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DIGITALIZED FINANCIAL MANAGEMENT PRACTICES AND ACCOUNTABILITY: EVIDENCE FROM NIGERIA MDAS'

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Abstract

The global shift towards digitalization in public sector management has increasingly prompted governments to adopt technology-driven solutions to improve transparency, efficiency, and accountability. In Nigeria, digital accounting practices have become central to ongoing public financial management reforms, which aim to modernize the accounting systems within Ministries, Departments, and Agencies (MDAs). Sequel to this issue, this study investigated digitalized procurement management and Financial Reporting and Transparency on financial accountability among ministries, departments, and agencies (MDAs) in Nigeria. Data are collected through survey; the study's population comprises 588 eligible auditors from various ranks within the Offices of the Auditor-General for the Federation (AoGF) while the sample of the study is 233 staffs of Auditor-General for the Federation (AoGF) using Krejcie and Morgan (1970). Given the analysis from the results, the study concludes that both digitalized procurement management and Financial Reporting are significant and positive influence ministries, departments, and agencies (MDAs) in Nigeria. Thus, the study recommends the Ministry of Finance, should prioritize the expansion and integration of digitalized procurement systems that will enhance subsequent accountability among MDAs' in Nigeria.

Keyword: Digitalized Procurement Management, Financial Reporting, Transparency And Financial Accountability

1. Introduction

Globally, the persistence rise in corruption practices, mismanagement public fund and over utilization of government belongings are becoming concern to public and investor. However, these irregularities are consequently resulting to lack of transparency and accountability among all public offices across the developed and developing countries. Most of these wrongdoings thrive in environments where there is inefficient public accounting system and digitalization strategies needed to improve public accountability and create public value. This is to say that any perceived digital divide or weaknesses in public sector accounting system will give room for government officials to perpetrate any fraudulent act or irregularity of diverse nature.

However, the situations of these transparency and accountability are still worsening in the Nigeria context. For instance, the high rate of court cases

among public officers in the public offices are becoming worrisome particularly those that are in revenue unit (John, 2017). However, the shifts to technology practices are expected to enhance transparency and accountability. Despite the adoption and deployment of ICT in the Nigeria Public Sector, there is no evidence to suggest conclusively that ICT development will achieve the pre-determined outcomes of efficiency, effectiveness, and taxpayer satisfaction (Mallick, 2021). According to a review by Omar et al, (2020), most e-tax projects fail to meet their objectives despite significant financial investment in such projects, especially in developing countries where e-filing rate remain low (Mashabela & Kekwaletswe, 2020).

In Nigeria, the Finance Act 2020 and Section 25 of the FIRS Establishment Act granted the FIRS powers to automate the tax administration process, including assessment, collection and information gathering, which were further strengthened by the

Finance Act 2021. Despite this development, tax compliance is still low in Nigeria. Evidence from IMF WEO Database revealed in 2021 that Nigeria's tax revenue to GDP ratio is 4.5 per cent and considered well below Nigeria's tax capacity or frontier estimated to be about 8 -11 per cent.

Additionally, Ojogiwa and Qwabe (2021) claimed that inadequate management of the country's financial resources is a significant problem impeding Nigeria's progress. This resulted from poor financial resource allocation and management by the government. The introduction of a financial management information system known as the Government Integrated Financial and Management Information System (GIFMIS) was spurred by the need to advance public accountability, transparency, cost-effective public service delivery, prudent use of government's limited financial resources, and economic growth. It is anticipated that this integration will break down organizational silos, promote smooth data transfer between government agencies, and give decision-makers an up-to-date, comprehensive picture of financial activity.

Despite the introduction of this technology, it is notable in the literature that persistence raised in the corruptions practices and manipulation of accounting figures are become concern among stakeholder. However, study such as (Appah, et al., 2021; Bassey et al., 2023; Chandra & Chowdhury, 2023; Salisu & Ibeogu, 2022; Tapang & Ibiam, 2019) are focused on the digitalized treasury management thus this study focused on another perspective thus, this study investigate procurement management and financial reporting and transparency on accountability among ministries department and agencies (MDAs).

