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Challenges and Prospects of IPSAS Implementation in the Ghanaian Public Sector: A Case Study of the Western Regional Coordinating Council

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ABSTRACT: This study examines the challenges and prospects associated with the adoption and implementation of International Public Sector Accounting Standards (IPSAS) at the Western Regional Coordinating Council (WRCC) in Ghana. Drawing on a quantitative descriptive research design with a census sample of 84 finance, audit, and management personnel, the study employs descriptive statistics including means and standard deviations to analyze responses collected via a structured five-point Likert scale questionnaire. The findings reveal that IPSAS implementation at the WRCC is confronted with significant challenges, most prominently high maintenance and module costs (M = 4.38, SD = 0.74), inconsistent stakeholder financial support (M = 4.04, SD = 0.62), inadequate financial and human resources (M = 3.95, SD = 0.56), and inflexible organizational culture (M = 3.84, SD = 0.72). Despite these barriers, respondents identify a broadly favorable outlook for IPSAS, with anticipated benefits including enhanced performance evaluation (M = 4.19, SD = 0.57), superior asset acquisition decision support (M = 4.32, SD = 0.72), improved financial comparability (M = 4.09, SD = 0.57), and reduced fraud and corruption (M = 3.53, SD = 0.83). The overall prospects mean of 3.48 (SD = 0.60) reflects a cautiously optimistic consensus. The study is theoretically grounded in New Public Management theory and Stakeholder theory, offering a nuanced analysis of how resource constraints and institutional cultures mediate the IPSAS reform agenda. The findings carry actionable implications for policymakers, public financial management practitioners, and institutional leaders seeking to advance IPSAS adoption in Ghana and comparable developing-country contexts.

KEYWORDS: IPSAS challenges, IPSAS prospects, public sector accounting reform, accrual accounting, Ghana, Western Regional Coordinating Council

ABSTRACT

1. Introduction

The adoption of International Public Sector Accounting Standards (IPSAS) is widely recognized as one of the most transformative and demanding governance reforms available to public sector entities in the contemporary era. By mandating the shift from cash-basis to accrual-basis accounting, IPSAS requires a fundamental rethinking of how governments record, measure, and report their financial activities, assets, liabilities, and obligations (Christiaens et al., 2015; IPSASB, 2015). This transformation promises substantial governance dividends: greater transparency, improved accountability, enhanced comparability of public financial information, and stronger deterrents against corruption and financial mismanagement (Nkwagu et al., 2018; Orlando et al., 2019). Yet the path from formal IPSAS adoption to these realized benefits is rarely straightforward, particularly in developing-country contexts where institutional capacity, resource availability, and organizational culture may not readily accommodate the demands of international-standard accrual reporting (PwC, 2013; Andrews, 2020).

Ghana's public sector IPSAS reform is illustrative of this broader global dynamic. The country has made explicit national-level commitments to IPSAS transition, coordinated by the Controller and Accountant-General's Department (CAGD), and has invested in training programs, accounting manual revisions, and IT system upgrades (Breen, 2018). However, the practical experience of this reform the specific challenges that public sector entities encounter, the benefits they realistically expect to gain, and the conditions under which these expectations can be fulfilled remains poorly documented at the entity level, especially for sub-national institutions such as regional coordinating councils and district assemblies.

This paper addresses that gap through a focused empirical investigation at the Western Regional Coordinating Council (WRCC) in Ghana. The WRCC is the apex regional administrative body in the Western Region, overseeing the planning, financial management, and governance activities of multiple municipal and district assemblies. It is directly implicated in Ghana's public financial management reform agenda and is subject to both the national IPSAS adoption mandate and the accountability expectations of diverse stakeholders from the Ministry of Finance and the CAGD to international development partners and regional citizens.

The paper makes three original contributions. First, it provides the first systematic, entity-level quantitative analysis of IPSAS implementation challenges and prospects at a Ghanaian regional coordinating council an institutional context absent from prior literature. Second, it applies Andrews' (2020) capability trap framework to the IPSAS utilization gap identified in the prospects data, extending this framework to the Sub-Saharan African context. Third, it generates a detailed, evidence-based set of recommendations for five distinct stakeholder groups, moving beyond the generic policy prescriptions that characterize much of the existing literature.

1.1 Research Objectives

The study is directed by two focused research questions:

RQ1: What are the challenges encountered by finance and audit personnel at the WRCC in the adoption and implementation of IPSAS?

RQ2: What are the anticipated prospects and benefits of IPSAS adoption and implementation at the WRCC?

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Theoretical Frameworks

2.1.1 New Public Management Theory: Reform, Resistance, and the Capability Trap

New Public Management (NPM) theory (Hood, 1991) provides the normative architecture within which IPSAS adoption is positioned as a tool of public sector modernization. NPM prescribes the importation of private-sector management disciplines including accrual accounting, performance measurement, and results-oriented management into government, as instruments for overcoming the perceived inefficiencies and accountability deficits of traditional bureaucratic administration. Within this framework, IPSAS is not merely an accounting standard but a governance instrument: its adoption signals a public sector entity's commitment to the transparency, accountability, and managerial competence that NPM demands (De Luca & Prather-Kinsey, 2018; Bevir, 2011).

However, NPM theory also provides a framework for understanding the resistance and implementation challenges that frequently attend accounting reform. Hood (1991) himself acknowledged the tension between the normative prescriptions of NPM and the institutional realities of public sector organizations characterized by career bureaucrats, established routines, political constraints, and competing accountability demands. This tension is particularly acute in developing-country contexts, where the institutional preconditions for NPM reform — including adequate ICT infrastructure, a professionalized public accounting workforce, and stable political support may not be reliably present (Andrews, 2020; Dissanayake, 2017).

Andrews' (2020) capability trap framework is especially germane to this study's inquiry. Andrews argues that many public financial management reforms in developing countries achieve 'form without function' producing visible outputs (formal adoption, revised accounting manuals, new IT systems) without substantive changes in the quality of financial management and governance. The trap arises when reform incentives reward the appearance of compliance rather than its substance, and when the organizational and human capital investments necessary for genuine capability development are insufficient or poorly sequenced. The WRCC's prospects data particularly the low scores for decision-making utilization of accrual-basis information and smoother reporting processes raises the spectre of exactly this kind of capability trap, and the study's analysis engages directly with this diagnostic.

2.1.2 Stakeholder Theory: Multi-Actor Dynamics and the Politics of Reform

Stakeholder theory (Freeman, 1984; Freeman et al., 2004) provides the analytical lens through which the multi-actor dynamics of IPSAS challenges and prospects are examined. The theory posits that organizational decisions and outcomes are shaped by the interests, expectations, and relative power of a diverse array of stakeholders not only the organization's formal principals, but also employees, regulators, donors, civil society, and the public. In the IPSAS context, this multi-actor perspective is essential: the challenges that arise in IPSAS implementation reflect not only the technical demands of the standards themselves, but also the competing interests and imperfect coordination of the numerous stakeholders whose commitment is necessary for successful reform.

