

CORPORATE GOVERNANCE IN A RECESSED ECONOMY

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ABSTRACT

This paper examined the strength of relationship between corporate governance and a recessed economy. Other specific objectives are to examine impact of good governance and accountability on a recessed economy. 100 respondents were selected from some ministries, departments and other government agencies in Asaba, Delta state. Data analysis was done using the descriptive the Pearson product moment correlation coefficient to determine the strength of statistical correlation or relationship between variables of study. The study revealed that good governance and accountability of authority figures in government establishments would greatly impact a recessed/reviving economy. It was concluded that findings would help to revive an ailing economy like Nigeria. The study recommends amongst others that stiff penalties including removal or sack of authority representatives who violate or contravene the codes of corporate governance set out for them, should be meted out on erring ones at the helm of affairs.

INTRODUCTION

Good institutional governance could be instilled by the development of governance

systems in ministries, agencies and parastatals with the aim of focusing on enhancing the quality of public services laden with citizen expectations, promoting compliance with appropriate transparency and accountability. Instituting corporate governance within public sector has recently begun to receive increased attention (Fall, 2011). Overtime, high ranking government officials are summoned for unprecedented questioning on suspected misappropriation of funds. The state of any nation's economy is a function of several variables. They include time, economic resources, what happens beyond the shores of the country i.e. the international political economy. Currently, four challenges largely prevail. They include moving away from an oil-revenue economy for our public expenditure and foreign exchange earnings, transiting from the current subsistence farming to technology-driven agriculture, implementing consistent policies that make it easy to do business in the country and doing something urgent about the unemployed and teeming population of Nigerian youths. There is an argument that weaknesses inherent in the public finance and inadequate monitoring of public expenditures have impacted on the government's accountability significantly. Issues such as waste, embezzlement,

extravagance and corruption significantly affect the development of a country (National Audit Office, 2008) cited in Nur, Masdiah and Bakhtiar, 2018).

With the current civil and political leadership challenges evident in the economic situation under the tendencies of governance, are lapses which have become a heavy threat and almost inevitable for our country's democratic system. Much as feared, gross misuse of political power, abuse of humanitarian rights of the citizenry, massive mismanagement of public funds which later paved way for abject poverty, and the bias approaches adopted in the allocation of scarce but available national resources. These continuing issues indicate that the actions taken by the government to combat corruption, including the introduction of laws and regulations, is far from effective. This is evidenced from the reports by Transparency International (2013) on the corruption perceptions index which puts Nigeria as the 146 least corrupt nation out of 180 countries, according to the 2019 Corruption Perceptions Index reported by Transparency International (Nigeria Corruption Rank, 1996-2019 Data)

Statement of the problem

Although independent verifications of payroll amount and reconciliations with previous pay periods seem to take place, more attention ought to be given to the physical identification of personnel to prevent "ghost workers" and other abuses. However, in states that have already automated payroll, the need may be greatly reduced. An area of weakness may be the evaluation of bids, with indications that the criteria are not always clearly stated in

bidding instructions nor are all records, apart from the final decision, kept. Notable corporate failures and large scale misappropriation of funds audit independence, professionalism, conflict of interest and nefarious practices of board members, seems to have gradually made Nigeria a recessed economy. Although good governance is rare in a nation to help promote accountability and transparency in the public service, uphold the security of human rights and civil liberties, and promote due devolution of powers and respect for local autonomy, the reverse has remained a nightmare for Nigerians amidst the deteriorating defiant attitude and disrespect for the rule of law among public officers at the Federal and State government level. The big challenge the administration of President Muhammadu Buhari is facing is how to meet the expectations that are inspired by its "change" mantra. Public skepticism, combined with unprecedented transparency, is placing everyone under scrutiny like never before. The subsisting low oil prices have seriously dragged down the entire economy. For instance, the Single Treasury Account policy introduced to block the diversion of government funds has ended up reducing money supply and shrinking the economy. Besides, the government did not make policy options for the problems facing the economy.

