GOOD GOVERNANCE IN PUBLIC SECTOR: PANACEA TO RAPID SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA

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Abstract

For any meaningful development to be achieved by a nation, there is the need for visionary leadership and strong instituted principles. Unfortunately, governance in Africa and Nigeria in particular has been found wanting due to lack of good-will, corruption and lack of vision. Nigeria, which is generally acknowledged as the largest economy in Africa is still regarded as the poverty capital of the world. The Public/civil service which accounts which accounts for about N7.3 Trillion (recurrent expenditure) of the budget, is the machinery of government to implement its policies and execute its project, hence this study seeks to evaluate their conformity to the framework of the principles of good governance as prescribed by IFAC. Based on this framework, this study analyses what norm should be, what we are currently experiencing and recommendation towards achieving these principles. The work will be of enormous use to the federal government and its MDAs towards implementing best practices of governance.

Keywords: Public Service, Good Governance, Accountability, Principles

Introduction

Good governance manifesting in areas of sustainable benefits to the environment, economy and the society among others are prerequisite for socio-economic development. There are no doubts that bankruptcy of good leadership has a crippling effect on development, and that has plagued our Nation, Nigeria since independence.

There seems to exist a strong relationship between effective governance practice and economic development. Hence, the success or failure of any nation’s development is a direct consequence of the pattern of governance offered by the successive leaders of that nation.

In line with the World Bank Policy Research, there are about six broad dimensions of governance (Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption) that must be strictly adapted to ensure good governance (Daniel Kaufmann et al., 2010).
Although the democratic system of government or leadership agrees with these indicators for effective governance, but Nigeria’s case is encapsulated in anomaly. This is also expressed and captured by Adegbami and Adepoju (2017). According to them

“the governance method adopted by the Nigeria’s political leaders negates all known prescriptions of good governance. A critical view of system of governance in Nigeria revealed an aberration of global acceptable governance norms. Hence, governance system in Nigeria is a complete departure from governance indicators”.

It is pertinent to note that the Nigerian public sector includes all government corporations, commissions and institutions, the thirty-six (36) states of the government including the Federal Capital Territory (FCT), about seven hundred and seventy-four local government councils and the federal government at large (Omolehinwa and Naiyeju, 2012).

According to International Federation of Accountants (IFAC, 2014), ensuring that public sector stakeholders achieve their intended outcomes while acting in the public interest at all times is a direct expression of good governance.

Integrity

The expectations from ordinary citizens, business leaders and Civil Society has always been that the Government are to ensure the standards for integrity are adopted and implemented effectively within the Civil Service, agencies of government (Ministries and parastatals), and Government itself (Whitton, 2001). Integrity in leadership and public administration can be referred to “honesty” or “trustworthiness” in the discharge of official duties. It is Suffices to say that, Public administration requires public trust that serves as a keystone for good governance (Huberts, 2018). Citizens expect public servants to put the interest of the public first and manage public resources appropriately. This helps to inspires public interest and also creates conducive avenue for businesses and socio-economic growth. In the mid-1990s, the international community developed some set of regional and international standards for governance with the aim to prohibit misbehaviour and bribery amongst public officials. These standards were introduced in conventions such as the Organization of American States (OAS) Inter-American Convention against Corruption (1996), Organization for Economic Cooperation and Development (OECD) Convention against Bribery (1997), Council of Europe’s Criminal and Civil Conventions (1999), African Union Convention on Preventing and Combating Corruption (2003) and the UN Convention against Corruption 2003 (Armstrong, 2005).

