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Public Financial Management Reform and Sustainable Economic Development in Nigeria: The PIVOT Framework

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Abstract
Effective public financial management is essential for translating public resources into sustainable economic development, particularly in developing economies characterised by institutional weaknesses, fiscal pressures, infrastructure deficits, and limited administrative capacity. This study examines how public financial management reforms influence resource mobilisation, expenditure control, transparency, accountability, and development outcomes in Nigeria between 1999 and 2025. It adopts a qualitative longitudinal case-study design, combining documentary analysis, thematic analysis, and process tracing. Evidence is drawn from official publications of Nigerian government institutions, the Central Bank of Nigeria, the National Bureau of Statistics, the International Monetary Fund, the World Bank, and relevant academic literature. Particular attention is given to the Treasury Single Account, Government Integrated Financial Management Information System, Integrated Personnel and Payroll Information System, and Open Treasury initiatives. The analysis indicates that these reforms strengthened the centralisation of government funds, digitalisation of financial processes, payroll verification, transaction monitoring, and public access to fiscal information. However, their contribution to sustainable development remains constrained by uneven implementation, limited system interoperability, inadequate technical capacity, weak institutional coordination, insufficient performance monitoring, and gaps between expenditure and measurable development outcomes.
The Drawing on New Public Management Theory, Institutional Theory, and Principal–Agent Theory, the study develops the PIVOT Framework, comprising Professionalise, Integrate, Verify, Open, and Target. The framework explains the administrative conditions required to convert public financial resources into development results. The study concludes that digital financial reforms must be supported by professional capacity, credible controls, transparency, institutional continuity, and outcome-based expenditure management.

Keywords: Economic Development, Nigeria, PIVOT Framework, Public Administration, Public Financial Management, Public Sector Reform

1. Introduction

1.1 Background and Rationale

Governments require adequate financial resources to provide infrastructure, healthcare, education, security, social protection, and other public services. However, sustainable economic development does not depend solely on how much revenue a government raises or borrows. It also depends on the institutional capacity to plan, allocate, manage, monitor, and account for public resources. Where financial administration is weak, increased public revenue may coexist with poor service delivery, abandoned projects, expenditure leakages, and limited improvements in citizens' welfare.

Public financial management has consequently become a central component of contemporary public administration. It governs the processes through which public revenue is forecast, collected, allocated through the budget, released to government institutions, spent on approved programmes, recorded, reported, audited, and evaluated. Effective public financial management promotes fiscal discipline, strategic resource allocation, operational efficiency, transparency, and accountability. It also allows governments to connect expenditure decisions with national development priorities.

Globally, public financial management systems have faced increasing pressure from economic shocks, rising public debt, inflation, health emergencies, climate-related risks, and growing demand for essential services. These pressures have strengthened the need for credible budgets, reliable fiscal information, effective expenditure controls, and transparent public procurement. The Public Expenditure and Financial Accountability Secretariat (2022) [9] reports that many countries have recorded improvements in certain public financial management dimensions, but weaknesses remain in budget credibility, expenditure control, financial reporting, external audit, and legislative scrutiny.

The connection between public financial management and sustainable development has also received increased international attention. The United Nations (2024) [11] argues that public financial management reforms should support the implementation of the Sustainable Development Goals by improving resource mobilisation, expenditure quality, public procurement, internal control, audit, and access to reliable fiscal information. This position suggests that financial management reforms should be evaluated by their contribution to development outcomes rather than by procedural compliance alone.

Digital transformation has become a major instrument for strengthening public financial administration. Governments increasingly deploy integrated financial management systems, electronic procurement platforms, centralised payroll systems, digital payment arrangements, treasury consolidation, and open-budget portals. These reforms are intended to reduce fragmented financial processes, strengthen transaction monitoring, improve financial reporting, and make fiscal information more accessible. Nevertheless, technology cannot independently resolve weak institutional capacity, unreliable data, poor enforcement, inadequate coordination, or resistance to administrative change. Digital systems are most effective when supported by professional personnel, strong controls, political commitment, system interoperability, and institutional continuity.

These issues are particularly relevant to developing economies. Many such countries face extensive infrastructure and social-development needs despite limited fiscal resources. Revenue volatility, weak tax administration, high debt-service obligations, unrealistic budgets, delayed fund releases, procurement irregularities, and inadequate monitoring can reduce the value derived from public expenditure. In such settings, raising additional revenue or obtaining external financing may not produce sustainable development unless the government also strengthens the institutions responsible for managing the resources.

Nigeria provides a suitable context for examining this relationship. The country has considerable natural, human, and economic resources and operates one of Africa's largest public sectors. Yet it continues to experience substantial infrastructure deficits, poverty, unemployment, inadequate social services, regional inequality, and institutional weaknesses. Nigeria's development challenge therefore concerns both the adequacy of public revenue and the efficiency with which available resources are managed.

The World Bank (2022) [13] identifies low government revenue, fiscal pressures, limited expenditure efficiency, and weaknesses in public investment management as major constraints on Nigeria's development. These problems have become more pronounced because of rising debt-service obligations, exchange-rate depreciation, inflation, revenue volatility, and competing demands on government expenditure. The International Monetary Fund (2024) [4] similarly identifies domestic revenue mobilisation, fiscal transparency, expenditure efficiency, and the protection of priority social spending as important areas of Nigeria's fiscal reform.

