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Public Financial Management Reforms and Revenue Generation in Bayelsa State

Confidence Joel IHENYEN PhD & Numuworimi YEITARIBO
Department of Accounting, Faculty of Management Sciences, Niger Delta University,
Wliberforce Island, Amassoma, Bayelsa State
atagboroemmanuel@yahoo.com

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ABSTRACT

Public Financial Management (PFM) reforms are fundamental strategies designed to eradicate corruption affecting government revenue generation. This research, PFM reforms and Revenue Generation was embarked to examine the extend PFM reforms can lead to improvement in revenue generation in Bayelsa State. The study employed a descriptive survey approach, and the respondents were drawn from the ranks of administrators, accountants, auditors, and IT Specialists in State and Local Governments across Bayelsa State. Various statistical tests, including descriptive, correlation, and inferential tests, were applied to the obtained data. The data gathered were finally analyzed using regression analysis via SPSS version 26. The study found that Integrated Payroll and Personnel Information System, E-payment and Public Procurement Act have significant impact on revenue generation in the State. Consequently, the study concludes that these reforms are capable to eliminate the harmful effect of corruption, over bloated recurrent expenditure and rise the state's internally generated revenue that has led to the abysmal revenue generation so as to enhance the revenue generation profile of the State. The study recommends that Bayelsa State government should enforce the political will to ensure full compliance in the reform agenda; ensure efficient monitoring and sustenance of these reforms and massive training of workers and enlightenment programmes for the people of the State as well as meting appropriate punishment to erring officers, institutions and organs and to re-consider the engagement of the disengaged staff affected by the reforms agenda.

Keywords: *Integrated Payroll and Personnel Information System, E-payment and Public Procurement Act*

1. **Introduction**

Revenue, which refers to "monies mobilised or generated in the economy" (Obiechina, 2010), is a significant contributor to the budgets of both the federal government and the individual states of Nigeria (Alao and Alao, 2013). Governments at all levels raise funds, allocate, utilize, and manage the financial resources of the country or state using public financial management. According to Salawu, (2016) Public Financial Management (PFM) is a suitable means of achieving a particular development objective of government. Achieving long-term economic growth and gaining the public's trust in government necessitates that public funds be spent responsibly and transparently.

This initiative seeks to encourage public managers to improve their methods of resource mobilization, protection, and delivery. The numerous problems affecting the public finance management system made it exceedingly challenging to achieve these goals. According to Oluwotobi (2012), the level of development and the revenue generation profile of the country have been negatively impacted by corruption, financial indiscipline, lack of transparency, lack of accountability, and general mismanagement of public fund in the Nigerian Public Sector. Okpala (2012) sought to give explanations for the ineffectiveness of the financial management system by pointing to factors such as an antiquated and inadequate legal framework for accounting and auditing, a poor internal audit system, inefficient auditing institutions, and a lack of conformity with industry standards. The country's ability to generate money has declined steadily as a result of this.

In Bayelsa State, the premium times of May 15, 2018 reported the outcry of the Restoration Government, Honorable Henry Seriake Dickson the ineffective management of the meager resources that have put the state into profligacy and a stemming culture of waste, wide spread fraud , ghost contactors, abandonment of projects and multiple of uncompleted projects, and over blotted payroll and contract sums .This resulted into the following problems-Huge wage bill and lack of data base of civil servants, Low capital spending, Increase cost of governance, Poor revenue generation, High domestic debts and associated cost, Heavy dependency on oil revenue, Poor resource allocation and cash management, Poverty and social vices, Inappropriate accountability and transparency, Lack of adequate employment for the citizens, Multiple of abandoned projects and Proliferation of ghost contractors and contracts. This is due to the poor public financial management system put in place.

Adebayo, (2013) also contributed that the adoption of cash based accounting system created room for perpetrating financial crimes and inability to provide sound security measure to safeguard public asset and to ensure code of best practice. Nkwagu, Uguru and Nkwede (2016) added that the resultant effect of inappropriate accounting system implementation in the management of the financial resources amounted to poor revenue generation, poverty and social vices, poor living standard of the people (Bayelsans) and lowers per capita income of the state. To overcome this, the State government adopted and implemented public financial management reforms for efficient and effective management of the meager resources for the benefits of the people of Bayelsa.

This research is embarked to examine the extent to which Public Financial Management(PFM) Reforms adopted by the state significantly improve revenue generation by way of blocking all revenue leakages, strengthening the procedures and processes of revenue collection; reduction of government huge recurrent spending by way of eradicating ghost workers and other payroll related crimes, ghost contractors, fraudulent diversion of public assets, misappropriation of public fund and looting of public funds etc. that have put the state on the path of less developed in the comity of states.

Research Questions

The study's research questions serve to emphasize its primary foci. As such, the following questions are intended to provide light on the connection between public financial management changes and income production in Bayelsa State.

i. What is the effect of IPPIS on revenue generation in Bayelsa State?
ii. What is the extent at which PPA reforms impacted on revenue generation in Bayelsa State?
iii. To what extent has E-Payment reforms impacted the revenue generation base in Bayelsa State?

