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Effect of Financial Regulations on Accountability of Some Selected Public Organizations in Nigeria

Abdullahi Mohammed[1]
Adamu Buba[2*]
Uthman Omale Ahmed[3]

[1,3]Department of Public Administration Nasarawa State University, Keffi, Nigeria
[2]Department of Public Administration Federal Polytechnic, Bauchi, Nigeria
[*]E-mail : bubaadamu@fptb.edu.ng

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Abstract

The Federal Government of Nigeria has implemented reforms to combat corruption and promote public accountability in public service. The Federal Government Financial Regulations aim to achieve this by promoting transparency and accountability. This study examines the impact of financial regulations on accountability, focusing on compliance with internal audit reviews and the enforcement of sanctions for breaches resulting in government losses. The study uses primary data from interviews with staff at the National Identity Management Commission (NIMC) and National Airspace Research and Development Agency (NASRDA) and quantitative data collection. Results show that strict compliance with internal audit reviews significantly improves accountability in the area, leading to public trust in financial transactions. Additionally, strict enforcement of sanctions on breaches resulting in government losses also enhances accountability. The study suggests regularly providing a detailed internal audit review time table to staff and unit heads for proper preparation. Prompt reporting of anomalies is crucial. Top leadership should outline consequences for non-observance and strengthen internal controls to ensure checks and balances in audit reviews. Lastly, the study suggests imposing stiffer sanctions on breaches causing government losses to deter erring staff and strictly based on financial regulations.

Keywords: Accountability, Internal audit reviews, Financial Regulations, Sanctions, Public service.

1.0 Introduction

The past two decades have witnessed intensified debate on the performance and accountability of the institutions and organizations within the public sector (Hookana, 2011). As a result, there have been increasing calls for the public sectors in developing nations including Nigeria to provide quality public services that meet the needs of the citizens, be more accountable for its decisions and actions and to manage resources more prudently. Interest in public sector accountability is motivated by the need to curb waste occasioned by inefficient use of public resources and collusion between the top bureaucratic and political class in rent-seeking and sundry corrupt practices. The need for efficient management of the meager resources in the face of rising expectations from the populace for service delivery calls for proper accountability in the public sector.

In the public sector, accountability means that all government officials must answer to the citizens and justify the source and utilization of public resources in their disposal. It is imperative that citizens have access to information either facts or figures that allow them to make decisions, thereby encouraging citizens participation in government. Democracy makes it permissible for citizens to hold government officials accountable and also to monitor and control government conduct which prevents the abuse of powers by public officials. This shows that public accountability is one of the fundamental prerequisites for preventing the abuse of power and for ensuring that power is directed towards the achievement of efficiency, effectiveness in the conduct of public organizations. Efficiency and effectiveness became the central terms used in assessing and measuring the performance of organizations (Mouzas, 2016).

Financial regulation functions as a core to the effectiveness and solidity of financial system (monetary stability). Financial establishments play a crucial part in assembling investments, and well-organized conversion of investments into actual wealth for investment. Internal auditing as it is used in this study is the periodic spot checks and annual audit of accounts of MDAs to ascertain the effectiveness of the internal control systems. It is conducted on MDAS by supervising departments in the MDAS.

Sanction as used in this study is a disciplinary measure or reprimand, which causes panic, criticism when one is involved in an unlawful or illegal act. It is also seen as a measure to instill orderliness and conformity to established rules and regulations. In order words, sanction is used as a form of discipline in this research, this discipline which is enforced on breaches not directly or immediately resulting in loses to government and breaches on poor management of accounts of Ministries Departments Agencies (MDAS).

Enforcement could be generally regarded as any actions taken by regulators to guarantee compliance (Zubcic & Sims, 2011). There are diverse thoughts concerning the weight of enforcement of sanctions on compliance. A number of scholars such as Sparrow (1994), disbelief there is direct influence of enforcement on regulatory compliance. They maintain that enforcement may make violators of such laws more refined on how to preclude, and hide discovery by the establishments.

The study focuses on two specific objectives of determining the effects of internal audit reviews, and enforcement of sanctions on accountability of some selected public organizations in Nigeria.

The study period covers the years between 2008 and 2017. The two agencies, National Identity Management Commission (NIMC) and National Space Research and Development Agency (NASRDA) were selected for this research and the choice of the study period was due to the fact that a number of financial regulation breaches were recorded during the time and were made public by the Auditor General of the Federation. The anomalies and breaches for the two selected parastatals were on the high side, hence the need explore further. These breaches were reported in the 2015 Audit Review by the Auditor General of the Federation as captured by Vanguard newspaper, 27th September, 2017.

