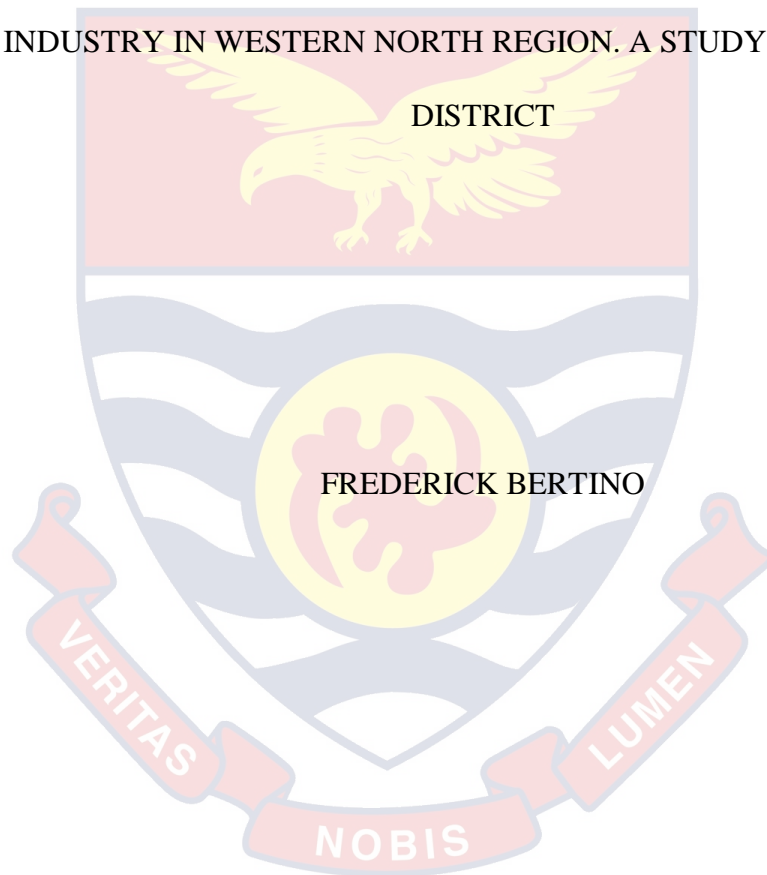


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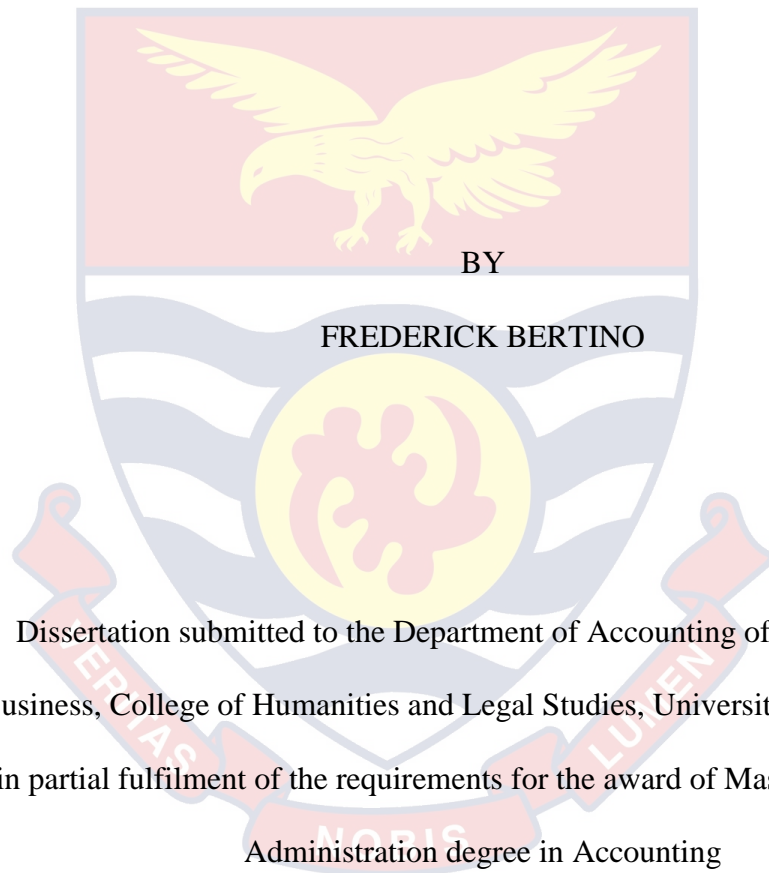
BOOK-KEEPING PRACTICES AND ACCOUNTABILITY OF COCOA
INDUSTRY IN WESTERN NORTH REGION. A STUDY OF SUAMAN



2020

UNIVERSITY OF CAPE COAST

BOOK-KEEPING PRACTICES AND ACCOUNTABILITY OF COCOA
INDUSTRY IN WESTERN NORTH REGION. A STUDY OF SUAMAN
DISTRICT



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

OCTOBER 2020

DECLARATION

Candidate's Declaration

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

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

Name: Frederick Bertino

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature.....Date.....

Name: Mr. Emmanuel Yaw Arhin

ABSTRACT

This study sought to assess the book-keeping practices and accountability in the cocoa industry in Western North Region, a study of Suaman District. As such, specific objectives were to examine the book-keeping practices in the cocoa sector in Suaman District, examine the factors that affect accountability in the cocoa sector in Suaman District, assess the accountability challenges facing the cocoa sector in Suaman District and to analyze the effect of book-keeping on accountability in the cocoa sector in Suaman District. Data was collected through self-administered questionnaire from the employees of licenced cocoa buying companies in Suaman District who are mandated to submit weekly and monthly accounts to headquarters (district managers, depot keepers and accountants). The study used quantitative research approach for data collection, analysis and interpretation. Cluster sampling and purposive sampling techniques were used to choose the sample size of 65 for the study. The results revealed that book-keeping has a significant effect on accountability in the industry. It also revealed that staff financial indiscipline and inadequate knowledge in book-keeping are some of the challenges facing accountability in the sector. It also revealed that there is over-reliance on manual system of records keeping in the sector. The studies concluded that managers of the sector should invest in education of staff on book-keeping and also introduce accounting software in its operations. It further recommended increase in remuneration packages of staff to reduce misappropriation of funds.

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DEDICATION

To my lovely wife, Dorothy Abroquah



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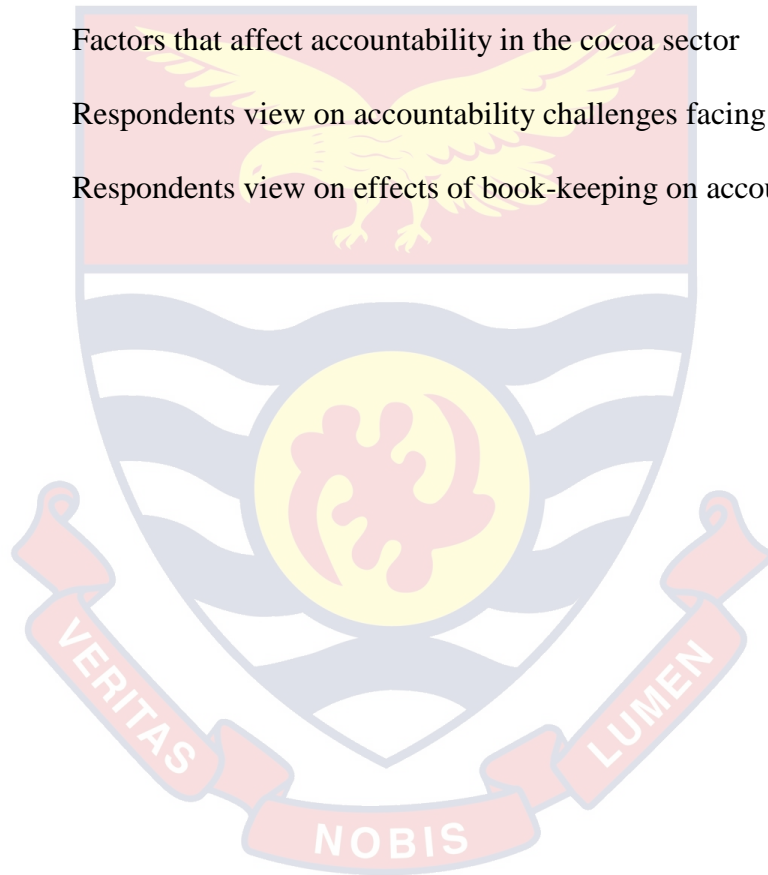
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LIST OF ACRONYMS

AVE	Average Variance Extracted
CAS	Computerized Accounting System
COCOBOD	Ghana Cocoa Board
CTORS	Cocoa Taken-over Receivables
DC	District Co-ordinators
DDK	District Depot Keepers
DO	District Officers
GDP	Gross Domestic Product
IT	Information Technology
LBC	Licensed Cocoa Buying Companies
MAS	Manual Accounting System
NPMs	New Public Management Systems
OLS	Ordinary Least Square
PBC	Produce Buying Company,
PC	Purchasing Clerks
PPP	Public Private Partnership
RC	Regional Co-ordinators
SMEs	Small and Medium-sized Enterprises
UNECE	United Nations Economic Commission for Europe
ZM	Zonal Managers

CHAPTER ONE

INTRODUCTION

In this chapter, the researcher presented a concise literature on book-keeping practices and accountability in the cocoa sector management and operations. It is followed by statement of the problem, purpose of the study, objective of the study, research questions, scope of the study, significance of the study and limitations of the study.

Background of the Study

The success story of every organization and every sector of the economy cannot be fully told without the concept of accountability. According to (Armstrong, 2005), accountability is a very sophisticated and more involving subject that can be expatiated and applied in different fields of endeavour depending on individual or institutional interest and perception . It can be described as bottom-up relationship between a superior (principal) and a subordinate (agent) where the subordinate has a professional duty to respond to the superior on the outcome of an assigned duty or entrusted resource.

Accountability includes holding somebody accountable or responsible for an action by something or somebody of higher, equal or lesser authority base on agreed format. It can be horizontal, which means between individuals of equal or parallel jurisdiction (example between production manager and marketing manager) or bottom-up involving individuals of different levels of authority (for example between the marketing manager and the sales representatives) (Stapenhurst, Pelizzo & O'Brien, 2007).

Accountability originates from the necessity to assign a particular task to others in order to share delivery of huge and sophisticated work schedules.

Those assigned with delegated assignments must account on their actions after the execution of the designated tasks. This thought of accountability can be grouped into two steps. It should be started with the invitation to account, which involves being called upon to deliver explanation on what has happened, or did not happen and the reason behind it or being called upon to put corrective measures if something goes wrong. In addition, the theory of accountability may involve learning of a lesson and appreciation in instances where reprimands may not be desirable.

Accountability may lead to distribution of rewards or reprimands (Jones & Stewart, 2009). When accountability is demonstrated, it communicates and demonstrates an individual's level of maturity, integrity and reliability and the degree of confidence that one can repose on the individual. An individual's inability to render accountability leads to wastage of precious time as people involve try to detect the problem. The time could have been spent on profitable activities instead of wasting time trying to detect what went wrong. The refusal of employee to render accountability leads to loss of time and eventually money as managers examine to unravel the cause of the problem (Ferguson, 2019).

Accountability removes the wastage of precious time and effort one spends on amending off-putting actions and other unprofitable behaviours. Studies have shown that people have the propensity to indulge in unproductive behaviours if not put into checks and balances. Without accountability these unproductive behaviours would not be noticed after the wrongs and the mistakes have already occurred resulting in huge losses. If culture of accountability is built from the beginning, the organization is protected from

indecent behaviours. Qualified and right people should be put on the correct jobs and it should be communicated to the entire organization of management's determination to ensure fault free work. If people are held accountable for their doings and inactions, they will be taught indirectly on how to place premium on their jobs. Through good responses and corrective performances, employees equip themselves with the knowledge of how their actions affect other players in the team. When individuals get to know how valuable and significant they are to the organization, they are motivated to work very hard (Ososami, Adeola, & Imevbore, 2014).

People in leadership positions move violently with responsibility and accountability due to diverse reasons. They include (a). inability to draw a line of distinction between responsibility and accountability. Failure to comprehend the difference between being responsible and being accountable is a major rationale behind why leaders encounter challenges. Responsibility emanates from the heart while accountability emanates from the head. (b). lack of the desired resources and help. Entrusting leaders with the responsibility for a job and measuring how effective they are makes them run away from accountability if they lack the confidence to complete the task. (c). being indiscipline. Leaders are often entrusted with too much authority, and since nobody has been assigned to hold them accountable for their actions, they misplace attentiveness of their status and this plants the bad example down into their subordinates and hence the company in general (Smith, 2017).