Successive Nigerian administrations have introduced several reforms to improve public financial management. These include the Treasury Single Account, Government Integrated Financial Management Information System, Integrated Personnel and Payroll Information System, adoption of International Public Sector Accounting Standards, electronic procurement initiatives, and the Open Treasury Portal. Collectively, these reforms seek to improve cash management, expenditure control, payroll verification, accounting, financial reporting, and public access to fiscal information.

At the subnational level, the State Fiscal Transparency, Accountability and Sustainability programme encouraged Nigeria's 36 states to strengthen fiscal transparency, domestic revenue mobilisation, public expenditure efficiency, and debt sustainability between 2018 and 2022. Evidence from the programme shows that performance-based incentives contributed to the adoption of fiscal-governance reforms. However, outcomes differed considerably among states because of variations in political commitment, institutional capacity, reform ownership, and administrative continuity (Isser & Zovighian, 2025) [5].

Despite these reform efforts, uncertainty remains about the extent to which improvements in financial administration have translated into sustainable economic development. Consolidating government accounts, automating financial transactions, verifying payroll records, and publishing expenditure information are important administrative achievements. However, such achievements do not necessarily establish that public expenditure has produced better infrastructure, improved social services, reduced poverty, created employment, or strengthened public trust.

Nigeria's public financial management experience therefore raises an important administrative and development question. What institutional conditions are required for financial management reforms to convert public resources into measurable and sustainable development outcomes? Addressing this question requires an integrated examination of professional competence, coordination among financial systems, transaction verification, fiscal transparency, expenditure targeting, and institutional continuity.

This study examines public financial management reforms and sustainable economic development in Nigeria between 1999 and 2025. It develops the PIVOT Framework, comprising five interconnected administrative principles: Professionalise, Integrate, Verify, Open, and Target. The framework provides a structured explanation of the administrative conditions required to strengthen the connection between public financial resources and development outcomes.

1.2 Statement of the Research Problem

Nigeria has introduced several public financial management reforms to improve the mobilisation, control, utilisation, and reporting of public resources. TSA was introduced to consolidate government funds and strengthen cash management. GIFMIS seeks to automate and integrate government financial processes. IPPIS was designed to centralise personnel and payroll administration, while Open Treasury initiatives aim to improve fiscal transparency and public access to expenditure information.

Despite these interventions, Nigeria continues to experience serious fiscal and development challenges. Public expenditure has not consistently produced the level of infrastructure, social services, employment, poverty reduction, and human development expected from the country's financial and economic resources. Weak budget implementation, abandoned capital projects, procurement irregularities, delayed financial reporting, inadequate audit follow-up, and limited expenditure monitoring continue to affect the management of public funds.

The problem is therefore broader than insufficient government revenue. It concerns the institutional capacity to convert available public resources into measurable development results. An increase in revenue or borrowing cannot produce sustainable development where budgets lack credibility, financial systems remain fragmented, expenditure controls are circumvented, or public projects are poorly monitored.

Although digital public financial management reforms have strengthened aspects of cash management, payroll administration, transaction processing, and fiscal disclosure, their implementation remains uneven. Some ministries, departments, agencies, and levels of government may not be fully integrated into the relevant platforms. Differences in data standards, institutional mandates, technological systems, and compliance levels may also weaken coordination among budgeting, treasury, procurement, payroll, accounting, and reporting processes.

The continued presence of administrative weaknesses creates uncertainty about the actual contribution of TSA, GIFMIS, IPPIS, Open Treasury, and related reforms to sustainable economic development. Administrative outputs such as account consolidation, electronic payment, payroll verification, and expenditure publication should not automatically be treated as development outcomes. A credible assessment must explain whether and how these outputs improve resource allocation, expenditure efficiency, service delivery, infrastructure development, and citizens' welfare.

Existing studies on public financial management in Nigeria frequently examine TSA, GIFMIS, IPPIS, public-sector accounting, or fiscal transparency separately. This approach provides useful evidence concerning individual reform instruments but offers limited understanding of their combined institutional operation. It also gives insufficient attention to the professional, technological, administrative, and accountability conditions required for the reforms to produce sustainable results.

Another limitation is that many studies assess reform performance mainly through reported savings, payroll verification, account consolidation, or compliance with financial procedures. Comparatively less attention is given to the pathway connecting these administrative achievements to broader economic and social outcomes. The World Bank (2025) [14] emphasises that fiscal space created through reforms must be accompanied by improvements in spending quality and investment in human development. This reinforces the need to distinguish financial control from development performance.

Furthermore, no sufficiently integrated framework currently explains how professional capacity, system integration, transaction verification, fiscal openness, and development-oriented expenditure interact in Nigeria's public financial management environment. The absence of such a framework limits the ability of researchers and policymakers to identify why formally similar reforms may produce different results across institutions, periods, and levels of government.

The central research problem is therefore the insufficient understanding of the administrative conditions through which public financial management reforms contribute to sustainable economic development in Nigeria. This study addresses the problem by examining Nigeria's reform experience between 1999 and 2025 and developing the PIVOT Framework as an integrated model of public financial management reform.

1.3 Research Questions

The study is guided by the following research questions:

1. How did Nigeria's public financial management reforms evolve between 1999 and 2025?
2. How have TSA, GIFMIS, IPPIS, Open Treasury, and related reforms influenced the management and utilisation of public financial resources in Nigeria?
3. What institutional and administrative constraints affect the contribution of public financial management reforms to sustainable economic development in Nigeria?
4. How do professionalisation, system integration, verification, fiscal openness, and expenditure targeting interact in the management of public resources?
5. What administrative framework can strengthen the relationship between public financial management reforms and sustainable economic development in Nigeria and other developing economies?