2. Literature Review

2.1 Conceptual Review

2.1.1 Financial Accountability

According to Geisser (1975) viewed that the primary meanings of accountability are responsibility, cause, and obligation. Responsibility implies being answerable to a principal for the efficient execution of an assignment. Cause suggests that personal conduct can

be the reason for the success or failure of a program or event. The term "obligation" relates to the final burden of proof, in which the minister is required to answer to parliament even though the accounting officer may be in charge of administration. Financial, political, social, and administrative accountability are the four specific categories into which public accountability can be divided. These categories center on the duty of those in positions of trust or who handle resources to openly report on the intended and actual use of their positions or financial resources (Onuorah & Appah, 2012). This study will focus on the three aspects which are related to public sector entities in Nigeria. These are financial, social, and administrative accountability.

2.1.2 Procurement management

Procurement management within the Government Integrated Financial Management Information System (GIFMIS) represents a nexus of intricate processes (Onukelobi et al., 2019). This comprehensive solution combines many financial modules, bringing a boost in vendor and payment management efficiency. Payment processes are streamlined by GIFMIS's automated features, which make managing the ever-changing world of financial governance more difficult (Ihenyen & Robert, 2023). Another level of sophistication is added by GIFMIS's capacity to adjust to changing technical frameworks, which demonstrates the system's dedication to remaining at the forefront of contemporary financial management techniques.

Financial accountability, constituting one segment among political, social, and administrative accountability, revolves around the responsibility of individuals handling resources or occupying positions of trust to transparently report on the intended and actual use of financial resources or designated offices (Onuorah & Appah, 2012). Officers must provide accurate reporting in accordance with existing norms and regulations since they are answerable to the people who have entrusted them with financial resources (Adegite, 2010). This duty includes following the law, accounting rules, and making sure that expenditures are legitimate in addition to giving detailed explanations of the financial resources maintained. Financial accountability in the public sector ensures that society's

funds are used effectively and keeps public funds from being diverted for private purposes (Ejere, 2012).

2.1.3 Financial Reporting and Transparency

Financial reporting and transparency within the Government Integrated Financial Management Information System (GIFMIS) constitute a complex interplay of integrated modules. GIFMIS introduces a burst of efficiency in generating financial reports, fostering intricate transparency (Onukelobi et al., 2019; Ihenyen & Robert, 2023). GIFMIS's dedication to contemporary financial governance norms is reflected in the system's capacity to adjust to changing technology environments, which adds a level of sophistication. This innovative adoption of state-of-the-art technology guarantees that GIFMIS will continue to lead the way in accountable and transparent financial reporting.

2.2 Theoretical Review and Framework

Technology Acceptance Model, Theory of Innovation Translation, The Theory of Innovation Diffusion, Comparative Treatment Theory, Institutional Theory, Differential Association Reinforcement Theory, and New Public Management Theory (NPM) were among the theories reviewed in order to construct the study's model. For instance, after Davies' 1989 presentation of the notion of technology adoption, Venkatesh and Bala created The Technology adoption Model (TAM) in 2008. TAM mostly explains how individuals act when using technology (Maji & Pal, 2017). At the core of Technology Acceptance Models (TAM) is the influence of perceived utility and perceived ease of use on attitudes toward technology adoption, which in turn influence personal beliefs (Mpinganjira, 2015). The model offers a basic foundation for comprehending how external factors impact attitudes, intentions, and internal beliefs.

In a similar vein, Tatnall's 1990 theory of innovation translation presents an alternative perspective to the often used idea of innovation dissemination. In contrast to the traditional approach of welcoming innovations as they are proposed or decided upon, this theory suggests that potential adopters

reinterpret innovations to fit their own needs. The innovation is essentially modified by potential users to better suit their existing systems, rather than strictly adhering to the recommended form. The primary innovator in the framework of this study is the e-tax payment system, which is operated by the Federal Inland Revenue Service (FIRS).