Despite the introduction and the revisions of the financial regulation policies and programs by various governments in Nigeria, the country is on daily basis losing huge financial resources to financial inefficiency, non-transparency and mismanagements. There are occurrences and recurrences of corruption, wastages, mismanagement of public funds and all the efforts made have so far defied significant improvement.

However, consequent to the above assertions, between the year 2013 and 2017, the FGN lost over N557 billion to non-compliance with financial regulations and the Public Procurement Act by Ministries, Departments and agencies between 2013 and 2017 (Punch Newspaper, 2nd October, 2021). Thus, some fundamental problems are still existed despite the efforts made by successive governments, the rate of corruption in the public service/sector is high, there are questions as to the efficacy of the mechanisms being used and further steps to be taken to ensure accountability in the Nigerian public service. There are evidences of several cases of violation of financial regulation in Nigeria specifically in Federal Government Ministries, Department and Agencies (MDAs). Within the study period, the Auditor General of the Federation discovered and compiled in the audit report of the programmes and performance of the MDAs in the year ended, December, 2015, that, Federal Ministries and other agencies are in the web of public financial irregularities mismanaging public finances and indicted many, including the then Accountant General of the Federation (AGF) (Vanguard, 27th September, 2017) There is a negative effect on the meagre resources with far-reaching and attendant consequences on the development or even socio-economic or political programmes of the nation (Bello, 2001).

However, literature gap was also identified in the course of this research. Numerous researches have been carried out on financial Regulations and accountability in the public sector. Examples of such studies are: Seifert and Wiedemann (2018); Alkali and Umar (2018); Adeyemo and Adeyemi (2020); Adebayo and Okeke (2021); Abiola and Oyinloye (2020); Oguntemehin and Adewumi (2021). Others were Chris and Amujiri (2015); Adegite (2017); Washira et al. (2014); Johnson (2016); Correira (2014); Okoh and Ohwoyibo (2017); Onuorah and Appah (2014); Sprat (2013); Kina and Quintyn (2004); Nnadi (2006); Daniel (2013); Ademola and Alade (2015); Adewale (2014); Eisner (1991); Bendor et al. (1987); Carpenter (2001); Lewis (2006); Hoffmann and Cassell (2010); Iganiga (2010); Ningi (2008); Idowu (2010); Munene (2013); Aramide and Bashir (2015); Morelo (2011). Each of these studies has been characterized by differences in study location, differences in definition of the explanatory variables, differences in discovery index structure as well as differences in statistical analysis. These empirical researches will be used in answering all the objectives of the research.

2.0 Literature Review

Like many other concepts, public accountability has no single satisfactory and comprehensive definition. Various scholars have put different views as regard to the subject matter. Adegite (2017) conceptualized accountability as the obligation to demonstrate that work has been done in accordance with agreed rules and standards and the officers reports fairly and accurately vis-a- vis mandated roles and plans. Johnson, (2016) is of the view that accountability simply connotes that those who are charged drafting and carrying out policies should be obliged to give an explanation of their actions with regards to management of funds. According to Okah and Ohwoyibo (2015). They argued that accountability reflects the need for government and its agencies to serve the public effectively in accordance with the law of the land, while Appah (2014) is of the view that the principles of public sector accountability is a function of transparency, fairness, integrity and trust in the course of serving the nation.

Ujah (2014) viewed Public Accountability as "a system whereby public officers are made to give account of their stewardship to members of the public". He progressed to explain the term "public" as referring to the generality of the populace, the people or segment of the society particularly touched by the subject matter on which an account is demanded. It is important to note that public interest is supposed to be crucial to public accountability.

Regulation implies an official instruction made by government or some other specialist. It is an arrangement of particular instructions or concurred conduct either enforced by some political leadership or an institution outside government circle, or by an explicit agreement inside the business that shave the exercises and business tasks of the organizations with a view to accomplish a characterized objective (Chris, 2014). Regulation is viewed as an assortment of particular standards of accepted conduct either enforced by some political authority's unequivocal understanding within the organization that bound the exercises and activities of money related establishments (Olorushola, 2013). It can be watched that, financial control remains in position to guarantee rules are observed, conduct is sterilized and tasks among partners are guided toward effective and efficient financial regulations.

