E-Governance and Public Sector Financial Disclosures: Analysis of Government Agencies in Nigeria

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Abstract: One of the core responsibilities of any government to its citizens is financial accountability and transparency. This is to re-assure the stakeholders that the government is people oriented and enables the stakeholders to hold the government in power accountable to its electoral promises. In Nigeria therefore, financial dealings of the government and its parastatals has been shrouded in secrecy. It will be worthy to note that, the remuneration of national assembly members and many state governors are not made known to the public. And when this is rarely done, full details of their financial transactions are not disclosed. Unlike in the private sector, where financial disclosures are made known to owners of the business (Shareholders) at the Annual General Meetings (AGM), the public sector in Nigeria has not emulated this. However, pockets of state governors in Nigeria have attempted to do this manually by engaging in 'town hall' meetings to discuss their revenue and expenditure, this does not have far reaching impact on the citizens in this information technology age. Therefore, e-governance platform is imperative for government to reach a wider audience in term of impact and delivery. The question therefore is that, is Nigerian government both at the federal, state and local government engaging this platform to disclose their financial transactions? And rarely when they do, are they making full disclosures of the financial activities? A government that discloses its financial activities would enable stakeholders analyzes its performance and asks questions on the financial prudency of the state and this would prevent corruption and theft of peoples' collective/common wealth. This study analyzed the contents of various government parastatals website to determine whether these agencies make financial disclosure and the extent to which those disclosures are made. In addition, the study will also consider whether stakeholders are allowed to contribute or suggest alternative(s) in form of feedback to the government. It is therefore recommended that the audited financial report/statement which is a stewardship report showing how the common wealth allocated has been utilized. As such, the Financial Reporting Council and other government regulatory bodies should endeavor to mandate Ministries to place on their various websites a copy of the audited account of the Ministries and perhaps a copy of such report sent to appropriate quarters to ensure compliance.

Keywords: e-governance, e-government, financial reporting disclosures, government parastatals, Nigeria

1. Introduction

The readiness of Nigerian Government towards the implementation of e-governance/government has been very encouraging. Even though some private organizations/individuals have been deploying Information Technology in their day-to-day running of the activities, the government is yet to fully take advantage of this development in carrying the business of governance and connecting with the citizens in terms of stewardship. In as much e-government refers to the use of information and communications technology in public administration combined with organizational change and new skills to improve public services and democratic processes and to strengthen support for public policies (Vassilios, 2004), in Nigeria, this process has not be fully engaged for good governance. In Europe and other developed worlds, e-government has been adopted at all levels including piloting the economy, electioneering, rendering public services and empowering the citizens. Agunloye (2004) presented e-Government as an interaction between citizens, businesses and organizations, government ministries and all the tiers of government. Therefore, implementation of e-governance would lead to transparency, accountability and efficiency in governance which would deliver better services and wealth for the general well-being of the citizens in terms of rendering of financial stewardship to the public and other stakeholders.

Stakeholders especially the citizens, are interested on how their collective wealth are been utilized. Just like in the private sector where the management submits report at the Annual General Meeting to show their performance, government is as well expected to be transparent by ensuring disclosures about the how the budget is been implemented should be make known to the public via e-government platform in a way and manner that gives assurance that efficiency and effectiveness utilization of resources is achieved. Presently, in

Nigeria, no one has seen the financial report of the National Assembly. Most of their financial dealings are shrouded in secrecy. Most of the government parastatals either have dysfunctional website or no present at all. Adeyemo (2013) posited that despite the various strategies which the global community has adopted in fostering the growth of ICT connectivity and projecting the importance of adopting e-governance for service delivery purposes, there remains a fundamentally different dispersion of e-government services in Nigeria. Despite various attempts to improve its e-governance status and nature, the international system still ranks the nation among those countries with low e-governance level. According to the United Nations E-Governance Survey Report (2014) Nigeria ranks 162 positions out of 193 countries in terms of its e-governance status. The survey also revealed that Nigeria is among those countries with lower middle income and it had 0.2929 as its e-governance development index figure.

The objective of this study therefore is to consider the websites of various government parastatals in order to determine the level of compliance to the presentation of its financial reporting using ICT and e-governance platform which would make it easier for citizens to ask questions and also connect with the central government. To also check to what extent do the citizens make suggestions or clarifications about government financial responsibility? Therefore, the remaining paper is divided into four parts-the literature review, methodology, findings, conclusion and recommendations.

2. Conceptual/theoretical framework

E-government has becomes a necessary tool for government to connect with the citizens. According to UNO Global e-Readiness Reports, e-government is the utilization of ICT and implementation by the government to provide information and service to the public. The objective of e-governance is to enable the citizens get connected to the government more easily and to help in information dissemination to the larger audience. According to Mathias and Gaele (2003), the ultimate benefits of e-government can only be derived when e-governance has been achieved. UN e-government survey, 2004, 2005, 2008 described e-governance as the public sector use of the most innovative ICTs like the internet, to deliver to all citizens improved services, reliable information and greater knowledge in order to facilitate access to the governing process and encourage deeper citizen participation. It is an unequivocal commitment by decision makers to strengthening the partnership between the private citizen and the public sector.

