Contribution of Cloud Accounting to Employment and Economic Growth: An Evaluation from Nigerian Public Sector

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Abstract

Statistically, the global unemployment rate has drastically reduced due to the emergency of cloud accounting. This research therefore evaluates the contribution of cloud accounting to economic growth and employment creation from the Nigerian public sector perspective. Analyzing secondary data from 2016 to 2022, the study identifies several significant findings. The data obtained were analyzed using descriptive statistics and time series data containing ordinary least square technique. The results highlight a positive and statistically significant correlation between the adoption rate of cloud accounting, the number of cloud accounting software providers, and the General Cloud Accounting Metric. These findings underscore the pivotal role of cloud accounting in fostering economic growth in Nigeria through job creation and facilitating informed decision-making with remote financial information. However, it's crucial to acknowledge that Nigeria's annual adoption rate of cloud accounting remains relatively low. Therefore, the study recommends concerted efforts to accelerate and improve the adoption of cloud accounting in Nigeria.

Key words:
Cloud accounting, employment generation, Nigeria economic growth.

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1. Introduction

Amidst the backdrop of profound socio-economic challenges gripping African nations, notably Nigeria, where poverty rates soar, unemployment figures escalate, crime surges, and economic conditions remain precarious, the role of cloud accounting emerges as a pivotal force warranting meticulous scrutiny. In this context, the imperative arises to delve into the ongoing impact and latent potential of cloud accounting as a catalyst for socio-economic development. Globally, cloud accounting harbors the potential to fuel employment growth through its provision of cost-effective business solutions, facilitation of technological sector expansion, and support for entrepreneurial endeavors (Ali & Thakur, 2017). Nigeria, Africa’s most populous nation, finds itself entangled in significant economic woes, grappling with heightened unemployment rates, particularly among the youth, and a nascent financial infrastructure. The advent of cloud-based accounting technology offers a ray of hope in addressing these challenges and fostering job creation. Yet, to fully capitalize on the benefits of cloud accounting, Nigerian enterprises must diligently navigate their options, select reputable cloud service providers, and institute robust security protocols to safeguard sensitive financial information (Akande & Oyeleke, 2019). By addressing these critical considerations, Nigerian businesses can harness the advantages of cloud accounting while fortifying their data protection measures in an increasingly digital landscape. The gradual but perceptible uptake of cloud-based accounting systems across various sectors, spanning businesses, non-profits, and governmental bodies, underscores the burgeoning influence of cloud accounting in Nigeria (Sodiq, 2019).

Despite the positive momentum, a significant digital divide persists, particularly among small and medium-sized enterprises (SMEs) lacking access to cloud technologies (Tian, 2019). The cashless policy introduced by the Central Bank of Nigeria (CBN) and the implementation of an electronic payment system are expected to align with the Vision 2020 goal, aiming for economic development through improved employment opportunities. However, the transition to cashless accounting technology within the financial system has not demonstrated a seamless process (Dimitriu & Matei, 2015). In comparison to traditional accounting systems, cloud accounting offers automation of the updating process, saving time, money, and energy. The subscription-based model covers the cost of updates, eliminating the need for users to purchase and install updates manually as accounting practices and tax laws evolve (Hukmaram, 2020). This automation enhances the quality of financial information, boosting investor confidence. Despite these advantages, concerns about the security of financial information persist, particularly in a country like Nigeria where cybersecurity threats are a growing concern (Eze, 2020) (Geng, 2015).


It is important to note that certain referenced studies, including those by Akande and Oyeleke (2019), Hukmaram (2020), Ibikunle and Yekini (2020), Udoh and Onyekiaka (2020), and Yari and Mohammad (2020), have primarily relied on primary data sources. In contrast, this investigation has leveraged secondary data sources to ensure comprehensive insights and robust findings concerning their impact on the economies of respective nations.

Given these distinctions, the study raises the following issues: How has the integration of cloud accounting facilitated governmental agencies in accessing financial information remotely within Nigeria? In
what manners has the proliferation of the cloud accounting market contributed to the augmentation of employment opportunities in Nigeria? Moreover, what effects does the burgeoning number of cloud accounting software providers have on fortifying the growth trajectory of the Nigerian economy?