In line with the impact of accountability on the business enterprise, firms without the culture of accountability are most likely to dissolve as precious times would be spent on resolving social challenges instead of

spending it on production of goods and services. In one way or the other, workers are introduced to official accountability in the form of laid down policies and rules emanating from holding somebody responsible for the lives of hundreds of employees and millions of dollars placed under their care (Breaux, Perrewe, Frink, & Hochwater, 2008). The issue of accountability generates frustration and stress for managers at all levels on the organizational structure. Due to the recent call ups to decentralize decision-making and empowering individuals to be more productive and efficient, several superiors are struggling to get their efforts to yield dividend. Workers are not accepting fresh and new ways of accountability and responsibility. They appear to consider the new challenge as ‘burden compounding’ to their schedules. The only solution to this situation is to start creating self-awareness (Muller-Smith, 1997).

Owusu, Assabil and Asare-Kyire (2015), define book-keeping activities as unconscious and regular process of recording economic benefits of firms’ transactions in consonance with accepted Accounting Standards. Book-keeping activities differ from firm to firm due to the accompanying cost of instituting accounting system in an organization. According to Sibanda and Manda (2016), book-keeping activities are at the centre of business transactions as they serve as the foundation for proper planning and management of business activities. Abdul-Rahamon and Adejare (2014) disputed the fact that record keeping and creation of financial report is at the centre of decision making and business activities. Book-keeping permits managers and shareholders to ascertain if they are making profits or incurring losses (Owusu et al., 2015). Abdul-Rahamom and Adejare (2014) disputed the

assertion that the overall objectives of book-keeping involve increasing productivity and efficiency, to regulate establishment and growth, to minimize costs of operation and to ensure fulfilling the regulatory requirement of the land. In Ghana, most small and medium-sized enterprises are coerced to maintain proper books of accounts in order opportune them to get credit facilities from banks or financial institutions (Okwena, Okioma & Nyakundi, 2011; Musah & Gakpetor, 2017). Ghana's companies Code of 1963, Act 179 obliges all business registered under Act 179 to prepare regular and periodic financial statement and communicates them to shareholders, prospective investors, debenture holders and other stakeholders of the organization.

According to Eric and Gabriel (2012), book-keeping serving as a tool to control the business finances, helps managers to be aware of the financial position of their business as well as taking corrective measures to improve and control the organizational performance. It creates precious information utilized by managers, suppliers, investors, employees, government agencies, customers, leaders, and regulators to take meaningful decisions. Financial statement analysis helps to identify the company's strengths and weaknesses, and managers use this information to strengthen the performance of the organization. If management wishes to enhance a firm's worth, it should capitalize on the firm's strengths and reduce its weaknesses. This can be achieved by analyzing the financial statements. The analysis of the financial statement can be done through book-keeping. It includes comparison of the firm's performance with that of other firms in the same industry and assesses trends in the firm's financial position over a given period.

Through proper book-keeping, companies are able to trace all information in the companies' books to facilitate making key decisions which affect issues which are of operating, financing and investing nature. With no book-keeping, companies would have no ideas about the present financial position and many activities that happen within the company. As book-keeping is relevant to the internal users of organization: managers and employees, accurate and reliable book-keeping is also relevant to external users: investors, suppliers, financial institutions, customers or the government who need the information to make good decisions. In summary, the economic environment in general depends on accurate, relevant and reliable book-keeping for both internal and external users.

Statement of the Problem

Cocoa sector has been and continues to be one of the sectors that serve as the pillar of Ghanaian economy. According to Boahen (2019), 25% of Ghana's Gross Domestic Product contributed by the agricultural sector is from cocoa. The agricultural sector alone is said to contribute about 45 per cent to Ghana's GDP. Huge sums of money are injected into cocoa sector for purchasing of cocoa beans and farm inputs for farmers. Despite the huge capital injections into the sector, it still bedevilled with lot of challenges which impact significantly on total outputs. The Produce Buying Company, (PBC) received Cocoa Taken-over Receivables (CTORS) of GH¢81 million out of the expected seed fund of GH¢390 million from COCOBOD as at the close of 2018 calendar year and it was used to purchase about 62,000 tonnes of cocoa (Owusu, CEO of PBC, 2018).

Several structural adjustment programs were introduced into the sector called Ghana Cocoa Sector Liberalization by the government to avert the challenging situations in the sector (Laven, 2007). The central objective of the Ghana Cocoa Sector Liberalization (GCSL) was to promote competition through several purchasing methods to permit more individuals and organizations to participate in the cocoa buying business which was dominated by the Produce Buying Company (PBC), a state own enterprise. Due to the liberalization of the cocoa sector, the sector which had by about 28 licenced cocoa buying companies as at 2001(Vigneri & Santos, 2009) now has about 49 licenced cocoa buying companies (Annual Report COCOBOD, 2017).

The operations and administrative structures of the licenced cocoa buying companies (LBC) differ from one company to other. Some companies have lengthy structures and others have short structures but generally the structures include Headquarters, Regional Co-ordinators (RC), District Co-ordinators (DC), Zonal Managers (ZM)/District Officers (D.O.), District Depot Keepers (D.D.K.) and Purchasing Clerks (P.C.). The headquarters, first of all, give monies to Regional Coordinators to be used to buy cocoa beans. The regional co-ordinators allocate the monies to district co-ordinators who subsequently allocate the monies to the district officers. The district officers also distribute the monies to their purchasing clerks who go to the farm settlements to buy the cocoa beans from the farmers. After buying the cocoa beans, the purchasing clerks transport them from the villages (farm settlements) to the district officers who in turn keep them at district depots under the care and custody of the district depot keepers. The purchasing clerks account on their activities to the district officers (D. Os). The district officers,

district accountants and district depot keepers submit weekly and monthly returns of their operations to the headquarters through district co-ordinators and regional co-ordinators. Each and every one of the officers has to render account on the resources entrusted to him/her to the next immediate supervisor on periodic basis.

The problem arises when officers (co-ordinators, district officers, accountants and purchasing clerks) fail to properly render accounts on monies entrusted under their care and depot keepers finding it difficult to account on stock of cocoa beans entrusted under their care. In 2015/2016 cocoa season of Produce Buying Company Ghana Ltd (PBC), monies worth GH¢21,228 was locked up at the close of the season, GH¢84,563 at the close of 2016/2017 cocoa season and GH¢49,598 at the close 2017/2018 season (Annual Reports of PBC Ltd, 2015/2016, 2016/2017& 2017/2018). Interest is charged on monies advanced to LCBs by COCOBOD and therefore when stakeholders fail to account on monies given, it affects the liquidity and profitability statuses of the companies.

The problem of accountability and its persistence has been a source of worry to stakeholders in the cocoa sector. It has resulted in loss of jobs, imprisonment and other similar bizarre situations. Previous research works on the cocoa sector focused on other issues in the sector such as procurement challenges, decline in cocoa production etc. but nothing has been said on the issues of accountability in the sector; why people find it difficult to render proper accounts and other issues that border on accountability in the cocoa sector.

The contributions of records keeping cannot be overruled in a discourse of accountability. The practices of keeping records have become the bases upon which the overall success of contemporary organizations rely. The reason is that, absence of records keeping makes it difficult to achieve the degree of profitability and protection from exposure to fraud which all organizations need. Effective record keeping and management are requisite for any organization to perform effectively (Ademola, Samuel, & Ifedolapo, 2012). Records keeping should be a practice for any entity or individual that cherishes money accumulation. Effectively kept records make it less difficult to control cash payments and receipts (Huffsteler, 2018). It has to be emphasized that records keeping are necessary to promote accountability and proper governance (Tough, 2007).

One will ask: Can effective book-keeping practices impact on accountability in the cocoa industry? It was the quest to find answer to this question and other related questions on accountability in the cocoa sector that instigated my decision to research on the topic ‘book-keeping practices and accountability in the cocoa industry of Western North Region, a case of Suaman District’ specifically the cocoa buying companies in the district.

Purpose of the Study

The main focus and purpose of the study is to ascertain the impact of book-keeping practices on accountability in the cocoa industry of Western North Region, a case of Suaman District.

Research Objectives

The study in wide spectrum analyzes the effects of book-keeping on accountability in the cocoa sector. Specifically, it seeks to

- a. analyse the effect of book-keeping on accountability in the cocoa sector in Suaman District.
- b. examine the book-keeping practices in the cocoa sector in Suaman District.
- c. examine the factors that affect accountability in the cocoa sector of Suaman District.
- d. assess the accountability challenges facing the cocoa sector in Suaman District.

Research Questions

In a bid to achieve the above objectives, the following research questions are asked:

- a. What are the effects of book-keeping on accountability in the cocoa sector of Suaman District?
- b. What are the book-keeping practices in the cocoa sector in Suaman District?
- c. What factors affect accountability in the cocoa sector in Suaman District?
- d. What are the accountability challenges facing the cocoa sector in the Suaman District?

Significance of the Study

Book-keeping is a very important element in a discourse of proper organizational management and accountability. The study intends to draw the attention of stakeholders in the cocoa sector to the role of proper book-keeping practices in strengthening accountability in the sector. It will also inform stakeholders of other means of records keeping to monitor the flow of stocks apart from the traditional manual system. In addition, the findings from the study would serve as a basis for current and future research on the subject of proper book-keeping practices in other related fields and sectors.

Delimitation

Conceptually, the study seeks to determine the effect of book-keeping practices on accountability in the cocoa sector in the Suaman District. It includes detailed analysis and discussions on accountability in the cocoa sector, the role of book-keeping in ensuring proper accountability in the sector, factors that affect accountability in the cocoa sector and accountability challenges in the sector and how to overcome them.

The study was limited to licenced cocoa buying companies (LBCs) currently in operation in Suaman District. The district is one of the highest cocoa growing districts in the Western North Region with 16 cocoa buying companies according to Suaman Quality Control Division Annual Report (2018) and it is third highest in the region so it will worth to use the research findings to draw conclusion about the region.

Limitations

The major limitation of the study was that; the researcher was not able to reach a lot of respondents to collect the answered questionnaires due to the COVID-19 preventive mechanism which entreats an individual to stay home if one has no serious business in town. Another constraint was that the questionnaires were administered during the off-cocoa season, a period which is characterized with massive staff absenteeism from work and hence, the inability to reach more prospective respondents and also inability to retrieve a number of questionnaires distributed.

Organization of the Study

The study will comprise five main chapters. Each chapter is further divided into different sections and sub-sections. The first chapter deals with the general introduction to the study which further comprises the background of the study, statement of the problem, objectives of the study, scope of the study, justification for the study and the limitations of the study.

Chapter two concerns the review of the various literatures both theoretical and empirical literature on book-keeping and accountability. Chapter three presents the methodology of the study comprising the data, data collection instruments, population, sample and sampling procedure etc. The fourth chapter consists of presentation of the data collected from the field and an in-depth analysis and discussion of the data. Finally, chapter five presents the conclusion, the main findings of the study and the appropriate recommendations.

CHAPTER TWO

LITERATURE REVIEW

Introduction

The aim of the study is to analyze the book-keeping practices and how they impact on accountability in the cocoa industry in Western North Region, a case of Suaman District. The chapter shows a review of the related literature of the study, both theoretical and empirical reviews. Areas captured in the topic include accountability and its benefits, approaches to accountability, challenges of accountability, accountability theories, book-keeping practices, systems of keeping records etc.

Theoretical Review

Stakeholders theory

According to Freeman (1984), stakeholders of an organization are collection of individuals and institutions that contribute to the progress and existence of the organization. They comprise debtors/customers, workers/employees, creditors/suppliers, political parties, journalists, students, environmental group, media houses, financial institutions, governmental institutions, and many more. This idea suggests that the corporate world is a network of related groups with diverse needs which must all be considered and met in order to maintain the health and success of the organization in both short and long terms.

A successful organization would always remember everybody, corporate or human, that contributed to its success story. Stakeholder theory pronounces that if a company treats its workers badly, it will ultimately be unsuccessful. If its activities are forced on the communities, it will negatively

impact on its progress and success. No organization can survive without its stakeholders.

Legitimacy theory

Legitimacy theory speculates that companies are increasingly searching to guarantee that they work within the jurisdictions and norms of the industry in which they operate (Deegan, 2000). Legitimacy is recognized as common and can be considered as generalized awareness or assumptions that the dos and don'ts of a firm are necessary, good, or appropriate within a socially created system of models, values, definitions and beliefs (Suchman, 1995).

The theory substantiates the reason why institutions reluctantly reveal information which they are not mandated to disclose by a legislative instrument. It is the reason why firms can achieve legitimacy in the face of the important aspect of the society, investors, customers or the public at large. Legitimacy theory is generally used in accounting to denote optional demonstrations by institutions (O'Donovan 2002). The theory posits that the aim of corporate communications to the public including its financial statements is to keep, protect or expand the institution's legitimacy (Lindblom, 1994).

