Financial Indiscipline and Lack of Accountability in Public Sector in Enugu State

Prof. Ubesie, M.C., Okoh, Isaac Chibuzo, & Ejike, Chinedu Raphael
Department of Accountancy
Faculty of Management Sciences
Enugu State University of Science and Technology (ESUT), Enugu.

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ABSTRACT
The study examined the financial indiscipline and lack of accountability in public sector in Enugu State. Specifically, the study sought to estimate the effect of financial indiscipline in public sector on economic sustainability of Nigeria, determine the effect of lack of accountability in public sector on economic sustainability of Nigeria and ascertain the level of accountability and financial discipline in public sector in Nigeria. A descriptive survey method was used for this study. The study was conducted in Enugu. The population of the study was 2084. The sample size of the study was 313 which was determined through the use of Freund and Williams (1986) statistical sampling formula. *The collected data was analysed through the use of Mean score while Z-score was used to test the hypotheses. The finding of the study showed that Financial indiscipline in public sector has a significant effect on economic sustainability of Nigeria, that lack of accountability in public sector has a significant effect on economic sustainability of Nigeria and that the level of accountability and financial discipline in public sector in Nigeria is significantly low. The study concluded that financial indiscipline and lack of financial accountability is prevalent in the public sector economy of Nigeria and this significantly affect economic sustainability in Nigeria. The study among others that for financial indiscipline to minimized in the public sector, accountability mechanisms must be strengthened to reduce the level of corruption in the country. The nation's annual budget must be an instrument of accountability, a stewardship report of what was done in any given financial year and just a reflection of how money was allocated, unspent and subsequently returned to the coffers of the government or even wasted.*

Keywords: *Finance, Indiscipline, Accountability, Public Sector, Economic Sustainability.*

INTRODUCTION

Any effective organization, including Nigeria's public sector organizations, depends on sound financial management (Ani, 2022). The quality of the services provided is closely related to the financial resources available to it as well as the fund managers' capacity to handle the assets entrusted to their care with integrity, caution, transparency, and accountability. The involvement of fiscal control institutions in public spending (such as the Treasury Office, the Parliament, and the audit) is one of the characteristics that set any public financial management system apart from others (Lienert, 2005). To help with the discharge of financial accountability, the Constitution includes the obligations of each fiscal control institution. Adherence to relevant laws and regulations, alignment with suitable accounting principles and traditions, accuracy and fairness of reports, and total legality of expenditures are all aspects of financial responsibility. It has been established that total control over finance by one arm opens the door for misuse, which is why power over finance is divided and is legally recognized by the constitutions of almost every nation. According to Arinaitwe, Ogwel, and Mwosi (2020), financial accounting in government comprises documenting, communicating, summarizing, evaluating, and interpreting financial statements both in general and in specifics (Onuarah and Appah, 2012). Government accounting must fulfill internal management standards and offer the general public a view into government operations. According to Achua (2009), the goal of preparing government financial reports would have been to provide full disclosure of all pertinent facts relating to the financial status and operations of the government in a timely manner. Many public sector institutions, though, appear to undermine this method.

According to Ejalonibu (2019), corruption is rampant across Nigerian culture, with tales of fraud, embezzlement, and the setting ablaze of offices housing critical papers and phantom workers on the payroll of Ministries, Extra-ministerial Departments, and Parastatals commonplace (Okwoli, 2004). Bello (2001) asserts that huge sums of Naira are lost in Nigeria as a result of various financial malpractices, which, to put it mildly, drains the country's meager resources through dishonest means with far-reaching and attendant consequences on the development or even socio-economic or political programs of the country. Every year, the public sector loses billions of Naira through dishonest ways. This sum only includes what has been uncovered and made public. In fact, far larger or much larger sums are lost in frauds that go undetected or that are kept quiet for a variety of reasons. Appah and Appiah (2010), assert that incidences of fraud are so common in Nigeria's public sector that it appears that every branch of the government is somehow connected to some of these heinous crimes. Since the oil boom years, when there were structurally inadequate regulatory mechanisms that created a number of loopholes that tended to enable and prolong corrupt activities, financial mismanagement in the public sector has been a problem in Nigeria. This is coupled with the fact that there is a near total absence of the notion and ethics of accountability in the conduct of public affairs in the country (Bello, 2001).

Accountability is becoming a severe challenge in many nations, including Nigeria, due to the enormously widespread public demands for transparency in administration and the global outcry against corruption. Lack of accountability and transparency is one of the major problems affecting public sector management in Nigeria, as Addison (1996) correctly noted. In the public sector, a lack of accountability fosters corruption and all of its unfavorable effects. For instance, through corruption, a select few are diverting the commonwealth of Nigerians, leaving the country at a loss. Nigeria's weak accountability culture has made corruption a way of life, to the point where it is cliché to claim that officials are not only corrupt, but that corruption is official. This claim is supported by the scandalous revelations of widespread corruption and mismanagement of public funds by government officials in the audit report recently made public by the office of the Auditor General of the Federation on the Federation of Nigeria's Accounts for the year ended December 31, 2009.

