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A COMPARATIVE STUDY OF PUBLIC SECTOR ACCOUNTING AND FINANCIAL PROCEDURES IN CAMEROON AND NIGERIA

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ABSTRACT

This work seeks to compare public sector accounting and financial procedures in Cameroon and Nigeria in order to establish the reasons for their degenerated states, to explore how these situations can be reversed and how good accounting procedures can be sustained and new ones implemented in these two countries. In so doing, the strengths of the two systems are examined and the way to harness them for their mutual benefits is stated. Also reasons for the apparent 'incompatibility' of the different systems to the various governments brought out. Public sector in this case is limited to central government accounting and financial activities thereby leaving out regional or state governments and local government entities. It also leaves out public enterprises or public corporations and parastatals, since these entities are better off applying private sector approaches to their accounting and financial systems. The research is conducted through a case-study, cross-sectional and cross-national design with three data collection methods: documentary research and surveys by questionnaires and interviews. The theory of optimizing, maximizing and minimizing is the basis of understanding analyses in this study. These are backed by the understandings in the systems theory as shown by models. Statistical Package for Social Sciences is used to conduct factor analysis and reliability tests, after which a Pearson correlation is conducted to determine coefficients of relationships. Factors assessed in the study concern quality of accounting and financial activities, regularity of use of accounting and financial data in key activities of government, adequacy of accounting and financial system, organizational commitment, role ambiguity, process and reform participation and organizational performance. With a primary linkage between participation and performance, all other variables were only influencing factors. Organisational commitment and participation led the park for Nigeria in terms of influence while importance and performance, as well as participation led the park for Cameroon. The study found that accounting and financial systems in Cameroon and Nigeria are very weak despite the reform initiatives undertaken in the area. It also found that the main difference between the two systems relates to the relatively higher level of accounting and financial activity and information available to the public in Nigeria compared with Cameroon. This was directly tied to the level of autonomy available to each system – less in Cameroon and more in Nigeria. The findings also suggested that there is a relatively strong causal relationship between accounting, finance and governance. It found that the approaches to reforming government accounting and finance as well as governance in these countries, suffer from a lack of contextual and cultural fit. But there are various strong internal and external political and economic forces and interests that shape and most often stunt accounting and financial development and growth of good governance in Cameroon and Nigeria. It is recommended among others that: policy makers at the top echelon of the two systems should take political ownership of the reforms, as well as mass-develop technical capacity to reduce or eliminate inadequacies in their systems and to sustain organizational commitments and therefore, high standards. A timeless new model is recommended by which to build a qualitative and dynamic public sector accounting and financial system. It is expected that this will drastically reduce or eliminate gaming within the systems. Though a top-down approach is abhorred, a mitigated top-down approach should bring both benefits to Cameroon government to help it begin IPSAS implementation.

Key Words: Public Sector, Generational Fairness, Performance, Participation, Accrual System