The Role theory

When catch up with unwholesome situations, people device a role to help them deal with the circumstance. Role theory is instituted to substantiate the expected behavioural pattern of people who occupy prestigious positions in the society and how others are also expected to act towards them. Role theory is built on people's observable and predicted behaviours in relation to

the office they occupy in the society and in a particular situation (Hindin, 2007). In relation to work place, the concept, role, according to Michael (2001), represents the duties to be performed by individuals to meet expectations. Role hence, represents expected behavioural pattern needed to perform a specific duty or duties at work place.

Work role basically communicates the needs in relation to how duties are performed rather than the duties themselves. A distinction therefore exists between the assigned duties and how duties are performed which is largely based on the behavioural component of the work and the end results the individual is anticipated to achieve (Bovens, 2007).

The theory of a role stresses the fact that individuals at work places in one way or the other often involve acting part of activity. They are not basically saying what is written but construe them base on what they think things should be done in relation to a given context especially base on interactions they have with other individuals that can affect their performance. The position individuals take up at work places elsewhere exist base on the other individuals in their role set. These individuals comprising directors, management and the community have expectations base on the role individuals perform (Bovens, 2007).

Records continuum theory

The records continuum theory is the main theory for the study. It is a theory which offers the theoretical defends for maintaining business records (Alhassan & Muazu, 2014). The theory includes a dependable and logical period of managing the business records from the time it was created through to preservation and usage of the records (McKemmish, 2001). The records

continuum theory is defined as regular and sound process of managing records of an organization throughout its life, starting from records creation and preservation up to when it is kept and used as archive (Flynn, 2001).

Conceptual Review

The conceptual review captured the perceptions and thoughts of people on accountability and book-keeping. It covered among other things, accountability concept, approaches to accountability, accountability challenges, book keeping practices and benefits.

Accountability includes holding somebody accountable or responsible for an action by something or somebody of higher, equal or lesser authority base on agreed format. It can be horizontal, which means between individuals of equal or parallel jurisdiction (example between production manager and marketing manager) or bottom-up involving individuals of different levels of authority (for example between the marketing manager and the sales representatives). Problems such as irregular flow of information from one party to another implies that the usage of the information is not feasible for use in accountability of any form since accountability requires consistent and well detailed information on the activities of agents entrusted with specific responsibilities. Accountability hence, involves the likelihood of somebody being called to account. Horizontal accountability involves basically checks and balances between officers of equal rank on the organizational hierarchy example between Production manager and marketing manager. Vertical accountability involves parties at different levels of the organizational hierarchy example between chief executive officer and the managing director (Stapenhurst, Pelizzo & Scott, 2007). Accountability is conventionally

considered as the method used to monitor and control the behaviour of people administratively by holding somebody answerable to a superior authority (Dubnick & Romzek, 1991).

Approaches to accountability

There are four approaches to accountability. The first is the traditional approach. It is a connection involving agent and principal where by the principal assigns a responsibility to the agent for the performance of an activity in which the agent is supposed to answer to the principal base on the assigned duties. In relation to this, accountability in public administration is referred to as the duty of public officials to provide testimony on the usage of public resources entrusted to them and to provide reasons for their inability to achieve a given target (Armstrong, 2005). Mulgan (2003) attaches a social element to the traditional approach. He explains accountability as a social relation consisting rights of account owner and duties on the part of the trustee to testify and substantiate their conduct in relation to the resource trusted to them. Bovens (2007) adds to the social aspect by explaining accountability as an interaction between an actor and a forum, where the actor has duty to expatiate and defend his or her deeds to the forum, which may attract interrogations and administration of judgement.

Horizontal accountability: This is the second approach. It has been approved to be more detailed, practical and realistic in the sense that it makes it easy to discuss how several anticipations created within and outside an organization can be controlled and supervised in a non-hierarchical way (Romzek & Dubnick, 1987; Kearns, 1994; Acar, Chao & Kaifeng, 2008; Willems & Dooren, 2011). This accountability type is common in Public

Private Partnership contracts since it concerns with the management of anticipations of several sophisticated and conflicting activities of stakeholders in a manner that ensures common influence, common accountability, transparency and the same involvement in decision-making.

Accountability at individual level: This is the third approach to accountability. It is concerned with morally accepting responsibility for one's actions. It also concerns with the devotion to legislation and code of ethics, and possessing intrinsic dispositions, thoughts and virtues. An example is the Nolan Committee's seven theories of public life which gives a priceless structure for measuring the ethical conducts of public officials. These theories are leadership, selflessness, honesty, accountability, objectivity, openness, and integrity.

Governance approach: This is the fourth approach to accountability. It is portrayed as similar with wobbly defined political needs, like governance (Mulgan, 2000; Behn, 2001). Dubnick (2005) specifies that when an organ of state licences an aspect of government, in the contract of national legislation for goods or services, it must be done in connection with a scheme that is fair, equitable and cost-effective. According to Osborne (2000), PPPs are a current dimension which involves the private and public sectors.

PPPs give fresh approach to despatching goods and rendering of services to citizens depended on the approach of governance and management that are regarded to be a policy instrument for improving governance effectiveness (Bovaird, 2004; Brinkerhoff, 2007; Hodge & Greve, 2005). The United Nations Economic Commission for Europe (UNECE, 2008) enumerated the following seven milestones for promoting good governance in

PPPs: logical PPP policies, tough assisting institutions, a legal framework, accommodating risk sharing, transparency, placing people first and obtaining development that will stand overtime.

Relevance of accountability

Beneficial for efficient and decision making

The availability of accountability schemes may induce well informed decision-making which can result in improving corporate performance. Since boards don't have account, the work of the board would be potentially improved and become more efficient as it will assist to rely on the collective ideas of the board on what should be done. The relevance of accountability may have the impact on ascertaining the grievous mistakes of directors and promote more careful decision-making (Hurt, 2013).

The board may get involved in more insightful observations and deliberations if it appears to them that accountability would be done. If it becomes obvious that decision takers like the board are required to substantiate and justify its deeds and conducts, they will be careful in taking decisions that will yield better results than when no such checks and balances exist (Moore, 2013).

Accountability protects good relationships from turning cold

Accounting for stewardship is all hands on deck approach and it is regarded by experts as the best approach leading to a lasting board-management relationship (Sundaramuthy & Lewis, 2003). Though debatable, stewardship is capable of creating problems that emerge from the fact that the board is a group. If there is absence of accountability, these challenges may not be detected and rectified. It is obvious that there is some element of doubt

that boards are greatly reliant on social and psychological practices which can greatly affect them.

Types of record keeping

Accounting performs massive role in the success stories of modern businesses (Uddin, Biswas, Ali & Khatun, 2017). There is no specific obligation on how records should be maintained and kept provided it shows the capital, liabilities, assets, income and expenses of the business (Ademola, Samuel & Ifedolapo, 2012). According to Olatunji (2013), accounting system is a logical and efficient approach for providing exact financial information. Most schools of thought on accounting categorize record keeping methods among small and medium-sized enterprises (SMEs) as single entry book keeping and double entry book keeping system.

This school of thought is supported by Amanamah et al (2016) that, accounting can be classified into two systems namely manual accounting and computerized accounting system. According to Abayomi & Adegoke, (2016), bookkeeping represents the recording of business transactions in an orderly and analytical manner, whereas accounting is the recording, analysing, summarizing and interpretation of business records to facilitate decision making.

Manual record keeping (M.R.K.)

Single Entry book keeping

Single entry book keeping is a system of records keeping where only a single entry is made for a transaction. The client records only one aspect of a transaction instead of two. Daily receipts of money recorded add up to monthly and yearly receipts (Eric & Gabriel, 2012). Financial records such as

cheque receipts, cash receipts, cash payments and cheque payments are just recorded once for each transaction. Receipts are entered as deposits and a revenue source whereas withdrawals are recorded as expenses. The double entry rule on debiting and crediting are not followed. The single entry system of keeping records does not portray the complete image of the financial position of an enterprise (Abdul-Rahamon & Adejare, 2014). In order to make the records kept in single entry form more useful, it should be converted into double entry system (Aladejebi & Abiodun, 2019).

Double entry book keeping

Double entry system is the approved system of keeping records by organizations. A well-qualified records keeper will enter all transactions in a chronological order (keeping in the journals) then post them to their respective ledger account and extract a trial balance to test the arithmetical accuracy of the records (Senzu & Ndebugri, 2018).

A trial balance is a list of ledger account balances on daily basis. The trial balance is used with the additional information to prepare the income statement (trading and profit and loss account) and statement of financial statement (Senzu & Ndebugri, 2018).

Challenges of manual record keeping

Manual record keeping requires the knowledge of double entry system of keeping records and how to use a calculator. The manual records systems largely are subjected to errors. In addition, manual record keeping is prone to the possibility of damage to accounting records through vandalism and natural disasters such as fire outbreak, storm, earth quakes etc. (Amanamah et al., 2016). In addition, the quantum of the paper used to keep the records may be

voluminous particularly in places like Nigeria where records covering several years may be demanded by government authorities. These side effects of manual accounting system have contributed to the invention of computerized accounting system (Akande, 2016).

Computerized accounting system (CAS)

According to Gupta (2008), a computer is a programmable device that acts on a precise set of instructions in a well-defined way which can perform already inputted roll of instructions. The introduction of CAS has simplified and increased the rate at which accounting information is processed for organizational usage. The introduction of CAS has introduced a new era of records keeping which has introduced new and improved accounting related applications for organizational usage (Burdick, 2010). Many SMEs have now shifted attention from the usage of manual system of keeping records to computer software applications. The introduction of computing in records keeping is beneficial as a result of the following. It facilitates the coordination of business activities involving debtors and creditors. In addition, it facilitates decision making. It also helps in reporting, analysing and discharging of routine activities (Amanamah et al., 2016). According to Machera and Machera, (2017), the advantages of using computer related applications in accounting include the following:

- Easy reconciliation of stock balances;
- Easy keeping of asset register;
- Computation of financial ratios made easy;
- Provision of financial intelligence for the business;
- Quick financial transaction processing;

- Promotes accuracy and completeness in records keeping.

Book keeping and accountability

High quality book-keeping method is a reliable means to make somebody accountable for his or her actions in a small business. A well instituted book-keeping system should have the ability to hold people accountable for their actions including workers, debtors, creditors and vendors. A well instituted financial budget in a small business enhances financial reporting analysis. Using proper book-keeping systems to hold people accountable is a good approach to put people and business activities on the right path to achieve desired goals (Roberge, 2013)

If records are not well organized, it opens the door for people to perpetuate fraud which will lead loss of revenue and slows down monetary planning since lack of complete record keeping methods make it practically less possible to ascertain responsibility for one's actions (Kenyatta, 2017). Accurate records keeping make it necessary to promote good governance. It should be understood that records are vital in promoting accountability, transparency and good governance which are key determinants of organizational success (Tough, 2007).

Level of education and record keeping

Research has shown that high level of education provide s greater technical understanding and contributes greatly to promote individual ability to learn new ideas and therefore identify business opportunities (Shane, 2000). According to Westhead, Wright and Ucbasaran (2001), high education involves the achievement of organizational capabilities that helps entrepreneurs to better utilize fresh opportunities.

Well educated entrepreneurs have the needed skills, discipline, and self-confidence to achieve greater growth rates in their businesses. This declaration implies direct positive correlation between level of education and bookkeeping practices. Tolentino (2012), on the flip side, education and training programmes and policies can discourage entrepreneurs to develop organizational culture necessary to promote growth in SMEs. Esaete (2005), disclosed that knowledge acquisition does not guarantee competence but without the knowledge managers are unlikely to achieve organizational sustenance over a long period in different situations. On the subject of book-keeping, Tolentino (2012) asserted that the level of education and managers experience have significant effect on record keeping quality. Ojala (2002) concluded that bad record keeping is due to incompetence on the part of management and it has the tendency to hinder growth of SMEs. Muchira (2012) discovered that accurate and reliable record keeping in SMEs are necessary to promote growth of these enterprises. Stover (1997) disclosed that education level can impact on both record keeping and growth of small enterprises. He further stated categorically that, a small enterprise that refuses to maintain accurate and complete records puts its going concern objective at risk.

Accountability challenges in Public Private Partnership (PPP)

Johnstone and Kouzmin (2010) identify the following as accountability issues fundamental to PPPs in Australia:

Lack of public consultation

Despite the fact that PPPs are essential long-term investment projects for the society, the citizenry are excluded from decision taking processes.