Nearly all Ministries, Departments, and Agencies (MDAs) of the Federal Government bureaucracy were found to have violated the Public Service Rules, Financial Regulations, and

Due Process processes while disbursing public funds, according to the audit report cited above (Nigeria, 2009). The audit report also discovered widespread fraud by income-generating organizations and oil companies in the nation's revenue calculation, collection, and transfer to the federal government. According to Ejere (2013), it is apparent that corruption has not eased in Nigeria despite the alleged efforts made to combat it by enhancing public accountability by previous governments, notably since 1999 (when the nation reverted to democratic governance). When it comes to fighting corruption, political leaders in Nigeria frequently speak the talk but don't always walk the walk because the fight is still managed on a purely cosmetic level. Perhaps the best hope for strengthening and enshrining public accountability in a society is democracy as a form of government. This is so because one of the fundamental tenets of democratic government is accountability. As a result, there is a rise in poor management, egregious theft, extravagance, waste, misappropriation, contract termination, excessive pricing of goods and services, unpaid wages, capital flight, and other forms of corruption. The general public's broad criticism that Fiscal Control Institutions only convey genuine and fair views without attempting to conform to mandated standards, legal requirements, and other regulatory frameworks appears to have undermined the goal of public financial management. This justifies the need to examine the financial indiscipline and lack of accountability in public sector in Enugu State.

Statement of the Problem

Every community in the world depends on effective governance and financial restraint to advance. One component of the increased emphasis on combating corruption and advancing openness in government is a focus on citizen responsibility. However, Nigeria's high incidence of corruption at all levels of government makes the question of accountability a basic concern.

High levels of financial abuse made it difficult to execute the law, hindered tax collection, and deterred foreign investment. Due to the prevalence of fraud in the public sector, standard auditing and investigation methods are useless and inefficient at identifying fraud. The public sector in Nigeria is experiencing significant disruption due to the rising tide of financial indiscipline and lack of accountability. This is because fraud has penetrated into every aspect of Nigeria public sector.

The Nigerian public service should support the country's policy implementation process through its bureaucracy, but instead it has been turned into a hub for public money theft. Despite numerous and growing claims and outcries of corruption at the highest levels of government, no high-ranking officer or public servant in the civil service has been held accountable for wrongdoing under this regime. This is due to the fact that corruption in the government service is more common than not, and the catchphrase used to motivate civil officials is "wait for your time." This suggests that a person who is hired and offered a job in the civil service patiently awaits the day when he or she advances to a position where he or she can dig deep hands into public funds in order to share in the "National cake." Along with this, the idea and ethics of accountability in the conduct of public affairs in the nation are essentially nonexistent.

The majority of the world's developing countries are thought to be where they are now as a result of poor leadership and mismanagement of public funds, which caused significant financial outflows from their economy. The scenario is really pitiful because as these resources are transferred to the developed countries of the world, job opportunities are created and their living standards are raised there, but the source country experiences a job drain, poverty, and underdevelopment as a result. For instance, despite having a wealth of natural and human resources, Nigeria's underdevelopment is a result of poor governance and budgetary irresponsibility. Nigeria is frequently referred to as the least developed oil-producing country. The incidence of bad governance and fiscal indiscipline has amounted to huge debt and embezzlement of public funds in Nigeria during and after military rule.

Objectives of the Study

The general objective of the study is to examine the financial indiscipline and lack of accountability in public sector in Nigeria. The specific objectives of the study were to:

i. estimate the effect of financial indiscipline in public sector on economic sustainability of Nigeria.
ii. Determine the effect of lack of accountability in public sector on economic sustainability of Nigeria.
iii. Ascertain the level of accountability and financial discipline in public sector in Nigeria.

Research Questions

The following research question were raised for the study.

i. What effect does financial indiscipline in public sector have on economic sustainability of Nigeria?
ii. To what extent does the lack of accountability in public sector on economic sustainability of Nigeria?
iii. What is the level of accountability and financial discipline in public sector in Nigeria?

Statement of Hypotheses

The following null hypotheses guided the study

i. Financial indiscipline in public sector has no significant effect on economic sustainability of Nigeria.
ii. Lack of accountability in public sector has no significant effect on economic sustainability of Nigeria.
iii. The level of accountability and financial discipline in public sector in Nigeria is significantly low.

Review of Literature

Financial Indiscipline

Financial irresponsibility is a common issue for the transitioning nations of Central and Eastern Europe, as businesses frequently postpone payments to suppliers, banks, employees, and the government (Minjana, 2003). Since 1999, when democracy was restored to Nigeria following a protracted period of military control, the lack of accountability in the administration of the public sector has remained a serious problem. Because there is a weak culture of responsibility, corruption has spread throughout the nation. This research investigated Nigeria's enduring issue with a weak culture of public accountability using the descriptive-contextual analysis methodology.

Accountability

Being answerable to people who have given you their trust, faith, and resources is the essence of accountability. To Adegite (2010), cited in Onuorah & Appah (2012), accountability is the duty to show that work has been carried out in compliance with established norms and standards, and the officer must disclose performance outcomes fairly and honestly in relation to prescribed tasks and plans. It entails carrying out actions in a transparent manner while following the law and soliciting feedback. Public accountability, according to Johnson (2004), is crucial to the efficiency of our democratic system because it requires people in charge of formulating and/or implementing policy to be required to explain their decisions to their constituents.