The challenge of inconsistent stakeholder financial support the second-highest scoring challenge item in this study is a direct expression of stakeholder theory dynamics: when key external stakeholders (development partners, the national treasury, political leadership) fail to provide consistent, sustained financial backing for IPSAS implementation, the reform agenda becomes fragile and subject to interruption. Christiaens et al. (2015) demonstrate that multi-stakeholder commitment is a necessary condition for sustained IPSAS reform progress a condition that is difficult to achieve and maintain over the multi-year timeframe that full IPSAS operationalization typically requires.

Stakeholder theory also illuminates the prospects dimension of the study. The anticipated benefits of IPSAS transparency, comparability, and accountability are benefits primarily realized by external stakeholders (citizens, oversight bodies, investors, development partners) rather than by the implementing entity's own staff. This creates a potential misalignment between the costs of implementation (borne primarily by internal stakeholders finance staff, managers, and the institutional budget) and the benefits of implementation (accruing primarily to external stakeholders). Managing this misalignment through effective stakeholder communication, change management, and benefit realization strategies is a critical success factor for IPSAS reform (Freeman et al., 2004; Jayasinghe et al., 2015).

2.1.3 Institutional Theory: Isomorphism and Decoupling

Institutional theory provides a third analytical lens that complements NPM and Stakeholder theory in accounting for the challenge of organizational culture inflexibility and the risk of decoupling in IPSAS reform. DiMaggio and Powell's (1983) concept of institutional isomorphism explains why public sector entities may formally adopt IPSAS under coercive pressure from the national government and mimetic pressure from peer institutions without genuinely transforming their internal accounting practices. This 'ceremonial adoption' (Meyer & Rowan, 1977) or 'decoupling' (Majid & Adam, 2015) represents the institutional theory analogue of Andrews' (2020) capability trap: the external form of IPSAS compliance is achieved without the substantive internal change that the standards require.

Majid and Adam (2015) specifically applied this decoupling concept to the IPSAS context in a developing-country setting, finding that public sector entities frequently maintained parallel formal compliance structures alongside their actual legacy accounting practices producing IPSAS-formatted outputs while continuing to manage their finances on a cash-basis logic. This decoupling risk is evidenced in the WRCC data by the low scores for decision-making utilization of accrual-basis information (M = 2.57) and facilitation of smoother reporting processes (M = 2.65) items that would be expected to score highly if genuine, substantive IPSAS implementation had been achieved rather than merely formal adoption.

2.2 Challenges of IPSAS Implementation: A Comprehensive Literature Review

2.2.1 Financial and Cost Challenges

The financial costs of IPSAS adoption are consistently identified across the literature as the most significant barrier to implementation, particularly for resource-constrained public sector entities in developing countries. PricewaterhouseCoopers (2013) categorizes these costs into one-time transition costs; including the rewriting of accounting manuals, reconfiguration of chart of accounts, procurement and customization of IPSAS-compatible accounting software, and the engagement of external consultants and ongoing maintenance costs, including software upgrades, annual training refreshes, and the staffing of IPSAS technical units. For an institution like the WRCC, which operates on centrally allocated budgets subject to national treasury approvals, these costs are particularly acute because they cannot be readily absorbed within existing operational budgets without displacing other expenditure priorities.

Balogun (2019), in a comprehensive review of IPSAS implementation challenges in developing countries, found that high implementation costs were cited by respondents in over 85% of the studies reviewed, making it the single most universal barrier across all country and institutional contexts. Ijeoma and Oghoghomeh (2014) found in Nigeria that the financial burden of IPSAS transition was exacerbated by the need to run parallel cash-basis and accrual-basis accounting systems during the transition period a practice required to maintain continuity of financial management and reporting while the new system is being operationalized. This parallel-running cost is often underestimated in transition planning and can substantially inflate total implementation expenditure.

The distinction between one-time transition costs and recurring maintenance costs is important for policy planning. While transition costs are large but finite, maintenance costs are ongoing and must be built into the recurrent budget. For sub-national entities like the WRCC, which may not have the budget flexibility to absorb recurring IPSAS maintenance costs without additional fiscal transfers from the central government, the long-term financial sustainability of IPSAS compliance depends on national-level policy decisions about the financing of sub-national public financial management reform.

2.2.2 Human Capital and Capacity Challenges

The scarcity of accounting professionals with IPSAS-specific competencies is a pervasive challenge in developing-country public sectors, compounding the difficulty of IPSAS implementation at all levels of government. Salia and Atuilik (2018) found in Liberia that the shortage of IPSAS-qualified accountants was the second most frequently cited implementation barrier after costs, necessitating the outsourcing of technical accounting functions at considerable expense. Whitefield and Savvas (2016) similarly identified insufficient technical assistance from qualified accountants as a critical barrier for UN agencies in Nairobi.

The human capital challenge operates at two levels. At the individual level, finance and audit staff require training not only in IPSAS technical content recognition and measurement criteria, disclosure requirements, and the specific accrual-basis treatment of government-specific transactions but also in the use of IPSAS-compatible accounting software and in the analytical skills necessary to interpret and use accrual-basis financial information in management decision-making. At the organizational level, the challenge is to build institutional capacity that persists across staff turnover and changes in political leadership a more demanding objective that requires the embedding of IPSAS knowledge in systems, processes, and documented procedures rather than in the tacit expertise of individual staff members.

In Ghana, the human capital challenge is further complicated by the competitive labor market for accounting professionals, where the private sector particularly the oil, gas, and mining industries that dominate the Western Region's economy offers substantially higher compensation than the public sector. This creates a structural disadvantage for regional public sector entities in recruiting and retaining IPSAS-qualified accountants, making reliance on targeted training of existing staff and selective recruitment of external specialists a more viable strategy than open market competition for qualified professionals.

2.2.3 Technological and Systems Challenges

The technological dimension of IPSAS implementation encompasses three interconnected challenges: the compatibility of existing accounting software with accrual-basis reporting requirements, the quality and reliability of the IT infrastructure supporting financial management systems, and the digital literacy of finance staff in using IPSAS-compatible software effectively. Whitefield and Savvas (2016) found that inadequate ICT infrastructure was the most commonly cited technological barrier in their study of UN agencies in Kenya, while Mohammed (2014) identified software incompatibility as a critical impediment to IPSAS reform in Iraq.

Many developing-country public sector entities use legacy accounting software designed for cash-basis or modified cash-basis reporting that cannot be straightforwardly reconfigured for accrual-basis IPSAS compliance. The options available to such entities purchasing commercial IPSAS-compatible enterprise resource planning (ERP) systems, customizing existing software, or developing bespoke solutions all involve significant financial investment and technical risk. The World Bank (2013) has documented numerous cases in Sub-Saharan Africa where the procurement of government financial management information systems (IFMIS) has been delayed, cost-overrun, or functionally underperforming, contributing to implementation delays and cost escalations in IPSAS transition programs.

The WRCC's relatively lower scores for software incompatibility (M = 3.30, SD = 1.00) and staff training on new IT systems (M = 3.25, SD = 1.01) while still above the 3.0 threshold and their higher standard deviations suggest that technological challenges are more variable across departments than cost and resourcing challenges. This pattern may reflect partial progress in IT system upgrades, with some departments already operating on IPSAS-compatible platforms while others continue to rely on legacy systems.

