

## Assessing the Nature of Financial Institution in South Sudan

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### Abstract

This article sought to investigate the nature of financial institutions from the viewpoints of South Sudan. This paper especially attempts to 1) To evaluate the impact of financial products in the financial institution in South Sudan, 2) To assess the impact of profitability in the financial institution in South Sudan and, 3) To evaluate the impact of accountability in the financial institution in South Sudan respectively. This article only makes use of descriptive research method and a convenience sampling technique was applied in this study. The hypothesis testing indicates that only financial products was accepted (.550) and profitability (.599) while accountability (.069) was rejected in this study as indicated by Sig. in regression model (table 18). In order to discuss the theoretical viewpoint and validate the developed framework, the system thinking method is also applied in the development of the financial institutions' conceptual framework from the perspectives South Sudan. In chapter four, the primary analytical tools included correlation analysis, frequency, percent, and descriptive analysis for the study's test variables as per the nature of financial institutions in South Sudan. Chapter five entails conclusion and recommendations coupled with limitations and future studies.

**Keywords:** Financial institution, Financial Products, Profitability, Accountability, South Sudan.

### Introduction

The financial institution has become one of the key pillars of South Sudan's economy due to its significant contribution to development, (Andenas, 2000). An organization or business that deals with financial and monetary transactions, such as deposits, loans, investments, and currency exchange, is known as a financial institution (FI), (Bharath, 2008 & Fuchs, 2003). In South Sudan, financial institutions encompass a wide range of commercial activities related to the financial services industry, such as banks, investment dealers, brokerage houses, and insurance companies, (Hilary, 2009).

Prior research has demonstrated that financial institutions, at their most basic level, enable people to obtain the funds they require, (Blanco, 2015). For example, although commercial banks do many things, their primary role is to take in funds called deposits from those with money, pool the deposits, and lend the money to others who need funds, (Bushman & Piotroski, 2011; Greene, 2003).

Financial products are classified into three main categories depending upon their inherent function from the investor's perspective, (Fuchs & Funke, 2003). As a result of investing in one of the available types of financial products, an investor either becomes an owner, a creditor, or gains the right to purchase or sell a product, (Callahan, 2012; Gallego & Loayza, 2000). A few of the most well-liked financial instruments are investment funds, bonds, and shares. Generally regarded as stock, shares stand for ownership in a company. They are usually made available for purchase on open markets in return for a set amount of money. In the hopes that the value will rise over time, investors purchase a certain number of shares at the stated price, (Gelos and Werner, 2002 & Wheeler, 2012). Financial instruments known as bonds are obligations owed by the issuing company to its investors. The investor is said not to have an ownership claim, in contrast to shares, (Floyd, 2017). Generally speaking, this kind of investment carries less risk but yields a lower return than shares do. Investors trade money that the business will repay them with interest at a later time. Investment funds are a type of financial product that include bond, equity, and money market funds, (Dhaliwal, 2011). Investors typically don't focus on a single business or supplier. In an effort to diversify and lower risk, these funds use pooled sources of funding to buy a range of stocks, bonds, or extremely low-risk assets, (Glen & Singh, 2004). Investment funds can range from high-risk international shares to stable bonds with a low rate of return akin to a savings account, depending on the investor's financial objectives, (Christensen, 2017; Goetzmann & Jorion, 1999; Harvey, Lins & Roper, 2004).

Furthermore, in the context of financial institution in South Sudan, profitability is typically viewed as a critical prerequisite for business survival and long-term success; additionally, the variable has a significant impact on the achievement of the company's other financial goals, (Dou & Ryan, 2018; Graham & Harvey, 2001). Some other factors that describe the position of the profitability of the company are its effect on economic development, technological change, employment and innovation, (Dyrenge & Hoopes, 2016). But as a result of increased competition, price forces and improved efficiency, companies are facing more difficulties to the required profitability, (Al Najjar, 2011).

Financial institutions are thought to be establishments that deal in all kinds of financial transactions in the current era of business banking and varied technology, from taking deposits and making loans to allocating credit into different investment platforms, (Dhaliwal, 2011 & Green; Murinde & Suppakitjarak, 2003). These institutions are established by both the Central Government and the State Government to provide finance to the business organization and are also known as development banks, (Bharath, 2008). For medium- and long-term needs, they supply business organizations with both owned and borrowed capital. (Floyd, 2016). In addition to these services, members operating an

organization can receive managerial support, market research, and financial and technical assistance from the financial institutions, (Wheeler, 2012; Harrison & McMillan, 2004).

