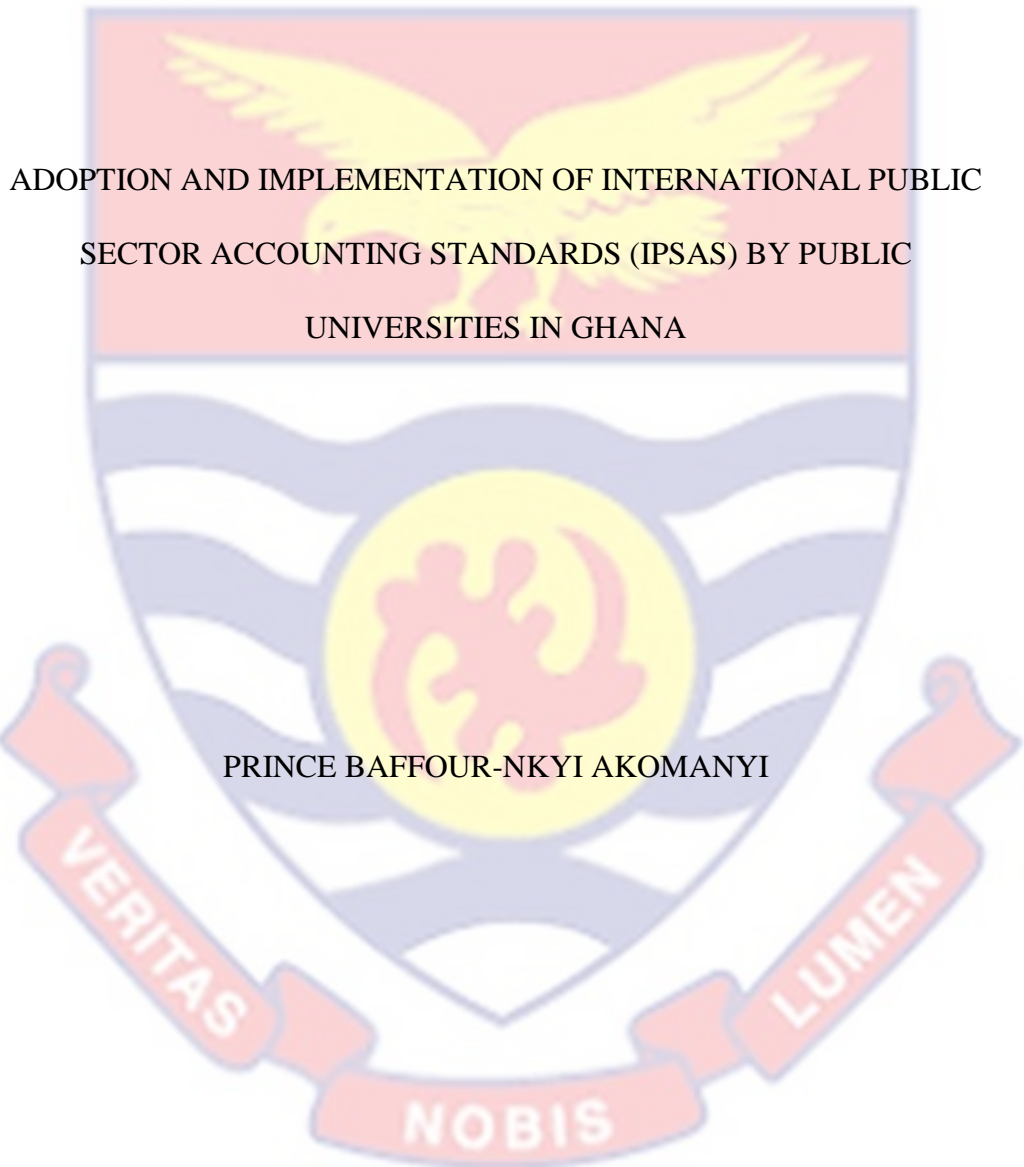UNIVERSITY OF CAPE COAST

ADOPTION AND IMPLEMENTATION OF INTERNATIONAL PUBLIC

SECTOR ACCOUNTING STANDARDS (IPSAS) BY PUBLIC

UNIVERSITIES IN GHANA

PRINCE BAFFOUR-NKYI AKOMANYI

2022

UNIVERSITY OF CAPE COAST

ADOPTION AND IMPLEMENTATION OF INTERNATIONAL PUBLIC

SECTOR ACCOUNTING STANDARDS (IPSAS) BY PUBLIC

UNIVERSITIES IN GHANA

BY

PRINCE BAFFOUR-NKYI AKOMANYI

Dissertation submitted to the Department of Accounting, School of Business,
College of Humanities and Legal Studies, University of Cape Coast, in partial
fulfilment of the requirements for the award of Master of Business Administration
degree in Accounting

JULY 2022

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been submitted for another degree in this university or elsewhere.

Candidate's Signature……………………….Date…………………………

Name: Prince Baffour-Nkyi Akomanyi

Supervisor's Declaration

I hereby declare that the preparation and presentation of this project work was supervised in accordance with the guidelines on supervision of project work laid down by the University of Cape Coast.

Supervisor's Signature:………………………Date:…………....................
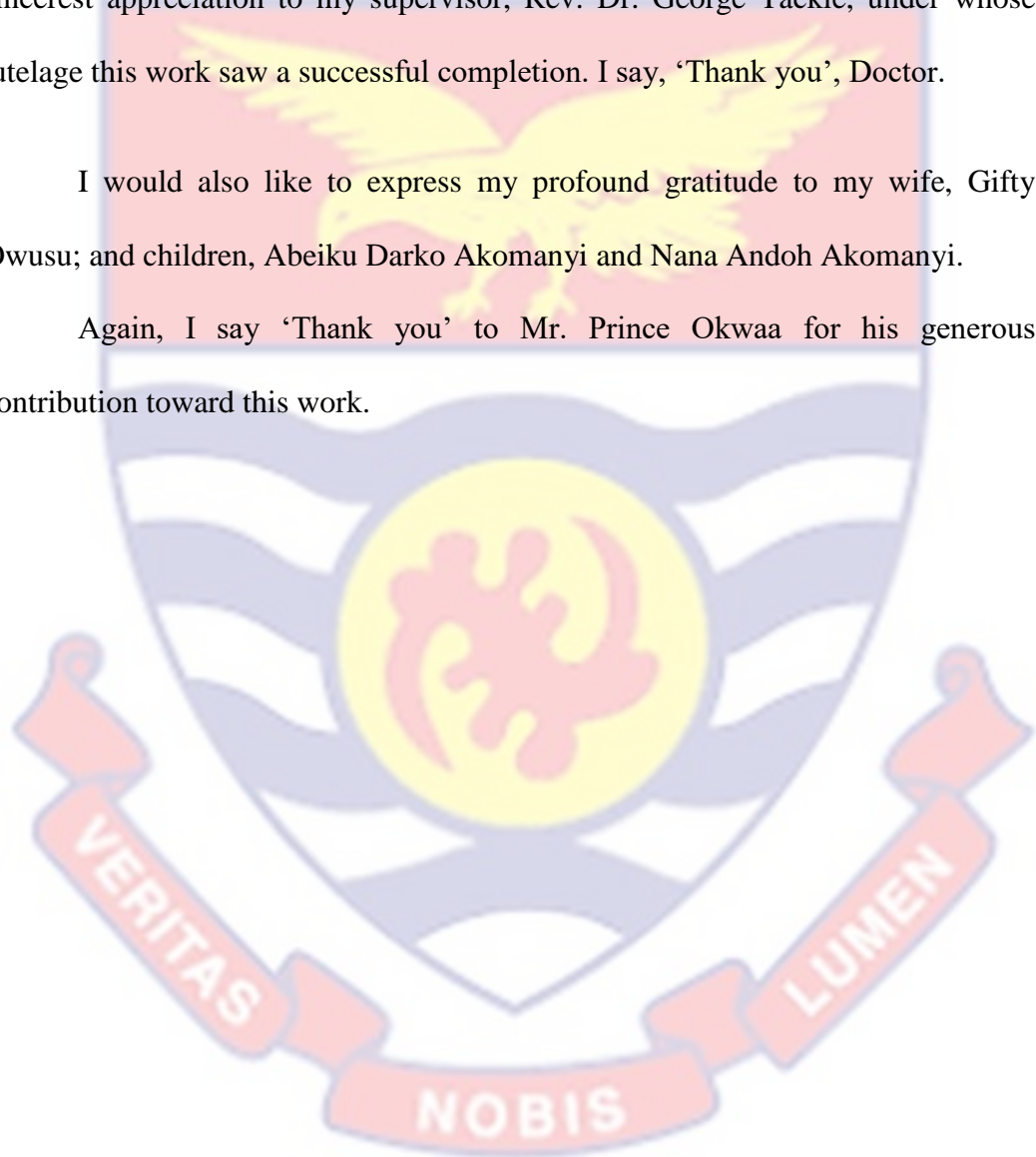
Name: Rev. Dr. George Tackie

ABSTRACT

The purpose of this study is to examine the readiness, status, prospects and challenges of the adoption and implementation of the International Public Sector Accounting Standards (IPSAS) by public universities in Ghana. The study is quantitative in nature, and employed the descriptive research design. The random sampling technique is used to select 198 Audit and Finance staff from four public universities in Ghana. Descriptive statistics of frequency, percentage, mean and standard deviation are used for the analysis. It is found that public universities in Ghana are highly ready to implement IPSAS. Also, the status of IPSAS adoption and implementation is found to be high. Further, IPSAS prospects of fraud and corruption reduction, reduced tasks involved in financial reporting process, improved comparability of financial information, and improved and strengthened good governance and relations are identified as some of the prospects of IPSAS adoption and implementation. Finally, challenges of high cost of adoption and implementation, low level of management commitment, user unfriendliness of IPSAS, inflexibility of existing organisational culture to accommodate IPSAS adoption and implementation, among others are also identified. It is concluded that if financial support and expert training are not provided, full adoption and implementation may not be realised. The study, thus, recommends that management of public universities in Ghana should train finance and audit staff and make funds available for IPSAS adoption and implementation.

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I owe it a duty to thank all those who, in diverse ways, contributed to the successful completion of this work. I particularly extend my warmest and sincerest appreciation to my supervisor, Rev. Dr. George Tackie, under whose tutelage this work saw a successful completion. I say, 'Thank you', Doctor.

I would also like to express my profound gratitude to my wife, Gifty Owusu; and children, Abeiku Darko Akomanyi and Nana Andoh Akomanyi.

Again, I say 'Thank you' to Mr. Prince Okwaa for his generous contribution toward this work.

DEDICATION

To my mother, Faustina Mensah

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LIST OF ACRONYMS

ACCA	Association of Chartered Certified Accountants
CIB	Chartered Institute of Bankers, Ghana
CIMA	Chartered Institute of Management Accountants
CPA	Certified Public Accountant
HND	Higher National Diploma
IBM	International Business Machines
ICAG	Institute of Chartered Accountants, Ghana
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
NPM	New Public Management
PwC	PricewaterhouseCoopers
SPSS	Statistical Package for the Social Sciences
UNDO	United Nations Development Organisation
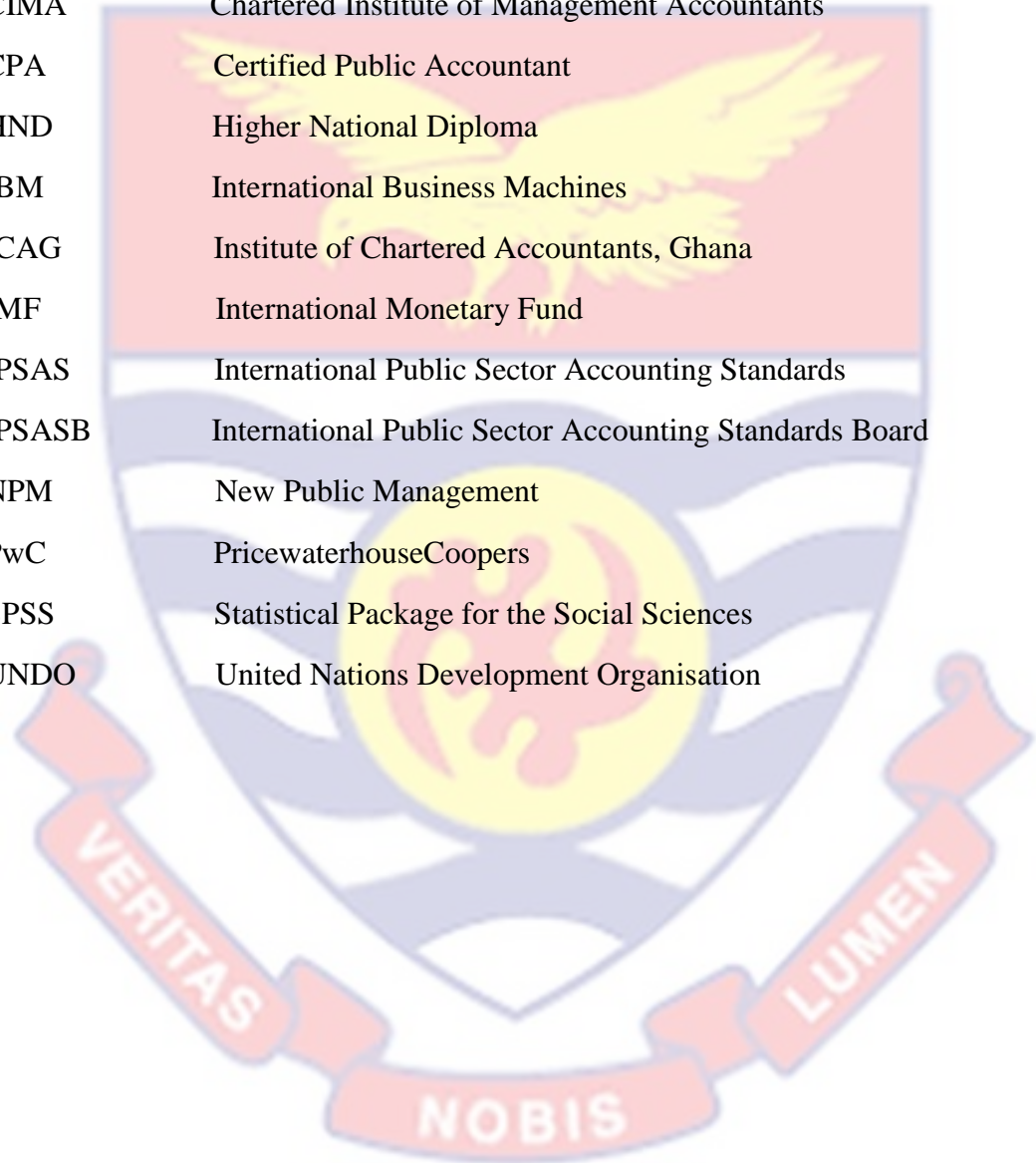
CHAPTER ONE

INTRODUCTION

International Public Sector Accounting Standards are presently being used by many institutions and governments across the world. Possibly due to prospects associated with its adoption and implementation. However, readiness level of institutions for its adoption and implementation, status of adoption and implementation, prospects of adoption and implementation, and challenges associated with its adoption and implementation have not been extensively explored in literature. The present study was thus conducted to assess these issues. This chapter covers background to the study, statement of the problem, purpose of the study, research objectives, research questions, significance of the study, limitations, delimitations and organisation of the study.