1.4 Objectives of the Study

The broad objective of the study is to examine the relationship between public financial management reforms and sustainable economic development in Nigeria.

The specific objectives are to:

- Examine the evolution of Nigeria's public financial management reforms between 1999 and 2025;
- Assess how TSA, GIFMIS, IPPIS, Open Treasury, and related reforms have influenced the management and utilisation of public financial resources;
- Identify the institutional and administrative constraints affecting the contribution of public financial management reforms to sustainable economic development;
- Analyse the interaction among professionalisation, system integration, verification, fiscal openness, and development-oriented expenditure; and
- Develop the PIVOT Framework for strengthening the relationship between public financial management reforms and sustainable economic development in Nigeria and other developing economies.

1.5 Significance of the Study

This study contributes to the literature by connecting public administration, public financial management reform, and sustainable economic development within a unified analytical framework. It explains how administrative capacity influences the conversion of public financial resources into measurable development outcomes, rather than treating digital financial reforms as purely accounting or technological interventions.

The study also develops the PIVOT Framework, comprising Professionalise, Integrate, Verify, Open, and Target. The framework provides a structured basis for assessing the professional competence, system coordination, internal controls, fiscal transparency, and development orientation required for effective public financial management.

The findings will be useful to government ministries, treasury institutions, audit bodies, legislatures, development partners, civil society organisations, and other stakeholders involved in managing or overseeing public resources. They can support reforms aimed at improving expenditure efficiency, accountability, institutional coordination, and the connection between public spending and national development priorities. The study also provides a foundation for future empirical and comparative testing of the PIVOT Framework in Nigeria and other developing economies.

2. Literature Review

2.1 Conceptual Review

2.1.1 Public Financial Management

Public financial management refers to the institutional and operational arrangements through which governments mobilise revenue, prepare and execute budgets, manage cash, procure goods and services, account for expenditure, report financial activities, and subject public resources to audit and oversight. Its central objectives are fiscal discipline, strategic resource allocation, efficient service delivery, transparency, and accountability. Public financial management therefore extends beyond accounting compliance to include the entire cycle through which public resources are converted into programmes and services.

Effective systems provide timely financial information, credible expenditure controls, and clear responsibility for public funds. Weak systems, by contrast, may produce unrealistic budgets, fragmented accounts, irregular payments, delayed reporting, and limited audit follow-up. Global evidence indicates that although many countries have strengthened aspects of budget preparation and fiscal transparency, weaknesses remain in budget credibility, execution control, financial reporting, and external scrutiny (PEFA Secretariat, 2022) [9].

2.1.2 Public Financial Management Reform in Nigeria

Public financial management reform involves deliberate changes to the laws, institutions, technologies, competencies, and procedures governing public resources. In Nigeria, major reforms include the Treasury Single Account (TSA), Government Integrated Financial Management Information System (GIFMIS), Integrated Personnel and Payroll Information System (IPPIS), International Public Sector Accounting Standards, electronic procurement, and Open Treasury initiatives.

TSA consolidates government cash resources and reduces the fragmentation associated with multiple accounts. GIFMIS automates budgeting, payment, accounting, and financial-reporting processes, while IPPIS centralises personnel and payroll administration. Open Treasury initiatives provide public access to selected fiscal and expenditure information. Although these reforms perform different functions, their effectiveness depends on their integration across the budget and expenditure cycle. Digital platforms may improve transaction visibility, but fragmented implementation, poor data quality, limited technical competence, and weak enforcement can reduce their intended benefits (Paul & Malachy, 2025) [8].

Public financial management reform should therefore be understood as institutional change rather than the installation of isolated digital systems. A platform becomes effective when public personnel use it correctly, relevant institutions exchange reliable information, financial controls are enforced, and reported savings are redirected towards approved development priorities.

2.1.3 Sustainable Economic Development

Sustainable economic development involves continuing improvements in economic productivity and citizens' welfare without weakening the institutional, fiscal, social, and environmental foundations required by future generations. It includes infrastructure development, employment creation, poverty reduction, improved healthcare and education, institutional stability, and responsible use of public resources.

Public expenditure contributes to sustainable development when it produces completed projects, accessible services, stronger productive capacity, and measurable improvements in welfare. High expenditure or budget implementation rates do not independently demonstrate development performance. Spending may comply with approved procedures while producing limited value because of poor project selection, procurement weaknesses, cost escalation, or inadequate monitoring.

The United Nations (2024) [11] therefore encourages governments to connect budgeting, procurement, reporting, and evaluation with the Sustainable Development Goals. This requires a shift from input-based financial administration towards outcome-oriented resource management. Under this approach, expenditure performance is assessed by what public funds achieve, not solely by whether funds were released and spent.

2.1.4 Public Financial Management Reform and Sustainable Development

Public financial management reform can support sustainable development through several connected pathways. Improved cash management can reduce idle balances and unnecessary borrowing. Integrated financial systems can provide timely information for expenditure decisions. Payroll verification can reduce unauthorised payments, while transparent procurement can improve competition and value for money. Public fiscal disclosure can also strengthen legislative and citizen oversight.

