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Examining Stakeholder's Perception on the Effectiveness of Accounting Practices in Promoting Accountability and Transparencies in the Public Sector in Tanzania

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Abstract: *This study explores the pivotal role of accountability and transparency in fostering trust between government and the public. Effective understanding of decision-making processes and public fund management enhances governmental legitimacy. Various methods, particularly accounting practices, are employed to uphold accountability and transparency in the public sector. However, not all accounting practices achieve these goals. Therefore, stakeholders' perspectives on the efficacy of accounting practices in promoting accountability and transparency are crucial. Employing a phenomenological design and purposive sampling, the study engaged 24 participants through interviews and focus groups. Analysis revealed divergent stakeholder opinions: some viewed accounting practices positively in enhancing accountability in Tanzania's public sectors, while others expressed skepticism. Overall, the findings underscore the foundational role of accountability and transparency in ensuring good governance, bolstering public trust, combating corruption, and optimizing public service delivery. The study concludes with recommendations aimed at fortifying accounting practices to better promote accountability and transparency in the public sector.*

1. INTRODUCTION

Accountability and transparency are foundational principles in governance, essential for fostering trust, efficiency, and effectiveness within the public sector. Accountability entails the responsibility of public officials to justify their actions, prioritize the public interest in decision making, and accept consequences for their choices (Almquist et al., 2013). Conversely, transparency involves making information accessible and comprehensible regarding how decisions are made, resources are allocated, and policies are developed in the public domain. These principles serve a dual function (Aucoin & Heintzman, 2000): firstly, they cultivate public trust by demonstrating ethical and responsible governance, thereby strengthening the social contract between government and citizens. Secondly, they enhance the operational efficiency of public administration by enabling stakeholders to monitor performance, identify areas for improvement, and prevent the mismanagement of public resources.

In today's interconnected world, where information spreads rapidly and public participation is heightened, the importance of accountability and transparency in the public sector cannot be overstated (Inglis, Morley & Sammut, 2006). These principles not only uphold democratic values and protect human rights but also support sustainable development (Almquist et al., 2013). By upholding accountability and transparency, governments instill confidence among citizens, promote responsible decision-making, and strive towards achieving societal wellbeing and progress.

Accounting practices are essential for ensuring accountability and transparency within the public sector and beyond (Aucoin & Heintzman, 2000). Accounting serves as a critical tool in financial communication, enabling organizations to convey their financial health and performance to stakeholders such as investors, regulators, employees, and the public. Beyond mere number-crunching, accounting plays a pivotal role in holding entities accountable for their actions and decisions. Through systematic recording, analysis, and reporting of financial data, accounting practices establish a framework that maintains accountability (Aziz, 2013). Detailed financial records created by accountants enable verification of the accuracy and integrity of an organization's financial statements, fostering transparency necessary for stakeholders to trust the information and make informed decisions (Aucoin & Heintzman, 2000).

Additionally, accounting practices help in detecting and preventing fraudulent activities, financial mismanagement, and errors within organizations. Regular audits, financial statements, and internal controls are integral components of accounting that ensure individuals and entities are held responsible for their financial activities (Aziz, 2013). Effective implementation of these practices builds trust among stakeholders and enhances the organization's reputation and credibility.

On a broader scale, adherence to recognized accounting principles and standards, such as GAAP or IFRS, promotes transparency across industries and economies. Consistent financial reporting facilitates meaningful comparisons and evaluations of organizational performance (Barton, 2006). Moreover, auditing of accounting practices not only fulfills regulatory requirements but also demonstrates ethical conduct and guides financial decision-making. In today's complex business environment, characterized by interconnectedness and rapid information dissemination, the role of sound accounting practices in promoting accountability and transparency remains indispensable (Bowrin, 2004).

Recognizing the crucial role of accounting practices in fostering accountability and transparency within public institutions, it is essential to assess stakeholders' confidence in these practices in the Tanzanian public sector. Furthermore, understanding stakeholders' perceptions of the effectiveness of current accounting practices is vital for ensuring ongoing accountability and transparency. This study aims to investigate stakeholders' views on how accounting practices contribute to promoting accountability and transparency in the public sector.

