5-25.

Lapsley, I. (2008). The NPM agenda: back to the future. *Financial accountability & management*, *24*(1), 77-96.

Latham, G. P., Borgogni, L., & Petitta, L. (2008). Goal setting and performance management in the public sector. *International Public Management Journal*, *11*(4), 385-403.

Lee, J. (2008). Preparing performance information in the public sector: An Australian perspective. *Financial Accountability & Management*, *24*(2), 117-149.

Lee, S. J. K. & Yu, K. (2004). Corporate culture and organizational performance. *Journal of Managerial Psychology*, *19*(4), pp. 340–359.

LeRoux, K., & Wright, N. S. (2010). Does performance measurement improve strategic decision making? Findings from a national survey of nonprofit social service agencies. *Nonprofit and Voluntary Sector Quarterly, 39*(4), 571-587.

Leruth, L., & Paul, E. (2006). A principal-agent theory approach to public expenditure management systems in developing countries. IMF working paper.

Lewis, J. M., & Triantafillou, P. (2012). From performance measurement to learning: a new source of government overload? *International Review of Administrative Sciences, 78*(4), 597-614.

Lindberg, S. (2009). Accountability the core concept and its subtypes. A working paper: African power and politics programme.

Lindeberg, T. (2007). The ambiguous identity of auditing. *Financial Accountability & Management, 23*(3), 337-350.

Lindell, M. K., & Whitney, D. J. (2001). Accounting for common method variance in cross-sectional research designs. *The Journal of Applied Psychology*, *86*(1), 114–121. doi:10.1037/0021-9010.86.1.114

Locke, E. A., & Latham, G. P. (2006). New directions in goal-setting theory. *Current directions in psychological science*, *15*(5), 265-268.

Loke, C. H., Ismail, S., & Hamid, F. A. (2016). The perception of public sector auditors on performance audit in Malaysia: an exploratory study. *Asian Review of Accounting*, *24*(1), 90-104.

Lonsdale, J. (2000). Developments in value-for-money audit methods: Impacts and implications. *International Review of Administrative Sciences*, *66*(1), 73-89.

Lonsdale, J. (2008). Balancing Independence and Responsiveness: A practitioner perspective on the relationships shaping performance audit. *Evaluation*, *14*(2), 227-248.

Lonsdale, J. (2013). 19. Context and accountability: factors shaping performance audit. Context in Public Policy and Management: The Missing Link?, 334.

Lonsdale, J., Wilkins, P., & Ling, T. (2011). *Performance auditing: Contributing to accountability in democratic government*. Cheltenham, UK: Edward Elgar Publishing.

Low, J., & Siesfeld, T. (1998). Measures that matter: Non-financial performance. *Strategy & Leadership*, *26*(2), 24-38.

Lowry, P. B., & Gaskin, J. (2014). Partial Least Squares (PLS) Structural Equation Modeling (SEM) for building and testing behavioral causal theory: When to choose it and how to use it. *IEEE Transactions on Professional Communication*, *57*(2), 123–146.

Lundmark, S., Gilljam, M., & Dahlberg, S. (2016). Measuring generalized trust: An examination of question wording and the number of scale points. *Public Opinion Quarterly*, *80*(1), 26-43.

MacKenzie, S. B., & Podsakoff, P. M. (2012). Common method bias in marketing: Causes, mechanisms, and procedural remedies. *Journal of Retailing*, *88*(4), 556–562. doi:10.1016/j.jretai.2012.10.002

Maitland, A. (2013). How many scale points should I include for attitudinal questions?. *Survey Practice*, *2*(5).

Maiyaki, A. A., & Moktar, S. S. M. (2011). Influence of service quality, corporate image and perceived value on customer behavioral responses in the Nigerian banks. *International Journal of Contemporary Business Studies*, *2*(8), 45-53.

Maiyaki, A. A., & Mouktar, S. S. M. (2011, June). Influence of service quality, corporate image and perceived value on customer behavioral responses in Nigerian Banks: Data screening and preliminary analysis. In *International Conference on Management Proceeding* (pp. 547-568).

Malhotra, N. K., Kim, S. S., & Patil, A. (2006). Common method variance in IS research: a comparison of alternative approaches and a reanalysis of past research. *Management Science*, *52*(12), 1865–1883. doi:10.1287/mnsc.l060.0597

Malmir, A., Shirvani, A., Rashidpour, A., & Soltani, I. (2014). Citizen relationship management and principal/agent theory. *International Journal of Managing Value and Supply Chains, 5*(3), 83-90.

Mande, B. (2015). Perceptions on government financial reporting in Nigeria. *Journal of Finance, Accounting & Management, 6*(1), 1-22.

Manning, N., & McCourt, W. (2013). The World Bank's approach to public sector management. *International Review of Administrative Sciences*, *79*(3), 391-397.

Manson, S. M. (2001). Simplifying complexity: a review of complexity theory. *Geoforum*, *32*(3), 405-414.

Marcuccio, M., & Steccolini, I. (2009). Patterns of voluntary extended performance reporting in Italian Local authorities. *International Journal of Public Sector Management, 22*(2), 146-167.

Martinez, E. A., Beaulieu, N., Gibbons, R., Pronovost, P., & Wang, T. (2015). Organizational Culture and Performance. *The American Economic Review*, *105*(5), 331-335.

Mathew, K. & Patrick, K. (2013). Value for Money auditing and audit evidence from a procurement perspective. *International Journal of Advances in Management and Economics*, 2(5), 115-124.

Matthews, B., & Ross, L. (2014). *Research methods*. Pearson Higher Ed.

Melitski, J., & Manoharan, A. (2014). Performance measurement, accountability, and transparency of budgets and financial reports. *Public Administration Quarterly*, *38*(1), 38-70.

Melkers, J., & Willoughby, K. (2005). Models of performance-measurement use in local governments: Understanding budgeting, communication, and lasting effects. *Public Administration Review, 65*(2), 180-190.

Meng, X., & Minogue, M. (2011). Performance measurement models in facility management: A comparative study. *Facilities, 29*(11/12), 472-484.

Mentzer, J. T., & Lambert, D. M. (2015). Estimating Nonresponse Bias in Mail Surveys: A Replication Study. In *Marketing Horizons: A 1980's Perspective* (222-224). Springer International Publishing.

Merchant, K. A., & Otley, D. T. (2006). A review of the literature on control and accountability. *Handbooks of management accounting research*, *2*, 785-802.

Meyer, H. D., & Rowan, B. (2006). Institutional analysis and the study of education. *The new institutionalism in education*, 1-13.

Meyer, J. W. (2008). Reflections on institutional theories of organizations. *The Sage handbook of organizational institutionalism*, 790-811.

Meyer, J. W., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American journal of sociology*, *83*(2), 340-363.

Meyer, J. W., & Scott, W. R. (1983). *Organizational environments: ritual and rationality*. Beverly Hills: Ca: Sage.

Meyers, L. S., Gamst, G., & Guarino, A. J. (2006). *Applied Multivariate Research*. California: Sage Publications Inc.

Micheli, P., & Mari, L. (2014). The theory and practice of performance measurement. *Management Accounting Research*, *25*(2), 147-156.

Mihaiu, D. M., Opreana, A., & Cristescu, M. P. (2010). Efficiency, effectiveness and performance of the public sector. *Romanian Journal of Economic Forecasting*, *4*(1), 132-147.

Mimba, N. P. S., Helden, G. J., & Tillema, S. (2013). The design and use of performance information in Indonesian Local governments under diverging stakeholder pressures. *Public Administration and Development*, *33*(1), 15-28.

Modell, S. (2001). Performance measurement and institutional processes: A study of managerial responses to public sector reform. *Management Accounting Research*, *12*(4), 437-464.

Modell, S. (2009). Institutional research on performance measurement and management in the public sector accounting literature: a review and assessment. *Financial Accountability & Management*, *25*(3), 277-303.

Morin, D. (2001). Influence of value for money audit on public administrations: Looking beyond appearances. *Financial Accountability & Management*, *17*(2), 99-117.

Morin, D. (2008). Auditors general's universe revisited: An exploratory study of the influence they exert on public administration through their value for money audits. *Managerial Auditing Journal*, *23*(7), 697-720.

Moynihan, D. P. (2008). *The dynamics of performance management: Constructing information and reform*. Washington DC: Georgetown University Press.

Moynihan, D. P., & Pandey, S. K. (2010). The big question for performance management: why do managers use performance information? *Journal of public administration research and theory*, *20*(4), 849-866.

Moynihan, D. P., Pandey, S. K., & Wright, B. E. (2012). Prosocial values and performance management theory: Linking perceived social impact and performance information use. *Governance*, *25*(3), 463-483.

Mucciarone, M. A., & Neilson, J. (2012). Performance reporting in the Malaysian government. *Asian Academy of Management Journal of Accounting and Finance*, *7*(2), 35-77.

Mustapha, A. (2006). Ethnic structure, inequality and governance of the public sector in NIgeria. Retrieved from www.unrisd.org/website:

Mustapha, A. R., & Warning, S. (1991). *Structural adjustment and multiple modes of social livelihood in Nigeria*. Geneva: United Nations Research Institute for Social Development.

Mutiganda, J. C. (2013). Budgetary governance and accountability in public sector organisations: An institutional and critical realism approach. *Critical Perspectives on Accounting*, *24*(7), 518-531.

Myers, R. H. (1990). *Classical and Modern Regression with Applications* (2nd ed.). Belmont, CA: Duxbury Press.

Neely, A. (1999). The performance measurement revolution: Why now and what next? *International Journal of Operations & Production Management*, *19*(2), 205-228.

Neely, A., Gregory, M., & Platts, K. (2005). Performance measurement system design: A literature review and research agenda. *International Journal of Operations & Production Management*, *25*(12), 1228-1263.

Newberry, S. (2015). Public sector accounting: Shifting concepts of accountability. *Public Money & Management, 35*(5), 371-376.

Nica, E. (2013). Organizational culture in the public sector. *Economics, Management and Financial Markets*, *8*(2), 179.

Nielsen, S. B., & Ejler, N. (2008). Improving performance? Exploring the complementarities between evaluation and performance management. *Evaluation*, *14*(2), 171-192.

Nielson, D. L., & Tierney, M. J. (2003). Delegation to international organizations: Agency theory and World Bank environmental reform. *International organization*, *57*(2), 241-276.

Njoku, R. (2014). Enhancing organizational performance through effective leadership in Nigeria's public organisations. *European Journal of Business and Management*, *6*(35), 187-194.

Nkwede, J. O. (2013). Public sector restructuring and governance in Nigeria: Perspectives, processes and challenges. *Journal of Business and Management*, 2(3), 32-44.

Noreen, E. (1988). The economics of ethics: A new perspective on agency theory. *Accounting, Organizations and society*, *13*(4), 359-369.

Northcott, D., & Taulapapa, T. M. (2012). Using balanced score card to manage performance in public sector organisations: Issues and challenges. *International Journal of Public Sector Management, 25*(3), 166-191.

Nurkholis, M. H. S. M., & Ismail, S. (2014). The effect of regulation and goal orientation on performance measurement utilisation: Evidence from Indonesian Local governments. *Asian Journal of Business and Accounting*, *7*(1), 81.

O'Brien, J., & Sasson, A. (2017). A contingency theory of entrepreneurial debt governance. *Journal of Business Research*, *81*, 118-129.

Ofoegbu, G. N. New Public Management and Accrual Accounting Basis for Transparency and Accountability in the Nigerian Public Sector.

Ojo, O. (2008). Organisational culture and performance: Empirical investigation of Nigerian Insurance companies. *Management, 8*, 118-127.

Okekeocha, C. (2013). A case study of corruption and public accountability in Nigeria. Kennesaw state university, US. Digital commons at Kennesaw University.