Background to the Study

According to the Institute of Chartered Accountants of Ghana (ICAG) (2010), public sector accounting is a system that involves gathering, recording, classifying and summarising reports, fiscal and financial transactions – that exist in the public sector – as financial statements and interprets them, as may be required by accountability and fiscal transparency, to provide information to users associated with public institutions. It involves the receipts, custody, disbursement and rendering of stewardship of public funds entrusted to public institutions (ICAG, 2010).

Adoption and subsequent implementation of the International Public Sector Accounting Standards (IPSAS) in public institutions across the world has

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become an issue for discussion among professional bodies, academics and researchers (Christiaens et al., 2015). This is likely due to the feet-dragging attitudes of many institutions – possibly due to level of readiness of these institutions, the prospects associated with adoption of the standards, and the possible challenges associated with adoption and implementation of the IPSAS (Price Waterhouse Coopers, 2013).

According to Christiaens et al. (2015), in recent years, governments of many countries have resorted to modernisation and reforms of their accounting and reporting systems. The main reason driving these reforms is the development in the financial information system. Basically, the concept of New Public Management (NPM) seems to be consistent with these reforms (De Luca & Prather, 2018). De Luca and Prather posited that New Public Management (NPM) is managerial thought based on ideology to bring private practice into public sector.

Further, De Luca and Prather (2018) indicated that World Bank, United Nations Development Organisation (UNDO) and International Monetary Fund (IMF) are the main international organisations promoting public sector reforms around the world under the ideology of New Public Management (NPM), especially in developing countries. It was then not surprising that PwC (2013) posited that financial management of public sector can be enhanced by adopting the IPSAS for financial reporting. Considering this, there is the need for the harmonisation of differences in public sector accounting systems, with respect to public financial information system and compliance with IPSAS (PwC, 2013).

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Indisputably, the International Public Sector Accounting Standards have now become the international reference for the development of public sector accounting systems worldwide (Christiaens et al., 2015). Modernisation of public sector financial reporting was the reason behind the institution of IPSAS. The IPSAS was issued by the International Public Sector Accounting Standards Board (IPSASB) based on the International Financial Reporting Standards (IFRS) – a standard for private sector entities, and for application by public sector entities worldwide (Christiaens et al., 2015).

According to Majid and Adam (2015), communication of the status of an institution, in terms of financial information, for an informed decision making process is the main objective of financial reporting. Financial information is more useful when it is presented in a comparable, verifiable and understandable way. It is, thus, the obligation of state-owned entities, such as state-owned universities, to fulfill their stewardship function by publicising audited comparative statements of the actual utilisation of public resources in accordance with forecasted budgets (De Luca, & Prather, 2018).

International Public Sector Accounting Standards are supported by strong governance framework, quality principles, and a credible regulatory framework (Ijeoma & Oghoghomeh, 2014). As such, IPSAS adoption enables greater comparability of financial information by stakeholders of organisations, a reduction in the overall cost of capital, motivation by investors to invest in foreign countries, improved economic growth and allocation of resources by public institutions (Jayasinghe, et al., 2015); IPSAS governs budgeting of assets and

liabilities, revenues, expenditure, encumbrances and obligations on public business entities (Ijeoma & Oghoghomeh, 2014).

Further, International Public Sector Accounting Standards support the accrual-basis accounting method which means that revenues are reported on the income statements when earned, and expenses recorded when benefits are consumed (Jayasinghe et al., 2015; Whitefield, 2016). Disclosures that clearly explain the differences between budgeted and actual amounts are provided by the standards as well (Dissanayake, 2017). Therefore, it is possible to juxtapose budgeted amounts and actual amounts of a project when implementing the budget. This information helps in demonstrating the efficiency and effectiveness of public entities in the management of funds and provision of services.

Additionally, IPSAS makes room for economic analysis by offering information pertaining to achievement and use of resources in accordance with legally adopted budgets, compliance of the entities with instituted legislations; allocation of resources and outcomes that are related to performance indicators; as such, governments are positioned to make appropriate decisions that are based on resource allocation; thus, improving transparency and accountability (Christiaens et al, 2015).

Hitherto, public sector financial reporting in Ghana, like many other developing countries, was based on cash accounting (ICAG, 2015). Cash accounting basis is a method of financial reporting where transactions are recognised only when they involve parting with or receiving cash (ICAG, 2015). Thus, recognition is purely based on whether funds have been received or paid out

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at the expense of timing of the transaction. In other words, it leaves a gap between when the economic event happened and the time the actual cash payment was made. Financial statements prepared based on cash accounting do not properly reflect information about the income, expenditures, resources and obligation of the organisation, with regards to the fiscal year in question, creating exposure to great potential for deliberate manipulation of the accounts (Breen, 2018).

Furthermore, cash accounting system is deemed to create room for abuse of public resources for personal gains, especially because it keeps no records of usage of resources – a practice that is highly prone to corruption (Christiaens et al, 2015). Discussions on the need for Ghana to adopt International Public Sector Accounting Standard (IPSAS) began from accounting, financial and economic circles in the early 2000's (Breen, 2018). These discussions might gain prominence because there had been the need for high quality financial reporting to shape the relevance, reliability and quality of the general purpose financial statement and to further enhance greater transparency and accountability in government financial reporting system.

Some of those calls had also come from civil societies, including Transparency International which did not hesitate to push for government commitment to reforms including Public Financial Management to improve transparency, accountability and proper stewardship to the citizenry (Transparency International, 2006). Consequently, Ghana adopted the International Public Sector Accounting Standard (IPSAS) on October 27th, 2014. The adoption was launched by the Minister of Finance in collaboration with the

Institute of Chartered Accountant Ghana (ICAG). The policy was subsequently captured in 2015 Budget statement and Economic Policy presented to Parliament by the Minister of Finance (MoF, 2015).

The Controller and Accountant General's Department (CAGD), a department under the Ministry of Finance, was assigned the lead role to ensure that the adoption and implementation of the policy is successful (MoF, 2015). In order to carry out its mandates, the CAGD formed a committee called IPSAS Implementation Committee (IPIC) to coordinate and harmonise the implementation processes. The implementation was planned to be completed by 2021 (Breen, 2018). The Controller and Accountant General's Department (CAGD) further engaged Chartered Institute of Public Finance and Accountancy (CIPFA) to offer technical assistance to develop strategy that would facilitate a successful adoption and implementation of the policy (Breen, 2018).

As stated earlier, despite the benefits associated with the adoption and implementation of IPSAS, there is the likelihood that the level of readiness of Ghanaian public institutions to implement IPSAS can influence the adoption and implementation of the standards. Essentially, the level of readiness may be influenced by perceived challenges associated with the adoption and implementation of the standards. Unfortunately, majority of the empirical studies assessing the level of readiness to implement IPSAS, the status of adoption and implementation, prospect of the adoption, and challenges associated with the adoption and implementation of IPSAS focused more on developed countries

(Dissanayake, 2017; Jayasinghe et al., 2015; Ijeoma & Oghoghomeh, 2014); thus, creating gaps in local literature.

Considering the foregoing, it was imperative to conduct a study to examine the readiness of Ghanaian public institutions, especially public universities, to adopt and implement IPSAS, and also assess the status of their adoption and implementation process, prospects of adoption as well as challenges associated with adoption and implementation of the standards. The focus was on public universities as they seem to be among large public institutions where issues of accounting and financial management are daily processes.

Statement of the Problem

Discussions on the adoption of IPSAS by the Government of Ghana have been ongoing since 2007. Ghana was listed in September, 2007, by the International Public Sector Accounting Standards Board (IPSASB) as one of the countries that had adopted cash basis IPSAS and was in the process of transitioning to accrual basis (IPSASB, 2007). This listing came about as a result of the indications of the intentions of the Government of Ghana to adopt IPSAS made by the Controller and Accountant General's Department (CAGD) of the Republic of Ghana and the Institute of Chartered Accountants, Ghana (ICAG) during the first meeting of the International Public Sector Accounting Standards Board in Sub-Sahara Africa held in Accra, Ghana, from 20th to 23rd March, 2007. This was subsequently reiterated by an official announcement by the CAGD and the ICAG at a sensitisation forum on Ghana's adoption of IPSAS organised by PricewaterhouseCoopers (PwC, 2007).

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Consequently, Ghana adopted the IPSAS in 2014, followed by a formal announcement of the policy in 2015 Budget and Economic Policy statement which was presented to Parliament by the Finance Minister (Breen, 2018). The IPSAS adoption and implementation programme was scheduled to take five years to complete – starting from 2016 to 2021 (Antwi, 2015). Though, considering the scheduled period, it has been almost five years into the adoption of the programme, all seemed to be quiet on the status of its adoption and implementation, the prospect and the challenges faced by public universities in Ghana, as the public universities appeared to have delayed in the implementation of the International Public Sector Accounting Standards (Breen, 2018).

To the best of knowledge of the present researcher, no study has yet been conducted to investigate the level of readiness of public universities to implement the standards, the status of the adoption and implementation as well as the prospect and challenges faced by the public universities in Ghana. This implies that there are knowledge gaps with respect to the extent of adoption and implementation of IPSAS among public universities in Ghana. Moreover, there are no public documents on the strategies in place for these public universities, as far as the implementation of these standards is concerned. This means it will be difficult to assess how the public universities are faring in their attempt to uphold full adoption and implementation of the standards, and there may be controversies if one tries to consider this issue since there is a limited empirical evidence. This calls for studies to be conducted in this regard.

Nevertheless, prior studies (Whitefield & Savvas, 2016; Mohammed, 2014; 2006; Moawiah & Rosnia, 2018; Wang & Miraj, 2019) focused on developed countries, making comprehensive application of their findings to local decision-making difficult. Besides, the scope of majority of prior studies was limited to only adoption and implementation issues, to the neglect of possible challenges and prospects (Jayasinghe et al., 2015; Ijeoma & Oghoghomeh, 2014). It is against this background that the present study seeks to find out the readiness for adoption and implementation, the status of the adoption and implementation as well as the prospect and challenges faced by the public universities in Ghana in order to fill the gap in literature.

Purpose of the Study

The purpose of this study is to examine the readiness for adoption and implementation, extent, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana.

Research Objectives

Specifically, the study sought to:

1. Determine the readiness for the adoption and implementation of IPSAS by public universities in Ghana.

2. Examine the status of the adoption and implementation process among public universities in Ghana.

3. Analyse the prospect of adoption and implementation of IPSAS among public universities in Ghana.

4. Determine the challenges faced by public universities in Ghana from the adoption and implementation.

Research Questions

1. What is the level of readiness for the adoption and implementation of IPSAS by public universities in Ghana?

2. What is the status of adoption and implementation of IPSAS by public universities in Ghana?

3. What is the prospect of the adoption and implementation of IPSAS by public universities in Ghana?

4. What are the challenges faced by the public universities from the adoption and implementation of IPSAS?

Significance of the Study

The result of this study would provide government agencies like the Finance Ministry and the Controller and Accountant General's Department (CAGD) with invaluable insight into the progress made by public universities in Ghana so far as the adoption and implementation of IPSAS is concerned. This would further aid the agencies to devise reliable monitoring strategies over the adoption and implementation processes of these universities.

Management of these public universities would also be aware of the pace of adoption and their implementation processes in order to take more informed decisions as to whether or not to step up their implementation processes. Public universities would know what they stand to gain from the adoption of IPSAS. University decision makers would be aided to determine whether the pace of the

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adoption and implementation process is coterminous with government of Ghana's timelines. It would inform government about the level of readiness of the public universities that have not already started the adoption and implementation process to do so.

The study would also bring to light the challenges that beset the adoption and implementation process. Based on the findings, appropriate corrective measures could be developed to deal with the challenges. This study would also contribute to the existing body of literature on adoption and implementation of IPSAS, and serve as a reference point for future studies.

Limitations of the Study

The descriptive research design was used, and the questionnaire employed for data collection. This design could not help infer cause-effect relationship between the concepts study as the focus was on description of a phenomenon. With respect to the questionnaire, some of the respondents seemed not to understand and interpret the items differently, irrespective of how carefully the items were worded. To improve the impact of these limitations on the results, the researcher personally attended to some of the respondents to assist them understand the items in the data collection instrument.