Research Hypotheses

Ho1: IPPIS has no substantial impact on revenue generation in Bayelsa State.
H_O2: PPA has no substantial impact on revenue generation in Bayelsa State.
H_o3: E-Payment has no substantial impact on revenue generation in Bayelsa State.

Objective of the Study

The study's primary goal is to determine the extent to which improvements in public sector financial management in the state have increased the state's ability to generate money.

2 Literature Review

2.1 Conceptual Review

2.1.1 Public Financial Management (PFM) Reforms

PFM reform is a collection of systems designed to provide data, procedures, and guidelines that may aid in the formulation of fiscal policy and the development of tools to put that policy into action (Onukelosi & Okoye, 2019). Financial Management Reform (FMR) is a system for managing, recording, and reporting public sector financial transactions, as defined by Omolelinwa and Naiyeju (2015). FMR is a set of laws, rules, and process, used by an institution or organization to raise funds, allocation of funds, curb corrupt financial practices and to improve the management of limited resources. PFM Reforms are economic policies designed to assist in better management of the economy (Kanayo and Harrison, 2013) , the procedures established by statute (laws, edicts, acts, and decrees) which are best practices adopted to help improve the nation's PFM system, provides assurance that funds released through revenue generation are productively utilized in a manner that is transparent and effective, protect public resources against the risk of expropriation and corruption (Prakash and Cabezon, 2008).The State government adopted the following PFM reforms to address the enormous challenges of PFM affecting revenue generation; Integrated Personnel and Payroll Information System (IPPIS), Public Procurement Act (PPA), Electronic Payment(E -payment).

2.1.2 Revenue Generation in Bayelsa State

The term Revenue Generation connotes different meanings to different people as well as the usage of money which is the product of revenue generation such that everyone in the society wants to hold it abundantly including lunatics and other socially excluded persons. Revenue generation includes operating plans, strategies and practices that are designed for increasing revenue. It is also referred to the modalities adopted by an organization to produce income and profitability. Effective management of revenue refers to full implementation of revenue programmes and proposals aimed at efficient assessment, collection and enforcement of revenues legally due, without unjustified cost to the government or revenue payer in terms of money, time and convenience (Anyanwu, 1989). The cardinal problem of revenue generation is over bloated recurrent expenditure of government which is research gap.

Over bloated recurrent expenditure: Emma Ujah in Vanguard news of June 7th, (2014) reported the dismay of Mr. Eze Onyekpere, executive director, Centre for Social Justice that the over bloated recurrent expenditure of the Federal Government of Nigeria is unacceptable and must be cut to enable the ordinary citizen to benefit from the nation's resources. Recurrent expenditure is the cost to an organisation, firm, government agency, etc. that occurs on a regular basis and does not result in the creation or acquisition of fixed assets (Blueprint, 2021). This cost can take the form of either overhead or personnel costs. From year to year this class of expenditure is constantly increasing which have affected negatively revenue generation in the state. The persistent and continues rise in recurrent costs may due to its susceptibility to financial malpractices. Due to the mind boggling payroll fraud that has succeeded in over bloating personnel costs, reckless spending, and the simmering culture of waste and the zeal to meticulously adhere to effectively manage the resources of the state engendered the adoption of reforms. These reforms are aimed at curbing payroll frauds, incessant increase in overhead costs of governance which consisted recurrent spending of government and to improve transparency, accountability and trust of government that will help to reduce government recurrent costs. Therefore, the following reforms will contribute to the reduction in excessive spending of government in financing recurrent costs

2.1.3 Impact of Public Financial Management Reforms on Revenue Generation in Bayelsa State.

1) IPPIS and Revenue Generation

Sequel to the adoption of IPPIS, the State government established The Bayelsa State Salary Fraud and Related Offences Act, 2012.According to Daniel Alabrah in Vanguard, (May 28, 2018) due to high level of Payroll fraud perpetrated in Bayelsa Public Service, propelled the restoration government signed into law, the Bayelsa State Salary Fraud and Related Offences to prevent the state resources from payroll fraud stars. This act gave birth to the adoption of the Integrated Payroll and Personnel Information System (IPPIS) to curb ghost workers, multiple employments, and persons working as senior civil servants with fake computer-generated certificates, indefensible promotions, age falsifications, pension fraudsters and beneficiaries of inherited employments. One of the Federal Government's initiatives to better manage human resources and root out fraud in the public sector in Nigeria. (Onukelobi & Okoya, 2019). In addition to the adoption of IPPIS, the act also gave birth to series of state audit and verification exercises across the state public service to reduce the over bloated payroll. IPPIS will enable the government to eradicate payroll fraud that had eaten the state's huge resources earmarked for capital projects. Hence, improves the state's revenue and savings in the following ways such as removal of ghost workers in the state civil and public services; Knock off multiple employments; Elimination of persons benefiting from indefensible promotions; Junior staff working as senior staff within the state civil service; Eradication of Pension fraudsters, and removal of under and over aged and Diaspora workers