According to Premchand (1999), the ability to accomplish comprehensive accountability has been and remains insufficient, in part due to the design of accountability itself as well as in part due to the expanding variety of objectives and accompanying expectations attached to accountability. He continues by saying that careful planning is required if accountability is to be fully realized, including its positive features. Accountability should seek long-lasting reforms in economic management in order to lower the prevalence of institutional recidivism rather than simply identifying and shaming officials or pursuing sleaze. *The macro components of economic and financial sustainability as well as the local aspects of service delivery will be covered by accountability in the future. A three-tier system of responsibility should be considered, including those between the government and its different legislatures, official ties (including those between political and non-political civil servants), and intragovernmental relationships.*

The many methods to accountability based on the language of account can be categorized into the following categories, according to Coker (2010), also noted in (Onuorah and Appah, 2012):
(1) Process Based Accountability: This strategy assesses adherence to formalized outcomes and predetermined standards. This involves management and financial accountability that relies on accounting principles. (2) Performance-Based Accountability: Performance is evaluated in relation to general goals. The performance evaluation criteria may be less explicitly stated for this measure and may be qualitative. Additionally, according to Adegite (2010), there are three accountability pillars, known as ATI by the UNDP (Accountability, Transparency and Integrity).

Accountability is broken down into several categories, including: (1) Financial Accountability, which requires anyone in charge of resources, a public office, or any other position of trust to provide a report on how those resources were used both as intended and in practice. (2) Administrative Accountability: This sort of accountability entails an effective internal control structure that works in conjunction with and assures the correct checks and balances provided by a constitutional government and an involved populace. These consist of legal sanctions, administrative oversight, and moral standards. (3) Political Accountability: The foundation of this sort of accountability is the holding of free, transparent, and fair elections. Both elected and appointed officials are held responsible for their conduct while in office through periodic elections and a control framework. (4) Social Accountability: This is a demand driven approach that relies on civic engagement and involves ordinary citizens and groups exacting greater accountability for public actions and outcomes.

The Need for Financial Accountability:
The fact that our wants always outweigh our resources is a universal, significant economic problem that many nations face today.

This implies that the economy's resources must be used in a way that produces the greatest level of satisfaction.

Typically, the resources available to cover costs are static or decreasing while the cost of development and administration continues to climb daily.

Because of this, it is challenging for the governments of many developing nations, like Nigeria, to meet all of the demands of the population.

Accountability is therefore essential in this situation to guarantee that the limited resources are used to their fullest potential. Following this assertion therefore, Okoro (1991) maintains that accountability of public finances in different sectors of the economy can serve three main purposes. These are:

a. To decide how to appropriately distribute resources for the economically feasible business that will promote sustainable development. In this situation, economic resources are scarce and must be properly distributed to produce the most possible economic gain. Governments may need to divide resources among competing economic initiatives that could benefit society in the same or different ways. Economically speaking, the projects that help the economy the most should often receive the largest allocation. Decisions may need to be made even with regard to the same program or project regarding the optimum approach to allocate resources among machinery, administrative expenses, and materials for optimal (lawal (1995).
b. To guarantee equitable distribution of the facilities required for the project's implementation. This entails utilizing a sizable amount of public funds to purchase the facilities required for the completion of any project. In this situation, adequate accountability guarantees that financial resources are used as effectively as possible to prevent or minimize resource waste on projects that have no immediate impact on society.
c. In order to contrast alternative programs or resource uses. Accountability can also be used to identify the social program that is more effective and can deliver the same outcome for less money. It goes without saying that if two programs or methodologies are used, we must assess which one can deliver the best results at the lowest cost. Onah and Ejiofor (1978) argued that the method that delivers the lowest cost should be used.

Therefore, it is expected that public monies will be utilized wisely and properly, and that records of their expenditure will be kept in order to ensure financial responsibility and accountability. Accountability in this situation ensures that documents on the use of funds are kept, which can then be used to support previous expenditures (Onah and Ejiofor, 1978).

Benefits of Financial Accountability:

Accountability and wise financial management include more than just the ethical use of limited financial resources; they also entail making an attempt to direct those resources toward areas of societal need. According to Akintoye (2008), the determination of the benefits and the responsible financial management of the resources accruing to the entire society pose the biggest issues with accountability. These, according to them, can be established by evaluating how these resources were used to accomplish the specified economic goals.

For instance, it is simple to quantify the financial, physical, and material resources used in a program, but it is more challenging to precisely calculate the benefits. According to Okoro (1991), benefit can only be measured from a societal perspective. Any government initiative that can improve the lives of some individuals without worsening their circumstances is regarded as the ideal endeavor. These projects include building infrastructure like roads, electricity, water, schools, hospitals, and a plethora of other things. However, if the resources intended for them are not correctly directed towards such undertaking, it takes a very long time for the predicted advantages to be realized from many development projects. The following advantages are anticipated to result from such projects, for example, if the resources are utilised wisely throughout project execution.

a. **Societal benefit:** A project's societal benefit occurs when society as a whole gains in some way from its execution by the government. For instance, if the completion of a project in a particular area results in the creation of jobs for the vast majority of people and even the direct or indirect distribution of wealth to society, it will raise income and demand, leading to a high or improved standard of living. In this instance, societal benefit is established because such projects improve people's welfare (lawal 1995).
b. **Individual Benefit:** The amount of money an individual can make from a government program determines whether they have actually benefited from it. There is actual advantage from the program if, for example, it is able to alter their way of life by making them wiser, happier, and better adjusted individuals than they were before.
c. **Benefits to business and industry:** Since the goal of any private organization is to make a profit, this implies that benefits to business and industry in any setting depend on the demand for their goods. This will become evident once the government directs its focus toward paying employee salaries and benefits. The demand for working class products typically rises when benefits are paid on time. As a result, the quantity and quality of the things the industrialist produces rise. In contrast, if a government project involves a small number of people hoarding public monies, it will undermine the advantages that come to businesses and industrial establishments.

