

Institutional And Administrative Constraints to Budget Implementation in Nigeria: Evidence from The Ministry of Finance and Budget Offices in Rivers State

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Abstract- This study examined institutional and administrative constraints to budget implementation in Nigeria. The study was anchored on Budget theory and Incrementalism theory. The study adopted survey research design. The population of the study consisted of 76 accountants, auditors and senior administrative of Ministry of Budget and Economic Planning as well as Ministry of Finance in Rivers State, Nigeria. The study sample size consisted of 64 accountants, auditors and senior administrative of Ministry of Budget and Economic Planning as well as Ministry of Finance in Rivers State, Nigeria. The study made use of primary data and structured questionnaire as the data collection instrument. The techniques of data analysis adopted are frequencies, simple percentages, weighted mean and simple linear regression technique. The findings of the study showed that delayed budget passage, poor monitoring, and corruption and mismanagement have significant negative implications on budget implementation in Nigeria. The study concluded that delayed budget passage, poor monitoring, and corruption and mismanagement are institutional and administrative constraints to budget implementation in Nigeria. The study recommended among others that government should institutionalize and strictly enforce a legally binding budget timetable that clearly defines deadlines for budget preparation, submission, legislative review, and approval. Early executive submission of the budget to the legislature, accompanied by pre-budget consultations and stakeholder engagement, will allow sufficient time for scrutiny and debate without disrupting the fiscal cycle.

Index Terms- Budget Implementation, Institutional, Administrative, Corruption, Mismanagement, Poor Monitoring, Delayed Budget Passage

I. INTRODUCTION

In performing its core functions, government utilizes several policy instruments, among which the budget occupies a central position. A budget represents a formal financial framework that specifies projected

revenues and planned expenditures over a defined period, usually one fiscal year. It functions as a strategic instrument for allocating and managing public financial resources at various tiers of government, including federal, state, and local levels. Budgeting is a central instrument of public financial management through which governments allocate resources, implement policies, and pursue socio-economic development objectives. In modern states, the budget serves not only as a fiscal plan but also as a policy document that reflects governmental priorities and developmental strategies. Ademolekun (2023) conceptualized budget implementation as the operationalization of approved policies through the transformation of financial, human, material, and technical inputs into tangible outputs such as public goods and services. It represents the intermediary phase between policy enactment, through legislative approval, executive directives, or regulatory frameworks, and the actual impact of such policies on citizens. Budget implementation involves diverse administrative actions, including fund disbursement, enforcement of guidelines, loan approvals, personnel deployment, and supervision of public projects. Implementation challenges arise when expected outcomes are not realized by the intended beneficiaries. Such challenges are not exclusive to developing countries; rather, they occur whenever essential determinants of effective implementation are deficient. Edwards (2020) identifies communication, availability of resources, administrative disposition, and bureaucratic structure as critical variables influencing policy execution. These factors operate interactively and can either facilitate or impede successful budget implementation. Empirical evidence suggests that Nigeria has experienced persistent difficulties in translating budgetary plans into measurable

developmental outcomes. Oke (2020) contends that successive national budgets have not substantially driven economic growth due to deficiencies in implementation. One structural concern is the disproportionate allocation of resources, often estimated at a 70:30 ratio favoring recurrent over capital expenditure, which constrains developmental investment. Effiom and Edet (2018) attribute ineffective capital budget performance to delays in budget presentation by the executive arm, prolonged legislative approval processes, corruption-related leakages, and inadequate monitoring and evaluation mechanisms. Similarly, Ezenwafor (2021) identified delayed policy formulation, insufficient political commitment, overreliance on a monoculture economy, and systemic corruption as significant impediments to budget implementation in developing economies. Furthermore, Ejumudo and Ejumudo (2020) emphasized that political accommodation practices, weak institutional commitment, compromised oversight mechanisms, and entrenched corruption have exerted adverse effects on effective budget execution in Nigeria.