2) PPA and Revenue Generation

Public procurement, as defined by Soreide (2002), includes the purchase of anything from military planes to government offices. The purpose of the Public Procurement Act (PPA) is to reduce the pervasive problem of fraudulent government contracting. In addition, it is tasked with doing market research and creating models for how government bids are to be run. Funding waste and inefficiencies at MDAs that have been slow to undertake projects have been mitigated thanks to this technique (Kanayo and Harrison, 2013). This was also adopted to strengthen the state procurement policy, due process in the affairs of government to plough off corrupt practices and ensure efficiency in the governance of the state. In addition to the above the Restoration Government introduced the Transparency law to improve the level of transparency and accountability in the State. The law mandates the governor to brief the state on receipts from the Federation Account, Internally Generated Revenue and expenditures and the balance monthly (Soriwei in Premium Times, May 15th, 2018). This is to enhance trust and confidence of the citizens on the policies and programs of government.

PPA adoption will lead to the reduction of recurrent costs of government that has negatively affected the revenue profile of the State in the following ways such as strengthen weak internal control mechanisms which aided financial crime; Strengthen due process to fast track intentional errors and irregularities; Reawaking the consciousness of the people of Bayelsa towards strict adherence to the new accounting and financial policy, and eradication of corrupt and sharp practices that resulted to over blotted capital and overhead costs.

3) E-Payment and Revenue Generation

Government financial transactions were effected using cash and cash equivalent which breaded corruption. These financial transactions involved revenue through taxes and other receipts; payment of salaries, health care, pensions etc. The entire machinery of government was serviced by physical cash or its equivalent .Such payments and receipts are often difficult to trace, insecure and inefficient. When it comes to making illicit payments, lack of traceability is crucial because no paper trail to track it back to an individual or organization which encouraged bribery, stealing, diversion, concealment, falsification of cash records, deliberate delays in the payment or receipt processes and procedures (Iheduru & Amafule, 2014). The Electronic payment system was adopted to eradicate cash transactions that have breaded in corruption in the system. Increasing connection and technical innovation have made it possible for governments to distribute funds via E-payment, a digital means of managing financial resources that is safe, transparent, and easy to use. There is a 100% success rate in getting the funds to the right people, or else they are returned to the state (Elizabeth & John, 2014). One of the measures undertaken by the FGN to combat corruption and increase decency in government, electronic funds transfer entails the movement of money from account to account without the need of checks, deliberate delays, suppression, and other related encumbrances. The following are examples of how the use of an electronic payment mechanism counteracts bribery: Reduced the need for cash transactions and delays in the government's payment system, which improved efficiency; increased transparency and accountability; improved real-time reporting and report quality; and provided audit trails for government payments, which were useful in the prosecution of cases by anti-corruption agencies. **E-Payment adoption helps** in reducing recurrent costs of government in the following areas such as removal of cash transactions from salaries and other emoluments payment, cashless policy encouraged the direct lodgment of salaries and other emoluments to employees' accounts, direct payment of employees' overhead allowances to bank accounts of beneficiaries thereby preventing over blotted overhead costs, and removal of direct cash handling of some senior public servants to avoid cash diversion and embezzlement.

2.1.4 Expected Benefits for the Adoption of PFM Reforms

Daniel Alabrah and Fidelis Soriwei reported in vanguard of (May, 28, 2018) and premium Times of (May, 15, 2018) that the salary fraud and related offences act (2012) had saved the state of billions of naira lost to payroll fraudsters annually; over five thousand ghost workers were identified in the payroll of the state and the redeployment of redundant and nonproductive workers to other agencies of government to where they can utilize their capacities to development of the state. Other benefits derivable are to repositioned the civil service from corrupt practices, reduced wage bill, removal of extravagance spreading, improved transparency and accountability, reawakened the mind set of citizens towards savings culture, increased revenue, elimination of ghost and Diaspora workers syndrome, reduction of fraud and other irregularities, providing transparent process of allocating resources.

2.1.5 Challenges of Adoption of PFM Reforms: In course of the study, the following PFM reforms challenges were identified as lack of IT infrastructure**,** lack of well-trained manpower, lack of legislation, the attitude of the people of the state to embrace the reform agenda , the attitude of resistance to change of new accounting and finance policy, it has created redundancy and increased unemployment for the citizenry, generated untold hardship to the people of the state, and created insufficient cash problems for management of MDAs within the state.

2.2 Theoretical Framework

Institutional theory serves as the basis for the conceptual framework used in this study. "Policy making that emphasises the formal and legal aspects of government structures" is an example of Institutional Theory, according reference Kraft's Public Policy (2007). Institutional theory is the study of how established norms and practises in a society (such plans, rules, customs, and routines) come to be accepted and followed without question. Parts of institutional theory describe how and why institutions form, disperse, are adopted, change through time, and are eventually abandoned across space and time (Scott, 2004).

