RESOURCE MANAGEMENT AND ACCOUNTABILITY IN FINANCIAL SECTOR IN NIGERIA

[1]Ogunmola Esther Olubunmi & [2]Uchegbu Callista Ukamaka
[1&2]Department of Accountancy Nnamdi Azikiwe University Awka
estherige42@yahoo.com

Abstract
Resource management is one of the best Indicators of accountability in financial sector in developing and developed countries of the world. However, resource management and accountability in Nigeria leave a lot of room for improvement because of inefficient and ineffective managerial practices among the key players in financial sectors. Studies have shown that resources management is sine-qua-non for the realization of the accountability in financial sector in Nigeria economy. Hence, the article examines resources management and accountability in the financial sector in Nigeria. The financial sector represented by banks and non-banks financial institutions, which is so crucial to the Nigeria economy in terms of its contribution to national financial stability and economic growth. To appreciate, the role of resources management vis-à-vis the accountability in the financial sector in Nigeria. The paper focuses on efficient and effectiveness of financial resources, inventory, information technology, human skills, economic and natural resources management in some Nigeria bank and non-bank industries and their accountabilities, which burden on the unethical practices of their executives. The study employs descriptive statistics, using questionnaire as instrument of data collection. Data were analyzed using correlation and ordinary least square method. The paper observed that, there is strong positive correlation between resources management and accountability in the financial sector in Nigeria. Also there is a significant positive effects of resources management on fiscal, program, and individual accountability in financial sectors upon this finding recommendation were made.
Keywords: *Resources, Resource management, Accountability, financial sector, financial sector reforms.*

Introduction

Prudency in resources management is one of the key components of accountability in the financial sector in developed and developing countries of the world, its shows clever resourcefulness in practical matters. The effectiveness in the functions and services rendered by any sector depend greatly on the management and control of its resources. Accountability on the other hand is an important index in the office of resources management. However, like in financial reporting, if accountability and resource management in the financial sector are based on outdated and unwholesome procedures, principles and practices that inhibit complete and accurate recording and measurement of financial sector's resource input and the resultant outputs stand, it means the true essence is lacking (Augustine, 2012).

The roles of financial sector cannot be overlook. This is because it plays a crucial role in economic development of an economy. As a matter of fact, banking institution exists to carry out financial intermediation in the society among other functions (Amodu et al 2018). It can be said to be a catalyst for economic growth (Kanayo & Obiechina, 2011). Nonetheless, there are still evidences of weakness in it. According to Babajide et al 2013, Nigerian banking system was reported to lack sound corporate governance structure and this resulted to unethical banking practices which led to the dissolution of the board of directors of five deposit money banks and injection of #620bn to revitalize it. Although most of the developed and some of the developing countries have witnessed radical financial sector reform initiatives in term of removal of the erstwhile existing financial repression, creation of an efficient, productive and profitable financial sector, enabling the process of price discovery by the market determination of interest rates that improves allocate efficiency of resources among many other reforms and its impact on their ability to manage available resources and efficiency. Still, the evidences as to whether and how the reforms are remedying the tradition weaknesses of the financial sector is so far limited in Nigeria (Kanayo & Obiechina, 2011).

There is no doubt Nigeria financial sector accountability is lagging behind in the international trend towards a unified global financial providing the prudent resources management required for the discharge of her financial, managerial, program and financial accountability responsibilities. It is also recognized that the existing structures of financial sector resource management and management practices, including financial resources, inventory, human skills, information technological, economic and natural resources as well as accounting information system used in the general financial sector in Nigeria are inadequate to ensure effective utilization of her resources. The system is still vulnerable to financial abuse, inefficiencies such as delays and backlogs, which are also major obstacles to the smooth functioning of the financial system.

This paper undertakes a critical review of resources management and accountability in the financial sector in Nigeria, and carries out an empirical examination of the various aspects of accountability using fiscal, managerial, program and individual accountabilities with the context of the relationship between resources management and accountability in the financial sector in Nigeria.

At the background of these, researchers examined the following objectives to guide the study.

- Examine the relationship between information technology, financial resources and fiscal accountability in the banking sectors.
- Examine the relationship between human skills, inventory, economic resources and managerial accountability in banking sector.

- Examine the effect of resource management on the accountability in the bank sector.

The paper is organised as follows' the next section reviews relevant literature with regards to context justification and provide a theoretical background for the study, respectively. Next describes the sample data and empirical methodology. The last section summaries the main results, offers conclusion and recommendations.

