

Transparency, Accountability and Ethical Violations in Financial Institutions in Nigeria

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ABSTRACT Contrary to the notion that it is only the public service that is heavily infested with corruption and inefficiency, the tide has since changed in Nigeria. The private sector of which the financial institutions constitute an integral part has been caught up in identical unethical muddle. It is against this backdrop of various ethical violations in financial institutions that this paper started off by examining the general and specific ethical standards for operators within the financial institutions. In carrying out this study, the methodology used involved content analysis and experiential reporting of basic personal eyewitness accounts. Of immense assistance to the success of this study however the data extracted from the publications of the Central Bank of Nigeria (CBN), some National Newspapers, Accounting Manuals and Texts; and legal books on business law and cases. The data derived from these sources were descriptively analysed and subjected to second order level of critical interpretation and analysis. The study found out that the banking sector in particular has become a platform for various appalling corrupt and fraudulent practices. In addition, it was discovered that the internal mechanisms in the financial institutions are not sufficient to guarantee transparent and accountable service in the conduct of official business in the sector. The study particularly discovered that most banks and finance houses were set up *ab-initio* to defraud government and unsuspecting customers in the area of foreign exchange. The study concluded that for transparency and accountability to play vital directing roles in financial institutions in Nigeria, the general macroeconomic environment must be sanitised and improved upon. Secondly, the various internal mechanisms for ensuring accountability should be reviewed and strengthened. The CBN should be consistent in their policies and roles. In addition, meaningful motivation package should be built into employees' terms of employment.