2.2.4 Organizational Culture and Change Management Challenges

Organizational culture is increasingly recognized as a critical but underappreciated determinant of IPSAS implementation success. The transition from cash-basis to accrual-basis accounting is not merely a technical accounting change; it requires a fundamental shift in how finance staff, managers, and institutional leaders conceptualize, value, and use financial information. This cultural transformation is resisted by the institutional inertia that characterizes hierarchical, rule-bound public sector organizations, where established routines, risk aversion, and deference to authority can create powerful barriers to the behavioral changes that IPSAS implementation demands (Majid & Adam, 2015; Dambrin et al., 2007).

Nor-Aziah and Scapens (2007), in a study of corporatization and accounting change in a Malaysian public utility, found that accounting reform was most effectively resisted not through overt opposition but through the subtle perpetuation of existing routines under the guise of formal compliance precisely the decoupling mechanism identified by institutional theory. In the WRCC context, organizational culture inflexibility (M = 3.84, SD = 0.72) reflects this dynamic: the council's staff have been socialized into cash-basis accounting practices over many years, and the attitudinal and behavioral shifts required by IPSAS cannot be achieved through training alone but require sustained change management effort, leadership modeling, and crucially the creation of accountability incentives that reward genuine adoption of accrual-basis thinking.

The challenge of management commitment (M = 3.77, SD = 0.74) is closely related to the culture challenge, as senior leadership plays a decisive role in shaping institutional culture and signaling reform priorities. Kotter's (1996) eight-step change management model widely applied in public sector reform contexts emphasizes that sustained senior leadership commitment is the single most important predictor of large-scale organizational change success. Where management support is tepid or inconsistent, the change process is vulnerable to drift, regression, and eventual reversal. The moderate mean score for management commitment at the WRCC suggests that senior leadership engagement with the IPSAS agenda, while present, has not yet achieved the level of visible, sustained advocacy necessary to drive cultural transformation across the council's departments.

2.2.5 Workload and Transition Burden Challenges

The increased financial reporting workload associated with IPSAS implementation (M = 3.62, SD = 0.77) reflects the additional demands that accrual-basis accounting places on finance staff, particularly during the transition period when both legacy cash-basis reporting and new accrual-basis reporting must be maintained simultaneously. Accrual accounting requires a more extensive and detailed recording of financial transactions than cash accounting: every asset must be identified, valued, and depreciated; every liability must be recognized and measured; every revenue and expense must be accrued to the correct period regardless of cash timing. For finance staff accustomed to the simpler discipline of cash recording, this represents a substantially increased workload that may generate resistance if not accompanied by commensurate staffing, salary, or process support.

Ekeatte et al. (2019), in a study of IPSAS implementation effectiveness in Nigeria, found that increased workload was consistently cited as a demotivator among finance staff in entities at the early stages of accrual-basis transition, contributing to staff turnover and creating implementation continuity risks. This finding underscores the importance of addressing workload management as a change management issue including through realistic transition timeline planning, temporary staffing reinforcement, and process automation rather than simply expecting existing staff to absorb additional demands within existing job roles.

2.3 Prospects and Benefits of IPSAS Adoption: Evidence and Expectations

2.3.1 Decision-Making and Performance Management Benefits

A central promise of IPSAS adoption is the transformation of public sector financial information from a backward-looking compliance record into a forward-looking decision-support resource. Accrual-basis IPSAS provides decision-makers with a comprehensive picture of an entity's financial position including the full value of its asset base, the totality of its liabilities (including contingent liabilities and long-term obligations), and the true cost of its services over time that is simply unavailable under cash-basis systems (Andriani et al., 2010; Christiaens et al., 2015). This information enrichment enables superior resource allocation, more accurate cost identification, better asset management, and more effective performance evaluation.

The WRCC respondents' strong anticipation of IPSAS benefits for asset acquisition decision-making (M = 4.32, SD = 0.72) and performance evaluation (M = 4.19, SD = 0.57) reflects the widespread view in the literature that accrual-basis accounting transforms the utility of public sector financial information for management purposes. Andriani et al. (2010), in a study of Australian public sector managers, found that accrual-basis information was perceived as substantially more useful than cash-basis information for decisions involving asset acquisition, long-term planning, and service costing a finding directly analogous to the WRCC results. Dissanayake (2017), studying the diffusion of public financial management reforms in Sri Lanka, documented similar perceptions among public sector finance officers contemplating IPSAS adoption.

However, the sharp contrast between the high scores for anticipated decision-making benefits (M = 4.32 for asset acquisition, M = 4.19 for performance evaluation) and the low score for actual current use of accrual-basis information in decision-making (M = 2.57) reveals a critical distinction between the expected benefits of IPSAS and its currently realized value. This gap which the study interprets as an implementation-utilization gap suggests that while the WRCC has formally adopted IPSAS and is progressing toward operational compliance, the behavioral transformation necessary for accrual-basis information to be actively integrated into management decision-making cycles has not yet occurred.

2.3.2 Financial Transparency, Comparability, and Governance Benefits

Enhanced financial transparency and comparability are perhaps the most universally cited anticipated benefits of IPSAS adoption, and these expectations are reflected in the WRCC respondents' high scores for financial comparability (M = 4.09, SD = 0.57). Christiaens et al. (2015)

demonstrate that IPSAS-compliant financial statements achieve a degree of cross-institutional comparability that is unattainable under diverse national cash-basis accounting regimes, enabling benchmarking, peer evaluation, and consolidated reporting across different levels of government. For a regional coordinating council that must coordinate and consolidate the financial information of multiple municipal and district assemblies, this comparability benefit is directly relevant and practically significant.

Orlando et al. (2019), studying the impact of IPSAS adoption on financial reporting quality in Italian local government entities, found significant improvements in the informativeness, timeliness, and comparability of financial statements following IPSAS adoption, with cascading positive effects on stakeholder confidence and credit ratings. Vasicek and Roje (2019) similarly documented that IPSAS harmonization in European public sector entities contributed to more efficient capital market access and stronger international credit perceptions. While Ghana's regional entities are unlikely to access international capital markets directly, the governance signaling value of IPSAS-compliant financial statements to development partners, national oversight bodies, and citizens is directly relevant to the WRCC's accountability obligations.

The governance improvement item (M = 3.23, SD = 0.95) reflects a moderate but positive outlook on IPSAS's potential to strengthen internal governance structures, operating procedures, and accountability relations within the council. Brown and Pallot (2019) found that IPSAS implementation in public sector contexts was associated with more systematic internal control frameworks, clearer accountability pathways, and reduced opportunities for financial mismanagement governance improvements that are consistent with what the WRCC respondents anticipate but have not yet fully experienced.

2.3.3 Anti-Corruption and Accountability Benefits

The prospect of IPSAS as an anti-corruption instrument (M = 3.53, SD = 0.83) resonates with a growing body of literature that positions accrual-basis accounting as a structural deterrent to public financial misconduct. Under cash-basis systems, the limited scope of financial recording covering only cash inflows and outflows leaves wide space for the concealment of asset misappropriation, off-balance-sheet liabilities, and related-party transactions that are captured and disclosed under accrual-basis IPSAS. The comprehensive asset register and liability recognition requirements of IPSAS create a more complete and transparent record of public resources, making financial misconduct harder to conceal and easier to detect through audit (Moawiah & Rosnia, 2018; Salia & Atuilik, 2018).

