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ZERO BASED BUDGETING AND FINANCIAL CONTROL IN BAYELSA STATE PUBLIC SERVICE

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ABSTRACT:

Budget are of utmost importance for planning and control of economic resources. It allows for budget reductions and permits the re-allocation of resources from low to high priority programmes. This study investigates the effect of Zero-based budgeting on financial control in Bayelsa State public service. Data were obtained from a total of 31 Accountants and Internal Auditors of selected Ministries in Bayelsa State. These were analyzed using the SPSS version 22 statistical tools The Split-Half reliability test was used to test the consistency/reliability of the instrument used for the study. On the basis of the analysis, it was revealed that zero based budgeting has a positive effect on financial control because the three independent variables which are identification of decision units, development of decision packages and reviewing and ranking of decision packages all have positive effect on financial control. It is therefore recommended that; Zero-based budgeting should be encouraged especially as it is a good and reliable means of ensuring that adequate financial control in the public service of any state and regular training of accounting staff is maintained sustainably.

1. INTRODUCTION

Budget and Budgetary control is considered one of the most important factors which influence the performance of organizations be it public or private (Mahroqi & Matriono, 2021). The importance of budgeting in an organization can therefore not be down played. Organizations are always planning and strategizing towards the achievement of set goal. This is only achievable when a proper budget plan has been put in place and effectively implemented. Government all over the world prepares an annual budget where she articulates the expected income and expenditure for the coming year. Government use budget as a parameter for planning and control of its resources (financial or

otherwise). When a budget of an establishment, department or ministry or even a country is created, it means creating a plan for spending and saving money. The desire to improve government performance is as old as man. Governments have always wanted results from their spending and regulation. What is new is that, increasingly, governments are facing overall spending constraints with no strict control mechanism. Nigeria as a nation has plenty of money to provide for the social needs of her citizens but require that, more attention be given to achieving better results from existing funds. At the same time new ideas have emerged about how to reorganize and better motivate public servants to achieve results.

Governments have adopted a number of approaches to improving the efficiency and effectiveness of the public sector. These include: strategic management; business planning; performance budgeting and management; devolved and delegated decision making; structural change such as the creation of executive agencies; the use of contracts; and the introduction of competition and market-type mechanisms in service provision. This variety of approaches towards improving public sector performance is rich but confusing. Each approach has different strengths and weaknesses and the best choice of approach depends on the purpose to be served. In the traditional public sector bureaucracy, performance hinges on ensuring compliance with set rules and regulations, controlling inputs, and adhering to the public sector ethos. This system generally worked well when governments had less complex and more standardised tasks to perform – and when complying with the rules was considered more important than efficiency or effectiveness. The system has been criticised, however, because employees tended to become more focused on process than on results, and there were weak incentives to use funds efficiently to achieve objectives. Modern public administrators not only have to serve collective interests of fairness and probity, but also have to meet individual needs and address complex social problems. Traditional public administrative systems were not designed to be flexible and adaptive in a modern society with customized services, the need for constant adaptation, pressure for efficiency, and the increased use of private agents.

A budget according to Fong and Kumar (2002) is an important financial plan that incorporates a systematic analysis and interpretation of financial forecast in terms of products, markets and the application of resources. It is an accounting device used to plan and control resources of operational departments of government and divisions (Reevve & Warren (2008). Government use budget as a guiding tool for planning and control of its resources, be it financial or otherwise. When a budget of an establishment, department or ministry or even a country is created, it means creating a plan for spending and saving money for a period usually, for a fiscal year.