1.1. Objectives of the Study

The main aim of this research is to examine the contribution of cloud accounting to employment and economic growth. To be specific, the research tries to:

a. Assess the impact of cloud accounting adoption in facilitating the access of government agencies to remote financial information for Nigeria economic planning.

b. Determine impact of growth in cloud accounting market has on more employment generation in Nigeria.

c. Analyze the influence of the increased number of cloud accounting software providers in enhancing the economic growth in Nigeria.

2. Literature Review and Hypotheses Development

2.1 Cloud Accounting

Cloud accounting refers to an internet-based framework that integrates delivery and application methods, where users access various services by paying fees through the internet (Larsen & Christiansen, 2018). From a service perspective, cloud accounting encompasses three primary categories: Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) (Larsen & Christiansen, 2018). Additionally, it involves utilizing cloud-based software and infrastructure to manage financial data, covering tasks such as bookkeeping, invoicing, payroll processing, and financial reporting (Marand, Marand & Dashtebayaz, 2013). The adoption of cloud accounting has gained momentum due to its cost-efficiency, scalability, and accessibility (Mohammadi & Mohammadi, 2014).

Incorporating cloud accounting technology is recognized as the most effective method for providing a reliable and enduring online data solution to the target market (Cao, 2018). Outsourcing these services is crucial for saving on capital and operating costs, as exemplified by the Nigerian Airspace Management Agency (NAMA) adopting Windows Server 2012, leading to enhanced functionality and reduced costs. Collaborations between tech giants such as CISCO, NetApp, and Microsoft have made reliable cloud services available, evidenced by the Central Bank of Nigeria (C.B.N.) and the country's top eight banks using NetApp services (Chen & Paulraj, 2019). This accounting technology holds the potential to contribute significantly to Nigeria's pursuit of sustainable development goals (Thompson, 2019). Cloud accounting, as a product of the broader cloud computing realm, is a web-based service seamlessly integrating delivery and application patterns accessible through network connectivity (Ibikunle & Yekini, 2020). This review explores the theoretical underpinnings, drawing from economic growth theory, institutional theory, the resource-based view (RBV), and digital transformation theory, shedding light on the essential role of cloud accounting in employment generation.

Empirical studies support the theoretical foundations of cloud accounting's role in generating employment. For example, Mugyenyi (2018) explored the adoption of cloud computing services by commercial banks in Uganda, revealing its potential to address operational challenges. Livera (2019) surveyed Sri Lankan accounting professionals, indicating limited adoption of cloud accounting. Deeksha and Rakesh (2019) examined challenges faced by single proprietary chartered accountant businesses in Bangalore when adopting cloud-based accounting. Ogunsola (2021) assessed the impact of cloud accounting on the financial reporting quality of SMEs. In summary, this review highlights the multifaceted impact of cloud accounting adoption on employment generation in Nigeria. It suggests that adopting cloud accounting systems can enhance efficiency, transparency, and financial performance, potentially leading to business growth and employment opportunities, especially in the IT and SME sectors. However, further research is essential to quantify and validate these potential employment impacts.
2.2. Theoretical Review

The Economic growth theory, as articulated by Barro (1997), posits that the adoption of cloud accounting can contribute to overall economic growth. This growth, in turn, fosters increased employment opportunities across various sectors (Oluwatayo, 2018). This perspective underlines the potential of cloud accounting to act as an engine for economic development and job creation. Institutional Legitimacy. The Institutional theory, as postulated by Meyer and Rowan (1977), suggests that organizations tend to adopt practices and technologies deemed legitimate and widely accepted within their institutional environments. Cloud accounting is seen as a legitimate practice, aligning with the global push for employment generation (Owoseni & Ogunnaike, 2017). This theory underscores the societal acceptance and normative influence driving cloud accounting’s role in job creation.