However, budget implementation in Nigeria has persistently faced significant institutional and administrative challenges that undermine the effectiveness of public financial management and impede the attainment of developmental objectives. Despite the formulation and approval of annual budgets, the translation of budgetary plans into tangible outcomes remains constrained by weak institutional frameworks, inadequate oversight mechanisms, and fragmented intergovernmental coordination. Delays in budget passage, poor monitoring and evaluation, and inefficient administrative procedures have resulted in postponed or abandoned government projects, reducing the overall efficiency of public expenditure (Onyiah, Ezeamama, Ugwu, & Mgbodile, 2016). These issues highlight the persistent gap between budgetary intentions and actual execution, creating a scenario where approved resources fail to generate expected socio-economic benefits. Moreover, corruption, mismanagement, and lack of transparency further exacerbate these institutional and administrative constraints, significantly impacting the effectiveness of budget implementation in Nigeria. Public funds are often diverted from their intended purposes

through embezzlement, contract inflation, and other fraudulent practices, while weak enforcement and accountability mechanisms allow such malpractices to persist (Onho & Zayol, 2017). Administrative inefficiencies, including bureaucratic bottlenecks, inadequate technical capacity, and limited capacity for inter-agency coordination, continue to delay project execution and compromise service delivery. These challenges underscore the urgent need for empirical investigation into the institutional and administrative factors constraining budget implementation in Nigeria.

Aim and Objectives of the Study

The aim of this study was to determine the institutional and administrative constraints to budget implementation in Nigeria. Specifically, the study sought to:

1. evaluate the effect of delayed budget passage on budget implementation in Nigeria;
2. examine the effect of poor monitoring on budget implementation in Nigeria; and
3. analyze the effect of corruption and mismanagement on budget implementation in Nigeria.

Hypotheses

The following null hypotheses were formulated and tested in the course of this study:

H₀₁: Delayed budget passage does not have significant effect on budget implementation in Nigeria.

H₀₂: There is no significant effect of poor monitoring on budget implementation in Nigeria.

H₀₃: Corruption and mismanagement does not have significant effect on budget implementation in Nigeria.

II. LITERATURE REVIEW

Theoretical Review

The theoretical underpin for this study are Budget theory and Incrementalism theory. These theories are explained as follows:

a. Budget Theory

Budget Theory does not originate from a single scholar or a specific year; rather, it evolved gradually within the field of public administration and public

finance in the early twentieth century. One of the foundational contributors was Aaron Wildavsky, whose seminal work *The Politics of the Budgetary Process* (1964) profoundly shaped modern budget theory. Earlier intellectual foundations were also laid by scholars such as V. O. Key Jr., particularly through his 1940 article “The Lack of a Budgetary Theory,” which called for a systematic framework to guide public expenditure decisions. Budget Theory broadly examines how governments plan, allocate, execute, and control public resources within political and administrative environments. It emphasizes that budgeting is not merely a technical accounting exercise but a political and institutional process shaped by competing interests, bureaucratic structures, and governance systems. The theory highlights principles such as accountability, transparency, efficiency, incremental decision-making, and fiscal discipline in public resource management.

In explaining institutional and administrative constraints to budget implementation in Nigeria, Budget Theory underscores the critical role of strong institutions, clear procedures, and effective oversight mechanisms in achieving budget objectives. Where institutions are weak, fragmented, or influenced by political interference, the implementation phase becomes vulnerable to delays, misallocation of funds, and inefficiency. In the Nigerian context, challenges such as bureaucratic bottlenecks, inadequate technical capacity, poor inter-agency coordination, weak monitoring frameworks, and limited enforcement of financial regulations reflect institutional deficiencies that Budget Theory identifies as barriers to effective fiscal governance. The theory suggests that when administrative systems lack professionalism, continuity, and accountability, approved budgets may not translate into tangible projects and services. Thus, Budget Theory provides a framework for understanding how structural weaknesses within ministries, departments, and agencies can constrain policy execution and hinder development outcomes.

b. Incrementalism Theory

Incrementalism Theory was developed by Charles E. Lindblom in 1959 through his influential work on “The Science of Muddling Through.” The theory

posits that public policy and budgetary decisions are not made through comprehensive, rational, all-encompassing analyses but rather through small, incremental adjustments to previous policies or budgets. Lindblom argued that decision-makers often face information constraints, limited resources, and political pressures, which make large-scale, radical reforms impractical. Instead, policymakers tend to make marginal changes to existing allocations, focusing on what is politically feasible and administratively manageable. Incrementalism emphasizes the importance of continuity, stability, and cautious adaptation in public finance, suggesting that small changes reduce the risks associated with uncertainty and complexity in governance.