In Nigeria government over the years has been preparing budgets for anticipated revenues (oil revenues, non-oil revenues and grants and aids) and anticipated expenditures (includes recurrent expenditure, personnel costs, administration, maintenance cost and capital expenditures). Budget is as old as the country but successive administration has been faced with the challenge of appropriate budget implementation strategies which has led to below optimal performance of Nigerian budgets over the year hence the need for Zero Based Budgeting (ZBB). Zero-based budgeting, (simply known as ZBB), has a long and controversial history in the public sector. It first rose to prominence in government sector in the 1970s when U.S President Jimmy Carter promised to balance the federal budget in his first term and reform the federal budgeting system using zero based budgeting, a system he had used when was a governor of Georgia State. ZBB, as Carter and theorist envisioned it, requires expenditure proposals to compete for funding on equal basis – starting from zero. In theory the organisation's entire budget needs to be justified and approved, rather than just the incremental change from the prior year.

A well prepared budget could be undone during its execution if sound internal control and accounting systems are not in place to ensure that the budget is being implemented as planned and in accordance with prospective cash flows. The key issues are whether the budget outturn is likely to be within the approved figure and in accordance with the planned expenditure priorities, are there any hidden financial implications of transactions not been adequately identified and reported during expenditure execution, does the expenditure transactions comply with applicable laws and regulations, the reliability of accounting records and financial report and many more. Based on these, there is need for financial control. The goal of having a strong system of financial control is to promote the institution's ability to reach its objectives, providing reliable financial data, safeguarding assets and records, evaluating operational efficiency through budget, organisational control and encouraging adherence to prescribed policies and regulations. A sound financial control system in the public sector contributes to safeguarding government investment and the institution's assets. Financial controls facilitate effectiveness and efficiency of operations, thus helping to ensure the reliability of internal and external financial reporting and assist in compliance with laws and regulations (Hayles, 2005). The aim of financial controls is to provide an overall guiding framework for a sound and efficient management of resources in all institutions.

Over the years, Bayelsa State has scored very low on public fund management and transparency In a study on "State of open budget in the Niger Delta" it was noted that Bayelsa state scored only eight out of twenty eight indicators used to assess its transparency and governance (Ekpeyong 2014).

This according to the study Bayelsa state public service is hindered from progressing by countless problems; these problems hinder it from performing its duties effectively and efficiently. Among these problems are methods of Budgeting and financial control. The absence of adequate financial control exposes the public sector to certain threats such as incorrect financial statements, loss of government assets, mismanagement of government vital documents, incorrect and unreliable financial records which may lead to loss of government integrity, and implementation of accounting policies inconsistent with the applicable legislation.

1.1 Objectives of the Study

The broad objective of the study is to investigate the effect of Zero-based budgeting on financial control in Bayelsa State public service. The specific objectives of the study are as follows:

a. To examine the extent to which identification of decision units influence financial control in Bayelsa state public service.
b. To examine the extent to which development of decision packages influences financial control in Bayelsa state public service.
c. To examine the extent to which reviewing and ranking of decision packages influence financial control in Bayelsa state public service.

1.2 Hypotheses

The three hypotheses formulated are:

H_{O1}: identification of decision units has no significant effect on financial control in Bayelsa state public service.

H_{O2}: development of decision packages has no significant effect on financial control in Bayelsa state public service.

H_{O3}: reviewing and ranking of decision packages has no effect influence on financial control in Bayelsa state public service.

2. LITERATURE REVIEW

2.1 Conceptual review

2.1.1 Concept of Zero Budgeting

The dependence of any government on budget is because due to the fact that it serves as a guide of activities at all levels of government. According to Ekpeyong (2014), reliable, accurate and timely presentation of budget facilitate speedy attainment of government goal. The challenges of budget implementation notwithstanding, the need for planning is very paramount for the success of

any government. Budget is a plan of future actions expressed in financial terms. One reason why budgeting is so complicated is the lack of universally accepted agreement on how government funds should be allocated through the budget. Therefore, one of the strategies for a country to achieve its vision is the implementations of Zero-Based Budgeting.