### **Objectives of the Study**

- (i) To evaluate the impact of financial products in the financial institution in South Sudan.
- (ii) To assess the impact of profitability in the financial institution in South Sudan.
- (iii) To evaluate the impact of accountability in the financial institution in South Sudan.

### **Research Objectives**

- (i) How do financial products impacts financial institution in South Sudan?
- (ii) How do profitability impacts financial institution in South Sudan?
- (iii) How do accountability impacts financial institution in South Sudan?

### **Nature and Components of Financial Institutions in South Sudan**

Financial institutions in South Sudan is a system that facilitates the movement of funds among people in an economy. According to (Bharath, 2008 & Greene, 2003; Harrison, Love & McMillan, 2004), it is merely a way for investors, lenders, and borrowers to exchange money. On the other hand, a financial system made up of different components such as financial markets, financial instruments, financial institutions, and financial intermediaries all work together to make the transfer of money easier, (Floyd, 2017); Grullon, Michaely & Swaminathan, 2002; Harvey & Roper, 2004). This system in South Sudan works by facilitating investments, allocating risk, mobilising savings, and enhancing liquidity between investors (corporates) and households (savers). Therefore, below are the components of financial institutions in South Sudan;

### **Insurance Companies**

Businesses that provide protection against possible future losses are known as insurance companies in South Sudan. They achieve this by offering insurance plans to both people and companies (Green, Murinde & Suppakitjarak, 2003).

The policyholder's premium is utilized to pay claims payouts and administrative costs on behalf of the company, (Garcia, 2016). Numerous products are available from most insurance companies, such as health, homeowners, auto, and life insurance, for instance, insured auto insurance will assist in covering the costs of damages if a person is in an automobile accident.

### **Credit Unions**

In Juba, a credit union is a particular kind of financial organization that is run and owned by its members. While credit unions are usually much smaller than banks, they provide many of the same services. Furthermore, credit unions are typically more regional in scope, catering to a particular community or area. Credit unions are non-profit establishments, (Gujarati, 2003 & Marquardt, 2014). A vast array of goods and services,

such as current and savings accounts, credit cards, loans, and loans, are provided by credit unions. They also provide financial goods like certificates of deposit (CDs) and pension funds, (Gwatidzo, & Ojah, 2009; Konchitchki, 2014).

### **Mortgage Companies**

A financial institution with a focus on house loans is called a mortgage company. Mortgage companies assist borrowers who want to refinance their current mortgage or buy a new house. When borrowers work with mortgage companies, they usually help them find the best loan for their needs after determining how much they can afford to borrow, (Kraft, 2018; Gwatidzo & Ojah, 2009). A variety of products are available from mortgage companies, such as discounted rate, variable rate, and fixed-rate mortgages (Shivakumar & Urcan, 2017; Grullon, Michaely & Swaminathan, 2002; Gujarati, 2003).

### **Investment Banks**

A financial organization known as an investment bank assists businesses in raising capital through the issuance and sale of securities. Investment banks in Juba assist businesses with corporate finance tasks such as mergers and acquisitions, (Venkatachalam, 2018; Harris). Investment banks often provide a wide range of services, such as asset management, sales and trading, and equity research, to large corporations. The Financial Conduct Authority (FCA) oversees South Sudan's investment banks, which are bound by strict guidelines, (Segal, 2015; Graham, 2001).

### **Brokerage Firms**

Financial organizations that assist customers in buying and selling securities are known as brokerage firms. A few brokerage firms in South Sudan are subject to stringent rules and regulations and are overseen by the Financial Conduct Authority (FCA), (Nallareddy, 2017); (Harrison, Love & McMillan, 2004; Harvey, Lins & Roper, 2004). A variety of services, such as investment banking, asset management, and research, are generally provided by brokerage firms. Brokerage firms additionally offer advice on acquisitions, mergers, and other strategic transactions (Graham & Harvey, 2001).

### **Central Banks**

The Bank of South Sudan (BOSS) is the central bank of South Sudan and is responsible for monetary policy in the country. The Bank of South Sudan also regulates banks and financial institutions in the country. The Monetary Policy Committee (MPC) is a committee within the Bank of South Sudan that sets monetary policy, (Shivakumar, 2017). The MPC sets the interest rate that banks use to lend to each other overnight. The MPC also sets the amount of money that banks are required to hold in reserve (Greene, 2003; Gwatidzo & Ojah, 2009).

