

TREASURY SINGLE ACCOUNT AND NON-FINANCIAL PERFORMANCE OF FEDERAL INSTITUTIONS IN OGUN STATE

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Abstract

The Treasury Single Account (TSA) is a central bank-maintained policy that consolidates all government revenues and payments. The goal of TSA is to ensure the accountability of government funds, enhance transparency, and prevent corruption and misuse of public money. This study investigated the effect of treasury single account on non-financial performance of federal institution in Ogun state, with a view to examining the effects on financial autonomy (FA) and accountability and transparency (AT). This study adopted a survey research design. Purposive sampling technique was used to select a sample size of ten (10) federal institution from a population of sixteen (16) federal institutions in Ogun state. Data were obtained from 249 account (or bursary) and audit staff of the selected federal institutions from population of 660 using Taro Yamane and questionnaire. Data were analysed using descriptive Statistics and inferential statistics. The result indicated that treasury single account has positive significant effect on FA ($Adj R^2 = 0.591$, $F-Stat = 121.586$, $P=0.000 < 0.05$), and AT ($Adj R^2 = 0.510$, $F-Stat = 87.566$, $P=0.000 < 0.05$). The study concluded that treasury single account (TSA) has a positive significant effect on non-financial performance of federal institutions in Ogun State. The study recommended that Federal Government should utilize the implementation of TSA to motivate the Management and employees not only focusing on financial parameters but also using non-financial encomiums to enhance their performance.

Keywords: Accountability, Financial Autonomy, Transparency, Treasury Single Account, Non-Financial Performance.

1.0 Introduction

In Nigeria, the Oliver Lyttleton constitutional provisions of 1954 mandated that the central government operate a single account, which was put into practice at the time (Sayedi & Abdulmalik, 2020). The practice of maintaining multiple government accounts began during the Nigerian Civil War in 1967, with many of the accounts linked to the war and post-war activities

under General Yakubu Gowon's administration (Ighosewe & Ofor, 2017). Subsequent governments deliberately ignored the provisions of the 1954 constitution regarding a single account, leading to the enactment of the 1979 Constitution. Sections 80 and 162 of the 1979 Constitution stipulate that all federally generated revenue should be paid into the federation account to ensure transparency and accountability in public finance (Ighosewe & Ofor, 2017).

According to Ashibogwu (2019), The TSA pilot scheme was launched in 2012 under former President Goodluck Jonathan, involving 217 MDAs as a test case. This pilot saved Nigeria approximately N500 billion in unnecessary expenditures. The success of the pilot led to the full implementation of TSA, with directives issued to banks to adopt the necessary technology platform to accommodate the system. In 2015, President Muhammadu Buhari directed that all government revenues be remitted into the TSA, aligning with the pilot scheme and in compliance with the 1999 Constitution (Central Bank of Nigeria, 2015).

Non-financial performance refers to the measurement and evaluation of an organization's performance beyond traditional financial metrics (Khan et al., 2011). In the context of federal institutions in Ogun State, non-financial performance is crucial in assessing their effectiveness in achieving their mandates. Despite the growing body of literature on the TSA, most research has focused on different sectors, with contradictory findings. Studies such as those by Oguntodu *et al.* (2016), Muraina (2018), and Sabo et al. (2019) have examined in area of TSA's effect on Nigeria's economy and the liquidity of Deposit Money Banks (DMBs). Others, such as Agbo et al. (2017); Olaoye and Talabi (2019), have studied its effect on survival and performance of DMBs, while Okpala et al. (2019) looked at TSA's role in financial institution failures. However, there is lack of empirical research specifically exploring the relationship between the TSA and non-financial performance in federal institutions, particularly in Ogun State, Nigeria, This study main objective addressed this gap by providing new insights into how the TSA affect non-financial performance in federal institutions in Ogun State, contributing to the growing literature on the subject and for the benefits of the federal institutions' management in Ogun State. The specific objectives are to:

- i. Examine the effect of treasury single account on financial autonomy of federal institutions in Ogun state.
- ii. Investigate the effect of treasury single account on accountability and transparency of federal institutions in Ogun state.

2.0 Literature Review

Treasury Single Account

The concept of TSA is defined in various ways, yet they all convey the same underlying idea. According to Ezekiel and Olanike (2021), TSA is "a public accounting system in which all government revenue, receipts, and income are collected into one single account, usually managed by the country's Central Bank, with all payments processed through this account.