In the Nigerian context, Incrementalism Theory helps explain some of the institutional and administrative constraints to budget implementation. Since the theory highlights reliance on previous budgets as a reference point, it suggests that structural inefficiencies, bureaucratic inertia, and procedural bottlenecks can perpetuate poor planning and mismanagement. For instance, ministries and agencies may continue to allocate resources in patterns established in prior budgets, even if they are misaligned with current priorities or developmental needs. Administrative constraints, such as weak technical capacity, delays in intergovernmental coordination, and limited monitoring mechanisms, interact with this incremental approach, resulting in inefficiencies and partial implementation of approved budgets. By recognizing that budgetary adjustments in Nigeria are often small and politically mediated rather than fully rational, Incrementalism Theory explains why institutional weaknesses and administrative limitations persist, undermining the effectiveness of public expenditure

Empirical Review

Audu and Obinna (2025) examined the impact of budget implementation on economic growth in Nigeria between 1990 and 2023 utilising the ex-post facto research design. Data for the study were sourced from the Central Bank of Nigeria (CBN) statistical bulletin and analysed using the Vector Error Correction Model (VECM). Findings from the estimations show a significant long-run relationship between budget implementation and economic

growth, with capital expenditure positively influencing GDP while recurrent expenditure has a mixed effect. The study highlights challenges such as inefficiencies in resource allocation and delays in project execution, which hinder optimal budget performance.

Prince, Onuora and Ujam (2024) examined the effect of budgetary implementation and performance of public sector in Nigeria from 1981-2023. Ordinary Least Square Regression Model was developed to test the effect between dependent and independent variables. It was operated using EViews 10. The results of the Ordinary Least Square Model revealed that, government recurrent expenditure has a positive and significant effect on the real gross domestic product (RGDP) of (P.5). In conclusion, both recurrent and capital expenditures by governments in Nigeria play very important roles in boosting the country's economic growth. While recurrent expenditures ensure the smooth functioning of the public sector and immediate economic stimulation, capital expenditures lay the foundation for sustained development and increased productivity.

Ajayi and Dada (2022) examined budget and financial control in selected government parastatals in Nigeria. The survey research design was adopted in the study. Primary data were obtained using a well-designed questionnaire. Data gathered in the study were analyzed using descriptive, correlation analysis, logit regression analysis and other post estimation tests. Findings obtained in the study indicated that budget preparation exerts insignificant positive impact on financial control in Nigerian government parastatals; budget implementation exerts insignificant positive impact on financial control of Nigerian government parastatals and budget monitoring and evacuation exert insignificant positive impact on financial control.

Kelly and Tobi (2020) examined the problematic of budget implementation in Nigeria using Delta State as a case study. The design of the study was descriptive survey. The population of the study comprised of 2383 senior staff in the Delta State Ministry of Basic and Secondary Education, Ministry of Economic Planning, Ministry of Works, Ministry of Housing and Ministry of Finance. The sample of

the study consisted of 350 senior staff drawn from level 10-16 using stratified and simple random techniques. The instruments used for data collection was budget implementation questionnaire. The data were analyzed using mean rating and chi-square. The findings of the study revealed that there is significant relationship between politics of accommodation, poor commitment, compromised budget monitoring, culture of corruption and budget implementation in Delta State.

Jimoh, Adeyemi, Olarinde and Adegbola (2020) focused on the assessment of the relationship between budget and budgetary control and performance in local government with study of Osun State, Nigeria. The specific objective is to examine the relationship between budget and budgetary control and performance in Local Government in Osun State. This study adopted a survey research design. Simple frequency and percentages were used to answer the research questions while the inferential statistics was used to test the hypothesis generated for the study. The study found significant relationship between implementation of budget and budgetary control system and effective performance in the Local Government in Osun State.

Olanayan and Efuntade (2020) determined the influence of budget and budgetary control system on financial performance of tertiary institution in Nigeria from 2004 to 2019. Error correction model was used to analyze the data. The findings revealed among other things that; there was presence of co-integration (long-run relationship) among the variables in the model, budget planning, budget evaluation, control and monitoring have significant relationship with financial performance in Nigeria, while budget participation is not significantly related to financial performance of the tertiary institution in the long run.

Alade, Owabumoye and Olowookere (2020) examined the effect of budget planning as budgetary control mechanism put in place on financial accountability in the public sector of Ondo State Ministry, Departments and Agencies. The study made use of a structured close-ended questionnaire to obtain the required primary data from the target budget officers. Out of 118 budget officers on the

ground in Ondo State Ministries, Departments and Agencies (MDAs) as at the time of this investigation, a purposive sampling technique was used to select 91 of which 85 copies of the questionnaire were returned. Logistic regression analysis was employed. Findings revealed that budget planning has the ability to improve financial accountability in Ondo state public sector.