Abimbola et al. (2017), studying the impact of IPSAS adoption on local government financial accountability in Oyo State, Nigeria, found significant reductions in audit irregularities and financial misconduct following IPSAS implementation, attributable to the tighter controls and more comprehensive asset tracking that accrual-basis accounting requires. In the Ghanaian context where public sector financial accountability is a persistent governance challenge highlighted by successive Auditor-General's reports the anti-corruption potential of IPSAS adoption is a particularly compelling motivation for reform, and the WRCC respondents' recognition of this potential reflects an awareness of the broader governance stakes of IPSAS compliance.

2.3.4 The Implementation-Utilization Gap: A Critical Analytical Concept

The most analytically significant finding in the prospects section is the sharp divergence between the high anticipated future benefits of IPSAS (in asset acquisition, performance evaluation, and comparability) and the low scores for currently realized benefits (in decision-making use and reporting process smoothness). This divergence conceptualized as the implementation-utilization gap reflects a structural feature of large-scale accounting reforms: the production of compliant financial statements is a necessary but not sufficient condition for realizing the decision-making and governance benefits that IPSAS promises.

Andrews (2020) characterizes this gap as a form of the capability trap: institutions invest in the visible outputs of reform (formal adoption, IPSAS-formatted statements) but fail to embed the deeper behavioral and managerial changes necessary for the outputs to deliver their intended value. For IPSAS, the specific behavioral change required is the integration of accrual-basis financial information into the daily management routines of budget officers, departmental managers, and senior leaders a transformation that requires not only technical training but also a shift in institutional culture, incentive structures, and decision-making processes.

Nor-Aziah and Scapens (2007) describe this dynamic as 'accounting in name only' a condition in which IPSAS-formatted outputs are produced for external reporting purposes while internal management continues to operate on cash-basis logic. Breaking this pattern requires deliberate interventions to create demand for accrual-basis information among non-finance managers: budget planning workshops, performance dashboards incorporating accrual-basis metrics, and leadership accountability frameworks that reward the use of comprehensive financial information in strategic decisions.

2.4 Research Gaps and Contribution

The review above reveals that while the IPSAS challenges and prospects literature is extensive, it exhibits three structural gaps that this study addresses. First, the Africa-specific literature is dominated by studies from Nigeria (Ijeoma & Oghoghomeh, 2014; Balogun, 2019; Abimbola et al., 2017), Kenya (Whitefield & Savvas, 2016; Atieno, 2019), and Liberia (Salia & Atuilik, 2018), with limited coverage of Ghana's specific institutional and governance context. Second, existing studies have focused predominantly on national-level ministries and agencies or on international organizations, leaving sub-national entities particularly regional and district governance bodies underrepresented. Third, the conceptual link between the challenges dimension and the prospects dimension of IPSAS reform has received limited systematic analysis, with most studies treating challenges and benefits as separate analytical domains rather than as interconnected aspects of a single reform dynamic. This study addresses all three gaps through its focused analysis of the WRCC, its integration of challenges and prospects within a common analytical framework, and its application of the capability trap concept to the implementation-utilization gap identified in the prospects data.

3. METHODOLOGY

3.1 Research Philosophy and Design

This study adopts a positivist research philosophy, treating the challenges and prospects of IPSAS implementation as objective phenomena that can be measured through systematic empirical observation (Creswell, 2013). A quantitative descriptive research design was employed consistent with the companion manuscript and with the dominant methodological tradition in IPSAS adoption research (Salia & Atuilik, 2018; Azrina & Nafsiah, 2014) to characterize the perceptions of WRCC personnel regarding IPSAS implementation challenges and anticipated benefits at a specific point in time (Saunders et al., 2019). The descriptive design is appropriate given that the study's objective is to describe and document phenomena as they naturally exist rather than to test causal hypotheses or establish temporal trends.

3.2 Study Context: The WRCC and Its Financial Management Environment

The Western Regional Coordinating Council (WRCC) is headquartered in Sekondi-Takoradi, Ghana, the Western Region's commercial and administrative capital. The region is economically significant as the location of Ghana's primary oil and gas production zone (the Jubilee, TEN, and Sankofa-Gye Nyame fields offshore), major gold and manganese mining operations (including those operated by Newmont and Ghana Manganese Company), substantial timber resources, and important agricultural production including cocoa, rubber, and palm oil. This economic profile generates substantial fiscal flows through the region, making robust financial management and reporting capabilities at the WRCC especially important for regional accountability and development planning.

The WRCC operates under the authority of the Local Governance Act (Act 936, 2016) and is responsible for coordinating the activities and development plans of 22 municipal and district assemblies in the Western Region and Western North Region. Its Finance Department manages the receipt, disbursement, and reporting of regional financial allocations received from the central government's District Assemblies Common Fund and other national fiscal transfer mechanisms. The council's internal audit unit provides independent assurance on the regularity and compliance of financial operations. These functions place the WRCC squarely within the scope of Ghana's IPSAS reform mandate and make its finance and audit personnel the primary informants for the study.

3.3 Population, Sample, and Sampling Strategy

The study population comprised all 84 individuals at the WRCC with direct professional responsibilities in financial management, accounting, internal auditing, and financial oversight including management personnel, finance office staff, and internal auditors. This population was identified through the WRCC's organizational chart and confirmed with the head of the Finance Department prior to data collection. A census approach was adopted: consistent with Krejcie and Morgan's (1970) sample size framework for populations below 100, all 84 eligible individuals were included in the study sample, eliminating sampling error and maximizing the representativeness of findings. Purposive sampling principles were applied within the census framework to confirm that all included individuals met the inclusion criterion of direct professional engagement with the council's financial management systems and processes (Hancock & Algozzine, 2017).

3.4 Data Collection Instrument

A structured, closed-ended questionnaire was developed by the researcher to collect primary data. The questionnaire was organized into five sections: Section A (Socio-demographic Information), Section B (Readiness for IPSAS Adoption), Section C (Implementation Status), Section D (Prospects of IPSAS Adoption), and Section E (Challenges with IPSAS Adoption). Sections D and E are the focus of this manuscript covering nine prospect items and ten challenge items respectively each rated on a five-point Likert scale anchored at 1 (Strongly Disagree) to 5 (Strongly Agree).

The questionnaire items were developed through a review of instruments used in analogous studies (Salia & Atuilik, 2018; Whitefield & Savvas, 2016; Azrina & Nafsiah, 2014) and adapted to reflect the WRCC's specific institutional context. Content validity was established through a review by two independent academic experts in public sector accounting. A pilot study conducted with 15 participants at a comparable regional institution yielded Cronbach's alpha coefficients of 0.83 for the challenges section and 0.79 for the prospects section, both substantially above the 0.70 threshold for acceptable internal consistency (Heo et al., 2015; Sarstedt et al., 2018). These coefficients confirm that the instruments used to measure challenges and prospects are reliable and internally coherent.