### **Savings and Loan Associations**

A savings and loan association is a type of financial institution that offers savings accounts and loans. In South Sudan, there are a few different savings and loan associations that you can choose from, (Sletten, 2018 & Harrison, Love & McMillan, 2004; Green, Murinde, & Suppakitjarak, 2003). Some of the benefits of banking with a savings and loan association include access to low-cost loans, higher interest rates on savings accounts, and personal service. Savings and loan associations typically offer higher interest rates on savings accounts and have lower fees for loans.

### **Retail and Commercial Banks**

Retail banks are financial institutions that offer banking services to individuals. In South Sudan, there are a few different retail banks that you can choose from. Retail banks offer a wide range of services, such as current accounts, savings accounts, setting up direct debits, making transactions, and basically managing all simple aspects of your money, (Sunder, 2018 & Harvey, Lins & Roper, 2004; Graham & Harvey, 2001; Gelos & Werner 2002). However, some banks will offer more professional services, business and international banking services, and investment services.

### **Financial Institutions and its Importance**

Financial institutions in South Sudan are businesses that provide different types of financial services to customers. Below, we shall discuss its importance;

Maximizing Effectiveness in New Working Conditions: COVID-19 brought incredible disruption to the way we all live and work, and it'll never completely go back to the way it was. Many financial institutions are allowing employees to work from home, which can introduce new risks that need to be effectively managed, (Urcan, 2017). Actions may include reviewing remote network access needs and security coverage to identify areas of vulnerability. Financial institutions may also consider upgrading collaboration tools. Technology can help streamline processes and ease frustrations of staff members so they can better serve customers and members, (Verdi, 2019; Lins & Roper, 2004; Fuchs & Funke, 2003; Nallareddy & Ogneva, 2017; Glen & Singh, 2004).

Building Trust Through Strong Communication: (Vashishtha, 2018) stressed that effective communication within financial institutions in South Sudan is key, and a financial institution's ability to reach customers or members with important updates about their accounts, digital banking and payment options, and safety and security measures will help build trust. Real-time alerts can deliver critical updates through email, text message or mobile push notifications, based on preferences set by accountholders, (Patatoukas, 2014; Love & McMillan, 2004).

Re-evaluating Digital Capabilities in Light of Social Distancing: With branch visits minimized, a financial institution's digital presence is truly the face of its organization. If South Sudan's financial institutions haven't already, now is a good time for banks and credit unions to take stock of their websites and digital tools, refreshing as needed or adding perks

such as credit score monitoring to help accountholders feel reassured in a time of increased fraud, (Huang, 2014; Gallego & Loayza, 2000; Glen & Singh, 2004; Kraft, Vashishtha & Venkatachalam, 2018).

#### **The Nature of Financial Institutions in South Sudan**

<b>S/NO</b>	<b>Nature of Institution</b>	<b>Frequency</b>	<b>(%)</b>
1.	Insurance Companies	60	17.6%
2.	Credit Unions	30	8.8%
3.	Mortgage Companies	20	5.9%
4.	Investment Banks	82	24.1%
5.	Brokerage Firms	10	2.9%
6.	Central banks	3	0.9%
7.	Savings & Loans Association	35	10.4%
8.	Retail & Commercial Banks	100	29.4%
<b>Total</b>		<b>340</b>	<b>100%</b>