Lionel and Samuel (2019) empirically assessed the constraints to capital budget implementation in Nigeria. The methodology employed was both descriptive and analytical. Primary survey instrument was developed and distributed to 200 respondents in 20 federal ministries, departments and agencies within two contiguous states in the South-south geopolitical zone in the country. The ensuing data were analysed using multiple regression as well as correlation analyses. Results indicated, inter alia, that delay in budget presentation by the presidency as well as delays in approval by the national assembly, leakages associated with corruption and poor monitoring and evaluation of the budget were significant factors militating against effective capital budget implementation in Nigeria.

Nwaorgu (2018) investigated the effect of dominant individuals on budget implementations in Nigeria. The methodology used in the study is content analysis method. The literature and empirical review reveal that the activities of dominant individuals range from manipulation of budget items before and after approval of annual estimate: embezzlement and fraudulent activities: lack of proper budgeting processes is responsible for the failure of budget in Nigeria.

Ianna (2018) examined budget implementation and governance in Nigeria. In any polity, be it developed, developing or under-developed, the idea of governance conjures a theoretical undertone of the social contract and the common good which budget implementation is expected to assure. This study contended that poor governance results to poor budget implementation which occurs when the desired result on the target beneficiaries is not actualized.

Onho and Zayol (2017) explored budgeting and budgetary control in the public sector using ministry of finance in Benue State as a case study. The writers found that budgeting and budgetary control in the public sector is weak and despite the effort of government, budget and budgetary control has failed because of dependence on federation account, untrained budget staff, non-adherence to budgetary control measures, corruption, inflation and political environment.

Adekunle (2016) assessed the factors responsible for budget failure in Nigeria. To achieve this broad goal, the econometric model of Analysis of variance (ANOVA) regression test was employed for analysis and time series data span from 2010 to 2015. The finding showed that budget in the public sector of Nigeria has almost become a ritual or a yearly affair which though good in content but without appreciable result. The issue of budget failure in Nigeria is of concern to the general public. The results revealed that budgeting has a strong relationship with Nigerian GDP. The results further showed a strong relationship between budgeting and poverty index (PI).

Onyiah, Ezeamama, Ugwu and Mgbodile (2016) studied the impact of budget implementation and control reforms of the Federal Government of Nigeria. The primary data were collected with the aid of a structured 5-point likert scale questionnaires. Secondary data were generated from journals, and other scholarly publications. Three Hypotheses were formulated and tested in this study. The questionnaires were distributed to a sample size of 308 from a population of 1338 using Taro Yamane (1967) formula while Analysis of Variance (ANOVA) was also employed to test the hypotheses. The findings showed that poor project conceptualization, design or planning practices by Ministries, Departments and Agencies (MDAs) resulted into low resources management.

Ekhtor and Chima (2015) investigated the budget as instrument of realizing the goal of public policy. Using data generated from secondary sources, it was found that the goals of most policies were not accomplished in Nigeria due to incessant budget failure at the stage of the formulation and

implementation. Critical among the factors responsible for the failure were; delay in preparation, late submission and appropriation, cumbersome bureaucratic process of securing release of funds, short fall in revenue, poor implementation plan and above all corruption.

Asogwa (2015) assessed the measures that would stem the tide of low budget implementation in Nigeria public sector using South-East geopolitical zone of Anambra, Enugu, Abia, Imo, Ebonyi and Enugu States as case study. Three research hypotheses were formulated and tested in empirical setting using chi-square (χ^2) statistical tools. Findings of the study revealed that poor budgetary implementation in the Nigerian public sector have had significant negative effect on the Nigerian economy. The study showed that factors such as late presentation and passage of appropriation bills, delay in release of funds for capital projects, ineffective planning, corruption in the public sector amongst others have contributed to low budgetary implementation in Nigeria.