Table 1: Summerised definitions of Zero Based Budgeting

Author	**Year**	**Definition**
Deloitte .	2015	ZBB is a budgeting process that allocates funding based on programme efficiency and necessity rather than budget history
Americans for Prosperity Foundation	2012	ZBB is a budgeting system where no item is automatically included in the next budget.
Idio	2011	ZBB forces comparison and choice among programme and activities which are often difficult to compare adequately.
Uluum	2004	The ZBB is a system based on estimates of activity, rather than things that have been done in the past.
Fong and Kumar	2002	ZBB offers a better approach to dealing with the drawbacks of traditional budgeting.
Jones & Pendlebury	2000	ZBB is the identification of decision units, development of decision packages and review and; ranking of decision packages
Madsen & Polesie	1981	ZBB indicates the past is cut off, the present is regarded as a clean slate on which the department set up "decision packages"
Schick	1978	ZBB is a budgeting process that rejects the incremental decision-making model of budgeting.

Source: Researcher's compilation (2023)

2.1.2 Implementation of Zero Based Budgeting

The anchor of ZBB is that programme activities and services must be justified annually during the budget development process. The budget is prepared by dividing all of a government's operations into decision units at relatively low levels of the organisation. Unit decisions are then aggregated into decision packages on the basis of programme activities, programme goals, organisational unit

set etc. Costs of goods or services are attached to each decision package on the basis of the level of production or service to be provided to produce defined outputs or outcomes. Decision units are classified according to their importance in reaching organisational goals and objectives. Thus, when the proposed budget is presented, it contains a series of budget decisions that are tied to the attainment of the organisation's goals and objectives. The central thrust of ZBB is the elimination of outdated efforts and expenditures and the concentration of resources where they are most effective. This is achieved through an annual review of all program activities and expenditures, which results in improved information for allocation decisions. However, proper development requires a great deal of staff time, planning, and paperwork.

According to Everett, Lows, and Johnson, (1996), the implementation of this approach indicates that only a periodic comprehensive review of ZBB decision packages for some program activities may be necessary. A minimum level of service for certain programs may be legislated regardless of the results of the review process. As a result, ZBB has had only modest application in government establishments, although the review of programme activities makes ZBB particularly useful when overall spending must be reduced. The ZBB system is based on the responsibility centre as a basis for planning and controlling the budget. A unit is a set of decision-making units at a smaller level, for example, a regional government is a unit to make big decisions that can be broken up again into offices; agencies broken down into sub-agencies; sub-agencies split into sub-programs, and so on. Thus, a local government can have thousands of decision units. After undertaking the identification of decision units appropriately, then it needs to prepare a document which contains the decision unit goals and actions that can be done to achieve objectives.

2.1.2.1 Control Measures

According to Warren (2003) control activities usually involve two elements; a policy establishing what should be done and procedures to effect the policy (Warren 2003) and that most developing countries have ineffective government financial control systems (Gwilliam and El-Nafabi (2002). This is responsible for facilitating the misappropriation of public resources and financial corruption in these countries. The lack of adequate auditing and accounting systems in most African countries is exemplified by ineffective internal control, internal check, unqualified auditing and accounting staff, and unreliable and untimely accounting information systems in the public sector. This has led to inadequate safeguards against corruption, fraud and other related malpractices. In Nigeria’s public sector, policies are not adequately followed.

2.2 Empirical Review

Owizy (2011) assessed the effectiveness of internal control in government ministries taking a case of Benue State ministry of finance and as such, it was established that Benue State ministry of finance prepare annual budget promptly and also have adequate expenditure tracking to prevent financial recklessness. Consequently, it was recommended that, the ministry of finance should strictly abide by the principles and procedures in order to ensure that slack are built into the budget.

Studying the role of public sector audit and financial control systems in Sudan, El-Nafabi (2009) found that audit and control system is paramount in ensuring accountability for the use of public funds, and safeguarding the limited public resources against corruption and other misappropriation and unlawful practices. The study revealed that weak and ineffective financial control systems and deficiencies in accounting systems are some of facilitating factors of financial corruption in Sudan. It is asserted by Wildavsky and Caiden (1997) that budgeting promotes planning, coordination, enhances performance measurement and introduces corrective action.