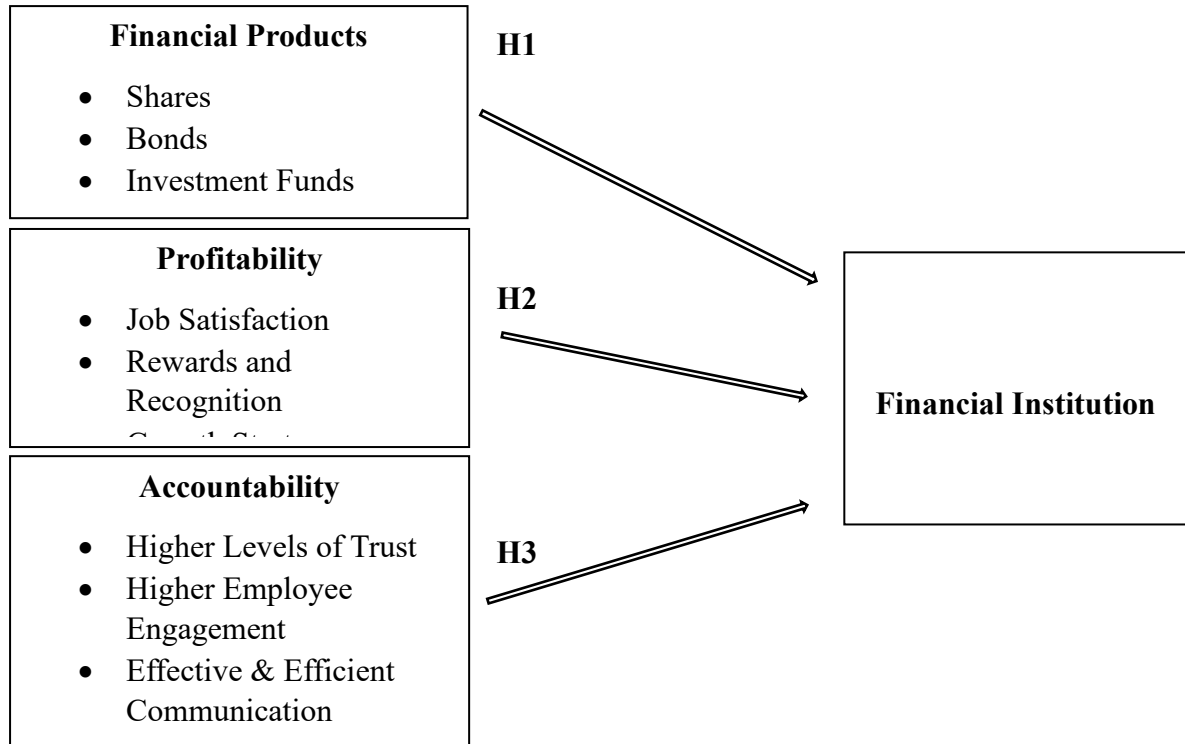
Source: Survey Data (2025)

Since the operational nature of the participating institutions has implications for some of the questions in the questionnaire, the nature of the activities of the financial institutions are also examined. As depicted above, participants are almost equally distributed among insurance companies (20%), credit unions (6%), mortgage companies (4%), investment banks (20%), brokerage firms (4%), central banks (30%), savings and loans association (6%) and retail commercial banks (10%).

#### **Conceptual Framework**

On the basis of above-mentioned discussion about financial institution, the typical nature of financial institution in South Sudan and its discussed components are being thoroughly discussed following conceptual framework and the hypotheses as shown by figure 1 below;

**Figure 1: Conceptual Framework**



Thus, the following factors have been stated,

H1: Financial products positively impacts financial institution in South Sudan.

H2: Profitability positively impacts financial institution in South Sudan.

H3: Accountability positively impacts financial institution in South Sudan.

## Literature Review

### Financial Products

Bonds investment on the perspectives of financial institution provides an income stream that is easily predictable and in many cases, bonds pay the interest twice in a year. If the financial institution holds the bond till the day of maturity, it gets the entire principal amount and hence, these are considered as an ideal way to preserve one's capital, (Garcia, 2016; Dyreng, Hoopes & Wilde, 2016). Investing in shares can help financial institutions reach big financial goals. According to (Garcia, 2016), share as a financial product is assumed to be earning financial institutions and banks a higher rate of return than a savings account, hence, they will be earning more money both over the long term and within a faster period. This return on financial institution's investments can be used toward major financial goals, such as buying a home, buying a car, starting a business, or putting children through college, (Franco, 2016; Gwatidzo & Ojah, 2009; Christensen, Floyd, Liu, & Maffett, 2017). As dividends and other interest income sources are declared for the fund, investment funds can be used to purchase additional shares in the mutual fund, therefore

helping financial institution investment grow immensely. The biggest benefit to financial institution investors for using warrants and calls is that they offer unlimited profit potential while restricting the possible loss to the amount invested, (Vasvari, 2016; Graham & Harvey, 2001; Funke, 2003; Huang, Marquardt & Zhang, 2014; Konchitchki & Patatoukas, 2014a; Gallego & Loayza, 2000).

### **Profitability**

In this digital age where financial institution's employees spend a considerable amount of time online, it is worthwhile to bring recognition and celebrations into the digital realm as employee recognition and reward software, like Bucket-list, facilitate public shout-outs, milestone celebrations, and reward distribution all within a dedicated platform contributes outstandingly to huge profits, hence, many of these tools even integrate with popular communication platforms such as Slack, making praise a more visible and common occurrence in the financial institutions, (Ernstberger & Link, 2017; Grullon, Michaely & Swaminathan, 2002; Dhaliwal, Li, Tsang, & Yang, 2011). Furthermore, financial institutions used these software solutions to foster peer-to-peer recognition, which has been proven to work wonders for employee engagement towards contributing to higher productivity. When financial institution's employees receive gifts or gestures of goodwill, they feel valued and more productive and this sense of value makes the organization better as a whole, (Wilde, 2016 & Greene, 2003; Gelos & Werner, 2002; Dou, Ryan, & Xie, 2018; Garcia, Osma & Penalva, 2016; Levi & Segal, 2015; Shroff, 2017).