2. Literature Reviews

In recent years, there has been growing recognition of the significance of accountability and transparency in public sectors throughout Africa. Effective accounting practices are pivotal in fostering these principles within public institutions. Numerous studies have explored the impact of accounting practices on accountability and transparency in the public sector. This literature review synthesizes existing research on accounting practices and their role in enhancing accountability and transparency within public sectors.

2.1. Public Sector Accounting Practices in Tanzania

Public sector accounting practices encompass the specific accounting principles and standards adhered to by government entities and organizations operating within the public sector (Aziz, 2013). These practices are structured to uphold transparency, accountability, and efficient management of public funds. Various studies have examined different facets of public sector accounting practices. For instance, Kiondo (2004) highlights the prevalence of accrual basis accounting among government entities, which records revenues when earned and expenses when incurred, irrespective of cash transactions, providing a clearer financial perspective. Additionally, Jensen (2001) notes the common use of fund accounting in the public sector to track resources designated for specific purposes or programs, ensuring proper allocation and expenditure. Moreover, public sector accounting encompasses robust budgeting processes (Barton, 2006), aligning financial plans with organizational goals and objectives to ensure resources are utilized efficiently and effectively, thereby promoting fiscal responsibility.

Furthermore, compliance and regulations are pivotal in public sector accounting (Haat et al., 2008). Government entities are mandated to adhere to specific accounting standards and regulations established by governmental authorities or accounting bodies. These standards are crucial for maintaining consistency and transparency in financial reporting.

Moreover, Hui et al. (2011) emphasize that in addition to financial reporting, public sector entities often disclose their performance in achieving organizational objectives and delivering public services, incorporating non-financial metrics and indicators. Additionally, Ackerman (2004) suggests that public sector accounting practices frequently incorporate risk management strategies to identify and mitigate financial risks that could impact organizational operations or financial stability. Audit and oversight are also integral aspects of public sector accounting. Bauman (2013) notes that public sector entities typically undergo external audits conducted by independent auditors to ensure compliance with accounting standards, regulations, and responsible management of public funds.

2.2. Practices and Accountability in the Public Sector

Accounting practices in the public sector encompass the methods utilized by government entities and taxpayer-funded organizations to record, report, and analyze financial transactions. These practices are implemented to ensure transparency, accountability, and adherence to relevant regulations and standards, thereby promoting effective governance and responsible use of public resources for community benefit. According to Horsburgh, Goldfinch, and Gauld (2011), accountability in the public sector involves governments and officials justifying their actions and decisions to the public. Strong accounting practices are crucial for establishing and maintaining mechanisms of accountability.

Hui et al. (2011) underscores the importance of standardized financial reporting in ensuring efficient use of public funds for their intended purposes. Proper accounting procedures enable stakeholders to monitor fund flows, detect potential mismanagement, and hold officials accountable. Additionally, Bhuiyan & Amagoh (2011) emphasize the role of auditing in enhancing accountability within the public sector, citing its ability to uncover financial irregularities, prevent corruption, and ensure regulatory compliance. Audits provide independent assessments of financial statements, aiding in the detection of fraud and financial misconduct (Horsburgh, Goldfinch, & Gauld, 2011).

Bianchi (2010) suggests that integrating technology into accounting practices can further bolster accountability and transparency in African public sectors. Digital systems streamline financial processes, improve data accuracy, and enable real-time reporting, potentially reducing errors and manipulation (Bhuiyan & Amagoh, 2011). Overall, these insights underscore the critical role of robust accounting practices, auditing, and technological advancements in fostering transparency and accountability within public sector financial management.

2.3. Research Gap

While studies show that accounting practices play a significant role in promoting accountability and transparency there are other studies which pinpoints several challenges in implementation of accounting practices in public sector in African and Tanzania in particular. The study by Kessy (2020) show that inadequate financial literacy among officials, limited resources for implementing advanced accounting systems, and a lack of regulatory enforcement are among the few challenges of accounting practice in Tanzania. Based on the contradictions on how accounting practices can enhance and promote accountability and transparency, the current study aimed to fill this gap by exploring the perceptions of stakeholders on the role of public accounting practices in promoting accountability and transparency in the public sector in Tanzania.