Rehman, Khyzer, Noman, and Wasim (2011) probing the impact of zero-based budgeting (ZBB) on employee commitment in two Palestinian cities (Islamabad and Lahore regions), to find out if there was any relation between zero-based budgeting and employee commitment, the data collected from public and private sector employees revealed a that zero based budgeting has moderate effect on employee commitment in an organisation.

Meliano (2011) surveyed management perception on the usefulness of zero based budgeting: evidence from non-governmental organisations in Kenya, to establish the managerial perception on the usefulness of Zero Based Budgeting among nongovernmental organisations in Kenya. From the findings, the study concluded that zero based budgeting is very useful in Non-Governmental Organizations in Kenya given that it has flexibility, communicate corporate goals, cost minimization and knowledge sharing.

Ekanem (2014) surveyed Zero-based budgeting as a management tool for effective university budget implementation in university of Calabar, Nigeria the purpose of this study was to investigate the application of zero-based budgeting (ZBB) as a management tool for effective university budget implementation in University of Calabar, Nigeria, Results revealed that the application of ZBB for

university budget implementation was effective; some factors inhibited the application of ZBB while the application of ZBB was dependent on university senior staff for university budget implementation. The study concluded that zero-based budgeting was credible and rewarding to the university budget implementation in University of Calabar. The application of ZBB for university budget implementation was effective and also significant dependent on the university senior staff. The study recommended among others that university management should ensure timely release of funds an efficient management accounting system for improved budget implementation in the university (Ekanem, 2014).

Amaewuhule and Eyikaregha (2021) investigated the accountants 'assessment of efficiency of budgeting practices in Education boards in Bayelsa State. The study adopted the descriptive survey design with the population drawn from accountants in education board drawn from Bayelsa state. Data generated were analyzed using mean and Standard Deviation to answer the research question. Z-test was employed to test the hypotheses. The results showed that participatory budgeting system influences staff performance and budgeting information accessible to staff while zero-based budgeting is a management to devoid of imposition.

3. MATERIAL AND METHOD

In this study, the inferential and survey research design are adopted. The inferential design is adopted because, it is used to analysis and interpretation of characteristics of the population and drawing a conclusion from that analysis while the survey design provides a quantitative description of the opinions of 31 Accountant and Internal Auditors in selected ministries of Bayelsa state public service. Data in this regard were collated with aid of a well-structured research questionnaire. The instrument was divided into five sections. Section A was designed to obtain the demographical data of the respondents; Section B was designed to obtain information on Financial control; Section C focused on obtaining information on the identification of decision units; Section D aimed at obtaining information on the development of decision packages; Section E was designed to generate data on reviewing and ranking of decision packages. The instrument of data collection was tested with Split Half reliability test statistics to determine the consistency and reliability using the Spearman Brown Formula.

$$Rsb = \frac{2rhh}{1+rhh}$$

Where rhh = Pearson correlation of scores in the two half test

$$Rhh = \frac{\sum(X-\overline{X})(Y-\overline{Y})}{\sqrt{(\sum(X-\overline{X}^2)(\sum(Y-\overline{Y})^2)}}$$

X= one person's score on the first half of items

$\overline{X}$=the mean score on the first half of items

Y=one person's score on the other halfs

$\overline{Y}$= the mean score on the first half of items

$$\frac{652.38}{\sqrt{868.97*838.33}} = 0.764122$$

$$Rsb = \frac{2(0.764122)}{1+0.764122} = 0.87$$

The independent variable was decomposed into:

(1) Identification of decision units

(2) Development of decision packages and,

(3) Reviewing and ranking of decision packages.

The hypothesis formulated was tested using regression analysis with the aid of Statistical Packages for Social Science (SPSS), version 22.

3.1 Decision Rule

As a decision rule, reject null hypothesis and accept alternate if the P-value of the test is less than α-value (level of significance) at 5% or 0.05; otherwise accept the null hypothesis and reject the alternate hypothesis.