Using institutional theory, Rowan examined the growth of school health, school psychology, and curriculum in California public schools. He found that when several different organisations work together, the adoption of new ideas and practises is accelerated and sustained. In contrast, novel structures are adopted slowly and tentatively when the institutional framework is contested and dispersed. Rowan's research was developed by Tolbert and Zucker, who looked at how quickly government agencies were established in the United States between 1880 and 1935. The obtained data provides strong backing for the hypothesized institutional reasons. Because of the new accepted behaviors, rules, and norms that need to be adhered to as a result of recent developments in Nigeria's public accounting framework, the question of whether these reforms (public financial management reforms) are the result of normative or regulatory practices arises frequently in this theory and is applied here.

IPPIS, PPA, and E-payment are only a few examples of the improvements to public finance management that are discussed in institutional theory. These are now popular in the public sector, and their implementation can boost technical efficiency inside an institution. Furthermore, its absence will lead to accusations of negligence, irrationality, and corruption inside the organization, as well as the legitimization of the normal procedures. It is believed that these changes will boost efficiency, effectiveness, accountability, transparency, combat corruption, and improve income production by creating more uniform organizational structures inside Nigeria's MDAs and throughout the world.

2.3 **Empirical Review**

The researchers undergone a review of related work to discover research gap in the study, amongst are:

The use of electronic accounting systems (such GIFMIS and IPPIS) in the battle against corruption in the Nigerian government was studied by Iheduru and Amafule (2014). The study included data from primary and secondary sources. In order to collect primary data, a thorough questionnaire was sent to fourteen (14) government-owned ministries (8 federal and 6 state). Seventy (70) high-ranking employees were chosen at random from among the 14 departments. The findings suggest that integrating an effective electronic accounting information system (like IPPIS or GIFMIS) into the framework of a country's public sector operations might significantly help in the fight against corruption and the promotion of economic growth. Budgeting (GIFMIS manages budget formulation, approval, implementation, disbursement, etc.), payroll (IPPIS manages payroll), and pensions (IPPIS manages pensions) are just a few examples of the many types of financial transactions and processes that the government must manage.

Changes in financial management and public sector corruption in Nigeria were examined by Enofe, Afiangbe, and Agha (2017). A total of ninety (90) participants, including 40 federal MDA personnel, 30 MDA employees from Edo state, and 20 MDA employees from local governments, participated in the survey research that formed the basis of this study. The analysis of the bio-data was performed in SPSS, and the research questions were evaluated in Eview8; OLS was the statistical approach or instrument employed in the study. Corruption (COR) was shown to have a negative association with IPPIS, while TSA and the adoption of IPSAS (to varied degrees) both had positive correlations with COR. The committee recommended that the government use IPPIS to its maximum potential to combat corruption.

We revisited the work of Onwuka and Christian (2019), who examined how taxes may be utilized to revitalize Nigeria's deteriorating infrastructure. The study's key objectives were (1) to understand the role revenue generation plays in driving economic growth in Nigeria, and (2) to comprehend the impact revenue generation has on fostering the expansion of Nigeria's physical infrastructure. Data was collected from various sources over time, including the Official Gazettes of the Federal Republic of Nigeria and the various States, as well as the Central Bank of Nigeria, the Nigerian Bureau of Statistics, the Nigerian Ministry of Finance, the Office of the Accountant General of the Federation, and the Nigerian Central Bank. An ordinary least squares regression analysis was conducted using the STATA 13 economic package for this research. The report examines Nigeria's finances, infrastructural development, and economic growth from 1981 to 2018.This research demonstrated that revenue has a substantial effect on infrastructure development in Nigeria. It was also demonstrated that the growth of the Nigerian economy is greatly impacted by the generation of new income. The results suggest that the government should increase its efforts to bring in revenue. The uncertainty of the oil market will cause governments to rely more heavily on taxation and other non-oil sources of income.

3 Methodology

3.1 Methods

The study used the descriptive design method to investigate and give vivid narration of how PFM reforms can lead to prudent utilization of Bayelsans' meager financial resources to enhance the living conditions of the people and the people unborn. Furthermore, the survey design method is adapted for generalizing the findings of this research work. The population of this study comprises all staff of civil service administrators, Local Government Administrators, Public service Administrators, Accountants at State and Local Government, Auditors at both State and Local Government and Finance officers at both State and Local Government Levels, and Staff of ICT at both State and Local Government Levels. As at the time of carrying out this study, the population of the state civil servants were estimated to be 13,978 while that of the 8 Local Government were estimated to be 3,361, total estimated work force=17, 339.

Survey data, 2022
Population=17339, Sample size=400
Sample distribution=Ministry population/Total population*sample size.