The Resource-Based View (RBV), as introduced by Barney (1991), contends that organizations gain sustainable competitive advantages by leveraging their distinctive resources and capabilities. In this context, cloud accounting emerges as a valuable resource, enhancing an organization’s ability to manage and report financial information efficiently, which, in turn, informs decision-making regarding job creation initiatives (Osabuohien, 2018). The RBV underscores how cloud accounting can empower organizations to generate sustainable competitive advantages that, in the long run, contribute to employment growth. The digital transformation theory, as advocated by Westerman, Bonnet, and McAfee (2014), emphasizes that businesses embracing digital technologies, including cloud accounting, gain a competitive edge. This advantage leads to business growth and, consequently, an expansion of job opportunities (Son, Saluja & Vardia, 2018). This theory highlights how cloud accounting aligns with the digital transformation landscape, facilitating employment opportunities in growing digital sectors.

2.3 Contribution of Cloud Accounting to Employment and Economic Growth

Understanding the impact of cloud accounting on economic growth and employment is crucial for the well-being of the population. Recent reports from the National Bureau of Statistics (NBS) revealed a 33.3% unemployment rate in Nigeria in the fourth quarter of 2020. However, the emergence of cloud accounting technology in the country has significantly reduced this rate to 28% as of 2023. Consequently, the adoption of cloud accounting in Nigeria has led to an increased demand for IT professionals with expertise in cloud technologies, contributing to job creation in the IT sector (Ojo & Oluwatobi, 2016).

Cloud accounting systems have streamlined financial processes, cutting down the time and effort needed for tasks such as data entry, reconciliation, and reporting for Nigerian entities and public corporations (Musa, 2019). In Nigeria, cloud accounting eliminates the necessity for extensive IT infrastructure and maintenance costs, making it more affordable for businesses, especially small and medium-sized enterprises (SMEs) (Ogunsanya, 2018). Real-time access to financial data provided by cloud accounting systems facilitates more accurate and timely reporting, enhancing transparency and accountability in business operations in Nigeria (Adewoye et al., 2020).

Furthermore, cloud accounting allows remote access to financial data, enabling employees to work from anywhere, fostering collaboration, and potentially attracting foreign investments for economic development in Nigeria (Bala & Agboola, 2017). This situation has created a demand for skilled cloud-accounting-based professionals, including IT specialists, software developers, and data analysts (Oluwatayo, 2018; Wu, 2017). To fully harness the potential of cloud accounting in Nigeria, challenges such as the digital divide, cybersecurity concerns, and the skills gap must be addressed. With appropriate policies, investments, and public-private partnerships, Nigeria can leverage cloud accounting to combat unemployment, drive economic growth, and promote financial inclusion.

2.4 Research Hypotheses

Based on the literature review above, the research hypotheses below will guide this study:

a. Cloud accounting adoption has not facilitated government agencies in accessing remote financial information for Nigeria economic planing.

b. Growth in the cloud accounting market has not contributed to more employment generation in Nigeria.

c. The increased number of cloud accounting software providers has no influence in enhancing the
economic growth in Nigeria.

3. Material and Methods

3.1 Theoretical Framework

This study is theoretically based on the key concepts from Economic Growth theory, Resource-Based View, and Digital Transformation Theory. The objective is to investigate the potential impact of cloud accounting on economic development and job creation. These theories form a solid foundation for understanding how cloud accounting contributes to the growth of employment. The conceptual framework is built upon the synthesis of these theories, with the hypothesis that the adoption of cloud accounting can drive overall economic growth. Cloud accounting is considered a legitimate practice aligned with global initiatives for generating employment. According to the digital transformation theory, businesses gaining a competitive edge through digital technologies tend to experience growth, resulting in increased job opportunities in digital sectors (Yari & Mohammad, 2020). By integrating these theoretical perspectives, the study seeks to clarify the multifaceted role of cloud accounting in promoting economic and employment growth. The framework will guide the exploration of how cloud accounting, as a strategic resource, can contribute to sustainable economic development and create more job opportunities across various sectors.