4. RESULT AND DISCUSSIONS

4.1 Descriptive Data Analysis

Table 2. Descriptive Analysis of Financial Control

S/N	Financial Control	SA (5)	A (4)	U (3)	D (2)	SD (1)	TOTAL	MEAN
1	The duties of employees are clearly defined, and There is adequate segregation of duties.	16 (80)	12 (48)	0 (0)	0 (0)	1 (1)	29 (129)	4.45
2	The accounting system provides for accumulating and recording expenditures by activity/project and cost category shown in the annual budget.	11 (55)	14 (56)	4 (12)	0 (0)	0 (0)	29 (123)	4.24
3	The organisation implemented procedures to minimize the time elapsing between the transfer of funds from the Federal Government and their disbursement.	5 (25)	7 (28)	7 (21)	2 (4)	8 (0)	29 (78)	2.69
4	The accounting records identify funds received and expended; expenses are detailed by eligible activity type, zero line item budgets are established.	4 (20)	8 (32)	9 (27)	0 (0)	8 (8)	29 (87)	3.00
5	The control over the use of computer ensures the security of the database and provides quality control procedures to ensure that the system produces useable and accurate information.	12 (60)	11 (44)	2 (6)	1 (2)	3 (3)	29 (115)	3.97

Source: Field survey, 2023

The Table 2 above analyses financial control in Bayelsa state public service, shows that under the first statement in the table above. The duties of employees are clearly defined, and there is adequate segregation of duties with a mean of 4.45 indicating that organisational chart has significance on financial control. Again on the accounting system provides for accumulating and recording expenditures by activity/project and cost category shown in the annual budget has a mean score of 4.24 indicating acceptability. The implementing procedures to minimize the time elapsing between the transfer of funds from the Federal Government and their disbursement with a mean score of 2.69 indicates that government ministries no effect on the financial control. Furthermore, with a 3.00 mean on a 3.00 cut-off is an indication that accounting records has effect on financial control since the cut-off point is 3.00, while a mean score of 3.97 on a cut-off of 3.00 is a positive remark that controls over the use of computer ensures the security of the database and provide quality control procedures to ensure that computer system is an effective element in financial controls.

Table 3: Descriptive Analysis of Identification of Decision Unit

S/N	Identification Of Decision Unit	SA (5)	A (4)	U (3)	D (2)	SD (1)	TOTAL	MEAN
1	Decision units are identified and described.	15 (75)	13 (52)	0 (0)	0 (0)	1 (1)	29 (128)	4.41
2	Decision units have well defined and measurable objectives.	15 (75)	12 (48)	1 (3)	0 (0)	1 (1)	29 (127)	4.38
3	Decision units have well defined and measurable impacts.	13 (65)	13 (52)	1 (3)	0 (0)	2 (2)	29 (122)	4.21
4	Priorities established based on programme results that could be achieved at alternative spending levels.	15 (75)	11 (44)	2 (6)	0 (0)	1 (1)	29 (126)	4.34

Source: Field survey, 2023

Table 3 above analyses the responses on identification of decision unit in Bayelsa state public service. With a mean score of 4.41 on a 3.00 cut-off, it therefore implies a positive response that Decision units are identified and described. Again, that defined and measurable objectives are

effective tool of identification of decision unit with a mean score of 4.38 on a mean score of 3.00. Decision units have well defined and measurable impacts has effect on the identification of decision unit with a mean of 4.21 while priorities established based on programme results that could be achieved at alternative spending levels is positive with a mean score of 4.34.