This study utilised a non-probability sampling approach to choose its samples since it was concerned with the effect of PFM Reforms on Revenue Generation in Bayelsa State. The purposive sampling made it possible to reach Administrators, Accountants, Auditors and IT Specialists working in State and Local Governments in Bayelsa State. Hence, the study employed Yamane formulae for sample size as shown below:

n = N/1+N(e)2 where: n = Sample Size, N = Population, e = Margin of error, 1 = Constant, n = 17339/1+(17339(0.05)2, n = 17339/1+(17339 x 0.0025), n = 17339/43.3475 = 400, n = 400

Thus, in this study a convenience sample size of 400 respondents have been obtained from civil servants from various ministries. The instrument designed for data collection in this work is a set of questionnaires. The structured type questionnaire with five (5) points Likert-scale was used to measure respondents' opinions on the subject which is useful in survey research. The cut off rule of 3 is used to appraise the acceptability of responses which is derived as follows.

The information gathered from the questionnaire formed the primary source of data. Primary data is original data gathered by the researcher for the purpose of this study (Deepak & Neena, 2014). Thus, the data gathered from this source was patterned to suit both the main and specific objectives. The set of questionnaires constructed and used in this study under gone a validity procedure which reduces bias, unrelated responses and ambiguity. The validation process is carried out using these factors in the design and administration of questionnaire such as relevant, valid, consistence, usable, clear, legible, and questionable (Deepak & Neena, 2011). It was validated by experts in both accounting and finance.

Anyanwyu (2009) highlighted that the Cronbach alpha is a measure of internal consistency and indicates the extent to which data distributions are consistent across the cases with 0.70 alpha benchmark adopted in the study as the basis for measuring reliability.

A reliability index of0.90, 0.76, 0.81,0.79 and 0.86 on average was obtained for revenue generation (0.90), PPA (0.76), E-Payment reforms (0.81), IPPIS (0.79) and aggregate result (0.86), this is being within the range endorsed by Cronbach as being a reliable instrument as highlighted in appendix C.

3.2 Model

The face to face administration of questionnaire was carried out personally to collect valid responses from the study population through research assistant. Tables were employed to organize and analyze data for easy interpretation of findings. This involves the counting of responses, categorizing responses in the appropriate order, totaling all various responses to a specific question for clear understanding. Data was also analysed using straightforward percentages. Descriptive and inferential statistics, as well as other statistical models, were used to analyse the main data used to assess the effect of PFM changes on tax receipts. Also adopted, is the OLS regression analysis to analyze the variables via SPSS software 26. The Pearson Correlation Coefficient is used to analyze the connection between revenue generation and PFM reforms (the independent variables).

The following model was specified for this study, first is the model in its functional form: RG = f(IPPIS+ PPA+E-PAY) .

The model stated above was restated in its econometric form below:

$RG = \beta 0 + \beta_1 IPPISi + \beta_2 PPAi + B_3 E\text{-}PAY + \mu i$
Where: PPA=Public Procurement Act, E-PAY=Electronic Payment, RG=Revenue Generation; $\beta 0$ = constant Parameters: $\beta 1$, $\beta 2$, $\beta 3$, represent the coefficients; Apriori sign: $\beta 1<0$, $\beta 2 < 0$, $\beta 3 < 0$.

4 Results and Discussion

4.1 Results

4.1.1 Presentation of Data

Table 4.1: Administration of Questionnaire

S/N	MINISTRY	no. ret	no. unret	Total	% ret	% unret	total
1	Ministry of Information and Orientation	16	2	18	89	11	100
2	Ministry of Agriculture	21	1	22	95	5	100
3	Ministry of Finance	25	0	25	100	0	100
4	Ministry of Finance Incorporated (Mofi)	5	5	10	50	50	100
5	Ministry of Trade, Industry and Investment	7	3	10	70	30	100
6	Ministry of Science & Technology and Man power Development	12	3	15	80	20	100
7	Ministry of Power	14	1	15	93	7	100
8	Ministry of Mineral Resources	17	0	17	100	0	100
9	Ministry of Works and Infrastructure	23	3	26	88	12	100
10	Ministry of Water Resources	8	2	10	80	20	100
11	Ministry of Housing and Urban Development	10	3	13	77	23	100
12	Ministry of Land and Survey	8	1	9	89	11	100
13	Ministry of Budget and Economic Planning	16	0	16	100	0	100
14	Ministry of Culture and Ijaw National Affairs	17	3	20	85	15	100
15	Ministry of Justice	11	3	14	79	21	100
16	Ministry of Special Duties and Central Senatorial District	7	4	11	64	36	100
17	Ministry of Special Duties and East Senatorial District	7	3	10	70	30	100
18	Ministry of Special Duties and West Senatorial District	7	2	9	78	22	100
19	Ministry of Women Affairs and Social Development	18	5	23	78	22	100
20	Ministry of Education	17	5	22	77	23	100
21	Ministry of Health	15	3	18	83	17	100
22	Ministry of Environment	13	2	15	87	13	100
23	Ministry of Sport Development	15	3	18	83	17	100
24	Ministry of Local Government and Community development	13	2	15	87	13	100