3. THEORETICAL FRAMEWORK

Accountability and transparency are crucial principles in the public sector that aim to ensure the efficient functioning of government institutions, foster trust among citizens, and prevent corruption. Accountability involves the obligation of public officials to explain and justify their actions and decisions, while transparency refers to the accessibility of information to the public. There are different theories and assumptions that have developed to try to explain how accounting practices and accountability in the public sector. Theories seek to explore the relationship between accountability, transparency, and their impact on governance within the public sector (Bastida, Maria-Dolores, & Benito, 2015). The popular known theories include the principal-agent theory, institutional theory, social contract theory, network governance theory as well as social capital theory (Christensen & Skaerbaek, 2007).

For the current study, Social capital theory has been opted to guide the study. Social capital theory is a framework that sheds light on the power of relationships and networks within societies. Coined by scholars in the late 20th century, this theory elucidates how social connections, trust, and cooperation among individuals and groups contribute to valuable resources and advantageous outcomes. At its core, social capital theory emphasizes the significance of social bonds in facilitating cooperation, collaboration, and resource acquisition within communities (Christensen & Skaerbaek, 2007).

Social capital theory suggests that relationships built on trust, reciprocity, and shared norms are essential for the functioning of societies and institutions. In the context of accountability and transparency in the public sector, social capital plays a crucial role in fostering cooperation, reducing corruption, and enhancing the overall governance system (Haron et al., 2010).

Central to social capital theory is the notion that networks of relationships and interactions hold significant value. These connections create a reservoir of resources that individuals can tap into for mutual benefit. By fostering trust, norms of reciprocity, and shared values, social capital plays a pivotal role in shaping social cohesion, economic development, and overall well-being. Researchers and policymakers have explored various dimensions of social capital, including its impact on economic growth, political stability, health outcomes, and educational achievement. From bridging social capital that connects diverse groups to bonding social capital that strengthens ties within homogeneous communities, different forms of social capital have distinct effects on social dynamics and outcomes (Haron et al., 2010). Understanding and leveraging social capital can lead to enhanced resilience, innovation, and social harmony within communities.

As a multifaceted theory, social capital offers a lens through which to analyze social relationships, trust-building processes, and the dynamics of collective action. By unpacking the mechanisms through which social networks generate benefits for individuals and societies, social capital theory informs strategies to cultivate and harness social capital for positive social change (Corte-Real, 2008). In an interconnected world where relationships and networks are increasingly vital, the study of social capital remains a critical endeavor for comprehending the foundations of social cooperation and progress. The selection of this theory to lead the study is based on the fact that the current study aimed at gathering stakeholder's perception on the role of accounting practices to promote accountability and transparency in the public sector

(Bouckaert, Walle & Van De. 2003). The study will help to fetch out stakeholders' confidence and trust in the accounting practices in the public sector and their ability to promote accountability and transparency. The theory is very vital for this as whether in a close-knit community, a workplace setting, or a broader societal context, the concept of social capital highlights how social structures and relationships influence individual and collective behavior.

4. METHODOLOGY

The current study is qualitative in nature. Instead of measuring the phenomenon of accountability and transparency by numbers, it used open questions to explore participants' opinions. Besides the exploratory character of the study, it still uses existing theories to understand the concept of accountability and transparency (Strauss & Corbin, 1990). Given the interpretive stance adopted and the nature of the research questions, a phenomenological design was chosen as the design of enquiry for the study. Strauss and Corbin, (1990) put it clear that phenomenological researchers study the ordinary life world: they are interested in the way people experience their world, what it is like for them and how best to understand their experiences. The current research, through interviews and focus group discussions, yielded experienced perceptions and concerns of participants on their real lived experiences concerning accountability and transparency in the public sector in Tanzania (Groenewald, 2004). Participants had the chance to describe their experiences on accountability and transparency in the public sector in Tanzania as they perceive. The design allowed the researcher to study the accountability and transparency in the public sector extensively, gathering participants' experiences on accountability and transparency in the public sector; developing patterns and relationships of the lived experiences by the participants concerning accountability and transparency in the public in Tanzania. The study was conducted in Dar es Salaam covering ten public institutions whereby purposive sampling was used to sample public institutions as well as participants to draw participants' sample (Groenewald, 2004). A total of 24 participants consented participation and formed the study sample. Two qualitative methods were used to collect data; interviews and focus group discussion. Interviews were conducted individually to participants for 40 to 50 minutes. The method gathered data on the participants' perceptions on the role of accounting practices in promoting accountability and transparency in the public sector. The second method used to collect data is focus group discussions. The method gathered participants' perspectives on their experiences towards effectiveness of accounting practices in promoting accountability and transparency in the public sector. The technique aimed at sharing views among participants on the role of accounting practices in promoting accountability and transparency (Patton, 2002). Groups of five to six members were formed and issued with different topics on accountability and transparency for discussion. The researcher was moving around to give clarifications where need arose but also recording the sessions.