Theoretical Framework

Considering the TAM theory, which offers insightful information about how MDAs use digital financial management technologies like online auditing and e-budgeting, adoption of these solutions can be strongly influenced by their perceived utility, which includes features like automatic auditing and real-time budget monitoring. MDAs are more inclined to integrate these digital financial tools into their operations if they believe they are user-friendly and helpful for enhancing financial management. Better financial openness and fewer cases of poor management result from this (Davis, 1989; Venkatesh & Bala, 2008). In Nigeria, where issues like budget mismanagement and corruption are prevalent, digital financial tools can play a crucial role in enhancing accountability and ensuring that public funds are managed more effectively (Adedeji, 2019).

2.3 Empirical Review

Studies on accountability and the digitization of financial management, for instance, were reviewed in this study. Sacks et al., (2020) examined construction with digital twin information systems. The study builds on existing concepts of Building Information Modeling (BIM), lean project production systems, automated data acquisition from construction sites and supply chains, and artificial intelligence to formulate a mode of construction that applies digital twin information systems to achieve closed loop control systems. The study established a set of four core information and control concepts for digital twin construction (DTC), which define the dimensions of the conceptual space for the information used in DTC workflows.

Conceptually, Berdik et al., (2021) carried out a survey on blockchain for information systems management and security. According to the review's

findings, the structure of blockchain technology and contemporary cloud and edge computing paradigms are essential for facilitating the broad adoption and advancement of blockchain technologies for new participants in the incredibly dynamic global market of today. Making blockchain publicly accessible through open-source and public code libraries and tools will help to guarantee that the technology's full potential is realized and that additional advancements may be made with regard to the long-term objectives of blockchain enthusiasts.

Aside from the above, Safo (2020) examined the effectiveness of integrated financial management information system (IFMIS) as tool to control expenditure in metropolitan, municipal and district assemblies (MMDAS). The study used a survey research approach, and regression and descriptive statistics were used to evaluate the data. The results demonstrate that the use of GIFMIS has been successful in keeping costs under control through the monitoring of budgetary and payment controls as well as the efficiency, transparency, and accountability of financial management. The study also demonstrates that the main obstacles to using GIFMIS are network outages and the absence of a training plan.

Kumar et al., (2023) exploring the use of an integrated financial management information system (IFMIS) in the local government institutions. Descriptive and inferential statistics were employed in the study, along with a survey research methodology. According to the study, organizational, legal, and environmental issues were the primary forces driving the GIFMIS's success. This is true even if there are a lot of benefits to using this technology. Even though the IPPIS decreased the anomalies that plagued payroll administration in Nigeria, tertiary institution workers (Association Staff Union of Universities (ASUU) and Academic Staff Union of Polytechnics (ASUP)) opposed it due to the associated errors, unlike the first two tools.

Therefore, Rotimi et al., (2021) examined the public financial management tools and performance in Nigeria public sector. A descriptive survey research design was employed using random and judgmental sampling techniques. Descriptive statistics and

correlational analysis were used in the investigation. Financial performance in the Nigerian public sector was found to be strongly correlated with the Treasury Single Account (TSA), the Government Integrated Financial Management Information System (GIFMIS), and the Integrated Personnel Payroll System (IPPIS). According to the analysis's findings, the three techniques had a rather significant impact on the public sector's financial performance in Nigeria.

However, considering the accounting reforms, Ihenyen and Robert (2023) investigated the accounting reforms and public financial management of federal government agencies in Bayelsa State. The study used a survey research methodology and judgmental sampling approaches. Descriptive statistics and Pearson product moment correlation regression were used in the investigation. According to the report, one government tool that improves effective public financial management and accountability is accounting reform.

Similarly to the above, Olabode and Adetoro (2023) studied an assessment of the utilisation of IPPIS and GIFMIS as modes of payments in tertiary educational institutions in Ogun State, Nigeria. The study used descriptive statistical methods and a survey research approach. According to the study's findings, most respondents understand what IPPIS and GIFMIS mean, and they believe that the rules represent a much-needed improvement to the federal government's payment system. This study's use of inadequate statistical tools is one of its limitations.

