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Enhancement of the Accountability of Public Sectors through Integrity System, Internal Control System and Leadership Practices: A Review Study

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Abstract

Currently, governance in public administration has become a global issue as a result of the continuous stream of governance failures, fraud, inefficiency, corruption, and poor internal control and financial management. Public sectors worldwide are now under pressure to justify the sources and utilizations of public resources as well as improving the performance in their services delivery. Now it is considered as public rights to monitor the transparency and efficiency of public administration. To ensure good governance, understanding the way to improve accountability in public sector is very essential. Therefore, to enhance the accountability in the public sector, based on the literature review this study discusses on the organizational internal factors that has influences on accountability; integrity system, internal control system and leadership qualities. This study could assist policy makers to establish more accountability among different departments and agencies of government.

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1. Introduction

Many countries have reformed its public sector to meet the public demand of a more transparent and accountable government. The focus is on the reformation and transformation of public sector to become more efficient and effective in delivering the services remain robust. In addition, the evolution of new technology has put the government to devise the integrity value of public sector with strong command in leadership to steer the efficiency without abandoning the value of good governance.

In administration, it is important to have good governance principles to improve the citizens' trust and the legitimacy of the politico-administrative system (Christensen & Skaerbaek, 2007; Salminen & Ikola-Norrbacka, 2010). The concept of good governance is a value-loaded concept, recommending an ideal of administrative behaviour, and rejecting behaviour that is unethical or questionable (Bouckaert & Walle, 2003; Inglis et al., 2006; Shafer, 2009). The common values and principles explain the relationship between public authorities and citizens which good governance will depend on the morality of public service (Andrews, 2010; Bhuiyan & Amagoh, 2011; Kalsi et al., 2009).

Accountability is always related to good governance that implies public organizations which conduct public matters, manage public funds and guarantee the realization of human rights in a way fundamentally free from abuse and corruption, as well as obeying the rule of law (Bhuiyan & Amagoh, 2011; Morrell, 2009; United Nation Human Rights, 2012). In this day accountability and governance appear to be coexisted between each other. Collier (2008) stated that accountability entails governance and a stakeholder accountability perspective is the only available option for organizations like public sector. This notion also shared by O'Dwyer & Unerman (2007) which stated that in the quasi-public sector where accountability mechanisms have tended to focus on upward accountability to funders rather than downward to the recipients of services.

The term of public sector accountability usually relates to the relationship between the politicians and citizens as well as public managers. Because of paradigm shift, accountability is seen more interesting area to study when involving public management and accountability which is discussed by the recent research literature, namely from New Public Management to New Public Governance (NPM) (Almquist et al., 2013). NPM is introduced as an alternative built on market-based solutions and customer-driven management. At this time, NPM has evolved on how the public sector should be managed and worked to something more achievable (Corte-Real, 2008; Rhodes et al., 2012).

According to Blagescu & de Las Casas (2005), Bovens, (2007), and O'Dwyer & Unerman (2007), the term of accountability is referred as relationship based on commitments of some people to demonstrate, review, and take responsibility for performance, both the results achieved in light of agreed expectations and the means used. It is not just a formal other but it includes moral, rights and obligations. Rutkowski & Steelman (2005) define accountability as compliant and meeting personal responsibilities, feeling obligated to another individual and having to justify an action to others. Normally when leaders are accountable for the feedback they will feel obligated to use it to improve performance (Allen & Dennis, 2010; Hall et al., 2004; McCall, 2012).

This is imperative as the public have an ultimate right to know and to receive facts and figures which would assist them to debate and decide the destiny of their elected representatives (Almquist et al., 2013; Christensen & Skaerbaek, 2007; Subramaniam et al., 2013). In this process, accountability is vital to demonstrate as a democratic way on how government conduct to monitor and control while preventing the development of concentration of power and enhancing the learning capacity and effectiveness of public administration (Aucoin & Heintzman, 2000; Peters & Pierre, 1998; Rotberg 2004). Salminen & Ikola-Norrbacka (2010) suggested that fundamentally, every government is trying to appear good and reliable government in the eyes of the public. In order to avoid unethical actions against regulation, anti-corruption laws and ethical codes have been established and enforced.

The concept of accountability has been evolving and broadening to a broader concept of integrated financial management and stewardship over the effective and efficient use of financial and other resources in all areas of government operations (Bovens, 2007; Kaldor, 2003; Mulgan, 2000). Accountability in the public sector requires governments to answer to public to justify the source and utilization of public resources (Almquist et al., 2013; Jorge de Jesus & Eirado, 2012; Laegreid et al., 2008) because there are perception that the government are inefficient and has poor performance in services delivery (Barton, 2006; Hui et al., 2011). Due to the growing concern on how the government spends the money, the public demands seem increasing and adding up a pressure to the government in managing the resources prudently (Abu Bakar et al., 2011; Almquist et al., 2013; Bhuiyan & Amagoh, 2011; Mulgan, 1997). The problem with the belief is that it cannot be fixed simply just by changing the structure of

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