Table 4. Descriptive Analysis of Development of decision Package

S/N	Development Of Decision Packages	SA (5)	A (4)	U (3)	D (2)	SD (1)	TOTAL	MEAN
1	Decision packages are segregated based upon functional, operational, or program level characteristics.	9 (45)	17 (68)	2 (6)	0 (0)	1 (1)	29 (120)	4.14
2	Each decision package acts as a standalone proposal which is appealing for allocation of funds.	11 (55)	13 (52)	4 (12)	(0)	1 (1)	29 (120)	4.14
3	Each decision package defines the functions, activities, and operations of the proposal, the need for the proposal, economic and intangible benefits associated with the implementation of the proposal.	12 (60)	17 (68)	0 (0)	0 (0)	0 (0)	29 (128)	4.41
4	Each decision package describes the opportunities lost if fund is not allocated to the decision package	5 (25)	11 (44)	5 (15)	2 (4)	6 (6)	29 (94)	3.24
5	Alternative courses of action to carry out a particular program are specified in the decision packages.	9 (45)	9 (36)	4 (12)	1 (2)	6 (6)	29 (101)	3.48

Source: Field survey, 2023

The Table 4 above analyses: Development of decision package in Bayelsa State public service, shows that under The first statement on the table indicate: Decision packages are segregated based upon functional, operational, or programme level characteristics with the mean of 4.14 indicates that

segregation of decision package is significance on development of decision package which is higher than the cut-off point of 3.00.

The second statement; Each decision package acts as a standalone proposal which is appealing for allocation of funds with a mean score of 4.14 shows that decision package act is an effective tool on development of decision package. Furthermore, statement No.3: Each decision package defines the functions, activities, and operations of the proposal, the need for the proposal, economic and intangible benefits associated with the implementation of the proposal with a mean score of 4.41 indicates highly significant in their development package. Again, with a mean of 3.24, it is an indication of significance hence, the description of decision package has effect on development of decision package The last statement on the table with a mean score of 3.48 shows that alternative courses of action is a relevant tool on development of decision package.

Table 5 Descriptive Analysis of Reviewing and Ranking of Decision Package

S/N	Reviewing and Ranking of Decision Packages	SA (5)	A (4)	U (3)	D (2)	SD (1)	TOTAL	MEAN
1	Decision packages are ranked based on the cost-benefit analysis	7 (35)	11 (44)	5 (15)	3 (6)	3 (3)	29 (103)	3.55
2	All decision packages within a decision unit and among various decision units are ranked in the order of their importance and priority.	16 (80)	9 (36)	3 (9)	0 (0)	1 (1)	29 (126)	4.34
3	Decision packages are ranked based on	1	13	3	0	1	29	

	the benefit derived from the packages.	2 (60)	(48)	(9)	(0)	(1)	(118)	4.07
4	Methods used in ranking are accurate and realistic.	8 (40)	14 (56)	4 (12)	1 (2)	2 (2)	29 (112)	3.86

Source: Field survey, 2023

Item one on the table 5 above (reviewing and ranking of decision package in Decision packages are ranked based on the cost-benefit analysis) has a mean score of 3.55 which indicates a positive significance. Statement two has a mean score of 4.34 which is higher than the cut-off point of 3.00 indicates (All decision packages within a decision unit and among various decision units are ranked in the order of their importance and priority are effective tool on reviewing and ranking of decision package) positive significance. Decision packages are ranked based on the benefit derived from the packages is the third statement in the question. This has a positive effect indicating a 4.07 mean score on a 3.00 scale, while the last statement on the table shows a positive effect.

4.2 Test of Hypotheses

4.2.1 Hypothesis One

H_0: identification of decision units has no significant influence on financial control in Bayelsa State Public Service.

To test this hypothesis data on identification of decision unit were regressed with data on financial control in Bayelsa State Public Service and the result obtained is shown in Table 6 below.