Summary and Gap Identified in the Literature

This study's review of the literature concentrates on topics related to the goals of the investigation. Within the specified scope, a thorough examination covering conceptual, theoretical, and methodological elements has been carried out, with a focus on the digitization of government accounting processes and institutional quality. The results of the comprehensive analysis of earlier empirical studies show observable knowledge gaps that have not yet been filled. Additionally, the majority of empirical research on accountability concentrated on its administrative and social aspects, with very few examining its financial aspects (Taiwo et al., 2020; Bassey et al., 2023; Chandra & Chowdhury,

2023; Salisu & Ibeogu, 2022; Tapang & Ibiam, 2019). Therefore, this study determined that the issue of accountability that is, financial accountability needs to be addressed from a close perspective.

To the best of the researcher's knowledge, there are also few studies that explain financial accountability in Nigerian government entities through the interplay between institutional quality, digitalized personnel payroll service (IPPIS), digitalized tax administration practice (e-tax), digitalized treasury management practice (TSA), and financial management information system (GIFMIS). More so, studies on digitalization of government operations through e-tax, IPPIS, GIFMIS and TSA have mostly been channeled towards service delivery and combating corruption [(Amaefule & Iheduru(2014); Chidi et al., (2022); Ike et al., (2023); Kaoje,(2020); Njoku (2022); Nwozor et al., (2022); Temitope et al., (2023)]. It is against this backdrop that this study intends to fill this gap.

3. Methodology

This study uses a survey research design, which focuses on obtaining data directly from the field using inquiries related to the study's main goal. The 588 eligible auditors from different ranks in the Offices of the Auditor-General for the Federation (AoGF) who were selected from the staff Nominal Rolls as of December 2021 make up the study's population. The sample size for this study is 233 staff members of the auditor general of the population, as determined by the formula and table developed by Krejcie and Morgan (1970). The study employed a survey design, and a research questionnaire was used to gather the primary data.

As explained by Saunders and Lewis (2009) and Syed et al, (2016), this strategy allows for an investigative approach, collecting pertinent information from selected individuals. The source of data, therefore, is directly from the field (primary), as the opinion of the participants have not been recorded over time neither could it be gotten from any databases. Therefore, the accountability model created by Ezenwaka, Obi, and Okudo (2022) was updated and adapted for the current study. This model looked at how the Treasury Single Account (TSA) affected accountability in Nigeria's public sector.

The original linear model was specified as follows:

$$ACC_i = \beta_0 + \beta_1 TSA_i + \mu_i \dots \dots \dots 3(1)$$

Where:

- ACC_i = Accountability in the Nigerian public sector
- β_0 = Constant (intercept)
- TSA_i = Treasury Single Account (independent variable)
- β_1 = Coefficient of the TSA
- μ_i = Error term

In other to suit the objective of this study, the study therefore adopted and modified as follows;

$$FACC_i = \beta_{0i} + \beta_1 PRM_i + \beta_2 FRT_i + \mu_i + \mu_i \dots (2)$$

Where;

Dependent Variables:

FACC = Financial Accountability of MDAs

Independent Variables:

PRM = Procurement Management

FRT = Financial Reporting and Transparency

β_1 = The coefficient of INVM

β_2 = The coefficient of ASSM

β_3 = The coefficient of BUP

β_4 = The coefficient of PRM

β_5 = The coefficient of FRT

μ = error term

However, as inferential statistical techniques, the inquiry in this work used Partial Least Square-based Structural Equation Modeling (PLS-SEM), Ordinary Least Square (OLS), and Ordered Logistic Regression. Ordered logistic regression and ordinary least squares (OLS) were used to answer research questions 1 through 5, and structural equation modeling (PLS-SEM) was used to look at the moderating effects in relation to research question 6.

The subsequent sections provide an in-depth analysis of these three approaches.