Assessment of the emotional tone of the meeting and the group process enabled the researcher to judge the validity of the information collected during FGD. The methods helped to provide valuable spontaneous and in-depth information with high quality data on concepts, perceptions and ideas of a group in a short time and at a relatively low cost (Reeves et al., 2008). Interaction of respondents also stimulated a richer response or new and valuable thought.

5. Limitations

One limitation of this research study is that it focused only on one region of Dar es Salaam and sampled 10 public institutions only. The limitation makes it difficult for its findings to be generalized. Further, the study was conducted in public institutions, thus its findings are bound within that context. They cannot be applied to other institutions. In addition, the small sample size of the study is a limitation in that only 24 participants were involved. One may opt to replicate the study to assess the reliability of its findings as well as adding to the available data regarding perception of stakeholders on the role of accounting practices in promoting accountability and transparency in public sectors.

6. Data analysis

The research data were analyzed using thematic analysis. The researcher used steps for formal data analysis. First, the formal phase was introduced after extensive reading and re-reading of the transcripts (Schnorr, 1997). Secondly, the process of categorizing the data was undertaken.

Thirdly, in order to obtain a good interpretation of the studied phenomenon, the data were coded noting what happened to be interesting and requiring labelling significant words and then the data was filed appropriately as proposed by Creswell (2007). On the basis of the categories, identifying and creating themes were the final steps in data analysis. Words, phrases, and statements that addressed the participants' description of feelings related to inclusive settings were marked using a highlighter. Codes were assigned for different types of statements whilst identification statements of significance were grouped into meaningful units (Van Manen, 1990) During data collection in fieldwork, participants were informed of the purpose of the study in which there was a small presentation on the study objective. Participants were asked if they had questions regarding the study. After that, they were requested for their participation. They were also informed of their right to withdraw from participating at any time. The respondents were assured that their names and that of the school would not be used in the report and documentation of the data, and that they would not be made available to anyone who is not directly involved in the study (Collins et al., 2009). Prior to going to the field, permission to conduct the research was sought from the committee responsible for research in Tanzania.

7. Results

The study findings emerged with different perceptions from the stakeholders on the effectiveness of accounting practice in promoting accountability among the public sector in Tanzania. The findings identified two types of opinions whereby there were stakeholders who were positive to the accounting practices in promoting accountability among public sectors in Tanzania. The second group was sceptical and they had a negative perception of the effectiveness of the accounting practices in promoting accountability among public sectors in Tanzania.

8. Positive Perceptions

In this category, the stakeholders expressed their confidence in the accounting practices used in the public sector that they promote accountability and transparency. They suggested that many of the accounting practices including accrual basis accounting, compliance and regulations as well as audit and oversight have shown stability and effectiveness on ensuring public sector accountabilities and transparencies. General, stakeholders revealed their confidences on how effective the accounting practices are in promoting accountability and transparency in the public sectors in the following areas:

9. Enhanced accountability

Many stakeholders viewed robust accounting practices as essential for fostering accountability within public sector entities. They showed for example that accurate financial reporting helps in tracking funds, ensuring they are used for their intended purposes. In one of the interviews, one participant commented the following regarding effectiveness of accounting practices in promoting transparency and accountability:

My opinion is that accounting practices in place among public sectors enhances accountabilities. I can guarantee to you that there are a lot of things that happen which could damage the public sector in the absence of current accounting practices. Procedures such as audit and oversight which includes regular audits by independent agencies to assess compliance, detect errors or fraud, and ensure the integrity of financial reporting. Also oversight bodies, such as legislative committees or audit offices, play a key role in holding public sector entities accountable. All these accounting practices in the public sector are designed to promote good governance, financial accountability, and the efficient use of public resources to serve the best interests of the community.