However, the relationship is conditional rather than automatic. Administrative savings do not improve development unless they are preserved, reallocated, and applied to productive purposes. Similarly, publishing expenditure information does not guarantee accountability where the information is incomplete, inaccessible, or unsupported by effective audit and sanctions. Nigeria's public finance challenge therefore concerns both financial control and the quality of expenditure.

The World Bank (2022) [13] identifies low revenue, weak expenditure efficiency, and public investment management constraints as major limitations on Nigeria's development spending. More recent evidence suggests that fiscal reforms can create additional fiscal space, but the resulting resources must be accompanied by improvements in spending quality and human-capital investment (World Bank, 2025) [14].

Sustainable development consequently depends on the entire chain connecting resource mobilisation, administrative control, expenditure allocation, project implementation, and measurable results.

2.1.5 The PIVOT Framework

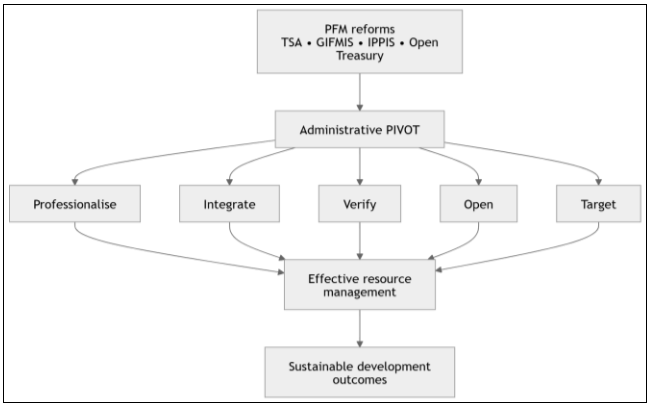
The PIVOT Framework developed in this study presents public administration as the institutional pathway through which public financial management reforms influence sustainable development. It consists of five mutually reinforcing principles: **Professionalise, Integrate, Verify, Open, and Target**.

Professionalise requires competent, ethical, and technically capable personnel to manage increasingly complex financial systems. **Integrate** requires coordination among budgeting, treasury, procurement, payroll, accounting, reporting, and audit arrangements. **Verify** emphasises transaction validation, internal control, monitoring, independent audit, and corrective action. **Open** concerns timely fiscal disclosure, legislative scrutiny, citizen access, and institutional accountability. **Target** requires public resources to be aligned with defined development priorities and measurable outcomes.

The framework proposes the following relationship:

> Public Financial Management Reform → Administrative PIVOT → Effective Resource Management → Sustainable Development Outcomes

The five components are interdependent. Integrated systems without competent personnel may produce unreliable records, while verification without transparency may limit external accountability. Openness without corrective action may expose irregularities without preventing their recurrence. Similarly, effective controls may generate savings without improving development where expenditure is not targeted towards priority outcomes. The framework therefore treats institutional coordination, professional capacity, control, transparency, and expenditure orientation as complementary conditions for reform effectiveness.



Source: Author's conceptualisation based on New Public Management Theory, Institutional Theory, and Principal–Agent Theory.

Fig 1: PIVOT Framework for Linking Public Financial Management Reform with Sustainable Economic Development

2.2 Theoretical Review

This study integrates New Public Management Theory, Institutional Theory, and Principal–Agent Theory to explain the relationship between public financial management reform and sustainable development. New Public Management Theory emerged from reforms intended to improve public-sector efficiency, managerial responsibility, performance measurement, and results orientation (Hood, 1991) [3]. Its relevance lies in the emphasis placed by GIFMIS, TSA, IPPIS, and related reforms on automation, expenditure control, measurable performance, and improved use of public resources. The theory supports the Professionalise and Target components of PIVOT because both require capable managers and a stronger connection between expenditure and results. However, New Public Management may give excessive attention to technical efficiency while paying insufficient attention to institutional power, political incentives, and informal practices.

Institutional Theory explains how formal rules, organisational arrangements, professional norms, and informal behaviour influence reform outcomes. Institutions shape whether financial rules are enforced, systems are integrated, audit findings receive attention, and reforms survive changes in political leadership. Recent public financial management scholarship also recognises that formal adoption does not necessarily produce effective institutional operation; reforms may be ceremonial, selectively implemented, or adapted to existing interests (Manes Rossi *et al*., 2025) [6]. Institutional Theory therefore supports the Integrate component and explains why similar reforms may produce different outcomes across ministries, states, or periods. Its limitation is that it may explain institutional persistence without specifying the accountability relationships through which public officials misuse or protect public resources.

Principal–Agent Theory addresses this limitation by focusing on delegation, information asymmetry, monitoring, and conflicting interests. Citizens and political authorities delegate the management of public resources to officials and government institutions. Because these agents possess information and discretion unavailable to the wider public, weak monitoring may permit unauthorised expenditure, payroll manipulation, procurement irregularities, and resource diversion. TSA, IPPIS, GIFMIS, audit mechanisms, and Open Treasury can reduce information asymmetry by consolidating records, validating transactions, and making financial information more visible. The theory therefore supports the Verify and Open components of PIVOT. Nevertheless, it may oversimplify public administration by assuming clear principals, agents, and objectives in settings where authority is dispersed and interests overlap.