Financial Regulation as defined by Eatwell and cited by Etuk (2015) is a very complex concept, there is no usually acknowledged set of hypothetical standards characterizing it, and in most cases used to refer the rules and laws governing the conduct of financial transactions in government circle. It is an arrangement of particular standards or concurred conduct enforced by government or its organizations to have the capacity to control and guide the exercises monetary framework for the accomplishment of target objectives (Chris, 2013). Ntiego and Ekpo (2016), defined financial regulations as rules and guidelines that are principally essential for probity and transparency in the regulation and management of public funds and expenditure.

To Adeyemo and Adeyemi, (2021), they see financial regulations as policy that aimed at reducing the incidence of financial mismanagement in government financial transactions in the public service. Alkali and Umar (2018) conceptualized financial regulations as monetary laws that guides government financial transactions with a view to hold public officers accountable for failures or breaches in government financial transactions and accounting principles. Closely related to this, Adebayo and Okeke, (2021), explained financial regulations as rules and guidelines that are sacrosanct when it comes to government financial businesses and monetary deals within government circles. However, Oguntimehin and Adewumi (2020) viewed financial regulations as a policy guide to policy and government decision makers when it comes to management of government financial transactions in a country. Abiola and Oyinloye (2020), corroborated to the above definition of the concept.

The Public Service is a body or a department in the executive arm of government charged with the responsibility of the execution of policies and programmes of government. The employees in public service are known as Civil Servants who implement virtuously governmental functions ranging from policy formulations, implementation and other government policies and programmes. Its divided in to departments and each of these departments has their deliverables and specific functions. The civil service is a term used to cover those public servants who are direct employees of the federal and state governments (Mohammed, 2018).

Internal auditing as it is used in this study is the periodic spot checks and annual audit of accounts of MDAs to ascertain the effectiveness of the internal control systems. It is conducted on MDAS by supervising departments in the MDAS. It is an overall monitoring activity with responsibility to management for assessing the effectiveness of control procedures which are the responsibility of other functional managers. The internal audit function is not limited to the operation of any particular function within an organization rather, it is all-embracing.

Deepak (2010) saw internal audit as an independent and objective assurance and consulting function designed to help an organization to achieve its objectives. He identifies the objectives to include: Effectiveness and efficiency of operations (programmes and projects), reliability of financial and operational information, safeguarding of assets, compliance with rules and regulations and prevention and detection of fraud. According to Unegbu and Obi (2013), internal audit is part of the internal control system put in place by management of an organization to ensure adherence to stipulated work procedure and as aid to management. They believe that internal audit measures, analyses and evaluates the efficiency and effectiveness of other controls established by management in order to ensure smooth administration, control cost minimization, capacity utilization and maximum benefit derivation. This implies that internal audit is an integral part of a complex system designed by the management of any organization to ensure orderly conduct of its business and prevent abuse of assets.

Saction is defined as a disciplinary measure or reprimand, which causes panic, criticism when one is involved in an unlawful or illegal act. It is also seen as a measure to instill orderliness and conformity to established rules and regulations. In order words, sanction is used as a form of discipline in this research, this discipline which is enforced on breaches not directly or immediately resulting in loses to government and breaches on poor management of accounts of Ministries Departments Agencies (MDAS).

Enforcement could be generally regarded as any actions taken by regulators to guarantee compliance (Zubcic & Sims, 2011). There are diverse thoughts concerning the weight of enforcement of sanctions on compliance. A number of scholars such as Sparrow (1994), disbelief there is direct influence of enforcement on regulatory compliance. They maintain that enforcement may make violators of such laws more refined on how to preclude, and hide discovery by the establishments. However, a number of scholars agree that enforcement increases compliance which lead to accountability. According to O'Donnell (2003), Sanction is one of the basic instruments of accountability which is second to none. The threat of discipline because of terrible or poor performance, discretional abuse or other negative conduct in conveying public services. Holding people responsible for their actions assist in creating distrust over the exercise of authority. The literature recognizes the reciprocal ideas of accountability in both vertical and horizontal manners. The previous points to a connection between administrators (for example citizens/civic society) and agents (for example government authorities) in which citizens either rebuff or award political leaders by projecting their votes in periodic elections (Adsera et al., 2003).