Delimitations of the Study

The study was confined to four (4) public universities; namely, University of Cape Coast, University of Ghana, Kwame Nkrumah University of Science and Technology, and the University of Education, Winneba, and the data for the study were drawn from the Directorate of Finance and the Directorate of Internal Audit

of these universities, since these directorates are directly involved in accounting and finance issues of the universities. Also, these four universities were considered because they are the traditional universities in Ghana; thus, have enough finance and audit staff who were more experienced, in terms of years, in issues related to IPSAS. In addition, the study was delimited to readiness for adoption and implementation of IPSAS, status of adoption and implementation, prospect and challenges from the adoption and implementation of IPSAS.

Organisation of the Study

The study was organised in five chapters. The introduction, which is the Chapter One, highlighted the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, delimitations of the study, limitations of the study, and finally, the organisation of the study. In Chapter Two, the underpinning theory, concepts and related empirical studies are reviewed; and as well, the conceptual framework is presented. Chapter Three discusses the research methods employed for this study. Chapter Four focuses on analysis and discussion of results. The final chapter, Chapter Five, concludes the study by highlighting the key findings, the implications of the findings, recommendations based on the findings and conclusions drawn, and suggestions for further research.

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CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter presents a review of literature on readiness for adoption and implementation of IPSAS, status of adoption and implementation of IPSAS, prospect of IPSAS adoption and implementation as well as challenges associated with IPSAS adoption and implementation. The chapter also reviews related theories. Additionally, the concepts – readiness, status of programme adoption, prospect of programme adoption and implementation and challenges associated with programme adoption and implementation – are discussed in detail. Review of previous related empirical studies is done, taking into consideration the study objectives. Further, considering the study objectives and knowledge drawn from the literature review, conceptual framework is constructed to guide the entire work. Finally, the chapter provides a chapter summary.

Theoretical Framework

This section discusses the theories employed for the study. Specifically, references are made to the new public management theory and the stakeholder theory developed by Hood (1991) and Freeman, Wicks and Parmar (2004), respectively. These theories are discussed in details below.

The new public management theory

The new public management theory was developed by Hood (1991). The theory has to do with running public service organisations, and used in

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government and public service institutions and agencies, at both sub-national and national levels (Hood, 1991). As prior public administration and management scholars explain, it appears it is the analysis of the need for a transparent and accountability driven governance that has led to the theory of new public management (Onalo et al., 2013; Andriani et al., 2010).

Furthermore, Onalo et al. (2013) explain that the new public management theory focuses on efficiency, performance measurement, fiscal discipline, accountability and transparency. The various theories of governance accommodate that social conflicts are resolved by a sovereign from a perspective of responsibility as guided by the new public management theory (Bevir, 2011; Carrington, DeBuse & Lee, 2008). In tandem with the new public management theory, there is a growing consensus concerning the merits of accounting reforms in the public sector (Bevir, 2011). The new public management techniques for the public sector are to facilitate more transparency in government activities, to strengthen the accountability of government, and improve decision-making (Mack, & Ryan 2006).

Thus, it seems that in response to the new public management techniques, Ghana has adopted a set of new accounting standards based on IPSAS to ensure effective and efficient governance in the provision of services to the citizens. The IPSAS applies to the underlying principles of recent social, economic and public sector reforms as means to improve the accountability, transparency and public sector governance in Ghana. The adoption and implementation of IPSAS in Ghana as a part of broader financial management and public sector reforms in line

with the doctrine of the new public management theory is still ongoing. Nevertheless, just as how the new public management theory did not promise adoption and implementation of new programme devoid of challenges (Hood, 1991; Onalo et al., 2013), the adoption and implementation of IPSAS in Ghana is also fraught with issues related to level of readiness of public universities, status of adoption and implementation of IPSAS and prospect of adoption and implementation as well as the possible challenges associated with the adoption and implementation of IPSAS by public universities.

Stakeholder theory

The stakeholder theory propounded by Freeman et al. (2004) is based on the assumption that values are necessarily and explicitly a part of doing business. The stakeholder theory asks managers to articulate the shared sense of the value they create, and what brings its core stakeholders together so as to deliver on their purpose (Freeman et al., 2004). Financial statements are subject to stakeholders' scrutiny to ascertain their usefulness in line with the stakeholders' theory. Danescu and Rus (2013) argue that accounting information available should serve the users for their target purpose. The users of IPSAS in the public sector, thus, suggest that its adoption and implementation is necessary for measuring performance, accountability by government organisations, efficiency, and effectiveness and decision making to support a proper function of democracy.

Ironically, at the practical level, the implementation of the new policies is not a simple process (Nor-Aziah & Scapens, 2007; Dambrin, Sponem & Lambert, 2007), as there are possible challenges hampering the process, and hence affecting

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the readiness levels of public institutions to implement new policies. Thus, it is a mistake for technocrats to see the introduction of IPSAS as merely a technical reporting innovation. The stakeholder theory when applied to the public sector, the essence of the theory is that a variety of stakeholders have a vested interest in a financially viable government. Their incentive to use a government's financial statement, a source of their collective knowledge of the government, comes from their desire to know the amount, timing, and degrees of uncertainty of the benefits they expect to receive from the government (Nor-Aziah & Scapens, 2007).

General purpose financial reporting reduces information asymmetry between the stakeholders and government officials in control of government financial accounting system. International Public Sector Accounting Standards are improvements on general purpose financial reporting. It is a better way to satisfy the stakeholders; be it public officers or the citizens. To guard against stakeholders being short-changed by the government or vice-versa, the implementation of IPSAS is considered a sine qua non.

The social contract between the public office holders and the citizens confers legitimacy on the citizens in the stakeholders' basis. To this end, the citizens organise themselves into strata of private entity and constitute stakeholders by contributing in the running of the affairs of the country in anticipation of social goods. However, public institutions, such as the universities, responsible for producing transparent statements for stakeholders seem to have delayed; possibly due to perceived challenges and non-readiness, among others. To this end, it suffices – based on the tenets of the stakeholder theory – to say that

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readiness of public universities to adopt and implement IPSAS, giving cognisance of challenges and prospects, could lead to transparent reporting by the public universities.

Conceptual Review

This section presents reviews of the concepts used in this study. These concepts are readiness for programme adoption and implementation, status of adoption and implementation of programme, prospect of programme adoption and implementation, and challenges associated with programme adoption and implementation. These concepts are explored from different perspectives, drawing on positions of prior studies, as well as the researcher's views and understandings. Nonetheless, before reviewing the key concepts, IPSAS and IPSASB are discussed.

International Public Sector Accounting Standards (IPSAS)

The International Public Sector Accounting Standards are a set of accounting standard issued by the International Public Accounting Standards Board for use by public sector institutions or entities around the world in the preparation of financial statements. These standards are based on International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The main aim of the IPSAS is to improve the quality of general purpose financial reporting by public sector entities, resulting in better informed assessments of the resource allocation decisions by governments, thereby improving transparency and accountability (IPSASB, 2021).

Considering the prospects of IPSAS, many governments are introducing it because they consider it to be a good practice (IPSASB, 2021). Nevertheless, in actuality, only few governments have adopted the standards (Moawiah, & Rosnia, 2018). Especially, in terms of the Cash Basis IPSAS, not even a single country in the world has adopted the standard (IPSASB, 2007). The main problem has been the key requirement to produce consolidated financial statements for all controlled institutions – consolidating government business entities with ministries and departments would be very time-consuming, and virtually all governments feel that it is not worth the very least cost (Moawiah & Rosnia, 2018).

So far, some countries have begun the adoption process whilst others have started implementation. For instance, Afghanistan has passed legislation, and processes in place to adopt IPSAS – first the cash basis then accrual basis; Abu Dhabi prepared her 2010 financial statements in accordance with the accrual accounting IPSAS (Moawiah & Rosnia, 2018). Brazil announced full implementation by 2012 (Azrina & Nafsiah, 2014). In Ghana, adoption of the standards was announced in 2014, and full implementation across all public institutions was scheduled to take place by 2023 (Breen, 2018).

International Public Sector Accounting Standards Board (IPSASB)

The IPSASB develops accounting standards and guidance for use by public sector entities. The structures and processes that support the operations of the IPSASB are facilitated by the International Federation of Accountants (IFAC) (IPSASB, 2021). The Board is basically composed of members from Europe, North America, Latin America/Caribbean, Africa/Middle East, Asia and

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Australasia/Oceania (IPSASB, 2021). The Board's strategic objective is strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based International Public Sector Accounting Standards (IPSAS). The Board's main activities revolve around developing and maintaining IPSAS and other high-quality financial reporting guidance for the public sector; and raising awareness of IPSAS and the benefits of accrual adoption.

It should also be stated that the IPSASB follows an open and transparent due process to ensure that IPSAS are developed in the public interest. This process provides the opportunity for all those interested in public sector financial reporting, including those directly affected by the Standards, to make their views known to the IPSASB, and ensures that all views are considered in the standard-setting development process. Specifically, the IPSAS development was done in phases – 1997 to 2001 where the International Federation of Accountants (IFAC) Public Sector Committee (PSC) started the IPSAS development programme, and first 21 IPSASs based on IASB equivalents, interpreted as necessary; 2002 to 2009 where the first public sector specific IPSASs (22 – 24) were developed, IFRS converged, and conceptual framework project started; and 2010 to 2015 where the conceptual was completed in 2014, first time adoption and IFRS convergence was maintained, and first public work plan consultation was carried out (IPSASB, 2021).

Additionally, following the report of the IPSASB Governance Review Group in 2015, the Public Interest Committee (PIC) was established (IPSASB, 2021). The PIC's remit is to provide assurance that the IPSASB's standard-setting

activities are in the public interest by providing recommendations on the terms of reference of the IPSASB; the arrangements for nomination and appointment of IPSAB members; the procedures and processes for formulation of the IPSASB's strategy and work plan; and development of IPSAS. The PIC is currently comprised of individuals from the International Monetary Fund, International Organisation of Supreme Audit Institutions, Organisation for Economic Co-operation and Development, and the World Bank Group (ACCA, 2017).

The IPSASB's work, including the standards programme, would not be possible without the support of their funding partners. The Board is mainly funded entirely by voluntary contributions (both financial and in-kind), and relies heavily on the generosity and commitment of their partners - International Monetary Fund, International Organisation of Supreme Audit Institutions, Organisation for Economic Co-operation and Development, and the World Bank Group (ACCA, 2017).

Readiness for programme adoption and implementation

The relationship between individuals, procedures, structures, programmes and evaluation of success is indicated by organisational or institutional readiness. Synchronisation and coordination are necessary, without which no implementation can succeed (Grandon, & Pearson, 2004). In order to organise the activities and communicate improvements, the institution should also have processes and individuals in place. The institution (people and leadership) would not only need to be prepared to accept, but rather to welcome change (Grandon, &

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Pearson). Change is an on-going learning and adaptation process; the aim is to improve an institution and change the mindsets of individuals.

Before or shortly after introduction of new frameworks or programmes, such as the IPSAS, proper description of duties, obligations and relationships of functions and individual positions decreases uncertainty, anxiety and resistance which is crucial for effective adoption and implementation. More individuals are expected to be active in the reform process for greater dedication and achievement. In public institutions, organisational readiness and culture are main criteria. This means that, organisational readiness cuts across all spheres of an organisation, including the organisation's ability to support all processes in relation to the adoption of a new system. However, a readiness to implement a new programme has been an issue for many public institutions, as only few institutions and agencies attain readiness level (Levy & Powell, 2005).

In order to increase transparency and delivery effectiveness in public institutions, preparation processes drive and enforce modified practices such as: the capacity of the organisation to define and prioritise issues related to the adoption and implementation of new systems, readiness of technology and applications to support complex initiatives, putting management processes in place to adjust practices and behaviours to achieve the overall objectives of the institution, and new initiatives (Levy & Powell, 2005).

In its entirety, institutional readiness to adopt new systems, programmes, and standards such as the IPSAS consists of strength of the evidence for the proposed change or innovation, quality of the organisational context to support

the practice change, and organisational capacity to facilitate change or adopt new ways of doing things (Helfrich, Sharp & Sales, 2009). This implies that for public institutions to adopt and fully implement IPSAS, there will be the need to ensure that internal mechanisms are put in place to allow the new standards and way of doing things, as far as IPSAS is concerned, to synchronise into the existing ways of doing things at the institutions.

Readiness of institutions to implement new programme has been centered on the general position of the institution with regards to readiness to implement the new programme; specificity of the time the institution intends commencing the programme; having equipment, infrastructure and IT system set; capacity building and training on the new programme; recruitment of experts; obtaining necessary approvals for implementing the new programme; and readiness of individual and group stakeholders (Azrina & Nafsiah, 2014). The present study drew on these to assess the level of readiness of public institutions to implement IPSAS.

Status of programme adoption and implementation

Status of something simple refers to the degree, magnitude, extent or the coverage of that thing. It also indicates the level of completeness of a process, or how far a given process has been gone into, according to the Cambridge English Dictionary. Taking into consideration these definitions, status of programme adoption and implementation can be referred to as the level the implementation of a given programme has reached. This may include partial or full completion of all the processes leading to the total implementation of a programme. This also

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determines the rate at which a given programme is being worked on to completion.

With regard to IPSAS, the status of its adoption and implementation suggests how deep the relevant stakeholders have gone into the processes leading to realisation of full implementation. According to Whitefield and Savvas (2016), the status of adoption and implementation of a new programme revolves around how fast or slow the programme is being implemented. They also mentioned that the status of programme adoption and implementation can be rated in terms of percentage of adoption and implementation processes completed; thus, it can be 10 percent completed, 50 percent completed, or 100 percent completed.

Therefore, in respect of the status of IPSAS adoption and implementation, it can either be slow or fast in some public institutions. Generally, to assess the status of programme adoption and implementation, statements related to status of adoption and implementation are anchored on Likert scales for suitable respondents to express their opinions about the status of implementation of a given programme (Azrina, & Nafsiah, 2014), and this approach has been used in the present study.

Prospect of programme adoption and implementation

A prospect is the possibility that something good will happen. Thus, the prospect of programme adoption and implementation can be said to be something positive that is likely to happen at the implementation of the programme. This could be the various benefits associated with implementing the programme. In the light of IPSAS adoption and implementation, the prospects could be the

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advantages of using accrual-based accounting, compared to the old cash-based accounting system. As stated by prior authors, there are many prospects associated with the use of IPSAS in financial reporting (IPSAS, 2007; Salia & Atuilik, 2018).