III. METHODOLOGY

Survey research design was adopted in this study. The major purpose of survey research design is to provide information on characteristics of a population or phenomenon. The population of this study consisted of seventy-six (76) accountants, auditors and senior administrative of Ministry of Budget and Economic Planning as well as Ministry of Finance in Rivers State, Nigeria. On the other hand, the sample size of this study was determined by the application of Taro Yamane's formula at 5% level of significance:

Mathematically derived Taro Yamane formula is stated as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where; n = sample size, N = Population size, e = level of significance/ tolerable error (0.05), 1 = Constant

With the total of 76 and 95% level of confidence (0.05 significance level), the sample size of this study is determined as follows:

$$n = \frac{76}{1 + 76 * (0.05)^2}$$

$$n = \frac{76}{1 + 76 * (0.0025)}$$

$$n = \frac{76}{1 + 0.19}$$

$$n = \frac{76}{1.19}$$

$$n = 63.865$$

$$n \approx 64$$

The sample size therefore consisted of sixty-four (64) accountants, auditors and senior administrative of Ministry of Budget and Economic Planning as well as Ministry of Finance in Rivers State, Nigeria while purposive sampling technique was adopted to select the sample.

Data Collection Methods and Sources

Primary data were used and these data were collected through structured questionnaire which were administered to accountants, auditors and senior administrative of Ministry of Budget and Economic Planning as well as Ministry of Finance in Rivers State, Nigeria. The questionnaire was structured on modified four-point Likert rating scale. These include: Strongly Agree (SA) = 5 points, Agree (A) = 4 points, Undecided (U) = 3 points, Disagree (D) = 2 points, Strongly Disagree (SD) = 1 point.

Data Analysis Techniques

The descriptive statistics such as frequencies, simple percentages and means scores were used for the analysis of the demographic data and the research questions while hypotheses testing were carried out through the use of regression technique.

IV. RESULTS AND DISCUSSION OF FINDINGS

Analysis of Questionnaire

Table 1: Response Rate of Questionnaire Distributed

Particulars	Number of Questionnaire	Percentage
Copies of Questionnaire Distributed	64	100

Copies of Questionnaire Returned	61	95.3
Copies of Questionnaire Not Returned	3	4.7
Copies of Invalid Questionnaire	1	1.7
Copies of Valid Questionnaire	60	93.8

Source: Field Survey (2026).

Table 1 presents a summary of the questionnaire response rate. The table indicates that a total of 64 questionnaires, representing 100.0 percent, were distributed to respondents. Out of this number, 61 questionnaires, accounting for 95.3 percent, were successfully returned, while 3 copies (4.7 percent)

were not retrieved. Among the returned questionnaires, 1 copy (1.7 percent) was deemed invalid, leaving 60 questionnaires, representing 93.8 percent, as valid for analysis. The high response rate provides a reliable basis for the data analysis conducted in this study.

Univariate Analysis

The primary data collected for this study were analyzed using descriptive statistical techniques, including simple percentages, frequency distributions, tabular presentations, and weighted mean scores. The findings derived from these analyses are presented and interpreted in this section: Research Question One: What is the effect of delayed budget passage on budget implementation in Nigeria?

Table 2: Analysis of Questionnaire Items on the Effect of Delayed Budget Passage on Budget Implementation in Nigeria

No	QUESTIONNAIRE ITEMS	SA (%)	A (%)	U (%)	D (%)	SD (%)	\bar{X}	DECISION
1.	Delays in the passage of the annual budget result in postponement of government projects and programs.	22 (36.7%)	28 (46.7%)	2 (3.3%)	4 (6.7%)	4 (6.7%)	4.00	Agreed
2.	Delayed budget passage affects the planning and execution of development projects across ministries.	27 (45.0%)	24 (40.0%)	2 (3.3%)	3 (5.0%)	4 (6.7%)	4.17	Agreed
3.	Late budget approval leads to accumulation of pending financial obligations from previous fiscal years.	28 (46.7%)	20 (22.2%)	2 (3.3%)	6 (10.0%)	4 (6.7%)	4.03	Agreed
4.	Postponed budget approval negatively impacts the achievement of policy objectives and targets.	27 (53.3%)	21 (35.0%)	5 (8.3%)	5 (8.3%)	3 (3.3%)	4.12	Agreed
5.	Delays in budget passage reduce the efficiency and effectiveness of government expenditure.	22 (36.7)	22 (36.7)	4 (6.7%)	6 (10.0%)	6 (10.0%)	3.80	Agreed
	Grand Mean (\bar{X})						4.02	Agreed

Source: Field Survey (2026).