Financial Regulation and Public Accountability

The idea that voted representatives and their appointed members are answerable to citizens for constitutional performance is obviously a foundation of representative governance. As distinguished by many public administration specialists Mulgan (2006); Behn (2001); Gormley and Balla (2004), the thought of responsibility has occupied a wider connotation as fresh methods of governance have ascended that improved dependence on bodies outside the realm of governance as fragment of service delivery. As expressed by Aucoin and Heintzman (2000), accountability has to do with control of misuse of public authority, guarantee that public funds are actuality properly utilized, and knowledge that simplifies quest of enhancements. Specified contrarily, guaranteeing regulatory accountability may be measured as an essential although inadequate step for improving regulatory efficiency.

Mashaw (2006) deliberates diverse established enterprises for improving accountability in sketching a difference between accountability founded on governance, markets and collective accountability. These ideas, alongside thru dissimilarities in categories of accountability recommended by Barbara Romzek and her colleagues (Romzek & Dubnick (1987); Romzek and Ingraham (2000) offer a groundwork for conversation of diverse stages of and concerns for regulatory accountability.

The first impact of financial regulation on accountability is the accountability of those who formulate the regulations with deference to the items of the regulatory requirements. This level of accountability is categorized as permissible accountability in whatever follows.

Secondly, the level of accountability is also achieved due to the answerability in the application of regulatory provisions. This involves accountability of both controllers and of controlled bodies or individuals. A vital apprehension is that controllers do not misuse their power by examiners imposing guidelines in an unpredictable mode or by other misapplications of authority. Additional anxiety is that controlled individuals conform to regulatory requests and are held responsible for nonconformity. Hence, accountability can easily be achieved. Based on the forgoing, it is evident that financial regulation has made a significant contribution in instilling public accountability in the public service thereby improving performance too.

Empirical Review

Numerous researches have been carried out on financial Regulations and accountability in the public sector. Each of these studies has been characterized by differences in study location, differences in definition of the explanatory variables, differences in discovery index structure as well as differences in statistical analysis. These empirical researches will be used in answering all the objectives of the research Kina and Quintyn (2004), try to find the effect of regulatory authority on financial system stability, they used multi cross-sectional statistics of third world and industrialized nations and applied Subjective Least -square Regression, establish a worth stimulus of regulatory governance on financial system reliability. Using variables replicating macroeconomic circumstances, structure of the banking system and the value of governmental establishments and public sector governance. The results of the study lend credence to the claim by Nnadi (2006) and Daniel (2013) that Nigeria has had a long history of official corruption and poor management of public funds by government officials. The findings further support the elite theory whereby few privileged individuals tend to abuse positions of authority given to them to manage and control common resources for the benefit of all, but they take advantage of such privileges and rub the majority of the intended benefits for their selfish interests.

Onuorah and Appah (2012) examined accountability and public sector financial management in Nigeria from 1961-2008. The research discovered that the level of accountability is very poor in Nigeria because the characteristics of openness, inclusiveness, significance, consistency and appropriate revelation of economic, social and political facts about government transactions are totally inaccessible or moderately

obtainable for the citizens to evaluate the performance of public employees and political office holders. It is on this note that, the research suggested among things for accountability to be effective in the management of public funds in Nigeria, there must be meaningful reduction in the level of corruption, refining public sector accounting and auditing ethics and the country's legislators must champion the cause of accountability and reorganize the public accounts teams which must reflect in the conduct of government business transactions.

Ademola and Alade (2015) examined the effect of financial control system in Nigeria public sector using the Nigeria National Petroleum Corporation as a case study. Primary and secondary source information were used and Chi-square and Pearson's correlation coefficient used in testing the hypotheses. The questionnaire stimulated processes on separation of obligations, internal review, and physical control. About 150 respondents from various departments ranging from finance, administration and marketing. Others are purchasing departments of the organization. The study reveals that the establishment of internal control structure plays an important role in fraud and irregularities prevention.

Mihret and Yismaw (2007) did a study entitled Internal Audit Effectiveness: An Ethiopian Public Sector Case Study. The study which used structured questionnaire, interview and observations as instruments of data collection discovered that certain factors such as internal audit quality, support from management, etc. strongly affect effectiveness of internal audit while organizational structure and internal auditor's attributes have less impact on the same variable. In a study carried out by Ahmad, et al (2009) on effectiveness of internal audit in Malaysian public sector in which simple percentage was used as the tool for date analysis, they found that lack of audit staff was a major impediment to effective internal auditing. One of the major limitations of the study was a narrow scope.