The three theories are complementary. New Public Management explains the drive for efficiency and results; Institutional Theory explains how rules, capacity, and organisational environments shape implementation; and Principal–Agent Theory explains the need for monitoring and accountability. Institutional Theory serves as the principal theoretical foundation because the study's central concern is whether administrative institutions can convert formal financial reforms into sustained operational practice. New Public Management and Principal–Agent Theory provide supporting explanations for performance orientation, verification, and fiscal openness.

2.3 Empirical Review

Recent evidence generally associates public financial management reform with improvements in fiscal transparency, financial control, and administrative efficiency, but findings on broader development outcomes remain less conclusive. PEFA Secretariat (2022) [9] found variations across countries and public financial management dimensions, indicating that progress in budget preparation does not always extend to budget execution, reporting, audit, or external scrutiny. Upadhaya *et al*. (2024) [12] similarly found that stronger public financial management systems are associated with improved fiscal transparency and public accountability, although institutional conditions influence the strength of the relationship.

Nigeria-specific studies report benefits from individual reform instruments. Taiwo *et al*. (2021) [10] used qualitative evidence from public financial institutions and found that TSA strengthened cash visibility, reduced multiple government accounts, and supported the control of revenue leakages. However, the study also identified political, human, technical, and institutional constraints as limitations on implementation. Its findings demonstrate that treasury consolidation can improve financial control but remains dependent on administrative capacity and political support.

Agbata and Oranefo (2022) [1] examined IPPIS in Nigerian federal universities and found a positive relationship with budgeting and internal audit. The evidence suggests that centralised personnel and payroll information can strengthen financial accountability. However, its concentration on federal universities limits generalisation to the entire public service, while perception-based evidence does not independently establish the amount of financial savings or their eventual use.

At the subnational level, Isser and Zovighian (2025) [5] evaluated the State Fiscal Transparency, Accountability and Sustainability programme and reported improvements in fiscal disclosure, domestic revenue mobilisation, expenditure management, and debt reporting. The study nevertheless found substantial differences among states, showing that political commitment, incentives, institutional capacity, and reform ownership affected performance and sustainability. This evidence reinforces the distinction between formal adoption and effective institutionalisation.

Paul and Malachy (2025) [8] examined digital financial management reforms in Nigeria and concluded that TSA, IPPIS, GIFMIS, and Open Treasury can improve fiscal discipline, transparency, and efficiency. They also found that digital systems depend on skilled personnel, secure infrastructure, institutional coordination, and enforcement. Although their integrated approach advances the literature, its conceptual and documentary design does not directly trace administrative improvements to measurable development outcomes.

The reviewed studies show a consistent pattern. TSA, GIFMIS, IPPIS, and transparency initiatives can improve aspects of cash management, payroll control, transaction visibility, and fiscal disclosure. However, most studies examine these reforms separately, rely heavily on perceptions or administrative outputs, and provide limited evidence on how reported improvements affect infrastructure, service delivery, poverty reduction, employment, or human development. The literature also gives insufficient attention to the combined influence of professional capacity, system integration, verification, openness, and expenditure targeting.

This study addresses these limitations by examining Nigeria's principal public financial management reforms within a single longitudinal and institutional framework. It distinguishes reform adoption from implementation and development outcomes and applies the PIVOT Framework to explain the administrative conditions required for public financial management reform to support sustainable economic development.

3. Methodology

3.1 Research Design

The study adopted a qualitative longitudinal case-study design to examine public financial management reforms and sustainable economic development in Nigeria between 1999 and 2025. Nigeria constituted the case, while TSA, GIFMIS, IPPIS, Open Treasury, and related financial-management initiatives formed the embedded units of analysis.

A case-study design was appropriate because the reforms operate within political, administrative, technological, and institutional contexts that cannot be separated from their implementation. The longitudinal approach allowed the study to examine how the reforms developed, interacted, and changed over time. The study did not assume that public financial management reforms independently caused changes in development outcomes. Instead, it examined the institutional pathways through which the reforms influenced resource control, expenditure management, transparency, and development-oriented spending.

3.2 Scope and Sources of Data

The study covered Nigeria's federal public financial management environment from 1999 to 2025, with relevant subnational evidence included where it illustrated implementation differences or institutional learning. The period captured the development and expansion of digital treasury management, payroll administration, financial reporting, and fiscal-transparency reforms.

Data were obtained from publicly available documentary sources, including reports and statistical publications of the Office of the Accountant-General of the Federation, Federal Ministry of Finance, Budget Office of the Federation, Central Bank of Nigeria, National Bureau of Statistics, Office of the Auditor-General for the Federation, and Debt Management Office. Relevant reports from the World Bank, International Monetary Fund, PEFA Secretariat, and United Nations were also examined alongside peer-reviewed studies on Nigeria's public financial management reforms.

Documents were purposively selected because qualitative document analysis requires materials that are relevant, credible, and capable of answering the research questions (Morgan, 2022) [7]. A document was included where it:

1. Addressed at least one major public financial management reform in Nigeria;
2. Provided evidence on implementation, financial control, transparency, expenditure management, or development outcomes;
3. Originated from an official institution, recognised international organisation, or peer-reviewed publication; and
4. Contained sufficient information to assess its source, period, method, and evidential basis.

Documents consisting mainly of unverified commentary, duplicated material, unsupported claims, or promotional descriptions were excluded. Where different sources reported conflicting figures, priority was given to audited statements, official statistical publications, and reports that clearly explained their methods.