Table 1: Measurement of Operational Variables

Variables	Constructs	Operational Definitions	Measurement Scale	Data Type
Accountability	Financial	Responses to be given in Likert Scale of 1-5 to evaluate accountability of government entities in Nigeria	Ordinal Scale	Primary (Quantitative)
Financial management information system practices	Procurement Management Financial Reporting and Transparency	Responses to be given in Likert Scale of 1-5 to evaluate the effect of financial management information system practices on accountability of government entities in Nigeria	Ordinal Scale	Primary (Quantitative)

Source: Author's Compilation, 2024

Table .2: Statistical Test of Hypotheses

Hypothesis Statement	Types of Analysis			Decision Rule & Interpretation
H ₀₁ : Financial Management information system practices have no significant impact on the accountability of MDAs in Nigeria.	Ordinary Regression	Least Squares		Reject H ₀₁ : If p-value is < 0.05. Fail to reject H ₀₁ if p-value is > 0.05 $Y = \beta_0 + \beta_3 X_3 + \mathcal{E}$

4. Results and Discussion

4.1 Data Descriptive Statistics

Based on the participants' responses, the analytical exercises' outcomes were examined in this section. The

conversation adheres to the study instruments' predetermined format. Descriptive analysis of the socio demographic traits of the government officials who agreed to participate in the field survey is the first step.

Table 3: Accountability of Ministries, Department, and Agencies (MDAs) in Nigeria.

Items	Mean	Standard deviation	Residual variance	Intraclass correlation	Cronbach's alpha	Convergent Validity
FACC 3	3.80	1.33	1.77			

The summary statistics of the items in each financial accountability (FACC) category are shown in Table 3. Additionally, it uses convergent validity, Cronbach Alpha, and inter-class correlation to show the validity

and reliability of each of these categories. In Table 4.1, accountability was measured using a total of 12 items. This was further subdivided into four items: financial accountability. The item with the highest mean score in

terms of financial accountability is FACC3 (M=3.80, S.D=1.33). The majority of participants appear to agree with the related questions, as indicated by the fact that all average values are over the midpoint of 3. The

questions are a good indicator of the financial accountability of Nigerian ministries, departments, and agencies, according to the Cronbach Alpha of 0.870 and the convergent validity of 0.869.

Table .4: Digitalized Financial Management Practices

Items	Mean	Standard deviation	Residual variance	Intraclass correlation	Cronbach's alpha	Convergent Validity
Procurement Management						
PRM 1	3.40	.928	.860	0.387	0.621	0.622
PRM 2	3.74	.989	.978			
PRM3	3.44	1.015	1.030			
Financial Reporting and Transparency						
FRT 1	3.70	.997	.995	0.346	0.613	0.598
FRT 2	3.75	.861	.742			
FRT3	3.50	1.112	1.237			

Source: Author's Computation, (2024).

Explanatory Notes: INVM1 to INVM3 are questions on inventory management; ASSM1 to ASSM3 are questions on asset management; BUP1 to BUP3 are questions on budgetary practices; PRM1 to PRM3 are questions on procurement management; FRT1 to FRT3 are questions on financial reporting and transparency

In terms of budgetary practices, the item with the highest mean score is BUP2 (M=3.61, S.D=1.034). This was followed by BUP3 (M=3.34, S.D=1.201), BUP1 (M=3.31, S.D=1.181). All the average values for the constructs of budgetary practices are greater than 3, indicating that the most of the participants agreed with the questions measuring budgetary practices. The Cronbach Alpha has a value of 0.836 and convergent validity of 0.839 shows that the items measuring budgetary practices are highly reliable.

In terms of procurement management, the item with the highest mean score is PRM2 (M=3.74, S.D=0.989). This was followed by PRM3 (M=3.44, S.D=1.015), PRM1 (M=3.40, S.D=0.928). All the average values for the constructs of procurement management are greater than 3, indicating that the most of the participants agreed with the questions measuring procurement management. The Cronbach Alpha has a value of 0.621 and convergent validity of 0.622 shows that the items measuring procurement management are moderately reliable.