Theoretical Review

A number of popular theoretical approaches that have been explored in public sector financial regulation and accountability research has not sufficed for this study and there are explanations as to why these theories are not adopted. Subsequently, the theoretical direction of this study is the popular New Institutional Theory (NIT) within a broader political economy theory. Nevertheless, Goddard (2010) explained that there are a number of theoretical approaches adopted in public sector financial control researches. But while Jacobs (2012a) explained that there is an increasing demand for the application of critical theoretical perspectives in the public sector, hence, the selection of the New Institutional Theory. Even though the issue of the most appropriate theoretical framework remains debatable, New Institutional theory will remain the most appropriate when it comes to studying Institutions with particular reference to the public sector. Furthermore, an important point is that the majority of the researches on public finance and accountability issues have been classified as technical, descriptive, interpretive, functionalist and sociological in nature (Broadbent and Guthrie, 2008). The approach adopted in this study is a unique theoretical Institutional approach; (Institutional Theory) framed within Bureaucratic theory, and drawing on notions of New Institutional theory (NIT).

NIT is viewed as the most widely recognized hypothetical methodology in researches in the public sector (Dillard et al., 2004; Van Helden, 2005; Jacobs, 2010a). The underlying foundations of New institutional hypothesis run through the early years of social sciences, continuing in the nineteenth century while the increased knowledge in the interactions of institutions were at the increase in a similar industry with respect to how similar they were (DiMaggio & Powell, 1983).

However, it is important to state that the New Institutional theory which is based on Isomorphism appears in three methods, viz. coercive, normative and mimetic. Coercive isomorphism can be seen from the pressure that originates from the law, government regulations, ministerial regulations, in this regard, Financial Regulations can best fit into this with a view to ensuring accountability in the public service. Normative isomorphism appears in the form of the use of specialized employees, the creation of an informal professional at the time of dissemination and socialization. Coercive isomorphism in this study which has been adopted can be seen from the weight and force to conform with rules and regulations, which will ensure accountability in the public sector and that is the framework of this research.

3.0 Methodology

For the purpose of this study, a causal survey research design was adopted to look at the effect of financial regulations on accountability in the public service. This research adopted the stratified and purposive random sampling technique, a none-probability sampling technique which categorized the samples into areas of need for attaining the specific objectives of the research.

The purposefully sampled population of the study was 16 and 15 staff of NIMC and NASRDA respectively. The study utilized primary data collected basically through structured closed ended interview questions of five (5) point Likert Scale format (i.e., strongly agreed=1, agreed=2, undecided=3, disagreed=4, strongly disagreed-5) with questions derived from the Federal Government Financial Regulations policy document. Respondents were asked to express their disagreement or otherwise to the five points Likert scales interview guide. The method of data analysis used in this study is the simple percentage and tabular presentation of the collected data. Thus, data generated from the field were analyzed using both descriptive and inferential statistical tool. The interview guide was also subjected to reliability test, with a Cronbach's Alpha value of 0.78 obtained. Nunnally (1994) suggests that Cronbach's Alpha coefficient greater than 0.5 is considered acceptable for internal consistency of the items in the scale. Parametric tests, including tabulation, mean and standard deviation as well as Z test was used to analyze the data. In all, to ensure the content validity of the interview question topic guide, it was reviewed by two senior academics in the Department of Public Administration, School of Business Administration and Management, Federal Polytechnic, Bauchi and a retired Director in a Finance Ministry.

4.0 Statistics and Discussion

In all, a total of 16 staff of NIMC and 15 for NASRDA were purposefully sampled for the oral interview and their responses recorded. Parametric tests, including tabulation, mean and standard deviation as well as Z test is used to analyze data. The population mean is therefore, +3.

The formula for calculating a z-score is $z = (x-\mu)/\sigma$, where x is the raw score, μ is the population mean, and σ is the population standard deviation.

The basis for interpreting the Z values is that if Z value is: · zero, it is equal to the group mean, · positive, it is above the group mean, and · negative is below the group mean. The information was collated from key informants of the two organization as such information is rarely found in some other categories of staff.

From Table 1 on NIMC, responses to statements 4, 5 6, 7 and 8 with positive Z values of 1.65E-06, 1.49E-06, 1.56E-06, I.34E-07 and 1.65E-06 respectively, are above their group means.