3.3 Method of Data Analysis

The study combined qualitative document analysis, thematic analysis, and process tracing. Document analysis was used to extract information concerning reform objectives, implementation stages, institutional responsibilities, reported results, operational constraints, and development implications. This method permits the systematic examination of policy documents, administrative reports, statistical publications, and prior studies while retaining attention to their institutional context (Morgan, 2022) [7].

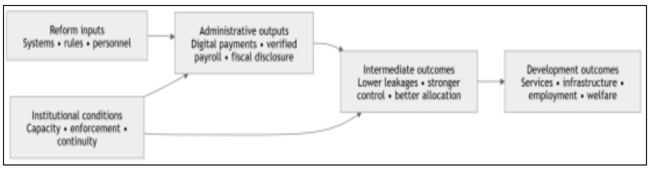
The analysis followed five stages. First, the selected documents were organised by reform, publication date, issuing institution, and type of evidence. Second, relevant statements and reported outcomes were extracted into a review matrix. Third, the evidence was coded around the five PIVOT dimensions: professionalisation, integration, verification, openness, and targeting. Fourth, patterns and differences across reforms and periods were identified. Finally, findings were interpreted in relation to New Public Management Theory, Institutional Theory, and Principal–Agent Theory.

Thematic analysis was used to identify recurring patterns relating to professional capacity, system interoperability, expenditure control, transparency, accountability, institutional continuity, and development-oriented resource allocation. The themes were reviewed against the research questions and documentary evidence to ensure that they remained distinct and adequately supported, consistent with the principles of systematic thematic analysis advanced by Braun and Clarke (2021) [2].

Process tracing complemented the thematic analysis by examining the sequence connecting reform introduction, administrative implementation, immediate outputs, intermediate financial-management outcomes, and broader development implications. Process tracing is suitable for investigating how an intervention produces an outcome through identifiable institutional steps rather than relying on simple association (Yan & Li, 2023). The analytical sequence was:

> Reform adoption → administrative implementation → financial-management output → resource-management outcome → development implication

For example, payroll digitalisation was examined through the sequence of personnel enrolment, record verification, identification of irregularities, expenditure control, and possible reallocation of savings. This distinction prevented administrative outputs, such as system installation or payroll enrolment, from being treated automatically as sustainable development outcomes.



Source: Author's conceptualisation based on the reviewed literature.

Fig 2: Institutional Pathway from Public Financial Management Reform to Sustainable Development Outcomes

3.4 Credibility and Ethical Considerations

Credibility was strengthened through source triangulation. Major claims were compared across official government reports, international institutional assessments, and peer-reviewed studies. Particular attention was given to evidence that contradicted or qualified reported reform successes. An audit trail of document sources, coding decisions, and interpretations was maintained to support analytical transparency.

The study relied exclusively on publicly available documents and did not involve human participants or confidential administrative records. Ethical responsibility therefore centred on accurate representation of evidence, proper attribution of sources, avoidance of unsupported causal claims, and acknowledgment of limitations in the available documentary record.

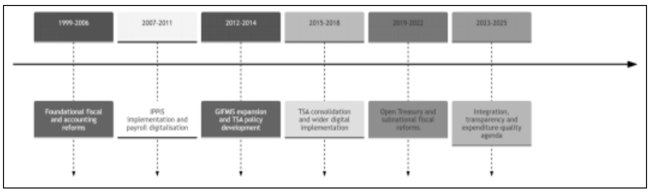
4. Findings and Discussion

4.1 Evolution of Public Financial Management Reform in Nigeria

The documentary evidence shows that Nigeria's public financial management reform developed through a gradual movement from fragmented and manually driven financial administration towards more centralised, digital, and transparent arrangements. Earlier reforms concentrated on improving budget preparation, accounting standards, and expenditure controls. Subsequent initiatives introduced integrated treasury management, payroll digitalisation, electronic payments, and public disclosure.

TSA, GIFMIS, IPPIS, and Open Treasury did not emerge simultaneously or function as a single reform package. They were introduced at different periods to address distinct weaknesses in cash management, expenditure processing, payroll administration, financial reporting, and fiscal transparency. Their gradual implementation means that 2015 should not be treated as an absolute division between unreformed and reformed public financial management. The evidence supports a phased interpretation in which reforms were initiated, expanded, consolidated, and modified over time.

This development reflects the performance and efficiency orientation of New Public Management Theory. However, the persistence of implementation gaps shows that technological adoption does not independently produce institutional transformation. Formal reform must be supported by administrative capacity, compliance, political commitment, and continuity.



Source: Author's synthesis of official government documents, World Bank reports, IMF reports, and the reviewed literature.

Fig 3: Phased Evolution of Public Financial Management Reform in Nigeria, 1999–2025

4.2 Integration of Financial Management Systems

The findings indicate that the integration of government financial systems improved visibility over public resources and strengthened the central coordination of selected financial processes. TSA reduced the fragmentation associated with numerous government bank accounts, while GIFMIS provided a platform for automating expenditure processing, accounting, and reporting. Taiwo *et al.* (2021) [10] found that TSA supported cash visibility, monitoring of government accounts, and control of revenue leakages. These outcomes correspond with the **Integrate** component of the PIVOT Framework.

