

THE IMPACT OF ACCOUNTING INFORMATION ON ADMINISTRATIVE EFFECTIVENESS IN PUBLIC HIGHER INSTITUTIONS: A CASE STUDY OF SELECTED INSTITUTIONS IN DELTA STATE, NIGERIA.

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ABSTRACT

This study investigates the impact of accounting information on administrative effectiveness in public higher institutions in Delta State. Using a mixed method approach, the research examines how the availability, reliability and utilization of accounting information influence decision-making, resource allocation, budgeting and internal control processes. Data were collected through structured questionnaires administered to senior administrative staff, bursary personnel, and departmental heads across selected public higher institutions. The findings reveal a strong positive relationship between accounting information and administrative effectiveness. The study concludes that accurate and timely accounting information significantly enhances institutional management and operational efficiency. Recommendations include continuous staff training, investment in modern accounting techniques, and strict adherence to financial reporting standards.

Keywords: Accounting, Information, Administrative, Effectiveness, Internal Control.

INTRODUCTION

Public higher institutions play a fundamental role in fostering national development through human capital formation, research and innovation. For these institutions to achieve their mandates effectively, sound administrative processes must be put in place. One vital tool in ensuring effective administrative flow is accounting information, which provides financial data needed for planning, decision making, budgeting and maintaining internal control systems.

Accounting information consist of processed financial data that supports transparency, accountability, efficiency and effective resource allocation. (Inanya, 2021). In the context of public higher institutions, it includes information on revenue generation, government subventions, expenditure patterns, budget performance, procurement processes and financial reporting. Administrators rely on the quality and timeliness of this information to make informed decisions.

In Delta State, public higher institutions such as Universities, polytechnics, and colleges of education face increasing demands for improved service delivery, accountability and prudent financial management. However, issues such as weak financial management systems, inadequate record-keeping, manual accounting procedures and delays in releasing financial reports often hinder administrative effectiveness. As a result, administrators may struggle with delayed decisions, misallocation of resources, inefficiencies in budgeting, and poor monitoring of institutional activities.

Given the growing emphasis on transparency and accountability with public institutions in Nigeria, it becomes crucial to examine how accounting information influences administrative effectiveness in public higher institutions in Delta State.

This study therefore explores the degree to which accounting information contributes to improved decision making, resource allocation, budgeting, strong internal control mechanisms and overall administrative performance.

STATEMENT OF THE PROBLEM

Despite the recognized importance of accounting information in enhancing administrative processes, many public higher institutions in Delta State still struggle with poor utilization of financial data. Several challenges such as outdated accounting systems, insufficient ICT facilities, unqualified accounting personnel, inadequate training and weak internal control mechanisms hinder the effective generation and use of accounting information.

These deficiencies often lead to delayed decisions, misappropriation of funds, duplication of expenditure, poor budget implementation, and lack of accountability. In some institutions, financial reports are not produced regularly or accurately, limiting administrators ability to make timely and informed decisions.

This situation raises concerns about the level of administrative effectiveness attainable without reliable accounting information.

The problem this study addresses is whether the accounting information available in public higher institutions in Delta State is sufficient, reliable and effectively utilized to promote administrative effectiveness.

OBJECTIVES OF THE STUDY

The main objective of the study is to assess the impact of accounting information on administrative effectiveness in public higher institutions in Delta State.

The specific objectives are to:

1. Determine the extent to which accounting information influences decision-making in public higher institutions.
2. Examine the role of accounting information in budgeting and resource allocation.
3. Assess the effect of accounting information on internal control effectiveness.

RESEARCH QUESTIONS

To guide the study, the following research questions are raised:

1. To what extent does accounting information influence decision-making in public higher institutions in Delta State?
2. How does accounting information affect budgeting and resource allocation?
3. What relationship exists between accounting information and internal control effectiveness?

RESEARCH HYPOTHESES

The study is guided by the following null hypothesis:

HO1: Accounting information has no significant effect on decision making in public higher institutions in Delta State.

HO2: Accounting information does not significantly influence budgeting and resource allocation.

HO3: There is no significant relationship between accounting information and internal control effectiveness.

SIGNIFICANCE OF THE STUDY

The study is significant to various stakeholders:

1. **Administrators and Management:** It provides insights into how the effective use of accounting information can improve decision-making, planning and resource utilization.
2. **Government and policy makers:** Findings can guide policy reforms aimed at improving financial reporting standards and administrative performance in public higher institutions.
3. **Accounting personnel:** The study highlights the importance of accurate and timely financial reporting, encouraging professional development.
4. **Researchers and academicians:** It contributes to existing literature and serves as a reference for future studies on accounting information and administrative effectiveness.