Okoh, L., & Ohwoyibo, O. (2010). Public Accountability: Vehicle for socio-economic development in Nigeria. *International Journal of Investment and Finance*, *3*(1&2), 145-149.

Oladoyin, A. (2012). Anti-corruption agencies and the search for good governance at the grassroots in Nigeria. *Global Journal of Human Social Science, Arts and Humanities*, *12*(11), 1-14.

Olasupo, F. A., & Fayomi, I. O. (2012). Historical epochs of local government administration in Nigeria. *Global Journal of Human Social Science, Arts and Humanities, 12*(9), 13-29.

Oliver, C. (1997). Sustainable competitive advantage: Combining institutional and resource-based views. *Strategic Management Journal*, *18*(9), 697-713.

Omar, O., & Ogenyi, V. (2004). A qualitative evaluation of women as managers in the Nigerian Civil Service. *International Journal of Public Sector Management*, *17*(4), 360-373.

Omotoso, F. (2010). Nigerian fiscal federalism and revenue allocation formula for sustainable development in Niger-Delta. *Medwell journals*, *5*(3), 246-253.

Onalo, U., Lizam, M., & Kaseri, A. (2013). National budget and debt as measures of public sector performance: Empirical evidence from Nigeria. *Asian Journal of Finance & Accounting, 5*(2), 22-46.

Onuorah, A. C., & Appah, E. (2012). Accountability and public sector financial management in Nigeria. *Journal of Business and Management Review (OMAN Chapter) 1* (6), January 2012.

Ossege, C. (2012). Accountability–Are we better off without it? An empirical study on the effects of accountability on public managers' work behaviour. *Public Management Review, 14*(5), 585-607.

Otheitis, N., & Kunc, M. (2015). Performance measurement adoption and business performance: An exploratory study in the shipping industry. *Management Decision*, *53*(1), 139-159.

Otley, D. (1999). Performance management: A framework for management control systems research. *Management Accounting Research*, *10*(4), 363-382.

Otley, D. (2001). Extending the boundaries of management accounting research: developing systems for performance management. *The British Accounting Review*, *33*(3), 243-261.

Otley, D. (2003). Management control and performance management: whence and whither?. *The British Accounting Review*, *35*(4), 309-326.

Otley, D. (2012). Performance management under conditions of uncertainty: Some valedictory reflections. *Pacific Accounting Review*, *24*(3), 247-261.

Otley, D., & Fakiolas, A. (2000). Reliance on accounting performance measures: dead end or new beginning?. *Accounting, Organizations and Society*, *25*(4), 497-510.

Ovidiu-lliuta. (undated). The link between organisational culture and performance management practices: A case of IT companies from Romania. From Unpublished thesis

Owusu, F. (2012). Organisational culture and public sector reforms in a post-Washington consensus era: Can Ghana's reformers learn from Ghana's good performers. *Progress in Development Studies, 12*(2&3), 131-151.

Ozkan, N., Cakan, S., & Kayacan, M. (2017). Intellectual capital and financial performance: A study of the Turkish Banking Sector. *Borsa Istanbul Review*, *17*(3), 190-198.

Pallant, J. (2007). *SPSS Survival manual: A step – by step guide to data analysis using SPSS for Windows (version 15).* Australia: Allan and Urwin.

Pallant, J. (2011). *SPSS survival manual: A step by step guide to data analysis using SPSS for windows* (*4th ed.).* England:McGraw Hill open University Press.

Pallant, J. (2013). SPSS survival guide: a step by step guide to data analysis using IBM SPSS.

Pandey, P. (2014). Organisational culture-a root to prosperity. *Management Insight*, *10*(1), 74-80.

Park, T. Y., & Shaw, J. D. (2013). Turnover rates and organizational performance: a meta-analysis. *Journal of Applied Psychology, 98*(2), 268-309.

Parker, L., Guthrie, J., Milne, M., & Broadbent, J. (2008). Public sector to public services: 20 years of "contextual" accounting research. *Accounting, Auditing & Accountability Journal, 21*(2), 129-169.

Parker, R., & Bradley, L. (2000). Organisational culture in the public sector: Evidence from six organisations. *International Journal of Public Sector Management*, *13*(2), 125-141.

Patrick, Z., Terngu, T., & Joseph, I. (2017). An Assessment of Revenue Jurisdiction and Fiscal Federalism in Nigeria. *Imperial Journal of Interdisciplinary Research*, *3*(4).

Patten, M. L. (2016). *Questionnaire research: A practical guide* (4th edition). New York: Routledge.

Pepper, A., & Gore, J. (2015). Behavioral agency theory new foundations for theorizing about executive compensation. *Journal of Management*, *41*(4), 1045-1068.

Perotti, E. C., & Suarez, J. (2002). Last bank standing: What do I gain if you fail?. *European Economic Review*, *46*(9), 1599-1622.

Pervin, L. A. (Ed.). (2015). *Goal concepts in personality and social psychology*. Psychology Press.

Pieterse, A. N., Van Knippenberg, D., & Van Dierendonck, D. (2013). Cultural diversity and team performance: The role of team member goal orientation. *Academy of Management Journal,* 56(3), 782-804.

Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *The Journal of Applied Psychology*, *88*(5), 879–903.

Poister, T. H., Pasha, O. Q., & Edwards, L. H. (2013). Does performance management lead to better outcomes? Evidence from the US public transit industry. *Public Administration Review*, *73*(4), 625-636.

Pollitt, C. (1986). Beyond the managerial model: The case for broadening performance assessment in government and the public services. *Financial Accountability & Management,* 2(3), 155-170.

Pollitt, C. (2006). Performance information for democracy the missing link?. *Evaluation*, *12*(1), 38-55.

Pollitt, C. (2007). The New Public Management: An Overview of Its Current Status. Administratie SI Management Public, 8, 110–115.

Pollitt, C. (2013). Context in public policy and management: the missing link? Cheltenham, UK: Edward Elgar Publishing.

Pollitt, C. and Bouckaert, G. (2000) *Public Management Reform. A Comparative Analysis*. Oxford: Oxford University Press.

Pollitt, C., & Bouckaert, G. (2011). Public Management Reform: A comparative analysis-new public management, governance, and the Neo-Weberian state: UK: Oxford University Press.

Pollitt, C., & Dan, S. (2013). Searching for impacts in performance-oriented management reform: A review of the European literature. *Public Performance & Management Review, 37*(1), 7-32.

Pollitt, C., Girre, X., Lonsdale, J., Mul, R., Summa, H., & Waerness, M. (1999). Performance or compliance?: performance audit and public management in five countries. *OUP Catalogue*.

Porath, C. L., & Bateman, T. S. (2006). Self-regulation: from goal orientation to job performance. *Journal of Applied Psychology*, *91*(1), 185.

Porter, C. O. (2005). Goal orientation: effects on backing up behavior, performance, efficacy, and commitment in teams. *Journal of Applied Psychology*, *90*(4), 811.

Powell, W. W. (Ed.). (1991). Expanding the scope of institutional analysis (Vol. 183).

Power, M. (1999). The audit society: Rituals of verification. Washington: Oxford University Press.

Prowle, M., Kalar, M., & Barrow, L. (2016). New development: Value for money (VFM) in public services—the importance of organizational culture. *Public Money & Management*, *36*(7), 547-552.

Radin, B. A. (Ed.). (2011). *Does performance measurement actually improve accountability*. NewYork: M. E. Sharpe Inc.

Radnor, Z., & McGuire, M. (2004). Performance management in the public sector: fact or fiction?. *International Journal of Productivity and Performance Management*, *53*(3), 245-260.

Radosevich, D. J., Allyn, M. R., & Yun, S. (2007). Goal Orientation and Goal Setting: Predicting Performance by Integrating Four-Factor Goal Orientation Theory with Goal Setting Processes. *Seoul Journal of Business*, 13(1), 21-47.

Rainey, H. G., & Steinbauer, P. (1999). Galloping elephants: Developing elements of a theory of effective government organizations. *Journal of Public Administration Research and Theory, 9*(1), 1-32.

Ramachandran, S. D., Chong, S. C., & Ismail, H. (2011). Organisational culture: An exploratory study comparing faculties' perspectives within public and private universities in Malaysia. *The International Journal of Educational Management*, *25*(6), 615-634.

Rasaki, K. O., Hakeem, B. A., Gbenga, A., Najeem, B. O., Sunday, O. E., & Arije, R. (2014). The impact of public sector spending on economic growth in Nigeria. *Journal of Economics and Sustainable Development, 5*(3), 216-224.

Raymond, M. R. (1986). Missing data in evaluation research. *Evaluation & the Health Professions, 9*(4), 395-420.

Reichborn-Kjennerud, K. (2013). Political accountability and performance audit: The case of the auditor general in Norway. *Public Administration*, *91*(3), 680-695.

Rejc, A., & Slapnicar, S. (2004). Corporate performance measurement Systems: Empirical evidence of determinants. Ljubljana: Ekonomska fakulteta, Delovni zvezki št, 165, 26.

Report on Public Service Reforms in Nigeria (1999-2014). Retrieved from www.psr.nigeriagovernance.org

Riddell, J. B. (1992). Things fall apart again: structural adjustment programmes in sub-Saharan Africa. *The Journal of Modern African Studies*, *30*(1), 53-68.

Ringim, K. J., Razalli, M. R., & Hasnan, N. (2012). Critical success factors for business process management for small and medium banks in Nigeria. *Business and Management Review*, *2*(1), 83-91.

Rixon, D. (2013). Stakeholders and their stakes: How they are reflected in public sector reporting. *International Journal of Business, Accounting and Finance*, 7(1), 125-139.

Romanus, O. O. (2014). An examination of the Nigerian fiscal federalism and its impact on revenue generation for economic development. *International Journal of Economics, Commerce and Management, 2*(12), 1-20.

Rosa, C. P., Morote, R. P., & Prowle, M. J. (2014). Developing performance audit in Spanish Local government: An empirical study of a way forward. *Public Money & Management, 34*(3), 189-196.

Ross, S. A. (1973). The economic theory of agency: The principal's problem. *The American Economic Review*, *63*(2), 134-139.

Ruhnke, K., & Schmidt, M. (2016). Changing the institutional framework of statutory audit: Internal stakeholders' perceptions of the associated benefit and costs. *European Accounting Review*, *25*(1), 59-79.

Ruzita, J., Azhar, R., & Hasan, H. A. (2012). Performance measurement practices of public sector in Malaysia. *Journal of Global Strategic Management*, *11*, 42-56.

Sá, C. M., Kretz, A., & Sigurdson, K. (2013). Accountability, performance assessment, and evaluation: Policy pressures and responses from research councils. *Research Evaluation*, rvs041.

Sanusi, Z. M., Iskandar, T. M., & Poon, J. M. (2007). Effects of goal orientation and task complexity on audit judgment performance. *Malaysian Accounting Review*, *6*(2).

Sarrico, C. S., Lee Rhodes, M., Halligan, J., & Hawke, L. (2012). Australian public sector performance management: Success or stagnation? *International Journal of Productivity and Performance Management, 61*(3), 310-328.

Sarrico, C. S., Lee Rhodes, M., Halligan, J., Biondi, L., Gomes, R., Melo, A. I., . Rossi, A. (2012). Current state of public sector performance management in seven selected countries. *International Journal of Productivity and Performance Management*, *61*(3), 235-271.

Sauaia, A. C. A. (2014). Evaluation of performance in business games: Financial and non-financial approaches. *Developments in Business Simulation and Experiential Learning, 28,* 210-214.

Schatteman, A. M. (2008). Is public performance reporting living up to its expectations?: A bibliographic Essay. *Public Performance & Management Review*, 32(2), 309-327.

Schatz, S. P. (1994). Structural adjustment in Africa: A failing grade so far. *The Journal of Modern African Studies*, *32*(4), 679-692.