Nevertheless, the evidence does not establish complete integration across Nigeria's public financial management cycle. Budgeting, procurement, treasury operations, payroll administration, accounting, audit, and performance monitoring may still operate through different systems and institutional mandates. Paul and Malachy (2025) [8] similarly conclude that Nigeria's digital financial systems require stronger interoperability, secure infrastructure, skilled personnel, and institutional coordination.

Integration should therefore be assessed by the quality and timeliness of information exchanged among systems, rather than by the number of digital platforms installed. Where systems cannot exchange reliable data, digitalisation may transfer fragmentation from manual procedures to separate electronic platforms. Institutional Theory explains this outcome because formal technological structures may coexist with established administrative practices that limit their effective use.

4.3 Verification and Expenditure Control

The evidence shows that digital reforms strengthened the capacity to verify selected public financial transactions and personnel records. IPPIS introduced centralised personnel and payroll information, while GIFMIS provided electronic transaction records that could support expenditure control and audit. Agbata and Oranefo (2022) [1] found that IPPIS positively influenced budgeting and internal audit in Nigerian federal universities, suggesting that integrated payroll information can strengthen financial accountability.

These findings support the **Verify** component of PIVOT and the expectations of Principal–Agent Theory. Public officials exercise considerable discretion over resources, while citizens and oversight institutions may possess limited information about financial transactions. Digital records, biometric verification, internal controls, and audit trails can reduce this information gap.

However, verification produces limited value where identified irregularities are not investigated, corrected, and sanctioned. Effective verification must therefore cover the complete accountability cycle:

> Detection → investigation → corrective action → recovery or sanction → prevention of recurrence

The evidence further suggests that centralisation can create operational challenges where a standardised system does not adequately accommodate institutional differences. Verification should consequently combine central financial control with accurate institutional data, appropriate complaint-resolution mechanisms, and regular system review.

4.4 Professional Capacity and Institutional Sustainability

Professional capacity emerged as a major condition affecting reform performance. Digital platforms require personnel with accounting, budgeting, data-management, information-technology, audit, procurement, and analytical competence. Without these capabilities, systems may be underused, incorrectly operated, or bypassed.

Paul and Malachy (2025) [8] identify capacity deficiencies, infrastructure limitations, cybersecurity risks, and weak intergovernmental coordination as continuing constraints on Nigeria's digital public financial management reforms. These findings support the **Professionalise** component of PIVOT. Professionalisation extends beyond occasional training; it includes merit-based deployment, continuing development, ethical responsibility, and retention of specialised personnel.

The findings also indicate that reform sustainability depends on institutional ownership. A system driven mainly by political instruction or external support may weaken when leadership, funding, or policy priorities change. Isser and Zovighian (2025) [5] found substantial differences in reform performance among Nigerian states, with political commitment, incentives, administrative capacity, and local ownership influencing results. Institutionalising reforms therefore requires legal support, stable funding, professional competence, and responsibility beyond individual administrations.

4.5 Fiscal Openness and Accountability

Open Treasury and related disclosure initiatives increased the availability of selected public financial information. This represents progress from a system in which government expenditure information was difficult for citizens and civil society organisations to obtain. Fiscal openness can reduce information asymmetry and support legislative, audit, media, and citizen scrutiny.

However, disclosure does not automatically produce accountability. Information may be published late, presented without adequate explanation, or provided in formats that are difficult to analyse. Accountability also remains weak where audit findings are delayed, legislative scrutiny is limited, or institutions fail to respond to documented irregularities.

Evidence from the State Fiscal Transparency, Accountability and Sustainability programme indicates that performance-based incentives encouraged Nigerian states to publish budgets, audited financial statements, and implementation reports. Yet progress in the independence and effectiveness of audit institutions remained comparatively limited (Isser & Zovighian, 2025) [5]. This finding demonstrates that transparency is most effective when accompanied by oversight, corrective action, and enforceable consequences.

The **Open** component of PIVOT should therefore be understood as meaningful fiscal accessibility rather than the mere publication of documents. Financial information must be timely, complete, understandable, comparable, and capable of supporting public scrutiny.

4.6 Expenditure Targeting and Sustainable Development

The evidence supporting a direct relationship between public financial management reform and sustainable development remains limited. Existing reports and studies provide stronger evidence on administrative outputs, such as account consolidation, payroll verification, electronic transaction processing, and fiscal disclosure, than on final outcomes such as poverty reduction, employment creation, infrastructure completion, and improved public services.

Nigeria's continuing development challenges indicate that improved financial control has not yet resolved weaknesses in expenditure quality and public investment management. The World Bank (2022) [13] identifies low revenue, expenditure inefficiency, and weaknesses in public investment management as constraints on development performance. The IMF (2024) [4] also stresses the need to protect priority social expenditure while strengthening revenue and fiscal management.

This finding supports the **Target** component of the PIVOT Framework. Savings generated through financial reform must be identified, preserved, reallocated, and applied to measurable development priorities. Without this connection, reform success may remain administrative rather than developmental. The appropriate sequence is:

> Financial control → verified savings or improved allocation → funded priority programme → effective implementation → measurable development outcome

The documentary evidence rarely traces this complete sequence. This represents an important limitation in both policy reporting and the existing literature.

4.7 Synthesis of Findings

The findings provide qualified support for the PIVOT Framework. Nigeria's public financial management reforms have strengthened aspects of integration, verification, and fiscal openness. Their broader effectiveness, however, remains constrained by professional-capacity gaps, incomplete system coordination, uneven implementation, weak follow-up mechanisms, and insufficient connection between administrative savings and development outcomes.