Expenditure controls

Spending on wages and salaries, goods and services, and other recurring expenses has a propensity to exceed the allowed budget, whereas spending on the development budget tends to fall short of the approved amounts. The lack of funding for development is mostly caused by capacity issues, poor project execution, and maybe a lack of reporting on the status of donor-funded initiatives (Cabannes, 2005). Weaknesses in the expenditure controls, especially insufficient commitment controls, might be linked to overspending in the recurrent budget. For both aggregate and specific budget items, the absence of data accuracy is a significant problem, lowering the overall standard of financial reports. Comparing aggregate expenditure outturn to the original approved budget, components of expenditure outturn to the original budget, and aggregate revenue outturn to the original approved budget helps determine the credibility of governmental expenditure (PNG Government, 2015). Hladchenko (2016) recommends the government to change its policy focus toward raising the caliber of public expenditures when the resource envelope permits. These limitations typically result from the poor budget prediction.

Annual financial reports, which reflect final budget results, may show a degree of budget execution overall that was consistent with the initial approved budget.
For instance, the supplementary budget that was introduced throughout the year and assisted in reallocating expenditure across sectors can be used to explain a very tiny variation between

the original and executed budget (Dunleavy et al., 2006).
The total level of budget execution is raised as a result.
Most governmental institutions would run with inadequate budget execution without this supplemental budget.
Similar to this, Pelizzo and Stapenhurst (2013) pointed out that it is feasible for the development budget to frequently be under-executed while the recurrent budget may look to be overspent. At the overall level, these two items largely balance one another. Although these transfers are simply an accounting transaction between various government accounts, departments have a tendency to transfer lapsed cash into trust accounts at the end of the year, which causes a documented improved level of budget execution (Lytvynchuk, 2014).
When the composition of expenditures is compared to the original approved budget and public bodies are able to forecast how much the budget is predictable, reliable, and reflects the implementation of declared public policy, effective expenditure control is achieved (Pelizzo and Stapenhurst, 2013; Pillay, 2013). This recommends that documents with a lot of specific information and a long supporting narrative should be made available. Miller (2012) expands on this idea by saying that any inconsistencies in the statistics for total revenues and outlays should be shown in the documents. The degree of financial accountability is impacted by a lack of knowledge of key fiscal indicators such the debt stock, financial assets, fiscal risks, and tax expenditures as well as a medium-term budget framework. Additionally, placing each agency's development budget in the same area as the current budget and changing the criteria of the development budget would reflect actual capital expenditure (Shah, 2007).

Financial reporting

In a democratic society, the government's responsibility to be transparently accountable to the public is greatly enhanced by financial reporting. By comparing actual financial results with the legally adopted budget, analyzing the financial condition and outcome of operations, assessing compliance with financial laws, and assessing efficiency and effectiveness, financial reporting is used to evaluate accountability (Wang, 2013). In order to reduce subjectivity in measurement and presentation, the accounting profession developed a number of worldwide norms and recommendations on how financial information is handled and communicated (Kumar et al., 2012). The term "Generally Accepted Accounting Principles" refers to these regulations and recommendations for creating financial statements (GAAP). International Financial Reporting Standards, International Accounting Standards, and International Accounting Standards Board (IFRSs). These standards begin with a conceptual framework that bases financial reports on a number of criteria, including materiality (the extent to which the transaction is significant) and verifiability (the extent to which several parties may agree on how to quantify the transaction) (Beyer and Guttman, 2012). The standards define which resources and obligations should be recorded as assets and liabilities, which changes in assets and liabilities should be recorded, when these changes should be recorded, how to measure the recorded assets and liabilities and changes in them, what information should be disclosed, and how to prepare financial statements (Li, 2005). That is, the standards prescribe recording and reporting practices that are deemed to be acceptable when reporting on the financial affairs of an entity.

The need for public sector financial management reforms in Nigeria

The Federal Government of Nigeria started public finance management reforms to address the issues of transparency, accountability, debasement, and helpless service delivery, according to Kanu, Obi, and Akuwudike (2021). This became necessary because the following persistent and pervasive issues prevented the country from making much headway in its economic development efforts:

a. Deficiencies in planning and budgeting system
b. Huge wage bill and absence of information base of government employees
c. Low capital spending
d. Inefficiency
e. Transparency and accountability
f. Tracking revenues and expenditures
g. Strengthening Internal controls system.
h. Deficiencies in financial, accounting and budget reporting
i. Antiquated accounting and evaluating system
j. Inadequate use of modern ICT infrastructure for public financial management.
k. Compliance with international best practice as globalization restricts the capacity of governments' to act independently.
l. High cost of governance. About 60% of annual budget spent on recurrent expenditure.
m. Poor cash management and resource portion
n. High domestic debts and associated costs.
o. Dependency on oil revenues with its unpredictability effect on budget implementation
p. Corruption
q. Enough value was not place on public spending

In order to address the issues, Nigeria started the Economic Reforms and Governance Project (ERGP) in 2004 with sponsorship from the World Bank. Integrated Payroll and Personnel Information System (IPPIS), Government Integrated Financial Management Information System (GIFMIS), Treasury Single Account (TSA), E-Payment, and International Public Sector Accounting Standards were subsequently presented as a result (IPSAS). Additionally, laws governing fiscal responsibility and public procurement have been passed. Results are starting to emerge from the execution of these policies. However, for the district to fully profit from these reforms, there must be ongoing political will, commitment, limit enhancement, and subsidies.