S/N	MINISTRY	no. ret	no. unret	Total	% ret	% unret	total
25	Total of State civil service	***322***	**59**	**381**	**85**	**15**	**100**
26	LOCAL GOVERNMENT						
27	Brass	12	2	14	86	14	100
28	Ekeremor	7	2	9	78	22	100
29	Nembe	12	4	16	75	25	100
30	Sagbama	14	4	18	78	22	100
31	Southern Ijaw	18	0	18	100	0	100
32	Ogbia	12	4	16	75	25	100
33	Yenagoa	3	1	4	75	25	100
34	Total population of L G	***78***	**17**	**95**	**82**	**18**	**100**
35	Grand total	400	**76**	**476**	**84**	**16**	**100**

4.2.2 Inferential Analysis

Table 4.6a: Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Electronic Payment, Integrated Personnel and Payroll Information System, Public Procurement Act[b]	.	Enter

Table 4.6b: Model Summary of Revenue Generation and Public Sector Reforms in Bayelsa State of Nigeria

					Change Statistics					
Model	R	R Sq.	Adj. R Sq	Std. Error of the Estimate	R Sq Cha	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.996[a]	.993	.993	.60135	.993	8943.300	6	392	.000	.253

a. Predictors: (Constant), Electronic Payment, Integrated Personnel and Payroll Information System, Public Procurement Act.
b. Dependent Variable: Revenue Generation

Table 4.6b shows the results for Bayelsa State Public Sector Reforms and Revenue Generation. From the table, the R-value is 0.996 with an adjusted value of 0.993, suggesting that the

independent variables (Electronic Payment, Integrated Personnel and Payroll Information System, Public Procurement Act,) explained about 99.3% of the systematic variation in the dependent variable (revenue generation). This implies that model of Public Sector Reforms and Revenue Generation in Bayelsa State provides a good fit since the unexplained variation is just 0.07%.
In addition, the result showed that a substantial link exists between Public Sector Reforms and Revenue Generation in Bayelsa State, South-South Region of Nigeria (*f-ratio 1, 95= 8943.300*). Besides, the Durbin-Watson (DW) statistics was used to ascertain the presence of serial correlations between the residuals. As suggested by Gujarati (2003), if the DW value is substantially more than 2, it may imply a serial correlation issue. The DWvalue (.253), suggests the absence of serial correlation in model of Public Sector Reforms and Revenue Generationin in Bayelsa State.

4.2.2 Inferential Analysis and Test of Hypotheses

Hypothesis 1: IPPIS has no substantial impact on revenue generation in Bayelsa State

Table 4.7a: Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Integrated Personnel and Payroll Information System[b]	.	Enter

Table 4.7b: Model Summary of the impact of IPPIS on revenue generation in Bayelsa State

Model	R	R Sq.	Adj. R Sq.	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Sq. Cha	F Change	df1	df2	Sig. F Change	
1	.980[a]	.961	.960	1.40017	.961	9697.450	1	398	.000	.066

a. Predictors: (Constant), Integrated Personnel and Payroll Information System
b. Dependent Variable: Revenue Generation

Table 4.7b unveil the results for IPPIS and Revenue Generation in Bayelsa State. From the table, the R-value is 0.980 with an adjusted value of 0.960, suggesting that the independent variable (IPPIS) explained about 96% of the systematic variation in the dependent variable (revenue generation). This implies that model of IPPIS and Revenue Generationin in Bayelsa State gives a good fit since the unexplained variation is just 4%.

In addition, the result showed that a substantial link exists between IPPIS and Revenue Generationin in Bayelsa State, South-South Region of Nigeria (*f-ratio 1, 95= 9697.450*). Besides, the Durbin-Watson (DW) statistics was used to ascertain the presence of serial correlations between the residuals. As suggested by Gujarati (2003), if the DW value is substantially more than 2, it may imply a serial correlation issue. The DW value (.066), suggests the absence of serial correlation in model of IPPIS and Revenue Generation in Bayelsa State.

Table 4.7c: Coefficients[a]

Model		Unstand Coeffi.		Standd Coeff	T	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tol.	VIF
1	(Constant)	-2.659	.257		-10.366	.000	-3.163	-2.155					
	IPPIS	1.272	.013	.980	98.476	.000	1.247	1.298	.980	.980	.980	1.00	1.00

a. Dependent Variable: Revenue Generation

The result of coefficients of revenue generation in terms of IPPIS model of Public Sector Reforms in Bayelsa state of Nigeria is presented in Table 4.7c. It was shown that the IPPIS model of Public Sector Reform has a positive and statistically significant link with income production in Bayelsa (t-value = 10.366; p-value 0.000 0.05). In addition, the IPPIS-revenue generation model does not exhibit multicolinearity, since the value of the Variance Inflation Factor (VIF) is less than 10.0 for values of IPPIS. Bayelsa state, Nigeria, stands to gain 1.272% more money if IPPIS is put into action successfully.