Schein, E. H. (1992). *Organisational Culture and Leadership*. San Francisco, USA: San Francisco: Jossey-Bass.

Schein, E. H. (1999). Sense and nonsense about culture and climate: Sloan School of Management, Massachusetts Institute of Technology.

Schein, E. H. (2010). *Organizational culture and leadership* (4th Edition ed. Vol. 2). San Francisco, USA: John Wiley & Sons.

Schillemans, T. (2015). Calibrating public sector accountability: Translating experimental findings to public sector accountability. *Public Management Review*, *18*(9), 1400-1420.

Schillemans, T., & Bovens, M. (2011). The challenge of multiple accountability: Does redundancy lead to overload? Accountable governance: Problems and promises, 3-21.

Schillemans, T., & Busuioc, M. (2015). Predicting Public Sector Accountability: From Agency Drift to Forum Drift. *Journal of Public Administration Research and Theory*, *25*(1), 191-215.

Schuman, H., Presser, S., & Ludwig, J. (1981). Context effects on survey responses to questions about abortion. *Public Opinion Quarterly*, *45*(2), 216-223.

Schunk, D. H. (1990). Goal setting and self-efficacy during self-regulated learning. *Educational psychologist*, *25*(1), 71-86.

Scott, T. W., & Tiessen, P. (1999). Performance measurement and managerial teams. *Accounting, Organizations and society*, *24*(3), 263-285.

Scott, W. R. (1987). The adolescence of institutional theory. *Administrative Science Quarterly, 32*(4), 493-511.

Scott, W. R. (1995). Introduction: institutional theory and organizations. *The institutional construction of organizations*, 11-23.

Sekaran, U., & Bougie, R. (2010). *Research method for business.* A skill building approach (4thed.). NY: John Wiley and Sons, Inc.

Sekaran, U., & Bougie, R. (2013). *Research methods for business: A skill building approach* (6th edition). Chichester, United Kingdom: John Wiley & Sons Ltd.

Selznick, P. (2011). Leadership in administration: A sociological interpretation: Quid Pro Books.

Shaftel, J., Nash, B. L., Learning, A., & Gillmor, L. S. C. (2012). Effects of the number of response categories on rating scales. Paper presented at the Proceedings of the annual conference of the American Educational Research Association.

Shahmehr, F. S., Safari, N., Jamshidi, M. J., & Yaghoobi, N. M. (2014). The impact of performance management on mission statement and operational goal setting. *International Journal of Business and Management*, *9*(11), 189-198.

Shahzad, F., Luqman, R. A., Khan, A. R. & Shabbir, L. (2012), Impact of organizational culture on organizational performance: An overview. *Interdisciplinary Journal of Contemporary Research in Business, 3*(9), 975-985.

Shapiro, S. P. (2005). Agency theory. *Annual Review of Sociology*, *31*, 263-284.

Sharma, B., & Gadenne, D. (2011). Balanced scorecard implementation in a Local government authority: Issues and challenges. *Australian Journal of Public Administration, 70*(2), 167-184.

Sharma, S., Durand, R. M., & Gur-Arie, O. (1981). Identification and Analysis of Moderator Variables. *Journal of Marketing Research,* 291-300.

Silvestre, H. C. (2016). Social performance in public services delivery: conceptual roots and results for the Portuguese water sector. *International Journal of Water Resources Development*, *32*(1), 43-56.

Simons, R. (1994). *Levers of control: how managers use innovative control systems to drive strategic renewal*. Harvard Business Press.

Singh, B., & Malhotra, P. (2015). Adoption of Internet banking: An empirical investigation of Indian banking Sector. *The Journal of Internet Banking and Commerce*, *2004*.

Skaržauskienė, A. (2010). Managing complexity: Systems thinking as a catalyst of the organization performance. *Measuring Business Excellence*, *14*(4), 49-64.

Sklar, R. L. (2015). *Nigerian political parties: Power in an emergent African nation*. Princeton University Press.

Sloof, R., & van Praag, C. M. (2008). Performance measurement, expectancy and agency theory: An experimental study. *Journal of Economic Behavior & Organization*, *67*(3), 794-809.

Soliño, A. S. (2015). Optimizing performance-based mechanisms in road management: An agency theory approach. *EJTIR*, *15*(4), 465-481.

Soludo, C. C. (2013). How do we measure the performance of state governments, ThisDay.

Spekle, R. F., & Verbeeten, F. H. (2014). The use of performance measurement systems in the public sector: Effects on performance. *Management Accounting Research*, *25*(2), 131-146.

Staphenhurst, R., & O' Brien, M. (undated). Accountability in governance.

Sterck, M. (2007). Performance Auditing. Value for Money?: A literature overview and some evidence and Impact on Performance Auditor’s work. A paper presented at EGPA 2007 Conference held on 19-22 September, 2007 in Madrid, Spain.

Studer, J., Baggio, S., Mohler-Kuo, M., Dermota, P., Gaume, J., Bertholet, N., & Gmel, G. (2013). Examining non-response bias in substance use research—are late respondents proxies for non-respondents?. *Drug and Alcohol Dependence*, *132*(1), 316-323.

Suleiman, S. (2009). Nigeria: why public sector is inefficient?

Tabachnick, B. G., & Fidell, L. S. (2007). Using multivariate statistics, 5th. Needham Height, MA: Allyn & Bacon.

Tabanchnick, B.G., & Fidell, L.S. (2014). *Using multivariate statistics (6th ed.).* Boston: Pearson Education Limited.

Tanko, M., Samuel, G., & Dabo, Z. (2010). Value for money audit in Nigerian Local government area councils: An empirical examination. *Proceedings of the Northeast Business & Economics Association*.

Tanzi, V. (2016). Public Finance in Developing Countries: An Introduction. *Handbook of Research on Public Finance in Europe and the MENA Region*, 1.

Tao, R. (2012). Public Sector Accounting-An Interdisciplinary Field Involving Accounting, Economics, and Jurisprudence. *Public Policy Review*, *8*(1), 45-66.

Tapinos, E., Dyson, R. G., & Meadows, M. (2005). The impact of performance measurement in strategic planning. *International Journal of Productivity and Performance Management*, *54*(5/6), 370-384.

Taticchi, P., Tonelli, F., & Cagnazzo, L. (2010). Performance measurement and management: a literature review and a research agenda. *Measuring Business Excellence, 14*(1), 4-18.

Taylor, J. (2006). Performance measurement in Australian and Hong Kong government departments. *Public Performance & Management Review*, *29*(3), 334-357.

Taylor, J. (2011). Factors influencing the use of performance information for decision making in Australian state agencies. *Public Administration*, *89*(4), 1316-1334.

Taylor, J. (2014). Organizational culture and the paradox of performance management. *Public Performance & Management Review*, *38*(1), 7-22.

Teisman, G. R., & Klijn, E. H. (2008). Complexity theory and public management: An introduction. *Public Management Review*, *10*(3), 287-297.

Tillema, S., Mimba, N. P. S., & Van Helden, G. J. (2010). Understanding the changing role of public sector performance measurement in less developed countries. *Public Administration and Development, 30*(3), 203-214.

Tolbert, P. S., & Zucker, L. G. (1999). The institutionalization of institutional theory. *Studying Organization. Theory & Method. London, Thousand Oaks, New Delhi*, 169-184.

Tooley, S., Hooks, J., & Basnan, N. (2010). Performance reporting by Malaysian local authorities: Identifying stakeholder needs. *Financial Accountability & Management*, *26*(2), 103-133.

Traina, S. B., MacLean, C. H., Park, G. S., & Kahn, K. L. (2005). Telephone reminder calls increased response rates to mailed study consent forms. *Journal of Clinical Epidemiology*, *58*(7), 743-746.

Tranparency-International. (2014). Corruption Perception Index.

Treiman, D. J. (2014). *Quantitative data analysis: Doing social research to test ideas*. San Francisco: John Wiley & Sons.

Tudor, A. T. (2007). Performance Audit in Public Sector Entities-A New Challenge for Eastern European Countries. *Transylvanian Review of Administrative Sciences*, 3(19), 126-141.

Tung, A., Baird, K., & Schoch, H. P. (2011). Factors influencing the effectiveness of performance measurement systems. *International Journal of Operations & Production Management,* 31(12), 1287-1310.

Udo, B. (2015). Buhari vows to enforce accountability in States, Local governments, Premium Times.

UNCT. (2012). Simplified Common Country Assessment Draft Final Report: United Nation Country Team.

UNDP. (2014). UNDP Nigeria annual report 2014. Abuja, Nigeria: United Nation development programme.

Usoro, I. L., & Adigwe, O. P. (2014). Budget practices and the Nigerian civil service: New insights from an organisational culture perspective. *Developing Countries Studies*, *4*(10), 28-34.

Van de Ven, A. H., Ganco, M., & Hinings, C. B. (2013). Returning to the frontier of contingency theory of organizational and institutional designs. *Academy of Management Annals*, *7*(1), 393-440.

Van de Walle, S., & Cornelissen, F. (Eds.). (2014). Performance reporting. Oxford: Oxford University Press.

Van de Walle, S., Van Dooren, W., & Greiling, D. (2006). Performance measurement: A remedy for increasing the efficiency of public services? *International Journal of Productivity and Performance Management, 55*(6), 448-465.

Van Dooren, W., Bouckaert, G., & Halligan, J. (2015). *Performance management in the public sector*. Routledge.

Van Thiel, S., & Leeuw, F. L. (2002). The performance paradox in the public sector. *Public Performance & Management Review*, *25*(3), 267-281.

VandeWalle, D., Brown, S. P., Cron, W. L., & Slocum Jr, J. W. (1999). The influence of goal orientation and self-regulation tactics on sales performance: A longitudinal field test. *Journal of Applied Psychology*, 84(2), 249-259.

Veladar, B., Bašić, M., & Kapić, J. (2014). Performance measurement in public sector of transition countries. *Business Systems Research*, 5(2), 72-83.

Ven de Ven, A. H., & Ferry, D. L. (1980). Measuring and assessing organizations. New York: Wiley.

Verardi, V., & Croux, C. (2008). Robust regression in Stata. *Available at SSRN 1369144*.

Verbeeten, F. H. (2008). Performance management practices in public sector organizations: Impact on performance. *Accounting, Auditing & Accountability Journal,* 21(3), 427-454.

Verbeeten, F. H., & Speklé, R. F. (2015). Management control, results-oriented culture and public sector performance: Empirical evidence on New Public Management. *Organization Studies*, *36*(7), 953-978.

Verger, A., & Curran, M. (2014). New public management as a global education policy: its adoption and re-contextualization in a Southern European setting. *Critical studies in education*, *55*(3), 253-271.

Vigoda, E. (2003). New public management. In J. Rabin (Ed.), Encyclopedia of public administration and public policy (Vol. 2). New York, NY: Marcel Dekker.

Vink, J. M., & Boomsma, D. I. (2008). A comparison of early and late respondents in a twin-family survey study. *Twin Research and Human Geneticsenetics*, *11*(2), 165–173. doi:10.1375/twin.11.2.165

Visser, P. S., Krosnick, J. A., & Lavrakas, P. J. (2000). Survey research.

Visser, R. (2014). The establishment and structuring of audit, performance audit and risk management committees in municipalities. IMFO: *Official Journal of the Institute of Municipal Finance Officers, 14*(4), 19-21.

Von Hippel, P. T. (2012). Biases in SPSS 12.0 missing value analysis. *The American Statistician*.

Warner, R. M. (2012). *Applied statistics: from bivariate through multivariate techniques: from bivariate through multivariate techniques*. Sage.

