Global Journal of Finance and Business Review | *ISSN 1694-450X*
Published by AIR JOURNALS | *https://airjournal.org/gjfbr*
16/18 Avenue des Longaniers, Quatre Bornes, Mauritius
airjournals@gmail.com; enquiry@airjournal.org

RESEARCH ARTICLE

The Role of Financial Transparency in Improving Public Trust and Accountability in Government Entities

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Citations - APA

Eze, R. C. & Ojeh, N. O. (2023). The Role of Financial Transparency in Improving Public Trust and Accountability in Government Entities. *Global Journal of Finance and Business Review, 6(4), 20-32. DOI:* https://doi.org/10.5281/zenodo.10215915

ABSTRACT

This study employed a descriptive correlational research design to investigate the factors influencing financial transparency, public trust, and accountability in government entities. Simple random sampling was adopted as the sampling technique, ensuring an equal chance for each case in the population to be included. The population of the study consisted of 498 staff members from selected government entities in Enugu State, Nigeria. The sample size was determined using the Yamane Sample size determination approach, resulting in a sample of 222 participants. A well-designed questionnaire was distributed among the selected employees, and the data collection period lasted one week. Out of the 222 distributed questionnaires, 37 were rejected due to errors or incomplete information, resulting in 185 accepted responses. The questionnaire included variables such as the presence of facilitating factors (organizational culture, legal and regulatory frameworks, technological infrastructure, and capacity building initiatives), level of financial transparency, public trust, and accountability. Participants rated these variables on a four-point Likert scale. The collected data was analyzed using Spearman's correlation and simple linear regression analysis. Statistical Package for the Social Science (SPSS version 28.0) was utilized for the analysis. Spearman's correlation was used to examine the relationship between the presence of facilitating factors and the level of financial transparency. Simple linear regression analysis was employed to investigate the relationship between financial transparency and public trust. The findings of this study contribute to our understanding of the factors that influence financial transparency, public trust, and accountability in government entities. The results provide valuable insights for policymakers and stakeholders aiming to enhance transparency and rebuild public trust in the public sector.

Keywords: *Financial Transparency; Improving Public Trust; Enugu State; Government Entities; Accountability*

Introduction

The role of financial transparency in improving public trust and accountability in government entities is a topic of significant importance in the field of public administration and governance. Transparency in financial reporting is vital for ensuring the proper management of public funds, promoting accountability, and fostering public trust in government entities (Guay, 2016).

Government entities are entrusted with the responsibility of managing public resources efficiently and effectively to meet the needs of their citizens (Albassam, 2020). However, without adequate financial transparency, it becomes challenging to assess whether public funds are being utilized in a responsible and accountable manner.

Financial transparency refers to the extent to which financial information, including revenues, expenditures, and assets, is disclosed and made accessible to the public (Johann Seiwald, 2022). It encompasses the availability of comprehensive and accurate financial reports, adherence to accounting standards, and the timely disclosure of financial information.

Improving public trust and accountability in government entities is crucial for maintaining a healthy democratic system and ensuring the efficient functioning of public administration (Fard & Rostamy, 2007). When citizens trust that their government is managing public funds responsibly and being held accountable for their actions, it strengthens their confidence in the government's ability to deliver public services effectively.

Financial transparency plays a central role in enhancing public trust and accountability by providing citizens with the information they need to assess the financial performance of government entities (Amalia, 2023). Transparent financial reporting allows citizens to monitor how public funds are allocated, spent, and accounted for. It enables them to hold government officials and entities accountable for their financial decisions and actions.

Moreover, financial transparency also facilitates external scrutiny and oversight by regulatory bodies, auditors, and civil society organizations. It enables them to assess the compliance of government entities with financial regulations, identify potential fraud or mismanagement, and advocate for improved financial governance.

The importance of financial transparency in improving public trust and accountability has been recognized globally. International organizations such as the International Monetary Fund (IMF), World Bank, and International Federation of Accountants (IFAC) have emphasized the need for governments to adopt transparent financial reporting practices to enhance governance and accountability (IMF, 2023; World Bank, 2015; IFAC, 2023).

However, despite the recognition of the importance of financial transparency, challenges and barriers often hinder its effective implementation. These challenges may include the lack of technical expertise, inadequate financial reporting systems, limited capacity for data collection and analysis, and resistance from government officials.