Theoretical framework

White collar crime theory, developed by Sutherland in 1949 and mentioned by Gbegi and Okoye, is the essential idea that underpins the findings of this study (2013). White-collar crime was first mentioned in 1939. In 1949, Sutherland used the phrase for the first time. The phrase describes the traits and objectives of traditional street criminals. In an endeavor to explore two fields, crime and high society, which had no prior empirical relationship, Sutherland first proposed his idea in a speech to the American Sociological Society. According to him, a person's respectability and high social status in their line of work make them more likely to commit crimes (Sutherland 1949, cited in Gbegi & Okoye, 2013). According to Sutherland, less than 3% of those imprisoned in a given year were from the upper class. His goal was to determine the relationship between social class, income, and the likelihood of going to jail for white-collar crime in comparison to more obvious, common crimes, but the percentage is slightly greater now.

Sutherland spent the most of his time attempting to distinguish between the various types of blue collar street crimes, such as theft, arson, attack, robbery, vandalism, and rape, which are commonly attributed to structural, psychological, and associational variables. White-collar criminals, on the other hand, are opportunists who exploit their circumstances to amass wealth.
These are rich, intelligent, well-educated people who are capable of landing a job that gives them unrestricted access to large sums of money. This notion is thus pertinent to this study since public sector workers and office holders are often opportunists who use their positions to amass financial benefit. However, the federal bureau of investigation has adopted a strict definition of white-collar crime, which it defines as those illegal acts that are connected to breach of trust, concealment, deceit, etc. but do not involve the use of violence or physical force. According to Olajide (2014), the only factor that distinguishes one crime from another is the traits and backgrounds of the perpetrators.

Many white-collar criminals differ from one another due to lives of opportunity that have their roots in status variation. It is acknowledged that a significant portion of white-collar crimes are either difficult to detect or, even when they are, are not reported. Therefore, due to the high status of the offenders of these crimes, a vastly experienced and skilled examiner or investigator is required to avert the incident of such elevated fraud.

Empirical Review

Financial Accountability in the Management of Area Council Revenues in Nigeria, Ani (2022).
In-depth interviews, statistical data extraction from local councils, a review of the literature from various publications, and other qualitative data collection techniques were all used in this study. The goal of the key informant interview is to acquire a thorough knowledge of their general perceptions of AMAC, particularly with relation to concerns about financial accountability and the funding sources for area councils. Following an analysis of the responses obtained from the in-depth interviews, it became clear that there was a direct correlation between the problematic issues of accountability and the lack of financial discipline in the area council administration, which prevented the government from delivering the much-needed goods and services that are intended to have an impact on the lives of the people at the grassroots.

A study was undertaken by Eneji, Bitrus, Haruna, Yilkes, and Gajere in 2022 to look into how governance in Nigeria affected both fiscal responsibility and illicit financial flows. The study used time series data spanning a period of 29 years (1990-2018). The stationarity of the time-series data was investigated using preestimation tests. Following that, the Autoregressive Distributed Lag Model (ARDL) was chosen based on the variables' integration order. The ARDL is used in this study as a dynamic causal model for analysis. The lags in the explanatory factors are limited. Because variables like corruption, foreign debt, foreign direct investment, and budget deficits have lag effects, we not only plan to assess their current effects but also their distributed or accumulated influence in the previous periods. This is why the lag form of the model was adopted. The ARDL model's coefficients demonstrate that in Nigeria, good governance, budgetary restraint, and illicit finance flows are all positively correlated.

Work was done by Arinaitwe, Eton, Agaba, Turyehebwa, Ogwel, and Mwosi in 2021. Data were gathered and analyzed using a cross-sectional study methodology that included quantitative and qualitative methods. 117 respondents were chosen from 174 participants using basic random and purposive sampling approaches. Data from respondents was gathered using surveys and in-person interviews. Quantitative data was analyzed using frequencies and percentages, and qualitative data was analyzed using direct quotes from key informant interviews. Software for document analysis supported quantitative analysis (SPSS V 20.0). According to the survey, service delivery ranks first among financial accountability mechanisms, with financial reporting, budgeting, and expense control coming in second and third. The paper therefore came to the conclusion that providing services is the most common method of financial responsibility, even though it appeared that the district's local budget did not accurately reflect the priorities of the community.

In Sub-Saharan Africa, the impact of political stability and anti-corruption measures on illicit money outflows was studied by Orkoh, Blaauw, and Claassen (2018). Balanced panel data for the years 2005 to 2014 were used in the study. The regression results show that an average reduction of US$ 20.5 million and US$ 44.3 million in illegal financial outflow owing to misbilling in merchandise trade occurs for every unit improvement in political stability and corruption control, respectively. The findings also demonstrate that while an increase in foreign direct investment and inflation enhance illicit financial outflow, a strong trade rating, financial sector rating, and exchange rates minimize illicit financial outflow.
In Nigeria from 1980 to 2015, Amah and Okezie (2017) evaluated the effects of illegal capital flow on economic growth and development. Co-integration and unit root tests were used in the investigation. The outcome demonstrated that the factors had a long-term association. The findings also showed that illicit finance flows significantly impacted both economic development and growth. The study found that in order to expose those who transfer money out of Nigeria into tax havens and secrecy jurisdictions, the government of Nigeria and other African governments must persuade developed nations to establish controls.