3.5 Data Collection and Administration

Data collection was conducted in person at the WRCC's Sekondi-Takoradi headquarters following ethical approval from KAAF University College's Graduate Studies Committee and administrative clearance from the WRCC's Regional Minister's office. All 84 questionnaires were personally administered by the researcher during scheduled working hours to ensure consistency of administration, maximize response rates, and enable real-time clarification of participant queries. Participants were fully briefed on the study's purpose, the voluntary nature of participation, and the confidential treatment of their responses. All 84 questionnaires were returned complete, representing a 100% response rate an outcome attributable to the in-person administration approach, the institutional support for the research, and the strong alignment of the study's focus with participants' professional interests and concerns.

3.6 Data Analysis

Data were coded and analyzed using IBM SPSS Statistics Version 26. Descriptive statistics including frequencies, percentages, means, and standard deviations were computed for all Likert scale items and for aggregate section scores. A mean score exceeding 3.0 was interpreted as indicating respondent agreement (i.e., the construct is present and experienced), while a score at or below 3.0 indicated disagreement or non-prevalence (i.e., the construct is absent or not experienced). Standard deviations were analyzed to assess the degree of inter-respondent consensus or divergence on each item, with higher standard deviations indicating greater variability in perceptions. Items were ranked by mean score within each section to identify the most and least prominent challenges and prospects, respectively. The aggregate means for each section provide an overall measure of the intensity of challenges experienced and the optimism of prospects anticipated.

4. RESULTS AND DISCUSSION

4.1 Challenges of IPSAS Adoption and Implementation

Table 1 presents the complete findings for the challenges section, including mean scores, standard deviations, and ranking. The aggregate challenges mean of 3.93 (SD = 1.25) confirms that IPSAS implementation at the WRCC is attended by a substantial and multi-dimensional array of barriers. Critically, all ten challenge items exceed the 3.0 interpretive threshold, indicating that every assessed challenge dimension is experienced as prevalent by the majority of respondents. This universal prevalence underscores the systemic and interconnected nature of IPSAS implementation challenges at the WRCC a pattern consistent with the broader developing-country evidence reviewed in Section 2.

Table 1: Challenges with IPSAS Adoption and Implementation at the WRCC (N = 84)

Challenge Dimension	Mean (M)	SD
1. Cost of adding modules and IPSAS system maintenance	4.38	0.74
2. Inconsistent financial support from stakeholders	4.04	0.62
3. Inadequacy of financial and human resources allocated to IPSAS	3.95	0.56
4. Inflexibility of organizational culture to accommodate IPSAS	3.84	0.72
5. User-unfriendliness of the IPSAS framework for staff	3.80	0.88
6. Variable level of management commitment to implementation	3.77	0.74
7. High overall cost of IPSAS adoption	3.74	0.60
8. Increased financial reporting workload attributable to IPSAS	3.62	0.77
9. Incompatibility of existing software with accrual accounting	3.30	1.00
10. Inadequate staff training on new accounting software and IT systems	3.25	1.01
Overall Challenges (Aggregate Mean)	3.93	1.25

Source: Field Survey Data (2024)

4.1.1 Financial and Cost Challenges

The cost of adding IPSAS modules and maintaining the system received the highest challenge score of the entire study (M = 4.38, SD = 0.74), followed closely by the high overall cost of IPSAS adoption (M = 3.74, SD = 0.60). Together, these two items frame the financial dimension of the WRCC's IPSAS challenge as both acute and multi-layered: the one-time transition costs of full IPSAS adoption are seen as burdensome, but the recurring maintenance costs for software upgrades, module expansions, external technical support, and ongoing staff training are perceived as an even more pressing concern.

This finding is consistent with PwC's (2013) global assessment that maintenance costs are frequently underestimated in IPSAS implementation planning. For a sub-national entity like the WRCC, which operates on centrally allocated budgets that may not have been revised to reflect IPSAS maintenance requirements, the financial sustainability of IPSAS compliance is a genuine institutional risk. Balogun (2019) found that in over 80% of developing-country IPSAS case studies reviewed, recurring maintenance costs were cited as a more persistent concern than one-time transition costs, as they must be absorbed within operational budgets on an ongoing basis without necessarily generating commensurate increases in fiscal transfers from the central government.

The relatively modest standard deviations on the two cost items (0.74 and 0.60 respectively) indicate a high degree of cross-respondent consensus cost is experienced as a major challenge universally, not selectively. This consensus suggests that cost is not a perception problem but a structural institutional reality at the WRCC, one that requires systemic solutions including dedicated intergovernmental fiscal transfers for IPSAS maintenance rather than simply better communication of implementation benefits.

4.1.2 Stakeholder Support and Resourcing Challenges

The challenge of inconsistent stakeholder financial support (M = 4.04, SD = 0.62) is the second-highest scoring challenge item and is directly explicable through Stakeholder theory. IPSAS implementation at a regional coordinating council is not a self-contained institutional process; it is embedded in a multi-stakeholder ecosystem in which the WRCC depends on consistent financial backing from the Ministry of Finance, the CAGD, development partners, and political leadership. When any of these key stakeholders withdraws support, reduces funding, or deprioritizes IPSAS reform in favor of competing governance agendas, the implementation process is vulnerable to disruption.

Salia and Atuilik (2018) identified inconsistent stakeholder support as the central political economy challenge of IPSAS reform in Liberia, recommending that moral persuasion and explicit political championship by senior government leaders were necessary to sustain reform momentum across electoral cycles and shifts in ministerial priorities. Christiaens et al. (2015) similarly found that jurisdictions with stable, multi-stakeholder commitment coalitions including sustained political leadership support, consistent donor engagement, and active professional body advocacy achieved substantially faster and more complete IPSAS implementation than those characterized by fragmented or intermittent stakeholder backing.

The inadequacy of financial and human resources (M = 3.95, SD = 0.56) compounds the stakeholder support challenge. Despite the generally positive readiness profile documented in the companion manuscript, resources specifically allocated to IPSAS implementation dedicated IPSAS implementation teams, earmarked training budgets, ring-fenced IT upgrade funds appear insufficient relative to the demands of full operational compliance. The low standard deviation (0.56) on this item the lowest among all challenge items indicates exceptional consensus that resource inadequacy is a universal and persistent constraint across the WRCC's finance and audit workforce.

4.1.3 Organizational Culture and Management Challenges

The inflexibility of organizational culture (M = 3.84, SD = 0.72) and the variable level of management commitment (M = 3.77, SD = 0.74) represent the institutional theory dimensions of the WRCC's IPSAS challenge the internal resistance forces that institutional theory predicts will operate against any major accounting reform in an established bureaucratic organization (DiMaggio & Powell, 1983; Majid & Adam, 2015). As Dambrin et al. (2007) argue, accounting change in public sector organizations is not primarily a technical process but an institutional and political one, in which existing routines, power structures, and professional identities are renegotiated in the context of externally mandated reform requirements.

The culture challenge at the WRCC reflects a familiar pattern: finance staff trained in and accustomed to cash-basis accounting practices may perceive accrual-basis IPSAS not only as technically demanding but as a threat to established professional routines and institutional status. The higher standard deviation on the user-unfriendliness item (SD = 0.88) compared to the culture item (SD = 0.72) suggests that perceptions of IPSAS user-friendliness vary more across respondents than perceptions of cultural inflexibility possibly because user experience with IPSAS systems is more directly shaped by departmental-level factors (access to training, quality of IT systems, workload levels) than the institutional culture, which is experienced more uniformly across the organization.