Table 1: Perception of the Respondents on compliance to Internal Audit Reviews

S/n	ITEMS	AGENCY	SA	A	U	SD	D	MEAN	STD	Z-VALUES
1	Internal audit ensures that a 100% pre-payment audit of all checked and passed vouchers is carried out in your organization.	NIMC	2	1	0	12	1	2.4375	1.4154	-1.31E-06
		NASRDA	11	2	0	1	1	4.4	0.7316	1.34E-06
2	Internal auditors produce monthly, quarterly and 3half-yearly r4eports to th5e acc6ounting offic7er on the 8progress of audit in your organization.	NIMC	2	2	0	10	2	2.5	1.4513	-1.43E-06
		NASRDA	3	1	0	8	3	2.5334	1.4142	-1.46E-06
3	Internal audit instructions are strictly adhered to, by the staff of this organization.	NIMC	1	3	0	9	3	2.275	1.4427	-1.54E-06
		NASRDA	2	2	0	8	3	2.4667	1.4311	-1.55E-07
4	Internal audit certification on payment vouchers and other accounting books and records examined is through the use of audit stamps in your organization.	NIMC	12	1	0	1	2	4.5	0.1165	1.65E-06
		NASRDA	8	4	0	2	1	4.1567	0.7433	1.64E-06
5	Internal auditors have free access at all reasonable times to stores and store records to carry out independent audit in your organization.	NIMC	11	2	0	1	2	4.1875	0.6437	1.49E-06
		NASRDA	7	5	0	2	1	4.0	0.6473	1.763-06
6	Internal audit ensures that total retirement on any cash advance made in your organization.	NIMC	12	1	0	1	2	4.25	0.6235	1.56E-06
		NASRDA	3	1	0	8	2	2.7334	1.4523	-1.63R-06
7	Internal audit at all the times request proof of authorization and expenditure while vetting the retirement.	NIMC	8	3	0	3	2	3.75	1.3362	1.34E-07
		NASRDA	11	1	0	2	1	4.2667	0.7523	1.76E-07
8	Strict adherence to the internal audit procedures and controls enhances accountability in your organization.	NIMC	12	1	0	1	2	4.25	0.6425	1.65E-06
		NASRDA	9	4	0	1	1	4.2667	0.6542	1.84E-06

Source: Field Survey, 2023.

The positive and statistically significant Z-values indicate that there is strict compliance to the provisions of the financial regulations which enhances accountability in the study area. In other words, NIMC staff awareness of financial regulations and their application on internal audit procedures is not in doubt. On the other hand, responses to statements numbers 1, 2, and 3 with negative Z values, -131E-06, - 1.43E-06 and – 1.54E-06 respectively are below their group means. The negative and statistically significant Z-values mean that the effects of financial regulations on accountability with respect to these Internal audit responsibility dimensions are questionable. Implicitly, NASRDA's responses on the results disclosed that public servants are well familiar with the provisions of financial regulations as affecting internal audit on breaches of financial regulations provisions but do not adhere strictly to these provisions in their daily financial operations. In other words, some provisions of the internal audit are either circumvented or rarely complied with in the study area. This is evident by the negative Z- Values of statements 2, – 1.46E-06. 3, -1.55E-07 and 6, - 1.63E-06. Moreover, the positive and statistically significant Z-values of statements 1, 1.34E-06 4, 1.64E-06 5, 1.63E-06 7, 1.76E-07 and 8, 1.84E-06 indicate that there is to a greater extent of compliance to internal audit reviews in the study area, but much needed to be done in order to have greater effect on accountability.

Table 2: Perception of the respondents on enforcement of sanctions on breach of financial regulations.