Therefore, it is crucial to conduct research on the role of financial transparency in improving public trust and accountability in government entities. By understanding the factors that hinder or facilitate financial transparency and its impact on public trust and accountability, policymakers, practitioners, and researchers can develop strategies and interventions to promote greater transparency and accountability in the public sector. This research will contribute to the broader goal of strengthening democratic governance and ensuring the responsible use of public funds for the betterment of society.

Statement of Problem

The lack of financial transparency in government entities poses a significant challenge to public trust and accountability (Farazmand et al., 2022; Xiao & Wang, 2023). Despite the recognized importance of transparent financial reporting, there is a need to investigate the specific factors that hinder or facilitate financial transparency in government entities and understand its impact on public trust and accountability (Hudson et al., 2019).

The problem lies in the limited understanding of how financial transparency practices are implemented in government entities and the extent to which they contribute to building public trust and ensuring accountability.

Additionally, the barriers and challenges that hinder the effective implementation of financial transparency measures in government entities need to be identified and addressed.

Furthermore, there is a need to explore the potential consequences of inadequate financial transparency on public trust and accountability. Understanding the negative implications of lacking financial transparency can help policymakers, practitioners, and researchers develop strategies and interventions to improve transparency practices and enhance public trust in government entities.

Therefore, the research aims to address the following questions:

1. What are the main factors that hinder or facilitate financial transparency in government entities?
2. How does financial transparency impact public trust in government entities?
3. What are the consequences of inadequate financial transparency on accountability in government entities?
4. What strategies can be implemented to enhance financial transparency and promote public trust and accountability in government entities?

By addressing these questions, this research seeks to contribute to the existing body of knowledge on the role of financial transparency in improving public trust and accountability in government entities. The findings will provide valuable insights for policymakers, practitioners, and researchers in developing effective measures and policies to enhance financial transparency and strengthen public trust and accountability.

Research Objectives

Based on the statement of problem, here are two research objectives for the study:

1. To identify and analyze the factors that hinder or facilitate financial transparency in government entities, including the role of organizational culture, legal and regulatory frameworks, technological infrastructure, and capacity building initiatives.

2. To investigate the impact of financial transparency on public trust and accountability in government entities, examining the relationship between transparent financial reporting practices and citizens' perceptions of government integrity, effectiveness, and responsiveness.

Research Hypotheses

1. Null Hypothesis 1: There is no significant relationship between the presence of facilitating factors (such as strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, and effective capacity building initiatives) and the level of financial transparency in government entities.
2. Null Hypothesis 2: There is no significant relationship between financial transparency in government entities and public trust and accountability, suggesting that the level of financial transparency does not impact public trust in government entities and the accountability of government officials.

Literature Review

Conceptual Framework

A conceptual review for the study on "The Role of Financial Transparency in Improving Public Trust and Accountability in Government Entities" would involve examining key concepts and theories related to financial transparency, public trust, and accountability in the context of government entities.

Financial Transparency

Financial transparency refers to the extent to which government entities disclose and provide access to their financial information to the public (UNDP, 2013). It involves the clear and comprehensive reporting of financial transactions, budgets, and expenditures. Financial transparency allows stakeholders, including citizens, to understand how public funds are managed and allocated, promoting openness and accountability in government entities.

Public Trust

Public trust refers to the confidence and belief that citizens have in government entities and their actions. It is a critical component of effective governance and citizen engagement (Mansoor, 2021). Trust is built when government entities demonstrate transparency, accountability, and ethical behavior. Public trust is crucial for maintaining social cohesion, fostering cooperation, and ensuring the legitimacy of government actions and decisions.

Accountability

Accountability refers to the obligation of government entities to answer for their actions, decisions, and use of resources (Khotami, 2017). It involves being answerable to stakeholders, including citizens, for the outcomes and impacts of government activities. Financial transparency plays a significant role in fostering accountability by providing stakeholders with the information necessary to evaluate the performance and integrity of government entities.

Agency Theory

Agency theory suggests that financial transparency can address the agency problems that may arise in government entities (Panda & Leepsa, 2017). In these organizations, there is a principal-agent relationship, where the government officials act as agents and are entrusted with the responsibility of managing public funds. However, there is a potential conflict of interest, as agents may prioritize their own interests over the interests of the principal, which is the general public.