Key: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree, \bar{X} = Mean

The findings in Table 2 reveal a strong agreement among respondents that delayed budget passage has a negative effect on budget implementation in Nigeria. A significant proportion of respondents agreed that delays in approving the annual budget lead to the

postponement of government projects and programmes (mean = 4.00), thereby disrupting planned activities. Similarly, delayed passage was found to adversely affect the planning and execution of development projects across ministries, as

reflected in a higher mean score of 4.17, indicating a particularly strong impact on administrative coordination and project rollout. Respondents also agreed that late budget approval contributes to the accumulation of outstanding financial obligations from previous fiscal years (mean = 4.03), which can strain public finances and distort subsequent budget cycles. Furthermore, postponed approval was perceived to hinder the achievement of policy objectives and targets (mean = 4.12), while reducing

the overall efficiency and effectiveness of government expenditure (mean = 3.80). With all items receiving an “Agreed” decision and a positive grand mean, the results clearly indicate that delayed budget passage is a critical impediment to timely, efficient, and effective budget implementation in Nigeria.

Research Question Two: Does poor monitoring affect budget implementation in Nigeria?

Table 3: Analysis of Questionnaire Items on the Effect of Poor Monitoring on Budget Implementation in Nigeria

No	QUESTIONNAIRE ITEMS	SA (%)	A (%)	U (%)	D (%)	SD (%)	\bar{X}	DECISION
6.	Inadequate monitoring of government projects leads to delays in budget implementation.	33 (55.0%)	17 (28.3%)	0 (0%)	2 (3.3%)	8 (13.3%)	4.08	Agreed
7.	Poor supervision of budget execution results in misallocation of funds.	28 (46.7%)	22 (36.7%)	3 (5.0%)	3 (5.0%)	3 (5.0%)	4.24	Agreed
8.	Absence of proper evaluation and feedback mechanisms affects the achievement of budgetary objectives.	20 (33.3%)	30 (50.0%)	3 (5.0%)	4 (6.7%)	3 (5.0%)	4.00	Agreed
9.	Ineffective monitoring increases the risk of project abandonment or incomplete implementation.	20 (33.3%)	28 (46.7%)	2 (3.3%)	5 (8.3%)	5 (8.3%)	4.01	Agreed
10	Lack of regular auditing and tracking of budgeted projects hampers timely completion.	23 (38.3%)	23 (38.3%)	4 (6.7%)	7 (11.7%)	3 (5.0%)	4.10	Agreed
	Grand Mean (\bar{X})						4.09	Agreed

Source: Field Survey (2026).

Key: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree, \bar{X} = Mean

The findings presented in Table 3 demonstrate a strong consensus among respondents that poor monitoring significantly affects budget implementation in Nigeria. A majority agreed that inadequate monitoring of government projects contributes to delays in implementation, as indicated

by a mean score of 4.08. Similarly, respondents affirmed that weak supervision of budget execution leads to misallocation of funds, recording the highest

mean score of 4.24, which suggests a particularly strong perception of its impact. The absence of effective evaluation and feedback mechanisms was also identified as a constraint to achieving budgetary

objectives (mean = 4.00), while ineffective monitoring was linked to increased risks of project abandonment or incomplete implementation (mean = 4.01). Furthermore, lack of regular auditing and tracking was perceived to hamper timely project completion (mean = 4.10). With all items receiving an “Agreed” decision and relatively high mean values, the overall grand mean confirms that poor monitoring is widely regarded as a critical factor undermining effective budget implementation, highlighting the need for stronger oversight, evaluation, and accountability frameworks in Nigeria’s public financial management system.

Research Question Three: What is the effect of implementation in Nigeria?
 corruption and mismanagement on budget

Table 4: Analysis of Questionnaire Items on the Effect of Corruption and Mismanagement on Budget Implementation in Nigeria