9.1. Transparency

The findings revealed that transparency is another positive attribute in the public sector which is enhanced by the use of accounting practices. The study finding indicates that transparent accounting practices provides stakeholders with a clear view of how public funds are utilized, promoting trust and reducing the risk of corruption. It was revealed from the findings that public stakeholders had a view that without having strategies that ensures there is transparency on how things run in the public sectors there will be no way accountability and transparency can be promoted. The study informs that the public sector stakeholders were confident that the accounting practices used in the public sector enabled them to ensure transparency and therefore promote accountability. From the interviews with one of the participants, he commented as follows on the how accounting practices build transparent as means on promoting public sector accountabilities:

The current accounting practices in the public sector has contributed a lot to maintain the transparency we observe in the public sector, something which is a very positive and effective contribution towards the promotion of accountabilities. Take an example when Public sector accountants follow specific accounting standards tailored to the unique characteristics and needs of government entities. These standards improve consistency, comparability, and transparency in financial reporting.

9.2. Decision-making

Decision making is another positive perception the stakeholders had on the role of accounting practices in promoting accountability and transparency. The study findings observed that accounting practices play a crucial role in enhancing decision-making by providing valuable information to stakeholders. The study finding showed that stakeholders appreciated how accounting information allows for informed decision-making within public sector organizations, thereby enhancing overall efficiency and effectiveness. The study found that without the presence of accounting practices in the public nothing would be known to the public and therefore encouraging poor decisions. In the interviews, one of the participants had the following opinions on how accounting practices contribute towards informed decision making and therefore promoting public sector accountability and transparency.

Accounting practices, like financial statements and reports, offer insights into a company's financial health. Decision-makers can assess profitability, liquidity, solvency, and efficiency, enabling them to make informed choices based on the organization's financial position. Also, accounting data enables performance evaluation at various levels within an organization. Managers compare actual results against predefined metrics, assess the effectiveness of strategies, and adjust to improve performance. Additionally, Accounting practices ensure compliance with legal and regulatory requirements. Decisionmakers rely on accurate financial reporting to adhere to standards and regulations, reducing legal risks and enhancing the organization's credibility. Generally, the study findings reveal that accounting practices provide decision-makers with essential financial information, enabling them to assess performance, mitigate risks, allocate resources effectively, and make informed decisions that drive organizational success and hold it accountable to the public.

9.3. Compliance

The stakeholders identified compliance as another positive contribution of accounting practices in enhancing and promoting accountability and transparency in the public sector. The study finding revealed that Compliance plays a crucial role in promoting accountability and transparency in the public sector. The findings further showed that Compliance ensures that public sector organizations adhere to established laws, regulations, and policies. By following these regulations, the organizations promote accountability by demonstrating their commitment to operating within the boundaries set by the law. The study findings noted that stakeholders see accounting practices as a means of ensuring compliance with relevant laws and regulations, thereby reducing the risk of fraud or mismanagement. During the interviews, one of the participants said the following on how compliance enables accountability and transparency in the public sector:

> *Compliance programs typically establish clear standards and guidelines for ethical conduct and performance. By following these standards, public sector employees and organizations can ensure transparency in their actions and decisions. Further, Compliance programs often include monitoring mechanisms to track adherence to regulations. By reporting on compliance metrics, public sector organizations can showcase their commitment to accountability and transparency.*
>
> *Also, in the public sector, compliance helps establish internal controls that prevent misconduct, fraud, or abuse of power. These controls not only promote accountability by ensuring that actions are in line with regulations but also demonstrate transparency in the decision-making processes. Additionally, in one of the public organizations that I know, one of the robust compliance programs include mechanisms to protect whistle-blowers who report misconduct. This fosters a culture of transparency by encouraging individuals to speak up about unethical behaviour without fear of retaliation*

Largely, the study finding showed that stakeholders were confident with compliance mechanisms in the public sector and that is one the key pillars that promote accountability and transparency in the public sector. The study findings reveal that compliance mechanisms in the public sector are essential for promoting accountability and transparency by ensuring adherence to regulations, establishing internal controls, encouraging reporting of misconduct, engaging stakeholders, and fostering a culture of ethics and integrity.