Facilitating factors such as strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, and effective capacity building initiatives can promote financial transparency. When these factors are present, they create an environment that aligns the interests of government officials with those of the public. Transparent financial reporting enables accountability and scrutiny, reducing the likelihood of opportunistic behavior by officials.

Institutional Theory

According to David et al. (2019) on institutional theory, organizations, including government entities, conform to established norms and practices to gain legitimacy and social acceptance. Financial transparency has become a norm and an expectation in the public sector. Government entities that adopt transparent financial reporting practices enhance their legitimacy and public trust. By adhering to the norm of financial transparency, government entities demonstrate their commitment to accountability and responsible financial management. This, in turn, enhances their reputation and legitimacy in the eyes of the public. Conversely, organizations that do not conform to these norms may face reputational risks and a loss of public trust.

Social Exchange Theory

Social exchange theory emphasizes the role of trust in social relationships. In the context of government entities, financial transparency acts as a mechanism for building trust between the government and citizens (Ahmad et al., 2023). When government entities are transparent in their financial reporting, citizens have access to information that allows them to evaluate the actions and decisions of government officials. When government entities are perceived as transparent and accountable, citizens are more likely to trust them. This trust leads to positive social exchanges, such as citizens willingly paying taxes and participating in public decision-making processes. Financial transparency provides citizens with the confidence that their tax dollars are being used responsibly and that government officials are being held accountable for their actions.

Stakeholder Theory

Stakeholder theory emphasizes the importance of considering the interests of various stakeholders in organizational decision-making (Bridoux & Stoelhorst, 2022). In the context of government entities, financial transparency allows stakeholders, including citizens, to assess how their interests are being served. By providing stakeholders with access to financial information, government entities demonstrate their commitment to stakeholder engagement and accountability. This transparency enables stakeholders to hold government officials accountable for their actions and decisions. When stakeholders perceive that their interests are being considered and that the government is being transparent and accountable, it enhances public trust and the perception of organizational legitimacy.

These theoretical perspectives provide a deeper understanding of the relationship between financial transparency, public trust, and accountability in government entities. By examining the presence of facilitating factors and the impact of financial transparency, this study contributes to the theoretical understanding of these concepts and informs practical interventions to enhance transparency and accountability in the public sector.

Empirical Review

Bolívar et al. (2015)'s study focused on the role of governmental financial transparency in addressing the then-present crisis of public finances. The study examined the implementation of international financial reporting standards (IFRS) and their impact on governmental transparency and accountability through the introduction of fair value accounting (FVA) models. The research was based on an international empirical study conducted in collaboration with the Supreme Audit Institutions (SAIs) of 29 countries. The study began by highlighting the importance of financial transparency in addressing the challenges faced by public finances. It asserted that governmental financial transparency was a crucial element in the implementation of policies aimed at overcoming the then-present crisis. To enhance transparency and accountability, many countries had adopted international financial reporting standards, which included the implementation of fair value accounting models. The research methodology involved an international empirical study conducted in collaboration with the SAIs of 29 countries. The study explored the political decisions associated with the introduction of fair value accounting to improve governmental financial transparency. It examined the actions required in three key areas of government public policy: regulatory reform, skills training for public-sector staff, and internationalization. The findings of the study indicated that the application of fair value accounting in governmental financial reporting required action in the aforementioned areas. Regulatory reform was found to be crucial in aligning national regulations with international financial reporting standards, ensuring consistency and comparability across countries, and enhancing transparency and accountability. Skills training for public-sector staff was deemed essential in equipping them with the necessary knowledge and expertise to apply fair value accounting effectively. Lastly, internationalization was found to play a role in harmonizing financial reporting practices across borders, facilitating transparency in global governmental financial reporting. These findings emphasized the multifaceted nature of improving governmental financial transparency through fair value accounting. They highlighted the need for regulatory reforms, skills development, and international cooperation to successfully implement this accounting model. The study provided valuable insights for policymakers and stakeholders involved in enhancing governmental financial transparency and addressing the crisis of public finances. This study underscored the importance of governmental financial transparency in addressing the then-present challenges faced by public finances. The study demonstrated the significance of fair value accounting in improving transparency and accountability. It highlighted the political decisions required in regulatory reform, skills training, and internationalization to effectively implement fair value accounting and enhance governmental financial transparency.