Interactions involving the private and public partners are mostly done secretly with few or no input by community who are the user clients on the bases commercial confidentiality or data protection (Roberts, 2001). Because of public doubts concerning PPPs in Canada, the government pulls out at the first warning of controversy (TD Economics Special Report, 2006).

In South Africa, the initial processes of a PPP demand the office to catalogue the project with the necessary public authority, select officer to be put in charge of the project, project activities adviser to receive and assess the of transaction bids and to sign the contract (PPP Manual, 2004). There was absence of public consultations and parliamentary approval on the Gautrain Rapid Rail Link project prior to its inception. A phenomenon which attracted a lot of public criticisms (Stephen, 2005).

Lack of transparency

Transparency comprises the denial of the public to have access to adequate and relevant information of public interest timely (Armstrong, 2005). The refusal to disclose PPP contract details to the public generates issues of accountability, and could involve sensitivity of the government's integrity. Generally, PPPs are lawfully related and greatly standardized contracts that are required to create transparency in performance, risk, duration, costs and output requirements. A survey involving businesses in Vancouver on PPPs, 55% of respondents attested that PPPs negotiations are not transparent in relation to operations, funding and procurement (Fombad, 2013). In British Columbia, the tradition of hiding value-for-money reports from public access up to a point where nothing can be done generated aggressive interrogations about the transparency of dealings (TD Economics Special Report, 2006).

Lack of competition

Pollitt (2005) concluded that, the number of bidders for projects that are publicly financed in UK are inadequate as a result of high bidding cost of projects. Projects are therefore awarded to politicians who are highly-connected and large and rich companies instead of people and institutions who add worth to the economy

Ineffective contract management

According to Sciulli (2010), PPP projects involves complex contractual concordance for putting up a facility and for maintenance of service which may span above the normal life expectancy of a public official. He considered these contracts as “grouping of services.” Uncompleted contracts that fail to mention the required output of projects ends up creating problems at the operational level of the project which includes the project inception stage up to conclusion stage. For instance, in the case of Gautrain, conflicts arisen involving the public and the private party who is answerable for maintaining the water opening on the leg linking the Rose bank and Park stations, since it was not decided on at the contract formation stage (Flanagan & Serrao, 2011).

Failure to monitor performance

Even though procurements in PPPs may seem involve complex accountability issues because settlements are attached to performance, research have shown that the long- duration concessionary periods make performance claims weak. Few considerations tend to be attached to management and evaluation stages of PPPs. This may be as a result of pre-contractual considerations focus of the PPP unit including the law

enactment deficiencies of the area (Sciulli, 2010). Treasury Regulation (2004) requires the accounting staff of the institution that is part of PPP agreement to ensure that PPP negotiations are well managed. Practically, the institution's accounting staffs do not have enough power over the private party since the private party is not part of the government's democratic channel of command.

Empirical Review

Book-keeping practices

Seman, Jusoh, Rashid and Ramin (2019) conducted a research on the introduction of basic accounting practices in the administrative procedures of the microenterprises in BatuPahat in Malaysia. 157 owners of microenterprise owners were sampled for the study. Descriptive statistics such as frequency and percentage were used to analyze the results with the help of IBM Statistical Package for Social Sciences (SPSS). The results of the study indicated that majority of small enterprises practice basic accounting system and also keep accrual and cash bases of accounting using both the manual and electronic accounting.

The study also revealed that most of the small enterprises complete the accounting cycle by maintaining records of daily business transactions and preparing the financial statement at the close of the period generally on trading and profit and loss accounts cash flow statements. Such properly kept accounting records if translated into proper decision making, it will automatically yield success for the business. The study also discovered that the major challenges facing microenterprises were inadequate knowledge in accounting as well as insufficient time frame within which financial statements for the business are required to be prepared. The study also found

that the main challenges that were faced by microenterprises were lack of accounting knowledge and limited cost and time in preparing the financial statement for their businesses. It was recommended that small enterprises should enhance their book-keeping skills and upgrade their knowledge by engaging in in-service training or seminar on accounting practices.

Anokyewaa (2015) conducted a study to analyze the use of computer based accounting by small enterprises in Sunyani municipality. A total of 180 people were selected for the study within the municipality using purposive and simple random sampling technique. Questionnaire and interview were used to gather the primary data and the IBM SPSS was used to analyze the data. The study revealed that most of the traders kept their records on single entry system instead of the traditionally accepted double entry system. This was largely due to the fact that they lack the knowledge in double entry book-keeping. Some traders also saw no need to employ a competent accounting staff. The study also revealed that most traders do not use computerized system in their cash management practices, inventory control and final accounts preparation.

Factors that affect accountability

Atmadja and Saputra (2018) conducted a research to ascertain the factors that affect accountability of village financial management. The research implemented survey method using questionnaire. The population for the study were the heads of the 148 villages in Buleleng District, Indonesia. In total, 60 villages were sampled using simple random sampling. The data were analyzed using multiple linear regression. The outcome of the study indicated

that the variables of human resource competence, assistance and monitoring influence the accountability of village financial management.

Ndungu (2014) conducted a research on factors that affect resource accountability in Kiambu County of Kenya. The study involved six people chosen from the senior managers of Kiambu County who were considered to be enough for the study. The primary data for the study were collected directly by the researcher from the chosen respondents for the survey using interview. Content analysis method was used to analyse data generated from the interview guide. The study revealed that senior management are committed to ensuring effective accountability with different strategies.

The survey discovered that staff motivation is a key element to promote staff accountability in the county. The use of sanctions such as prosecutions to enforce staff compliance helps render accurate accountability by holding individuals liable for their actions. The study identified that strong and efficient management enforces staff to be more accountable where as weak management creates a loophole for people to skip accountability. The study also discovered that giving staff the opportunity to contribute ideas towards organizational growth is enough motivation for staff to do well.

Effects of book-keeping on accountability

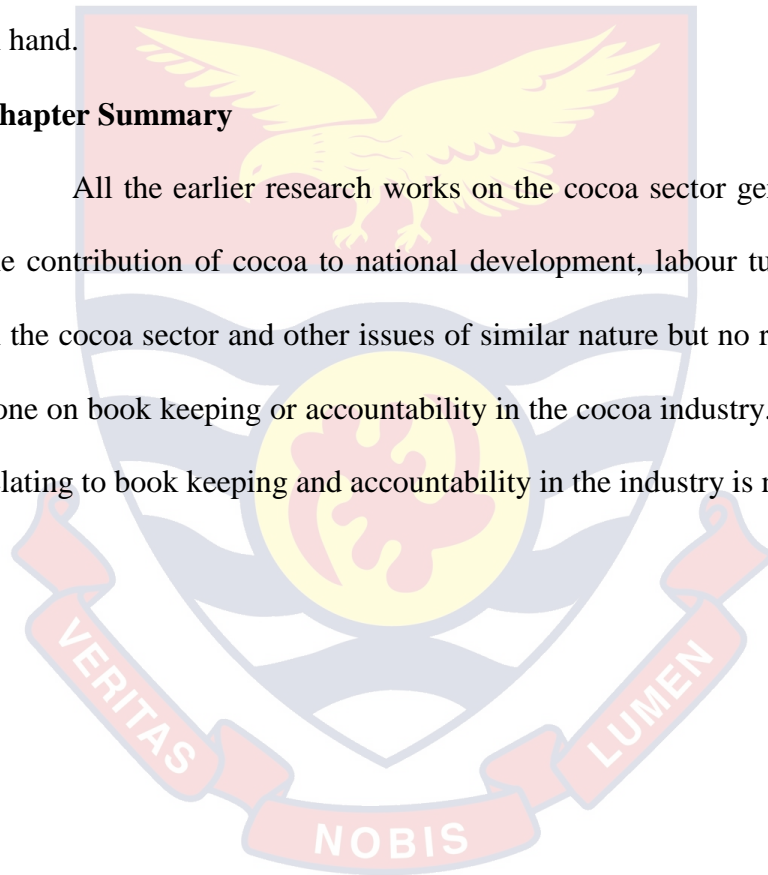
Kabesiime (2011) did a study to determine the effect of keeping records on performance of small enterprises in Jinja District of Uganda with specific emphasis on Hiltop Poultry Farm. A sample size of 30 was taken from a universe of 30 representing all the staff of the organization. The study used questionnaires and interviews to solicit views from 20 respondents. The study discovered that record keeping is necessary in managing businesses since it

enhances accountability processes, efficient management and decision making.

Dodor, Adade and Tsorhe (2017), employed survey design to study the impact of effective book-keeping practices on the growth of SMEs in Ho Municipality of Ghana. Responses were received from a sample of 100 respondents drawn from 334 SMEs in Ho municipality. The outcome of the survey showed that growth of a business and proper book-keeping move hand in hand.

Chapter Summary

All the earlier research works on the cocoa sector generally looked at the contribution of cocoa to national development, labour turnover problems in the cocoa sector and other issues of similar nature but no research has been done on book keeping or accountability in the cocoa industry. Hence literature relating to book keeping and accountability in the industry is not available.



CHAPTER THREE

RESEARCH METHODS

Introduction

As depicted in the heading, this chapter captures the research methodology that the researcher used to achieve the objectives outlined for the study. It captures the study area, research design, population for the study, sample and sampling techniques and research instruments used to collect data for the study.

The data collection approach and the tools used for processing and analyzing the data are fully discussed in this chapter. Limitations of the study are also captured but for the sake of convenience are shown in chapter one of this work.

Research Approach

Quantitative research comprises the gathering of data so that information can be quantified and analysed statistically so as to bear with or object to alternative ideas or claims (Creswell, 2003). Quantitative research in addition is made up of collection of data that is basically numerical of which the researcher wishes to use models of mathematical decent to analyse.

Qualitative research is a general approach which is made up of discovery. Qualitative research is described as model that happens in a natural situation that helps the researcher to acquire a level of detailed involvement in the original experiences (Creswell, 1994). Qualitative research develops its bases on inductive, instead of deductive reasoning. It is the researcher's explanation on questions asked base on observations.

Mixed method approach of research involves data analysis involving both qualitative approach and quantitative approach in a single study (Creswell, 2003). Researchers do not only collect or analyse numerical data which is traditional for quantitative research but also data of narrative nature which is customary for qualitative research for a single study (Carrie, 2007).

This study used the quantitative approach because it involved the use of numerical data such as frequency, percentages etc. to explain book keeping and its effect on accountability and also to explain other identifiable issues that bother book-keeping and accountability in the cocoa sector in Suaman District.

Research Design

This research adopted descriptive survey technique. It is a technique which uses structured interviews and questionnaires to gather relevant information from respondents. It is a quantitative research; using basically primary data to for analysis. Kombo and Tromp (2006) emphasized that descriptive investigation is the act of collecting facts through interview or questionnaire administration to a sampled population. According to Ary, Jacobs and Rezavieh (2002), survey permits researchers to collect information from a sampled individual relatively fast and cheap.

Descriptive survey was regarded suitable for this study because it precisely and effectively describes a phenomenon or a population (McCombes, 2019). Information derived from the descriptive survey can be reasonable in analyzing a circumstance because it comprises description, analysis and interpretation of situations that exist. Structured questionnaires were administered on depot keepers, district managers and accountants from

the various licensed cocoa buying companies operating in Suaman District to gather information on book-keeping practice and accountability in the cocoa industry.

Study Area

The study was carried out in Suaman District in the Western North Region. It covers a total area of 400.14square kilometers. It lies on latitude 5.55°N and longitude 12°W (Ghana Districts Webpage, 2020). The area was chosen because it is one of the districts within the region with the highest number of cocoa buying companies in operation. According to data compiled by Quality Control Division of Ghana COCOBOD (2020), Suaman District can boast of sixteen cocoa buying companies operating within its boundaries as at the close 2019 cocoa season making it one of the districts with high number of cocoa buying companies in the region. Suaman is one of the two districts in Western North Region that share border with Côte d'Ivoire. The cross-border trading makes companies vulnerable to accountability issues relating to purchasing clerks dishonesty. Out of 25 cocoa buying companies operating in the region, sixteen are operating in the district. It will not be out of place to make generalization for the region with the results of a study that involved 64% of a population and hence, the reason the area was chosen for the study.

Population

Population in research refers to the total number of individuals and units from which data can be gathered, such as human beings, artifacts, activities or firms (Parahoo, 1997). Burns and Grove (2003) also explained population as all the elements that satisfy the requirement for inclusion in a

study. The chosen population for the study comprises the core staff of all licenced cocoa buying companies in Suaman District notably depot keepers, district managers/officers and district accountants.