Review of related Literature

Conceptual Reviews

Concept of Resources Management

According to Oluwafemi & Tolu (2016), Resources management can be seen from various perspectives, the term "resource" could mean so many things, it can be referred to as, financial resources, human resources, production resources, information technology resources etc. This paper will conceive it (resource management) in general term. Resource management is therefore described as the efficient and effective deployment and allocation of an acquired organization's resources. When an organization's resources are effectively and efficiently shared to various unit as needed, the resources are said to be adequately managed. When these resources are not well managed, the expected result becomes impossible. In essence, resources management is a means of allocating resources in a bid to achieve the greatest organizational value by reducing waste and duplication, streamlining and automating processes and maximizing and speeding throughput (Scott, 2022). Good resource management results in the right resources being available at the right time for the right work. Such resources may include the financial resources, inventory, human skills, production resources, or information technology and natural resources. Resource management is all about transparency and it helps minimize idle time and over utilization of resources as the required project/work can be seen, monitored and attained.

Concept of Accountability

Olowu (2002) describes accountability as being answerable for one's actions or behavior. It requires that those who holds positions of public trust should account for their performance to the public or their elected representatives. Oluwafemi & Tolu (2016), stated further that it involves the development of standards for evaluation purpose as this will help the owner(s) of an organization to evaluate the performance of duties by individuals and units within the organization. According to them, accountability in respect of resource management has three crucial components; a clear definition of responsibility, reporting mechanism, and a system of reviewer; comparing the standard with the actual, then reward and sanctions. Accountability flows in two dimension: upward -downward which means it is a flow of responsibility from subordinates and superiors and literally among professional peer. Okpala (2012) defined accountability as the duties of persons or entities entrusted with public or organization resources to be answerable for the fiscal, managerial and program responsibilities that have been conferred on them and to report to those that have conferred these responsibilities. Essentially, accountability ensures that people entrusted with public or corporate funds have a duty to report the way in which the resources were allocated or applied and the results achieved. There are some criteria that are regarded as basic to accountability. The criteria are fiscal or financial accountability, managerial accountability, program accountability and individual accountability.

Fiscal accountability deals with complying to applicable laws, rules and regulations guiding a particular job/ work to be done. It is also being consistent with appropriate principles, concepts and conventions of such work. Managerial accountability is about getting essential information for effective and efficient decision making. Program accountability is majorly concerned with the overall evaluation of program impact and the extent to which the goals and the set objectives are attained. Individual accountability is related to personal qualities and conduct demonstrated by accountable officials. It involves such characters like honesty, trust, probity and integrity of which are essential in the financial sector.

According to Adejuwon et al (2014), accountability and performance have been central in resource management. Accountability is important for effective performance because officials need to show the public that they are performing their responsibilities in the best way and judiciously utilizing the resources provided them effectively and efficiently.

Concept of Financial Sector

Financial sector is a section of the economy consisting of firms and institutions that makes financial services available to commercial and retail customers. This sector includes banks and non-banks financial institutions. According to Godly et al 2012, there are four vital components of a financial system; financial institution, financial market, regulatory authorities and financial instruments. The Nigeria financial sector/system includes bank, investment companies, insurance companies, real estate firms, primary mortgage institutions, community banks, discount houses, insurance companies, forex bureau and de change. The financial sector performs duties such as financial planner, financial analyst, actuary, securities trader, portfolio manager and quantitative analyst.

Theoretical Framework

The study seeks to understand the relationship between resources management and accountability in the financial sector in Nigeria. Based on this the new modern resources management theory will be employed. The new resources management theory places emphasis on good managerial efficiency, organizational health, unique situation and circumstances (Hood, 1991).

Jones & Thompson (1999) interpreted, new resources management as the five R(s). They are; restructuring to focus on core competences, re-engineering of work process, radical organization reinvention, realignment by introducing activity based costing and responsibility budgeting rethinking by re conceptualizing financial sector bureaucracies. The new modern resource management theory comprises of quantitative theory, system theory and contingency theory. The main current of the new resources management literature is conceived not with what to do, but how to do it better. It argues for an incentives environment in which leaders are given flexibility in the uses of resources but held accountable on result.

As a deviation from the principles of new resources management, inefficient and ineffective management of resources as well as absence of financial and individual accountability in Nigeria can be viewed and understand as a carryover effect of this deviation.

Methodology

This paper used the descriptive statistics method. Questionnaire was used to collect data from selected commercial banks such as First banks, united bank for Africa (UBA) and sterling banks, through systematic random sampling technique. We generated 15 questionnaires through face to face interview with commercial banks executives in South East region, Awka in particular. A total of 250 questionnaires were given out, and 220 questionnaires were received, which represented 88 percent response rate. A 5 point-scale is used:

1. Very weak
2. Weak
3. Moderate
4. Strong
5. Very Strong

Variable Measurement

The measurement of the variables is carried out using dependent and independent variable, here, accountability in the financial sector is dependent variable, while resources management becomes our independent variable.