S/N	ITEMS	AGENCY	SA	A	U	SD	D	MEAN	STD	Z-VALUES
1	Any issued query on unauthorized variation of contract{s} and procurement remains unanswered/unsatisfactory explained after the time limit, the officer will be removed from the duty schedule/dismissed and prosecuted in your organization.	NIMC	11	2	0	2	1	4.25	0.6344	1.31E-06
		NASRDA	1	3	0	9	2	2.4667	1.4321	-1.43E-06
2	Any officer that makes an irregular payment from public funds without satisfactory explanation, the amount involved shall be recovered from the officer and such officer will be removed from his/her schedule.	NIMC	2	2	0	9	3	2.4375	1.2321	-1.56E-06
		NASRDA	5	6	0	3	1	3.7334	1.3314	1.54E-06
3	Accounting officers who fail to respond to query on a shortage or loss of funds within the stipulated time shall not only be surcharged the total cost of the loss or shortage but also be removed or transferred to another schedule.	NIMC	7	4	0	3	2	3.6875	1.3427	1.47E-06
		NASRDA	8	3	0	2	2	3.8667	1.3463	-167E-07
4	Any cashier/officer that suffers a shortage or a loss of public funds without satisfactory explanation shall be surcharged the full amount of the shortage or loss and be transferred to another schedule in your organization.	NIMC	8	2	0	3	3	3.5625	1.3525	1.65E-06
		NASRDA	1	3	0	9	2	2.4667	1.4231	-1.57E-06
5	An officer who fails to pay for the use of government property without convincing explanation, the amount involved is recovered from him/her and is sanctioned under the public service rules in your organization	NIMC	10	1	0	1	4	3.75	1.3542	1.49E-07
		NASRDA	6	4	0	2	3	3.5334	1.3654	1.87E-06
6	An officer who misused public funds/spent public money without due regard to laid down rules is removed from the schedule and is discipline in accordance with the public service rules in your organization	NIMC	3	1	0	7	5	2.375	1.3415	-156E-06
		NASRDA	2	3	0	7	3	2.6	1.4641	-1.69E-06
7	An officer that makes irregular payment without satisfactory explanation will be surcharged the full amount and transferred to another schedule in your organization	NIMC	1	4	0	5	6	2.3125	1.4172	-1.34E-06
		NASRDA	6	5	0	2	2	3.7445	1.3416	1.68E-07
8	Strict enforcement of the codified sanctions on any errant officer on financial regulations promotes accountability in your organization.	NIMC	9	1	0	2	4	3.5625	1.3342	1.65E-06
		NASRDA	7	3	0	3	2	3.6667	1.3637	1.96E-06

Source: Field Survey, 2023.

From Table 2, NIMC, responses to statements 1, 3, 4, 5 and 8 with positive Z values of 1.31E-06, 1.47E-06, 1.65E-06, 1.49E-06 and 1.65E-06 respectively, are above their group means. The positive and statistically significant Z-values indicate that there is strict compliance to the provisions of the financial regulations which enhances accountability in the study area. In other words, NIMC staff awareness of financial regulations and their application on enforcement of sanctions is not in doubt. On the other hand, responses to statements numbers 2, 6 and 7 with negative Z values, - 1.56E-06, - 1.56E-07 and – 1.34E-06, respectively are below their group means. The negative and statistically significant Z-values mean that the effects of financial regulations on accountability with respect to this enforcement of sanctions responsibility dimensions are questionable and that measures must be taken by the management of the study area to ensure strict compliance if accountability is to be their watchdog. However, response to statement 5 with zero Z-values indicate that it is equal to the group value which means it's at equilibrium and something is missing in their responses.

Implicitly, NASRDA's responses on the results disclosed that public servants are well familiar with the provisions of financial regulations as affecting enforcement of sanctions on breaches of financial regulations provisions but do not adhere strictly to these provisions in their daily financial operations. In other words, sanctions on breaches are slightly compromised in the study area. This is evident by the negative Z- Values of statements 1 – 1.43E-06. 3- 1.67E-07, and 4, - 1.57E-06. Moreover, the positive and statistically significant Z-values of statements 2, 1.54E-06 5, 1.87E-06, 7, 1.68E-07 and 8,1.96E-06 indicate that there is to a greater extent compliance to enforcement of sanctions in the study area, but much needed to be done in order to have greater effect on accountability.

From the foregoing results however, public servants do not claim ignorant of the applicable financial regulations in in both NIMC and NASRDA, neither do they have any reservations as to the practical implementations of same. Rather, they see attitudinal and behavioral attitude of top civil/public servants as the major impediment to the application of some provisions of the financial regulations Other factors revealed by the results as hinders the application of financial regulations by MDAs are the non-enforcement of sanctions on breaches of the provisions of the financial regulations as well as weak internal control mechanism as well as an enhanced internal audit reviews and poor monitoring and evaluation system. These findings are consistent with the initial fears articulated by Anochie and Duru (2015) that the economic hardship ravaging the country today might be directly or indirectly traceable to weak regulations and inadequate enforcement of sanctions on breaches to deter future occurrence. The findings also corroborate with prior studies, such as those of Bob (2006); Achua (2011) who observe that corruption has become a monster of the Nigerian culture; and it is the single most important cause of waste and inefficiency in public administration that hampers the attainment of public accountability in the public service.