The management commitment finding (M = 3.77) is particularly significant because it implies that IPSAS reform at the WRCC may lack the strong, visible, sustained leadership championship that organizational change theorists including Kotter (1996) and Andrews (2020) identify as the most critical predictor of large-scale reform success. A management commitment score of 3.77 indicates positive but moderate support: senior leadership endorses IPSAS in principle but may not consistently translate this endorsement into the resource allocation decisions, performance management systems, and change advocacy behaviors necessary to drive cultural transformation and overcome institutional inertia.

4.1.4 Workload, Technology, and Training Challenges

The increased financial reporting workload (M = 3.62, SD = 0.77) reflects the additional demands that accrual-basis accounting places on finance staff during and after the transition period. Ekeatte et al. (2019) found in Nigeria that workload increases associated with IPSAS transition were a primary driver of staff dissatisfaction and turnover in implementing entities, creating human capital continuity risks that could derail implementation. At the WRCC, the moderate score on this item (relative to the higher cost and culture scores) may reflect the fact that implementation is still in progress and the full workload burden of comprehensive accrual-basis reporting has not yet been experienced across all departments.

The challenges of software incompatibility (M = 3.30, SD = 1.00) and staff training adequacy (M = 3.25, SD = 1.01) receive the lowest challenge scores but exhibit the highest standard deviations in the dataset a pattern that is analytically informative. The high variability in perceptions of these challenges likely reflects genuine differences in departmental experience: units that have already received new IPSAS-compatible software and comprehensive training report these as less challenging, while units still operating on legacy systems or awaiting training experience them as more acute. This heterogeneity within the organization suggests that IPSAS implementation has proceeded at uneven rates across departments an unevenness that requires targeted rather than uniform support interventions.

The aggregate challenges picture with cost and stakeholder support at the top, organizational culture and management commitment in the middle, and technology and training at the lower end suggests a sequencing logic for reform interventions: addressing financial sustainability first (through dedicated intergovernmental funding mechanisms), then strengthening stakeholder coordination and management commitment (through political economy and change management strategies), before focusing on the more tractable technological and training dimensions. This sequencing contrasts with the typical reform program design, which often leads with technology and training precisely because these are more tractable and easier to measure than the political economy and cultural dimensions.

4.2 Prospects and Anticipated Benefits of IPSAS Implementation

Table 2 presents the full prospects findings. The overall prospects mean of 3.48 (SD = 0.60) reflects a genuinely positive but realistically measured optimism about IPSAS benefits at the WRCC. The item-level scores reveal a clear bifurcation: four items score above 3.5 (reflecting strong positive expectations), three score between 3.0 and 3.5 (reflecting moderate positive expectations), and two fall below 3.0 (reflecting negative or absent perceptions of currently realized benefits). This bifurcation is analytically significant and maps directly onto the implementation-utilization gap identified in the conceptual review.

Table 2: Prospects of IPSAS Adoption and Implementation at the WRCC (N = 84)

Prospect / Anticipated Benefit	Mean (M)	SD
1. IPSAS is more useful for asset acquisition decisions than cash-based accounting	4.32	0.72
2. IPSAS is more useful for performance evaluation than cash-based accounting	4.19	0.57
3. Improved comparability of financial information reported across institutions	4.09	0.57
4. Accrual-based IPSAS more useful for identifying costs of goods and services	3.74	0.59
5. IPSAS adoption has reduced fraud and corruption in financial reporting	3.53	0.83

Prospect / Anticipated Benefit	Mean (M)	SD
6. IPSAS has lessened the task burden in the financial reporting process	3.04	1.03
7. IPSAS positively impacts governance, operating procedures, and institutional relations	3.23	0.95
8. IPSAS has facilitated smoother financial reporting processes	2.65	1.18
9. Accrual-based IPSAS information is extensively used in management decision-making	2.57	1.34
Overall Prospects (Aggregate Mean)	3.48	0.60

Source: Field Survey Data (2024*)*

4.2.1 Decision-Making and Management Utility: Anticipated vs. Realized Benefits

The highest-scoring prospect is IPSAS's utility for asset acquisition decision-making (M = 4.32, SD = 0.72), followed by performance evaluation utility (M = 4.19, SD = 0.57). These scores reflect a strong institutional recognition among WRCC finance and management personnel that accrual-basis accounting provides information capabilities that are transformatively superior to cash-basis systems for the full range of management decisions from capital investment planning to service costing to organizational performance assessment. Andriani et al. (2010) found analogous perceptions among Australian public sector managers, where accrual-basis information was rated as substantially more useful than cash-basis information for asset management, long-term planning, and performance benchmarking.

The comparability benefit (M = 4.09, SD = 0.57) is particularly noteworthy for a regional coordinating council that must evaluate, coordinate, and consolidate the financial performance of 22 municipal and district assemblies. Under cash-basis accounting, the diverse and inconsistent recording practices of different assemblies make meaningful financial comparison extremely difficult. IPSAS-compliant accrual-basis accounting imposes a uniform recognition, measurement, and disclosure framework across all entities, enabling the WRCC to produce consolidated regional financial statements and to conduct genuine performance benchmarking across the assemblies it coordinates. Orlando et al. (2019) demonstrated precisely these comparability benefits in the Italian local government context, where IPSAS harmonization enabled for the first time meaningful cross-municipality financial comparison.

The cost identification benefit (M = 3.74, SD = 0.59) reflects the WRCC's anticipation that accrual-basis accounting will provide more accurate and complete information on the true costs of regional services and development programs information that is essential for budgeting, resource allocation, and the evaluation of value for money in public spending. Under cash-basis systems, service costs are systematically understated because they exclude non-cash elements such as asset depreciation, accrued employee benefits, and contingent liabilities. Accrual-basis IPSAS rectifies this understatement, providing a fuller and more economically realistic picture of service delivery costs.

4.2.2 Anti-Corruption and Governance Benefits

The fraud and corruption reduction prospect (M = 3.53, SD = 0.83) scores positively but with somewhat greater variability than the decision-making items, suggesting that while the anti-corruption potential of IPSAS is broadly recognized, views differ on the magnitude and immediacy of this effect. The higher standard deviation (0.83) likely reflects differences in respondents' perceptions of how directly IPSAS adoption translates into reduced corruption in the WRCC's specific governance environment where systemic accountability and anti-corruption mechanisms involve multiple actors and institutions beyond the accounting system alone.

Abimbola et al. (2017) documented measurable reductions in audit irregularities and financial misconduct in Nigerian local government entities following IPSAS adoption, providing empirical support for the anti-corruption potential that WRCC respondents anticipate. However, they also found that the anti-corruption benefits were most pronounced in entities that combined IPSAS adoption with complementary anti-corruption measures including strengthened internal audit functions, whistleblower protections, and enhanced external oversight suggesting that IPSAS alone is a necessary but not sufficient condition for reducing financial misconduct.

The governance improvement item (M = 3.23, SD = 0.95) reflects a moderate but positive outlook on IPSAS's contribution to better institutional governance, operating procedures, and stakeholder relations. The higher standard deviation (0.95) signals greater inter-respondent variation on this item than on most others, likely because governance improvements are more diffuse, longer-term, and contextually dependent than the technical accounting benefits assessed by other items. Respondents who have already experienced governance improvements from early-stage IPSAS implementation may score this item more positively than those still in the early stages of the transition.