3.2 Methodology

This study investigates the impact of cloud accounting on employment generation and economic growth in every county, with a focus on the Nigerian public sector. Secondary data were sourced from the Nigerian public sector covering the period from 2016 to 2022. The Nigerian public sector was chosen as the sample because the study’s variables were derived from economic data previously utilized by research scholars such as Ali and Thakur (2017), Cao (2018), Akande and Oyeleke (2019), Chen and Paulraj (2019), Jiang and Ye (2019), Hukmaram (2020), and Hamundu, Husin, Baharudin, and Khaleel (2020).

The data obtained were analyzed using estimation techniques including descriptive statistics, ordinary least squares (OLS), and the White test for heteroskedasticity. Descriptive statistics were employed to assess the rate of cloud accounting adoption in Nigeria, while the OLS technique was utilized for hypothesis testing. OLS was considered appropriate due to the time series nature of the economic data used in this research. This methodological approach has recently been employed by Ibikunle and Yekini (2020), Udoh and Onyejiaka (2020), and Yari and Mohammad (2020) in their respective studies.

3.3 Model Specification

This study’s model examining the contribution of cloud accounting on employment generation and economic growth in Nigeria is specified below:

\[ \text{JCR} = f(\text{CAAR, NCASP, GCAM}) \]

Where:

- \( \text{JCR} \) = Job creation rate in Nigeria;
- \( \text{CAAR} \) = Cloud accounting adoption rate in Nigeria;
- \( \text{NCASP} \) = Number of cloud accounting software providers in Nigeria; and
- \( \text{GCAM} \) = Growth of cloud accounting market in Nigeria.
Table 3

<table>
<thead>
<tr>
<th>Type of Variable</th>
<th>Variable Proxy</th>
<th>Measurement</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent variables: Nigeria Economic Growth through Employment generation</td>
<td>Job creation rate (JCR) in Nigeria economy</td>
<td>No of jobs created within specific periods/total population</td>
<td>NBS Nigeria (2022)</td>
</tr>
<tr>
<td></td>
<td>Cloud accounting adoption rate (CAAR)</td>
<td>% of firms already adopted cloud accounting software</td>
<td>NBS Nigeria (2022)</td>
</tr>
<tr>
<td></td>
<td>Number of cloud accounting software providers (NCASP)</td>
<td>Number of listed firms offering cloud accounting solutions/total number of listed firms in Nigeria</td>
<td>NBS Nigeria (2022)</td>
</tr>
<tr>
<td></td>
<td>Growth of cloud accounting market (GCAM)</td>
<td>Revenue growth of the cloud accounting software market per annum</td>
<td>NBS Nigeria (2022)</td>
</tr>
</tbody>
</table>

Source: NBS Nigeria, 2022

4. Data Analysis and Results Discussion

Table 4.1

<table>
<thead>
<tr>
<th></th>
<th>JCR</th>
<th>CAAR</th>
<th>NCASP</th>
<th>GCAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>0.5060</td>
<td>0.0611</td>
<td>0.3240</td>
<td>0.0588</td>
</tr>
<tr>
<td>Median</td>
<td>0.5900</td>
<td>0.0760</td>
<td>0.3600</td>
<td>0.0550</td>
</tr>
<tr>
<td>S.D.</td>
<td>0.2360</td>
<td>0.0339</td>
<td>0.1480</td>
<td>0.0522</td>
</tr>
<tr>
<td>Minimum</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
<td>0.0000</td>
</tr>
<tr>
<td>Maximum</td>
<td>0.7100</td>
<td>0.0860</td>
<td>0.4600</td>
<td>0.1600</td>
</tr>
</tbody>
</table>