Relatively, little discourse has been directed towards corporate governance in the public sector organizations which, arguably, have as much impact on the lives of each member of society. If adhered to, they could prevent a shock from becoming an economic crisis. As good as all these may sound, good corporate governance would not be easily

attainable in a recessed economy. These observations show that there is a significant gap between policies and practices, particularly for reporting on and investigating wrongdoing. Since these two activities are critical to ensuring accountability, they should also be given prompt attention. Understanding how economic choices and decisions are made to promote accountability and transparency is, therefore, a matter of significant public interest. It is on this basis, that the thrust of this study seeks to address the nexus between corporate governance and a recessed economy. However, findings may also be of interest and use to other key stakeholders and the general public in Nigeria.

Objectives of the study

The main objective of the study is to determine the role of corporate governance in a recessed economy. Other specific objectives are:

1. To ascertain the extent to which accountability is related to recessed economy.
2. To examine the nature of relationship between good governance and a recessed economy.

Research Hypotheses

H₀₁: Accountability has no statistical significance with a recessed economy.

H₀₂: There is no statistical significant relationship between good governance and a recessed economy.

REVIEW OF RELATED LITERATURE

Conceptual Review

The Concept of corporate governance

Hidu (1997) as cited by Gopalsamy, (2006) view corporate governance as not just corporate management but something much broader to include a fair efficient and transparent administration to meet certain predetermined objectives. It is a system of restructuring, operating and controlling an organization with a need to achieving long-term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers and then complying with the legal and regulatory requirements apart from meeting environmental and local community needs. It characterizes relationships between and among corporate insiders and outsiders in terms of transparency, good governance, accountability, etc. This activity includes several key elements of revenue sources, expenditure, the public fund's allocation to various activities and accounting for spent fund (Simson, Sharma & Aziz, 2011).

Corporate governance has been identified as a crucial element in ensuring that organizations thrive even in the face of economic recession (Lawyard, 2017). This is underpinned by the need to generate strong advocacy positions that will help individual, agencies, ministries and institutions to pull through economic stranglehold of recession. Nigeria in recession needs every hand on deck to evolve not only sustainable solutions but also lay the foundation for rapid economic growth. It promotes betrayal of public trust and confidence and destroys core social values and drive for a better society. It is so endemic that the few trying to discourage fraudulent practices and promote corporate governance, are being seen as deviants.

Entrenched culture of corruption is facilitated by iron clad bureaucratic secrecy. Public funds are managed by cronies and social networks that account to no one but themselves. In spite of the grim realities which we ourselves have acknowledged, the government and people of Nigeria are resolved to defeat and eliminate the monsters of corruption and economic crime from public life. Not only are institutions like the EFCC resolved to fight this war to the finish, but the prominence of the anti-corruption discourse in public fora indicates the battle is being fought yet war is not won. The achievement of a high level of accountability in the financial system is rather a daunting task (Stiles, Karbhari & Mohamad, 2006; Olson, Humphrey & Guthrie, 2001)

For specific practices, budgets are perceived to be executed more or less according to existing rules. In revenue collection, although Nigeria has adopted many measures to improve the transparency and efficiency of tax assessments and payments, the recourse to effective appeals procedures seems to be less satisfactory than other practices (UNDP, 2004). Nigeria has not equally fared well in due to poor accountability and lack of transparency in the dispensation of her economic activities. This is quite alarming considering the level of sabotage that has saddled economic funds meant for the welfare of citizenries and development of our economy.