SCOPE OF THE STUDY

The study focuses on public higher institutions in Delta State, including universities, polytechnics, and colleges of education. It examines the use and impact of accounting information on administrative effectiveness specifically in areas such as decision-making, budgeting, and internal control systems. Private institutions are not covered.

REVIEW OF RELATED LITERATURE

Conceptual Framework

Accounting information consists of processed financial and non-financial data that support organizational planning, decision-making, and control. According to Hall (2011), accounting information is most useful when it possesses characteristics such as relevance, reliability, accuracy, timeliness, and comparability. Needles, Powers, and Crosson (2014) emphasized that accounting information guide financial decisions and enhances organizational transparency.

In public higher institutions, accounting information supplies essential data for resource allocation, budget performance assessment, internal, and financial reporting. Chen and Nasiruk (2015) argue that without quality accounting information, public institutions are prone to financial mismanagement, delays, and administrative inefficiency.

Administrative effectiveness refers to the ability of an institution's management to achieve organizational goals using available resources in an efficient and transparent manner. Robbins and Coulter (2016) describe administrative effectiveness as the achievement of organizational results through optimal planning, coordination, and control. Indicators of administrative effectiveness such as budgeting efficiency, internal control compliance, and service delivery depend significantly on the availability of reliable accounting information.

In the context of public higher institutions, Adebayo (2019) notes that effective administration requires timely financial data for decision-making, project supervision, and evaluation of institutional performance.

The relationship between accounting information and administrative effectiveness is widely acknowledged. Laudon and Laudon (2017) state that effective information systems improve managerial decision-making by ensuring the availability of accurate data. Ojo (2018) found that accounting supports transparency and enhances internal control mechanisms in public sector institutions.

Public higher institutions in Delta State depend on accurate accounting data to make decisions about procurement, budgeting, internally generated revenue, and project execution. According to Nwaobia and IHEMEJE (2015), institutions that adopt modern accounting systems tend to perform better administratively due to improved accuracy and reduced financial leakages.

THEORETICAL FRAMEWORK

Decision-Usefulness Theory

Decision-usefulness theory posits that the primary purpose of accounting information is to assist users - especially managers - in making informed decisions. Scott (2015) argues that accounting reports must be relevant and reliable to improve managerial effectiveness. In public higher institutions, administrators depend on such information to allocate resources, evaluate programs, and plan future activities.

Agency Theory

Agency theory developed by Jensen and Meckling (1976) explains the relationship between principals (government, governing councils) and agents (administrators). Accounting information reduces information asymmetry and helps monitor administrative actions. Esenhardi (1989) further noted that transparent financial reporting strengthens accountability and improves organizational performance.

Systems Theory

General systems theory, as proposed by Bertalanffy (1960), views organizations as integrated systems with interdependent subsystems. Accounting Information Systems (AIS) serve as a critical subsystem that support communication and control within higher institutions. Romney and Steinbart (2018) state that a well-designed AIS improves the efficiency of administrative processes.

Contingency Theory

Contingency theory advanced by Burns and Stalker (1961) and later developed by Fiedler (1964), holds that the effectiveness of accounting information system depends on environmental conditions. In public higher institutions, factors such as institutional size, technical capability, and regulatory demands influence how accounting information supports administrative effectiveness.

Stewardship Theory

Stewardship theory, proposed by Donaldson and Davis (1991), suggests that managers are stewards whose actions are aligned with organizational goals. Reliable accounting information enhances the stewardship by ensuring proper use of public funds, compliance with regulations, and achievement of institutional objectives.

EMPIRICAL FRAMEWORK

Studies in Nigeria

Ibrahim (2020) found that timely and accurate accounting information significantly enhanced budget implementation and administrative decision-making in Nigerian public universities. This

study revealed that administrators who had access to relevant financial reports made better strategic and operational decisions resulting in improved institutional performance.

Similarly, Ogunleye and Adegoke (2019) established that accounting information systems positively affected internal control effectiveness and transparency in state-owned polytechnics.

Their findings suggested that the use of modern accounting software and competent accounting personnel strengthened administrative performance and reduced financial leakages.

In a related study, Eze and Okoye (2021) discovered that high-quality accounting information improved accountability, transparency and compliance with financial regulations in public colleges of education. They also reported that administrators relied heavily on accounting reports for planning and evaluation, creating stronger institutional controls.

Furthermore, Omodero (2020) demonstrated that accounting information plays a crucial role in enhancing public sector organizational performance in Nigeria. The study emphasized that effective use of accounting information contributed positively to budget monitoring, resource allocation, and institutional accountability.

Studies on Higher Institutions in Delta State

Focusing on Delta State, Okafor and Emeni (2018) found that public tertiary institutions with well-structured accounting systems recorded higher levels of administrative efficiency particularly in procurement planning, revenue generations and expenditure control. Their study highlighted the importance of adopting computerized accounting systems to streamline financial operations.