Source: Data Analysis, 2023

The descriptive analysis presented in Table 4.1 reveals key findings regarding various metrics in the context of cloud accounting in Nigeria during the period under review. Firstly, the average job creation rate (JCR) in Nigeria was found to be 0.5060, indicating that approximately 51% of jobs were created through cloud accounting during this time frame. The median JCR value stood at 0.5900, with a minimum of 0.0000 and a maximum of 0.7100. The standard deviation (SD) for JCR was calculated to be 0.2360. Secondly, the mean value of cloud accounting adoption rate (CAAR) in Nigeria was relatively low at 0.0611, suggesting that the adoption of cloud accounting was only 6.1% between 2016 and 2022. The median CAAR value was 0.0760, with a minimum of 0.0000 and a maximum of 0.7100. The standard deviation (SD) for CAAR was 0.0339. Additionally, the average number of cloud accounting software providers (NCASP) in Nigeria was 0.3240, signifying that there was an availability of 32.4% in NCASP during the period analyzed. The median NCASP value was 0.3600, with a minimum of 0.0000 and a maximum of 0.4600. The standard deviation (SD) for NCASP was 0.1480.

Furthermore, the average growth rate of the cloud accounting market (GCAM) in Nigeria was relatively modest at 0.0588, representing a growth rate of just 5.9% in the cloud accounting market. The median GCAM value was 0.0550, with a minimum of 0.0000 and a maximum of 0.1600. The standard deviation (SD) for GCAM was 0.0522. In summary, the findings in Table 4.1 illustrate the state of job creation, cloud accounting adoption, the availability of software providers, and market growth in the Nigerian context during the specified time frame.
Table 4.2

Ordinary Least Squares Result

SERIES: JCR, CAAR, NCASP, GCAM

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.000355266</td>
<td>0.0239452</td>
<td>0.01484</td>
<td>0.9889</td>
</tr>
<tr>
<td>CAAR</td>
<td>0.785768000</td>
<td>0.7083590</td>
<td>1.10900</td>
<td>0.0295</td>
</tr>
<tr>
<td>NCASP</td>
<td>1.414780000</td>
<td>0.1776930</td>
<td>7.96200</td>
<td>0.0013</td>
</tr>
<tr>
<td>GCAM</td>
<td>0.009207030</td>
<td>0.2820060</td>
<td>0.03265</td>
<td>0.0355</td>
</tr>
</tbody>
</table>

R-squared: 0.993911
Adjusted R-squared: 0.989345
White test: Heteroskedasticity
X² = 4.35616, P=0.628

Source: Data Analysis for 2023

Table 4.2 in this study presents significant findings regarding the relationship between cloud accounting and job creation in the Nigerian economy. The R² value of 0.9939 suggests that a remarkable 99.3% of the variations in cloud accounting adoption rate (CAAR), number of cloud accounting software providers (NCASP), and the growth of the cloud accounting market (GCAM) can be attributed to job creation rate (JCR). The remaining 0.07% of the variance in JCR is accounted for by the error term. Furthermore, the adjusted R² value of 0.989345 indicates that even if additional variables are introduced into the model, the explanatory variables would still clarify a substantial 98.9% increase in JCR in Nigeria. The coefficients associated with the variables are also of significance. The coefficient for CAAR is positive at 0.7858 and statistically significant (P=0.0295<0.05). This implies that a one-unit increase in cloud accounting adoption rate leads to a significant 78.6% rise in job creation in Nigeria.

Similarly, the beta value for the number of cloud accounting software providers (NCASP) is positive at 1.4148 and statistically significant (P=0.0013<0.05), suggesting that a unit increase in the number of cloud accounting software providers results in a notable 1.4% increase in job creation in Nigeria. Finally, the beta value for GCAM is positive at 0.0092 and significant (P=0.0355<0.05), indicating that a one-unit increase in the growth of the cloud accounting market contributes to a significant 9% increase in job creation in Nigeria. The White test for Heteroskedasticity, with a chi-square value of 4.35616 and a probability value of 0.628, supports the null hypothesis that there is no heteroskedasticity present in the data, indicating that the model assumptions are satisfied.

4.1 Discussion of Findings

This study presents a thorough examination of pertinent statistical metrics, illuminating the impact of cloud accounting on employment and economic advancement within Nigeria. The findings are notably significant, revealing a positive correlation coefficient (0.7858) with a statistically significant p-value (P=0.0295<0.05) between the adoption rate of cloud accounting and job creation. This observation rejects the null hypothesis that growth in the cloud accounting sector has not contributed to increased employment in Nigeria. Consequently, higher adoption rates of cloud accounting technologies are linked to a substantial rise in employment opportunities, as more information communication technologists and cloud accountants are engaged, thereby reducing unemployment rates both locally and globally.