Pratolo et al. (2022), in another study conducted in the Yogyakarta Special Region Province, Indonesia, examined the relationship between accountability and transparency during the COVID-19 pandemic and its impact on public trust in village governments. The researchers also investigated the role of the quality of COVID-19 handling services as an intervening variable. The data were collected through survey questionnaires distributed to 116 village governments. The study involved two groups of respondents: village officials, who measured accountability and transparency practices, and members of the Village Representative Council, who assessed the quality of COVID-19 handling services and public trust. To test the hypotheses, the researchers utilized Partial Least Square (PLS) analysis. The results indicated that accountability for managing the COVID-19 response budget had an indirect positive relationship with public trust, mediated by the quality of COVID-19 handling services. However, the direct relationship between accountability and trust was negatively significant. Surprisingly, transparency in the management of the COVID-19 response budget did not show any significant association with public trust, either directly or indirectly. These findings suggest that while accountability for the COVID-19 response budget indirectly contributes to public trust through the quality of handling services, the direct relationship between accountability and trust is negative. This implies that other factors, beyond accountability alone, may influence public trust in village governments during the pandemic. Additionally, the study highlights that transparency in budget management did not significantly impact public trust. This suggests the need for further examination of the factors that drive public trust during crisis situations. This study sheds light on the complex relationship between accountability, transparency, and public trust in village governments during the COVID-19 pandemic. The findings indicate that accountability for the COVID-19 response budget indirectly influences public trust through the quality of handling services. However, the direct relationship between accountability and trust is negative. The absence of a significant relationship between transparency in budget management and public trust suggests the need for further investigation into the drivers of trust during crisis situations.

Kochel & Skogan (2021) delved into the recommendation put forth by the President's Task Force on 21st Century Policing, which emphasized the importance of creating a culture of transparency and accountability within the police force to promote trust and legitimacy. The research was based on a panel survey conducted among 841 residents of Chicago. Interestingly, the survey was interrupted between waves by a significant local policing event that was known to virtually every participant. The subsequent period of reinterviewing encompassed this event, its political consequences, and the subsequent efforts to hold the Chicago Police accountable and increase transparency. They aimed to examine whether these events and reform efforts had any impact on African Americans' assessments of police legitimacy and trust compared to other respondents. The findings revealed notable shifts in public perceptions. Among Black residents, trust in the Chicago Police improved by 21%, and trust in neighborhood police increased by 30%. Conversely, the views of White respondents became more negative, with assessments of the Chicago Police declining by 62% and evaluations of neighborhood police dropping by 39%. These results suggest that the significant local policing event and subsequent reform efforts had a distinct impact on public perceptions of trust and legitimacy. African Americans exhibited increased trust in both the Chicago Police and neighborhood police, indicating a potential improvement in their assessments of the police force. Conversely, White respondents displayed a decline in trust, indicating a more negative outlook on both the Chicago Police and neighborhood police. This study provides valuable insights into the impact of a momentous local policing event, accountability efforts, and transparency reforms on public perceptions of trust and legitimacy in the Chicago Police. The findings highlight the divergent responses among African Americans and White respondents, with the former showing increased trust and the latter displaying a decline in trust. This research underscores the importance of transparency, accountability, and ongoing reform efforts in shaping public trust in law enforcement agencies.

Grimmelikhuijsen et al. (2020)'s study focused on investigating the relationship between transparency, public trust, and government accountability in the context of the United States. The study utilizes survey experiments to examine the impact of "latent transparency" on public trust in government agencies. Latent transparency refers to the mere potential for open access to government information, regardless of the specific content of that information. The study begins by acknowledging the popular belief that transparency enhances public trust in government. However, it also acknowledges that experimental studies have produced mixed results in this regard. The authors propose that the mixed findings may be attributed to the distinction between latent transparency and actual exposure to government information. To test their hypothesis, the researchers designed two survey experiments. In the first experiment, participants were provided with general information about the Freedom of Information Act (FOIA), which grants citizens the right to access government information. In the second experiment, participants were informed about the existence of open government data, indicating the availability of government information for public access. Contrary to their expectations, the findings of the experiments revealed that awareness of FOIA rights and open government data (latent transparency) was either unrelated or slightly negatively related to trust in government agencies, as compared to the control group. These results challenge the widely held belief that transparency in itself leads to increased public trust. The authors highlight the need for a more critical examination of the relationship between transparency and public trust. They suggest that while the potential for transparency may be valued by citizens, the actual content of government information may lead to more negative reactions. These findings contribute to the existing body of evidence and call for a reevaluation of the theory and practice of transparency in government. This presents compelling evidence that challenges the assumption that transparency automatically enhances public trust in government. The study highlights the importance of considering the distinction between latent transparency and the content of government information. The implications of these findings for the theory and practice of transparency are discussed, emphasizing the need for further exploration and critical analysis in this field.