According to Tari et al. (2016), TSA is mainly a cash management tool to optimize the government's cash position. All funds collected must be fully transferred to the Treasury Single Account at the end of each banking day to eliminate accounts held by MDAs with Deposit Money Banks (DMBs) (Udo & Esara, 2016). TSA provides a framework for streamlining federal bank accounts, offering a comprehensive view of the government's cash resources. The federal government aims to automate direct revenue collection from existing MDAs by implementing TSA as part of its electronic revenue collection strategy. Any other electronic payment systems, including the Remita e-collection platform, will deposit funds directly into the Consolidated Revenue Fund (CRF) account at the CBN through designated government-approved platforms or routes. TSA is a public accounting system that consolidates all government income, receipts, and revenues into a single account, often controlled by the Central Bank, through which all payments are processed (Okeke et al., 2023).

Government Integrated Financial Management Information System (GIFMIS)

GIFMIS is an integrated and comprehensive system designed to facilitate the generation of critical information on all aspects of government financial transactions, which can be made accessible to the public through information technology (Ogbonna & Ojeaburu, 2015). In the Nigerian context, GIFMIS supports public resource management and anti-corruption initiatives by modernizing fiscal processes with improved methods, techniques, and information technology (GIFMIS, 2012).

Omolehinwa and Naiyeju (2015) described GIFMIS as a data-driven, IT-based framework for budget management and accounting, implemented by the Federal Government of Nigeria to enhance the management of public expenditures. The introduction of GIFMIS aims to support the Government in improving the administration, execution, and outcomes of public financial management, addressing key weaknesses such as the lack of effective cash management, failure to set spending limits before the start of the financial year, planning that does not reflect realistic cash availability estimates, lack of integration across various budgetary management functions and processes, and other deficiencies within public sector financial management (Enofe et al., 2017). Adadey (2015), during the 2015 Accountant gathering in Cape Coast, highlighted several benefits of GIFMIS, including providing a central authority for controlling access to security, which enhances overall data integrity and security; making financial fraud harder to execute and easier to detect; improving cash management; better managing debt and liabilities; supporting more efficient decision-making processes; and reducing the cost of financial transactions. However, the system also has some challenges, such as the need for continuous maintenance to ensure system integrity and effective use, as well as high transaction costs (Ihenyen & Robert, 2023).

In Nigeria, the federal government implemented GIFMIS starting in April 2012 to enhance public expenditure management, among other objectives. The system was created to provide an efficient, effective, and user-friendly computerized financial management information system, improving the federal government's ability to centrally control and monitor expenditures and receipts within the MDAs. GIFMIS was designed to support the government in all aspects of budget preparation, execution, and the management of financial resources. The system encompasses all spending units, the government budgeting process, and the management of expenditure transactions, including interfaces (Emmanuel, 2016).

Integrated Payroll and Personnel Information System (IPPIS)

Omolehinwa and Naiyeju (2015) opined that IPPIS is a centralized, computer-based payroll and management system designed to eliminate payroll discrepancies. The system focuses on accurately determining the total number of personnel and the overall salary costs, while also ensuring the integrity of personnel data to maintain correctness and security. A major issue in many countries, including Nigeria, is the presence of ghost workers, which is often a significant source of corruption. To address this challenge, the IPPIS was introduced as a solution. As part of the federal government's Financial Management Reforms, IPPIS seeks to enhance human resource management and eliminate fraud within the Nigerian public sector (Onukelobi & Okoye, 2019).

The IPPIS (2015) outlined the following objectives for the system:: Support human resource planning by providing critical information for decision-making; Offer a platform for accurate budgeting and management of annual staff emoluments; Track monthly staff emoluments against the Federal Government's annual budget to minimize wastage and leakage; Eliminate payroll fraud, such as double payments to a single employee or the payment of salaries to non-existent employees; Simplify the storage, updating, and retrieval of personnel records; Ensure database integrity by preventing unauthorized manipulation of entered data; Strengthen confidence in the determination of staff emoluments; and Ensure prompt deduction and remittance of third-party payments, such as those for Pension Fund Administrators (PFAs), National Health

Insurance Scheme (NHIS), and Pay As You Earn (PAYE), among others. The IPPIS operates on an intranet that connects the Ministry, Department, and Agency (MDA) data centers to the central server at the Office of the Accountant General of the Federation (OAGF) (Omolehinwa & Naiyeju, 2015).

Enakirerhi and Temile (2017) emphasized that IPPIS is a key initiative by the Federal Government aimed at transitioning from the manual file-based system, which has been plagued by corruption, inefficiency, and inaccuracies in reporting the number of personnel within Nigeria's civil service.

Financial Management System (FMS)

Financial management is a specialized function closely linked to an organization's top management, ensuring the efficient and effective handling of funds to achieve the organization's objectives (Ogunla, 2023). A financial management system is a software-based system that enables organisations to manage their financial operations efficiently and effectively. It provides a comprehensive platform for financial planning, budgeting, accounting and reporting.