There are sixteen cocoa buying companies currently operating in Suaman District (PBC, Hyperlink, AgroEcom, Transroyal, Cocoa merchant, ROCCO, Adwumapa, Unicom, Nyonkopa, Fludor, NTHC, Demeter, OLAM, Fedco, Kuapa and KCL) and each of them is zoned generally into two cocoa districts A and B. They engage in buying cocoa beans from farmers within catchment areas through district managers and purchasing clerks. The total population for the study is 80 representing two (2) depot keepers, two (2) district managers and one (1) accountant from each of the sixteen (16) licenced cocoa buying companies in the district (Annual Report, Quality Control Division, Suaman District, 2020)

District managers are chosen for the study because they are the core people that are employed by the companies to buy the cocoa beans. They receive the money and use it to buy the cocoa beans through purchasing clerks that they appoint. They render periodic accounts on the amount of monies given against the bags of cocoa beans that they have been able to buy. Depot keepers are also chosen because they render accountability on bags of cocoa received and dispatched from district depots. They receive the cocoa beans bought by the district managers and keep them safely in the district depots. Subsequently, they evacuate the beans to the port where they are received into companies' depots to be taken through quality checks before they are finally exported. They also prepare periodic reports on bags of cocoa received from district managers and bags of cocoa beans evacuated to ports. The district

accountants prepare accounts on monies received from headquarters and how they were dispersed to the district managers and hence their inclusion in the population.

The population was chosen because they are the core employees of these companies who render weekly, monthly and annual accounts of their operations in the form of returns. The decision is also motivated by Sekaran (2000) and Esaete (2005) assertion that particular strata can be focused on if it can facilitate data collection and ease attainment of meaningful results.

Sampling Procedure

This study used cluster sampling as well as purposive sampling techniques to select respondents for the study. The sixteen (16) companies were assigned numbers 1, 2, 3...16 on pieces of paper cut into equal sizes. The papers were then folded and put into a rubber bowl. A 10-year-old boy was asked to pick thirteen (13) papers in succession without replacement. The companies picked were listed to form the cluster for the study. The five members in each cluster comprising two (2) depot keepers, two (2) district managers and one accountant were picked to form the sample for the study making a total of 65.

The district managers/officers, depot keepers and accountants were purposely sampled for the study because they are obliged to submit weekly and monthly accounts of their operations to regional office. District accountants render accounts on monies allocated to the district from headquarters and how the monies were distributed among the district managers/ officers. District managers/officers also render accountability on how monies allocated to them are expended on acquisition of cocoa and depot

keepers keep records on bags of cocoa beans received from district managers and evacuated to ports. This is enough reason to conclude that they possess adequate knowledge to be selected for the study.

Creswell (2003) mentioned that, in purposive sampling, researchers deliberately choose individuals and places to get deeper understanding of a phenomenon. According to Cohen, Manion and Morrison (2003) purposive sampling helps researchers to pick the issues to be considered in choosing the sample on the base on their conclusion and typicality. Polit et al (2001) described a sample size as a segment of a population. Using Krejcie and Morgan (1970) sample size determination chart at a confidence level of 95% and 0.05 error margin, 65 respondents were sampled for the study out of a universe size of 80. Each of the sixteen companies has two cocoa districts A and B. Each district has a depot keeper and district manager/officer. In addition, each company has one accountant who serves the two districts. In short, (2) depot keepers, (2) district managers and (1) accountant from each of the (16) companies given a universe size of 80.

Data Sources

According to Burnham (2012), research data is pieces of information gathered, seen, or developed purposely for analysis to generate first-hand research results. Data used for research can be classified into two as primary data and secondary data (Saunders et al, 2007). Primary data and secondary data were both chosen for this study. Primary data is data derived from first-hand sources by the researcher using methods such as questionnaire, interview guide, or experiment. It is assembled while having the research objective in mind from the primary sources directly (Glen, 2018). Secondary data is data

collected from studies that have been used by other individuals or for different research work (Glen, 2018).

Primary data

Structured questionnaire was the main instrument used to obtain the primary data for the study. The primary data dug into issues on accountability and bookkeeping in the cocoa sector and elicited the views of major stakeholders in the cocoa sector whose job description basically involves records keeping and accountability

Secondary data

A number of secondary data were also helpful in obtaining information necessary to augment the responses gathered from the questionnaire administration. The secondary data sources for the study included annual cocoa reports of PBC for the years 2015 to 2019, thesis of other students and other books. They were helpful in providing information relating to accountability in the cocoa sector.

Data Collection Instrument

Both the primary and secondary data collected for the study were gathered within a period of one and half months. The study used both open and close ended questionnaire to assemble information from respondents. The study made use of quantitative methods to purposively obtain primary data by using questionnaires to gather relevant information from the chosen district managers/officers, depot keepers and accountants within the district. The main data collection instrument was structured questionnaires which I administered personally.

Data Collection Procedure

A personal visit was made to depots and district offices of licensed cocoa buying companies in the district using the list received from the District Quality Control Office to distribute the questionnaires. Self-introduction was first made and the reason of the study was clarified to the respondents.

The consent of the respondents was sought and they were promised that the information would be kept secret and confidential. Respondents were given the opportunity to take part in the exercise. A total of five working days were given to fill the questionnaires. The data collected were analyzed to ensure that all questionnaires were filled.

The secondary data for the study was basically the annual report of Quality Control Division of COCOBOD, Dadieso. The report was helpful in ascertaining the information about the cocoa buying companies operating in Suaman District. The report was also used to determine the population for the study and hence the sample. A personal visit was made to the office of the district Quality Control Division, Suaman District, to obtain the report.

Data Processing and Analysis

The primary data, obtained through the survey method from the respondents in the Suaman District, were mainly analyzed using IBM Statistical Package for Social Science (IBM SPSS) version 22. The filled questionnaires were coded and entered in the IBM SPSS software for the analysis. Analysis was done at two levels. First, given that the constructs underlying the study are latent and as such structured questionnaire was developed to get the necessary information to measure them, factor analysis was conducted to measure the reliability and validity of the measures of the

constructs. After satisfying all reliability and validity issues, the data was then analyzed to answer the research questions.

Chapter Summary

The chapter described, extensively, the research method used to accomplish the stated objectives of the study. The geographical description as well as the peculiarity of the study area was captured. The research design, population for the study, sampling techniques and data sources of the study are fully explained. Detailed text on how data were collected, processed and analysed are also covered.



CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The study seeks to analyse book-keeping and accountability in the cocoa sector of Suaman District. The chapter presents the analysis and discussion of the primary data obtained from the respondents. The major areas discussed included demographic data of the respondents, book-keeping practices in the cocoa sector, factors that affect accountability in the cocoa sector, accountability challenges facing the cocoa sector and effects of book-keeping on accountability. IBM statistical software version 22 was used to analyze and draw conclusions on the data collected. In total responses from 45 respondents were received out of 65 questionnaires distributed.

Demographic Information of Respondents

The first parts of the analysis was on the demographic data gathered on the respondents. This was to enable the researcher make a comparison among the respondents. The demographic data captured on the respondents include gender, age, academic qualification, area of study, marital status and job description. The responses are captured in Table 1 as follows:

The study considered both male and female workers in the cocoa sector. From Table 1 the results showed that 89.5% of respondents are males and 10.5% are females. This indicates that the cocoa sector is male dominated. This may be due to the stressful nature of the work or the risk factor.

Table 1 also shows the age distributions of respondents in the study expressed in percentages. Respondents were drawn from age groups 20-30, 31-40, 41-50 and 51-60. From Table 1, it was identified that greater

percentage of respondents are within the age bracket of 31-40 (50%), followed by 41-50 (34.2%), 20-30 (13.2%) and 51-60 (2.6%). This shows that sector is dominated with active labour force ranging between 20 to 50 years.

Table 1: Demographic Information of Respondents

	Frequency	Percentage (%)
Gender		
Male	41	91.1
Female	4	8.9
Age Group		
20 – 30	5	13.2
31 – 40	24	50.0
41 – 50	13	34.2
51 – 60	1	2.6
Level of Education		
Basic	0	0
SHS	8	21.1
HND	12	31.6
First Degree	23	47.3
Area of Studies		
Accounting/Bus	14	36.8
Arts/ Soc. Science	24	50.0
Science	5	13.2
Others	0	0
Marital Status		
Married	29	63.2
Single	11	28.9
Divorced	2	5.3
Widowed	1	2.6
Job Description		
Accountant	10	26.3
District manager	13	34.2
Depot keeper	15	39.5
Total	38	100.0

Source: Field Survey (2020)

Academic qualifications of respondents showed that 18 of the respondents representing 47.4% hold First degree, followed by HND 12 respondents representing 31.6%, 8 respondents representing 21.1% were SHS holders while basic education and masters recorded zero percent. This shows

that greater percentage of the population are highly educated (HND + First Degree = 79%).

The area of studies of respondents as depicted in Table 1 shows that 19 of the respondents representing 50% offered Arts and Social Science related subjects, followed by Accounting and Business 14 respondents (36.8%) and the rest, 5 respondents, representing 13.2% offered Science related subjects. This suggests that the population is dominated with people who have little or no knowledge in accounting.

The marital status distribution of respondents as captured in Table 1 indicates that 63.2% of the respondents were married, followed by single 28.9%, 5.3% of the respondents being divorced with only 2.6% being widow/widower. This indicates that most of the elements in the population are married a situation which is normal looking at the age distribution of the respondents.

The job descriptions of the respondents are also depicted in Table 1. It showed that, the greater number of respondents representing 39.5% were depot keepers followed by district managers who were represented by 34.2% and lastly accountants by 26.3%. This was due partly to the fear of COVID-19 and the COVID-19 protocols instituted by the government of Ghana. It was also because the data were gathered during off cocoa season, a season which is characterized with depot keepers being mostly available at work.

Factor Analyses of Constructs of Book-Keeping and Accountability Issues

As mentioned in the preceding chapter, this dissertation is centred on four main issues in the Cocoa industry, which are primarily latent: Their accountability challenges, book-keeping practices, book-keeping effects on

accountability, and accountability inducing factors. Likert Scales were designed to quiz major stakeholders in cocoa marketing on various issues that measure each latent construct to understand these issues fully. This section presents and discusses the analysis of these factors. The factor analysis is thus a theory-driven statistical data reduction technique used to explain covariance among observed random variables in terms of fewer unobserved random variables; in this case, the four latent constructs—Tables 2, 3, and 4 present the results of the factor analysis. Table 2 shows the construct reliability and validity, Table 3 the Fornell-Larcker criterion for analyzing discriminant validity, and Table 4 the cross-loadings for discriminant validity.

Table 2 presents four different tests to measure the reliability and validity of the constructs. The first three rows show various reliability measures: Cronbach Alpha, Rho, and Composite Reliability. These measures consolidate each other and thus together gives a comprehensive understanding of the reliability of the constructs. These three tests test the reliability of each factor used to measure each of the constructs. The rule of thumb is that for the factors that measure a construct to be deemed give a reliable measure, each of them should be greater than 0.7, and the value of Rho should lie in-between those of Cronbach Alpha and Composite Reliability. It is evident from Table 2 that each of the three reliability tests for all the four constructs is greater than 0.7, and Rho lies in-between Cronbach Alpha and Composite Reliability for all four constructs. This means the factors measuring our latent constructs (see Appendix) are reliable and thus measures the latent constructs correctly.

The last column in Table 2 shows the Average Variance Extracted (AVE) for each construct. The AVE measures the amount of variance captured

by a construct in relation to the amount of variance due to measurement error (Fornell & Larcker, 1981). In other words, the AVE is a measure of the convergent validity of the constructs. Convergent validity tells us whether or not the various factors measuring the constructs converge to measure the constructs correctly. For a measure to pass the convergent validity test, AVE should not be less than 0.5. It is clear from Table 2 that the AVE for each of the constructs is greater than 0.5, and thus their measures are valid.

Table 2: Construct Reliability and Validity

	Cronbach's		Composite	Average
	Alpha	rho_A	Reliability	Variance
				Extracted
Accountability challenges facing the cocoa sector	0.891	0.856	0.945	0.654
Book-keeping practices in the cocoa sector	0.756	0.812	0.978	0.623
Effects of book-keeping on accountability	0.753	0.754	0.769	0.585
Factors that affect accountability in the sector	0.794	0.766	0.874	0.612

Source: Field Survey (2020).

Besides testing for convergent reliability and validity of the constructs, it is also pertinent to test whether the constructs are statistically different from the others. To do this, a discriminant validity test was conducted. While convergent validity tests that construct that are expected to be related are related, discriminant validity (or divergent validity) tests that constructs that should have no relationship do, in fact, not have any relationship. If both convergent and discriminant validity are satisfied, then the constructs have excellent construct validity (Shuttleworth, 2021).