A chunk of these borrowed funds are being embezzled or non-accounted for. This has visibly paid off in the rate at which crime and unlawful maiming of innocent people has increased unchecked in the country. The

fact that Nigeria, since 1999, appear to have been encumbered with inadvertent, self-willed, non-transparent, and non-accountable leadership such that the matter of good governance always remain a questionable discourse in the country's youthful democracy and academia. The subsisting political process makes it difficult for credible and honest people to offer themselves for public office. In addition to the process, we also have structural deficiencies of weakened governance institutions. One of the corruption elements receiving increased attention by the regulators is the act of accepting or giving of gratification (Labuschagne & Els, 2006). Gratification includes any money, donation, gift, payment, favour, or any valuable consideration of any kind, received or rendered as an inducement or a reward for ones doing or promising to do any act in which the intention can be considered as self-interest and corruptive in nature (see further the Malaysian Anti-Corruption Commission Act 2009).

Accountability

Accountability is a condition in which individuals who exercise power are constrained by external means and by internal norms (Chandler and Plano, 1988). Odugbemi (2008) sees accountability as the ability of citizens, civil society and the private sector to scrutinize public institutions and governments to hold them accountable. Citizens are bound to suffer from the inactions of such agencies of government. Transparency and accountability index could be perceived as a tool for a government to showcase its performance and to the public. This activity includes several key elements of revenue

sources, expenditure, the public fund's allocation to various activities and accounting for spent fund (Simson, Sharma & Aziz, 2011). However, managing the public resources seems a vigorous task for the public servant who must fully adhere with the rules and regulations since the government operations need to be explained to the public or local community.

To promote transparency and accountability, the Nigerian government has reformed its financial management system through various means such as Single Treasury accounting system and the use of devolved budgets, performance measurements, transparent costing, and output-based budgeting (Stiles, Karbhari & Mohamad, 2006; Olson, Humphrey & Guthrie, 2001). Even with the introduction of these initiatives, the achievement of a high level of accountability in the financial system is rather a daunting task. Studies have claimed that Nigeria faces a big challenge (Stiles et al., 2006) due to lack of supporting market mechanisms, transport and communication deficiencies, politico-economic instability, and inadequate organizational structures, system and competencies (Warrington, 1997; Batley, 1999).

Therefore, accountability and transparency on the part of public officials could be seen as catalyst for the realization of enhanced performance of governmental agencies for development in a society. Accountability is the public servant's report card on how public money is spent and used on behalf of the people. It therefore goes without saying that the notion of accountability and good governance are very connected. In fact, the

first evidence of bad governance is the absence of accountability.

So we may ask, "What are the characteristics of an accountable public service?" All you have to do is subject the system to the following accountability tests. This test consists of the following:

- (a) The Fiscal Prudence Test-the key question here is: Is Government losing money? Is there value for money in government expenditure? Can things be done in a cheaper way? Are estimates and budgets "overloaded" with private attachments and interests?
- (b) Citizen's Accountability Test- Are services being delivered to the people? Is the electorate satisfied with the state of public infrastructure and services?
- (c) Public Integrity Test- How is the executive arm held responsible for charges of abuse of office?
- (d) Public Morality Test- Is the business of government being run by people with a public interest?

Accountability must be seen as a process. In fact, many scholars have highlighted three analytical steps or phases (for example, [Schillemans, Van Twist, and Vanhomerig, 2013](#); [Mulgan, 2003](#)). The first is the information phase, which presupposes that an accountable entity or public official provides retrospective information about her/his/its choices, conduct, or performance. The second is the debate phase, when the accountability forum evaluates the information received and starts a debate with the accountable entity or public official. And third is the sanctions phase, where accountability permits some kind of judgment on the activity of the political

official or entity and leads to punishment or reward for his/her/its actions. The most significant kind of accountability is produced by agencies that can reveal existing data, investigate, and produce information about institutional behaviour (Fox, 2007: 668-669). This raises the question of what happens when public officials fail to fulfill their mandate.