Public financial management (PFM) encompasses the laws, regulations, systems, and processes used by governments to mobilize revenue, allocate public funds, manage public spending, account for financial resources, and audit results. It is typically seen as a cyclical process with six key stages: policy formulation, budget preparation, budget approval, budget implementation, accounting, and external auditing (Lawson, 2013). PFM involves numerous stakeholders who ensure the system operates efficiently, transparently, and with accountability. The rules of public financial management govern the creation, distribution, and accountability of budgets (Lawson, 2013).

According to Ihenyen and Robert (2023), a Financial Management Information System can be broadly described as a set of automated solutions that enable governments to plan, implement, and monitor their budgets. When FMIS, along with other Public Financial Management (PFM) systems—such as HRMIS, payroll, and procurement—share a common central database for recording and reporting daily financial transactions, providing reliable consolidated results for decision support, performance monitoring, and online publishing, they are collectively referred to as an integrated FMIS (or IFMIS). Similarly, Cuenco (2013) defines FMIS as a system of automation tools that allow governments to manage budgeting processes, and when integrated with other PFM systems, it offers consolidated data for improved decision-making and monitoring (Enofe et al., 2017)

Non-Financial Performance

Non-financial performance refers to evaluating an organization's success beyond traditional financial measures (Khan et al., 2011). In the case of federal institutions in Ogun State, non-financial performance is vital for determining their effectiveness in fulfilling their objectives. For enterprises to thrive in the modern, dynamic landscape, it's essential to move beyond financial measures and adopt a more comprehensive approach that includes both financial and non-financial factors (Salkic, 2024).

Non-financial (NF) information helps address the limitations of using financial performance measures as the sole indicator (O'Connell & O'Sullivan, 2014). These measures may not only enhance organizational performance but also improve managerial performance (Yuliansyah & Razimi, 2015). According to Enyi et al. (2019), this information includes not only financial indicators but also non-financial indicators, which may or may not be reflected in financial statements.

Business focus has traditionally been on measuring performance through financial indicators, with little attention given to the non-financial factors that drive these financial results. This oversight regarding the importance of non-financial performance indicators can negatively

impact a firm's long-term financial goals, as financial indicators often reflect only short-term performance (Akinrinola, 2019).

In the service sector, particularly in the public sector, non-financial performance is more relevant due to its approach and applicability (Borman et al., 2014). Additionally, over the past decade, many companies have been tracking non-financial aspects like employee satisfaction and customer loyalty, recognizing that these factors ultimately influence profitability (Ittner & David, 2003). A study on Malaysian organizations found a direct link between financial performance and non-financial measures such as quality and overall business performance. The study also recommended that organizations prioritize non-financial aspects to enhance overall performance (Islam et al., 2015).

Financial Autonomy

Financial autonomy refers to an organization's capacity to manage its financial decisions and resources independently, without substantial external influence. It involves the authority to generate income, allocate funds, and set budgetary priorities in line with the organization's specific needs and goals (Hong, 2023). Various studies have explored and defined financial autonomy in different organizational contexts. For instance, Smith (2020) describes financial autonomy as the freedom of an organization to control and manage its financial resources independently, free from excessive external influence or restrictions. This definition highlights the independence and authority organizations possess in overseeing their finances. Johnson (2018) defines financial autonomy as the ability of institutions to generate and allocate financial resources in ways that align with their mission, strategic objectives, and priorities. Thompson (2016) states that financial autonomy is the power of an organization to generate and retain its own revenue, make financial decisions, and allocate resources according to its priorities. This definition underscores the importance of an organization's control over its revenue and financial decision-making processes.

Financial autonomy is crucial for the sustainability and growth of federal institutions. It allows these institutions to make independent financial decisions, enabling them to allocate resources in line with their specific needs and priorities. With financial autonomy, federal institutions can explore a variety of funding options, including government support, fees, research grants, philanthropic donations, and collaborations with industry and businesses (Smith, 2020).

In Nigeria, federal institutions financial autonomy is understood as creating a mechanism that allows institutions, within the framework of federal law, to take the lead in organizing and making decisions about their operations, organizational structure, personnel, and finances. In terms of organizational structure and personnel, this autonomy involves self-responsibility in matters such as establishment, merger, division, separation, and dissolution; defining the functions, tasks, and operational regulations of affiliated organizations; deciding on the structure and number of employees; hiring, assigning, and deploying staff; and managing labour contracts. Regarding finances, it includes autonomy and self-responsibility in managing financial revenues and expenditures, assets, investments in facility construction, equipment procurement, and the establishment and use of unit funds (Tuan, 2022).

Accountability and Transparency

Transparency is a key aspect of accountability, and it's reasonable to conclude that secrecy and unethical practices hinder effective accountability in TSA. Accountability can be broken down into financial, administrative, political, and social aspects, with the focus here being on financial accountability. This entails the duty of officials managing public resources to report on both the intended and actual use of these resources. Achieving this requires transparent processes and procedures (Chinomso & Chukwuemeka, 2022).