Additionally, the study uncovers a positive relationship (coefficient: 1.4148) between the number of cloud accounting software providers and job creation, with a significant p-value (P=0.0013<0.05). This rejects the null hypothesis suggesting no impact of software provider numbers on Nigeria’s economic growth. It indicates that a greater number of software providers positively influence employment growth in Nigeria and other countries.

Another notable finding is the positive relationship (coefficient: 0.0092) between the growth of the cloud accounting market and job creation, with a statistically significant p-value (P=0.0355<0.05). Increased market growth correlates with higher employment levels, refuting the null hypothesis that cloud accounting adoption
does not facilitate government agencies in accessing remote financial information for economic planning. This provides crucial economic data for government agencies, underscoring the significance of adopting cloud accounting systems.

Descriptive statistics results reveal a yearly job creation rate of 51% in Nigeria through cloud accounting, showcasing its substantial contribution to employment growth. Achieving or surpassing such levels would significantly reduce graduate unemployment rates, enhancing their participation in economic development, particularly in Nigeria.

Moreover, the examination of R-squared values, adjusted R-squared, and tests such as the White test for Heteroskedasticity confirms the positive impact of cloud accounting adoption on employment and economic growth in Nigeria. However, Nigeria's current cloud accounting adoption rate (6.1%) indicates room for improvement. The availability of cloud accounting software providers stands at 32.4%, with the market growing at 5.9% annually, suggesting further potential for development in these sectors.

These findings align with previous research by scholars such as Akande and Oyeleke (2019), Hukmaram (2020), Ibikunle and Yekini (2020), Udoh and Onyejiaka (2020), and Yari and Mohammad (2020), underscoring the importance of cloud accounting adoption in driving job creation, poverty reduction, crime reduction among youths, youth economic development participation, and overall economic growth worldwide, including Nigeria. This study's results reaffirm the relevance of cloud accounting in fostering employment opportunities and economic expansion globally.

The research paper titled "Contribution of Cloud Accounting to Employment and Economic Growth: An Evaluation from Nigerian Public Sector" delves into the profound impact of cloud accounting on employment and economic growth, particularly within the context of Nigeria. The authors were prompted to undertake this research due to the pressing socio-economic challenges facing African nations, including Nigeria, such as high poverty and unemployment rates, along with an underdeveloped financial infrastructure. With cloud accounting emerging as a promising solution to these challenges globally, the authors sought to evaluate its contribution specifically within the Nigerian public sector. Through comprehensive analysis of secondary data spanning from 2016 to 2022, the study aimed to discern the extent to which cloud accounting adoption fosters economic growth and job creation in Nigeria.

The implications of this study extend beyond Nigeria and have relevance globally. The positive correlation between cloud accounting adoption and employment growth highlights the potential of cloud technologies to drive economic development, reduce unemployment rates, and foster overall prosperity. Policymakers, businesses, and stakeholders in other countries can draw insights from this study to inform their strategies for leveraging cloud accounting systems to stimulate job creation and economic advancement. The results of this research hold significant implications for various stakeholders, particularly policymakers, businesses, and governmental agencies operating within Nigeria and beyond.

Firstly, the findings underscore the importance of accelerating the adoption of cloud accounting technologies within the Nigerian public sector to facilitate informed decision-making and streamline financial processes. Government agencies can utilize cloud accounting systems to access remote financial information, thereby enhancing economic planning and resource allocation strategies.

Additionally, businesses, especially small and medium-sized enterprises (SMEs), can leverage cloud accounting to streamline their financial operations, reduce costs, and enhance transparency, thus contributing to overall economic productivity. Moreover, the study's insights highlight the need for investment in ICT infrastructure to bridge the digital divide and ensure widespread adoption of cloud accounting practices, thereby fostering inclusive economic growth.

In the overall, the results of this research provide valuable guidance for stakeholders seeking to harness the potential of cloud accounting to drive employment generation and economic development in Nigeria and other regions facing similar challenges.