Watson, J. (2001). How to determine a sample size: Tipsheet. Retrieved from www.extension.psu.edu/evaluation/pdf

Wessel, S. (2013). Goals, control and conflicts in family offices: A conceptual and In-depth qualitative study: Springer Science & Business Media.

Willems, T., & Van Dooren, W. (2011). Lost in diffusion? How collaborative arrangements lead to an accountability paradox. *International Review of Administrative Sciences*, *77*(3), 505-530.

Williams, J. J., Macintosh, N. B., & Moore, J. C. (1990). Budget-related behavior in public sector organizations: Some empirical evidence. *Accounting, Organizations and Society, 15*(3), 221-246.

Williams, L. J., Hartman, N., & Cavazotte, F. (2010). Method variance and marker variables: a review and comprehensive CFA marker technique. *Organizational Research Methods*, 1–38. doi:10.1177/1094428110366036

Wong, H., Alexander, P., & Venable, J. (2012). An Investigation of the Managerial Practices and Attitudes toward Organisational Culture Management in Western Australia.

World Bank (1994). Nigeria, Structural Adjustment Programme (SAP): Policies, Implementation and Impact. World Bank report. Retrieved from www.documents.worldbank.org

World Bank. (2004). World development report 2004: Making services work for the poor people. Washington DC: World Bank Group.

World Bank. (2011). Public sector reform: what works and why? An IEG evaluation of Worldbank support.

World Bank. (2012). Public sector management reform: Toward a problem-solving approach. In J. Blum, N. Manning & V. Srivastava (Eds.). Washington, DC: World Bank group.

World Bank. (2013a). Nigerian Economic Report: World Bank.

World Bank. (2013b). World Governance indicators. Washington, DC

World Bank. (2015). Nigeria public sector governance report and development project: Implementation status and results report. Washington, DC: World Bank group.

Wright, P., Mukherji, A., & Kroll, M. J. (2001). A reexamination of agency theory assumptions: extensions and extrapolations. *The Journal of Socio-Economics*, *30*(5), 413-429.

Yadav, R. K., & Dabhade, N. (2013). Performance management system in Maharatna Companies (a leading public sector undertaking) of India–a case study of BHEL, Bhopal (MP). *International Letters of Social and Humanistic Sciences* (04), 49-69.

Yang, K. (2011). Further understanding accountability in public organizations: Actionable knowledge and the structure–agency duality. *Administration & Society*, 1-30.

Yerima, H. M., Ibrahim, M. B., Terwase, I. T., & AbdulTalib, A. (2016). Peace and conflict resolution: Biafra agitation and zoning of presidency in Nigeria. *Research on Humanities and Social Sciences*, 6(2), 167-171.

Yong, A. G., & Pearce, S. (2013). A beginner's guide to factor analysis: Focusing on exploratory factor analysis. *Tutorials in Quantitative Methods for Psychology*, *9*(2), 79-94.

Zakaria, Z., Yaacob, M. A., Yaacob, Z., Noordin, N., Sawal, M. Z. H. M., & Zakaria, Z. (2011). Key performance indicators (KPIs) in the public sector: a study in Malaysia. *Asian Social Science*, 7(7), 102.

Zhao, X., & Murrell, A. J. (2016). Revisiting the corporate social performance-financial performance link: A replication of Waddock and Graves. *Strategic Management Journal*, *37*(11), 2378-2388.

Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2010). Business Research Methods. *Canada: South-Western, Cengage Learning.*

Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). *Business research methods*. Cengage Learning.

Zucker, L. G. (1987). Institutional theories of organization. *Annual Review of Sociology*, 443-464.

APPENDIX A: Government Performance and Effectiveness Indicators (1996-2016)

Country	1996	1998	2000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Nigeria	15.10	10.20	14.60	11.70	15.60	14.60	20.00	17.10	16.00	15.50	9.60	10.50	14.20	15.80	16.30	12.02	16.35	12.50

Source: World Bank, 2013; 2016.

APPENDIX B: Summary of some of the literatures consulted

S/N	Author, Year, Title & Publication/ Journal	Objectives of the Study & the related variable	Methodology			Techniques of data analysis	Results	Comments/ Recommendations
			Research Design	Country/ Sample	Instrument			
1	Xianhai Meng & Micheal Minogue (2011) **Title:** Performance measurement models in facility management. **Journal**: Facilities, vol 29, no. 11/12	**Objectives:** The purpose of the paper is to compare the major performance measurement models and investigate their application in the context of facility management. **Variables**: Effectiveness of the performance models (DV). KPIs, BSC, BEM (IVs).	Descriptive design	UK & Ireland. **Sample**: 300 respondents.	Questionnaire & Interview	Descriptive statistics	The review of the relevant literatures and the result of this study show that, in recent years various models have been developed to measure and improve the performance of organizations.	Further studies may be carried out by collecting much bigger data for empirical test, so that, the greater reliability will be obtained from the results.
2	Ruzita, J., Azhar Rudayanto & Abu Hasan, H. (2012). **Title**: Performance measurement practices of public sectors in Malaysia. **Journal**:	**Objectives**: (1) To examine the extent to which performance measurement is designed and linked to the strategy. (2) To examine of performance measures being used in a balanced manner	Exploratory design	Malaysia **Sample**: 77 respondents	Questionnaire	Descriptive statistics	(1)The design of the public sector performance measurement system in Malaysia is moderately well-developed. (2) There is overall lack of balanced indicators. Therefore, only few financial and non-financial	Future survey study should target the lower-level staff in the Malaysian public sector organizations, whom are ready to give out dispassionate view about the design and use of performance measurement in the Malaysian public sector.

	Journal of global strategic management.	in accordance to the balanced score card model.					indicators are involved.	
3	Grafton, J., Lillis, A. M., & Widener, S. K. (2010). **Title**: The role of performance measurement and evaluation in building organizational capabilities and performance. **Journal**: Accounting, organization and society (ELSEVIER).	**Objective**: To build insight into the link between organizational control system and performance. **Variables**: Performance (DV), Use of performance information for feedforward control, use of performance information for feedback control, new capabilities, existing capabilities (IVs).	Descriptive design	Australia & United States. **Sample**: 183	Questionnaire	Structural Equation Modelling (SEM).	The data collected for the study support a structural model in which the extent the decision facilitating measures are captured in evaluation mechanisms influence the use of those measures. Thus, providing evidence that contemporary performance measurement systems can influence the organizational performance outcomes.	Future research study should try to obtain the reliable data relating to the influence of information on decision making. This study does not also explore the process by which management control system would bring about further development of new strategic opportunities into sustainable competitive advantage.
4	Verbeteen, F. H. M. & Spekle, R. F. (2015). **Title**: Management control, result-oriented culture and public sector	**Objectives**: To examine the validity of a specific branch of NPM i.e the part that is concerned with the design of management controls to support effectiveness and efficiency of public sector organizations.	Descriptive design	Netherlands **Sample**: 96.	Questionnaire	Structural equation modeling (SEM)	The findings provide little support for the OECD-NPM working theory of management control and even suggest that, NPM consistent reforms may have a negative impact on public sector performance.	The result of this study should be interpreted with care, because the data came from the Dutch Municipalities only, therefore, the generalizability of the findings should be limited. Further study is required to assess

	performance: Empirical evidence on new public management. **Journal**: Organization studies (SAGE), 1-26.	**Variables**: Organizational performance (DV). Result-oriented culture, Performance measurement system, internal deregulation (IVs).						whether the results can be replicated in a broader public sector settings in other countries.
5	Melkers, J. & Willoughby, K. (2005). **Title**: Models of performance measurement use in Local governments: Understanding budgeting, communication and lasting effects. **Journal**: Public administration review, volume 65, number 2. Pp. 180-190.	**Objectives**: To examine the perception of local administrators and budgeters about the performance measurement and its applicability to management and budgeting practices. **Variables**: Budget effects, Communication effects and Lasting effects (DV). Community characteristics, respondents' characteristics, organizational culture, performance measurement characteristics (IVs).	Descriptive design	USA **Sample**: 277 respondents	Questionnaire (Survey)	Correlations and modeling of relationships i.e Regression model.	The research study confirms that, the implementation of the performance measurement supports improved communication within and across branches of government and adds value to budgeting decisions by providing relevant informations.	This research is important because it provides a national assessment of the perspectives of local government administrators and budgeters. Future studies should examine and explore the extent of stakeholders involvement and their satisfaction as well as examining the effectiveness of the systems to integrate stakeholders view in such a complete way.

6	James, O (2010). **Title**: Performance measures and democracy: Information effects on citizen in field and laboratory experiments **Journal**: Journal of public administration research and theory, volume 21, pp 399-418	**Objectives**: To find out whether published performance information of the local governments are important cues towards influencing stakeholders perception. **Variables**: Partisan support: Perceived performance, satisfaction, intention to vote (DVs). Good performance, relatively good performance, bad performance (IVs).	Experimenta l design	England. **Sample**: Experiment group 100; Control group 100. Total 200.	A field experiment and two (2) laboratory experiments.	One-tailed test and binary probit model	The analysis of the result of the experiment provides support for the hypotheses about information cues effects on citizens' perceived performance and satisfaction but not effect on intended voting for local governments' incumbents.	The publication of information about the relative performance of local governments matters towards stakeholders' shifting their views about performance. It also helps in influencing their satisfaction about the local government services. The future study should assess the impact of the performance information in different services contexts.
7	Verbeteen, F. H. M. (2008) **Title**: Performance management practices in public sector organizations: Impact on performance	**Objectives**: The objective is to investigate whether performance management practices affect performance in the public sector organizations. **Variables**: Performance (DV). Clear and measurable goals, incentives (IVs). Decentralization,	Descriptive design	Netherlands. Sample: 93 public sector organisation s.	Questionnaire (survey).	Partial least square regression analysis.	The findings of the study suggest that, a clear and measurable goal is positively associated with both qualitative and quantitative performance. The result also indicates a positive relationship between incentives and the quantity performance. The control variables are established to have	The subsequent studies should investigate the reason behind some public sector organizations having ambiguous goals that are hard to measure while others have simple, clear and measurable goals. This study was conducted in Netherlands, therefore it could be replicated elsewhere.