Salia and Atuilik (2018) stated that the IPSAS is extensively used in decision making in Liberia, and that the adoption and implementation of IPSAS has facilitated smooth financial reporting processes. They further stated that IPSAS strengthens the quality and reliability of government accounting information, aligns government financial accounting with best international practices, stimulates public-private sector partnerships, and increases government accountability and transparency in the Liberian economy

Additionally, Moawiah and Rosnia (2018) also reported reduction in fraud and corruption, alleviation of cumbersome tasks involved in financial reporting process, and improved comparability of financial information reported in institutions in Jordan as some of the prospects of IPSAS. The present study fell on these prospects, among others to assess the situation in Ghana with respect to the prospect of adoption and implementation of IPSAS by public sector institutions.

Challenges of programme adoption and implementation

There are challenges with the adoption and implementation of every new programme, and the IPSAS is no exemption. At the least, there will be resistance from the people who are directly affected by implementation of the new programme. According to the International Public Sector Accounting Standards Board (2007), the adoption of IPSAS must not leave an illusionary feeling that

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their adoption and implementation will be an easy sail. It will not. To a great magnitude, the adoption will be halted by various challenges.

Consequently, the report by PwC (2013) on challenges of IPSAS adoption and implementation indicates some key challenges, which revolve around implementation cost, availability of qualified accountants, complexities of the standards, readiness of government departments and agencies, and resistance from some stakeholders. These challenges are further explained by PwC (2013).

With regards to cost to implement, accounting manuals need to be rewritten; manuals must incorporate IPSAS terminologies and also conform to local requirements. In Ghana, the Controller and Accountant General Department has to draft an accounting manual to assist the public sector which is likely to set the stage for the gradual and smooth take off of IPSAS. Education and training will also constitute a substantial amount of government outlay as the nation prepares to adopt IPSAS. Considering these, they all point to the fact that substantial amount of money is needed to effectively roll out the programme and see it to a successful end (PwC, 2013).

Again, in terms of availability of qualified accountants, most of the public sector and government agencies lack the necessary personnel to adequately carry out the changes in IPSAS as opposed to the financial reporting framework currently existing in the public sector (PwC, 2013). This implies that there will be challenges in terms of smooth transition from the existing system to an entirely a new system of doing financial reports, as the existing accountants may not have all the required competencies to fully take up the changes. This may lead to

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outsourcing of accounting services which will only increase the already high cost of implementation of the IPSAS (PwC, 2013).

Further, apparently, there will be complexities. The use of common language to bring uniformity across cultures and governments in the public sector is also very challenging. Some terminologies used in the International Public Sector Accounting Standards may not apply to a given country's or government's financial reporting system due to some uniqueness in its financial operations. These challenges are likely to hamper smooth incorporation of IPSAS into an existing system, or replacement of an existing system with IPSAS (PwC, 2013).

Additionally, readiness level of government departments and agencies pose a challenge to the full adoption and implementation of IPSAS. Some organisations, including central administrations, regions and a large number of other public sector organisations will still use traditional modified cash based accounting even if application of IPSAS is compulsory for mere lack of readiness (PwC, 2013). This, in a way, may render the efforts of many governments worthless, as far as the adoption and implementation of IPSAS is concerned.

Furthermore, there may be resistance among government systems, as not all government systems and administrative machinery will support IPSAS. Currently most of the government agencies and departments have the Budget and Performance Monitoring Software (BEPEM) which is yet to be put to full use, implying that if government systems and administrative machineries do not find the use of the software compatible with their skills, it is possible they will resist it (PwC, 2013).

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Whitefield and Savvas (2016) are also of the view that high cost of adoption and implementation, lack of experts, workloads and user friendliness issues of IPSAS, among others are the challenges associated with the adoption and implementation of IPSAS (PwC, 2013). The present study drew on these elements to conceptualise challenges associated with the adoption and implementation of the International Public Sector Accounting Standards.

Empirical Review

This section of the chapter focuses on the review of related empirical studies. As some of the focuses of this study were found in existing literatures, others had little information available on them. Majority of the related studies sighted seemed to have focused more on readiness to adopt and implement the International Public Sector Accounting Standards or the challenges associated with its adoption and implementation. This simply reaffirmed the wide gap in literature concerning issues related to status of adoption and implementation of IPSAS and prospect of its adoption.

Azrina and Nafsiah (2014) undertook a study to ascertain the readiness of Malaysian public sector employees in moving towards accrual accounting for improved accountability. These set of employees, which was the case study of the research, were the accounting employees in the Ministry of Education (MoE). It was found that the employees were ready to move from cash accounting to accrual accounting. They were also ready to change their mindset and implement accrual accounting as they believed the implementation of accrual accounting was a way to make government accounting more transparent and efficient. Though

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Azrina and Nafsiah considered readiness to adopt IPSAS related concepts, aside the fact that the study was conducted outside Ghana, they did not look at the status of adoption or implementation of the standards; thus, leaving a gap in literature, and the present study set to fill this gap.

Moreover, Moawiah and Rosnia (2018) conducted a study to examine the readiness of Jordanian government servants in the process of transition towards accrual accounting. The study intended to examine two possible factors that may affect the readiness of Jordanian government servants, which were: (i) the effect of organisational commitment and (ii) the moderating role of job satisfaction. Questionnaires were distributed to 331 Jordanian government servants in the Ministry of Finance (MoF) and its departments. The results indicated that the government servants were ready to transition towards accrual accounting and inclined to accept the change.

In addition, organisational commitment positively affects the readiness of government servants, and job satisfaction positively moderates the relationship. Their study, aside the fact that it was carried outside the current context, Ghana, Moawiah and Rosnia employed inferential statistics. Moawiah and Rosnia (2018) also reported fraud and corruption, alleviation of cumbersome tasks involved in financial reporting process, and improved comparability of financial information reported in institutions as prospects of accrual-based accounting. The present study, on the other hand, employed descriptive statistics to ensure in-depth description of the phenomena.

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In another study, Salia and Atuilik (2018) conducted a study to evaluate the main factors influencing the implementation of International Public Sector Accounting Standards (IPSAS) in Liberia. The study adopted a survey design to collect data using a five-point Likert scale questionnaire administered on a sample of 100 Accountants and Auditors selected from public accounting and audit firms, the General Auditing Commission, government departments and related public sector entities within the Montserrado County of the Republic of Liberia. Hypotheses were developed and tested using analysis of variance (ANOVA) at a 5% significance level, and the study data was analysed using descriptive statistics. The findings revealed that implementing IPSAS in Liberia strengthens the quality and reliability of government accounting information, aligns government financial accounting with best international practices, stimulates public-private sector partnerships, and increases government accountability and transparency in the Liberian economy.

Though they also reported a high status of IPSAS implementation, it was stated that lack of IPSAS experts, the dispute between IPSAS and existing rules, and the high cost of transitioning from existing accounting practices to IPSAS were identified as obstacles to realising the full benefits of IPSAS. As a result, the paper advocates for political buy-in from government leaders by moral persuasion. Stakeholders' efforts to remove the related bottlenecks to IPSAS implementation are expected to be aided by a high degree of political engagement. Salia and Atuilik (2018) made clear the benefits as well as the challenges associated with the adoption of IPSAS; however, their study was silent

on the status of the standards' implementation and the associated prospects. The present study looked at these elements; thus, filling the literature gap.

In a similar study, Whitefield and Savvas (2016) assessed the challenges faced by the United Nation in producing UN-IPSAS compliant financial reports in Kenya. The study used a mixed research design involving both descriptive and explanatory research designs to explain the state of affairs of the study variables as well as test the cause and effect relationships between the variables. Total population of the study constituted 540 Accountants drawn from the 13 UN agencies in Nairobi Kenya. Junior and Senior accountants were chosen as the research's study units. The sample size was calculated to be 20% of the total population giving 108 accountants. A random sample was taken. Data was collected using a closed-ended questionnaire with a likert scale. Descriptive and inferential statistics were used to analyse the data.

According to the findings, technological, organisational, financial, and perceived usefulness challenges greatly impact the rate of IPSAS adoption by United Nation agencies. They recommended that the technological challenges associated with IPSAS adoption should be addressed. Particularly, IPSAS adoption will be improved if there is technical assistance from qualified and trained accountants, appropriate ICT facilities, and availability of training manuals. This study is useful to the present study, considering the fact that it looked at challenges associated with the adoption of IPSAS; however, the findings could not be comprehensively applied to decision making in Ghana due

to differences in economic conditions, among others; thus, the need to conduct the present study to fill the gap in local literature.

Again, Mohammed (2014) examined the need for reforming the government accounting system in Iraq through the adoption of an accrual accounting base IPSAS, and determined the possible challenges which may face Iraqi public financial management. The study also determined the factors that would support the adoption of the accrual base IPSAS. It further aimed to evaluate the usefulness, feasibility and abilities of adopting IPSAS in Iraq. Qualitative research method was employed for the study. Questionnaire was sent to accountants in the finance ministry, auditors in Iraqi supreme audit board and University lecturers specialised in government accounting system to get data about reasons, requirements, challenges and supported factors of adopting the IPSAS to the government accounting in Iraq.

The research revealed that there was the need to reform the government accounting system through the adoption of an accrual accounting base IPSAS. Though Mohammed (2014) considered IPSAS, the focus was more on the challenges facing the adoption of the standard. The status of adoption and implementation seemed to have received little attention. Also, this study was carried outside Ghana; thus, making it difficult to fully understand the conditions at play during the period of the study. Considering this, it is obvious there is a gap in literature to fill, taking into account the Ghanaian context.

In summary, all the studies reviewed considered IPSAS in one way or the other. However, majority of the studies were carried outside Ghana (Mohammed,

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2014; Whitefield & Savvas, 2016) and rarely focused on status of adoption and implementation of the International Public Sector Accounting Standards (Salia, & Atuilik, 2018). Also, institutions other than public universities had been considered. All said and done, to the best of knowledge of the present researcher, no study has yet been conducted to examine the readiness for implementation, status, prospects and challenges of the adoption and implementation of IPSAS by public universities in Ghana. Thus, this study was conducted to fill these gaps.

Conceptual Framework

Considering the research questions and the literature reviewed, the framework in Figure 1 was conceptualised. Full acceptance of International Public Sector Accounting Standards has been conceptualised as a 3-phased process – starting from readiness of public institutions (public universities in this case), through adoption of IPSAS to implementation of IPSAS (Whitefield & Savvas, 2016). Considering the case of Ghana where the standards have already been adopted, it could be said that the challenges associated with adoption have been taken care of; though challenges at institutional levels might still linger (Mohammed, 2014). However, it appears there are challenges associated with the implementation phase; thus, making it difficult for public universities to fully put the standards to work. This has been illustrated by the arrow moving from "Challenges" to "Implementation" and "Adoption".

Additionally, adoption and implementation of IPSAS have been conceptualised to have included issues related to prospects, as prospects could lead to adoption and implementation of IPSAS, and adoption and implementation

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could also present prospects (Salia & Atuilik, 2018); these have been indicated in the framework by the double-edged arrow between "Prospects" and "Adoption" and "Prospects" and "Implementation of IPSAS". Implementation of IPSAS has further been conceptualised to have a link with "Status of implementation", as the next thing to look out for after a programme implementation is the status of the implementation of the programme, and this was shown by the arrow running down from "Implementation of IPSAS" to "Status of IPSAS implementation". These are the focus of the present study – to assess the level of readiness of the public universities to adopt and implement IPSAS, to examine the status and prospect of IPSAS implementation in public universities, as well as determine the challenges associated with the IPSAS implementation.
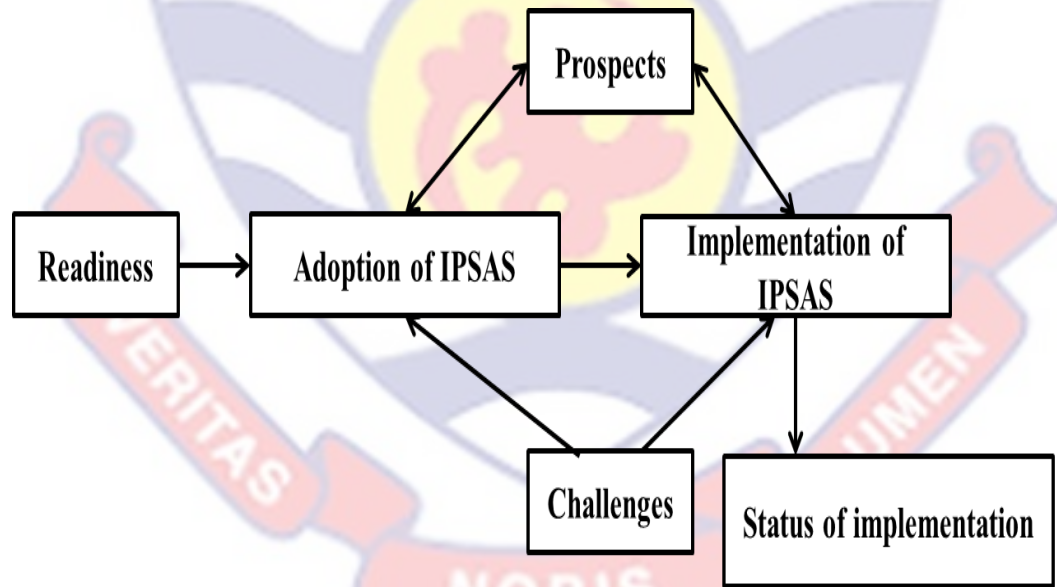
Figure 1: Conceptual framework
Source: Author's construct (2022)