No	QUESTIONNAIRE ITEMS	SA (%)	A (%)	U (%)	D (%)	SD (%)	\bar{X}	DECISION
11.	Corruption in public institutions leads to the diversion of allocated funds, negatively affecting budget implementation.	30 (50.0%)	19 (31.7%)	1 (1.7%)	5 (8.3%)	5 (8.3%)	4.07	Agreed
12.	Bribery and embezzlement in government agencies hinder the effective use of budgeted funds.	25 (41.7%)	25 (41.7%)	3 (5.0%)	3 (5.0%)	4 (6.7%)	4.07	Agreed
13.	Mismanagement of financial resources by government officials delays the execution of planned projects.	24 (40.0%)	27 (45.0%)	1 (1.7%)	4 (6.7%)	4 (6.7%)	4.05	Agreed
14.	Lack of transparency in budgetary processes increases the risk of fund misallocation.	20 (33.3%)	29 (48.3%)	0 (0%)	7 (11.7%)	4 (6.7%)	3.90	Agreed
15.	Mismanagement of budgetary allocations results in incomplete or abandoned public projects.	23 (38.3)	24 (40.0)	4 (6.7%)	4 (6.7%)	5 (8.3%)	3.91	Agreed
	Grand Mean (\bar{X})						4.00	Agreed

Source: Field Survey (2026).

Key: SA = Strongly Agree, A = Agree, U = Undecided, D = Disagree, SD = Strongly Disagree, \bar{X} = Mean

The findings from Table 4 indicate a strong consensus among respondents that corruption and mismanagement exert a negative effect on budget implementation in Nigeria. A substantial majority agreed that corruption in public institutions leads to the diversion of allocated funds, as reflected in the high combined percentage of “Strongly Agree” and “Agree” responses and a mean score of 4.07. Similarly, respondents affirmed that bribery and embezzlement significantly hinder the effective

utilization of budgeted funds (mean = 4.07), while mismanagement of financial resources by government officials contributes to delays in project execution (mean = 4.05). The results further reveal agreement that lack of transparency increases the risk of fund misallocation (mean = 3.90) and that poor

management of budgetary allocations leads to abandoned or incomplete public projects (mean = 3.91). With a grand mean of 4.0, the overall decision

of “Agreed” confirms that corruption and mismanagement are perceived as critical impediments to effective budget implementation, reinforcing the view that weak accountability and governance structures undermine the achievement of budgetary objectives in Nigeria.

Bivariate Analysis (Hypotheses Testing)

For the purpose of this study, the hypotheses formulated are tested using regression techniques. This was aided by Statistical Package for Social Sciences (SPSS) 26.0:

Decision Rule: Reject the null hypothesis (H_0) at 5% level of significance if the *p-value* is less than *alpha* value (0.05). Contrarily, do not reject the null hypothesis (H_0) at 5% level of significance if the *p-value* is greater than alpha value (0.05).

Testing of Hypothesis One

H_{01} : Delayed budget passage does not have significant effect on budget implementation in Nigeria.

H_{A1}: Delayed budget passage has significant effect on budget implementation in Nigeria.

Table 5: Regression Analysis of Delayed Budget Passage and Budget Implementation Nigeria

Model	Unstandardized Coefficients		Standardized Beta	T	Sig.
	B	Std. Error			
	(Constant)	.982			
¹ Delayed Budget Passage	-.741	.025	.844	30.185	-.000

a. Dependent Variable: Budget implementation
 Source: Field Survey, 2026 (SPSS 26.0).

From the results in Table 5, delayed budget passage has a negative value of -0.741. This indicates that delayed budget passage has a negative effect on budget implementation. The implication of this is that delayed budget passage will negatively affect budget implementation in Nigeria. However, null hypothesis one (H₀₁) was tested at 5% level of significance. The result revealed the *p-value* to be 0.0000 while the *alpha value* is 0.05. Following the decision rule, i.e. since the *p-value* (0.0000) is less than the *alpha value* (0.05), we therefore reject the null hypothesis one (H₀₁) and conclude that delayed budget passage has a significant effect on budget implementation in Nigeria.

Testing of Hypothesis Two

H₀₂: There is no significant effect of poor monitoring on budget implementation in Nigeria.

H_{A3}: There is a significant effect of poor monitoring on budget implementation in Nigeria.

Table 6: Regression Analysis of Poor Monitoring and Budget Implementation in Nigeria

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error			
	(Constant)	1.288			
¹ Poor Monitoring	-.629	.039	.647	16.261	-.000

a. Dependent Variable: Budget Implementation
 Source: Field Survey, 2026 (SPSS 26.0).

From the results in Table 6, poor monitoring has a negative value of -0.629. This implies that poor monitoring has a negative effect on budget implementation. The implication of this is that poor monitoring will negatively affect budget implementation in Nigeria. However, hypothesis two (H₀₂) was tested at 5% level of significance. The result showed the *p-value* to be 0.0000 while the *alpha value* is 0.05. Following the decision rule, i.e. since the *p-value* (0.0000) is less than the *alpha value* (0.05), we therefore reject the null hypothesis two (H₀₂) and conclude that there is a significant effect of poor monitoring on budget implementation in Nigeria.