	Journal: Accounting, auditing & accountability, vol. 21, no. 3. Pp 427-454	performance measurement system, size, sector (Control variables).					effects on the hypothesized relationship in many more ways than one.	
8	Otheitis, N. and Kunc, M. (2015) **Title**: Performance measurement adoption and business performance: An exploratory study in shipping industry. **Journal**: Management decision, vol 53, no 1. Pp 139-159.	Objective: To evaluate the adoption of performance measurement system (PMS) and its effect on performance **Variables**: Performance (DV). PM years of adoption, company's years of operations (IVs)	Descriptive design	13 countries across Europe, Asia and America. Sample: 100 shipping companies	Questionnaire (Survey)	Descriptive statistics only	A number of shipping companies have adopted the concept of performance measurement system and few others have it in their policy plan. It is established that, those that adopted have achieved a relatively better performance.	The shipping industry is a complex industry with strong implication globally. Therefore, adoption of PMS and other innovative management practices that can improve efficiency is paramount. Further studies should include more in-depth research and longitudinal studies to evaluate factors driving adoption of PMS and its impact on general organizational performance.
9	Mimba, N. S. H., van Helden, G. J. & Tillema, s. (2013) **Title**: Use of performance information in Indonesian Local Governments under diverging	Objective: To increase the understanding of the role of performance information in Indonesian local government organizations. Variables: Performance	Case study	Indonesia Sample: Two (2) Local governments located in Bali province namely, Denpasar	Interviews	Nil	The broad spectrum of performance interests of the three (3) powerful stakeholders viz: Regent/majors, Local council and Central government implied the performance systems and clearly have implications on the performance	Future studies should investigate the public sector organizations in other countries particularly the entire system of performance measurement and accountability (managerial). The purpose of low institutional capacity in public sector

	stakeholders pressure **Journal**: Public administration development, vol. 33. Pp 15-28	information use (DV). Group of stakeholders: Regent/Majors Local councils IVs Central govt		city and Brana regency			information use. Again overlapping interest of the stakeholders is larger than expected hence reinforced interest on performance information.	organizations in other less developed countries should also be an area of subsequent studies.
10	Zakaria, Z., Yacoob, Z., Noordin, N., Sawal, M.Z.H.M. & Zakaria, Z. (2011) **Title:** Key performance indicators (KPIs) in the public sector: A study in Malaysia. **Journal**: Asian journal of social science, vol. 7, no. 7. Pp 102-107.	Objectives: The study aims at the implementation of key performance indicators mainly in Malaysia in response with government circular 20. Variables: Adoption of KPIs (DV). Internal efficiency, customer satisfaction and resource control (IVs).	Explanatory study	Malaysia Sample: National registration department, Pulau, Pinang.	Semi-structured interview and observations	Nil	The findings reveals that, the use of key performance indicators has been successful in measuring individual and organizational performance. It provides an insight into the perception of managers on the relevance and usefulness of indicators.	Overall, the use of key performance indicators to measure organizational performance is needed not only in private sector but in public sector as well. Future studies should expand the frontier by investigating the possible link between KPIs and reward system
11	Spekle, R. F. and Verbeteen, F. H. M. (2014) **Title**: The use of performance measurement systems in the	**Objectives**: to provide a larger sampled quantitative evidence on the organizational factors that moderate the effectiveness of the use of performance	Descriptive design	Netherlands Sample: 101 organization s	Questionnaire (Survey).	Ordinary Least Square (OLS) regression.	The study provides that, there is positive association between contractibility and performance. It also indicates that, the current NPM approach to performance contracting as a means	The data of the study came exclusively from Dutch public sector organizations. It is not conceivable whether some of the results are affected by the context in which they were obtained. Therefore,

	public sector: Effects on performance. **Journal**: Management accounting research, vol 25. Pp 131-146.	measurement in the public sector. **Variables**: Performance (DV). Incentive-oriented PMS use, exploratory PMS use (IVs). Contractibility (Moderator).					of improving public sector performance may not hold for a subset of public sector organizations.	additional study is necessary to bolster the findings of this study possibly in other countries.
12	Yang, K and Hsieh, J. Y. (2007) **Title**: Managerial effectiveness of government performance measurement: Testing a middle-range model. **Journal**: Public administration review, September/ October, 2007. Pp 861-879	Objectives: The study aims to provide a middle-range theory of government performance measurement. Variables: Managerial effectiveness of performance measurement (DV). Stakeholder participation, organizational support, technical training, external political support (IVs). PM adoption (Mediator)	Descriptive design	Taiwan Sample: 1130 respondents	Survey using questionnaire	Partial least square (PLS)	Performance measurement studies have not paid enough attention to the mechanisms linking political environment and external stakeholder participation with performance measurement effectiveness. Therefore, overall, the model adds significant knowledge to the literature by testing a middle-range theory.	Caution needs to be taken in generalizing the results beyond the sample from Taipei, Taiwan. Although, the results confirms a model that is well-grounded in theory. Future studies may test the model with data collected from United States and other countries.
13	Tung, A., Baird, K.. & Schoch, H. P. (2011)	**Objectives**: The purpose of this paper is to examine the association between the use of multidimensional	Descriptive design	Australia. Sample: 455 senior	Mail survey	One-way ANOVA and the stepwise regression analysis.	The result shows that, organizations were more successful in achieving the performance related outcomes than the	Future studies may incorporate face to face interviews inorder to provide richer descriptions into the hypothesized

	Title: Factors influencing the effectiveness of performance measurement systems. **Journal**: International journal of operations and production management, volume 31, number 12. Pp 1287-1310.	performance measures and four (4) organizational factors with the effectiveness of performance measurement system (PMS). **Variables**: Effectiveness of performance measurement system (DV). Multidimensional PM, Organizational factors i.e. top management support, training employee, participation, link of performance to rewards (IVs).		financial officers.			staff-related outcomes. This means that, PMS have mainly been used as a managerial tool to assist the organization in motivating performance and achieving goals.	associations. Future research should also collect data from multiple respondents across different management levels.
14	Agbo, S and Aruomoaghe, J. A. (2014) **Title**: Performance audit: A tool for fighting corruption in Nigeria's public sector administration.	**Objectives**:the purpose of the paper is to look at the performance audit as a tool of fighting corruption in Nigeria. **Variables**: Performance audit (DV). Corruption, financial performance, managerial performance (IVs).	Descriptive design	Edo state, Nigeria. **Sample**: 100 respondents	Questionnaire (survey)	Pearson co-efficient correlation and two-tailed tests	Performance audit seems to be a remedy for corruption because it creates an unfavorable environment for it to rapidly occur and closes loopholes for corruption to thrive. The result shows that, there is significant relationship between performance audit and the reduction of corruption in the	Future studies could be replicated in other states of the federation.

	Journal: International journal of management and sustainability, Volume 3, no. 6. Pp 374-383						public sector. Also there is significant relationship between performance audit and financial and managerial performance in the public sector	
15	Akinbuli, S. F. (2013) **Title:** An assessment of accountability in the public sector in Nigeria. **Journal**: Arabian journal of business and management review, volume 1, no. 3. Pp 1-11	Objectives: To examine the duty of trust placed on the public officers in Nigeria. To examine the extent to which these officers render their stewardship to the citizenry. To examine the legal framework for the performance, policies and monitoring of public accountability in Nigeria. To review the extent of application of these policies viz: public expectation on the public accountability.	Descriptive design	Nigeria Sample: 130 respondents from the ministry of finance and ministry of justice	Survey (Questionnaire)	Chi-square	There are legal instruments that require public officers to account to the public while in office. The rate of adherence of these principles by the public officers is very low. The effect of this is that, public accountability in Nigeria has not significantly improved.	The government should consider the establishment of commission charged specifically with monitoring and strengthening public accountability
16	Ajibolade, S. O. and Akinniyi, O. K. (2013) **Title:** The influence of organizational culture and budgetary	**Objectives**: To investigate the influence of organizational culture and budgetary participation on propensity to create budgetary slack.	Descriptive design	Nigeria. **Sample**: 272 budget holders in 10 federal universities	Self administered questionnaire	ANOVA and mediation regression analysis	The majority (80%) of the universities studied exhibited a control culture in conformity with other studies findings that holds that, public sector organizations exhibit a traditional bureaucratic culture.	A study of the usefulness of the budgetary slack may be undertaken to see if organizations with flexible cultures and high budgetary slack show better performance indices than organizations with control organizational

	participation on propensity to create budgetary slack in public sector organizations. **Journal**: British journal of arts and social sciences, volume 13, no. 1. Pp 69-83.	**Variables**: Propensity to introduce budget slack (DV). Organizational culture (IV). Budget participation (Mediating variable).					The result also provided adequate support for the study's theoretical model.	culture with lower budgetary slack.
17	Porath, C. L. and Bateman, T. S. (2006) **Title:** Self regulation: from goal orientation to job performance **Journal**: Journal of applied psychology. Volume 91, no. 1. Pp 185-192.	**Objectives**: To investigate the effect of job performance of 3 forms of goal orientation and four (4) self regulation tactics. **Variables**: Performance (DV). Learning goal orientation, performance-prove goal orientation, performance avoid goal orientation (IVs). Feedback seeking, proactive behavior, emotional control, social competence (Mediators).	Descriptive design	Cross-country study conducted on the multinational computer outlets. **Sample**: 121 salesmen	Survey using e-mail.	Regression and correlation analysis	The findings reveal that, learning and performance goal orientation are positively related to job performance.	The study should be replicated in another settings to ascertain the veracity of the findings of this study. This is to establish whether the study findings might change.

18	Porter, C. O. L. H. (2005) **Title**: Goal orientation: effect on back-up behavior, performance, efficacy and commitment in teams. **Journal**: Journal of applied psychology. Volume 90, no. 4. Pp 811-818.	**Objectives**: To examine the predictive validity of goal orientation in teams of both team process, team outcome and performance. **Variables:** Efficacy, task performance (DV). Learning orientation and performance orientation (IVs). Backing up behavior, commitment (mediator and moderator).	Descriptive design and experimental design	Texas, USA **Sample**: 300 respondents	Laboratory experiment	Correlation and hierarchical regression analysis as well as Dynamic Decision Making Simulation (DDDS)	The findings reveal that or support the notion that, goal orientation can be used as a team composition variable that can predict team process and outcomes. All the hypothesized relationship are found to be positively correlated.	The future studies should capture goal orientation as a team-level collective construct. It was also recommended that, goal orientation can manifest otself at levels higher than the team. It is proposed that, an organization goal orientation might directly or indirectly influence behavior and outcomes at lower hierarchical levels. Larger samples is recommended in future studies.
19	Carlos, P. J. and Sally, D. (2014) **Title**: the role of corporate culture, market orientation and organizational commitment in organizational performance **Journal**: Journal of management development,	**Objectives**: to propose a relationship between the research constructs. **Variables**: Organizational performance (DV). Organizational commitment, market orientation.	Quantitative research design	Portugal **Sample**: 250 institutions	e-mail survey	Structural equation modeling (SEM)	The result indicates that, organizational culture have a significant impact on the organizational performance.	There is need for further studies between organizational culture and performance in the government institutions.

	volume 33, no. 4. Pp 374-398.							
20	Moynihan, D. P. and Pandey, S. K. (2010) **Title:** The big question for performance management: why do managers use performance information? **Journal**: Journal of public administration research and theory volule 20, no. 4. Pp 849-866	**Objectives**: the paper aims at examining the antecedents of self reported performance information use. **Variables**: Performance information use (DV). Leadership role, information availability, organizational culture, administrative flexibility (IVs). PSM	Descriptive design	USA **Sample**: 1,538 respondents i.e. senior managers, city managers and general managers.	Survey (Questionnaire)	Descriptive statistics and correlation matrix.	The findings reveal that, efficient PSM is positively correlated with reported performance information use. The findings also contributes additional circumstantial evidence to the questions of whether efficient public sector management forsters higher performance.	The findings cannot be considered definitive but take one additional step towards a better understanding of why public employees use performance information. Further studies can profitably examine performance information use in different settings, testing a variety of variables using both quantitative and qualitative techniques.
21	Ossege, C. (2012) **Title**: Accountability- Are we better off without it? An empirical study on the effects of accountability on public managers' work behavior. **Journal**: Public management review, volume	**Objectives**: To examine whether effects of accountability on work behavior are as paradoxical as assumed. **Variables**: Performance behavior (DV). Accountability (IV). Motivation (Moderator).	Quasi-experimental design	Netherlands. **Sample**: 73 public middle managers	Factorial survey (Questionnaire)	Descriptive statistics, Ordinary least square multiple regression analysis, multiple moderated analyses.	All the four (4) models show significant direct effects of accountability on performance behavior i.e prosocial behavior. Again, the result shows the positive effects of both process and outcome accountability on public managers tendency towards behavior.	Given the thorough evaluations involved in PSB accountability mechanisms, stimulating this work behavior is assumed to contribute to an effective and legitimate public administration. Therefore, accountability is a double-edge sword.