Chapter Summary

This chapter discussed IPSAS adoption and implementation, readiness for implementation, status of implementation, prospect of implementation and challenges associated with IPSAS implementation. Perspectives of different scholars and researchers were presented so as to establish what had already been done. The literature revealed, among other things, that there are challenges associated with the implementation of IPSAS. However, these have not been explored in Ghana, especially among public universities. The current study, thus, focused on addressing these gaps.
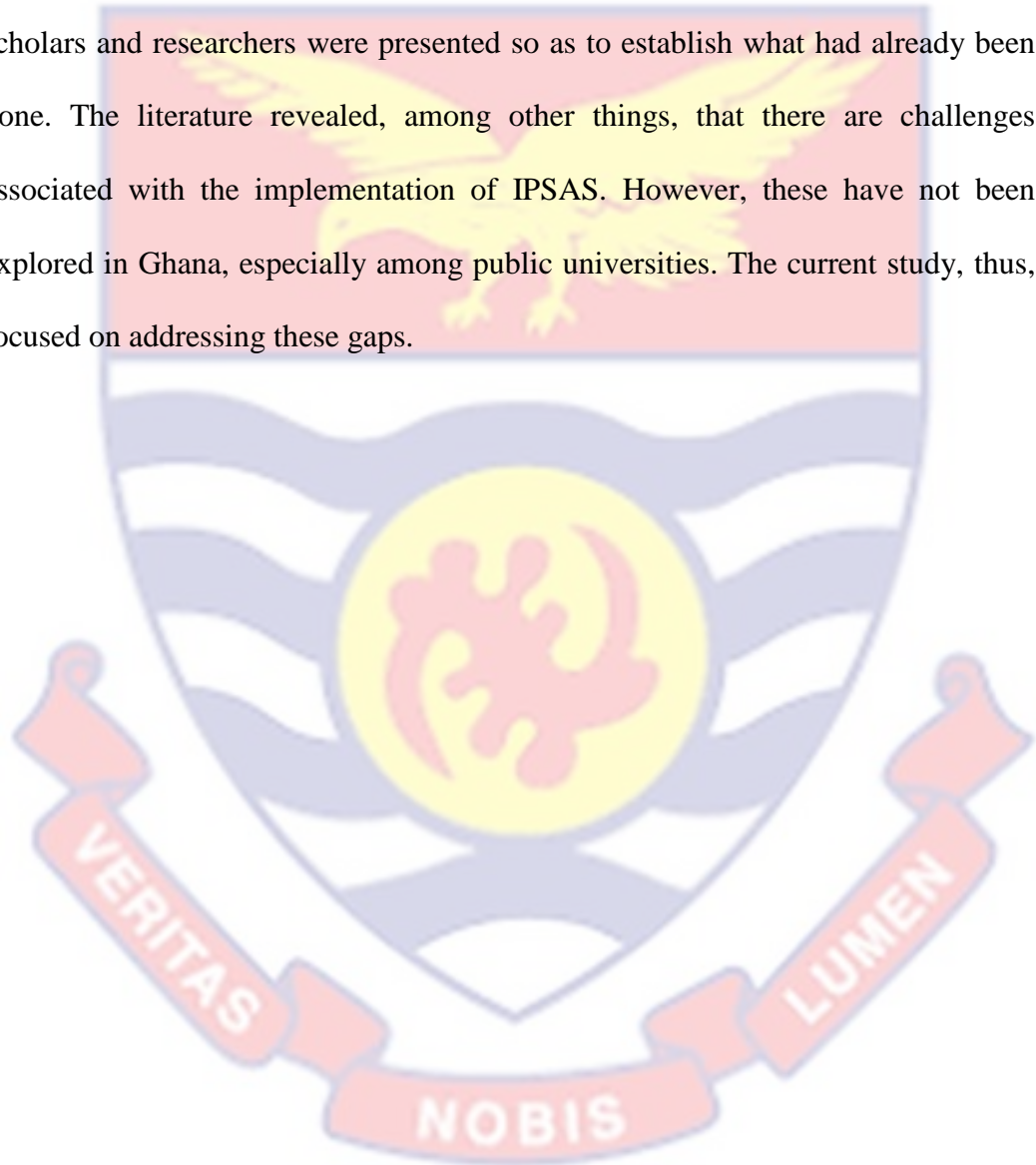
CHAPTER THREE

RESEARCH METHODS

Introduction

The purpose of this study is to examine the readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana. This chapter deals with the procedure employed to achieve the objectives or answer the research questions. The chapter consists of introduction, research approach, research design, study area, population, sample and sampling procedure, data collection instrument, data collection procedure, validity and reliability of data collection instrument, ethical considerations, data processing and analysis, as well as summary of the chapter.

Research Approach

The quantitative research approach was used, as the study sought to use quantitative data to explain phenomena (Creswell, 2013). Quantitative approach places emphasis on measurements, and data are analysed numerically to provide descriptions or explanations (Lindlof & Taylor, 2011). The quantitative approach was employed for the reason that the data collected from the respondents on readiness, status, prospect and challenges associated with IPSAS adoption and implementation could be analysed easily by using standard statistical tools of means, standard deviation, percentages and frequencies, among others (Lindlof & Taylor, 2011). Quantitative approach has techniques, measures and designs that

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accept numerical and quantifiable data. Quantitative approach also depends on the principles of verifiability of proof, substantiation and confirmation, employing correct measurements of variables being studied (Creswell, 2013)**.**

Research Design

The study employed the descriptive design. Saunders, Lewis and Thornhill (2019) defined research design as the general plan of how the research questions would be answered. The descriptive design was employed because it was appropriate design to describe and determine the level of readiness for IPSAS adoption and implementation, the status of IPSAS implementation, the prospects, and the challenges faced thereof. Also, the design enables a researcher to describe, observe and document aspects of a situation as it naturally occurs rather than explaining it (Creswell, 2013), and this was exactly what the present study sought to do.

Study Area

The study institutions were the public universities in Ghana. There were ten public universities in Ghana as at the time of this research. These included University of Cape Coast (UCC); University of Ghana (UG); Kwame Nkrumah University of Science and Technology (KNUST), University of Education, Winneba (UEW); University for Development Studies (UDS); University of Professional Studies, Accra (UPSA); University of Mines and Technology (UMaT); University of Health and Allied Sciences, Ho; University of Energy and Natural Resources, Sunyani; and Ghana Institute of Management and Public Administration (GIMPA).

However, the focus of this study was on the public universities – University of Cape Coast (UCC); University of Ghana (UG); Kwame Nkrumah University of Science and Technology (KNUST), and University of Education, Winneba (UEW) – due to the reason that they had more well-established finance and audit directorates with experienced staff, compared to the other public universities where full directorates were not yet in place. Also, these public universities are currently IPSAS-compliant, as they are presently on the implementation process; thus, making them suitable for this study.

Population

The target population for this study was made up of 579 finance and audit staff. This was obtained from the four public universities in Ghana – University of Cape Coast, University of Ghana, Kwame Nkrumah University of Science and Technology, and the University of Education, Winneba. As stated earlier, these universities were focused due to the fact that they are the pioneers of the public universities in Ghana and presently IPSAS-compliant and their staff numbers were huge enough to represent fair sample of the finance and audit directorate staff in public universities in Ghana (University Administrations, 2022). With the population distribution, the University of Cape Coast had 150 finance and audit staff, University of Ghana had 194, Kwame Nkrumah University of Science and Technology had 180, and University of Education had 55 finance and audit staff members (University Administrations, 2022).

Sample and Sampling Procedure

The sample size for the study was made up of 234 finance and audit staff from the four universities. The sample size formula for finite population proposed by Krejcie and Morgan (1970) was employed. With a population proportion of 50% and a confidence level of 95%, a sample size of 234 was appropriate for a known target population of 579. Krejcie and Morgan argue that there is no need of using sample size determination formula for 'known' population since the table has all the provisions one requires to arrive at the required sample size (see Appendix A).

For sampling techniques, the purposive sampling technique was employed to select the four public universities, due to the reasons that these universities are currently IPSAS-compliant and also have the numbers to fairly represent the relatively younger universities which have not begun the adoption and implementation process for IPSAS yet. Next, the proportionate random sampling technique used to assign samples to each of the four universities, relative to the total target population, and then the participants randomly selected using the simple random sampling approach. The reason for using the simple random sampling technique is to ensure that all the finance and audit staff, irrespective of university, has equal chance of being selected or sampled for the study (Rubin & Babbie, 2001). Consequently, the final sample size was arrived at through the computations displayed in Table 1.

Table 1: Sample Size Distribution

Universities	Number of finance and audit staff	Sample proportion computations	Sample size per university
University of Cape Coast	150	(150/579)*234	61
University of Ghana	194	(194/579)*234	78
Kwame Nkrumah University of Science and Technology	180	(180/579)*234	73
University of Education, Winneba	55	(55/579)*234	22
Total	579		234

Source: Selected Public Universities in Ghana (2021)

Data Collection Instrument

The instrument used for data collection for this study was the questionnaire. The instrument contained closed-ended statements. Questionnaires are usually used when it comes to collection of primary data for descriptive or explanatory research (Saunders et al., 2019). The questionnaire was employed because of its ability to collect original information from a large group of participants and also cost-saving to use. The questionnaire was used to collect data from the finance and audit staff sampled for the study. The questionnaire was divided into five (5) sections – section A to section E. The sections were organised, respectively, under "Socio-demographic Information", "Readiness for

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IPSAS adoption and implementation", "Status of IPSAS adoption and implementation", "Prospect of IPSAS adoption and implementation" and "Challenges associated with IPSAS adoption and implementation".

Section A of the questionnaire was to obtain responses on demographics of the respondents. Section B obtained responses from the respondents on readiness of public universities to implement IPSAS; this section contained seven (7) institutional readiness items, adapted from Azrina and Nafsiah (2014), anchored on a five-point Likert scale ranging from one (1) "strongly disagree" to five (5) "strongly agree". As stated, the instrument from which these items were adapted was developed by Azrina and Nafsiah (2014) in their quest to assess institutional readiness to adopt new programmes.

Section C ascertained data from the respondents on status of adoption and implementation of IPSAS, and contained 10 items adapted from Moawiah and Rosnia (2018) measured on a 5-point Likert scale, ranging from one (1) "strongly disagree" to five (5) "strongly agree". This actual instrument was formed by Moawiah and Rosnia for the purpose of determining the extent of adoption and implementation of a new set of policies. To adapt its contents for use in the present study, the researcher had to tactfully harmonise the items under adoption of policy and under the implementation of policy.

Section D contained fourteen (14) 5-point Likert scale items adapted from prior researchers (Salia & Atuilik, 2018); the anchors ranged from one (1) "Strongly disagree" to five (5) "Strongly agree". Finally, Section E which obtained data on challenges of IPSAS adoption and implementation contained 23

5-point Likert scale items adapted from Whitefield and Savvas (2016), and anchored from one (1) "Strongly disagree" to five (5) "Strongly agree". Both prospects and challenges scales were picked respectively from instruments developed by Salia and Atuilik to investigate benefits and prospects of a new programme in a clinical setting, and Whitefield and Savvas to assess challenges experienced by public institutions in their administrative processes.

Validity and Reliability of Instrument

Validity is the degree to which an instrument accurately measures what it is intended to measure (Sarstedt et al., 2018). The scale items used in this study appeared to have been validated by the prior authors (Moawiah & Rosnia, 2018; Whitefield & Savvas, 2016) from whom they were adapted, as they conducted both exploratory and confirmatory factor analyses. However, for the purpose of this study, a confirmatory factor analysis was carried out again to validate the adapted scales, and all the seven (7) scale items of institutional readiness had factor loadings above 0.70; status of adoption and implementation had eight (8) of its items having factor loadings of above 0.70. Prospect of adoption and implementation of IPSAS had nine (9) of its items loading above 0.70; and finally, 12 of the "challenges" items had factor loadings from 0.81 to 0.88. These scores indicated that the instrument was valid (Heo, Kim & Faith, 2015), as only items with factor loadings of 0.70 or above were maintained and used for the final data collection. The instrument was also subjected to face validation.

Further, the instrument used was checked for reliability. The Cronbach alpha internal consistency coefficient was conducted. The Cronbach alpha

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coefficients for readiness, status of adoption and implementation, prospect of adoption and implementation and challenges of IPSAS were 0.94, 0.74, 0.86 and 0.73, respectively. The Cronbach alpha-coefficient rages from 0 to 1. A scale is termed reliable and internally consistent if its Cronbach alpha-coefficient score is not less than 0.70 (Heo et al., 2015). Thus, this instrument could be said to be internally consistent and reliable. Summary of the reliability coefficients is presented in Table 2.

Table 2: Reliability Coefficients

Variable	Number of items	Cronbach alpha
Readiness	7	0.94
Status of adoption and implementation	8	0.74
Prospect of adoption and implementation	9	0.86
Challenges of IPSAS	12	0.73
Source: Field survey (2022)		N = 198

Data Collection Procedures

As part of the data collection, a visit was made to the selected four public universities to meet with the heads of the finance and audit directorates. During this visit, the heads were pre-informed about the purpose of the study, and were also assured of the confidentiality of the data that were to be gathered. The heads were also served with an introductory letter obtained from the researcher's Department, to ensure that the respondents – the finance and audit staff – have

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confidence in the data collection process. Also, to protect anonymity of the respondents, they were assured that all names associated with the study would be pseudonymised. The respondents who agreed to participate in the study were then given a consent form to sign and a checklist to complete.

The actual data collection for the study was then carried out by administration of the questionnaire to the finance and audit staff. The staff were allowed enough time in order for them to properly fill out the questionnaire. However, out of the 234 instruments administered, the researcher was able to retrieve 198 completed instruments; this represented almost (85%) response rate, which is enough for a descriptive study (Sarstedt et al., 2018). However, it should be highlighted that few challenges were encountered during the data collection exercise. One, some of the respondents seemed not to understand the items; thus, interpret the items differently, irrespective of how carefully the items were worded. Two, the movement from one university to another was really involving financially. The entire data collection process took about three months – 6th November, 2021 to 4th January, 2022.