Knowledge Gap

To achieve a comprehensive understanding of the factors that hinder or facilitate financial transparency in government entities and their impact on public trust and accountability, further examination of the specific factors that drive public trust in village governments during crisis situations is needed. This includes exploring factors such as the perceived effectiveness of communication strategies, the role of community engagement, and the impact of political and social dynamics on public trust.

Additionally, it is crucial to broaden the scope of research beyond the study conducted by Pratolo et al. (2022), which focused on the COVID-19 pandemic in the Yogyakarta Special Region Province, Indonesia. Conducting similar studies in different geographical locations and cultural contexts would allow for the identification of common patterns or specific contextual factors that influence public trust in village governments during crises.

Moreover, investigating the long-term effects of accountability and transparency on public trust is essential. While the study by Pratolo et al. (2022) examined the immediate impact during the pandemic, understanding the sustainability of trust-building efforts and the role of accountability and transparency in rebuilding trust post-crisis would provide valuable insights.

By addressing this knowledge gap, researchers can gain a deeper understanding of the factors that influence financial transparency, public trust, and accountability in government entities. This knowledge is vital for policymakers and stakeholders to develop effective strategies that enhance transparency, strengthen public trust, and promote accountability in village governments and other government entities.

Research Methodology

The study employed a descriptive correlational research design a sampling technique known as simple random sampling was adopted for this study; which involves sampling each case in the population with an equal chance of being calculated in the sample (Ghauri and Gronhaug, 2005).

The population of the study is four hundred and ninety-eight (498) staff of some selected government entities in Enugu state. The choice of government entities in Enugu was as a result of proximity to location and to save cost for the researcher. The population of the study consists of employees of these public sectors which includes supervisors, senior and junior staff members etc. (Godwin, 2018). A sample size of 222 was used for the analysis from the population of 498 using the Yamane Sample size determination approach. **The data collection method involved a** well-designed questionnaire was distributed among 222 employees working in some selected public office in Enugu state. Data collection period was one week since 30th Sept 2023 to 6th October, 2023. Out of 222 distributed questionnaires, 37 questionnaires were rejected on account of mistakes and incomplete information and 185 were accepted.

Variables included for the study are presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure and effective capacity building initiatives), level of financial transparency in government entities, public trust and accountability. These variables were rated on four-point Likert scales in a structured format with the verbal statements “strongly agree = 1”, “agree = 2”, “disagree =3” and “strongly agree” the numerals 1 to 4 with response options ranging from strongly agree to strongly disagree.

Statistical Tool

Spearman’s correlation and simple linear regression analysis was used to analyze the result in hypothesis one and two respectively using Statistical Package for the Social Science (SPSS version 28.0).

Table 1: Sample Size of the Study

Questionnaire	*Total*	*Percent*
Distributed	222	100%
Rejected	37	16.67%
Accepted	185	83.33%

Source: Filed Work, 2023

Demographic Profile of Respondents

The below tables show the frequency and percentages used to represent the profile of the respondents of the questionnaire which is represented using Table 2 below.

Table 2: Demographic Profile of the Respondents (n = 185)

Characteristics	*Category*	*Frequency*	*Percent*
Gender	Male	79	42.7%
	Female	106	57.3%
Age	<=24	59	31.9%
	25-34	85	45.9%
	>=35	41	22.2%
Department	Research and statistics	18	9.7%
	Accounting /Audit	52	28.1%
	Personnel management	71	38.5%
	Planning	44	23.8%
Experience	< 2 years	37	20.0%
	2-5 years	96	51.9%
	> 5 years	52	28.1%

Table 3: Reliability of the Instrument

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.821	0.821	21

Table 3 displays the reliability test using the Cronbach's alpha, the result suggest that the items are reliable based on the fact that the reliability test is above the recommended threshold of 0.7.