	14, no. 5. Pp 585-607.							
22	Kim, S. E and Lee, J. W. (2009) **Title:** Impact of competing accountability requirements on perceived work performance. **Journal**: Americal review of public administration (Sage publication). Pp 1-19.	**Objectives**: to identify different types of accountability requirement using quantitative data. To determine to what extent the competing pressures on accountability affects perceived performance. **Variables**: perceived work performance (DV). Hierarchical accountability, political accountability (IVs). Perceived work load, perceived job tension (mediators).	Descriptive design	USA **Sample**: 180 employees.	Survey (Questionnaire)	Structural equation modeling (SEM)	The findings reveal that, accountability is truly a multi-dimensional construct that places competing competing weight of pressures on the employees work related performance. Therefore, accountability might or might not inhibit organizational performance.	Future studies should expand the variables to be considered in assessing the accountability dynamics in the public sector and not profit making organizations. Again, the impact of accountability on general organizational performance should be investigated.
23	Pandey, P. (2014) **Title**: Organizational culture: Root for prosperity. **Journal**: Management insights, volume 10, n0. 1. Pp 74-80.	**Objectives**: To trace the path of how organizational culture builds an organization and how it reflrcts image of the organization. To know the relationship between organizational culture and performance. To know the relevance of organizational cultural change in organizational success.	Descriptive design	Cross-country study.	Secondary sources of data	Nil	It is found that, organizational culture is the soul of the organization and control, its purpose of existence, its direction and activities.	Incremental change in organizational culture is a positive sign of successful organizations. Really, the study of organizational culture gives solutions to most of the organizational problems and on the other hand, it can be used as a strategic tool.

		Variables: organizational culture (DV). change, performance (IVs)						

S/ N	Author	Title	Country	Industry/ Sector	Method/ Theory	Major Findings	Future Research	Year
24	Nurkholis Muslim Har Sani Mohamad & Suhaiza Ismail	The effect of regulation and goal orientation on performance measurement utilization: Evidence from Indonesian Local governments.	Indonesia	Public sector	Quantitative survey using purposive sampling.	The study found that, PM utilization in Indonesian local governments is regulatory driven. PM regulation is a determinant of PM implementation through the mediating effect of goal orientation and PM adoption.	The study should be replicated in other developing countries. However, in-depth case analysis is recommended to provide deeper insight.	2014
25	Maria Anna Mucciarone & John Neilson.	Performance reporting in the Malaysian government.	Malaysia	Public sector	Survey & Interview	The overall study indicates that, Malaysian Federal and State SFOs still have some work to do in improving the use of performance indicators in their government departments.	Future research should pay attention on other likely factors e.g culture, salary and management commitment.	2011
26	Taylor Jeannette.	Performance measurement in Australia and Hong Kong government departments.	Australia and Hong Kong	Public sector	Survey. **Analysis**: Correlation analysis.	Generally, the findings suggest that, many participating departments appears to have some sense of how to develop and implement useful performance measures, often working from their organizational missions,	Further research can examine and compare the views of various groups- top managers, middle managers, line managers, low level employees and citizens groups on their participation and support for	2006

		Journal: *Public performance and management review vol. 29, no. 3*				goals and objectives. However, in some areas significant difference exist between the two countries.	performance measurement system.	
27	Zahirul Hoque and Carol Adams.	The rise and use of balanced scorecard measures in Australian government departments. **Journal**: *Financial accountability and management vol 27, no. 3*	Australia	Public sector	Survey **Analysis**: Regression analysis	Result indicates that, the most common balanced scorecard measures adopted were measures for output and process efficiency.	Future research can extend this study by examining how overseas governments measure performance.	2011
28	Taylor Jeannette.	Factors influencing the use of performance information for decision making in Australian state agencies.	Australia	Public sector	Survey, empirical	All the variables except stakeholder support are found to be significantly related to the use of PIs for decision making.	The research should be replicated in other countries.	2011
29	Otrusinova, M and Pastuszkova, E.	Concept of 3Es and public administration performance. **Journal**: *International journal of system*	Czech Republic	Public sector	Conceptual.	Achieving 3Es means increasing performance of institution.		2012

		application, engineering and development, vol 2, no. 6, 171-178.						
30	Andrea-Iona coste and Andriana Tiran Tudor	Service performance- Between measurement and information in the public sector	Romania	Public sector	Conceptual.	The paper argues that, service performance in the public sector is an essential attribute. Therefore establishing performance measurement indicators in public sector organizations help to measure quality of service.	Future research should focus on the practical application of the performance measurement in the public sector organizations.	2013
31	Nazirah Aziz, Wee Shu Hui & Radiah Othman	The use of performance measurement system (PMS) in transforming public sector organization.	Malaysia	Public sector	Conceptual paper	The issues of effective performance measurement in the public sector organizations have frequently been addressed by politicians, academicians and public sector managers at large. However, the improvement is still unsatisfactory.	There is need to address to underlying reason for unsatisfactory improvement in the areas of performance in public sector. Therefore, the readiness to change attitude be inculcated.	2012
32	Bakar, N. B., Saleh, Z. & Mohamad, M. H. S.	Enhancing Malaysian public sector transparency and accountability **Journal:** *European journal of economics, finance &*	Malaysia	Public sector	Conceptual paper	A comprehensive and properly executed performance measurement system which is adequately disclose to the stakeholders and other related interested parties may help to increase the level of competitiveness in the public sector.	It is noted that, making and sustaining change in the public sector will not be smooth sailing due to number of factors.	2011

		administrative science.						
33	Nömm, K. & Randma~Liiv, T.	Performance measurement and performance information in new democracies.	Estonia	Public sector	Qualitative exploratory study	The study confirms the findings of the previous studies, in that, it highlights contradictory aspects of concept of performance measurement and the challenges inherent in the corresponding implementation process.	The problem related to the performance measurement is not limited to only European countries.	2012
34	Pollanen, R. M.	Annual performance reporting as accountability mechanism in Local government	Canada	Public sector	Exploratory	Using evidence from two (2) Canadian provinces, the study demonstrates that laws and regulations regarding performance reporting can vary significantly. In spite of modest progress towards implementing the professional non-financial performance reporting requirements, financial performance still constitutes major focus.	Future studies will be beneficial it they follow up on the implementation progress in Ontario and British Columbia as well as other provinces.	2014
35	Arnaboldi, M., Lapsley, I. & Steccolini, I. (2015)	Performance management in the public sector: the ultimate challenge	Cross-countries general review	Public sector	Conceptual review using complexity theory	There is a clear need for effective performance management systems in the public services. The NPM modernizers see this as a way of providing public services more efficiently.	This paper has elaborated upon the potential of complexity theory to be mobilized by researchers within public service management.	2015
36	Abdulrahim A. Al Athmay	Performance auditing and public sector management in	Brunei	Public sector	Conceptual review, personal experience	The main thrust of auditing is still on financial and procedural compliance. The	The era of NPM has brought some significant changes in the	2008

		Brunei Darussalam			and interviews	performance auditing is still at infancy level in Brunei.	meaning of public sector accountability	
37	Marcuccio, M. and Steccolini, I.	Patterns of voluntary extended performance reporting in Italian Local authorities	Italy	Public sector	Content analysis. Theories: Legitimacy theory and Contingency theory	From the empirical analysis, an extremely differentiated picture emerges. A common model of extended performance reporting (EPR) does not commonly exists across all local authorities; nevertheless EPR represent a significant effort by local authorities in communicating performance to external stakeholders with specific reference to the results achieved in social and economic development.	Further studies should observe the future evolution of patterns of EPR and enrich analysis by interviewing managers or groups of stakeholders so as to take into consideration other disclosure means or compare practices emerging in different countries.	2009
38	Neely, A.	The evolution of performance measurement research: Development in the last decade and a research agenda for next.	Cross-country analysis	Public and private sector	Content analysis and citation/co-citation analysis	The paper argues that, scholars working in the field of performance measurement agreed about the key research questions despite the fact that, they come from different disciplinary background.	The study is limited to the work that deals directly with performance measurement. It excludes related research such as literatures on management control and performance management. Future studies could be extended to include these literatures.	2005
39	Goh, S. C.	Making performance measurement systems more effective in public sector organizations.	Cross-country analysis	Public sector	Conceptual review	It is argued that, public sector organizations need to pay attention to three (3) important factors that can play an important influencing role in making performance measurement	Future studies may investigate the interplay of these factors with more convincing empirical evidence.	2012

						system more effective for them.		
40	Arthur, A., Rydland, L.T. and Amundsen, K	The user perspective in performance auditing- A case study of Norway	Norway	Public sector	Case study	The role of supreme audit institutions is to identify obstacles to good public performance and to communicate the findings to the parliament on regular basis. The SAIs seeks to present audit evidence and well-founded conclusions that may contribute to the improvement in public services.	The role of supreme audit institutions (SAIs) in different countries is a likely research gap for future researchers.	2011

APPENDIX C: Schedule of Responses

Year	Month	Week	Number of Questionnaires Distributed	Number of Questionnaires Received
2016	February	3rd Week	9	1
		4th Week	14	7
2016	March	1st Week	22	6
		2nd Week	36	20
		3rd week	18	15
		4th Week	30	33
2016	April	1st week	40	29
		2nd week	36	17
		3rd week	57	24
		4th week	25	22
2016	May	1st week	69	14
		2nd week	28	26
		3rd week	55	49
		4th week	61	11
2016	June	1st week	33	19
		2nd week	18	12
		3rd week	-	10
		4th week	-	13
TOTAL			**551**	**328**

Othman Yeop Abdullah Graduate
School of Business, Universiti Utara,
Malaysia,
06010 Sintok, Kedah, Malaysia
Phone: (+604)
E-mail: oyagsb@uum.edu.my

Dear Sir/Madam,

APPENDIX D: Research Questionnaire

I am a PhD student at University Utara Malaysia, and currently undertaking a research study on "Performance management antecedents and public sector organizational performance: The effect of performance audit in Nigeria".

Please, kindly complete this questionnaire as accurately as possible. The whole exercise should not take more than 20 minutes of your time. Please note that, your cooperation, participation and response is highly appreciated. There is no right or wrong answer to the questions. Be assured that, all information provided will be treated with utmost confidentiality and it will be used purely for academic purposes.

Thank you

Yours Sincerely

ABDULKADIR ABUBAKAR
PhD Research Candidate
University Utara Malaysia
06010 Sintok, Kedah, Malaysia.
Tel: +601133165452, +2348063324517.
E-mail: aakatagum@gmail.com
taurarruwa4@gmail.com

SECTION A: DEMOGRAPHIC INFORMATION (Please tick (√) in the appropriate box)

1. Organization
    - ❖ Ministry ☐
    - ❖ Department ☐
    - ❖ Agency ☐

2. Geo-political zone
    - ❖ North-West ☐
    - ❖ North-East ☐
    - ❖ North-Central ☐
    - ❖ South-West ☐
    - ❖ South-East ☐
    - ❖ South-South ☐

3. Your current administrative position
    - ❖ Director ☐
    - ❖ Deputy Director ☐
    - ❖ Assistant Director ☐
    - ❖ Others ☐
4. Number of Years in current position
    - ❖ Less than 2 years ☐
    - ❖ 2-5 years ☐
    - ❖ Above 5 years ☐
5. Age
    - ❖ Less than 35 years ☐
    - ❖ 35-40 years ☐
    - ❖ 41-45 years ☐
    - ❖ Above 45 years ☐
6. Gender
    - ❖ Male ☐
    - ❖ Female ☐

SECTION B

Please indicate as honestly as objectively as possible the extent to which you align with each of the following question using the scales below.

PUBLIC SECTOR ORGNIZATIONAL PERFORMANCE

1-Far below average, 2-Below average, 3-Average, 4-Above average and 5-Far above average.