Ethical Considerations

Ethics is crucial in research, and every researcher is to adhere to ethics of research. As part of the requirements for conducting research involving human beings, the researcher obtained a clearance from his Department. The respondents were fully informed about the purpose of the study, and were given the chance to ask any question they had prior to agreeing to participate in the study. Names of were not recorded, to ensure anonymity. The respondents were also made to

understand that participation in the study was voluntary and that they had the right to participate or not to participate. Further, they were informed that they have the right to withdraw from participating in the study without any consequences, and that if any respondent decides to stop somewhere along the line, they would not be side-lined in any form.

Data Processing and Analysis

The study was fully descriptive in nature, and the data collected were analysed quantitatively. Before the main analysis was carried out, the raw data collected were entered into Microsoft excel and the anchors from "strongly disagree" to "strongly agree" were coded using numerals "1" to "5", as described under data collection instrument. The coded data were then edited for clarity by revising the items from the instruments to a more concise and precise form. After this process, the contents were exported to the SPSS software for analysis.

The descriptive statistics of mean, standard deviation, frequency and percentage were used to analyse research questions one, two, three and four. A Likert scale item with average response score of (Mean ≤ 3.0) indicates negative response or overall disagreement to the item. An average response score of (Mean > 3.0) indicates positive response or overall agreement to the item. All analyses were carried out using IBM-SPSS for Windows application (version 23.0; IBM SPSS Inc.) software.

Chapter Summary

This chapter presented the research approach, the design, population of the study, sample and sampling procedure, data collection instrument, validity and

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reliability of instrument, data collection procedure, ethical considerations and data processing and analysis. Considering the overall purpose of the study, the descriptive design was deemed appropriate, and this led to the choice of descriptive statistics of mean, frequencies and percentages for the analysis of data. Moreover, the population size was 579, from which a sample of 234 was drawn using the simple random sampling techniques.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The purpose of this study was to examine the extent of adoption and implementation of IPSAS readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana. This chapter, firstly, presents analysis of the demographic information of the respondents involved in the study. Next, the study results and interpretation of the outcomes, based on the research questions, are presented in this chapter. Finally, the chapter summary is presented.

Demographic Information of Respondents

This section covered the study respondents' gender, age, academic qualification, professional qualification, and number of years a respondent has been with a respective university. Though not central to the core focus of this study, the demographic information helps to contextualise the findings of the study and, also contributes to formulation of appropriate recommendations. Table 3 displays the results on the demographic information of the respondents.

Table 3: Demographic Information of Respondents

Variables		Frequency (%)
Gender	Male	98(49.5)
	Female	100(50.5)
Age group	18-25years	3(1.5)
	26-30years	47(23.7)
	31-35years	58(29.3)
	36-40years	88(44.4)
	50 and above years	2(1.0)
Academic qualification	Master's	39(19.7)
	Bacherlor's	48(24.2)
	HND/Diploma	59(29.8)
	Other	52(26.3)
Professional certification	ICAG	138(69.7)
	ACCA	24(12.1)
	CIMA	22(11.1)
	CIB	7(3.5)
	CPA	7(3.5)
	Other	0(0.0)
How long have you been with institution	Up to 5years	69(34.8)
	6-10years	52(26.3)
	11-15years	37(18.7)
	16-20years	21(10.6)
	More than 20years	19(9.6)

Source: Field survey (2022)   N = 198

From Table 3, the results showed that almost half of the total number of

finance and audit staff involved in the study are males (98, 49.5%), whiles 100

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respondents, representing (50.5%) are females. This implies that both male and the female staff were fairly represented; though females were slightly more than their male counterparts, this difference was not huge enough to have any influence on gender balance. Also, majority (88, 44.4%) of the respondents were from the age of 36 to 40 years; 58 of them, representing (29.3%), were between the ages of 31 and 35years, while 47 of the staff, representing (23.7%), were between the ages of 26years and 30years. Three (1.5%) and 2(1.0%) were from the ages of 18 to 25 years, and 50 and above years, respectively.

With regards to academic qualification, it appeared that all the finance and audit staff had some level of qualification, and the minimum qualification the respondent possessed was HND or diploma. From the Table, 59 respondents, representing (29.8%) of the 234 finance and audit staff, had a diploma or HND; 48 respondents, representing (24.2%), had Bachelor's degree; 39(19.7%) held master's degrees, and the remaining 52 respondents, representing (26.3%), held other academic qualifications. Also, all the finance and audit staff had professional certifications, with the majority possessing the Institute of Chartered Accountant, Ghana certificate.

Further, the results showed that majority of the finance and audit staff had worked with their respect universities for up to five years (69, 34.8%). Those who have been with their respective universities over 20 years represented (9.6%) of the total number of finance and audit staff involved in the study. Also, 21(10.6%) claimed that they had been working as finance or audit staff for 16 to 20 years. From 11 to 15 years, 37 respondents had worked within this range. Finally, it was

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shown that 52(26.3%) had been with their respective universities for years between 6 and 10.

Level of Readiness for the Adoption and Implementation of IPSAS

The first research question was to determine the level of readiness for the adoption and implementation of IPSAS by public universities in Ghana. This question was analysed using mean, standard deviation, frequencies and percentages. A mean score of (>3.0) indicates overall positive response, hence, implying that the institution is highly ready for the adoption and implementation of IPSAS. On the other hand, a mean score of (≤ 3.0) indicates overall negative response to readiness; thus, showing that the institution is not ready for the adoption and implementation of IPSAS. The results are presented in Table 4.
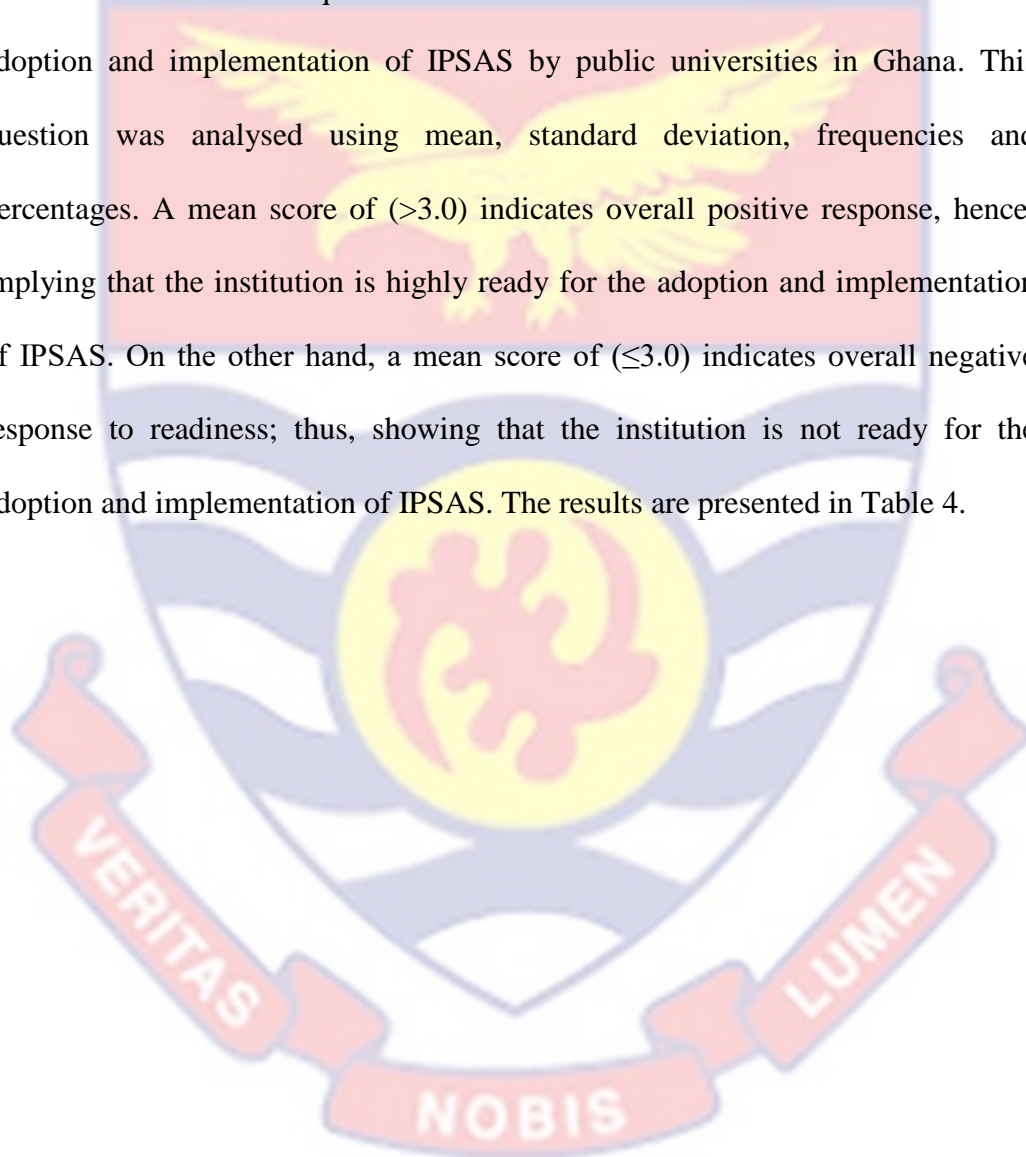
Table 4: Level of Readiness to Implement IPSAS

Statements	M	SD
My institution has commenced IPSAS adoption and implementation	4.16	.62
All equipment/infrastructure and IT systems are set	3.48	1.20
Capacity building/training on IPSAS has been done	3.75	1.12
Expert(s) have been recruited	3.76	1.01
Necessary approval has been sought and obtained	3.26	.92
Implementation framework designed and approved	3.15	1.19
All users/units are ready and willing to roll it out	4.24	.68
Overall level of readiness	3.69	.54

Source: Field survey (2022)   N = 198
Note: M = mean; SD = standard deviation

With regards to whether the public universities have commenced IPSAS adoption and implementation, majority of the finance and audit staff felt the public universities had demonstrated their full readiness towards adoption and implementation of IPSAS and its associated issues, and this was affirmed by the average response score (M = 4.16, 0.62SD) which was greater than 3.0. Also, with regards to equipment, infrastructure and IT systems, the finance and audit staff believed that their universities were ready, as all these were set (M = 3.48, 1.20SD). It was further found that the universities were ready in terms of capacity building and training on IPSAS as these seemed to have already been done by the

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universities (M = 3.75, 1.12SD); implying that they were highly ready for the IPSAS adoption and implementation.

Majority (M = 3.76, 1.01SD) were also of the view that the public universities have already recruited experts to assist with the adoption and implementation of the programme. The results further revealed that the necessary approvals and endorsements needed for the adoption and implementation of IPSAS had been obtained by the universities (M = 3.26, 0.92SD); thus, showing a high level of readiness in this regard. Implementation framework has also been designed and approved (M = 3.15, 1.19SD); thus, readiness for adoption and implementation of IPSAS in this regard could be said to be high. Also, encouragingly, all users and units within the universities were ready and willing to roll out the programme (M = 3.15, 1.19SD). Overall, the results indicated that public universities in Ghana were highly ready for the adoption and implementation of the International Public Sector Accounting Standards (M = 3.69, 0.54SD).

Discussion

From the results, in general, it could be said that the readiness level of public universities in Ghana to implement IPSAS was considerably high. This is to say that in terms of readiness to fully implement IPSAS, the public universities in Ghana are highly ready to implement the standards. This outcome might be due to the fact that majority of the finance and audit staff are professional and certified accountants; thus, their understanding of the contents of the standards may be good.

This finding shows correlation with the finding of Azrina and Nafsiah (2014) who also found accounting employees in the Malaysian Ministry of Education to be ready to move from cash accounting to accrual accounting of the IPSAS. The finding also shows consistency with Moawiah and Rosnia (2018) who reported Jordanian government servants in the Ministry of Finance and its departments to be highly ready to transition towards accrual accounting and inclined to accept the change. Considering these, it appears accounting and finance employees or staff, irrespective of economy and institution, are always ready to transition from an old system of doing things to a new system, as found in this study and corroborated by findings of prior studies.

Status of Adoption and Implementation of IPSAS

The second research question was to find out the status of adoption and implementation of IPSAS by public universities in Ghana. This question was analysed using mean, standard deviation, frequencies and percentages. A mean score of (>3.0) indicates overall positive response, hence, implying that the institution has commenced adoption and implementation of IPSAS to a high status. On the other hand, an average score of ($\leq$3.0) indicates overall negative response to status of adoption and implementation of IPSAS, implying that the institution has not begun the adoption and implementation process to any status. The results are presented in Table 5.

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Table 5: Status of IPSAS Adoption and Implementation

Statements			F (%)			M	SD
	SD	D	N	A	SA		
My University has adopted the accrual basis IPSAS						4.39	.55
My University is in transitional period from cash basis to accrual basis IPSAS						4.13	.84
Rate of adoption and implementation is fast						4.09	.85
My University will achieve full adoption and implementation by December, 2022						4.49	.72
Status of adoption and implementation of IPSAS to date is rated below 50%	0(0.0)	0(0.0)	0(0.0)	0(0.0)	82(41.4)		
Status of adoption and implementation of IPSAS to date is rated 50%	0(0.0)	0(0.0)	0(0.0)	0(0.0)	69(12.6)		
Status of adoption and implementation of IPSAS to date is rated 51% to 79%	0(0.0)	0(0.0)	0(0.0)	0(0.0)	25(12.6)		
Status of adoption and implementation of IPSAS to date is rated 80% to 100%	0(0.0)	0(0.0)	0(0.0)	0(0.0)	22(11.1)		
Overall status of adoption and implementation						3.96	.55

Source: Field survey (2022)   N = 198
Note: *SD = strongly disagree; D = disagree; N = neutral; A = agree; SA = strongly agree*

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From Table 5, the results revealed that in respect of status of IPSAS adoption and implementation, the public universities have already adopted the accrual basis IPSAS (M = 4.39, 0.55SD) and are in the transitional period from cash basis to accrual basis IPSAS (M = 4.13, 0.84D). It was thus not surprising that the results also revealed that the rate of adoption and implementation was fast (M = 4.09, 0.85SD). Further, it was found that the public universities will have achieved full adoption and implementation of IPSAS by the close of 2022 (M = 4.49, 0.72SD).