In this study, two discriminant validity tests are presented. Table 3 presents the Fornell-Larcker criterion for discriminant validity, while Table 4 shows the cross-loadings. In Table 3, the values at the diagonal are scores for the cross-sections of each construct to itself. These diagonal values are obtained by calculating the square root of AVE for the construct in Table 2. However, the values at the cross-section of a construct to other constructs show the correlation between the two constructs. The criteria for assessing discriminant validity based on the Fornell-Larcker Criterion is that as we move down the values on a column, the score should be less than those preceding it. In other words, the square root of AVE for a given construct should be greater than its correlation with all other constructs (Fornell & Larcker, 1981).

It is evident in Table 3 that for all the constructs, preceding scores in a column are higher than succeeding ones. That is to say that each construct is valid in its measure more than it measures other constructs. The implication being that constructs are different from others in their own right and truly reflect the issue they are meant to reflect without conflicting the measure of other constructs. For instance, the factors that measure accountability challenges facing Cocoa farmers measure that construct only and thus do not also go into the measure of any of the other three constructs.

Table 3: Fornell-Larcker Criterion for Discriminant validity

	Accountability challenges facing the cocoa sector	Book-keeping practices in the cocoa sector	Effects of book-keeping on accountability	Factors that affect accountability in the sector
Accountability challenges facing the cocoa sector	0.809			
Book-keeping practices in the cocoa sector	0.584	0.789		
Effects of book-keeping on accountability	0.412	0.612	0.765	
Factors that affect accountability in the sector	0.401	0.489	0.345	0.782

Source: Field Survey (2020).

As already stated, cross-loadings for discriminant validity are presented in Table 4 to consolidate the Fornell-Larcker criterion for discriminant validity test. The cross-loadings for discriminant validity show how each factor is meant to measure a particular construct's load to its parent construct and other constructs. For discriminant validity to be established, it is expected that factors should load to their parent constructs better than they load to other constructs, and also the difference between the loadings of a particular factor and that of other factors should be greater than 0.10. Similar to the case of the Fornell-Larcker criterion, it is evident in Table 4 that there

are no discriminant validity issues for each of the four constructs. Since the constructs have passed both convergent validity and discriminant validity test, they are deemed to have attained excellent construct validity status, as Shuttleworth (2021) states. Given that the factors measure the constructs they are meant to measure and are reliable, succeeding sections in this chapter focus on presenting and discussing specific issues to answer the study's research questions and achieve its objectives.



Table 4: Cross Loadings for Discriminant validity

	Items	Book-keeping practices in the cocoa sector	Factors that affect account ability in the sector	Account ability facing the cocoa sector	Effects of book-keeping on accounta bility
Book-keeping practices in the cocoa sector	Physical count of stock (cocoa beans) is done regularly	0.899	0.669	0.607	0.297
	Physical balance of stock (cocoa beans) are regularly determined and compared with book-keeping records	0.895	0.666	0.552	0.290
	Causes of differences between physical stock balance and store records balance are determined and analysed on regular basis	0.747	0.562	0.548	0.284
	Records are updated on daily basis	0.745	0.462	0.537	0.281
	Records are kept purely on manual basis	0.739	0.562	0.535	0.278
	Computerized system is also used to keep records	0.859	0.356	0.532	0.110
	Records on cash receipts and disbursements are kept accurately	0.849	0.655	0.532	0.324
	Records are kept on double entry basis	0.795	0.275	0.531	0.254
	Reconcile stock deliveries and cash disbursements on regular basis	0.784	0.423	0.524	0.128
	Accounting software is used to keep records of cash and stock	0.773	0.384	0.520	0.223

	Records are regularly audited	0.773	0.501	0.356	0.514
Factors that affect accountability in	Knowledge in book-keeping enhances accountability in the cocoa sector	0.695	0.879	0.640	0.605
	Book-keeping is very important in rendering accountability in the sector	0.695	0.878	0.627	0.394
	The system of keeping records (manual/computerised) affects accountability.	0.694	0.878	0.328	0.392
	Economic situation of staff influences staff accountability	0.692	0.844	0.328	0.374
	Amount of staff remuneration (salaries).	0.688	0.841	0.327	0.368
	Poor supervision.	0.686	0.837	0.327	0.361
	Staff financial discipline/indiscipline.	0.686	0.828	0.326	0.359
	Nature of road network.	0.678	0.826	0.307	0.577
	Accountability challenges facing the cocoa sector	Staff financial indiscipline	0.183	0.139	0.887
Inadequate knowledge in book-keeping		0.182	0.342	0.885	0.572
Over-reliance on manual system of keeping records		0.181	0.237	0.821	0.147
Lack of investments into staff education on records keeping		0.180	0.561	0.820	0.144
No/inadequate public consultation on staff loyalty during recruitment		0.173	0.560	0.811	0.253
Misappropriation of funds by staff		0.477	0.559	0.809	0.139
Delays in stock evacuation to ports		0.475	0.555	0.737	0.136
Inadequate funding		0.232	0.554	0.736	0.133
Inadequate financial management skills		0.227	0.427	0.732	0.303

	Inadequate time to properly gather necessary information	0.221	0.424	0.725	0.301
Effects of book-keeping on accountability	Records keeping helps in detecting thefts.	0.207	0.355	0.517	0.877
	Records keeping provide information to enable the control of cash and stock movements.	0.206	0.342	0.515	0.874
	Book-keeping facilitates auditing.	0.199	0.342	0.512	0.873
	Promotes morale check and financial discipline.	0.185	0.337	0.506	0.724
	Adequate record-keeping systems make it virtually possible to determine responsibility for actions and to hold individuals accountable.	0.435	0.397	0.498	0.719
	Book-keeping ensures transparency and accountability.	0.431	0.396	0.493	0.719

Source: Field Survey (2020).

Analysis relating to the specific objectives of the study

The second part of the analysis pertained to the specific objectives of the study. With the support of IMB SPSS software version 22, descriptive statistics such as percentages and frequencies were used to analyze the objectives.

Research Objective One: Book-keeping practices in the cocoa sector.

The operations of the licenced cocoa buying companies basically involved buying cocoa beans from the cocoa farmers and evacuating them to the port to be exported. Monies are advanced to district managers through accountants and coordinators to use to buy dried cocoa beans. Received cocoa beans are kept at district depots under the care of depot keepers before dispatched to the port. The stakeholders (district managers, depot keepers and

accountants) are required to submit weekly accounts on their activities to headquarters. The first objective of the study was to assess the views of these stakeholders on the book-keeping practices in the sector.

Eleven items were used to determine respondents' views on book-keeping practices in the sector. Descriptive statistics such as frequency and percentage were used for the analysis. The results are captured in Table 5 below.

From Table 5, approximately 96% of respondents attested that physical counting of stocks is done regularly. From Table 5, greater number of respondents representing approximately 97% attested that physical stock balances are regularly determined and compared with book-keeping records to determine if there is variance. The results in Table 5 also showed that the causes of discrepancies between physical stock balance and store records balance are regularly determined and analyzed as approximately 79% of respondents attested to that. From Table 5, results also show that records are regularly updated to properly account for cash issued and cocoa beans received and evacuated to port with approximately 97% of respondents attesting to that.

From Table 5, approximately 79% agreed to the item "Records are kept manually" The results were contrary to the results on the study conducted by Seman, Jusoh, Rashid and Ramin (2019) on the application of basic accounting practices among the microenterprises in BatuPahat in Malaysia which indicated that majority of small enterprises practice basic accounting system and also keep accrual and cash bases of accounting using both the manual and electronic accounting.

Table 5: Respondents view on book-keeping practices in the cocoa sector
 Scale: *Strongly Agree =1; Agree =2; Disagree =3; Strongly Disagree =4*

	SA (%)	A (%)	DA (%)	SD (%)	Total (N)
Physical count of stock is done regularly.					
Accountant	60.0	30.0	10.0	0.0	10
District Manager	69.2	30.8	0.0	0.0	13
Depot keeper	66.7	33.3	0.0	0.0	15
Physical stock balance regularly determined and compared with book-keeping records.					
Accountant	70.0	20.0	10.0	0.0	10
District Manager	53.8	46.2	0.0	0.0	13
Depot keeper	33.3	66.7	0.0	0.0	15
Causes of differences between physical stock and store records determined and analyzed on regular basis.					
Accountant	20.0	60.0	20.0	0.0	10
District Manager	15.4	53.8	23.1	6.7	13
Depot keeper	26.7	60.0	6.7	6.7	15
Records are updated on daily basis					
Accountant	10.0	90.0	0.0	0.0	10
District Manager	15.4	61.5	23.1	0.0	13
Depot keeper	33.3	53.3	6.7	6.7	15
Records are kept purely on manual basis.					
Accountant	10.0	70.0	20.0	0.0	10
District Manager	7.7	53.8	23.1	15.4	13
Depot keeper	20.0	73.3	0.0	6.7	15
Computerized system used to keep records.					
Accountant	10.0	10.0	40.0	40.0	10
District Manager	7.7	30.8	30.8	30.8	13
Depot keeper	6.7	20.0	26.7	46.7	15
Records on cash receipts and disbursements kept accurately.					
Accountant	10.0	80.0	10.0	0.0	10
District Manager	23.1	69.2	7.7	0.0	13
Depot keeper	60.0	26.7	0.0	13.3	15
Records are kept on double entry basis.					
Accountant	0.0	20.0	40.0	40.0	10
District Manager	0.0	30.8	30.8	38.4	13
Depot keeper	6.7	20.0	40.0	33.3	15
Reconcile stock deliveries and cash disbursements on regular basis.					
Accountant	10.0	60.0	20.0	10.0	10
District Manager	15.4	61.5	15.4	7.7	13
Depot keeper	13.3	80.0	6.7	0.0	15
Accounting software used to keep records of cash and stock.					
Accountant	0.0	30.0	30.0	40.0	10
District Manager	7.7	38.5	30.8	23.0	13
Depot keeper	13.3	20.0	24.7	40.0	15
Records are regularly audited.					
Accountant	10.0	70.0	20.0	0.0	10
District Manager	7.7	84.6	7.7	0	13
Depot keeper	13.3	73.3	6.7	6.7	15

Source: Field Survey (2020).

The results from Table 5 showed that approximately 92% of the respondents agreed that records on cash receipts and disbursement are kept accurately while 74% of respondents disagreed to the item “Records are kept on double entry system”. This indicates that records are basically kept on single entry or incomplete records system. The reason may be in line with what Adeola (2012) said that there is no requirement that records should be kept in a particular way as long as it reflects the business income, expenses, assets and liabilities. It may also be due to the fact that management of the companies can get all their information needs from incomplete records system without double entry. The results from Table 5 also showed approximately 87% of respondents indicating that records are regularly audited.

Research Objective Two: Factors that affect accountability in the cocoa sector

Accountability is expected from anybody who has been entrusted with economic resource. The ability to render proper accountability is motivated by a number of factors. The objective number two for this research was to determine the factors that affect accountability in the cocoa sector. To achieve this objective, eight items were presented to the respondents. The results of the responses were captured in percentages as presented in a Table 6 below.

From Table 6, respondents were asked if knowledge in book-keeping affects accountability. Approximately 97% of respondents answered positive to the statement while approximately 97% of respondents agreed to the item that “Book-keeping is very important in rendering accountability. This commensurate with what Roberg (2013) said that using book-keeping system

for accountability is a great way to keep your business on track toward reaching its goals.

From Table 6, approximately 84% of respondents agreed to assertion that economic situation of staff can have significant impact on staff accountability while 71% of respondents agreed that amount of staff remuneration affect staff ability to render property accountability. This commensurate with what emerged from the research conducted by Ndungu (2014) on factors affecting accountability of resources in Kiambu county of Kenya which revealed that remuneration, appreciation and staff motivation are key components to enhancing accountability in the county.

From Table 6, approximately 68% of respondents are of the view that poor supervision does not affect accountability in the cocoa sector. This conflicts with conclusion drawn from the research conducted by Ndungu (2014) on factors affecting accountability of resources in Kiambu County of Kenya that, if the staffs have strong management then they will be accountable but if the management is weak then they shall take advantage of the organization. The results from the table also showed that approximately 76% of respondents agreed that staff financial discipline affect accountability while 50% of respondents agreed that the nature of road affect accountability.