With respect to financial reporting and transparency, the item with the highest mean score is FRT2 (M=3.75, S.D=0.861), which was followed by FRT1 (M=3.70, S.D=0.997). This was followed by

FRT3 (M=3.50, S.D=1.112). Given that all the mean values are greater than the midpoint of 3, majority of the respondents agreed with the assertions measuring financial reporting and transparency. The Cronbach Alpha of 0.613 and convergent validity value of 0.598 are indicators revealing that the questions are good measure of financial reporting and transparency within ministries department and agencies.

4.3 Preliminary Analyses

The preliminary findings of the analysis conducted for this study are revealed in this section. This thorough research included a number of crucial phases, starting with correlation analysis and normalcy checks. Additionally, the fitting index was determined using principle components analysis, which opened the door for ordered logistic regression to examine how digital accounting procedures affect the components of the dependent variable financial, social, and administrative responsibility. As a prelude to the fundamental OLS regression analysis and structural equation estimation, these analytical techniques were meticulously carried out. These later methods were used to successfully address and accomplish the goals of the study.

Normality Test and Correlation Analysis of the Variables

This section elaborates on the analysis related to the normality of variables included in the models of this study. The study used the analysis of Kurtosis and Skewness to determine normalcy. According to Hair et al. (2010), this thorough method was necessary to guarantee that the data complied with the requirements and presumptions of multivariate regression analysis.

Interestingly, joint skewness and kurtosis were evaluated because they are more useful metrics for examining the distribution of individual variables. The replies corresponding to each variable have been used to change the variables included in the normality test. A weighted mean average was calculated by adding up each respondent's responses about each construct. The analysis was then predicated on variables that had been calculated.

Table 5: Skewness and Kurtosis Joint Normality Test

Normality Test	Skewness	Kurtosis
Variables	Statistic	Statistic
Financial Accountability	0.735	-0.702
Digitalized financial management practices	0.148	-1.042

The skewness and kurtosis statistic score is shown in Table 5. According to the recognized range for a variable to be regularly distributed, the Skewness of all statistic values falls between +3 and -3 (Asika, 1991). This suggests that every variable has a normal distribution.

Multicollinearity Test

As outlined by Hair et al. (2006), the existence of multicollinearity has the potential to introduce distorted

coefficients and undermine the statistical significance of a variable. In situations where a pronounced correlation exists among explanatory variables, achieving accurate estimations of regression coefficients can prove to be challenging (Johnston, Jones, & Marley, 2018). As a result of this, the current study performed a pairwise correlation analysis before estimating the model. As shown in Table 6, the purpose of this analysis was to investigate the bivariate correlations between the variables in the models.

Table 6: Pairwise Correlation Matrix

Variables	FACC	SACC	ADACC	DTAP	DTMP	DFMP	DPMP	IQ
FACC	1							
DFMP	-0.306**	-0.247**	-0.309					

The pairwise correlation matrix, shown in Table 6, showed that the independent variables' coefficients were less than 0.8, suggesting that adding them to the regression analysis would not result in a serious multicollinearity issue (Kennedy, 2008).

4.4 Regression Analysis Adopting Ordered Logistic Regression

The participants' ranking order of responses for accountability dimensions, which vary from extremely

low to extremely high on a Likert scale, guided the decision to use ordered logistic regression. The study uses factor analysis to narrow down a large number of observable variables into a smaller set of underlying factors prior to using ordered logistic regression. By determining the most crucial dimensions or categories to use as proxies, such as administrative, social, and financial accountability, this streamlines data interpretation and analysis.

Table 7: Ordered Logistic Regression Result for Financial Accountability

Variables	Coefficient	Std. Err.	T	p-value
Digitalized financial management practices	1.949	0.472	4.13	0.000
Procurement management	1.663	0.261	6.37	0.000
Financial reporting and transparency	0.051	0.228	0.22	0.824
Main Variables	LR chi2(5) =	154.95		
	Prob > chi2 =	0.0000		
	Pseudo R2 =	0.2645		
Sub Variables	LR chi2(24) =	77.97		
	Prob > chi2 =	0.0000		
	Pseudo R2 =	0.8467		

Source: Author's Analysis, (2024)

Digitalized financial management with positive coefficient of 1.949 with an associated p-value of 0.000 indicates that for every increase in digitalized financial management practices, the study expect expect a 1.949 percent increase in the logs odds of being in a higher level of financial accountability in ministries, departments, and agencies in Nigeria, given all of the other variables in the model are held constant. Specifically, the outcome of this result indicated that Procurement management and financial reporting and transparency are significant and positive on financial accountability of MDAs, in Nigeria.