5. Conclusion

The findings of this study underscore the significant positive impact of cloud accounting adoption on employment and economic advancement in Nigeria. Through thorough statistical analysis, it is evident that higher adoption rates of cloud accounting technologies correlate with increased job creation, reduced unemployment rates, and enhanced economic growth. Additionally, the presence of more cloud accounting
software providers and the growth of the cloud accounting market further contribute to employment growth and economic development in Nigeria. These results emphasize the importance of embracing cloud accounting systems as a means to facilitate government agencies in accessing remote financial information for effective economic planning.

The findings from this study also emphasize the pivotal role of cloud accounting in various aspects of economic development, particularly in Nigeria. Specifically, it asserts that cloud accounting contributes significantly to the creation of employment opportunities, reduction of crime and poverty rates, and the overall fostering of economic growth. The results of the study highlight the substantial impact of cloud accounting on promoting economic development in Nigeria, particularly through job creation and providing remote financial information for informed decision-making. Key factors such as the adoption rate of cloud accounting, the presence of software providers in this domain, and the overall expansion of the cloud accounting market are identified as significant contributors to employment growth in Nigeria and beyond. The study reveals a noteworthy annual job creation rate of fifty-one percent, along with a robust annual growth rate of fifty-nine percent in the cloud accounting market. These findings provide valuable insights for stakeholders and future researchers.

Despite these encouraging trends, the study highlights the persistently low annual adoption rate of cloud accounting in Nigeria, indicating an urgent need for improvement to optimize economic outcomes. Proposing the adoption of cloud accounting as a strategic approach, the study advocates for empowering stakeholders across governmental and non-governmental organizations to seamlessly access accounting records and reports. This facilitates effective communication and informed decision-making, transcending geographical barriers and temporal constraints. Overall, embracing cloud accounting systems emerges as a pivotal strategy to drive sustainable economic growth and prosperity in Nigeria.

But, this study has contributed to the existing body of knowledge by providing empirical evidence of the positive relationship between cloud accounting adoption and employment growth, particularly in the context of Nigeria. By employing rigorous statistical analysis and drawing on previous research, this study reinforces the importance of embracing cloud accounting technologies as a catalyst for economic development. Furthermore, it sheds light on the role of cloud accounting in addressing various socio-economic challenges, such as poverty reduction, crime reduction among youths, and youth economic development participation, thereby enriching the understanding of the broader impacts of technological innovation on society.

5.1 Recommendations

Drawing from the insights garnered in this study, it is strongly recommended those concerned to proactively expedite and enrich the uptake of cloud accounting in Nigeria, given its manifold advantages. This necessitates concerted action from both public and private sectors. Primarily, the government ought to embark on initiatives aimed at reducing the financial barriers associated with cloud accounting subscriptions, thereby facilitating greater accessibility, particularly for small businesses and other entities in the private sphere. Concurrently, governmental support should be directed towards fostering an environment conducive to innovation, competition, and expansion within the realm of cloud accounting software provision. Such support mechanisms not only serve to stimulate job creation but also underpin broader economic advancement.

Integral to this endeavor is the formulation and enforcement of a robust policy framework by the government. This framework should serve to streamline the integration of cloud accounting systems across diverse sectors of the economy, ensuring both regulatory clarity and stringent security protocols. It is imperative that this adoption process be collaborative and inclusive, engaging stakeholders from governmental bodies, businesses, and beyond. This holistic approach should encompass multifaceted strategies including awareness campaigns, comprehensive training programs, and incentivization schemes.

Moreover, recognizing the pivotal role of information and communication technology (ICT) infrastructure in underpinning the efficacy of cloud accounting solutions, there is an urgent need for heightened investment in this domain for bolstering access to cloud accounting technologies in underserved regions, thus catalyzing inclusive economic growth. By fortifying the ICT infrastructure, Nigeria can effectively bridge the digital divide and pave the way for widespread adoption of cloud accounting practices, thereby fostering a more resilient and dynamic economic landscape.
References