1.	How would you quantify the organizational performance of your ministry or parastatal in terms of services rendered or projects executed to the citizens?	1	2	3	4	5
2.	How would you assess the organizational performance of your ministry or parastatal with regards to the quality of the services rendered or projects executed to the citizens?	1	2	3	4	5
3.	What is the extent of innovations of new policies, programs and projects by your ministry or parastatal in order to boost the organizational performance?	1	2	3	4	5
4.	What is the extent of the reputation of work excellence in your ministry or parastatal in improving organizational performance?	1	2	3	4	5
5.	How would you score your ministry or parastatal in terms of the attainment of goals or targets set to it for the achievement of optimal organizational performance?	1	2	3	4	5
6.	How efficient is your ministry or parastatal in discharging its mandate and boosting its organizational performance?	1	2	3	4	5
7.	How effective is your ministry or parastatal in discharging its mandate and boosting its organizational performance?	1	2	3	4	5
8.	How economical and resourceful is your ministry or parastatal in achieving its organizational performance?	1	2	3	4	5
9.	How high is the morale of the staff of your ministry or parastatal in boosting its organizational performance?	1	2	3	4	5

GOAL ORIENTATION

1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent and 5-To a very greater extent.

10	To what extent does your organization formulate a clear mission statement?	1	2	3	4	5
11	To what extent does the mission statement of your organization reflect the broad mission of the state?	1	2	3	4	5
12	To what extent does your programs, activities, policies and projects focused on achieving your organization's mission?	1	2	3	4	5
13	To what extent does your mission statement are translated into the stated goals of your organization?	1	2	3	4	5
14	To what extent does the stated goals of your organization are translated into the main concern of your employees to achieve?	1	2	3	4	5
15	How measurable are the stated goals and objectives of your organization?	1	2	3	4	5

PERFORMANCE MEASUREMENT

1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent, and 5-To a very greater extent.

16	To what extent does your organization use performance measurement in long term planning?	1	2	3	4	5
17	To which extent does your organization use performance measurement in budget formulation?	1	2	3	4	5
18	To which extent does your organization use performance measurement to achieve organizational goals?	1	2	3	4	5

19	To which extent does your organization use performance measurement to fulfil social contract with the citizens?	1	2	3	4	5
20	To which extent does your organization use performance measurement to manage activity or program?	1	2	3	4	5
21	To what extent does your organization utilize performance measurement to measure program performance?	1	2	3	4	5
22	How often does your organization use performance measurement to satisfy legislative requirements (law, ordinance, policy, etc)?	1	2	3	4	5
23	To what extent does your organization use performance measurement to satisfy community expectations?	1	2	3	4	5
24	To what extent does your organization use performance measurement to satisfy professional associations and labour unions?	1	2	3	4	5
25	To what extent does your organization use performance measurement to punish or reward staff?	1	2	3	4	5
26	To what extent does your organization take actions based on the results or outcomes of its activities?	1	2	3	4	5
27	To what extent does your organization use performance measurement to copy or learn from other organizations?	1	2	3	4	5

PERFORMANCE REPORTING

1-To a little or no extent, 2-To some extent, 3-Neutral, 4-To a greater extent, and 5-To a very greater extent.

28	To what extent does your organization regularly uses performance information to make decisions?	1	2	3	4	5
29	To what extent does your organization use performance information to think of new approaches for doing old things?	1	2	3	4	5

30	To what extent does your organization been using performance information to set priorities?	1	2	3	4	5
31	To what extent does your organization use performance information to identify problems that need attention?	1	2	3	4	5
32	To what extent does your organization been using performance information to communicate program successes to stakeholders?	1	2	3	4	5
33	To what extent does your organization use performance information to advocate for resources to support program needs?	1	2	3	4	5
34	To what extent does your organization use performance information to explain the value of the program to the public?	1	2	3	4	5

ACCOUNTABILITY

From 1-Never, 2-Rarely, 3-Sometimes, 4-Rather often, 5-All the time.

35	How often does your organization observe accountability in increasing work productivity?	1	2	3	4	5
36	How often does your organization strictly follow management direction on accountability?	1	2	3	4	5
37	How often does your organization strictly follow administrative procedures and rules in achieving accountability?	1	2	3	4	5
38	How often do employees in your organization assist one another in maintaining strong accountability?	1	2	3	4	5
39	How regular do staff in your organization are required to dedicate religiously to the mission of the organization in terms of accountability?	1	2	3	4	5
40	How regular do staff in your organization are required to observe the organizations' ethics and policy in providing services to the public with strong sense of accountability?	1	2	3	4	5

41	How often does your organization demands staff to observe professional ethical conduct of accountability?	1	2	3	4	5
42	How often does your organization request staff members to demonstrate high degree of accountability in improving the quality of services and organizational best practices?	1	2	3	4	5
43	How often do you assess your organization in fulfilling the accountability obligation in response to the public performance expectation?	1	2	3	4	5
44	How often does your organization observe accountability relationship in working with the public in shaping policies?	1	2	3	4	5
45	How often does your organization observe accountability relationship in working with advocacy groups in shaping policies?	1	2	3	4	5
46	How often does your organization observe accountability relationship in working with other organizations in shaping policies?	1	2	3	4	5
47	How often does your organization observe accountability relationship in maintaining good relationship with the general public through media?	1	2	3	4	5

ORGANIZATIONAL CULTURE

1-To a little or no extent, 2-To some extent, 3- Neutral, 4-To a greater extent, 5-To a very great extent.

48	To what extent does the opinion of employees count in your organization?	1	2	3	4	5
49	To what extent does the spirit of co-operation and team work exist in your organization?	1	2	3	4	5
50	To what extent does your organization promotes high standard of integrity?	1	2	3	4	5

51	To what extent does your organization promotes concern for the public interest among the employees?	1	2	3	4	5
52	To what extent does your organization protect employees against arbitrary personnel action?	1	2	3	4	5
53	To what extent does your organization protect employees against personal favoritism?	1	2	3	4	5
54	To what extent does your organization protects employees against coercion for partisan political activities?	1	2	3	4	5
55	To what extent does your organization protects employees against reprisal for whistleblowing?	1	2	3	4	5

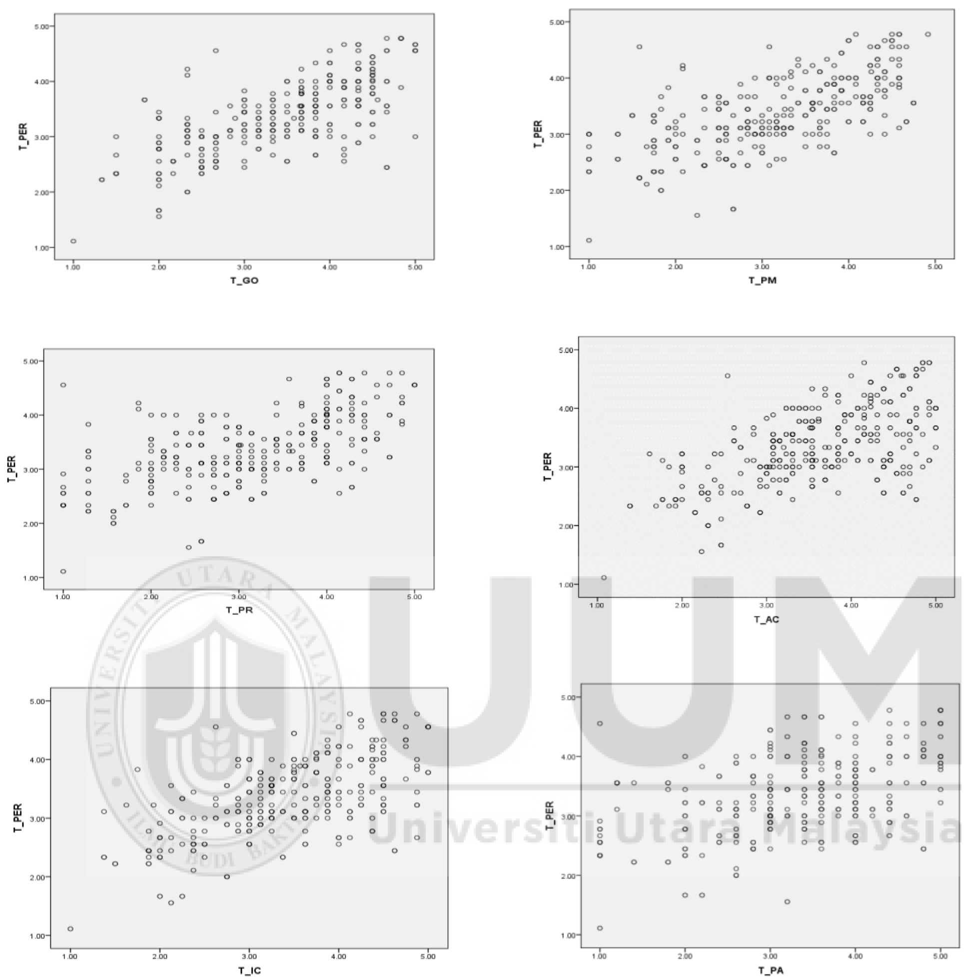
PERFORMANCE AUDIT

1-To a little or no extent, 2-To some extent, 3- Neutral, 4-To a greater extent, 5-To a very great extent.

56	To what extent does performance audit relating to efficiency is conducted in your organization?	1	2	3	4	5
57	To what extent does performance audit relating to effectiveness is conducted in your organization?	1	2	3	4	5
58	To what extent does performance audit relating to economy is conducted in your organization?	1	2	3	4	5
59	To what extent does supreme audit institutions ask users opinion about the conduct of performance audit?	1	2	3	4	5
60	To what extent does supreme audit institutions make recommendations to policy makers after the conduct of performance audit?	1	2	3	4	5

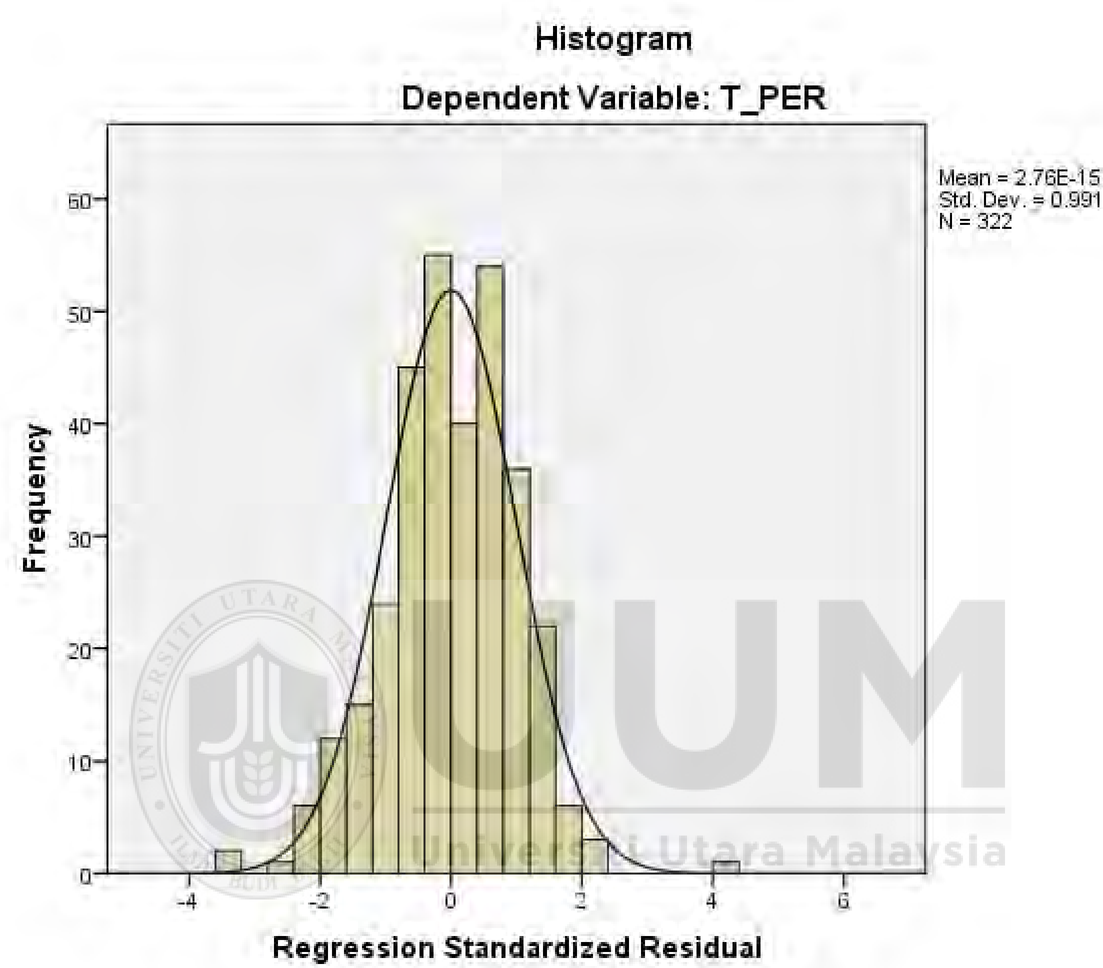
Thank you for participating.