Onuorah and Appah (2012) looked at how public office holders report on their stewardship when it comes to the management of public assets. From 1961 to 2008, data on federal and state government revenue and spending profiles were taken from the Central Bank of Nigeria's statistical bulletin. The outcomes were examined using pertinent quantifiable tools. The findings showed that Nigeria's level of accountability is very low because the attributes of availability, thoroughness, relevance, quality, reliability, and timely disclosure of information about political, social, and economic actions of the government are completely absent.

Abata and Adejuwon (2012) look at the significance of financial accountability and transparency in Nigeria's recovery. It was highlighted that greater governance and performance have become significantly impacted by an improved public financial management and accountability environment. The ideas and guidelines in the article can assist public managers in understanding their commitments to financial management. It finishes with workable, positive suggestions for getting Nigeria back on the path of financial accountability and transparency.

The apparent mismatch between resource generation, resource distribution, and spending management in Nigeria was examined by Kanu, Obi, and Akuwudike in 2021. Descriptive statistics and a least squares regression analysis were conducted on time-series data while an ex-post facto research design was used in the investigation to identify correlations. Capital and ongoing expenses are the independent variables, and real gross domestic product, measured as a proxy for economic growth, is the dependent variable. The study's findings show that the country's financing options are biased toward paying salaries and other benefits to employees (recurrent expenses) rather than building essential infrastructures (capital expenditures) that are growth-oriented. It is not properly tapped into the trend of disbursements to provide a favorable and good influence on economic growth. The disaggregated capital expenditure (CAPEX) components show that, in the short term, transfers for external debt service and administrative costs attracted more public spending than their fair share, which hurt services for economic and social community welfare. The disaggregated component of recurrent expenditures (RECEX) shows a positive significant link between spending on the economic service sector and economic growth over the long run when the lagged value of RGDP is used as an explanatory variable.

In their 2012 study, Onuorah and Appah looked at Nigeria's public sector financial management and accountability. Data on total federal government revenue and spending as well as state government revenue and expenditure were gathered from the Central Bank of Nigeria's statistical bulletin between 1961 and 2008. Statistical tools that were appropriate were used to analyze the results. The results showed that Nigeria's level of accountability is extremely low because the citizens' ability to evaluate the performance of public officials, particularly political office holders, is severely limited by the lack of accessibility, comprehensiveness, relevance, quality, reliability, and timely disclosure of information about economic, social, and political activities.

Ibhahulu (2012) used the Esan South East Local Government Area of Edo State as a case study in a study aiming at determining the influence of public sector accounting in Nigeria's financial control system. The personnel and residents of the Esan South East Local Government Area in the state of Edo served as the population size, and the sample size was chosen from this group using sampling techniques developed by Taro Yamani. This study used both primary and secondary sources for its data. Chi-square was employed to examine the replies to the questionnaires that were delivered. The study's conclusions include that the local government region in question uses public accounting standards that are unsuitable and ineffective, and that the controls over public funds that are in place are similarly inappropriate. it was concluded that the public sector accounting principles applied by the local government is inappropriate and also the control of public fund measures adopted was inappropriate.

METHODOLOGY

Research Design

For this investigation, a descriptive survey method was employed. Determining the method and approach used in this research report is crucial since it provides the reader with context for evaluating the findings and conclusion. To interpret the data, a descriptive analytical method was used. In order to gather data (information) relevant to the study's objectives, the researcher employed both quantitative (questionnaire) and qualitative (interview) research approaches.

Area of the Study

The study was conducted in Enugu. The area covered by the investigation is on financial indiscipline and lack of accountability in public sector in Nigeria. The public sector organizations namely: University of Nigeria Teaching Hospital, National orthopedic Hospital, Federal Neuropsychiatric hospital, Nigeria Television Authority and Federal Radio Corporation of Nigeria. In order to make the study technically possible, it was considered ideal to use the period 2010 to 2021.

Sources of Data

The researcher made use of two types of data. These include primary and secondary sources of data.

Primary Source of Data: In this study, the researcher obtained the primary data from the respondents using questionnaire as the main tool for the primary data collection.

Secondary Source of Data: The secondary sources of data used in this study include textbooks, journals, magazines and the internet.

Population of the Study

The population of the study comprised of the staff of University of Nigeria Teaching Hospital, National orthopedic Hospital, Federal Neuropsychiatric hospital, Nigeria Television Authority and Federal Radio Corporation of Nigeria.

Table 3.1: Population Distribution Table Continued

Public Sector Organization	Population	Percentage
University of Nigeria Teaching Hospital	869	
National orthopedic Hospital	**761**	
Federal Neuropsychiatric hospital	**264**	
Nigeria Television Authority	**68**	
Federal Radio Corporation of Nigeria	**122**	
Grand total	**2084**	**100**

Source: Human Resource Department

Determination of the Sample Size

Freund and Williams (1986) statistical sampling formula was used to obtain a sample size from a finite population of employees and management. The formula was given thus:

$$n = \frac{Z^2 Npq}{Ne^2 + Z^2 pq} \quad . \quad . \quad . \quad 1$$

Where;

n = Sample size, N = Population of the study, P = Probability of Success /Proportion, q = Probability of Failure /Proportion, Z = Standard error of the mean given under 95% reliability, e = Limit of tolerable sampling error

$$n = \frac{(1.96)^2 (2084) (0.6)(0.4)}{2084 (0.05)^2 + (1.96)^2 (0.6) (0.4)}$$

$$n = \frac{3.8416 (2084) (0.24)}{2084 (0.0025) + (3.8416) (0.24)}$$

$$= \frac{1921.414656}{5.21+0.921984}$$

$$= \frac{1921.414656}{6.131984}$$

$$= 313.34$$

$$= \cong 313$$

Therefore, the sample size for the study is **313**

Method of Data Collection

The method for data collection were questionnaire and interview The researcher used the method of on-the-spot administration and collection of the questionnaire. The research structured both open- ended and close- ended questions. In the close ended questions, respondents were given a number of alternatives from which to select options they consider appropriate.