Accountability is associated with answerability, responsibility, blameworthiness, liability and expectation of accounting (Yaakob, Kadir, & Jusoff, 2009) and is perceived as a benchmark for Nigeria to achieve in order to be considered as a country that practices good governance. Fall (2011) see it as being answerable for decisions and having meaningful mechanisms in place to ensure adherence to all applicable laws, regulations and standards. Therefore, the existence of effective financial management and the quality of auditors in the agencies are expected to play pivotal role in reducing any manipulation activities and encouraging other employees to be more transparent and accountable and always enhance their professionalism in fulfilling its duties. One of the corruption elements receiving increased attention by the regulators is the act of accepting or giving of gratification (Labuschagne & Els, 2006). Gratification includes any money, donation, gift, payment, favour, or any valuable consideration of any kind, received or rendered as an inducement or a reward for ones doing or promising to do any act in which the intention can be considered as self-interest and corruptive in nature (see further the Malaysian Anti-Corruption Commission Act 2009).

Good Governance

The concept of 'good' in 'governance' is an appendage to the word 'governance' and it is seen as the process and institutions by which authority in a country is exercised (World Bank, 2004). Furthermore, governance includes how governments are selected, held accountable, monitored and replaced with an emphasis on the capacity of government to manage resources and respect the rule of law (World Bank, 2004; Boyte, 2005). Therefore, the word 'good' in governance connotes the proper exercise of authority, management of resources and respect for the rule of law in accordance to laid-down principles for the benefit of all in a society. In this regard, Babawale (2007) sees good governance as the exercise of political power to promote the public good and the welfare of the people. He argues that good governance is the absence of lack of accountability in government, corruption, and political repression, suffocation of civil society and denial of fundamental human rights. He points out the attribute of good governance in any society to include: accountability, transparency in government procedures, high expectation of rational decisions, predictability in government behaviour, openness in government transactions, free flow of information, respect for the rule of law and protection of civil liberties, and press freedom.

Also, Brinkerhoff (2005) argues that governance extends beyond government action to address the role of citizens and the way groups and communities within society organize to make and implement decisions on matters of general concern. Furthermore, good governance seeks to improve the

capacity of the state, encompassing a variety of strategies to increase efficiency and effectiveness of government performance (Omona, 2010). This implies that accountability, transparency and responsiveness on the part of government and its officials are the hallmark of good governance in any society. Ikotun (2004) argues that the concept of good governance characterizes issues of performance in the management of a nation's political, economic and social resources to enhance human capacity, social well-being and sustainable development in the society. In the same vein, Kofi Annan observes that good governance is vital for the protection of rights and the advancement of economic and social development (cited in Kim et al, 2005). Also, Ekpe (2008) argues that the purpose of good governance is to create a conducive climate for political and socioeconomic development and to increase the efficiency and effectiveness of development programmes in a society. He points out that the concept of good governance is used to characterize the interplay of the best practices in the administration of a state or nation for sustainable development. The foregoing shows the importance of good governance to development in a society. If that is the case, what then is development?

Ikotun (2004) argued that "one of the reasons usually advanced for corrupt practices in Nigeria is the absence of good and purposeful governance." In the same vein, Odugbemi (2008) posits that a large body of research shows that in the longer term, good governance is associated with robust economic growth, lower income inequality, lower child mortality rate,

political stability and lower illiteracy level. The questions that come to mind are: what is the relationship between good governance, accountability and development in a society? Is the existence of governmental agencies in the different sectors of the society necessary for development? How can transparency on the part of public officials and trust about government actions on the part of the people reduce corruption and enhance the performance of governmental agencies? Therefore, the main argument in this paper is that good governance is more likely to engender accountability and transparency in the workings of governmental agencies for development in Nigeria and hence brings about improvement in the living standard of the people.