The five PIVOT components operate as complementary conditions. Professional personnel are required to manage integrated systems; integrated systems provide the data required for verification; verification supports credible disclosure; and openness strengthens accountability. These four conditions produce sustainable development only when resources are deliberately targeted towards measurable national priorities.

The central finding is therefore that public financial management reform is necessary but insufficient for sustainable economic development. Digital platforms and administrative controls can improve the management environment, but their development contribution depends on institutional capacity, enforcement, expenditure quality, and continuous evaluation of results.

5. Summary, Recommendations and Conclusion

5.1 Summary of Findings

The study examined the relationship between public financial management reform and sustainable economic development in Nigeria from 1999 to 2025. It focused on TSA, GIFMIS, IPPIS, Open Treasury, and related fiscal-governance initiatives. Using documentary analysis, thematic analysis, and process tracing, the study assessed how these reforms affected financial integration, verification, transparency, institutional capacity, and development-oriented expenditure.

The findings show that Nigeria has gradually moved from fragmented and manually driven financial administration towards more centralised and digital systems. TSA improved government cash visibility, while GIFMIS supported electronic expenditure processing, accounting, and reporting. IPPIS strengthened personnel and payroll verification, and Open Treasury increased public access to selected expenditure information. These findings are consistent with evidence that digital financial reforms can strengthen cash management, internal control, and fiscal transparency (Taiwo *et al*., 2021; Agbata & Oranefo, 2022) [10, 1].

Nevertheless, the reforms have not developed into a fully integrated public financial management system. Gaps remain among budgeting, procurement, treasury management, payroll administration, accounting, reporting, audit, and performance evaluation. Reform effectiveness is also constrained by inadequate technical capacity, unreliable data, cybersecurity risks, institutional resistance, weak enforcement, and uneven implementation. Similar differences in institutional ownership and administrative capacity have been identified across Nigerian states (Isser & Zovighian, 2025) [5].

The study further found that existing evidence is stronger on administrative outputs than sustainable development outcomes. Account consolidation, payroll verification, electronic payments, and fiscal disclosure are important achievements, but they do not independently establish improvements in infrastructure, employment, poverty reduction, or service delivery. Savings and efficiency gains must be identified, protected, and redirected towards measurable development priorities.

These findings support the PIVOT Framework. Professionalisation, integration, verification, openness, and targeting are complementary administrative conditions. Weakness in any component can reduce the overall effectiveness of public financial management reform.

5.2 Recommendations

First, the Federal Government should professionalise public financial management through merit-based deployment, continuous technical training, ethical standards, and retention of personnel with expertise in accounting, budgeting, procurement, audit, data management, and cybersecurity. Training should be based on identified operational gaps and followed by performance assessment.

Second, the Office of the Accountant-General of the Federation and other responsible institutions should strengthen interoperability among TSA, GIFMIS, IPPIS, procurement, budget, accounting, and audit platforms. Common data standards and clear institutional responsibilities should support the secure exchange of financial information. Digital systems should be reviewed regularly to identify duplicated processes, data inconsistencies, and control weaknesses.

Third, verification should extend beyond detecting irregularities. Government institutions should establish a documented process connecting detection with investigation, recovery, sanctions, and prevention. Audit recommendations should have responsible officers, implementation deadlines, and publicly reported follow-up status.

Fourth, fiscal openness should involve the timely publication of complete and understandable information. The Open Treasury Portal should provide comparable expenditure data, project locations, implementing institutions, contract information, and implementation status. Fiscal disclosure should be supported by legislative scrutiny, independent audit, civil society participation, and enforceable accountability.

Fifth, reported savings and efficiency gains from TSA, IPPIS, GIFMIS, and related reforms should be traced to their subsequent use. The Budget Office and implementing ministries should connect financial-management gains with funded priorities in healthcare, education, infrastructure, social protection, and employment creation. This is important because fiscal reform produces stronger public value when improved fiscal space is accompanied by better spending quality (World Bank, 2025) [14].

Finally, public financial management reforms should be protected from policy discontinuity. Their legal, financial, technological, and administrative foundations should be strengthened so that implementation does not depend excessively on individual political administrations. Periodic independent evaluations should assess both administrative performance and development outcomes.

5.3 Conclusion

Public financial management reform remains an essential condition for sustainable economic development in Nigeria, but it cannot produce development outcomes through technological adoption alone. TSA, GIFMIS, IPPIS, and Open Treasury have improved aspects of cash visibility, transaction processing, payroll verification, and fiscal disclosure. Their full contribution is limited by incomplete integration, institutional-capacity gaps, weak accountability follow-up, uneven implementation, and insufficient connection between administrative gains and citizens' welfare.

The study concludes that public financial management reforms are most effective when supported by the five elements of the PIVOT Framework: Professionalise, Integrate, Verify, Open, and Target. Professional capacity ensures that systems are properly managed; integration connects financial processes; verification strengthens control; openness supports accountability; and targeting connects public expenditure with measurable development priorities.

Nigeria should therefore evaluate public financial management reform by both administrative efficiency and development performance. The relevant question is not merely whether public funds are digitally processed or formally accounted for, but whether they produce completed projects, reliable services, reduced waste, and sustained improvements in citizens' welfare. Under these conditions, the PIVOT Framework provides a practical and analytical basis for strengthening public financial management in Nigeria and comparable developing economies.

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