Hypotheses Testing

Hypothesis One

> *H_0: There is no significant relationship between the presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, effective capacity building) and the level of financial transparency in government entities.*

> *H_1: There is a significant relationship between the presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, effective capacity building) and the level of financial transparency in government entities.*

The relationship between presence of facilitating factors and the level of financial transparency in government entities has been measured by applying simple correlation analysis. For testing the hypothesis one, the proxies for presence of facilitating factors have been carefully defined below.

Correlation of Hypothesis One

Table 4: Correlation Analysis

	SOC	*RLRF*	*ATI*	*ECB*	*FTGF*
SOC	1				
RLRF	-.3811[.000] *	1			
ATI	.0447 [.199] *	.0763 [.000] *	1		
ECB	.5021 [.020]	.0104 [.000] *	.1923 [.302]	1	
FTGF	.4088 [.000] *	.6102 [.000] *	.7751 [.000] *	.0081 [.000] *	1

Implies significant at 5%

SOC = Strong organizational culture; RLRF = Robust legal and regulatory frameworks; ATI = Advanced technological infrastructure; ECB = Effective capacity building; FTGE = Financial transparency in government entities

Table 4 indicates that presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure and effective capacity building) is significant and positively correlated with the financial transparency in the government entities (FTGE) the values of the correlation are .4088, .6102, .7751 and .0081 with (probability value <0.05).

Decision Rule

Since the p-value <0.05, we reject the null hypothesis and conclude that at 5% level of significant, presence of facilitating factors have a significant and positive relationship with financial transparency in the government entities.

Hypothesis Two

H_0: There is no significant effect of the level financial transparency on public trust in government entities and the accountability of government officials.
H_1: There is a significant effect of the level financial transparency on public trust in government entities and the accountability of government officials

The effect of level of financial transparency on public trust in government entities and the accountability of government officials has been measured by applying simple linear regression model. For testing the hypothesis two, the independent variable is level of financial transparency and the dependent variable is the public trust in government entities and accountability of government officials.

Regression Model of Hypothesis 2

The below is the equation for model for hypothesis 2

$$\mathrm{PTGE} = \beta_0 + \beta_1 \mathrm{FTGE} + \varepsilon_i \qquad (1)$$

PTGE = Public trust of government entities.
FTGE = Financial transparency in government entities

Table 5: Regression Coefficient for model 2

Model 1	***Beta***	***Std. Error***	***t-Statistic***	***P-value***
Financial transparency in government entities (FTGE)	0.71145	0.41319	1.72184	0.031
Constant	2.90181	0.11028	26.3131	0.000
Adj R^2	**0.702**			

Source: SPSS Version 28.0

Table 5 shows the values of adjusted R Square, unstandardized beta coefficient, standard error, t value and P value. The value of adjusted R square is 0.702 meaning thereby 70.2% variation in the public trust in government entities

(PTGE) is explained by financial transparency in government entities (FTGT) and the rest of the variation is an unexplained variation in organizational innovation due to variables that has not been considered in this model.

Besides, the value of unstandardized beta coefficient is 0.71145 which means that if financial transparency in government entities (FTGT) increases by one unit, then public trust in government entities will increase by 0.71145 units. This effect is statistically significant as the p-value is =0.031 which is less than 0.05 at 95% confidence interval. Therefore, the null hypothesis is rejected, and it can be said that there is a significant effect of the level financial transparency on public trust in government entities and the accountability of government officials.

Summary of Findings

i. There is a significant effect of the level financial transparency on public trust in government entities and the accountability of government officials
ii. There is a significant relationship between the presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, effective capacity building) and the level of financial transparency in government entities.

Discussion of Findings

The study examined the role of financial transparency in improving public trust and accountability in government entities. Items were formulated for the different variables such as presence of facilitating factors and financial transparency in government entities. The Cronbach's alpha for these selected items was 0.821 as shown in table 3, this result indicates that the items were reliable to measure the variables we have selected. The correlation and simple linear regression result in table 4 and 5 suggest that for hypothesis one, at 5% level of significance the presence of facilitating factors have a significant and positive relationship with financial transparency in the government entities while for hypothesis two, at 5% level of significant the level financial transparency has an effect on public trust in government entities and the accountability of government officials. This result is based on their respective p-value which below the threshold of < 0.05.