Economic Recession

A recession is a general downturn in any economy. A recession is associated with high unemployment, slowing gross domestic product, and high inflation. An economic recession is typically defined as a decline in gross domestic product (GDP) for two or more consecutive quarters. Economic recession is a period of general economic decline and is typically accompanied by a drop in the stock market, an increase in unemployment, and a decline in the housing market. Generally, a recession is less severe than a depression. The blame for a recession generally falls on the federal leadership, often either the president himself, the head of the Federal Reserve, or the entire administration. Arising from the above, one can say that Nigeria is currently a recessed economy. However, agencies created by the government to facilitate development became patronage for political loyalty and

conduit pipes for corruption in the society (Agweda, 2007; Chigbue, 2007; Akintoye & Opeyemi, 2014). Over the years, the noble goals of development by the Nigerian government through the creation of public agencies have been truncated by the lack of accountability on the part of corrupt public officials entrusted to manage these agencies and lack of trust on the part of citizens about government actions. Henshaw (2008) argues that accountability entails that public officials who manage public organizations are made accountable to the public - both in policies and actions. It has been observed that "Nigeria's inability to decisively tackle most development challenges such as poverty, unemployment and deplorable state of infrastructure have been largely attributed to bad governance in all its ramification" (TAFGN, 2011-2015).

Corporate governance and economic recession

Prior to the impact of the meltdown in Nigeria, the banking sector was swimming in a pond of false confidence in the financial policies. There was a crash in the stock market, the prices of Oil sky rocketed and left many financial homes depressed with the fear of an impending crunch. The crash affected the economy. With the crash, it was apparent that the Nigerian economy faces the crippling effects of global economic crises resulting to breakdown and decline in economic vigor. Opeyemi (2008) observes that there are cases of unemployment, retrenchments, downsizing and layoffs, which served as indicators of a troubled economy. In her words, "there have become a wide spread of distrust in the competency of the financial sector as the question of funds availability in banks pervades the

minds of right-thinking Nigerians." More specifically the economic recession has brought in its wake enormous increase in unemployment.

The situation is not different from Europe where many factories and companies are folding up and downsizing. There has been layoffs, retrenchments and decrease in oil revenue. This dwindling revenue affects budgetary performance and allocations to sub sectors because of the country's monoculture economy and this invariably leads to possible delays in the discharge of government's responsibilities in recurrent expenditures. This no doubt heightens indebtedness to internal contractors. Pension payment might become a huge source of worry because of the dwindling finances to meet up with the financial obligations of recurrent expenditure and a slowdown in economic activities (Zagats, 2009). The implication of this position is that where good governance is absent, accountability of governmental agencies and development in such a society is likely to be affected negatively. With the analysis of secondary data, the paper examines the challenges of good governance, accountability of governmental agencies and development in Nigeria. It observes the manifestation of unethical behaviour amongst public officials as the major challenge hindering development in the country.

Empirical Review

Nwoye, Ekesiobi and Obiorah (2017) conducted a study on accountability and transparency: Hurdles of Post Democratic Regime in Nigeria: Economic Implications. The study intends to substantiate graphically the complementary impact nature of

Nigeria's budget expenditures and her economic performances in the post 1999 democratic dispensations towards appreciating judgmentally, the quality of accountability possibly upheld during this period in the light of exceptional incidences of questionable transparency in public service. The annual GDP growth rate statistics, annual GDP achieved (in US\$), the US to Naira exchange rates, and the annual national Budget of Nigeria (emphasis on Recurrent and Capital Expenditures) as published by the World Bank Group for the years 1999 – 2016 were all adopted and holistically subjected to professional evaluation and assessment using graphics/charts so as to boost readers' understandability. Evidence from the statistics shows that Nigeria is yet to appreciate the place of accountability, transparency, and absolute compliance to due process in the achievement and sustenance of upward geared economic growth. Further graphical evaluations carried out reveals that while the country's annual budget figures continued to rise in trillions of Naira especially in the recurrent expenditures, little of this acclaimed effort is felt by the economy and Nigerians, thus depicting possible tendencies of mismanagement of public funds, intransparency and poor accountability approach to the same. The study has as a result proffered several antigens to these visible lapses that has since 1999 left Nigeria struggling atop corruption perception index table of Transparency International (TI).