Countries like Australia, New Zealand, Canada, United Kingdom, Korea, Hong Kong, Singapore and Yemen have been able to adopt and institutionalized some these standards in building their ethical conduct and integrity. In Yemen for instance, to uphold integrity, it’s expected that “public servants must neither solicit nor accept anything from their fellow citizens to perform their duties, hence creating a climate of confidence in themselves and the entire public service (Armstrong, 2005). More countries in Asia and Pacific region are characterized with a range of institutional development in safeguarding integrity and accountability in their administrations. These countries have highly developed and effective anti-corruption institutions that serve as a model for other countries (Ojeifo, 2017). More so, in some advanced and formal democratic leadership, elected officials and public servants have also demonstrated and maintained some level of trustworthiness in their citizens by walking the talk and discharging their expected duties appropriately.
However, over the years in Nigeria elected officials and public servants always paint pictures of what and how they intend to transform the society if voted or appointed into power. Unfortunately, when they end up in public office, they do not walk the talk rather they give reasons and make excuses of why it was impossible for them to do the things they had promised to do. Thus, lack of integrity has turned out to be one of the biggest problems bedevilling the governance system in Nigeria, reason being that a vast majority of our public office holders have failed the critical integrity test (Ojeifo, 2017). The public service rules which serve as a set of laws guiding the conduct of public servants holding public offices in Nigeria are sometimes used to checkmate the activities in public offices, but more strategies should also be considered as adopted by Howard (2011) for effective governance and economic growth.

Some recommended to improve integrity in public service include: Creation and implementation of effective laws that may require civil servants to give reasons for their official decisions, (for instance: a Freedom of Information law); Adopting an effective management approaches to encourage public officials and civil servants to deal positively with corruption and unethical practice; Creating feedback mechanism where an individual can report any form of misbehaviour from public office holder; Creating ‘whistleblower’ protection law to protect appropriate ‘public interest disclosures’ of wrongdoing by officials and Consistency in auditing existence ethics to identify risks to the integrity of the most important processes (for example financial management, tendering, recruitment and promotion, dismissal and discipline).

Openness and inclusion of Stakeholders Engagement

Stakeholders’ engagement is crucial in ensuring that regulations are designed and implemented in the public interest. The term “stakeholders” in this literature includes citizens, business, public/civil servants, civil society organisation and Political office holders. The inclusion of all the aforementioned stakeholders in policy making process is one of the dimensions of Open Government and inclusion as elaborated by the OECD (2011) reviewed paper.

More emphasis was made on OECD Guiding Principles for Open and Inclusive Policy that all stakeholders should have equal opportunities and multiple channels to access information, as well as consultation. In getting it right through open and inclusive governance in Nigeria, two main ideas must be strongly considering in the governing system. Openness (responsiveness) and inclusion. Openness here has to do with providing citizens with information and making the policy process accessible, comprehensible and responsive. While Inclusion on the other hand means, strongly including a wide variety of citizens’ voices in the policy making process (OECD, 2009). In other words, communication and consultation methods should be balanced and fair, thus allowing stakeholders to express their views freely and make informed decisions based on unbiased information.

Defining outcomes

The task of the government to deliver public service today is becoming a bit complex due to certain economic and technological challenges. This invariably has put the government under serious public scrutiny and fiscal pressure to deliver better outcomes to her citizens. And this will avail the government the opportunities of thinking “outside the box” to develop some strategies that when adopted could better the lot of their citizens.
In defining outcomes, certain principles have to be fully understood and strictly followed; and these revolves around the roles and functions of public sector entities, the nature of their funding and their impact on society. The public sector in this context refers to as the federal government, the state government, local governments and government organizations (Omolehinwa and Naiyeju, 2012).

These entities are established to provide services that enhance or maintain the wellbeing of the public, provide services that would generally not be provided by the private sector at the quantity, quality and price considered appropriate by public policy and also provide public services and goods as determined through the political process in an effective and efficient manner (Conceptual Framework Task Force, 2011).

In line with international best practice, there is need for the public service in Nigeria to constantly evaluate the necessity and capacity to undertake activities to provide goods and services that are cost effective, of desirable quantity, quality and ensure positive outcomes of key programs. These assessments of performance are vital for accountability as well as decision-making purposes (IPSASB, 2010).

To ensure the sustainability of the economic, social and environmental benefits of the public service, it is important to measure public spending outputs and also ensure that responsibilities are delivered on a sustainable basis (Teresa C. et al., 2017). Cities, towns, and even villages that make up the federal, state and local governments should also strive to make decisions on the levels of income generated within (taxes, fees, etc) and public expenditure, levels of performance with regards to service delivery or the maintenance of infrastructure and how to manage and account for their assets and liabilities, including public debt (World Bank Group, 2016).