9.4. Criticisms of the Accounting Practices in Promoting Accountability and Transparency

The study findings showed despite the fact that the public stakeholder has a positive impression towards the role of accounting practices in promoting accountability and transparency in the public sector, they also had their concerns/criticism on the same. The findings identified several criticisms from the public sector stakeholders regarding their effectiveness including its Complexity, Manipulation, Subjectivity and Bias, as well as Lack of Enforcement.

9.5. Complexity

The study found that stakeholders find accounting practices in the public sector to be too complex, leading to a lack of understanding or transparency in financial statements. The complexity of accounting standards and financial reports make it difficult for non-experts to understand the financial information, thereby reducing transparency. The findings further show that complex accounting methods and practices are manipulated to mask the true financial health of a government entity, reducing overall accountability. The findings raised a critical concern from the stakeholders regarding the potential manipulation of financial data through accounting practices, which undermine accountability and transparency. In the interviews, one of the respondents had the following views:

> *Complexity in accounting practices can indeed hinder accountability and transparency in several ways. It makes it difficult for stakeholders to understand the true financial state of a company. This lack of transparency can lead to misunderstandings or misinterpretations of financial information, hindering accountability. Complexity in accounting practices can also provide opportunities for manipulation and fraudulent activities. Sophisticated accounting techniques can be used to hide financial problems or inflate financial performance, making it hard for stakeholders to hold the company accountable*

Another respondent added the following comments on the same:

> *Complex accounting practices may be challenging for stakeholders without a background in accounting to understand. This lack of comprehension can hinder accountability as stakeholders may not be able to effectively evaluate a company's financial health or performance. It also led to*

> *delays in financial reporting. When financial information is not disclosed promptly, stakeholders may be unable to access timely information, impacting their ability to hold the company accountable*

9.6. Subjectivity and Bias

Further, the study finding showed that Accounting practices often involve subjective judgments and estimates, opening the door to bias and manipulation to portray financial information in a more favourable light. The use of subjective measures such as fair value accounting can introduce significant volatility into financial statements and reduce the reliability of financial information. The study findings indicate that some stakeholders attribute this lack of resources and feel that limited resources or expertise within public sector agencies hinder the implementation of robust accounting practices. During interviews, one of the respondents replied as follows on the matter:

> *Subjectivity in accounting practices indeed hinders accountability and transparency in the public sector in various ways. Subjective accounting practices can result in financial reports that are not directly comparable between different entities or over time. This lack of comparability makes it challenging to assess performance accurately and can obscure inefficiencies or irregularities. It further erodes public trust in the financial integrity and accountability of public sector entities. If reports are perceived as subjective or manipulated, stakeholders such as citizens, investors, and oversight bodies may question the reliability of the information presented*

Speaking on the same, another respondent from the interviews commented the following on how subjectivity and bias of the accounting practices hinders accountability and transparency in the public sector:

> *Subjective accounting practices create opportunities for fraud and financial mismanagement. When judgments and estimates are heavily relied upon without clear guidelines or oversight, it becomes easier for individuals to manipulate financial data for personal gain. It can further mask long-term financial risks and challenges faced by public sector entities. By presenting a distorted financial picture, decision-makers may overlook critical issues that could impact the entity's long-term sustainability and financial health*

9.7. Inconsistent Standards

The study findings showed that inconsistent standards are among the areas where there is weakness for the purpose of promoting accountability through the accounting practices. The study findings noted that different governments and public sector entities use different accounting standards or systems, making it challenging to compare financial information across different entities for accountability purposes. Further, the study revealed that in some cases, stakeholders perceived this to hinder the enforcement mechanisms to ensure that accounting standards are adhered to, leading to a lack of trust in financial reporting. From the interviews, one respondent comments as follows:

> *Inconsistent accounting practices create several challenges that hinder accountability and transparency in the public sector. When different entities within the public sector use varying accounting practices, it becomes challenging to compare financial information across departments or agencies. This lack of comparability makes it difficult for stakeholders to assess performance accurately. Inconsistent accounting practices further create opportunities for manipulation of financial data. Entities exploit these inconsistencies to present a more favorable financial picture than reality, masking inefficiencies or mismanagement*

Another who had the same view on how accounting practices inconsistencies hinder accountability and transparency in the public sector commented as follows:

> *Without consistent accounting standards, decision-makers may struggle to make well-informed decisions. Inaccurate or incomparable financial information can lead to poor resource allocation and hinder effective planning. Inconsistent accounting practices create gaps and loopholes that can be exploited for fraudulent activities. Without clear standards and guidelines, detecting and preventing fraud becomes more challenging. Inconsistencies in accounting practices can erode public trust in government institutions. When financial information is not transparent and accountable, it raises suspicion among stakeholders, reducing confidence in the public sector's ability to manage resources effectively*

9.8. Inadequate Disclosure

The study findings revealed Inadequate Disclosure as another issue claimed about accounting practices which hinders accountability and transparency in the public sector. The study findings showed that there are instances where important information is not adequately disclosed in financial reports, limiting stakeholders' ability to assess the true financial position and performance of a government entity. The observed further that critics argue that accounting standards are often set by organizations with vested interests (such as accounting bodies), potentially compromising their objectivity and the quality of the standards themselves. During interviews, one of the respondents commented as follows:

> *Inadequate disclosure significantly hinders promotion of accountability and transparency in the public sector for several reasons. When information is not adequately disclosed, it can undermine public trust in government institutions. Transparency is crucial for building trust with the public, and when this is lacking, citizens may become skeptical of the government's intentions and actions. Inadequate disclosure means there is less information available for the public to scrutinize. Without access to relevant data and details about public sector activities, it becomes challenging for the public to hold officials accountable for their actions*

Another respondent added the following:

> *Without access to complete information, it is difficult for policymakers to make well-informed decisions. Inadequate disclosure can lead to suboptimal policy choices that may not serve the public interest effectively. Transparency and disclosure are essential for fostering public participation in governance. When information is not readily available, citizens are less likely to engage in the decision-making process, limiting their ability to contribute to public policies and initiatives*

10. DISCUSSION

The study findings have identified two major categories of stakeholders' perception towards the role of accounting practices in promoting accountability and transparencies in the public sector. The two categories of the finding include positive perception and criticism towards accounting practices and the way they promote accountability and transparencies in the public sector

In regard to positive perception, the stakeholders had a view that there are good outcomes from the accounting practices that help to ensure accountability and transparency in the public sector.

The aspects include enhanced accountability, transparency, compliance and decision making. These findings do not as they are supported by many other literatures including Bovens (2007) who found that accounting practices such as budgeting processes, accounting facilitates setting financial goals and allocating resources effectively. Decision-makers can use budgetary information to compare actual performance against planned objectives, identify variances, and adjust strategies accordingly. Further, Hoffman & Frost (2006) added that accounting practices such as accounting data enables performance evaluation at various levels within an organization. Managers can compare actual results against predefined metrics, assess the effectiveness of strategies, and adjust to improve performance. In the same, Fadzil, Haron & Jantan (2005) sported the current study findings that Investors rely on financial statements and accounting information to evaluate the financial health and potential returns of an investment. Accounting practices help in assessing the risks and rewards associated with investment opportunities, enabling informed investment decisions. Discussing the importance of accounting practices to promote accountability and transparency, Gonzalez (2013) argued that through financial analysis, accounting practices help in identifying and managing financial risks. Decision-makers can assess the impact of risks on financial performance, implement risk mitigation strategies, and make informed decisions to safeguard the organization's financial stability. Furthermore Andrews (2010) insisted that engagement with various stakeholders, including the public, oversight bodies, and regulators is also a ccompliance efforts to make sure accounting practices promote accountabilities and transparencies in the public sector . This engagement promotes transparency by providing insight into the organization's operations and fostering accountability through public scrutiny