Testing of Hypothesis Three

H₀₃: Corruption and mismanagement does not have significant effect on budget implementation in Nigeria.

H_{A3}: Corruption and mismanagement has significant effect on budget implementation in Nigeria.

Table 7: Regression Analysis of Corruption & Mismanagement and Budget Implementation in Nigeria

Model	Unstandardized Coefficients		Standardized Beta	T	Sig.
	B	Std. Error			
	(Constant)	1.955			
¹ Corruption and Mismanagement	-.376	.046	.391	-8.145	.000

a. Dependent Variable: Budget Implementation
 Source: Field Survey, 2026 (SPSS 26.0).

From the results in Table 7, corruption and mismanagement has a negative value of -0.376. This implies that corruption and mismanagement has a negative effect on budget implementation. The implication of this is that corruption and mismanagement will negatively affect budget implementation in Nigeria. However, the null hypothesis three (H₀₃) was tested at 5% level of significance. The result showed the *p-value* to be 0.0000 while the *alpha value* is 0.05. Following the

decision rule, i.e. since the *p-value* (0.0000) is less than the *alpha value* (0.05), we therefore reject the null hypothesis three (H_{03}) and conclude that corruption and mismanagement has significant effect on budget implementation in Nigeria.

Discussion of Findings

This study investigated institutional and administrative constraints affecting budget implementation in Nigeria, with empirical evidence drawn from the Ministry of Finance and Budget Offices in Rivers State. Descriptive statistical tools, including frequencies, simple percentages, and weighted mean scores, were employed to analyze respondents' demographic characteristics and questionnaire responses. Inferential analysis was conducted using regression techniques to test the formulated hypotheses, with computations performed using the Statistical Package for Social Sciences (SPSS) version 26.0. The study established that delayed budget passage exerts a negative and statistically significant influence on budget implementation, corroborating the findings of Onyiah, Ezeamama, Ugwu, and Mgbodile (2016), who identified late budget approval as a critical impediment to effective implementation. Additionally, the results revealed a statistically significant negative effect of poor monitoring on budget implementation in Nigeria, aligning with the findings of Onho and Zayol (2017), who reported a significant inverse relationship between inadequate monitoring mechanisms and effective budget execution. Furthermore, the analysis indicated that corruption and mismanagement have a significant negative impact on budget implementation, consistent with the conclusions of Lionel and Samuel (2019), who identified these factors as major constraints undermining the effective execution of public budgets in Nigeria.

V. CONCLUSION AND RECOMMENDATIONS

Conclusion

The study examined institutional and administrative constraints to budget implementation in Nigeria. The findings of the study showed that delayed budget passage, poor monitoring as well as corruption and mismanagement all have significant negative

implications on budget implementation. Based on the findings, the study therefore concludes that delayed budget passage, poor monitoring as well as corruption and mismanagement are institutional and administrative constraints to budget implementation in Nigeria.

Recommendations

Based on the findings of this study, the following recommendations are made:

- i. To address the negative impact of delayed budget passage, the government should institutionalize and strictly enforce a legally binding budget timetable that clearly defines deadlines for budget preparation, submission, legislative review, and approval. Early executive submission of the budget to the legislature, accompanied by pre-budget consultations and stakeholder engagement, would allow sufficient time for scrutiny and debate without disrupting the fiscal cycle.
- ii. There is a need to reinforce transparency, accountability, and internal control systems within public financial management. Government should strengthen the capacity and independence of anti-corruption agencies and supreme audit institutions to effectively detect, investigate, and prosecute financial misconduct. The adoption of e-procurement platforms, open budgeting systems, and real-time expenditure tracking can reduce opportunities for fund diversion and contract inflation.
- iii. To mitigate the adverse effect of poor monitoring on budget implementation, the government should establish a robust monitoring and evaluation (M&E) framework across all ministries, departments, and agencies. This will include setting clear performance indicators, measurable targets, and regular reporting requirements for budget-funded projects. Strengthening oversight functions through legislative committees, civil society participation, and independent performance audits will enhance transparency and ensure funds are utilized for intended purposes.

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