Table 6: Factors that affect accountability in the cocoa sector

Scale: *Strongly agree =1; Agree =2; Disagree =3; Strongly disagree =4*

	SA (%)	A (%)	DA (%)	SD (%)	Total (N)
Knowledge in book-keeping enhances accountability in the cocoa sector.					
Accountant	90.0	10.0	0.0	0.0	10
District Manager	61.5	30.8	7.7	0.0	13
Depot Keeper	80.0	20.0	0.0	0.0	15
Book-keeping is very important in rendering accountability in the sector.					
Accountant	40.0	50.0	10.0	0.0	10
District Manager	30.8	69.2	0.0	0.0	13
Depot Keeper	46.7	53.3	0.0	0.0	15
The system of keeping records affects accountability.					
Accountant	0.0	100	0.0	0.0	10
District Manager	30.8	69.2	0.0	0.0	13
Depot Keeper	40.0	40.0	6.7	13.3	15
Economic situation of staff influences staff accountability					
Accountant	0.0	90.0	0.0	10.0	10
District Manager	0.0	69.2	23.1	7.7	13
Depot Keeper	6.7	86.7	6.7	0.0	15
Amount of staff remuneration (salaries).					
Accountant	10.0	60.0	10.0	20.0	10
District Manager	15.4	53.8	15.4	15.4	13
Depot Keeper	6.7	66.6	6.7	20.0	15
Poor supervision.					
Accountant	10.0	10.0	50.0	30.0	10
District Manager	0.0	38.5	38.5	23.1	13
Depot Keeper	13.3	20.0	26.7	40.0	15
Staff financial discipline/indiscipline.					
Accountant	40.0	50.0	0.0	10.0	10
District Manager	53.8	38.5	7.7	0.0	13
Depot Keeper	26.7	66.6	0.0	6.7	15
Nature of road network.					
Accountant	0.0	50.0	40.0	10.0	10
District Manager	7.7	38.5	46.2	7.7	13
Depot Keeper	13.3	40.0	46.7	0.0	15

Source: Field Survey (2020).

Research Objective Three: Accountability challenges facing the sector

Accountability, like any other endeavour, has its own challenges. The research objective three was to assess the accountability challenges facing the cocoa sector in the Suaman District. A total of ten items were used to achieve this objective. Descriptive statistics, percentages and frequencies, were used to analyze the response and the results are captured in Table 7 below.

From Table 7, approximately 95% of respondents attested to the fact that staff financial indiscipline is a challenge facing accountability while approximately 76% of respondents were of the view that there is inadequate knowledge of book-keeping in the sector. This may be due to the demographic data above which shows that approximately 63% of respondents offered Arts and Science related subjects. Approximately 95% supported the item “Over-reliance of manual system of records keeping. 100% of respondents agreed to the item “Lack of investments into staff education on records keeping” while approximately 53% agreed that there are no/little public consultations on staff loyalty during recruitments. This confirms what Fombad (2013), said that, although PPPs are important long-term societal investment projects, people are often alienated from PPPS decision-making process in South Africa. Negotiations between the public and private partners are often conducted in private settings with little input by citizens on the grounds of commercial confidentiality.

The results from Table 7 also showed approximately 61% attesting that misappropriation of funds by staff is a challenge facing the sector while approximately 74% attested negative to the items “Delays of stock evacuation to ports” and “Inadequate funding”. Averagely, 63% were of the view that there are inadequate financial management skills while approximately 55% attested negative to the item “Inadequate time to properly gather relevant information”. This contradicts with the outcome of the research conducted by Seman, Jusoh, Rashid and Ramin (2019) on the introduction of basic accounting practices in the administrative procedures of the microenterprises in BatuPahat in Malaysia which revealed that insufficient time frame within

which financial statements for the business are required to be prepared is a challenge facing small enterprises in Malaysia.

Table 7: Respondents view on accountability challenges facing the cocoa sector

Scale: Yes = 1; No= 2

	Yes (%)	No (%)	Total (N)
Staff financial indiscipline			
Accountant	100.0	0.0	10
District Manager	100.0	0.0	13
Depot Keeper	86.7	13.3	15
Inadequate knowledge in book-keeping			
Accountant	60.0	40.0	10
District Manager	69.2	30.8	13
Depot Keeper	93.3	6.7	15
Over-reliance on manual system of keeping records			
Accountant	90.0	10.0	10
District Manager	92.3	7.7	13
Depot Keeper	93.3	7.7	15
Lack of investments into staff education on records keeping			
Accountant	100.0	0.0	10
District Manager	100.0	0.0	13
Depot Keeper	100.0	0.0	15
No/inadequate public consultation on staff loyalty during recruitment			
Accountant	50.0	50.0	10
District Manager	38.5	61.5	13
Depot Keeper	66.7	33.3	15
Misappropriation of funds by staff			
Accountant	60.0	40.0	10
District Manager	53.8	46.2	13
Depot Keeper	66.7	33.3	15
Delays in stock evacuation to ports			
Accountant	0.0	100	10
District Manager	38.5	61.5	13
Depot Keeper	33.3	66.7	15
Inadequate funding			
Accountant	20.0	80.0	10
District Manager	30.8	69.2	13
Depot Keeper	26.7	73.3	15
Inadequate financial management skills			
Accountant	70.0	30.0	10
District Manager	69.2	30.8	13
Depot Keeper	46.7	53.3	15
Inadequate time to properly gather necessary information			
Accountant	30.0	70.0	10
District Manager	53.8	46.2	13
Depot Keeper	46.7	53.3	15

Source: Field Survey (2020).

Research Objective Four: Effects of book-keeping on accountability

The researcher sought to find out if book-keeping has effect on accountability in the cocoa sector. The results from respondents are depicted in Table 8 below.

From Table 8, 100% of respondents agreed that records keeping help to detect theft while approximately 97% agreed that records keeping provide enough information to control cash and stock movements. 92% of respondents were of the view that book-keeping facilitates auditing. Approximately 87% agreed to the item “Book-keeping promotes morale check and financial discipline” while approximately 82% were of the view that adequate records keeping make it possible to determine the responsibility of an individual and to hold individuals accountable for their actions. Approximately 79% agreed to the item “Book-keeping promotes transparency and accountability. This synchronizes with the findings of Kabesiime (2011) on a research conducted to investigate the impact of record keeping on performance of small scale enterprises in Jinja District of Uganda which revealed that record keeping is a vital practice in business management because it facilitates accountability process, proper management and decision making.

From the above analysis it was concluded that book-keeping has a big impact on accountability in the cocoa sector.

Table 8: Respondents view on effects of book-keeping on accountability

Scale: *Strongly Agree =1; Agree =2; Disagree =3; Strongly Disagree =4*

	SA (%)	A (%)	DA (%)	SD (%)	Total (N)
Records keeping help in detecting thefts.					
Accountant	60.0	40.0	0.0	0.0	10
District Manager	92.3	7.7	0.0	0.0	13
Depot Keeper	73.3	26.7	0.0	0.0	15
Records keeping provide information to enable the control of cash and stock movements.					
Accountant	50.0	50.0	0.0	0.0	10
District Manager	38.5	61.5	0.0	0.0	13
Depot Keeper	33.3	60	6.7	0.0	15
Book-keeping facilitates auditing.					
Accountant	60.0	40.0	0.0	0.0	10
District Manager	30.8	53.8	15.4	0.0	13
Depot Keeper	33.3	60.0	0.0	6.7	15
Promotes morale check and financial discipline.					
Accountant	30.0	60.0	10.0	0.0	10
District Manager	7.7	76.9	0.0	15.4	13
Depot Keeper	6.7	80	13.3	0	15
Adequate record keeping make it possible to determine responsibility for actions and to hold individuals accountable.					
Accountant	10.0	70.0	0.0	20.0	10
District Manager	30.8	46.2	15.3	7.7	13
Depot Keeper	33.3	53.3	6.7	6.7	15
Book-keeping ensures transparency and accountability.					
Accountant	40.0	50.0	0.0	10.0	10
District Manager	30.8	53.8	7.7	7.7	13
Depot Keeper	35.7	57.1	7.2	0.0	15

Source: Field Survey (2020).

Chapter Summary

The chapter was focused on the presentation and analysis of the preliminary data and the main data of the study. Descriptive and inferential statistics were used to analyze the data as well as answering the research questions. Percentages of the statistical tables and figures were rounded to one

decimal place. In all, the preliminary data comprised the personal records of the respondents such as gender, age, marital status, academic qualifications, area of study and job descriptions of staffs of licenced cocoa buying companies who are mandated to submit weekly accounts of their activities to headquarters.

Again, the main data measured the respondents' view on the major variables of the study namely book-keeping and accountability in the cocoa sector as well as their conditions of service in general. The data revealed that, there are serious issues on book-keeping which managements of the sector have to look into. On the whole, the observations depicted from the presentations and analysis of the main data includes:

- i. Auditing and reconciliation of stock and cash balances are regularly done.
- ii. Accountability in the sector is influenced by a number of factors.
- iii. Accountability in the sector is bedeviled with challenges.
- iv. Over-reliance on manual system of records keeping is a major concern of staffs.
- v. Book-keeping promotes morale check and financial discipline of staffs.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter presents the summary of the main findings of the study and the conclusions drawn from the findings. Suggestions and recommendations are offered on the basis of the findings and their implications. The study sought to establish book-keeping and accountability issues in the cocoa sector of Suaman District. The objectives of the study were to examine the book-keeping practices in the cocoa sector, examine the factors that affect accountability in the cocoa sector, assess the accountability challenges facing the cocoa sector, and to analyse the effect of book-keeping on accountability in the cocoa sector. Descriptive statistics such as percentages and frequencies were used to analyse the primary data collected from respondents.

Summary of Findings

The key findings from the study are:

The study revealed that physical counting of stocks is done regularly. It also discovered that physical stock balance is regularly determined and compared with book-keeping balance and any discrepancy between physical stock balance and store records balance are regularly determined and analysed. It was revealed further that, records are regularly updated to properly account for movement in cash and stock of cocoa beans. It was also revealed that records are generally kept on manual basis using the incomplete records system.

From the second objective, it was discovered that supervision has little effect on accountability in the cocoa sector. It was revealed also that staff financial indiscipline and economic situation significantly affect accountability. It was discovered also that book-keeping knowledge is very important to render proper accountability.

From the third objective, it was revealed that staff financial indiscipline is a challenge facing accountability in the sector. Inadequate knowledge in book-keeping was also discovered to be a challenge to accountability. This may be due to the demographic data above which shows approximately 63 per cent of respondents offering Arts and Science related subjects. It was also identified that there is over-reliance of manual system of records keeping in the sector. It was also identified that there is lack of investments into staff education on book-keeping. It was discovered that there is little/no public consultation on staff loyalty during recruitments. It was revealed that misappropriation of funds by staff is also a challenge to accountability. It was also identified that stock of cocoa beans are evacuated to ports as soon as possible. Finally, it was also discovered that inadequate knowledge in financial management is also a challenge to accountability in the sector

From the fourth objective, it was discovered that records keeping help to detect theft. It was further discovered that records keeping provides enough information to control cash and stock movements. It was also revealed that book-keeping facilitates auditing. Book-keeping was also identified to promote morale check and financial discipline among staff. It was revealed that adequate records keeping make it possible to determine the responsibility

of an individual and to hold individuals accountable for their actions. Finally, it was discovered that book-keeping promotes transparency and accountability in the sector.

Conclusions

The following conclusions can be drawn from the findings of the study: First, cocoa buying companies regularly do physical counting of stocks to early detect stealing of cocoa beans in order to arrest culprits as a deterrent to others. There is also an indication that counting of stocks is done in order to enjoy the numerous benefits of continuous stock taking which includes prevention of theft, reduction in operation cost involving hiring of people to count stocks, early detection of stock decays and so on.

Also, the comparison of physical stock balance regularly with book-keeping balance is done to unravel and analyse any discrepancy and to identify other possible causes of discrepancy apart from stealing including shrinkages and book-keeping errors in order to maintain peaceful working environment by not accusing someone wrongly.

The best form of records keeping is basically records kept on double entry principle and the fact that incomplete records system is the dominant practice may be due to lack of book-keeping knowledge since majority of workers are non-account bias. Some accountants also indicated that they keep records on incomplete records basis. This may be due to the fact that they are not competent enough, management not ready to incur the high cost of double entry book-keeping, management not educated on the benefits of double entry or may be management can get all their information needs without double entry system. In this era of technology, one will expect firms to use accounting

software to keep their records due to the numerous benefits it brings such as reliability, fastness, convenience etc. but the results indicate that firms in the sector use manual system. This may be due to ignorance on the part of management and staff or because of the acquisition and operation cost of computers.

The study also indicates that supervision has little effect on accountability in the sector. This may be due to the fact that employees are self-disciplined and do what is expected of them without being coerced and therefore little is expected from supervisors. It can also be due to the fact that majority of subordinates have no regards for superiors and therefore do things as they want and not willing to succumbed to instructions from supervisors. The significance of staff financial indiscipline and economic situation on accountability of resources indicates that staffs are not adequately remunerated and therefore divert funds meant for purchasing cocoa beans to do personal projects. The relevance of book-keeping to render proper accountability signifies that staffs can testify to how beneficial book-keeping can be in order to render good accountability in the cocoa sector.