### **Accountability**

Individuals and teams gain trust and motivation when all employees are held accountable for performing what they are meant to do in financial institution's day to day tasks. It lets people rely on one another, whether it's to meet deadlines, complete tasks, or feel safe approaching a co-worker or management for assistance, (Green, Murinde & Suppakitjarak, 2003; Graham & Harvey, 2001; Ernstberger, Link, Stich & Vogler, 2017). While it might be difficult for employees to ask for help, creating a safe environment where they can seek advice strengthens teams by promoting independence and trust, hence promising and productive work culture could be witnessed in financial institution (Ryan, 2018 & Graham, 2001). Managers, on the other hand, must lead with transparency, communicate honestly, and treat employees equitably under the supervision of universal norms and standards. This, too, contributes to a trusting atmosphere of accountability in the financial institutions, (Gelos & Werner, 2002; Glen & Singh, 2004; Cho, 2015).

Before previous studies has been done from Asian and European context, (Ryan, 2018 & Graham, 2001; Franco, Urcan & Vasvari, 2016; Roychowdhury, Shroff & Verdi, 2019). Little research has been conducted from African countries perspectives, (Glen & Singh, 2004). This study aims to close this disparity. The data was gathered in a single city in Juba, South Sudan and as a matter of fact, the data may be different when collected in any of the cities in the entire country. Previous studies suggest that studies were done on



financial institutions generally hence making this research a unique type of its own, (Graham & Harvey, 2001). It is also suggested that studies were done on credit risk management in the context of financial institution where as financial institution was not studied, (Green, Murinde & Suppakitjarak, 2003). Past studies were done on financial regulatory report as in the context of financial institution but was not deeply discussed in detail as elaborated wholesomely in this research, (Grullon, Michaely & Swaminathan, 2002; Sletten, Ertimur, Sunder & Weber, 2018; Andenas, 2000).

## Methodology

### Sample and Data Collection

In this study, the researcher used a descriptive research method. At the initial phase, the sampling includes experts and professionals having vast years of experience and it is from the general managers of the eight financial institutions as indicated in chapter one in the context of financial institutions in the country. However, around 340 questionnaires were distributed using a convenience sampling technique during February, 2025. However, the data was collected through face to face interviews and email and telephone for those who are unreachable. Finally, the heads (managers), departmental directors and employees of the financial institutions in South Sudan are the source of primary data.

Sample size calculation by (Yamane, 1973);

$$n = \frac{N}{1 + Ne^2} = \frac{N}{1 + 9860(0.05^2)} = 370$$

## Data Analysis

The purpose of data analysis is to reduce accumulated data to a manageable size, developing summaries, looking for patterns, and applying statistical techniques, (Murinde & Suppakitjarak, 2003). The data collected was coded and captured into the computer for analysis using Statistical Package for Social Sciences (SPSS) version 22.

## Results and Discussions

### Respondents' Profile

Table 1 illustrates that, in gender, 58.8% (200) of the respondents were male and 41.2% (140) were female, in age, 44.1% (150) from ages less than 20 years, 26.5% (90) had 21-30 years, 14.7% (50) had 32-40 years, 8.8% (30) had 41-50 years, and 5.9% (20) had 51 and above. In education, 52.9% (180) were undergraduate, 35.3% (120) had postgraduate, and 11.8% (40) had a graduate degree. In professional experience, 52.9% (180) had less than 1 year, 41.2% (140) had 1-5 years, and 5.9% (20) had 6-10 years respectively.

**Table 1: Demographic Information of Respondents**

Demographic	Category	Frequency	Percentage (%)
Gender	Male	200	58.8
	Female	140	41.2
	<b>Total</b>	<b>340</b>	<b>100%</b>
Age	Less than 20	150	44.1
	21-30	90	26.5
	31-40	50	14.7
	41-50	30	8.8
	51 and Above	20	5.9
	<b>Total</b>	<b>340</b>	<b>100</b>
Education	Undergraduate	180	52.9
	Postgraduate	120	35.3
	Graduate	40	11.8
	<b>Total</b>	<b>340</b>	<b>100</b>
Work experience	Less than 1 year	180	52.9
	1-5 years	140	41.2
	6-10 years	20	5.9
<b>Total</b>		<b>340</b>	<b>100</b>

Source: Survey Data (2025)