4.2.3 The Implementation-Utilization Gap: Understanding the Below-Threshold Scores

The two prospect items that fall below the 3.0 interpretive threshold accrual-basis information use in decision-making (M = 2.57, SD = 1.34) and facilitation of smoother reporting processes (M = 2.65, SD = 1.18) demand careful analytical attention. These scores are not simply the lowest in the prospects section; they represent a qualitatively different phenomenon from the moderate scores above 3.0. A score below 3.0 indicates that respondents, on average, disagree that these benefits have been realized that IPSAS has not yet made financial reporting processes smoother, and that accrual-basis financial information is not yet being actively used in management decision-making at the WRCC.

The exceptional standard deviations on these items (1.34 and 1.18 respectively the highest in the entire dataset) signal extreme divergence in respondents' perceptions, suggesting that some departments or individuals have experienced these benefits while others have not. This heterogeneity may reflect the uneven pace of IPSAS implementation across the WRCC's organizational units: departments that have fully transitioned to accrual-basis reporting and received comprehensive training may already be using accrual-basis information in decision-making, while departments still in the transition phase have not yet experienced this benefit.

From the perspective of Andrews' (2020) capability trap, these below-threshold scores are diagnostic of a reform that has achieved formal compliance visible IPSAS adoption, accrual-basis financial statements without achieving functional capability the actual use of accrual-basis financial information in the management of public resources. This diagnostic has direct implications for reform strategy: the WRCC and its institutional partners should prioritize not just the production of IPSAS-compliant statements but the deliberate creation of demand for accrual-basis information among non-finance managers through management accounting training, performance dashboards, and leadership accountability frameworks that embed accrual-basis metrics in institutional governance routines.

4.2.4 The Reporting Burden Paradox

The near-threshold score for the lessened reporting task burden item (M = 3.04, SD = 1.03) reveals what can be termed the reporting burden paradox of IPSAS adoption. IPSAS proponents frequently argue that accrual-basis accounting, once fully embedded in institutional processes and IT systems, will simplify and automate many financial reporting tasks, reducing the manual workload associated with cash-basis recording. However, during the transition period and for some time afterward, as staff build IPSAS competencies and IT systems are refined the actual experience of most implementing entities is one of increased rather than decreased reporting burden.

This paradox is documented across the IPSAS literature. Ekeatte et al. (2019) found in Nigeria that finance staff almost universally reported increased workload during and immediately after IPSAS transition, regardless of the entity's overall implementation progress. Whitefield and Savvas (2016) found that UN agencies in Kenya also experienced a reporting burden increase during IPSAS transition, with several agencies requiring temporary staffing reinforcements to manage the additional demands of the accrual reporting cycle. The WRCC respondents' near-threshold score on this item suggests that they are already experiencing this transition-period burden and are skeptical that IPSAS will reduce reporting workload at least in the short to medium term.

4.3 The Challenge-Prospect Nexus: Toward a Diagnostic Reform Model

The integrated analysis of challenges and prospects reveals a characteristic tension that is central to understanding the WRCC's IPSAS reform experience: the benefits of IPSAS are broadly recognized and genuinely valued particularly in the domains of asset management, performance evaluation, and financial comparability yet the barriers to realizing these benefits are substantial, multi-dimensional, and in some cases structural. This tension is not unique to the WRCC; it is a defining feature of IPSAS reform in developing-country contexts more broadly (Andrews, 2020; Salia & Atuilik, 2018; Christiaens et al., 2015).

The challenge-prospect nexus can be mapped onto a simple diagnostic model with two axes: the intensity of challenges (horizontal axis, ranging from low to high) and the optimism of prospects (vertical axis, ranging from low to high). An entity in the high-challenge, high-prospect quadrant as the WRCC appears to be, with aggregate challenge mean of 3.93 and prospect mean of 3.48 is navigating what might be termed the reform tension zone: a position characterized by strong aspirational commitment to IPSAS benefits alongside acute awareness of implementation obstacles. This position is analytically distinct from low-challenge, high-prospect entities (which have achieved smooth transitions) and from high-challenge, low-prospect entities (which may be on the verge of reform reversal).

For entities in the reform tension zone, the strategic imperative is to address the most binding constraints particularly the financial sustainability and stakeholder coordination challenges while maintaining the motivational energy generated by the strong prospects orientation. Reform momentum can be maintained by demonstrating early, tangible wins in the areas where IPSAS benefits are most immediately achievable: beginning with improved asset registers, more comprehensive audit trails, and standardized chart of accounts before tackling the more demanding challenges of comprehensive consolidation, financial instrument valuation, and integrated performance reporting.

The implementation-utilization gap evidenced by the below-threshold scores for decision-making use and reporting process smoothness requires a distinct set of interventions focused on demand creation for accrual-basis information. As NPM theory emphasizes, the purpose of accrual accounting in the public sector is not simply to produce compliant financial statements but to inform better management decisions and governance outcomes. Achieving this requires deliberate investment in management accounting capacity the ability to interpret, analyze, and apply financial information in strategic and operational decisions alongside the technical accounting capacity that is the typical focus of IPSAS training programs.

5. CONCLUSION, RECOMMENDATIONS, AND FUTURE RESEARCH

5.1 Conclusions

This study provides the first systematic, entity-level empirical analysis of IPSAS implementation challenges and prospects at a Ghanaian regional coordinating council. The principal conclusions are as follows. First, IPSAS implementation at the WRCC is confronted by a pervasive and multi-dimensional set of challenges, with module and maintenance costs (M = 4.38), inconsistent stakeholder financial support (M = 4.04), resource inadequacy (M = 3.95), cultural inflexibility (M = 3.84), and IPSAS user-unfriendliness (M = 3.80) constituting the most pressing barriers. The aggregate challenges mean of 3.93 (SD = 1.25) confirms these as institution-wide rather than department-specific concerns. Second, despite these challenges, WRCC personnel hold a genuinely optimistic view of IPSAS's potential, with the strongest anticipated benefits relating to asset acquisition decision support (M = 4.32), performance evaluation utility (M = 4.19), and financial comparability (M = 4.09). Third, a critical implementation-utilization gap exists, evidenced by below-threshold scores for current decision-making use of accrual-basis information (M = 2.57) and reporting process smoothness (M = 2.65), indicating that formal IPSAS adoption has not yet translated into functional capability. Fourth, the challenge-prospect nexus positions the WRCC in the reform tension zone high aspirational commitment to IPSAS benefits alongside acute implementation obstacles requiring a strategic reform approach that addresses financial sustainability and stakeholder coordination as priority binding constraints while simultaneously investing in management accounting capacity to close the utilization gap.