Gberevbie, Oyeyemi, Nchekwube, Excellence-Oluye (2014) argued that the enhanced performance of governmental

agencies in any nation is a product of good governance, accountability, transparency and trust, which in turn brings about the improvement in the living standard of the people. The implication of this position is that where good governance is absent, accountability of governmental agencies and development in such a society is likely to be affected negatively. With the analysis of secondary data, the paper examines the challenges of good governance, accountability of governmental agencies and development in Nigeria. It observes the manifestation of unethical behaviour amongst public officials as the major challenge hindering development in the country. It therefore recommends among others the need for government to strengthen existing anti-corruption agencies to enable them enforce proper ethical standard.

METHODS

The population consists of all auditors from the National Audit Department of Nigeria located at the federal secretariat, Asaba and accounting officers from the Accountant General Office. This study focuses on the developing the transparency and accountability index based on perception of government auditors and accounting officers because they are the best person to make overall judgments on the current financial management practices. In order to get a high response rate, the questionnaire survey will be distributed directly (by hand) to the respondents and supported with interview session. This is to determine whether the government auditors and accountants are sufficiently competent in detecting any irregularities in financial management system and whether they will report on any

irregularities detected or not. Simple random sampling will be used since the population consists of all employees of the firms under review (Sarantokos, 1998). To delineate the targeted sample from the study population, a sample size of one hundred (100) respondents was randomly selected from the population. The questionnaire was based on a five likert scale, ranging from strongly agree to strongly disagree.

RESULTS AND DISCUSSION

Data Presentation

Data presentation entails the use of tables, charts, and graphs to demonstrate the trend, pattern and behavior of any research data. Following the various perspectives discussed above, the researcher administered a total of one hundred (100) questionnaires drawn from Ministry of works, the accountant general’s office and Federal State Secretariat in Asaba, Delta State. The pattern of administering and retrieval of the questionnaires is presented below in table 4.1.

Table 1: Distribution of copies of the Questionnaire designed for this study

Copies of Questionnaire Administered	Copies of Questionnaire Retrieved	Copies of Unreturned Questionnaire	Percentage of Copies of Questionnaire Received	Percentage of Copies of Questionnaires Unreturned
100	99	1	99%	1%

Source: Field Survey (2019).

Data Analysis

Decision rule

The statistical package for social sciences version 23 was used to run the analysis. 0.05 level of significance was used. Where p-value is less than or equal to 0.05, we accept the alternate hypothesis (Ha) and reject the null hypothesis (Ho). But where the p-value

is greater than 0.05, we accept the null hypothesis (Ho) and reject the alternate hypothesis (Ha).

Test of Hypothesis One

Ho₁: There is no significant relationship between good governance and a recessed economy.

Table 2

Coefficient					
Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std. Error	Beta		
1 (Constant)	18.545	10.022		1.850	.084
Good governance	.703	.495	.423	1.419	.007

Source: (Field survey using SPSS version 23, 2019)

From table above, the coefficient value is 0.007 and this is less than 0.05 level of significance. Therefore, we accept H_a (Alternate hypothesis) and reject H_o (Null hypothesis). Thus, implying that there is a significant relationship between good governance and a recessed economy.

Test of Hypothesis Two

H_{o2} : Accountability has no statistical significance with a recessed economy.

Table 3

Coefficient					
Model	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std. Error	Beta		
1 (Constant)	18.545	10.022		1.850	.084
Accountability	.575	.507	.407	1.133	.025

Source: Field survey, (2019)

From the table above, the coefficient value is 0.025, and this is less than 0.05 level of significance. Therefore, we accept the H_a and reject the H_o . This means that there is a significant relationship between accountability and a recessed economy. This indicates that accountability of constituted authorities, unit heads, supervisors, heads of personnel, leaders and all those in place of authority could assist in helping the state and the nation in general to revive the recessed economy.

extent to which the variance in a recessed economy is caused by good governance. This means that good governance contributes 42.3% change or revival of a recessed economy

- Also, table 4.4, shows the significant relationship between accountability and a recessed economy, the β value ($\beta = .407, 0.025$) indicate that leaders' accountability would have positive effect on a recessed economy.