On the other hand, the current study findings show that stakeholders had some hesitations that if some accounting practices are not well managed they may hinder accountability and transparency in the public sector. From the findings, Complexity, Manipulation, Subjectivity and Bias, as well as Lack of Enforcement are some of the accounting practices factors that could hinder the accountability and transparency of the public sector. These findings are also supported by a good number of authors. Chang, Chen & Lan, (2013) for example suggests that accountability in the public sector relies on the actions of decision-makers beyond the realm of accounting. Even with transparent financial reporting, accountability may be lacking if there is no corresponding enforcement or consequences for mismanagement. Also, Collier (2008) argued that in some public institutions financial reporting in the public sector often occurs with a significant time lag, making it difficult for stakeholders to have real-time insights into the financial health and performance of government entities. Further, Political interference in financial reporting has been mentioned as another way that may lead to the manipulation of accounting practices for political gain rather than promoting true accountability and transparency (Greenfield, 2007). Furthermore, Hall et al. (2004) observed that sometimes in the public sector there is a greater focus on complying with accounting standards rather than providing meaningful information that enhances understanding, which can undermine the goal of accountability and transparency. Additionally, Amnesty International (2019) proclaimed that when accounting practices are overly complex and lack standardization, it can be challenging to compare financial information across companies or industries. This can hinder stakeholders' ability to make informed decisions and hold companies accountable

11. CONCLUSION

The current study findings have shown how the stakeholders perceive the role of accounting practices in promoting accountability and transparency in the public sector. Understanding the perceptions of public sector stakeholders is essential for addressing their concerns and improving accounting practices to better promote accountability and transparency within governmental organizations. Their perceptions fall in two categories; positive and concerns about the role of accounting practice in ensuring there is accountability and transparency in the public sector. Overall, the findings inform that accounting practices in the public sector play a critical role in promoting accountability and transparency by ensuring the accurate recording and reporting of financial information, facilitating effective resource management, and providing stakeholders with the information they need to assess performance and make informed decisions

Nevertheless, the findings also raised a concern of some accounting practices which in one way or another hinders the accountability and transparency in the public sector. To address these challenges and enhance accountability and transparency in the public sector, the findings suggest promotion and standardization in accounting practices, strengthen regulatory oversight, improve disclosure requirements, and enhance stakeholder engagement in financial reporting processes. Clear guidelines, robust internal controls, independent audits, and accountability mechanisms are essential to mitigate the adverse effects of subjectivity in accounting practices. Further the findings suggest promoting the adoption of consistent accounting standards, such as those developed by international bodies like the International Public Sector Accounting Standards Board (IPSASB), can enhance transparency and accountability in the public sector. Standardization enables better comparability, promotes ethical financial practices, and fosters public trust in government institutions.

Generally, the study findings observe that the criticisms require a holistic approach that goes beyond accounting practices alone, encompassing factors like governance structures, legal frameworks, oversight mechanisms, and enforcement capabilities. Addressing for example inadequate disclosure requires a concerted effort to enhance transparency, accountability, and communication within the public sector. This can involve implementing robust reporting mechanisms, enforcing disclosure requirements, engaging with stakeholders, and fostering a culture of openness and integrity within the organization.

In conclusion, accounting practices are indispensable for promoting accountability and transparency in the public sectors. Through standardized financial reporting, auditing mechanisms, and technological advancements, public institutions can enhance their governance structures and build trust with citizens. Continued research and efforts to improve accounting practices will be critical in advancing accountability and transparency agendas across the global and particularly in Tanzania.

RECOMMENDATIONS

Basing from the findings, the current study recommends for the following steps to be take

i. Training and Capacity Building to enhance the accounting skills of public sector employees to improve the quality and understanding of financial reporting.

ii. Implementing stronger oversight mechanisms to help address concerns about accountability and transparency in financial reporting.

iii. Simplifying accounting practices and financial reporting to make information more accessible to stakeholders and improve transparency.

iv. Leveraging technology for accounting processes to enhance efficiency, reduce errors, and improve accountability in the public sector.

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