Research Results

Correlations[a]

	Inform ation Tech	**Human skills**	**Inventory**	**Financial resources**	**Economic resources**	**Natural resources**
Informatio	1	.602**	.685**	.710**	.628**	.750**
n Tech	.	.000	.000	.000	.000	.000
Person	525	525	.525	525	525	525
correlation						
Sig (2-						
tailed)[b]						
N[c]						
Hunan		1	617	570	-053	256
skills	.602**		000	000	.455	000
Pearson	.000	525	525	525	525	525
correlation	.525					
Sig (2-						
tailed)b						
N[c]						
Inventory	.685**	.617**	1	631**	256**	.128**
Pearson	.000	.000		000	000	.071
correlation	525	525	525	525	525	525
Sign (2-						
tailed)[b]						
N[c]						
Financial	.710**	.570	.63	1		631
resources	.000	.000	000		.071	000
Person	.525	. 525	525	525	525	525
correlation						
Sig (2-						
tailed)[b]						
N[c]						
Economic	.628**	.256**	470**	628**	1	470**
resources	000	.000	000	000		000
Pearson	. 525	. 525	525	525	525	525
correlation						
Sig (2-						
tailed)[b]						
N[c]						
Natural	.750**	.256**	470**	628**	470**	1
resources	.000	.000	000	000	000	
Pearson	. 525	. 525	525	525	525	525
correlation						
Sig (2-						
tailed)[b]						
N[c]						

***: Correlation is significant at the 0.01 level (2.tailed).*

Variables Entered Removed[b]

Model	Variable Entered	Variables Removed	Method
1	Information Tech		
	Human skills		
	Inventory		Entered
	Financial resources		
	Economic resources		

a. All requested variables entered
b. Dependent variable: Accountability in financial sector

Model Summary[a]

	R	R-Square	Adjusted R-Square	Std. Error of the Estimate	S.D variable	Dependent
1	.851	.0724	.666	7.77048	59.5 to 49	

a. Predictions: (constant),

ANOVA[b]

Model	Sum of Squares	Df	Mean Square	F	Sn
1	Regression	3576.02	5	78 15	9.10
	Residual	68761.10	520	16.32	
	Total	72337.12	524		

Predictors (constant), Information Tech, Human skills, Inventory, Financial resources,

a. Economic resources
b. Dependent variable: Accountability in the financial sectors

Coefficient[b]

Model	Unstandardize Coefficient		Standardize Coefficient		
1	A	Std. err	Betta	T	Sig
(Constant)	1.147	3.93			0.001
Information Tech	.221	.115	.192	1.917	0.003
Human skills	.269	.135	.387	1.991	.003
Inventory	.384	.106	.377	3.608	.001
Financial recourses	.219	.104	.226	2.11	0.13
Economic resources	.488	.221	.668	1.908	.001

α Dependent Variable: Accountability in the financial sector

Result Interpretation

From the above model summary, the value of R at 0.85, simply imply that, there is strong positive correlation between resources management and accountability in the financial sector in Nigeria. The R^2 value at 0.724 indicated that if the resources management is increase by 1%, the accountability in the financial sector on the average will increase by 7.2%. However, the F-statistic value at 78.15 with significant probability value of 9.10, show that, there is no significant effect of resources management on the accountability in the financial sector in Nigeria, which may be attributed to the inefficiency in utilization of financial sector resources.

Furthermore, the betta coefficient of information technology, human skills, inventory, financial resources, economic resources 0.192, 0.387, 0.377, 0.226 and 0.668 with the sign value at 0.0003, 0.001, 0.13 and 0.001 respectively, show that all the explanatory variables are significantly affected accountability in the financial sector in Nigeria. However, the financial resource has no significant effect on accountability in the financial sector which may be attributed to unethical behaviors of personnel in the sectors.

Although, increase in information technology, human skills inventory, financial resources and economic resources by 1%, will lend to increases in accountability in the financial sector on the average by 19.2%, 38.7%, 22.6% and 66.8% respectively.

Conclusion and Recommendation

Essentially, resources management remains a pivotal stand for effective and efficient utilization of resources and pillar of accountability in the financial sector in Nigeria. This is because, prudent resources management promotes efficiency, effectiveness, openness, integrity, discipline, transparency and better management in financial sectors. The main thrust of this research paper is to examine the resources management and its relationship with accountability in the financial sector, with a view to understandings its implications for efficiency operation of financial sectors in Nigeria. The modern resource management theories were reviewed and the correlation as well as ordinary least square were employed to analyzed the data. From the result obtained, we conclude the following:

1. Information technological is principal factors in accountability in the financial sectors
2. Human skills, inventory and economic resources are engine of accountabilities in the financial sectors.
3. Financial resources have no significant effect on accountability in the financial sectors, this could be attributed to corruption and sharp practices among the banks official.

Recommendations

To successfully implement accountability reforms in the financial sectors in Nigeria, CBN and commercial banks executives must satisfy the following conditions

The first and foremost, prudent resources management must be encouraged and implements in financial sectors that will in turn promotes general accountability.

We also recommend that prudent financials resource should be encourage to strengthen accountability in the financial sectors, which will go a long way to prevent corruption and sharp practices among the banks officials at all levels.

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