Validity of the Instrument

The final outcomes of any research effort depend heavily on the validity and trustworthiness of the data. The researcher created and sent suitable questionnaires to chosen respondents thought to be the best for the aim of this study in order to ensure content validity. All questions were then reviewed to look for any potential inaccuracies and to remove any extraneous details.

Additionally, in order to guarantee the validity of the survey instrument, a draft of the survey instrument was provided to the research supervisor for assessment in order to identify any potential ambiguities and language that might result in unintended responses. As a result, the researcher asserted that the instrument was valid.

Reliability of the Instrument

A test-retest reliability estimate was calculated using 30 respondents from Nsukka town who are not part of the actual study. The calculated reliability analysis coefficient ranges of 0.86 to 0.89 was obtained.

Methods of Data Analyses

The collected data was analysed through the use of Mean score while Z-score was used to test the hypotheses.

Decision Rule for Z-test

If the calculated Z-value is greater than the critical Z-value (i.e Zcal > Zcritical), reject the null hypothesis and accept the alternate hypothesis accordingly.

Data Presentation and Analysis

The data gathered from the field were presented under this section. Mean score were employed in presenting and analyzing the data and Z-score was used to test the hypotheses.

Research Question 1: What effect does financial indiscipline in public sector have on economic sustainability of Nigeria?

Table 1: Effect of financial indiscipline in public sector have on economic sustainability of Nigeria

s/n	Response	SA	A	U	D	SD	Total	Mean	Decision
1	Financial indiscipline negates economic sustainability of public sector organizations in Enugu State	100	100	20	100	40	360	3.3	Accepted
2	It leads to wastage of resources needed for economic sustainability	120	120	10	70	40	360	3.6	Accepted

3	It offers the opportunity for the embezzlement of resources	100	110	10	90	50	360	3.3	Accepted
4	It leads to outright stealing by those who are charged with the responsibility of protecting area council funds,	130	130	10	60	30	360	3.8	Accepted
5	Many public sector organization is still in a financial quagmire as a result of corruption	140	90	20	70	40	360	3.8	Accepted
	Grand Mean							**3.56**	

Source: Field Survey 2022.

Table 1 above shows the mean distribution of opinions of the respondents on the Effect of financial indiscipline in public sector have on economic sustainability of Nigeria (based on tabulated acceptance mean rating of 3.0). With regards to items (1,2,3,4,5), the mean score of 3.3, 3.6, 3.3, 3.8 & 3.8 respectively and Grand Means of 3.56 showed that the respondents agreed that Financial indiscipline negates economic sustainability of public sector organizations in Enugu State.

Research Question 2: To what extent does the lack of accountability in public sector on economic sustainability of Nigeria?

Table 2: The extent to which the lack of accountability in public sector on economic sustainability of Nigeria

s/n		**SA**	**A**	**U**	**D**	**SD**	Total	Mean	Decision
1	Poor handling of Nigeria's public sector finance impede economic advancement	110	120	10	60	60	360	3.4	Accepted
2	Public procurement, which is an integral aspect of public sector financial management, the nation has not fared better either.	120	90	10	100	40	360	3.4	Accepted
3	Losses are incurred via expended costs as well as the lost opportunities through the misuse of societal reserves.	100	130	15	65	70	360	3.5	Accepted
4	The lack of accountability and transparency in public hampers the realization of economic objective	90	100	10	100	60	360	3.1	Accepted
5	Absence of clear and consistent budgetary framework put in place to harness the budgetary process drain the nation's economy	100	110	10	70	70	360	3.2	Accepted
	Grand Mean							**3.32**	

Source: Field Survey, 2022.

Table 2 indicates the mean distribution of opinions of the respondents on the extent to which the lack of accountability in public sector on economic sustainability of Nigeria. The grand mean of 3.32, means that respondents are agreed that Poor handling of Nigeria's public sector finance impede economic advancement among other things.

Research Question Three: What is the level of accountability and financial discipline in public sector in Nigeria?

Table 3: The level of accountability and financial discipline in public sector in Nigeria

s/n	Response	VH	H	U	L	VL	FREQ	Mean	Decision
1	There is a high level of lack of accountability in the public sector	120	140	20	50	30	360	3.8	Accepted
2	Financial accountability is not prioritized in the public sector	140	130	20	60	20	360	3.9	Accepted
3	There is a high level of financial indiscipline in the sector	130	140	10	50	30	360	3.7	Accepted
4	Fund mismanagement is the order of the day in many public sector organization	120	120	10	65	25	360	3.5	Accepted
5	There is weak public sector financial management	120	140	20	50	30	360	3.8	Accepted
	Grand Mean							**3.75**	

Source: Field Survey, 2022.
This is where VH= Very High= High, U= Undecided, L=Low, VL = Very low

Table 3 above shows the mean distribution of opinions of the respondents on the level of accountability and financial discipline in public sector in Nigeria. Their mean responses were positive. The grand mean of 3.75 revealed that the respondents strongly agreed that the level of accountability in the public sector is very low.