In the past, the financial management system allowed government agencies to operate over 17,000 poorly monitored bank accounts, which fostered financial mismanagement and

unaccountability. However, in today's era, when Nigeria is demanding greater transparency and accountability in government financial dealings, the introduction of the Treasury Single Account (TSA) is viewed as a positive step and an effective alternative (Brammah, 2016).

Transparency involves making information accessible to the public and ensuring clarity regarding government rules, regulations, and decisions. However, those in positions of power must have clean hands to maintain the moral authority to instruct others. The successful implementation of TSA relies on strong political will from the presidency to tackle the actions of unscrupulous individuals (Eme et al 2015).

Financial accountability in public services refers to the obligation of government officials to manage public funds in a transparent, responsible manner, in compliance with the law. This means ensuring that public funds are used effectively, efficiently, and for their intended purposes (Hassan & Fatai, 2024). In Nigeria, financial accountability in the public service is a key aspect of governance, ensuring transparency, efficiency, and proper management of public resources (Yusuf, 2023). Like many other regions, federal institutions in Nigeria face challenges in upholding high standards of financial accountability while addressing the diverse needs of the population. To understand the current state of financial accountability in these institutions, it's important to examine factors such as budgetary processes, revenue management, expenditure control, and mechanisms for oversight (Opaniyi, 2018).

UNDP (2008) defines accountability as the process by which reliable, timely information about the organization's activities, decisions, and conditions is made accessible, visible, and understandable. Accountability encompasses financial, administrative, social, and political responsibility. According to UNDP (2008) four key aspects of public service accountability are: fiscal accountability, managerial accountability, program accountability, and individual accountability. The concept of transparency is an ethical principle rooted in moral obligations, emphasizing fairness, integrity, and openness in interactions, both in official and private contexts (Gbegi et al., 2019).

Theoretical Framework

The study is anchored on the Public Finance Management theory which was developed by Musgrave (1959) and posits that all aspects of financial resources, both mobilization and expenditure, should be effectively managed by the government for the benefit of its citizens. The theory also stresses that government revenues should be properly mobilized to prevent corruption and the diversion of funds into private hands (Babatunde, 2022). This is conformity with the primary purpose of the Treasury Single Account (TSA) which is to prevent the misappropriation of public funds. This theory is relevant to the study, as TSA aims to consolidate and responsibly manage public finances for the benefit of the citizenry and the organization.

Empirical Review

Mkaro et al (2023) investigated the impact of the Treasury Single Account (TSA) policy, designed to withdraw government deposits from commercial banks, on the performance of the Tanzanian banking sector in terms of financial autonomy, ownership concentration, bank size, and macroeconomic variables. The study analysed a balanced panel dataset of thirty banks from 2010 Q1 to 2020 Q4. The regression results indicated that while foreign and state-owned banks showed resilience, the performance of private and domestic banks declined following the adoption of TSA, which significantly impacted their financial autonomy. Smaller banks were able to withstand the negative effects of TSA, whereas larger banks experienced a decline in performance.

Gbegi et al. (2019), which explored the effect of TSA on accountability, transparency, and public finance management in Nigeria. A sample of 266 respondents was selected from a population of 790 accounting officers, academics, and professionals in Benue State. The study

found that TSA adoption significantly improved public finance management and had a positive effect on accountability and transparency.

Igbekoyi and Agbaje (2017) assessed the implications of TSA adoption on public sector accountability and transparency. The study used a survey design and collected primary data through a structured questionnaire from revenue-generating MDAs in Ondo state. A sample of ten MDAs and 100 respondents was selected. Analysis of Variance (ANOVA) was used for data analysis, and the results indicated that TSA significantly improves financial leakages, enhances transparency, and reduces financial misappropriation.

Oti et al. (2016) examined the effectiveness of TSA on transparency and accountability in government financial transactions in Nigeria. The study adopted both survey and exploratory research designs, utilizing a five-point Likert scale questionnaire. The population included employees from MDAs, Deposit Money Banks, the Central Bank of Nigeria, business operators, civil society members, and the public in Calabar, Cross River State. The study found that TSA adoption promotes transparency and accountability in government financial transactions.

Chinomso and Chukwuemeka (2022) explored the impact of the Treasury Single Account (TSA) on the performance, including accountability and transparency, of selected federal ministries in Enugu State. The study adopted a survey research design and gathered data through questionnaires, face-to-face interviews, and focus group discussions. The findings revealed that TSA has not significantly reduced fund misappropriation in the selected ministries.