Conversely, NWOSU (2022), reported that several public institutions in Delta State still suffered from weak accounting practices, inadequate records keeping, and delayed financial reporting. According to the study, these shortcomings contributed to fund mismanagement, delays in project execution, and poor administrative performance.

International Evidence

Globally, studies have also confirmed the crucial role of accounting information in promoting administrative effectiveness. For example, Chen and Li (2019) established that efficient Accounting Information systems enhanced decision-making accuracy, and administrative transparency in Chinese public universities. Their research found that AIS improved communications between departments and reduced errors in financial reporting.

In South Africa, Maseko (2020) reported that accounting information significantly supported financial management effectiveness in higher education institutions. The study concluded that administrators who utilized timely financial data were better able to plan, budget, and control institutional activities.

METHODOLOGY

This study adopted a descriptive survey research design to obtain opinions and assess the impact of accounting information on administrative effectiveness. The population consisted of administrative and accounting staff of selected public higher institutions in Delta State, estimated at 350. Using Yamane's formula, a sample size of 187 was determined, and 200 questionnaires were distributed purposive and stratified random sampling techniques were used. Content and face validity were ensured through expert review. A pilot test produced a reliability coefficient of 0.82 using Cronbach's Alpha. Primary data were obtained through structured questionnaires. Secondary data came from journals, textbooks, and institutional documents. Data were analyzed using simple percentages and Chi-square statistical tools.

Analysis of Data

Table 4.2: Respondents by Department

Department	Frequency	Percentage (%)
Bursary	55	30.6%
Registry	48	26.7%
Internal Audit	37	20.6%
Administration	40	22.10%
Total	180	100%

Source: Field survey, November 2025

The analysis indicates that the highest number of respondents came from the Bursary Department (30.6%), which is expected because the study focuses on accounting information, and bursary staff are directly responsible for financial record-keeping. The Registry Department (26.7%) and General Administration (22.1%) also have significant representation, reflecting their involvement in administrative processes influenced by accounting information. The Internal Audit Department (20.6%) forms the smallest group but remains essential, as auditors play a key role in evaluating the reliability of accounting information and ensuring internal control.

The distribution of respondents across departments shows a balanced representation of key administrative units involved in financial management and decision-making in public higher institutions. This enhances the reliability of the study, as the responses reflect insights from all major departments associated with accounting information and administration.

Table 4.2: Influence of Accounting information on Administrative Decision-making

Response	Frequency	Percentage
Strongly Agree	60	33.3%
Agree	75	41.7%
Undecided	15	8.3%
Disagree	18	10.0%
Strongly Disagree	12	6.7%
	180	100%

Source: Field survey November 2025

The findings from Table 4.2 above clearly show that most respondents (SA + A = 33.3% + 41.7% = 75%) believe accounting has a strong and positive impact on administrative decision-making. Only a small proportion (16.7%) disagreed with the statement while (15.6%) were undecided.

Therefore, the analysis strongly supports the argument that effective decision-making in public sector institutions depends significantly on adequate, reliability and use of accounting information.

Table 4.3: Contribution of Accounting Information to Transparency and Accountability

Response category	Frequency	percentage (%)
Strongly Agree	52	28.9%
Agree	80	44.4%
Undecided	18	10%
Disagreed	28	15.6%
Strongly Disagree	2	1.1%
Total	180	100%

Source: Field Survey, December, 2025

From the table above, the Majority of respondents agree that accounting information promotes transparency and accountability (SA + A = 52 + 80 = 132 (73.3%))

Only 15.6% disagree, indicating strong acceptance among staff that accounting information enhances institutional accountability.

This result supports the idea that effective accounting records help reduce corruption, improve financial monitoring, and ensure responsible use of resources in public higher institutions.

Table 4.5:
Effect of Accounting information on administrative Effectiveness

Response Category	Frequency	Percentage (%)
Strongly Agree (SA)	48	26.7%
Agree (A)	82	45.6%
Undecided (UD)	22	12.2%
Disagree (D)	18	10.0%
Strongly Disagree (SD)	10	5.6%
Total	180	100%

Source: Field Survey December, 2025

From the Table 4.5 above, most respondents (72.3%) agree that accounting information improves administrative effectiveness. Only (15.6% disagree), confirming that accounting information plays a major role in improving administrative functions in public institutions. This indicates that institutions with strong accounting systems tend to perform better administratively because decisions are based on accurate and timely financial information.

Testing of Hypotheses

The hypothesis will be tested using chi-square (X^2) Statistical tools. The hypothesis is stated in Null (HO)

HO1: Accounting information has no significant impact on administrative decision-making in public higher institutions.