4.5 Summary of Test of Hypotheses

Table 7 provides a snapshot summary of the OLS regression model results for the test of first, second,

third, hypothesis relating to the effect of inventory management, asset management and budget practices.

H_{01} stated that digitalized Procurement management has significant effect on the accountability of ministries, departments, and agencies in Nigeria. The test revealed that the null hypothesis H_{01} was rejected.

H_{02} stated that a digitalized financial reporting and transparency has no significant effect on the accountability of ministries, departments, and agencies in Nigeria. The test revealed that the null hypothesis H_{02} was rejected.

Tables 8: Summary of Test of Hypotheses on the effect of Digital Accounting practice on Accountability of Ministries, Departments, and Agencies in Nigeria.

Var	Hypothesis	Result/Sign Obtained	Decision/Support for Hypothesis
H_{01}	Digitalized Procurement management has no significant effect on the accountability of ministries, departments, and agencies in Nigeria.	Significant (-ve)	Accept
H_{02}	Financial reporting and transparency has no significant effect on the accountability of ministries, departments, and agencies in Nigeria.	Significant (+ve)	Reject

Source: Author's Results, (2024)

4.6 Discussion of Findings

Given procurement management, which shows a positive effect on accountability with a coefficient of 0.545 and a p-value of 0.000? The digitalization of procurement processes ensures that government purchases are conducted in a transparent and efficient manner. By automating the bidding, selection, and payment processes, digital procurement systems reduce the likelihood of corruption, favoritism, and inefficiencies. Digital procurement systems also ensure compliance with public procurement regulations, leading to a higher level of accountability in how public funds are spent. The transparency that comes with these digital processes makes it easier to monitor contracts and spending, contributing to better oversight and reducing risks of mismanagement. This finding is consistent with Chukwuma and Eze (2021), who found that digital procurement systems enhance transparency and reduce corruption in public procurement processes.

Financial reporting and transparency play a critical role as well, with a coefficient of 0.302 and a p-value of 0.000. Digital financial reporting systems ensure timely and accurate reporting of financial transactions, making it easier for auditors and regulators to review the financial activities of MDAs. Automated reporting reduces the risk of manipulation and ensures that financial records are complete and consistent. This leads to better accountability by providing a clear and accessible record of financial activities, which is essential for internal and external scrutiny. The transparency offered by digital financial reporting systems strengthens public trust and confidence in the financial management practices of MDAs. Ezinando et al. (2020), Shehu et al. (2020) and Rotimi et al. (2021),

support this view, highlighting that digital financial reporting systems enhance transparency and accountability by ensuring accurate and timely financial information.

5. Conclusion and Recommendation

The coefficient of digitalized procurement management is positive and statistically significant; leading to the conclusion that financial reporting and transparency has significant effect on accountability in ministries, departments, and agencies in Nigeria, which aligns with the study's expectation. On the other hand, financial reporting and transparency has significant positive and statistically significant; leading to the conclusion that financial reporting and transparency has significant effect on accountability in ministries, departments, and agencies in Nigeria, which aligns with the study's expectation.

Given that digitalized procurement management and financial reporting and transparency enhances accountability of MDAs, With an emphasis on improving the procurement, inventory, and asset management procedures, the study advises Nigeria's Ministry of Finance, Budget, and National Planning to keep funding the full deployment of the country's current digitalized financial management systems (GIFMIS platform). MDAs can increase financial transparency, lower the risk of fraud and poor management, and fortify accountability systems at all governmental levels by giving priority to these areas. To improve monitoring and oversight of the financial management process of MDAs in Nigeria, additional real-time integration of financial reporting systems through the GIFMIS framework are also necessary

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