Conceptual Model

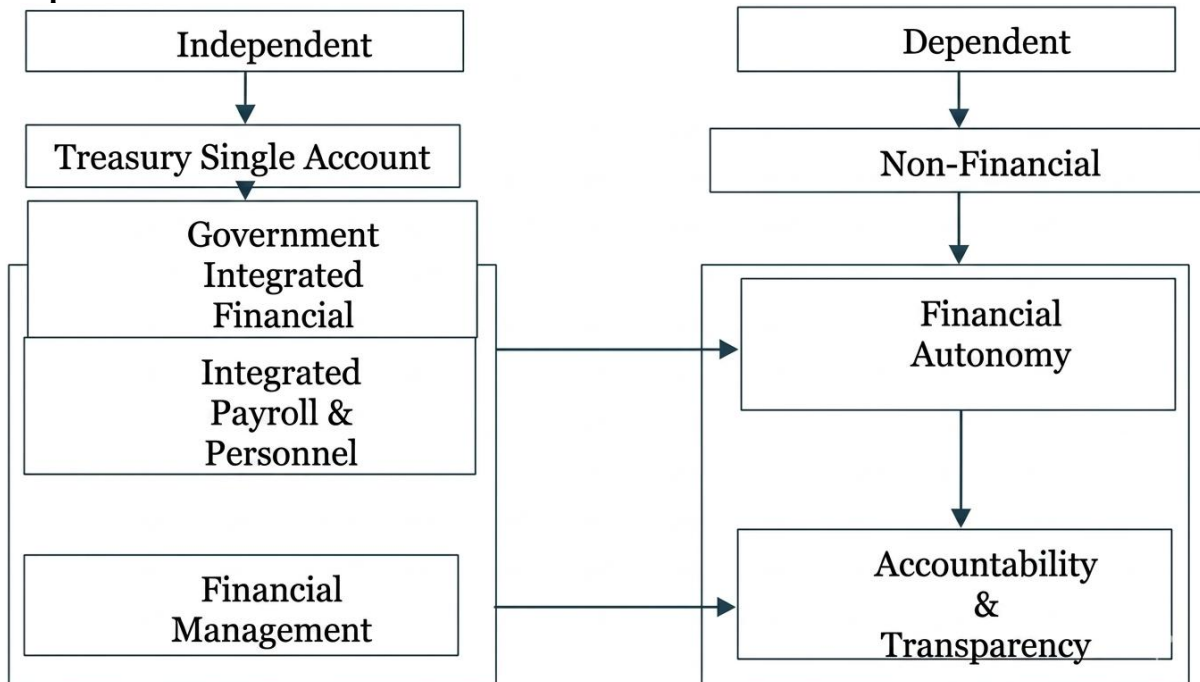


Figure 1: Conceptual Model
Source: Researcher’s Study (2025)

3.0 Methodology

Survey research design was used for this study with primary source of data adopting questionnaire based on Likert scale point. A pilot testing was carried out to test and adjust the questionnaire to suit the purpose of the study. The population of this study comprises all the sixteen (16) federal institutions in Ogun State out of which ten (10) institutions were selected using purposive sampling technique considering availability and accessibility of data. They are grouped into four (4) categories namely research, health, education, and others. The total number of staff

in the audit and bursary departments of the ten (10) federal institutions selected was 660 as at December 31, 2024 extracted from their staff nominal roll.

Proportional basis was used to allocate the sample size among the groups. Descriptive statistics using mean, median, mode, variance and standard deviation; inferential statistics using regression analysis were adopted for data analysis. Taro Yamane’s (1967) formula which is stated as $n = N / (1 + N [(e)]^2)$ was used to calculate the target individual sample size of 249 based on population of 660.. The respondents were proportionally selected among the four (4) groups in the ten (10) Institutions. Taro Yamane calculation:

$$n = N / (1 + N [(e)]^2)$$

Where:

N = population size of staff

n = sample size required

e = allowable error is 5% (0.05)

Based on the formula above,

$$n = 660 / (1 + 660(0.05)^2)$$

$$n = 660 / (1 + 1.65)$$

$$n = 660 / 2.65$$

$$n = 249$$

the sample size is 249 staff

Validity and Reliability Test

The validity of this research was secured from consultations with experts in the field of treasury single account and performance management. The questionnaire items were derived from established theories and previous research findings, ensuring that all relevant aspects of treasury single account and non financial performance were included. In this study, content and face validity was also established through feedback from a pilot study using the bursary and audit staff of federal institutions in Ogun State. The sample size used for the pilot study was 25, representing 10% of the sample size for the study.