However, in terms of rating the status of adoption and implementation of IPSAS, as some of the finance and audit staff were of the view that the rate was below 50% (82, 41.4%) in their respective universities, others believed that the status of adoption and implementation was average (50%) (69, 38.8%) in their respective universities. It was also recorded that the status of adoption and implementation in some of the universities was rated above average (51% to 79%) (25, 12.6%), and few respondents rated the status of adoption and implementation of IPSAS in their universities between 80% and 100% (22, 11.1%). This shows that the status of adoption and implementation of IPSAS in majority of the public universities was between average and above average – 50% to 100%. Also, overall status of adoption and implementation was high and encouraging in the public universities in Ghana (M = 3.96, 0.55SD).

Discussion

This finding was not surprising as the prior finding had already indicated that the public universities were highly ready for the adoption and implementation

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of the accrual accounting IPSAS. The universities had virtually all that was required to implement the standards. This finding is in line with that of Moawiah and Rosnia (2018), who among other things, stated that public departments in Jordan have been into the implementation of accrual accounting since the departments seemed to have all that it takes to roll out a new set of standards. Similarly, this finding corroborates the finding of Azrina and Nafsiah (2014) who reported a high rate of implementation of accrual accounting in Malaysian Ministry of Education. Also, this finding conforms to the position of the stakeholder theory (Freeman et al., 2004) that managers of institutions should articulate stakeholders' decision. In this case, since Ghana has adopted IPSAS, its institutions – public universities – are required to adopt and put it into implementation.

In summary, inferring from the results, it can be stated that public universities in Ghana have started the implementation of the International Public Sector Accounting Standards, and to a considerably high status. It should also be pointed out that the rate of implementation in some of the universities was found to be fast; implying that the universities in Ghana have embraced the accrual accounting IPSAS.

Prospects of Adoption and Implementation of IPSAS

The third research question was to determine the prospect of adoption and implementation of IPSAS by public universities in Ghana. This question was analysed using mean, standard deviation, frequencies and percentages. An average score of (>3.0) indicates overall positive response, hence, implying that

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there is prospect for implementing IPSAS. On the other hand, an average score of (≤3.0) indicates overall negative response to prospect of IPSAS adoption and implementation; thus, showing that there is no prospect for implementing IPSAS, in respect of the item or statement being considered. The results are presented in Table 6.

Table 6: Prospect of IPSAS Adoption and Implementation

Statements	M	SD
Accrual-based IPSAS accounting information is extensively used in decision making in the institution	2.57	1.34
The adoption and implementation of IPSAS has facilitated smooth financial reporting processes	2.65	1.18
It has reduced fraud and corruption	3.53	.85
It has lessened the task involved in the financial reporting process	3.04	1.03
Accrual-based IPSAS accounting information is more useful for identifying costs of goods and services than cash-based accounting information	3.74	.59
There is improved comparability of financial information reported in the institution	4.09	.57
IPSAS impacts operating procedures and reporting practices thereby strengthening good governance and relations in the institution	3.23	.95
IPSAS is more useful in the evaluation of the entity's performance than cash-based accounting	4.19	.57
IPSAS is more useful in helping in asset acquisition decisions than cash-based accounting method	4.32	.72
Overall prospect	3.48	.60

Source: Field survey (2022)   N = 198

As shown in Table 6, adoption and implementation of IPSAS by the public universities in Ghana seems to have prospect in some areas. For instance, fraud and corruption reduction has been recorded as one of the prospects of IPSAS adoption and implementation (M = 3.53, 0.83SD). Also, IPSAS adoption and implementation has been considered to have the ability to lessen the task involved in financial reporting process (M = 3.04, 1.03SD). International Public Sector Accounting Standards were further hoped to be more useful for identifying costs of goods and services, compared to cash-based accounting information (M = 3.74, 0.59SD). Improved comparability of financial information was expected from the implementation of IPSAS (M = 4.09, 0.57SD).

Additionally, IPSAS was marked to have impacts on operating procedures and reporting practices; thereby, improving and strengthening good governance and relations in public universities in Ghana (M = 3.23, 0.95SD). The International Public Sector Accounting Standards have also been considered to have more prospects in terms of usefulness in performance evaluation, compared to cash-based accounting (M = 4.19, 0.57SD). In terms of asset acquisition decision, IPSAS was considered to be more useful, compared to the cash-based accounting method (M = 4.32, 0.72SD). Overall, IPSAS implementation was considered to have prospects (M = 3.48, 0.60SD).

Discussion

This finding was expected as before the implementation of any new programme, the affected institutions are expected to conduct their analyses to assess threats and opportunities associated with the programme. Therefore, it

could be said that the universities forestalled the prospects of IPSAS implementation before considering its adoption in the first place. Taking into account findings of prior studies, it was realised that Whitefield and Savvas (2016) also arrived at similar findings, in terms of overall prospect, while assessing the challenges associated with implementation of IPSAS in UN agencies in Nairobi, Kenya. Similarly, Mohammed (2014) averred that before institutions adopt and accept to implement a new programme such as the IPSAS, they might have been aware of the associated benefits and prospects.

All in all, adoption and implementation of the International Public Sector Accounting Standards is associated with some prospects and benefits. This means that public universities in Ghana stand to benefit from the implementation of IPSAS, thus, they are expected to put the standards into full implementation in order to reap all the possible benefits.

Challenges faced by Public Universities from Adoption and Implementation of IPSAS

The fourth research question was to examine the challenges faced by the public universities from the adoption and implementation of IPSAS. This question was analysed using mean, standard deviation, frequencies and percentages. An average score of (>3.0) indicates overall positive response to a statement suggesting a challenge, hence, implying that that particular challenge is faced by the institutions. On the other hand, an average score of (≤ 3.0) indicates overall negative response to a challenge statement; thus, showing that a challenge does

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not exist, in respect of the item or statement being considered. The results are presented in Table 7.

Table 7: Challenges with Adoption and Implementation

Statements	M	SD
The costs of adding more modules and IPSAS maintenance has been very high in my institution	4.38	.74
The management of my institution has not been very committed to the implementation of IPSAS	3.77	.74
Accrual-based IPSAS system is not easy to use compared to the old cash-based system	3.80	.88
The organisation's culture has not been accommodating to the implementation of IPSAS	3.84	.72
Our Accountants do not have the relevant skills for the implementation of IPSAS	2.91	1.33
The institution has not trained the relevant stakeholders/staff for the purposes of IPSAS adoption and implementation	2.88	1.31

Table 7, Continued

Management has not allocated adequate financial and human resources to the implementation of IPSAS	3.95	.56
The implementation has increased the workload involved in financial reporting	3.62	.77
Staff have not been trained on how to use the new accounting software/IT systems deployed for the implementation of IPSAS	3.25	1.01
Costs of implementing accrual based IPSAS is high	3.74	.60
Financial support for accrual accounting has not been consistent.	4.04	.62
IPSAS accrual-based system is not compatible with the existing accounting software of the University	3.30	1.00
Overall challenges	3.93	1.25

Source: Field survey (2022)   N = 198

As shown in Table 7, cost of adding more modules and IPSAS maintenance (M = 4.38, 0.74SD), level of commitment of management to IPSAS implementation (M = 3.77, 0.74SD), user unfriendliness of IPSAS (M = 3.80, 0.88SD), inflexibility of organisation culture to accommodate IPSAS implementation (M = 3.84, 0.72SD) were reported as some of the challenges

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associated with the adoption and implementation of IPSAS. Inadequacy of financial and human resources allocation to IPSAS implementation (M = 3.95, 0.56SD), and increased financial reporting workload (M = 3.62, 0.77SD) since IPSAS seems to be more rigorous, compared to cash-based approach, were also reported to be some of the challenges faced in the implementation of IPSAS.

Furthermore, training of staff on how to use new accounting software and IT systems required for the adoption and implementation of IPSAS has been a challenge (M = 3.25, 1.01SD) as most universities have not rolled out any comprehensive training programme. Generally, the cost of IPSAS was high (M = 3.74, 0.60SD), and financial support from stakeholders has not been consistent (M = 4.04, 0.62SD). The accrual accounting approach was also reported to be incompatible with existing accounting software used in universities (M = 3.30, 1.00SD). It was, thus, not surprising that, overall, the respondents were believed that there were challenges associated with the adoption and implementation of IPSAS (M = 3.93, 1.25SD).

Discussion

In general, most of the challenges found appeared to have to do with cost of implementing the IPSAS, and the commitment level of management of the public universities. This seems to be common across findings of prior related studies. For instance, Salia and Atuilik (2018) reported challenges associated with implementing IPSAS to include high cost, lack of experts, and incompatibility of accrual accounting processes with existing systems, among others. Whitefield and Savvas (2016) also found challenges to have included financial, technological,

and organisational challenges, which are similar to the challenges identified in the present study.

All said and done, there are challenges associated with the adoption and implementation of the International Public Sector Accounting Standards, and these seem to revolve around high cost of adoption and implementation, low level of management commitment, user unfriendliness of IPSAS, inflexibility of existing organisational culture to accommodate IPSAS adoption and implementation, and inadequacy of financial and human resources to support IPSAS adoption and implementation. This means public universities in Ghana should take a look at these challenges and get them fixed to ensure smooth implementation of the International Public Sector Accounting Standards.

Chapter Summary

This chapter presented the results and discussion of the study. Study respondents' demographic information was presented. The research questions were also analysed using mean, standard deviation, frequency and percentage. The findings showed that public universities in Ghana were highly ready to implement IPSAS. Also, the status of adoption and implementation of IPSAS by public universities was found to be encouraging. Further, the findings showed that there are prospects associated with the adoption and implementation of IPSAS. Finally, adoption and implementation of IPSAS was found to have been fraught with a number of challenges. The next chapter presents the summary, key findings, conclusions, recommendations and suggestions for further studies.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

The purpose of this study was to examine the readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana. This chapter aims at presenting the summary, key findings, conclusions, recommendations, and suggestions for further studies. The summary briefly presents an overview of the study problem, research questions, research methods, as well as analytical techniques employed. Key findings section focuses on the summary of the key findings of the study. On the other hand, the conclusions summarise the overall implications of the findings of the study, taken cognisance of the research questions. The recommendations also present specific remedies or suggestions to be applied by specific concerned individuals and institutions. The chapter closes with suggestions for further research.

Summary of the Study

Though it has been almost five years into the adoption of the International Public Sector Accounting Standards in Ghana, all seemed to be quiet on the status of its adoption and implementation, the prospect as well as the challenges faced by public universities in Ghana, as the public universities appeared to have delayed in the implementation of the International Public Sector Accounting Standards. It is based on this background that this study sought to examine the

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readiness for implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana. The following research questions were formulated to guide the study.

1. What is the level of readiness for the adoption and implementation of IPSAS by public universities in Ghana?

2. What is the status of adoption and implementation of IPSAS by public universities in Ghana?

3. What is the prospect of the adoption and implementation of IPSAS by public universities in Ghana?

4. What are the challenges faced by the public universities from the adoption and implementation of IPSAS?

To answer the foregoing research questions, the descriptive research design, in the light of the quantitative research approach, was employed. Multiple sampling techniques of purposive and proportionate random sampling techniques were used to select a sample of 234 finance and audit staff from four traditional public universities in Ghana. The survey strategy was used to collect data from the study respondents. Out of 234 questionnaires, 198 were fully filled by and retrieved from the respondents. The data collected were analysed using both descriptive statistics of frequency, percentage, mean and standard deviation. The following section presents summary of key findings.

Summary of Key Findings

The first research question was to find the level of readiness for the adoption and implementation of IPSAS by public universities in Ghana. It was

found that the level of readiness for the adoption and implementation of IPSAS by public universities in Ghana was generally high, and shown in specific areas of willingness of all users and units within the universities, capacity building and training on IPSAS, acquisition of equipment, infrastructure and IT systems and recruitment of IPSAS experts.

The second research question was to determine the status of adoption and implementation of IPSAS by public universities in Ghana. The finding showed a high status of adoption and implementation of IPSAS; specifically, high level of readiness was seen in transitional period from cash basis to accrual basis IPSAS, fast rate of adoption and implementation, and average status of adoption and implementation of (62.5%).

The third research question was to know the prospect of the adoption and implementation of IPSAS by public universities in Ghana. The findings revealed prospects of fraud and corruption reduction, reduced tasks involved in financial reporting process, improved comparability of financial information, and improved and strengthened good governance and relations in public universities in Ghana.

Finally, the fourth research question was to identify the challenges faced by the public universities from the adoption and implementation of IPSAS. Challenges identified were high cost of adoption and implementation, low level of management commitment, user unfriendliness of IPSAS, inflexibility of existing organisational culture to accommodate IPSAS adoption and implementation, and inadequacy of financial and human resources to support IPSAS adoption and implementation.

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Conclusions

1. Considering the first key finding, it could be concluded that if the public universities in Ghana keep the high level of readiness up, IPSAS can be fully implemented within the shortest possible time and the associated benefits reaped.

2. Based on the second finding, it can be implied that the management of public universities in Ghana really understand IPSAS and will ensure that all accoutrements needed to make full adoption and implementation possible are provided for the finance and audit units and directorates.

3. In respect of the third key finding, the implication is that IPSAS will make better financial reporting processes in universities than the cash-based approach.

4. With respect to the fourth finding, the implication is that if the challenges are not taken care of and surmounted, full adoption and implementation of IPSAS may not be realised.

Recommendations

From the findings and the conclusions drawn, the following recommendations have been proposed.