5.2 Theoretical Contributions

This study makes three theoretical contributions. First, it extends Andrews' (2020) capability trap framework to the specific domain of IPSAS adoption in Sub-Saharan Africa, demonstrating its diagnostic utility for identifying the implementation-utilization gap at an entity level. Second, it provides empirical support for the institutional theory proposition (Majid & Adam, 2015; Nor-Aziah & Scapens, 2007) that formal accounting adoption and substantive behavioral change are distinct phenomena that require distinct interventions a proposition that has strong practical implications for reform design. Third, it enriches the stakeholder theory analysis of IPSAS reform by quantifying the specific stakeholder coordination challenge (inconsistent financial support, M = 4.04) and linking it to the broader multi-actor reform dynamics that Freeman et al. (2004) describe.

5.3 Policy Recommendations

5.3.1 Recommendations for the Ministry of Finance and CAGD

The Ministry of Finance and the CAGD should establish a dedicated Sub-National IPSAS Implementation Fund with ring-fenced resources for regional coordinating councils and district assemblies. This fund should cover four categories of expenditure: software procurement and customization; recurring maintenance and upgrade costs; external expert recruitment and consultancy; and annual training and capacity building. Funding allocations should be based on standardized IPSAS implementation cost assessments for each entity, updated annually to reflect the evolving demands of maintenance and compliance. The creation of this fund would directly address the top two challenge items module/maintenance costs and inconsistent stakeholder financial support by replacing ad hoc, project-based funding with a sustainable recurrent financing mechanism.

The CAGD should develop a nationally standardized, tiered IPSAS training curriculum for public sector finance and audit staff, organized into three levels: foundational (conceptual IPSAS overview for all public sector staff), intermediate (technical accounting and reporting for finance officers), and advanced (complex recognition, measurement, and disclosure for senior accountants and auditors). Delivery should be structured as a blended learning program combining face-to-face workshops with online modules and on-the-job coaching to minimize disruption to operational duties while maximizing learning impact. Mandatory annual recertification requirements should be introduced to ensure that IPSAS competencies are sustained and updated as standards evolve.

5.3.2 Recommendations for the WRCC Leadership

The WRCC's Regional Minister and senior management team should institutionalize IPSAS implementation as a strategic institutional priority through four concrete actions: incorporating IPSAS implementation milestones into annual performance contracts for all departmental heads; establishing a cross-departmental IPSAS Implementation Committee chaired by the Regional Minister with representation from Finance, Planning, Internal Audit, and Public Affairs; commissioning annual independent IPSAS readiness and compliance assessments by qualified external auditors; and creating a formal IPSAS champions program that identifies and empowers IPSAS-competent staff in each department to serve as peer mentors and change agents for the transition.

To address the organizational culture challenge, the WRCC leadership should invest in change management training for all departmental managers, focusing on the behavioral and attitudinal shifts required for effective IPSAS implementation. This training should go beyond technical IPSAS content to encompass change management principles, the strategic value of financial information, and the leadership behaviors that signal genuine institutional commitment to accounting reform. Visible leadership modeling including senior managers actively using IPSAS-formatted financial information in their decision-making and publicly endorsing the reform agenda is essential for shifting organizational culture from passive compliance to active engagement.

5.3.3 Recommendations for Closing the Implementation-Utilization Gap

To bridge the implementation-utilization gap identified in the prospects data, the WRCC should invest specifically in management accounting capacity the ability of non-finance managers and senior leaders to interpret and apply accrual-basis financial information in strategic and operational decisions. This requires a distinct training program from technical IPSAS accounting training: management accounting workshops for departmental heads, budget officers, and regional planners, focused on how to read and use IPSAS financial statements, how to interpret accrual-basis performance metrics, and how to integrate financial information into program planning and resource allocation decisions.

The council should also develop IPSAS-informed management dashboards accessible, user-friendly visualizations of key accrual-basis financial metrics including asset utilization rates, service cost per unit, liability coverage ratios, and budget variance against accrual-basis budget estimates. These dashboards, integrated into the council's management information systems, would create a regular institutional demand for accrual-basis financial information that gradually shifts the culture from cash-basis thinking to accrual-basis management addressing both the utilization gap and the organizational culture challenge simultaneously.

5.3.4 Recommendations for Development Partners

International development partners including the World Bank, USAID, DFID, and bilateral donors supporting Ghana's public financial management reform should restructure their IPSAS-related funding commitments to provide multi-year, predictable financing tied to agreed implementation milestones rather than short-cycle project grants with uncertain renewal prospects. The inconsistent financial support challenge (M = 4.04) is partly a function of the project-based funding architecture that characterizes most donor support for public financial management reform in developing countries: when project cycles end, momentum is lost, expertise is dispersed, and hard-won implementation gains are eroded. Multi-year programmatic funding aligned with Ghana's national IPSAS implementation roadmap and extending to regional entities like the WRCC would significantly reduce this vulnerability.

5.3.5 Recommendations for Professional Accounting Bodies

The Institute of Chartered Accountants, Ghana (ICAG) and other professional accounting bodies should develop and promote IPSAS-specific professional development pathways for public sector accounting professionals, including IPSAS specialist designations, continuing professional education requirements for public sector practitioners, and mentorship programs that link IPSAS-qualified private sector professionals with public sector colleagues in transition. ICAG should also advocate with the Office of the Head of Civil Service for enhanced compensation structures for professionally qualified accountants in the public sector, reducing the talent drain to the private sector that compounds the human capital challenges identified in this study.

5.4 Limitations

This study is subject to the following limitations. First, the geographic and institutional scope is limited to a single regional coordinating council in Ghana's Western Region. While the WRCC presents a rich and analytically informative case, the generalizability of findings to other regional entities, district assemblies, or national institutions in Ghana or other Sub-Saharan African countries is constrained. Second, the cross-sectional research design provides a point-in-time snapshot of challenges and prospects but cannot capture how these perceptions evolve as IPSAS implementation progresses a dynamic that longitudinal research designs would be better positioned to track. Third, the study relies on self-reported perceptual data, which is subject to social desirability bias and may not perfectly reflect objective implementation realities a limitation that future research could address by triangulating survey data with audit reports, financial statements, and document analysis. Fourth, the study does not explore the interaction effects between challenge dimensions for example, the extent to which management commitment challenges amplify or moderate the impact of financial cost challenges a relationship that structural equation modeling or qualitative case study methods could productively investigate.

5.5 Directions for Future Research

Building on the findings and limitations of this study, the following future research directions are recommended. First, comparative multi-site studies across all 16 regional coordinating councils in Ghana and across different tiers of the decentralized governance architecture (regional councils, metropolitan assemblies, district assemblies) would provide the variance necessary to identify contextual moderators of IPSAS implementation challenges and prospects. Second, longitudinal panel studies tracking the same entities over multiple implementation cycles would enable analysis of how challenges diminish and prospects are realized as IPSAS implementation matures. Third, mixed-methods research integrating quantitative surveys with qualitative interviews and focus groups would enrich understanding of the political economy and cultural dynamics of IPSAS reform that survey instruments can only partially capture. Fourth, outcome-focused studies examining the actual governance impacts of IPSAS adoption including measured improvements in audit outcomes, reductions in financial irregularities, and enhanced stakeholder trust would provide the most compelling evidence base for continued investment in IPSAS reform at the sub-national level. Fifth, research applying organizational learning theory and knowledge management frameworks to the IPSAS implementation context would generate new theoretical insights into how public sector entities build the durable IPSAS capabilities necessary to escape the capability trap identified in this study.

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