The Reliability of this research was examined using Cronbach's alpha. An acceptable value for Cronbach's alpha in social science research typically ranges from 0.70 to 0.95 (Nunnally & Bernstein, 1994). In this study, the questionnaire achieved a Cronbach's alpha of 0.9, suggesting an excellent consistency and stability as shown in table 1

Table 1: Reliability Results

S/N	Variables	Items No	Cronbach Alpha	Remarks
1	GIFMIS	25	0.930	Accepted
2	IPPIS	25	0.900	Accepted
3	Financial Management System	25	0.969	Accepted
4	Financial Autonomy	25	0.954	Accepted
6	Accountability & Transparency	25	0.940	Accepted

Source: Researchers' Compilation (2025)

Model Specification

The general model for the study is:

$$Y = f(X)$$

$$NFP = f(TSA)$$

Where:

Y= Dépendent Variable = Non-Financial Performance (NFP)

X= Independent Variable = Treasury Single Account (TSA)

$Y = y_1, y_2$
 $X = x_1, x_2, x_3$

Where:

- x_1 = Government Integrated Financial Management Information System (GIFMIS)
- x_2 = Integrated Payroll and Personnel Information System (IPPIS)
- x_3 = Financial Management System (FMS)
- y_1 = Financial Autonomy (FA)
- y_2 = Accountability & Transparency (AT)

Model 1:

$$FIA_{it} = \beta_0 + \beta_1 GIFMIS + \beta_2 IPPIS_{it} + \beta_3 FMS_{it} + \varepsilon_{it}$$

Model 2:

$$AT_{it} = \beta_0 + \beta_1 GIFMIS + \beta_2 IPPIS_{it} + \beta_3 FMS_{it} + \varepsilon_{it}$$

Where:

- β_0 = Value of the Intercept
- β_1, β_3 = Coefficient of the Explanatory Variables
- ε = Error term
- i = Number of sampled institutions
- t = Period

Table 2: A Priori Expectation

S/N	Models	A Priori Exp	Expected Sign
1	$FIA_{it} = \beta_0 + \beta_1 GIFMIS + \beta_2 IPPIS_{it} + \beta_3 FMS_{it} + \varepsilon_{it}$	$\beta_1 - \beta_3 > 0$	Positive (+)
2	$A\&T_{it} = \beta_0 + \beta_1 GIFMIS + \beta_2 IPPIS_{it} + \beta_3 FMS_{it} + \varepsilon_{it}$	$\beta_1 - \beta_3 > 0$	Positive (+)

Source: *Researcher’s Compilation (2025)*

4.0 Data Analysis, Results and Discussion of findings

Descriptive Statistics

Table 3: Descriptive Statistics of the Data

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
GIFMIS	249	5	25	18.040	5.033	-0.964	-0.01
IPPIS	249	5	25	17.180	4.915	-0.672	-0.413
FMS	249	5	25	18.020	4.501	-1.087	0.717
FA	249	5	25	17.870	5.174	-0.957	-0.041
AT	249	5	25	18.230	5.004	-1.064	0.296
Valid N	249						

(listwise)

Source: *Researcher’s Computation (2025)*

Descriptive Statistics Interpretation

The descriptive statistics for the study ‘s variables were presented in Table 3 which shows the mean values of GIFMIS, IPPIS, FMS, Financial Autonomy (FA), Accountability & Transparency (AT), were 18.04, 17.18, 18.02, 17.87, and 18.23 respectively. This means that on average 18.04 of GIFMIS, implied that it was as high as 18.04% in some periods, while 17.18 of IPPIS indicated that on average IPPIS stood around 17.18% 18.02 of FMS rose on average by 18.02%. 17.87 of FA reflected that it stood around 17.87% on average while 18.23 of

Accountability and Transparency indicated that on average, AT stood around 18.23% for the period under the study in Federal Institutions, Ogun State.

The minimum value of Non-Financial Performance proxied with Financial Autonomy (FA), and Accountability and Transparency (AT) were 5% each which indicated that there were periods when non-financial performance was low at 5%. The minimum value of 5% each for GIFMIS, IPPIS, and FMS indicated that there were some periods that Treasury Single Account was low at 5% on federal institutions in Ogun State.

However, the maximum values of GIFMIS, IPPIS, and FMS were 25%, each. The standard deviation values showed the dispersion and spread in the data series which indicated the deviation of the series from the mean. The variable with the highest degree of dispersion from the mean were GIFMIS, IPPIS, FMS, Financial Autonomy (FA), and, Accountability and Transparency (AT) indicated by 5.033, 4.915, 4.501, 5.174, and, 5.004 respectively which asserted variations within the data set which indicated fluctuation over the years on federal institutions in Ogun State.