### Impact of Financial Products on Financial Institution in South Sudan

The respondents were asked to rate various financial products factors using the scale ‘SD = Strongly, Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree’. The results of the study were as follows:

**Table 2: Shares**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	20	3.7711	1.43804	5.9
Disagree	30	3.7708	1.43808	8.8
Neutral	15	3.7706	1.43802	4.4
Agree	100	3.7758	1.43822	29.4
Strongly Agree	175	3.7778	1.43846	51.5
Total	340			100.0

Source: Survey Data (2025)

The respondents in table 2 above were asked to indicate whether shares are quite crucial and the results are shown. Table 2 shows that 5.9% (20) strongly disagree, 8.8% (30) also disagree, 4.4% (15) were neutral, 29.4% (100) agreed while 51.5% (175) strongly agree. This indicates that majority of the employees strongly

agree that there are shares in assessing the nature of financial institution in South Sudan.

**Table 3: Bonds**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	12	3.4827	1.47510	3.5
Disagree	8	3.4822	1.47502	2.3
Neutral	20	3.4836	1.47518	5.9
Agree	90	3.4844	1.47548	26.5
Strongly Agree	210	3.4868	1.47566	61.8
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there are bonds and the results are shown. Table 3 shows that 3.5% (12) strongly disagree, 2.3% (8) also disagree, 5.9% (20) were neutral, 26.5% (90) agreed while 61.8% (210) strongly agree. This indicates that majority of the employees strongly agree that there are bonds in assessing the nature of financial institution in South Sudan.

**Table 4: Investment Funds**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	25	3.7714	1.45299	7.4
Disagree	11	3.7706	1.45277	3.2
Neutral	14	3.7708	1.45284	4.1
Agree	90	3.7748	1.45326	26.5
Strongly Agree	200	3.7778	1.45348	58.8
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there are investment funds and the results are shown. Table 4 shows that 7.4% (25) strongly disagree, 3.2% (11) also disagree, 4.1% (14) were neutral, 26.5% (90) agreed while 58.8% (200) strongly agree. This indicates that majority of the employees strongly agree that there are investment funds in assessing the nature of financial institution in South Sudan.

### **Impact of Profitability on Financial Institution in South Sudan**

The respondents were asked to rate various profitability factors using the scale 'SD = Strongly, Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree'. The results of the study were as follows:

**Table 5: Job Satisfaction**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	5	3.7371	1.46034	1.5
Disagree	8	3.7428	1.46036	2.4
Neutral	17	3.7438	1.46044	5.0
Agree	110	3.7468	1.46078	32.3
Strongly Agree	200	3.7488	1.46086	58.8
Total	340			

Source: Survey Data (2025)

The respondents were asked to indicate whether there is job satisfaction at work and the results are shown. Table 5 shows that 1.5% (5) strongly disagree, 2.4% (8) also disagree, 5% (17) were neutral, 32.3% (110) agreed while 58.8% (200) strongly agree. This indicates that majority of the employees strongly agree that there is job satisfaction in assessing the nature of financial institution in South Sudan.

**Table 6: Rewards and Recognition**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	13	3.8571	1.44718	3.8
Disagree	19	3.8576	1.44722	5.6
Neutral	8	3.8566	1.44714	2.4
Agree	120	3.8584	1.44782	35.3
Strongly Agree	180	3.8588	1.44788	52.9
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there is rewards and recognition at work and the results are shown. Table 6 shows that 3.8% (13) strongly disagree, 5.6% (19) also disagree, 2.4% (8) were neutral, 35.3% (120) agreed while 52.9% (180) strongly agree. This indicates that majority of the employees strongly agree that there is rewards and recognition in assessing the nature of financial institution in South Sudan.

**Table 7: Growth Strategy**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	21	3.6624	1.409426	6.3
Disagree	9	3.6618	1.409416	2.6
Neutral	10	3.6622	1.409418	2.9
Agree	130	3.6668	1.409468	38.2
Strongly Agree	170	3.6676	1.409484	50.0
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there is immense job satisfaction at work and the results are shown. Table 7 shows that 6.3% (21) strongly disagree, 2.6% (9) also disagree, 2.9% (10) were neutral, 38.2% (130) agreed while 50% (170) strongly agree. This indicates that majority of the employees strongly agree that there is growth strategy in assessing the nature of financial institution in South Sudan.