Hypothesis 2: PPA has no significant impact on revenue generation in Bayelsa State

Table 4.8a: Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Public Procurement Act[b]	.	Enter

Table 4.8b: Model Summary of the impact of Public Procurement Act on revenue generation in Bayelsa State

Model	R	R Squ	Adj R Squ	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Squ Change	F Change	df1	df2	Sig. F Change	
1	.993[a]	.987	.987	.81484	.987	29410.520	1	398	.000	.168

a. Predictors: (Constant), Public Procurement Act
b. Dependent Variable: Revenue Generation

Table 4.8b unveil the results for PPA and Revenue Generation in Bayelsa State. From the table, the R-value is 0.993 with an adjusted value of 0.987, suggesting that the independent variable (PPA) explained about 99% of the systematic variation in the dependent variable (revenue generation). This implies that model of PPA and Revenue Generationin in Bayelsa State gives a good fit since the unexplained variation is only 1%.
In addition, the result showed that a substantial link exists between PPA and Revenue Generationin in Bayelsa State, South-South Region of Nigeria (*f-ratio 1, 95= 29410.520*). Besides, the Durbin-Watson (DW) statistics was used to ascertain the presence of serial correlations between the residuals. As suggested by Gujarati (2003), if the DW value is substantially more than 2, it may imply a serial correlation issue. The DW value (.168), suggests the absence of serial correlation in model of PPA and Revenue Generation in Bayelsa State.

Table 4.8c: Coefficients[a]

Model		Unstand Coeff		Stand Coeff	T	Sig.	95.0% Confidence Interval for B		Correlation			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tol	VIF
1	(Constant)	-2.676	.148		-18.138	.000	-2.966	-2.386					
	PPA	1.082	.006	.993	171.495	.000	1.070	1.095	.993	.993	.993	1.00	1.00

a. Dependent Variable: Revenue Generation

The result of coefficients of revenue generation in terms of PPA model of Public Sector Reforms in Bayelsa state of Nigeria is presented in Table 4.8c. The result revealed that PPA model of Public Sector Reform is statistically significant in the relationship with revenue generation in Bayelsa (*t-value = 18.138; p-value 0.000 < 0.05*) and is positive; thus confirming the correlation results. More so, VIF with value 1.00 is less than 10.0, indicating the absence of multico linearity in the model of PPA and Revenue generation. Implying, an effective implementation of PPA will lead to a 1.082% increase in the level of revenue generation in Bayelsa state of Nigeria.

Hypothesis 3: E-Payment has no significant impact on revenue generation in Bayelsa State

Table 4.9a: Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Electronic Payment[b]	.	Enter

Table 4.9b: Model Summary of the impact of E-Payment on revenue generation in Bayelsa State

Model	R	R Squ	Adju R Squ	Std. Error of the Estimate	Change Statistics: R Squ Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.990[a]	.979	.979	1.00976	.979	19013.222	1	398	.000	.113

a. Predictors: (Constant), Electronic Payment
b. Dependent Variable: Revenue Generation

Table 4.9b unveil the results for E-payment and Revenue Generation in Bayelsa State. From the table, the R-value is 0.990 with an adjusted value of 0.979, suggesting that the independent variable (E-payment) explained about 97.9% of the systematic variation in the dependent variable (revenue generation). This implies that model of E-payment and Revenue Generationin in Bayelsa State provides a good fit since the unexplained variation is only 2.1%.

In addition, the result showed that a substantial link exists between E-payment and Revenue Generationin in Bayelsa State, South-South Region of Nigeria (*f-ratio 1, 95= 19013.222*). Besides, the Durbin-Watson (DW) statistics was used to ascertain the presence of serial correlations between the residuals. As suggested by Gujarati (2003), if the DW value is substantially more than 2, it may imply a serial correlation issue. The DWvalue (.113), suggests the absence of serial correlation in model of E-payment and Revenue Generation in Bayelsa State.

Table 4.9c: Coefficients

Model		Unstand Coeff		Stand Coeff			95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta	T	Sig.	Lower Bound	Upper Bound	Zero-order	Partial	Part	Tol	VIF
1	(Constant)	-1.988	.179		-11.129	.000	-2.339	-1.637					
	EPAY	1.040	.008	.990	137.888	.000	1.025	1.055	.990	.990	.990	1.00	1.00

a. Dependent Variable: Revenue Generation

The result of coefficients of revenue generation in terms of E-payment model of Public Sector Reforms in Bayelsa state of Nigeria is presented in Table 4.19c. The result revealed that E-payment model of Public Sector Reform is statistically significant in the relationship with revenue generation in Bayelsa (*t-value = 11.129; p-value 0.000 < 0.05*) and is positive; thus confirming the correlation results. More so, Variance Inflation Factor(VIF) with value 1.00 is less than 10.0, indicating the absence of multico linearity in the model of E-payment and Revenue generation. Implying, an effective implementation of E-payment will lead to a 1.040% increase in the level of revenue generation in Bayelsa state of Nigeria.