Test of Hypotheses

Table 4: Summary of Test of Hypotheses Result

Ind Var	Cor R	T-Stat	Pvalue	F-Stat	Pvalue	R ²	Adj R ²	DWat	Hausm PVal	Estm
HYP 1										
GIFMIS	0.054	8.626	0							
IPPIS	0.066	3.196	0.002							
FMS	0.073	3.495	0.001							
OVR				121.6	0.000	0.596	0.591	1.936	0.000	Fixed
GIFMIS	0.046	6.221	0							
IPPIS	0.056	4.489	0							
FMS	0.062	4.861	0							
OVR				131.7	0.000	0.615	0.611	1.754	0.001	Fixed

Source: Researcher’s Computation (2025)

Test of Hypothesis One

H₀₁: Treasury Single Account (TSA) has no significant effect on Financial Autonomy (FA) of federal institutions in Ogun State.

Hypothesis 1 Test Results

Regression Equation Result

$$FA = (GIFMIS, IPPIS, FMS)$$

$$FA_i = \beta_0 + \beta_1GIFMIS_i + \beta_2IPPIS_i + \beta_3FMS_i + \varepsilon_i$$

$$FA_i = 0.918 + 0.054GIFMIS_i + 0.066IPPIS_i + 0.073FMS_i + \varepsilon_i$$

Interpretation of Regression Result for Model One

Table 4 shows the regression analysis result for model 1 hypothesis testing on effect of treasury single account on financial autonomy of federal institutions in Ogun State. The result indicated that GIFMIS, IPPIS, and FMS has a positive effect on Financial Autonomy (FA). This indicated the parameters of the coefficients which are $\beta_1=0.054$, $\beta_2=0.066$, and, $\beta_3=0.073$ This means that one percent increase in GIFMIS would lead to 5.4% increase in Financial Autonomy (FA), also one percent increase in IPPIS would result to an increase in Financial Autonomy (FA) by 6.6%, and one percent increase in FMS would lead to 7.3% increase in Financial Autonomy

(FA). GIFMIS was significant at t-statistics of 8.626 and p-value of $0.000 < 0.05$, IPPIS was significant at t-statistics of 3.196 with a p-value of $0.002 < 0.05$, and FMS was significant at t-statistics of 3.495 and p-value of $0.001 < 0.05$.

The direction of the coefficient implied that improvement in the effort to better GIFMIS, IPPIS, and, FMS would bring about increase in Financial Autonomy (FA) of federal institutions in Ogun State. Furthermore, when the value of probability of t-stat was considered which assessed the significance of each variable, the result showed that GIFMIS, IPPIS, and, FMS has a significant effect on Financial Autonomy (FA) of federal institutions in Ogun State.

The adjusted R^2 which was the coefficient of determination is 0.591(59.1%), this suggested that only 59.1% variation in the Financial Autonomy of federal institutions in Ogun State could be explained by Treasury Single Account proxied by GIFMIS, IPPIS, and, FMS while the remaining 40.9% was caused by other variables not captured in the model. This was a moderate effect and evidence of causality. The result was further confirmed by the probability of the F-statistics which measured the effect of the model. The probability stood at $0.000 < 0.005$ level of significance adopted for this study. In addition, the Durbin-Watson statistics (1.936) showed that there was no problem of autocorrelation because the value could be approximated to 2. Based on the decision probability of F- statistics of 121.586, with p-value of $0.000 < 0.05$ significance level. This confirmed the rejection of the null hypothesis and acceptance of alternate hypothesis which states that treasury single account has significant effect on non-financial performance proxied by financial autonomy of federal institution in Ogun State.

Test of Hypothesis Two

H_01 : Treasury Single Account (TSA) has no significant effect on Accountability and Transparency (AT) of federal institutions in Ogun State.

Regression Equation Result

$$AT = (GIFMIS, IPPIS, FMS)$$

$$AT_i = \beta_0 + \beta_1 GIFMIS_i + \beta_2 IPPIS_i + \beta_3 FMS_i + \varepsilon_i$$

$$AT_i = 0.973 + 0.058GIFMIS_i + 0.070IPPIS_i + 0.078FMS_i + \varepsilon_i$$

Interpretation of Regression Result for Model Two

Table 4 includes the regression analysis model 3 hypothesis testing on effect of treasury single account on accountability and transparency of federal institutions in Ogun State. The result indicated that GIFMIS, IPPIS, and FMS has a positive effect on Accountability and Transparency (AT) of federal institutions in Ogun State. This was indicated by the parameters of the coefficients which are $\beta_1=0.058$, $\beta_2=0.070$, and, $\beta_3=0.078$. This means that accountability and transparency one percent increase in GIFMIS would lead to 4.6% increase in Accountability and Transparency (AT), also one percent increase in IPPIS would result to an increase in Accountability and Transparency (AT) by 7.0%, and one percent increase in FMS would lead to 7.8% increase in Accountability and Transparency (AT). GIFMIS was significant at t-statistics of 6.100 and p-value of $0.000 < 0.05$, IPPIS was significant at t-statistics of 3.427 with a p-value of $0.001 < 0.05$, and FMS was significant at t-statistics of 3.348 and p-value of $0.001 < 0.05$.