The sector is battling with staff accountability because staffs are not financially disciplined. It could be that there are not enough safeguards to discourage financial indiscipline. It can also be attributed to the fact that punishments for misappropriation of funds are not deterrent enough to discourage people. One other possible explanation to this is that most cocoa buying companies do not prioritize book-keeping. With over 63 percent of staff who keep records lacking book-keeping knowledge, companies should

have been investing in at least in-service trainings to equip them with basic book-keeping knowledge.

The companies have not been doing enough public consultations on staff loyalty during recruitment of temporal staffs (Purchasing clerks). Monies are given to purchasing clerks who go the farmers to buy the dried cocoa beans through the district managers. Sometimes some of the purchasing clerks misappropriate the funds and disappear making it difficult for the district managers to account fully on the amounts advanced to them. If proper public consultations are done these disloyal clerks would have been identified and excluded. Finally, lack of financial management skills is making it difficult for proper accountability to be rendered. Some of the employees lack financial management skills which should be a requisite to succeed in the cocoa industry.

From the fourth objective: Book-keeping has been discovered to promote transparency and accountability. Any amount given to district managers, accountants and purchasing clerks are documented and signed. This serves as a morale check for the employee to use the money for the intended purpose in order not to be hot on the day of accountability.

Recommendations

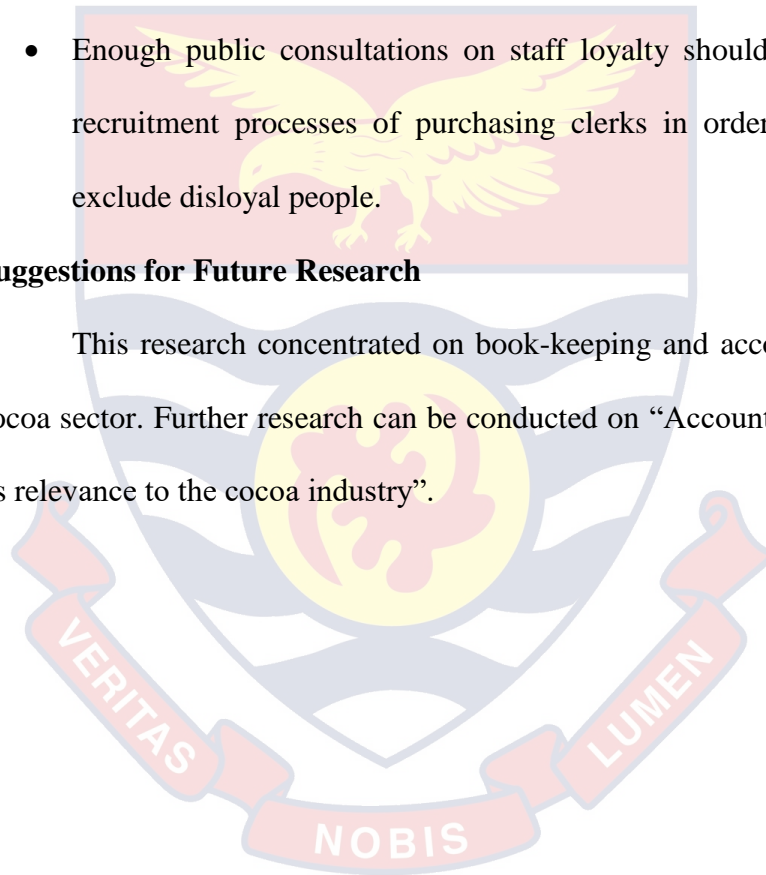
In connection with the research findings, the following recommendations and suggestions have been put forward:

- Computerized system of accounting should be introduced to help render accounts and submit weekly returns quickly with less difficulty.

- There should be regular in-service training on book-keeping and accounting to equip staff who studied non-accounting subjects in school with basic book-keeping skills.
- Accountants should be motivated to use double entry system in order to provide accurate, reliable and more acceptable financial statements.
- The conditions of service of staffs should be improved in order to reduce the incidence of theft and misappropriation of funds.
- Enough public consultations on staff loyalty should be done during recruitment processes of purchasing clerks in order to identify and exclude disloyal people.

Suggestions for Future Research

This research concentrated on book-keeping and accountability in the cocoa sector. Further research can be conducted on “Accounting software and its relevance to the cocoa industry”.



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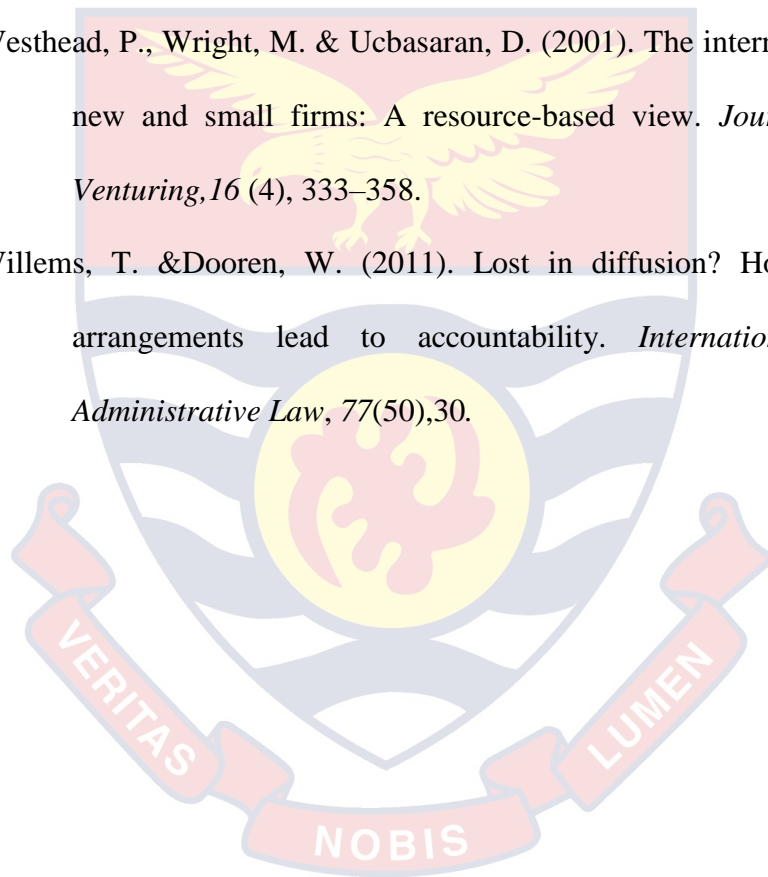
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APPENDICES

Appendix A: QUESTIONNAIRE FOR EMPLOYEES IN THE COCOA SECTOR OF SUAMAN DISTRICT

This questionnaire is to acquire information for the study 'Book-keeping practices and accountability in the cocoa sector of Western North Region, a case of Suaman District. This research is to fulfil a partial requirement for an award of Masters of Business Administration in Accounting at the school of Business in the University of Cape Coast. All responses are purely for academic purposes only and would be treated secret and confidential.

SECTION A: DEMOGRAPHIC INFORMATION

Please tick (√) the appropriate option(s) that applies to you.

1. Gender:

Male

Female

2. Age:

20-30

31-40

41-50

51-60

3. Academic Qualification

No Education

Basic Education (Primary & JHS)

SHS

HND

First Degree

Masters

4. Area of study:

Accounting/Business

Arts/social science

Science

Other (specify).....

5. Marital status:

Married

Single

Divorced

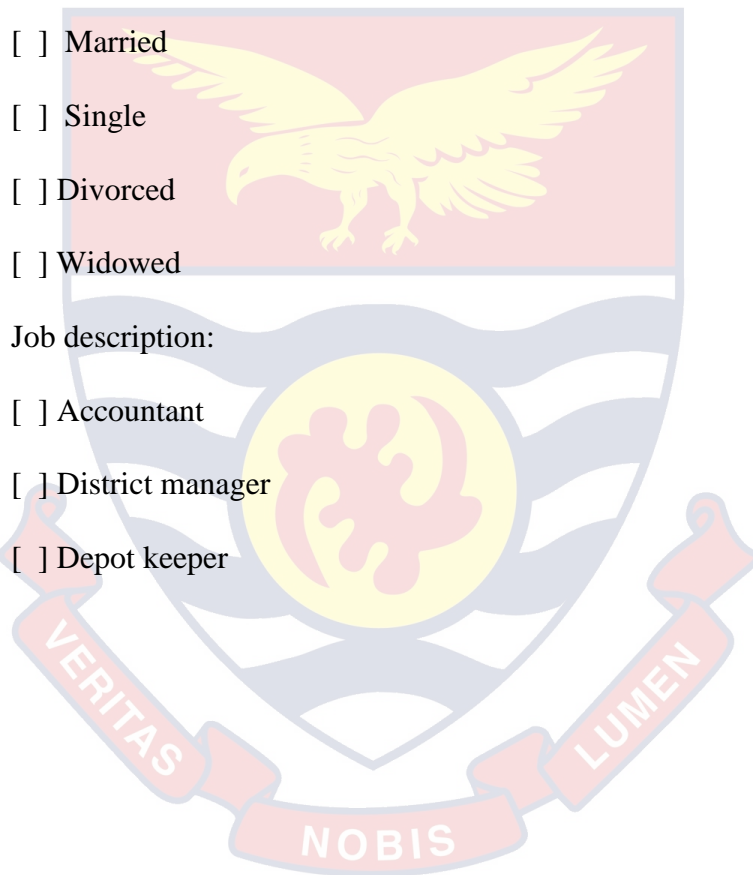
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6. Job description:

Accountant

District manager

Depot keeper



SECTION B: BOOK-KEEPING PRACTICES IN THE COCOA

SECTOR

To each of the following statements choose, by ticking (√), the extent to which you agree or disagree.

Use **SA** = Strongly agree **A** = Agree **SD** = Strongly disagree **DA** = Disagree

Examine book-keeping practices in the cocoa sector of Suaman District	SA	A	DA	SD
Physical count of stock (cocoa beans) is done regularly.				
Physical balance of stock (cocoa beans) are regularly determined and compared with book-keeping records.				
Causes of differences between physical stock balance and store records balance are determined and analysed on regular basis.				
Records are updated on daily basis				
Records are kept purely on manual basis.				
Computerised system is also used to keep records.				
Records on cash receipts and disbursements are kept accurately.				
Records are kept on double entry basis.				
Reconcile stock deliveries and cash disbursements on regular basis.				
Accounting software is used to keep records of cash and stock.				
Records are regularly audited.				

SECTION C: FACTORS THAT AFFECT ACCOUNTABILITY IN THE SECTOR

To each of the following choose, by ticking (√), the extent to which you agree or disagree as factor that affects accountability in the cocoa sector.

Use **SA** = Strongly agree **A** = Agree **SD** = Strongly disagree **DA** = Disagree

Factors that affect accountability in the cocoa sector	SA	A	SD	DA
Knowledge in book-keeping enhances accountability in the cocoa sector.				
Book-keeping is very important in rendering accountability in the sector.				
The system of keeping records (manual/computerised) affects accountability.				
Economic situation of staff influences staff accountability				
Amount of staff remuneration (salaries).				
Poor supervision.				
Staff financial discipline/indiscipline.				
Nature of road network.				

SECTION D: ACCOUNTABILITY CHALLENGES FACING THE COCOA SECTOR.

To each of the following choose, by ticking (√) YES or No.

Accountability challenges in the cocoa sector of Suaman District	YES	NO
Staff financial indiscipline		
Inadequate knowledge in book-keeping		
Over-reliance on manual system of keeping records		
Lack of investments into staff education on records keeping		
No/inadequate public consultation on staff loyalty during recruitment		
Misappropriation of funds by staff		
Delays in stock evacuation to ports		
Inadequate funding		
Inadequate financial management skills		
Inadequate time to properly gather necessary information		

SECTION E: EFFECTS OF BOOK-KEEPING ON ACCOUNTABILITY

To each of the following choose, by ticking (√), the extent to which you agree or disagree as effects of book-keeping on accountability in the cocoa sector.

Use **SA** = Strongly agree **A** = Agree **DA** = Disagree **SD** = Strongly disagree

Effects of book-keeping on accountability	SA	A	DA	SD
Records keeping help in detecting thefts.				
Records keeping provide information to enable the control of cash and stock movements.				
Book-keeping facilitates auditing.				
Promotes morale check and financial discipline.				
Adequate record keeping systems make it virtually possible to determine responsibility for actions and to hold individuals accountable.				
Book-keeping ensures transparency and accountability.				

What is your opinion on accountability challenges in the cocoa sector?

.....

Any other information on book-keeping and accountability in the cocoa sector.....

Thank you for answering the questionnaire

Appendix B: Structural Model for Factor Analysis