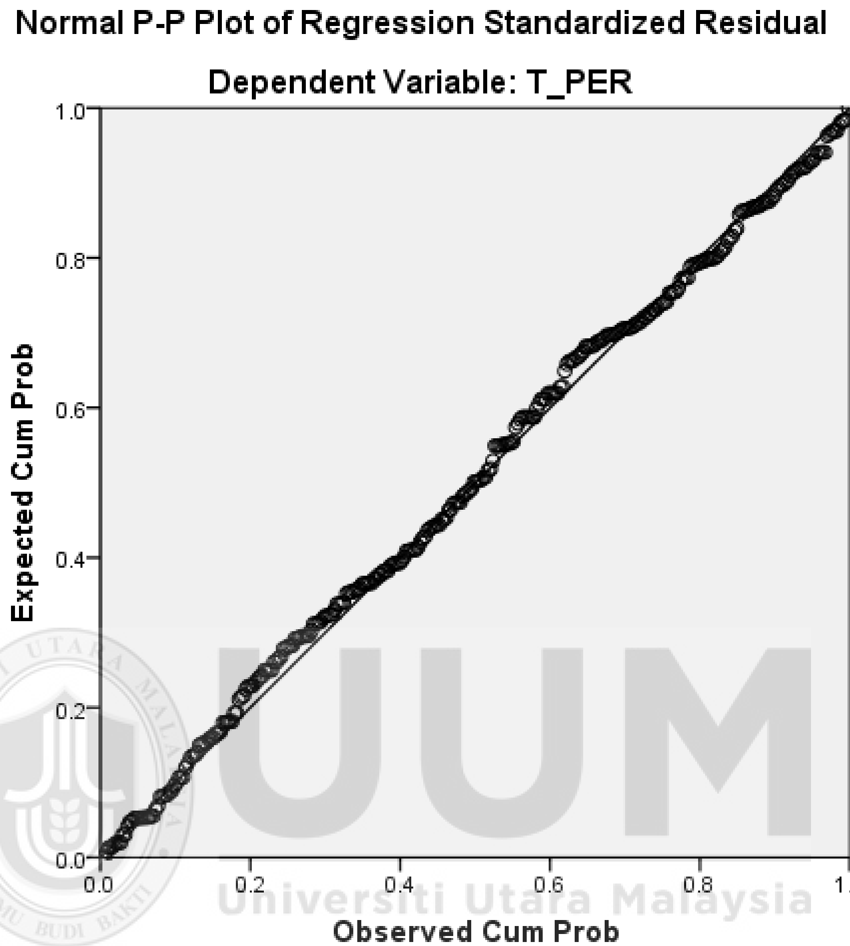
APPENDIX E: Test of Linearity (Scatterplots)



Scatterplots of the Study Variables

APPENDIX F: Homoscedasticity





Normal P-P Plot of Regression Standardized Residual
Dependent Variable: T_PER
Expected Cum Prob
Observed Cum Prob
0.0
0.2
0.4
0.6
0.8
1.0

APPENDIX G: SPSS Output for Common Method Variance Test

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	26.943	44.904	44.904	26.943	44.904	44.904	12.240	20.399	20.399
2	4.118	6.864	51.768	4.118	6.864	51.768	8.958	14.930	35.329
3	2.972	4.954	56.722	2.972	4.954	56.722	5.346	8.911	44.240
4	2.287	3.811	60.533	2.287	3.811	60.533	3.877	6.462	50.702
5	1.534	2.557	63.091	1.534	2.557	63.091	3.505	5.841	56.543
6	1.372	2.287	65.378	1.372	2.287	65.378	3.423	5.706	62.249
7	1.269	2.115	67.493	1.269	2.115	67.493	2.804	4.674	66.923
8	1.136	1.894	69.387	1.136	1.894	69.387	1.319	2.199	69.122
9	1.041	1.735	71.122	1.041	1.735	71.122	1.200	2.000	71.122
10	.960	1.600	72.722						
11	.907	1.512	74.234						
12	.790	1.317	75.551						
13	.769	1.282	76.832						
14	.736	1.226	78.058						
15	.671	1.118	79.177						
16	.639	1.065	80.242						
17	.612	1.021	81.262						
18	.592	.987	82.249						
19	.577	.961	83.211						
20	.524	.874	84.085						
21	.505	.841	84.926						

22	.482	.803	85.729						
23	.453	.755	86.484						
24	.440	.734	87.218						
25	.415	.692	87.909						
26	.405	.675	88.584						
27	.381	.636	89.220						
28	.360	.600	89.820						
29	.347	.579	90.399						
30	.328	.547	90.946						
31	.317	.528	91.474						
32	.307	.511	91.985						
33	.286	.477	92.462						
34	.283	.471	92.933						
35	.271	.451	93.384						
36	.267	.444	93.828						
37	.260	.434	94.262						
38	.248	.414	94.676						
39	.236	.393	95.068						
40	.226	.377	95.445						
41	.211	.351	95.796						
42	.195	.326	96.122						
43	.190	.317	96.439						
44	.185	.308	96.747						
45	.172	.287	97.034						
46	.169	.281	97.315						
47	.160	.266	97.581						
48	.154	.257	97.838						

49	.147	.246	98.084						
50	.139	.232	98.316						
51	.137	.228	98.544						
52	.123	.205	98.749						
53	.121	.202	98.951						
54	.108	.181	99.132						
55	.106	.176	99.308						
56	.096	.160	99.468						
57	.093	.155	99.623						
58	.083	.138	99.761						
59	.077	.128	99.889						
60	.067	.111	100.000						

Extraction Method: Principal Component Analysis.

APPENDIX H: Correlation Test

Correlations

		T_PER	T_GO	T_PM	T_PR	T_AC	T_IC	T_PA
T_PER	Pearson Correlation	1	.698**	.650**	.598**	.579**	.618**	.476**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	322	322	322	322	322	322	322
T_GO	Pearson Correlation	.698**	1	.742**	.734**	.556**	.644**	.502**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	322	322	322	322	322	322	322
T_PM	Pearson Correlation	.650**	.742**	1	.871**	.560**	.705**	.596**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	322	322	322	322	322	322	322
T_PR	Pearson Correlation	.598**	.734**	.871**	1	.600**	.697**	.619**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	322	322	322	322	322	322	322
T_AC	Pearson Correlation	.579**	.556**	.560**	.600**	1	.663**	.543**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	322	322	322	322	322	322	322
T_IC	Pearson Correlation	.618**	.644**	.705**	.697**	.663**	1	.694**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	322	322	322	322	322	322	322
T_PA	Pearson Correlation	.476**	.502**	.596**	.619**	.543**	.694**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	322	322	322	322	322	322	322

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

APPENDIX I: Hierarchical Regression

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	T_IC, T_GO, T_AC, TPPM1, T_PR[b]	.	Enter
2	TAPA7[b]	.	Enter
3	iICTP, iPRTP, iACTP, iGOTP, iPMTP[b]	.	Enter

a. Dependent Variable: TPPER1

b. All requested variables entered.

Model Summary[d]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.725[a]	.525	.518	.48166	.525	69.928	5	316	.000	
2	.728[b]	.530	.522	.47977	.005	3.491	1	315	.063	
3	.736[c]	.542	.526	.47752	.012	1.595	5	310	.161	1.813

a. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR

b. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR, TAPA7

c. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR, TAPA7, iICTP, iPRTP, iACTP, iGOTP, iPMTP

d. Dependent Variable: TPPER1

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	1.133	.130		8.686	.000	.876	1.390					
	T_GO	.345	.049	.439	7.099	.000	.250	.441	.679	.371	.275	.392	2.548
	TPPM1	.167	.060	.229	2.809	.005	.050	.285	.613	.156	.109	.226	4.430
	T_PR	-.105	.057	-.150	-1.839	.067	-.217	.007	.564	-.103	-.071	.226	4.431
	T_AC	.154	.043	.193	3.573	.000	.069	.239	.551	.197	.138	.516	1.937
	T_IC	.093	.051	.113	1.808	.072	-.008	.194	.579	.101	.070	.386	2.589
2	(Constant)	.855	.198		4.324	.000	.466	1.243					
	T_GO	.348	.048	.443	7.187	.000	.253	.444	.679	.375	.277	.392	2.551
	TPPM1	.171	.059	.234	2.873	.004	.054	.287	.613	.160	.111	.226	4.433
	T_PR	-.111	.057	-.159	-1.952	.052	-.223	.001	.564	-.109	-.075	.225	4.445
	T_AC	.156	.043	.195	3.633	.000	.072	.241	.551	.201	.140	.516	1.938
	T_IC	.097	.051	.118	1.894	.059	-.004	.197	.579	.106	.073	.386	2.593
	TAPA7	.092	.049	.073	1.869	.063	-.005	.190	.007	.105	.072	.988	1.012
3	(Constant)	.870	.200		4.343	.000	.476	1.265					
	T_GO	.354	.049	.450	7.274	.000	.258	.450	.679	.382	.280	.385	2.594
	TPPM1	.149	.060	.204	2.498	.013	.032	.267	.613	.140	.096	.220	4.538
	T_PR	-.094	.057	-.135	-1.644	.101	-.207	.019	.564	-.093	-.063	.218	4.578

T_AC	.142	.044	.177	3.245	.001	.056	.228	.551	.181	.125	.498	2.009
T_IC	.104	.051	.127	2.031	.043	.003	.205	.579	.115	.078	.378	2.642
TAPA7	.095	.050	.075	1.910	.057	-.003	.193	.007	.108	.073	.967	1.034
iGOTP	.043	.098	.031	.444	.657	-.149	.235	-.089	.025	.017	.312	3.205
iPMTP	.054	.115	.039	.473	.637	-.172	.281	-.078	.027	.018	.215	4.651
iPRTP	-.213	.107	-.163	-1.991	.047	-.423	-.003	-.097	-.112	-.077	.221	4.523
iACTP	-.099	.084	-.065	-1.180	.239	-.265	.066	-.170	-.067	-.045	.485	2.064
iICTP	.114	.096	.078	1.181	.238	-.076	.304	-.061	.067	.045	.341	2.929

a. Dependent Variable: TPPER1

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	81.114	5	16.223	69.928	.000[b]
	Residual	73.310	316	.232		
	Total	154.424	321			
2	Regression	81.918	6	13.653	59.315	.000[c]
	Residual	72.507	315	.230		
	Total	154.424	321			
3	Regression	83.737	11	7.612	33.384	.000[d]
	Residual	70.688	310	.228		
	Total	154.424	321			

a. Dependent Variable: TPPER1

b. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR

c. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR, TAPA7

d. Predictors: (Constant), T_IC, T_GO, T_AC, TPPM1, T_PR, TAPA7, iICTP, iPRTP, iACTP, iGOTP, iPMTP