It is important to also note that Enofe et al (2013) contend that the aim of internal auditing is to improve organizational efficiency and effectiveness through constructive criticism. This means that identification of areas of weakness and suggestions for improvement are the main thrust of internal auditing. Little wonder, Sawyer (1995) state that internal auditor's job is not done until defects are corrected and remain corrected.

How to make internal audit effective has been an area of common interest to many. This has been responsible for the divergent views of authors on this concept. To that effect, the Institute of Internal Audit (2010) sees internal audit effectiveness 'as the degree (including quality) to which established objectives are achieved.' Vijayakumar and Nagaraja (2012) appeared to be concerned more with the outcome of effective internal audit system which they argue helps in achieving performance, profitability and prevents loss of revenues particularly in public sectors. This has greatly corroborated to this work.

However, just like this research, a number of scholars agrees that enforcement increases compliance which leads to public accountability. (Gunningham & Kagan, 2005; Imperato, 2005; Sutinen & Kuperan, 1999; Zubcic & Sims, 2011). A number of research works like (Hufbauer et al., 1983; Pape 1997; Baldwin, 2000; Hovi et al., 2005), has centered most on detailed matters, enquiring if discipline or sanctions were analyzing the accidental paraphernalia of sanctions as sighted by Mueller & Mueller 1999; Andreas 2005).

Nevertheless, it is in this regard that absence of Accountability leads to systemic Corruption in the public service. see, for example, Fackler and Lin (1995), Linz and Stepan (1996), Nas et al. (1986), Bailey and Valenzuela (1997), Persson et al. (1997), Rose-Ackerman (1999), Djankov et al. (2001), and Laffont and Meleu (2001). The central argument is that accountability allows for the punishment of administrators that adopt ''bad policies,'' thus aligning bureaucratic' preferences with those of their citizens.

The degree of accountability in the system is determined, in turn, by the specific features of the political system. This is evident with the way and manner the public service has continued to be characterized by gross impunity in decision making on matters affecting the nation's treasuries (Oguonu, 1997; Maimako, 2005); official procedures and guidelines are circumvented at will (Udoh, 2006).

5.0 Conclusion and Recommendations

From the forgoing analysis, it is evident that in spite having comprehensive financial regulations in the country in order to ensure public accountability and transparency in the public service, little or nothing was achieved. There has also been serious interference from the political authorities on the activities of anti-graft agencies which has succeeded in weakening the activities of these agencies. The failure of one the agencies to make public assets declared have denied citizens the opportunity to report non-compliance to the code.

In Nigeria, the state of public accountability from independence to date is highly disheartening. In fact, it is a form of rhetoric. This point to the fact that there is absence of proper accountability and this has drastically affected the performance in service delivery in the public sector in Nigeria. Lack of accountability manifests itself in a number of ways, for example, uncompleted projects. Nigerian physical environment is dotted with abandoned projects; some are as old as the first republic and non-functioning industrial establishments. This explains why Nigeria being the 6th biggest world producer of oil and having four lame-duck refineries, cannot meet domestic demands for petroleum products.

Nigerian public service ought to have come of age where accountability should be institutionalized in the polity. Unfortunately, accountability in the public service is still a mirage. As a result, the public sector is not accountable to the people, it seems like there is a divide between what actually goes on in government and what is being reported to the citizens. There is no accountable and transparent system where the public is allowed to participate in policy formation and have a say in how these policies should be implemented. Nigerian governments have attempted improving performance of their public service through reforms. All ended up failing to meet the desired results due to lack of effective accountability to curtail the excesses of public office holders. Many studies were, and are still being done on attempts at reforming the public service and making it performance oriented in Nigeria.

The study recommends that detailed periodic internal audit reviews time table must be made available regularly to all staff of the organization and also the heads of units must be officially notified of these spot checks and reviews for them to have ample time for preparations.

There should also be strict and prompt reportage of all anomalies observed during the internal audit exercise for immediate responses.

There must be behavioral and attitudinal changes in the part of the top echelon of the staff in the study area in order to establish a strong mechanism that will strengthen the internal audit mechanism in order to instill discipline and accountability.

The top leadership of the organization must spell out the consequences for non-observance to these internal audit reviews timetable by strengthening the internal controls that will guarantee checks and balance in the audit reviews.

The study also recommends that stiffer sanctions must be enforced on breaches directly resulting in loses to government to serve as deterrent to erring staff in the organization.

All sanctions to be enforced must be strictly based on the provisions of the financial regulations and other financial policy regulations as updated by the Ministry of finance and Accountant General of the Federation.

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