**Government Budget (Appropriation Act)**

Due to the customer-centric nature of our economy today coupled with various technological innovations, the expectations of the citizens regarding what the government should deliver are now on the increase. The people’s demands are becoming quite enormous that meeting them to ensure citizen’s satisfaction is now a challenge; resulting to certain debts that may not be sustainable in the long run. Hence, the governments are troubled by burdens and dwindling budgets (Diana Farrell and Andrew Goodman, 2013).

Budget by definition, is a future plan of action printed on paper on the basis of projected revenue. The government sector for example views budget as the principal means of securing accountability and control over the use of public funds (Bello A., 2014). Usually, government budgets is made up of two components namely; annual estimates of capital and recurrent expenditures in addition with government revenue since the government is expected to restrict its financial sourcing and spending on the plan contained in the budget. With regard to Nigeria’s budgets over the years, there is a sharp distinction as expected, between budgeting under military regimes and budgeting under democratic/civilian administration. Whereas the former was improvised and filled with unpredictability, the latter is often subjected to scrutiny at various stages by the executive and legislative arms of government before the budget is finally approved (GIFMIS, 2012).

**Determining the interventions necessary to optimize the achievement of the intended outcomes**

Having extensively discussed the definition of outcomes in the public service, it is pertinent to note that the right mix of interventions is a critical strategic decision that governing bodies of public sector entities have to make to ensure they achieve a sustainable intended outcomes (Vincent, 2015).
There is need for public sector entities (federal, state and local government) to actively initiate healthy decision-making mechanisms. This would certainly ensure the achievement of defined outcomes. In addition, the entities would need to review certain decisions made either quarterly or twice a year but on a continuous basis to ensure reasonable and effective optimization of achieved outcomes.

In determining interventions, certain factors are of utmost importance which includes Planning the interventions and Optimizing achievement of intended outcomes.

Public sector entities in Nigeria have got to brace up to their responsibilities. Committees should be set up with the set and relevant objectives and the mandate to analyse a variety of options including the projected risks and intended results of various departments and offices. The evaluation of this analysis should clarify how the proposed intervention would contribute to the achievement of organizational outcomes, considering legal and financial matters, governance procedures and capabilities (Juiz and Pous, 2013).

The issue of service quality delivered, the budgets and project plans should be seriously considered important to ensure that intended outcomes are achieved while making the best overall use of available resources. Policy considerations, available expertise and cost should also be given serious attention. Therefore, public sector entities should have an adequate, all-inclusive budgeting process, taking into account the full cost of their operations in the medium and longer term (Carlos et al., 2014).

Capacity Building

Human capital is the most vital organizational resource, required to utilize other resources to achieve organizational goals. Without well trained personnel, government may be unproductive and unable to plan and execute their plans and strategies (UNDP, 2008). Capacity building and training is essential for any organization to keep abreast with prevailing industry information as well as update employee skills in line with ever dynamic technology. Studies revealed that improvement in performance of employee is influenced by the training method and tools (Enga, 2017).

The public service personnel have been associated with inefficiency (Okeke-Uzodike and Mogie, 2015), this has also by extension affected the performances of these Ministries and Agencies. There are various Federal government policies mandating ministries and MDAs to train their personnel, for example Nigerian Government encourages ministries and parastatals to commit 20 percent of their personnel funds on training and development (Olu and John, 2005). The public service rule also prescribes that a personnel can be allowed to go for along study programme and still receive pay while studying and not working (PSR, 2009), amongst other polices. However, like other beautifully crafted policies, they are usually not adequately implemented. Despite the fact that decision makers are aware of the need to train personnel to improve productivity, it has suffered neglect (Olu and John, 2005), majorly due to such due to inadequate funds. The problem is further compounded in some quarters of public service, where it is erroneously assumed that staff employed already have the skills and do not need to be trained (Olu and John 2005). Lack of training has adversely affected the efficiency of civil servants leading to poor service delivery (RAHIM et al., 2017).