Table 6: Identification of Decision Unit and Financial Control

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.409[a]	.168	.137	.74401	.168	5.433	1	27	.072	2.014

a. Predictors: (Constant), Identification_of_Decision_Unit

b. Dependent Variable: Financial control

With a correlation co-efficient of 0.409, R, which shows that there is a slightly high relationship between identification of decision unit and financial control in Bayelsa state public service. The F-ratio (5.433) and the p-value of (0.072) which is greater than 0.05, this suggests that identification of decision unit has a positive but non-significant relationship with financial control. This suggests that the null hypothesis is accepted. We therefore concluded that *identification of decision units has no significant effect on financial control in Bayelsa State Public Service.*

4.2.2 Hypothesis Two

H_0: development of decision packages has no significant influence on financial control in Bayelsa State Public Service.

To test this hypothesis data development of decision packages were tested with data on financial control in Bayelsa State Public Service and the result obtained is shown in the table below.

Table 7: Development of Decision Package and Financial Control

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.612[a]	.375	.352	.64463	.375	16.203	1	27	.000	1.897

a. Predictors: (Constant), Development_of_Decision_Package

b. Dependent Variable: Financial_Control.

The R which represent a correlation co-efficient of 0.612 indicates that there is a high relationship between development of decision package and financial control in Bayelsa state public service. The F-ratio (16.203) and the p-value of (0.000) which is less than 0.05. This suggests that development of decision package has a positive and significant relationship on financial control. Thus, the null hypothesis is rejected and we concluded that the *development of decision packages has significant effect on financial control in Bayelsa State Public Service.*

4.2.3 Hypothesis Three

H_0: Reviewing and ranking of decision packages has no significant influence on financial control in Bayelsa State Public Service.

Analyze this hypothesis *data reviewing and ranking of decision packages* were regressed with data on financial control in Bayelsa State Public Service and the result obtained is shown in the table below.

Table 8: reviewing and ranking of decision package and financial control

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.582[a]	.339	.314	.66320	.339	13.818	1	27	.001	1.491

a. Predictors: (Constant): Reviewing_and_Ranking_of_Decision_package

b. Dependent Variable: Financial Control.

The correlation co-efficient (R) of 0.582 which indicates a slightly high relationship between of reviewing and ranking of decision packages and financial control in Bayelsa state public service. The F-ratio (13.818) and the p-value of (0.001) which is less than 0.05. This suggests that reviewing

and ranking of decision packages has a positive and significant relationship on financial control. Thus, we reject the null hypothesis and therefore conclude that *reviewing and ranking of decision packages has significant effect on financial control in Bayelsa State Public Service.*

CONCLUSION AND RECOMMENDATIONS

Zero based budgeting is an effective technique that provides adequate financial control in any organisation. It is a "bottom-up" approach to budgeting and development because it provides a systematic method of planning government financial resources. Zero based budgeting involves three basic steps which are identification of decision units, development of decision packages and reviewing and ranking of decision packages. Zero based budgeting is sometimes difficult to implement because of the large amount of work involved, and it requires experts to analyze each decision package and rank them in order of priority.

It was also discovered that the above can be curbed if adequate personnel are trained and are made to understand and acquire knowledge on Zero based budgeting, therefore, in order to obtain the best of Zero based budgeting, adequate and professional training is required. Finally, it was revealed in this study that identification of decision units, development of decision packages and the reviewing and ranking of decision packages has positive influence on financial controls, thus an increase in any of these variables will lead to a corresponding increase in financial control. Based on the findings it was also revealed that zero based budgeting has a positive effect on financial control and since a research work on budget transparency and implementation In the Niger Delta had scored Bayelsa state low on public fund management and transparency, and also since Bayelsa state has been facing countless problems due to the absence of adequate financial control the researcher recommends that:

i. Zero based budgeting should be adopted and implemented in the Bayelsa state public service.
ii. Zero-based budgeting should also be encouraged because it is a good and reliable means to ensure that there will be adequate financial control in the public service of any state.
iii. Also since one of the challenge of zero-based budgeting is that it requires special expertise in the determination of priorities and more complete data and analysis support that is strong enough, the researcher recommends that adequate personnel should be trained to obtain knowledge and proper understanding of zero based budgeting to ensure effective functioning.

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