#### **Impact of Accountability on Financial Institution in South Sudan**

The respondents were asked to rate various accountability factors using the scale ‘SD = Strongly, Disagree, D = Disagree, N = Neutral, A = Agree, SA = Strongly Agree’. The results of the study were as follows:

**Table 8: Higher Levels of Trust**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	7	3.3143	1.40822	2.1
Disagree	16	3.3148	1.40828	4.7
Neutral	17	3.3152	1.40832	5.0
Agree	113	3.3176	1.40866	33.2
Strongly Agree	187	3.3182	1.40878	55.0
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there are higher levels of trust at work and the results are shown. Table 8 shows that 2.1% (7) strongly disagree, 4.7% (16) also disagree, 5% (17) were neutral, 33.2% (113) agreed while 55% (187) strongly agree. This indicates that majority of the employees strongly agree that there are higher levels of trust in assessing the nature of financial institution in South Sudan.

**Table 9: Higher Employee Engagement**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	11	3.1429	1.40261	3.2
Disagree	9	3.1426	1.40258	2.6
Neutral	20	3.1434	1.40268	5.9
Agree	115	3.1468	1.40278	33.9
Strongly Agree	185	3.1476	1.40287	54.4
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there is higher employee engagement at work and the results are shown. Table 9 shows that 3.2% (11) strongly disagree, 2.6% (9) also disagree, 5.9% (20) were neutral, 33.9% (115) agreed while 54.4% (185) strongly agree. This indicates that majority of the employees strongly agree that there is higher employee engagement at work in assessing the nature of financial institution in South Sudan.

**Table 10: Effective and Efficient Communication**

	Frequency	Mean	Std. Deviation	Cumulative Percent
Valid Strongly Disagree	17	3.3751	1.46662	5.0
Disagree	18	3.3756	1.46664	5.3
Neutral	5	3.3732	1.46332	1.5
Agree	114	3.3766	1.46674	33.4
Strongly Agree	186	3.3782	1.46688	54.8
Total	340			100.0

Source: Survey Data (2025)

The respondents were asked to indicate whether there is immense effective communication at work and the results are shown. Table 10 shows that 10.8% (40) strongly disagree, 9.5% (35) also disagree, 4.1% (15) were neutral, 21.6% (80) agreed while 54% (200) strongly agree. This indicates that majority of the employees strongly agree that there is effective communication in assessing the nature of financial institution in South Sudan.

**Table 11: Factors of Financial Products**

<b>Factors</b>	<b>Frequency</b>	<b>Percentage</b>
1. FPs represents a financial means for investment, borrowing, or saving.	88	25.9
2. FPs examples include savings, government bonds, mutual funds, individual shares, and ETFs.	74	21.8
3. Can be grouped into complex and non-complex categories.	58	17.0
4. Financial instruments facilitate the flow and transfer of capital among investors.	120	35.3

Source: Survey Data (2025)

According to table 11 above, the factors contributing to impact of financial products on financial institution were addressed as respondents' responses where; FPs represents a financial means for investment, borrowing, or saving represents 25.9% (88), FPs examples include savings, government bonds, mutual funds, individual shares, and ETFs at 21.8% (74), financial products can be grouped into complex and non-complex categories at 17% (58), and finally, financial instruments facilitate the flow and transfer of capital among investors. This signifies that all respondents showed their enthusiasm towards impact of financial products on financial institution in South Sudan.

**Table 12: Factors of Profitability**

<b>Factors</b>	<b>Frequency</b>	<b>Percentage</b>
1. Profitability leads to job satisfaction.	100	29.4
2. Profitability enables managers to offer rewards and recognition to hardworking employees.	69	20.3
3. Profitability covers cost of operation.	110	32.4
4. Profitability leads to further investment of Excess capital.	61	17.9

Source: Survey Data (2025)

In table 12 above, profitability variable is seen as a genuine impact factor on financial institution and the results are addressed; profitability leads to job satisfaction at 29.4% (100), profitability enables managers to offer rewards and recognition to hardworking employees at 20.3% (69), profitability covers cost of operation at 32.4% (110), and finally, profitability leads to further investment of excess capital at 17.9% (61). The lowest point 17.9% (61) shows that investment often seems optional to be considered a priority as there also other ways to make use of excess capital. This ensures that profitability is quite impactful on financial

institution growth in South Sudan because respondents responded with ease and confidence to fill questionnaires.