However, most government parastatals in Nigeria have either failed to report or sometimes the reports are not detailed and you barely can make any meaning out of it. There is need for people to make input into what their representatives are doing. In Nigeria, the government is not accountable to the people and because of the level of corruption, government officials or agencies is not willing to make the financial report public. One of the important issues in governance in Nigeria is the issue of transparency and accountability. Therefore, there is a need for government to constantly interact with the public by publishing its financial report on the internet or on e-governance platform. This would help the public ask questions on how their resources are been spent and areas the government is putting the money to use. The UNDP report stated that the disparity between economic growth in a country, and the welfare indicator, can be analysed by lack of inclusiveness in the economy's growth trajectory

Until recently, when the Federal Government of Nigeria promised to publish the 2016 budget online, there has been no forum for allowing the citizens to participate in the budget process or make suggestions. As a result, the quality of financial information disclosure on the internet is imperative in assisting the stakeholders analyze the performance of the government. For example, some of the websites of some parastatals show dearth of information about the financial dealings of the government and many a time, no meaningful information exists at all.

There has been an outcry urging the government to ensure the parastatals website more functional and come alive. So much lip service has been paid into integrating various arms of government activities into one platform so that stakeholders can track their movement and reduce the case of contract over-pricing. This process has been so dragging and according to (EGDI, 2001), progress in Africa remains relatively slow and uneven In Africa for example, South Africa, Mauritania, Tunisia, Mauritius, Egypt, Seychelles, Morocco and South Africa) have EGDI values above the world average of 0.4712, placing them among the top 50 per cent of the world. On the other hand, about 30 per cent (16 countries) of the 54 African countries are at the bottom 10 per cent of the world ranking which Nigeria is one of the lower middle income of 0.2929 as against 0.4712 (world average). Even

though, in the latest ranking, Nigeria shows a sign of commitment by climbing the ladder (thanks to the revolution in the telecommunication industry), there is still need for improvement in terms of deployments and the designing of the websites.

3. Methodology

The research objects for the purpose of this study are the websites of the 24 Federal Ministries in Nigeria. This study adopted a census population where the total population forms the sample size of study. Thus, for the purpose of this study, the twenty-four (24) Ministries formed the sample size. This study was done by direct observation of the websites of the various Federal Ministries and data was gathered on:

▪ The availability and accessibility of Federal Ministries websites

▪ The presence of information on the Ministry's budget and audited financial statement on individual Ministry's websites

▪ The presence of frequently asked questions (FAQs) and feedback on the Ministry's websites.

4. Findings

Table 1: Availability and accessibility of Federal Ministries websites

S/NO	MINISTRIES	WEBSITES
01	Ministry of Justice	Yes
02	Ministry of Labour and Employment	Yes
03	Ministry of Water Resources	Yes
04	Ministry of Health	Yes
05	Ministry of Interior	Yes
06	Ministry of Women Affairs	Yes
07	Ministry of Finance	Yes
08	Ministry of Solid Minerals	Yes
09	Ministry of Youths and Sports	Yes
10	Ministry of Agriculture	Yes
11	Ministry of Education	Yes
12	Ministry of Environment	Yes
13	Ministry of industry, Trade & Investment	Yes
14	Ministry of Science and Technology	Yes
15	Ministry of Budget & National Planning	Yes
16	Ministry of Power, Works and Housing	No
17	Ministry of Transportation	Yes
18	Ministry of Petroleum	n/a
19	Ministry of Communication	Yes
20	Ministry of Information	Yes
21	Ministry of Niger Delta	Yes
22	FCT	No
23	Ministry of Defence	Yes
24	Ministry of Foreign Affairs	Yes

Source: Authors computation (2016)

The table above shows data was collected on twenty-four (24) Ministries present in Nigeria. The table shows clearly whether or not the Federal Ministries websites were available and accessible to individuals/citizens of the country. Findings reveal that twenty-one of the twenty-four Ministries had a functional website whereas two others (Ministry of power, works and housing; FCT) had no website. Ministry of petroleum resources as at the time of carrying out this research, had their website not available (n/a) on the internet. The Ministries with a functional website represents 87.5% of the total population whereas, Ministries without an easily assessable and available website represents 12.5% of the entire population of study.

Table 2: Presence of information on the Ministry's budget and audited financial statement on individual Ministry's websites

S/NO	MINISTRIES	BUDGET		AUDITED FINANCIAL STATEMENT	
		YES	NO	YES	NO
01	Ministry of Justice		✓		✓
02	Ministry of Labour Employment		✓		✓
03	Ministry of Water Resources		✓		✓
04	Ministry of Health		✓		✓
05	Ministry of Interior		✓		✓
06	Ministry of Women Affairs		✓		✓
07	Ministry of Finance	✓			✓
08	Ministry of Solid Minerals		✓		✓
09	Ministry of Youths and Sports		✓		✓
10	Ministry of Agriculture		✓		✓
11	Ministry of Education	✓			✓
12	Ministry of Environment		✓		✓
13	Ministry of industry, Trade & Inv.		✓		✓
14	Ministry of Science and Technology		✓		✓
15	Ministry of Budget & Nat. Planning	✓			✓
16	Ministry of Power, Works and Housing		✓		✓
17	Ministry of Foreign Affairs		✓		✓
18	Ministry of Transportation		✓		✓
19	Ministry of Petroleum		✓		✓
20	Ministry of Communication		✓		✓
21	Ministry of Information	✓			✓
22	Ministry of Niger Delta		✓		✓
23	FCT		✓		✓
24	Ministry of Defence		✓		✓