Table 4.2

Response	Frequency
Strongly Agree	60
Agree	75
Undecided	15
Disagree	18
Strongly Disagree	12
Total	180

Response Category	O	E	O-E	(O-E) ²	(O-E) ² /E
SA	60	36	24	576	16
A	75	36	39	1521	42.25
UD	15	36	(21)	441	12.25

D	18	36	(18)	324	9
SD	12	36	(24)	576	16
Total	180				95.5

$X^2 = 95.5$

Degree of freedom (df)

$df = (5-1) = 4$

X^2 table value at 0.05, $df = 4 = 9.49$

Decision:

Since $95.5 > 9.49$, Reject H_0

Conclusion: Accounting information has a significant impact on administrative decision making.

H02: Accounting information does not significantly influence budgeting and resource allocation.

Contingency Table 4.3

Response	Frequency
Strongly Agree	52
Agree	80
Undecided	20
Disagree	18
Strongly Disagree	10
Total	180

Table 6: Computation of Chi-Square (X^2) statistics

Response	O	E	O - E	(O - E) ²	(O - E) ² / E
SA	52	36	16	256	7.11
A	80	36	44	1936	53.77
UD	20	36	(16)	256	7.11
D	18	36	(18)	324	9.00
SD	10	36	(26)	676	18.77
Total	180				95.76

$X^2 = 95.76$

Degree of freedom (df) = (5 - 1) = 4

X^2 table value at 0.05 $df = 4 = 9.49$

Since $95.76 > 9.49$, Reject H_0

Accounting information has a significant influence on budgeting and resource allocation.

HO3: There is no significant relationship between accounting information and internal control effectiveness.

Contingency Table 4.4

Response	Frequency
Strongly Agree	48
Agree	82
Undecided	22
Disagree	18
Strongly Disagree	10

Table 6: Computation of Chi-Square (X^2) statistics

Response	O	E	O-E	(O-E) ²	(O-E) ² /E
SA	48	36	12	144	4.0
A	82	58	24	576	58.78
UD	22	36	(14)	196	5.4
D	18	36	(18)	324	9.0
SD	10	36	(26)	676	18.77
Total	18				95.95

$$X^2 = 55.95$$

$$\text{Degree of Freedom (df)} = 4$$

$$X^2 \text{ table value at } 0.05 \text{ df} = 4 = 9.49$$

Since $95.95 > 9.49 \rightarrow$ Reject H_0

Conclusion: There is significant relationship between accounting information and internal control effectiveness.

CONCLUSION

This study examined the impact of accounting information on administrative effectiveness in selected public higher institutions in Delta State. The purpose was to determine how accounting information influences decision-making, transparency, accountability and overall administrative performance.

A total of 200 questionnaires were administered and 180 were returned, representing a 90% response rate. Data were analyzed using simple percentages and chi-square statistical tools.

The findings revealed that public higher institutions in Delta State rely heavily on accounting information for effective administration, resource allocation, policy implementation, and performance evaluation.

Based on the findings from the study, the following conclusions were drawn:

- Accounting information plays a crucial role in administrative decision-making in public higher institutions, providing reliable data for planning, budgeting, controlling and evaluating performance.
- Accounting information enhances transparency and accountability thereby reducing financial leakages.

- Accounting information enhances transparency and accountability, thereby reducing fraud, promoting proper documentation, supporting internal controls, and improving financial monitoring.
- Administrative effectiveness is significantly improved through the availability and proper utilization of accounting information which supports efficient operations, resource management and timely decision execution.
- The study concludes that public higher institutions in Delta State depend on quality accounting information to perform effectively. Therefore, the improving the quality, timeliness, and accessibility of accounting information will lead to better administrative performance.

Based on the findings and conclusions derived from this study, the following recommendations are made:

- **Strengthen Accounting Information System (AIS):** Public higher institutions should invest in modern, computerized accounting information systems to ensure quick, accurate, and reliable financial information.
- **Improve Staff Training and Capacity Building:** Regular training should be provided to accounting and administrative staff on the proper use of accounting information for effective decision-making and financial management.
- **Promote Transparency and Accountability:** institutions should enforce internal control mechanisms and financial policies to enhance transparency, accountability, and ethical financial practices
- **Ensure Timely preparation and Dissemination of Financial Reports:** Financial reports should be prepared promptly and made available to relevant administrative units to aid timely decision-making.
- **Enhance Monitoring and Evaluation frameworks:** Management should adopt periodic monitoring and evaluation of accounting processes to ensure compliance with financial regulations and improve administrative efficiency and effectiveness.
- **Government support and supervision:** The state government should provide adequate funding, auditing supervision, and policy support to ensure that institutions maintain standard accounting practices.
- **Encourage Digitization of Administrative Processes:** Institutions should adopt digital tools to integrate accounting information with administrative functions to enhance speed, accuracy, and performance.
- **Strengthen Internal Audit Departments:** Internal audit units should be empowered to carry out regular audit to ensure that accounting information used in administration is accurate and reliable.

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