4.4 Discussion of Findings

The primary objective of the research inquiry was to find out the impact of Public sector financial management reforms (explanatory variable: Electronic Payment, IPPIS, Public Procurement Act,) on the explained variable (revenue generation) in Bayelsa state of Nigeria. The study carried out a linear regression analysis to determine the impact of public sector reforms on revenue generation of the studied area with a confirmation of the correlation results through coefficients as discussed in the following paragraphs.

Hypothesis 1: The purpose of this study was to examine how IPPIS affected tax collection in Nigeria's Bayelsa State. Tables 4.7a-c provide analytical data demonstrating a significant link between IPPIS and income creation in the study's focal region.

According to the tables, the IPPIS model of public sector reform has had a significant effect on revenue generation in Bayelsa state, located in the South-South Geopolitical Zone of Nigeria. This is because the model has helped to: increase state revenue by eliminating payroll fraud, which had drained funds from capital projects; close off areas where unnecessary overhead costs could arise; get rid of "ghost workers" in the state's civil and public services; and reduce corruption.

The findings of the study are in line with previous studies carried out in different sectors of the Nigerian economy and other parts of the world such as Daniel (2018),Onukelobi&Okoya, (2019) and Idris, Adaja and Audu (2015).

Hypothesis 2: Was conceived to assess the effect of PPA on taxation in the Nigerian state of Bayelsa. There is a strong link between PPA and income production in the region under investigation, as evidenced by the analytical data shown in Tables 4.8 a-c.

Bayelsa state, located in Nigeria's South-South Geopolitical Zone, has implemented the PPA model of public sector reform, as seen in the tables below, has had a significant effect on revenue generation because it has helped to ensure due process in contract awards, encourage competition, and decrease the prevalence of ghost contracts and contractors; increased public awareness of the government procurement process has led to a decline in the abandonment of unfinished projects and a slowing in the proliferation of ghost contractors; and so on. The elimination of corrupt and sharp practices that led to bloated personnel and overhead costs; the reduction of open abuses of known rules, processes, and standards in the award and execution of public sector contracts; and the reduction of bloated contract sums are all goals that can be achieved by reinforcing weak internal control mechanisms that aided financial crime.The findings of the study are in line with previous studies carried out in different sectors of the Nigerian economy and other parts of the world such as Kanayo and Harrison, (2013).

Hypothesis 3: This study was about the impact of E-payment on revenue generation in Bayelsa State, Nigerian. The analytical results presented in Tables 4.9 a-c have shown that, there is a substantial connection between E-payment and revenue generation in the target area of the study.

As the tables show, the E-payment model of public sector reform in Bayelsa state of the South-South Geopolitical Zone of Nigeria has had a significant effect on revenue generation thanks to its reduction of cash transactions, which had been a haven for fraudulent diversion of public funds, embezzlement, and theft; its elimination of delays in the Government payment system, which improved accountability and transparency; and its reduction of interaction between Government officials and citizens, which reduced bureaucratic red tape. The findings of the study are in line with previous studies carried out in different sectors of the Nigerian economy and other parts of the world such as Iheduru and Amafule (2014).

5. Summary, Conclusion and Recommendation

5.1 Summary

The study was an optimistic investigation on how government policy changes have affected tax income in Nigeria's Bayelsa state. The study was driven by three main research assumptions and aims. The nature of the survey was purely descriptive. The questionnaire was the major tool for collecting information for this study. Statistical Package for the Social Sciences (SPSS) version 26 was used for both descriptive and inferential analysis of the data. Descriptive analysis and hypothesis testing via regression and correlation revealed that IPPIS, the Public Procurement Act, and electronic payment each had a positively significant effect on revenue generation in Bayelsa State, Nigeria.

5.2 Conclusion

The study concludes based on the findings that public sector reforms such as IPPIS, , public procurement and e-payment have a strong positive significant impact on revenue generation in Bayelsa State of Nigeria. This simply means that, public sector reforms have positive correlation with revenue generation, these reforms are capable to reduce or eliminate the harmful effects of correction, over bloated recurrent expenditure and rise internally generated revenue that will enhance the revenue generation profile of the State thus, leading a corresponding increase in infrastructural development and growth of the Bayelsa ‘s economy. These findings are also in line with findings of previous studies carried out by researchers and scholars in other sectors of the Nigerian economy and other parts of the world.

5.3 Recommendations

Based on the findings of this study, the following recommendations are put forward with the hope that it may be useful if the authority have access to this study.

i. Bayelsa State government should have the political will to ensure full compliance in the reform agenda.

ii. The State government should ensure that there is efficient monitoring and sustenance of these reforms.

ii) There should be massive training of workers and enlightenment programmes for the people of the State.

iii) Adequate punishment should be giving to erring officers, institutions and organs of government.

iv) Revenue generation challenges identified in this study should be carefully addressed by the government in order to improve the sources and to re-consider the engagement of the disengaged staff affected by the reforms agenda.

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