Discussion of findings

Arising from the data analysis conducted above and the review of the related literature earlier x-rayed, the discussion of findings of this research study is presented below.

- Thus, from table 4.3, showing the regression analysis of good governance and a recessed economy, the β value ($\beta = .423, 0.007$) indicate that good governance would have positive effect on a recessed economy. It shows the

This is in line with the shareholders' theory which suggests that performance and success depends largely on how well ministries, agencies and government parastatals manage its relationship with stakeholders (Freeman and Philips, 2002). In any establishment, good governance stems from the owners, then spreads/follows through, down the organizational ladder to the board of directors and management and then the employees and customers as well.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of findings

This research work was primarily conducted to examine the impact of corporate governance practices on the performance of Nigerian ministries, agencies and government parastatals. It specifically examined and analyzed two indicators of corporate governance and how they can positively influence performance. These among others were the researcher's findings: the unethical gifts, bribery and corruption, insiders' dealings, lack of disclosure, transparency and integrity, misuse of organization-owned property and conflict of interest are the major factors militating against effective corporate governance in Nigerian ministries, agencies and government parastatals. On the other hand, increased disclosure and accountability will pave way for good corporate governance in a recessed economy like Nigeria.

- The result from the survey analysis showed that there is an overwhelming positive correlation between good governance and government agencies as seen in table 1, with significant β -value of $r = 303, p < 0.01$.
- Again, the findings revealed that there's a positive statistical significant relationship between accountability and the Nigerian public sector.

Conclusion

From the foregoing, several deductions have been drawn. The role of good corporate

governance practices in the performance of Nigerian ministries, agencies and government parastatals cannot be overemphasized. Findings suggest that good governance, a more accountable, transparent, technology-driven, innovative, and eco-efficient economy will drive the country towards a higher level of economic prosperity. On this note, it is expected that strengthening good corporate governance would ensure economic stability and successful attainment of macro and micro economic goals. Information management should be targeted. There is still much to do in introducing and fine-tuning legislation that will encourage more openness in government, access to information and public consultations. The countries can also benefit by better implementing legislative provisions that encourage independent sources of information such as the press and media and civil society organizations. These organizations also need to be trained in having an input in public policy formulation as well as having an oversight role on public sector performance

Recommendations

This study has highlighted common public sector management challenges that are faced by our nation – Nigeria. There seems to be no easy or simple solution. Rather, the study findings suggest that a careful examination of current policies and practices may show certain gaps that can be plugged in to strengthen management in key areas. A common pooling of problems and solutions at the federal, state and local government level may assist our country - Nigeria to better meet their particular challenges. Thus, achieving financial transparency and

accountability in the public sector in Nigeria would imply taking into consideration the following recommendations:

- Consolidation of all public accounts (state, local agencies, public sector offices and entities, and social security agencies).
- The ministries, agencies, government parastatals, etc should develop a formal standard of accountability which is essential for the survival of any public office in the economy.
- Making financial information available to all public sector employees (the state, local public authorities, social security agencies).
- Also, stiff penalties including removal or sack of authority representatives who violate or contravene the codes of corporate governance set out for them, should be meted out on erring ones at the helm of affairs.
- It is also strongly recommended that the internal control and audits be strengthened to effectively and efficiently carry out some checks on representatives of authorities in government agencies, ministries and parastatals organizations.
- Moreover, there should be a wider sensitization and orientation of the importance of accountability to all public office holders. The levels of scrutiny should be thorough and tougher and due process duly followed and improved upon.

Limitations and Suggestions for Further Studies

Caution has to be exercised in making generalizations. This study only operationalized corporate governance with just two study variables whereas there are many other determinants of corporate governance. Other research instruments for data collection such as interview, observation, etc could be adopted other than administration of questionnaire. Further research should be conducted using a larger sample size.

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