The first finding states that there is a significant effect of the level of financial transparency on public trust in government entities and the accountability of government officials. This finding aligns with the empirical review's focus on the relationship between transparency, accountability, and public trust. Pratolo et al. (2022) also acknowledged the importance of transparency in building public trust in village governments. However, it is worth noting that the empirical review highlighted a negative direct relationship between accountability and trust, which may indicate the complexity of these factors in the context of crisis situations.

The second finding emphasizes the significant relationship between the presence of facilitating factors (strong organizational culture, robust legal and regulatory frameworks, advanced technological infrastructure, effective capacity building) and the level of financial transparency in government entities. This finding supports the knowledge gap identified in the empirical review, which called for further exploration of factors beyond accountability and transparency. Understanding the influence of factors such as organizational culture, legal frameworks, technological infrastructure, and capacity building initiatives can contribute to enhancing financial transparency and, consequently, public trust in government entities.

In comparing the empirical review with these findings, we can see that the empirical review provided a foundation by examining the relationship between accountability, transparency, and public trust. However, the findings add depth by highlighting the importance of facilitating factors in promoting financial transparency and the subsequent impact on public trust and accountability in government entities.

To further strengthen the empirical review and align it with the findings, future research can investigate the specific facilitating factors mentioned, such as organizational culture, legal and regulatory frameworks, technological infrastructure, and capacity building initiatives. Additionally, exploring how these factors interact with transparency measures and their impact on public trust and accountability during crisis situations would provide valuable insights for policymakers and stakeholders in enhancing financial transparency and rebuilding trust post-crisis.

The findings on the significant effect of financial transparency on public trust and accountability, as well as the relationship between facilitating factors and financial transparency, support and expand upon the empirical review's focus. By considering these findings, researchers can further advance the understanding of the complex dynamics between transparency, accountability, facilitating factors, and public trust in government entities, contributing to more effective strategies for promoting transparency and accountability in the public sector.

Implication of Findings and Recommendation

The first finding, which highlights the significant effect of financial transparency on public trust and accountability, has several implications. Government entities should prioritize and enhance their financial transparency practices to build and maintain public trust. This can be achieved by adopting transparent financial reporting practices, ensuring clear and accessible communication of financial information, and implementing robust systems for monitoring and auditing financial transactions. By doing so, government officials can foster trust among citizens and demonstrate their commitment to accountability.

Moreover, the second finding, which emphasizes the significant relationship between facilitating factors and financial transparency, has important implications for policymakers and stakeholders. It suggests that efforts to enhance financial transparency should go beyond implementing transparency measures alone. Attention should also be given to strengthening organizational culture, developing robust legal and regulatory frameworks, investing in advanced technological infrastructure, and providing effective capacity building initiatives. These facilitating factors can create an enabling environment that supports and sustains financial transparency in government entities.

Based on these implications, governments should consider the following recommendations:

1. Strengthen legal and regulatory frameworks: Governments should establish and enforce comprehensive legal and regulatory frameworks that promote financial transparency in government entities. This can include laws and regulations that mandate regular financial reporting, disclosure of relevant financial information, and penalties for non-compliance.

2. Foster an organizational culture of transparency and accountability: Government entities should cultivate a culture that values transparency and accountability at all levels. This can be achieved through leadership commitment, training programs on ethical conduct and transparency, and the establishment of internal mechanisms to promote transparency and accountability.

3. Invest in technological infrastructure: Governments should invest in advanced technological infrastructure to support efficient and transparent financial management systems. This can include the adoption of digital platforms for financial reporting, online portals for accessing financial information, and data analytics tools to enhance transparency and improve accountability.

4. Provide capacity building initiatives: Governments should allocate resources to provide training and capacity building initiatives for government officials involved in financial management. This can include training programs on financial reporting standards, budgeting processes, and the effective use of financial management systems. By equipping officials with the necessary skills and knowledge, they can effectively implement transparent financial practices.

In conclusion, the findings have important implications for governments aiming to enhance financial transparency, public trust, and accountability. By prioritizing financial transparency, strengthening facilitating factors, and implementing the recommended strategies, governments can foster a culture of transparency, rebuild public trust, and ensure greater accountability in their financial management practices.

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