In order to move forward, it is advisable government prioritizes training and development. Federal government also needs to train personnel on understanding job/task specific requirements; organizational mandates and objectives. There is also the need to train public servants on understand the sector or industry they operate. In addition, based on the OECD framework on the core values needed by public servants (OECD, 2016), training and capacity building of Nigerian Civil Servant should emphasis:

I improving the policy design and implementation skills. Training and capacity building should be able to equip civil servants to formulate policy that are centred around problem solving.
II Service and project contracting. Training and capacity building should help develop civil servant’s skills in contracting and subcontracting services and projects to a third party. This includes trainings that expose them to the legal and commercial components of contracting.

III Networking and Team-playing: Training and capacity building should teach public servants on working effectively as a team within and outside the organization. In an era that informs increased needs for networking, there is need for public servants to possess skills and knowledge of partnership with other agencies, private organizations (PPP) and international and non-profit organizations.

IV Interaction with citizens and end-users: training and capacity building should include ways of interacting with the citizens and end users to understand the problem, create interventions and also get feedback on the outcome and impacts of the programmes and interventions.

Risk, Performance and Financial Management

“Effective risk management supports good governance as it assists in determining priorities and setting objectives, in analyzing uncertainties within decision-making arrangements, in clarifying accountabilities and in demonstrating how the public interest is best served” (DPER, 2016).

Risk could be regarded as the possibility of negative event occurring that may lead to financial or other loss (Isa 2014). Risk management involves managing these risk in the process of achieving organizational goals. The main essence of risk management is to strike a balance between opportunity and associated risk, however it is inadequately implemented in public service in Nigeria (Roland and Cyril, 2019). Risk management in governance and project execution is necessary to ensure survival of public organizations. (Farayib, 2015). This emphasis the need for public servants to consider and manage the risk involved in carrying out a project or making an investment, particularly in the face of limited resources and hostile economic climate. An uncalculated risk may not only lead to uncompleted projects but also to loss of revenue.

There is need for effective financial management, which is aligned with implementing calculated risk. Unfortunately, Africa (Nigeria in particular) is known for mismanagement of public finance. Africa losses about $60 billion to illicit transaction, out of which Nigeria accounts for $40.9 billion (Eme and Chukwurah, 2015). Financial management involves optimal utilization and control of government funds. One of the tools Nigerian Government has used to ensure financial management in the public sector is the treasury Single Account (TSA). The concept of TSA is to have a single account which all government agencies use to curb excesses by individual agencies. Agencies are not permitted to operate fragmented accounts with commercial banks (Philip, 2016). This has helped the Federal government manage the financial operations of its Ministries and Agencies. The TSA has also made it possible for Federal government to ascertain the financial position at any time which was hitherto not possible (Akujuru and Enyioko, 2017).

It is however recommended that government should tackle the challenges towards full implementation of TSA, as well as appoint agency and Ministry Heads with good career background and a clean corruption free record. Full and regular auditing of public sector funds will also enhance effective financial management.

Transparency

Transparency in operations and finances is essential to retain public trust. More so, it is seen as an essential ingredient for transparency(Thankgod,2015). There has been little to no transparency in government business operations, particularly in the oil sector. Nigerian National Petroleum Corporation has been reported to be non-transparent with the $7 billion it reserves (NRGI,2015).This non-transparency and accountability has not been limited only to NNPC , government agencies and ministries in general, which are responsible for managing the resources of the country have not been accountable for these resources (Ehiyamen and Faniran , 2013).It was reported that most economic crimes in government agencies and ministries are perpetuated more by insiders, this is evidenced in the PWC report that claims 57% of insiders and 37% of outsiders are responsible for these crimes(Ifeanyi and Okegbie, 2016)
Internal audit is the machinery set to ensure funds are used appropriately and not diverted, even though such machinery exist in the public sector, the procedures and inherent punishment of violations are not duly adhered to (Udeh and Eugene, 2016). Nigerians in general are becoming intolerant of this high level corruption in the public sector and are more willing to have collective action against corruption. Data collected by USIP, 2018 shows that more people are willing to fight corruption by collective action. Find below the data as presented in a chart.

![Chart showing percentage of people willing to report or refuse, do not report, and take collective action.](chart.png)

It is recommended that laid down processes and procedures of public sector should ensure transparency and feedback mechanisms. There is also the need for independence of auditors, who cannot be intimidated or manipulated into certifying or approving fraudulent operations or transactions.
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