The table above provides information on whether or not each of the Ministry's websites contains information on the Ministry's annual budget and audited financial statement. Of the 24 Ministries examined, only four (4) has websites containing information on the Ministry's budget. The remaining twenty (20) do not have any information on the Ministry's budget on their various websites. Findings also revealed that none of the sampled 24 Ministries have on their websites information regarding their audited financial statements. This implies that for those Ministries without any information on their website on Ministries Budget and audited financial statement, citizens will not have access to the Ministry's budget and financial statement and as such, individuals may not be able to contribute to the enhancement of financial reporting. If they do not have access to these vital documents then there is no room for proper accountability and transparency. Citizens cannot check Ministries budget and compare it with published financial statement for the purpose of checking if there are variances, mismanagement of fund and poor allocation of resources which all culminates to better/enhanced financial reporting.

Table 3: Presence of frequently asked questions (FAQs) and feedback on the Ministry's websites

S/NO	MINISTRIES	FAQS		FEEDBACK	
		YES	NO	YES	NO
01	Ministry of Justice	✓			✓
02	Ministry of Labour Employment		✓		✓
03	Ministry of Water Resources		✓		✓
04	Ministry of Health		✓		✓
05	Ministry of Interior		✓		✓
06	Ministry of Women Affairs		✓		✓
07	Ministry of Finance	✓		✓	
08	Ministry of Solid Minerals	✓		✓	✓
09	Ministry of Youths and Sports	✓			✓

S/NO	MINISTRIES	FAQS	FEEDBACK
10	Ministry of Agriculture		✓
11	Ministry of Education	✓	✓
12	Ministry of Environment		
13	Ministry of industry, Trade & Investment	✓	
14	Ministry of Science & Technology	✓	✓
15	Ministry of Budget & National Planning	✓	✓
16	Ministry of Power, Works and Housing	✓	✓
17	Ministry of Transportation	✓	✓
18	Ministry of Petroleum	✓	✓
19	Ministry of Communication	✓	✓
20	Ministry of Information	✓	✓
21	Ministry of Niger Delta	✓	✓
22	FCT	✓	✓
23	Ministry of Defence	✓	✓
24	Ministry of Foreign Affairs	✓	✓

Source: Authors computation (2016)

The table above reveals whether or not the ministry's websites contains a section for frequently asked questions (FAQs) and feedback. Of the 24 Ministries examined, only 6 Ministries have a section on their websites for FAQs while the remaining 18 do not have on their websites a section for FAQs. The table further revealed only two (2) Ministries representing in percentage terms 8.33% have a functional feedback section on their websites while the remaining ten (22) Ministries representing in percentage terms 91.67% do not have a functional feedback section on their websites. The FAQs has become an important feature of the internet as it contains some basic information (or contains some basic answers to generated questions) that would provide answers to questions new users of the Ministry's websites may have in mind. But unfortunately, it is evident from the result above that the Nigeria Federal Ministries are yet to take full advantage of this platform. Similarly, from the table above, none of the various Ministries examined have a feedback mechanism where feedbacks on citizens opinion on the financial reports and budget can be harnessed.

5. Conclusion

The world has today become a global village where the various countries of the world including Nigeria is working towards the attainment of a high level of electronic governance centered on the use of ICT to deliver government services. Nigeria is said to have the fastest growing ICT market in Africa; unfortunately, the country is still rated low in terms of provision of e-government services to citizens of the country. Citizens most times want to know whether or not their money has been put in good use and this can only be known through government published financial statement. Unfortunately, it is most times difficult to access government financial statement which is why Ministries should at least have theirs on their websites for individuals/citizens to access. But from the findings of this study, the opposite is the case as none of the Ministries examined had a copy of the audited financial statement on their websites. This may be because of their lack of awareness of the impact of having this statement on their websites and how it contributes to enhanced government transparency and accountability.

6. Recommendations

Based on the findings of this study, the underlisted recommendations are made:

- The audited financial report/statement is a stewardship report showing how citizens money allocated have been spent. As such, the Financial Reporting Council and other government regulatory bodies should endeavor to mandate Ministries to place on their various websites a copy of the audited account of the Ministries and the respective budget annually.

- The websites of Ministries generally must be re-designed to include some vital information such as FAQs and Feedbacks. It is presumed this would give the citizens a sense of belonging and would enhance proper accountability and transparency as persons would be encouraged to visit the various websites with the knowledge of having all their questions answered.

- Various platforms such as round-table discussions, conferences and workshops should be put in place to encourage citizens' participation in government activities.

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