1. With regards to the first key finding and the conclusion drawn thereof, it is recommended that the management of public universities in Ghana train all finance and audit staff in the directorates, and motivate them as well to fully embrace IPSAS.
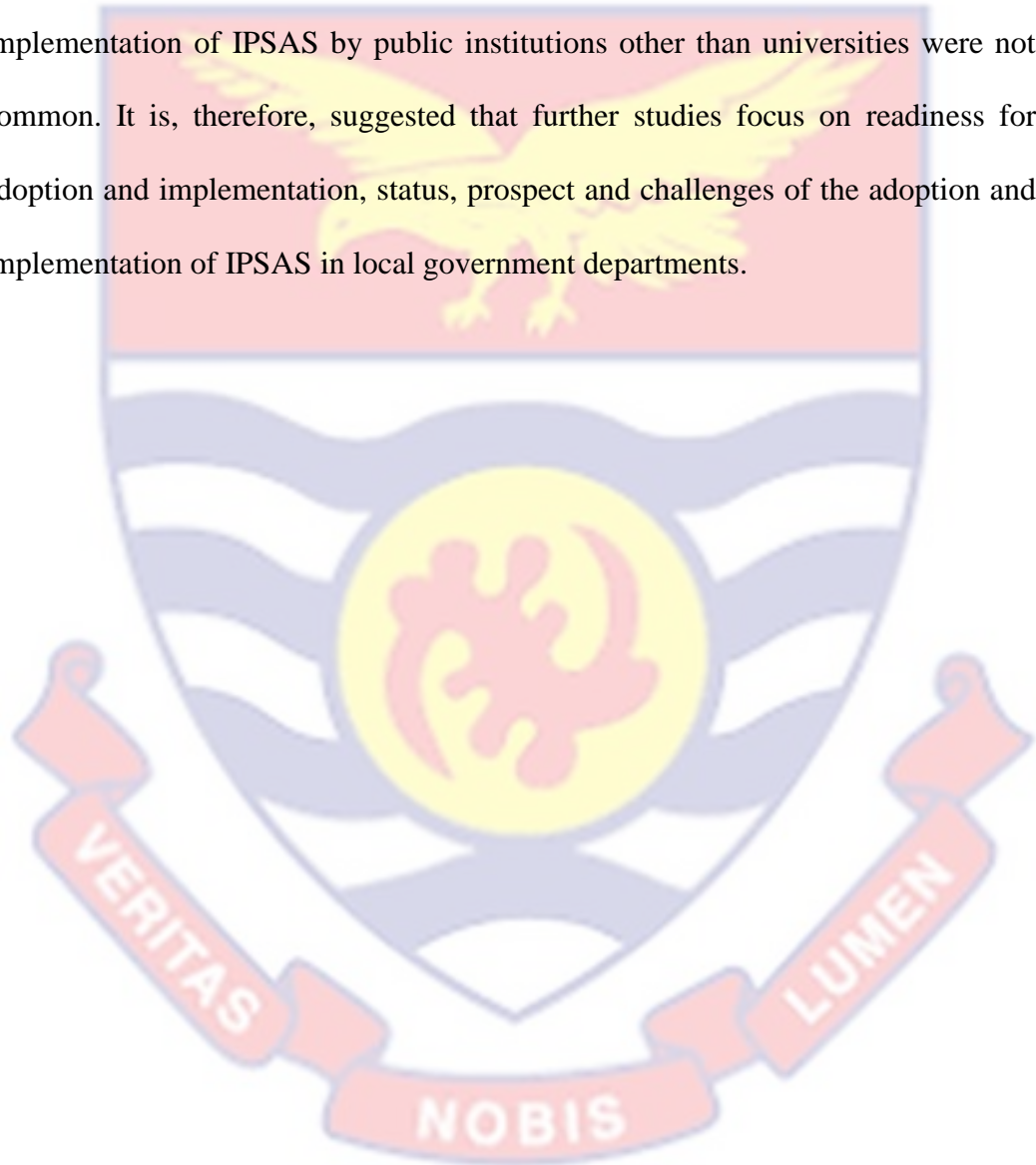
2. Based on the second finding and the conclusion, it is recommended that university managements and IPSAS stakeholders put control and monitoring systems in place to ensure that finance and audit staff continue to apply the IPSAS in all financial reporting processes.

3. Based on the third finding and the conclusion, it is recommended that management of public universities in Ghana institute regular seminars to keep finance and audit staff up-to-date on the prospects of implementing IPSAS, as this will propel their will power to reap those prospects.

4. Taking into consideration the fourth finding and the conclusion drawn, it is recommended that authorities of the public universities provide funds for the adoption and implementation of the IPSAS so that associated costs can be taken care of; also, experts should be brought on board to give technical advice to the finance and audit staff, as well as get managements committed the implementation process.

Suggestions for Further Studies

From the gaps identified in the literature reviewed and the limitations of this study, a number of potential research opportunities came up, and these could be explored for further insight on the readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public universities in Ghana. First, the present study was cross-sectional in nature. It is suggested that a more longitudinal study that will observe finance and audit staff directly involved in application of accrual accounting IPSAS for at least

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three consecutive years in order to fully appreciate the status of adoption and implementation and the associated challenges.

Further, literature related to the readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS by public institutions other than universities were not common. It is, therefore, suggested that further studies focus on readiness for adoption and implementation, status, prospect and challenges of the adoption and implementation of IPSAS in local government departments.

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APPENDICES

A: Sample Size Determination Table

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	346
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	354
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	170	118	400	196	1300	297	7000	364
50	44	180	123	420	201	1400	302	8000	367
55	48	190	127	440	205	1500	306	9000	368
60	52	200	132	460	210	1600	310	10000	370
65	56	210	136	480	214	1700	313	15000	375
70	59	220	140	500	217	1800	317	20000	377
75	63	230	144	550	226	1900	320	30000	379
80	66	240	148	600	234	2000	322	40000	380
85	70	250	152	650	242	2200	327	50000	381
90	73	260	155	700	248	2400	331	75000	382
95	76	270	159	750	254	2600	335	1000000	384

Note: N is Population Size; S is Sample Size   *Source: Krejcie & Morgan, 1970*

B: Introductory Letter

UNIVERSITY OF CAPE COAST
COLLEGE OF HUMANITIES AND LEGAL STUDIES
SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING

Telephone:	0312292655		**UNIVERSITY POST OFFICE**
E-mail:	dact@ucc.edu.gh		**CAPE COAST, GHANA**

Our ref: SB/DACT/IL/V.1/222   Date: 28th September, 2021

Your ref:

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

LETTER OF INTRODUCTION: PRINCE BAFFOUR-NKYI AKOMANYI
(SB/SAC/19/0041)

The bearer of this letter, Mr. Prince Baffour-Nkyi Akomanyi is a Master of Business Administration (Accounting) student at the Department of Accounting, School of Business, University of Cape Coast. As part of the programme of study, he is required to present a project report on the topic: **"Adoption and Implementation of International Public Sector Accounting Standards (IPSAS) by Public Universities in Ghana: Status, Prospects and Challenges"**.

We would be grateful if you could offer him the needed assistance to enable him proceed with the research.

Please, for further information on the project you can contact the

Supervisor: Dr. George Tackie

Email: gtackie@ucc.edu.gh

Yours faithfully,

Dr. George Tackie
Supervisor

DEPARTMENT OF ACCOUNTING
SCHOOL OF BUSINESS
UNIVERSITY OF CAPE COAST
CAPE COAST

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C: Questionnaire

UNIVERSITY OF CAPE COAST
COLLEGE OF HUMANITIES AND LEGAL STUDIES
SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING

QUESTIONNAIRE

Dear Sir/Madam.

This questionnaire is designed purely for academic purpose to solicit for information on the study of **Adoption and Implementation of International Public Sector Accounting Standards (IPSAS) By Public Universities In Ghana: Status, Prospects and Challenges.** Your contribution towards the completion of this questionnaire will be highly appreciated and the information provided will be used for academic purposes only and shall be treated with the utmost confidentiality it deserves.

Section A: General Information of Respondent

1. Age   [   ] 18-25   [   ] 26-30   [   ] 31-35   [   ] 36-40   [   ] 41-50
   [ ] 50+

2. Gender [   ] Male   [   ] Female

3. Academic qualification

☐   Master's degree (i.e. MSc, MA, MBA, etc.)

☐   Bachelor's degree (BCom, BSc, BA, etc.)

☐   HND/Diploma

☐   Other_____ (please specify)

4. Professional Qualification

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☐ ICAG

☐ ACCA

☐ CIMA

☐ CIB

☐ CPA

☐ Others _____ (please specify)

5. Directorate/Unit/Department/Centre/Faculty of

Institution………………………………

6. How many years has the University been in existence?

[ ] below 25years   [ ] 25-50years   [ ] above 50years

7. Position/Designation/Job title

………………………………………………………….

How long have you worked in the organization?

☐ Up to 5 years

☐ 6 – 10 years

☐ 11 – 15 years

☐ 16 – 20 years

☐ More than 20 years

Section B: Institutional Readiness

To respond in this section, please put a check mark [√] in the appropriate box

{Strongly Disagree (SD), Disagree (D), Undecided (U), Agree (A) and Strongly

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Agree (SA)} to indicate your level of agreement or disagreement to each statement about the readiness for implementation of IPSAS in your institution.

S/N	Statement	SD	D	U	A	SA
1	My institution has commenced IPSAS implementation					
2	All equipment/infrastructure and IT systems are set					
3	Capacity building/training on IPSAS has been done					
4	Expert(s) have been recruited					
5	Necessary approval has been sought and obtained					
6	Implementation framework designed and approved					
7	All users/units are ready and willing to roll it out					
8	My institution intends to commence the IPSAS implementation in 2023.					

Section C: Status of IPSAS Adoption and Implementation

To respond in this section, please put a check mark [√] in the appropriate box {Strongly Disagree (SD), Disagree (D), Undecided (U), Agree (A) and Strongly Agree (SA)} to indicate your level of agreement or disagreement with each statement about the status of adoption and implementation of IPSAS in your institution.

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S/N	Statement	SD	D	U	A	SA
1	My University has adopted the accrual basis IPSAS					
2	My University is in transitional period from cash basis to accrual basis IPSAS					
3	Rate of implementation is fast					
4	Rate of implementation is slow					
5	My University will achieve full implementation by December, 2021					
What percentage will you rate your University on the status of implementation of IPSAS to date?						
6	Up to 20%					
7	21-40%					
8	41-60%					
9	61-80%					
10	80-100%					

Section D: Prospects of IPSAS Adoption and Implementation

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To respond in this section, please put a check mark [√] in the appropriate box {Strongly Disagree (SD), Disagree (D), Undecided (U), Agree (A) and Strongly Agree (SA)} to indicate your level of agreement or disagreement with each statement about the prospects of adoption of IPSAS in your institution.

S/N	Statement	SD	D	U	A	SA
1	Accrual-based IPSAS accounting information is extensively used in decision making in the institution					
2	The adoption and implementation of IPSAS has facilitated smooth financial reporting processes					
3	It has reduced fraud and corruption					
4	It has lessened the task involved in the financial reporting process					
5	Accrual-based IPSAS accounting information is more useful for identifying costs of goods and services than cash-based accounting information					
6	There is improved comparability of financial information reported in the institution					
7	IPSAS impacts operating procedures and reporting practices thereby strengthening good governance and relations in the institution					

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8	IPSAS is more useful in the evaluation of the entity's performance than cash-based accounting					
9	IPSAS is more useful in helping in asset acquisition decisions than cash-based accounting method					
10	IPSAS is more useful in evaluating the institutions cash flow needs than cash-based accounting method					
11	IPSAS is more useful in managing assets and liabilities than cash-based accounting method					
12	IPSAS is more useful in the evaluation of efficiency of a product or service delivery than cash-based accounting method					
13	IPSAS implementation has improved transparency in the financial reporting					
14	Adoption of IPSAS has reduced opportunity for fraud and corruption to be committed					

Section E: Challenges of IPSAS Adoption and Implementation

To respond in this section, please put a check mark [√] in the appropriate box {Strongly Disagree (SD), Disagree (D), Undecided (U), Agree (A) and Strongly Agree (SA)} to indicate your level of agreement or disagreement with each

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statement about challenges that bedevil implementation of IPSAS by your institution.

S/N	Statement	SD	D	U	A	SA
	System challenges					
1	There are challenges faced by my institution in respect of adoption and implementation of the IPSAS					
2	The costs of adding more modules and IPSAS maintenance has been very high in my institution					
3	The management of my institution has not been very committed to the implementation of IPSAS					
4	Accrual-based IPSAS system is not easy to use compared to the old cash-based system					
	Institutional/Organizational challenge					
5	The organisation's culture has not been accommodating to the implementation of IPSAS					
6	The organisation's structure has been accommodating to the implementation of IPSAS					
7	The organisation has adopted effective communication channels that facilitate implementation of IPSAS					
	Human Resource challenges					

8	Our Accountants do not have the relevant skills for the implementation of IPSAS					
9	The institution has not trained the relevant stakeholders/staff for the purposes of IPSAS implementation					
10	Management has not allocated adequate financial and human resources to the implementation of IPSAS					
11	The implementation has increased the workload involved in financial reporting					
12	Staff have not been trained on how to use the new accounting software/IT systems deployed for the implementation of IPSAS					
13	Accountants are competent in the use of the accounting software/IT Systems deployed for the IPSAS implementation					
14	It has increased the workload involved in the financial reporting process					
	Financial challenge					
15	Costs of implementing accrual based IPSAS is high					
16	Costs of consultants for IPSAS implementation has been very high					
17	Financial Support for accrual accounting has not					

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	been consistent.						
18	Costs of training on IPSAS has been very high						
19	Adoption and implementation of IPSAS has made the financial reporting processes cumbersome as compared to cash accounting bases						
20	Adoption and implementation of IPSAS by my institution has not been successful						
	Infrastructural challenge/ICT Challenge						
21	There exists adequate ICT to drive the implementation of IPSAS						
22	IPSAS accrual-based system is not compatible with the existing accounting software of the University						
23	Adoption of IPSAS has increased the cost of ICT						