Test of Hypotheses

Z test was adopted for the study. Software Package for Social Science (SPSS Version 23.0 for Student Version) was used to test the hypotheses

Test of Hypothesis One

Ho: Financial indiscipline in public sector has no significant effect on economic sustainability of Nigeria.

Table 4: Z-test on how Financial indiscipline in public sector effect on economic sustainability of Nigeria.

		Financial indiscipline in public sector has no significant effect on economic sustainability of Nigeria.
N		360

Normal Parameters	Mean Standard Deviation	4.096 1.137
Most Extreme	Absolute	.271
Most Extreme	Positive	.215
Difference	Negative	-.271
Kolmogorov-Smirnon Z		5.049
Asymp. Sig.(2-tailed)		.000

Source: Authors compilation SPSS Output
a. Test distribution is Normal
b. Calculated from data

Decision Rule: If the calculated Z-value is greater than the critical Z-value (i.e Zcal > Zcritical), reject the null hypothesis and accept the alternate hypothesis accordingly.

Result: With Kolmogorov-Smirnon Z – value of 4.096 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. The statistical significance indicates that Financial indiscipline in public sector has a significant effect on economic sustainability of Nigeria.

Decision: Furthermore, comparing the calculated Z- value of 4.096 against the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) the null hypothesis was rejected. Thus, the alternate hypothesis was accepted which states that Financial indiscipline in public sector has a significant effect on economic sustainability of Nigeria.

Test of Hypothesis Two

Ho: Lack of accountability in public sector has no significant effect on economic sustainability of Nigeria.

Table 5: Z-test on how Lack of accountability in public sector effect on economic sustainability of Nigeria.

		Lack of accountability in public sector has no significant effect on economic sustainability of Nigeria.
N		360
Normal Parameters	Mean Standard Deviation	3.672 1.217
Most Extreme	Absolute	.280
Most Extreme	Positive	.180
Difference	Negative	-.280
Kolmogorov-Smirnon Z		5.215
Asymp. Sig.(2-tailed)		.000

Source: Authors compilation SPSS Output
a. Test distribution is Normal
b. Calculated from data

Result: With Kolmogorov-Smirnon Z – value of 5.215 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that Lack of accountability in public sector has a significant effect on economic sustainability of Nigeria.

Decision: Furthermore, comparing the calculated Z- value of 5.215 against the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) the null hypothesis was rejected. Thus, the statistical significance indicates that Lack of accountability in public sector has a significant effect on economic sustainability of Nigeria.

Test of Hypothesis Three

Ho: The level of accountability and financial discipline in public sector in Nigeria is significantly low.

Table 6: Z-test on how the level of accountability and financial discipline in public sector in Nigeria is significantly low.

		The level of accountability and financial discipline in public sector in Nigeria is significantly low.
N		360
Normal Parameters	Mean Standard Deviation	4.000 1.078
Most Extreme	Absolute	.309
Most Extreme	Positive	.219
Difference	Negative	-.321
Kolmogorov-Smirnon Z		5.983
Asymp. Sig.(2-tailed)		.000

Source: Authors compilation SPSS Output
a. Test distribution is Normal
b. Calculated from data

Result: With Kolmogorov-Smirnon Z – value of 5.983 and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that The level of accountability and financial discipline in public sector in Nigeria is significantly low.
Decision: Furthermore, comparing the calculated Z- value of 5.983 against the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) the null hypothesis was rejected. Thus, the statistical significance indicates that the level of accountability and financial discipline in public sector in Nigeria is significantly low.

5.1 Summary of Findings

The following were findings from the study

i. Financial indiscipline in public sector has a significant effect on economic sustainability of Nigeria. This implies that Financial indiscipline negates economic sustainability of public sector organizations in Enugu State
ii. Lack of accountability in public sector has a significant effect on economic sustainability of Nigeria. This suggests that Poor handling of Nigeria's public sector finance impede economic advancement
iii. The level of accountability and financial discipline in public sector in Nigeria is significantly low. This goes to show that there is a high level of lack of accountability in the public sector

5.2 Conclusion

The study concluded that financial indiscipline and lack of financial accountability is prevalent in the public sector economy of Nigeria and this significantly affect economic sustainability in Nigeria one notable factor for this is the high level of fiscal indiscipline at the subnational level, which mainly derived from problematic of non-compliance with fiscal rules generated by unconditional executive dominant in public financial management.

5.3 Recommendations

The following recommendations are made for the study:

i. In order to lower the amount of corruption in the nation and limit financial indiscipline in the public sector, accountability measures must be enhanced. The country's annual budget must be a tool for transparency, a stewardship report of what was accomplished during any particular fiscal year, and simply a reflection of how money was allocated, unspent, and ultimately returned to the government coffers or even wasted.

ii. Integrating accountability into all facets of public sector management is necessary for accountability to become ingrained in the sector and to maintain the public's faith in the government and its representatives. All individuals holding public leadership roles must exhibit moral leadership and "lead by example." Anyone who is in charge of overseeing any area of the public's business must exercise responsible leadership.

iii. In the public sector, it should be encouraged for employees to "blow the whistle" by bringing their concerns to the public's attention when they discover mismanagement or wrongdoing in the course of conducting government business. Some officials who consider wrongdoing may be discouraged by the possibility that something may be revealed.

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