The direction of the coefficient implied that improvement in the effort to better GIFMIS, IPPIS, and, FMS would bring about increase in Accountability and Transparency (AT) of federal institutions in Ogun State. Furthermore, when the value of probability of t-stat was considered which assessed the significance of each variable, the result showed that GIFMIS, IPPIS, and, FMS has significant effect on Accountability and Transparency (AT) of federal institutions in Ogun State.

The adjusted R^2 which was the coefficient of determination is 0.512(51.0%), suggested that only 51.0% variation in the Accountability and Transparency (AT) of federal institutions in

Ogun State could be explained by Treasury Single Account proxied by GIFMIS, IPPIS, and, FMS while the remaining 49% was caused by other variables not captured in the model. This was a moderate effect and evidence of causality. The result was further confirmed by the probability of the F-statistics which measured the effect of the model. The probability stood at 0.000 which was < 0.005 level of significance adopted for this study. In addition, the Durbin-Watson statistics (1.669) showed that there was no problem of autocorrelation because the value could be approximated to 2.

Based on the decision probability of F- statistics of 87.566, p-value of 0.000 less than the 5% significance level adopted for the study. This confirmed the rejection of the null hypothesis for model three and acceptance of the alternate hypothesis. Thus, treasury single account has significant effect on non-financial performance proxied by Accountability and Transparency (AT) of federal institution in Ogun State.

Discussion of findings

The first hypothesis examined effect of treasury single account on financial autonomy of federal institutions in Ogun State. The result showed that treasury single account has significant effect on non-financial performance proxied by financial autonomy of federal institutions in Ogun State. The results of the findings implied that treasury single account was a significant factor that influenced the changes in financial autonomy of federal institutions in Ogun State. This means that a change in treasury single account would lead to a change in financial autonomy of federal institutions in Ogun State.

Studies in line with the findings of hypothesis one includes: Arumona et al (2020), which the study found has a positive and insignificant effect on Treasury single account (TSA). However, results further concludes that implementation of Treasury Single Account (TSA) has improved revenue generation in Nigeria. In Ganyam (2018), the study found out that implementation of TSA has a positive and significant effect on internally generated Revenue. The study not in line with the findings of hypothesis one was Amafulé and Barigbon (2019) who revealed that the implementation of TSA has asserted a significant negative effect on the revenue generation of the federal government of Nigeria. The study thus holds that the implementation of TSA in Nigeria has not fared the federal government any better.

The second hypothesis examined effect of treasury single account on accountability and transparency of federal institutions in Ogun State. The result showed that treasury single account has significant effect on accountability and transparency. The results of the findings implied that treasury single account is a significant factor that influenced the changes in accountability and transparency of federal institutions in Ogun State. This means that a change in treasury single account would lead to a change in accountability and transparency of federal institutions in Ogun State.

Studies in line with the results for hypothesis two includes Oti et al. (2016) which examined the effectiveness of TSA on transparency and accountability in government financial transactions in Nigeria. The study found that TSA adoption promotes transparency and accountability in government financial transactions. Studies not in line with the findings of hypothesis two includes: Ezinando (2020). The study found that the Federal Government Deposit has not significantly improved on Loan and Advances to the economy after the implementation of TSA in Nigeria.

5.0 Conclusion and Recommendations

The study examined the effect of Treasury Single Account (TSA) on non-financial performance of Federal Institutions in Ogun State using GIFMIS, IPPIS and FMS to proxy TSA while non-financial performance was represented with financial autonomy, accountability and transparency. It found that TSA has significant effect on financial autonomy, accountability and transparency, therefore, it concluded that Treasury Single Account has positive significant effect

on non-financial performance of Federal Institutions in Ogun State. Based on the findings of this study the following were recommended:

- (i) Federal Government should grant Federal institutions financial autonomy within the TSA model so that the institutions can manage their budgeted and allocated resources without bureaucratic bottlenecks which usually causes delays and hamper smooth institutional operations due to over-centralization of funding approval, instead, strong internal control system should be put in place to support financial autonomy effectiveness and efficiency.
- (ii) Federal Government should regularly review the internal control system to curb incessant leakages that is disturbing the operations of TSA in such a manner that it will reduce or eliminate financial malpractices, strengthen accountability and transparency coupled with constant performance reviews as a result of feedbacks from GIFMIS, IPPIS and FMS data and reports generated from TSA applications.
- (iii) Federal Government should utilize the implementation of TSA to motivate the Management and employees not only focusing on financial parameters but also using non-financial encomiums to enhance their performance.

Suggestion for further studies:

Further studies can be done in the area of independent and dependent variable proxies not covered in the study.

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