**Table 13: Factors of Accountability**

Factors	Frequency	Percentage
1. Accountability encourages ethical standards.	80	23.5
2. It enhances higher level of trust between Employees and managers.	70	20.6
3. Profitability covers cost of operation.	160	47.1
4. It encourages efficient and effective communication.	30	8.8

Source: Data and information in this research (2025)

According to table 13, accountability was also seen as a factor contributing to financial institution in South Sudan and responses from respondents are; accountability encourages ethical standards at 23.5% (80), it enhances higher levels of trust between employees and managers at 20.6% (70), it enhances employee engagement at 47.1% (160), and finally, it encourages efficient and effective communication at 8.8% (30). The lowest percentage is 8.8% for efficient communication but other factors have been good with high number of respondents. This however show that, accountability is one of important factors contributing to financial institution growth in South Sudan.

**Table 14: Descriptive statistics**

	N	Mean	Std. Deviation
Financial Products	340	3.4265	4.50629
Profitability	340	2.7971	2.40899
Accountability	340	2.1471	1.35090
Valid N (listwise)	340		

Source: Survey Data (2025)



Table 14 above indicates high mean (3.4265) and high correlation (4.50629). This means that the data is quite eligible for analysis.

**Table 15: Correlation Model**

		Financial		
		Products	Profitability	Accountability
Financial Products	Pearson Correlation	1	.058	.108*
	Sig. (2-tailed)		.290	.046
	N	340	340	340
Profitability	Pearson Correlation	.058	1	.200**
	Sig. (2-tailed)	.290		.000
	N	340	340	340
Accountability	Pearson Correlation	.108*	.200**	1
	Sig. (2-tailed)	.046	.000	
	N	340	340	340

\*. Correlation is significant at the 0.05 level (2-tailed).

Table 15 below illustrates the correlation model; the coefficients shows that all the eight factors measuring brand preference were all positively related within the range of .058 to .108\*, all were significant at  $p < 0.01$  level. The analysis did not reveal any negative correlational relationship as the variables are all significant.

**Table 16: Coefficient of Determination**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.748	.786	.007	1.50085

**a. Predictors: Financial products (Constant), Accountability, Profitability**

The regression model in table 16 shows the Model coefficient of determination or  $R^2$  found indicates that 78.6% of the variation in the measurement (financial products, profitability and accountability) can be described by shares, bonds, investment funds, job satisfaction, rewards and recognition, growth strategy, higher levels of trust, higher employee engagement, an effective & efficient communication. The remaining 21.4% of variations on the nature of financial institution are explained by other variables out of this model or variables which are not incorporated in this study.

**Table 17: ANOVA<sup>a</sup>**

<b>Model</b>		<b>Sum of Squares</b>	<b>Df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
1	Regression	10.047	2	5.024	2.230	1.009 <sup>b</sup>
	Residual	759.114	337	2.253		
	Total	769.162	339			

a. Independent Variable: Financial products

b. Predictors: Financial products (Constant), Accountability, Profitability

The ANOVA indicated that there was significant ( $p < 0.05$ ) relationship between the dependent variable and independent variable. There is no significant variation between independent and dependent variable with ( $F = 2.230$ ).

**Table 18: Regression Model**

<b>Model</b>		<b>Unstandardized Coefficients</b>		<b>Standardized Coefficients</b>	<b>t</b>	<b>Sig.</b>
		<b>B</b>	<b>Std. Error</b>	<b>Beta</b>		
1	Financial products (Constant)	3.073	.207		14.882	.550
	Profitability	.040	.059	.037	.677	.599
	Accountability	.112	.062	.101	1.824	.069

a. Independent Variable: Financial products (Constant)

b. Predictors: Financial products (Constant), Accountability, Profitability

The findings suggest that financial products had a noteworthy impact on financial institutions. As the t-statistic's significance level is higher than 0.05 ( $P = 14.882$ ), as shown, the study accepts the positive impact, according to which financial products do have a positive and significant impact on South Sudan's financial institutions. It was discovered that the outcomes of financial products were a significant and consistent positive predictor of the contribution of financial institutions. This suggests that financial products have a proven track record of significantly enhancing the overall effectiveness and advancement of financial institutions in South Sudan.

The outcome also showed that financial institutions are positively and significantly impacted by profitability. The study accepts the positive impact, which claims that profitability does have a positive and significant influence on the financial institutions in South Sudan, because the significance level for the t- statistic is greater than 0.05 ( $P = .677$ ) as indicated. The contribution of financial institutions was found to have a positive significant relationship with profitability results as a second predictor. This finding is

consistent with the study by (Murinde & Suppakitjarak, 2003), which found that growth, job satisfaction, rewards and recognition, and profitability factors all affect liquidity. This suggests that the financial institution in South Sudan was significantly impacted by profitability.

Finally, the outcome shows that accountability significantly improves financial institutions' performance. The study was generally in accordance with the positive impact, which states that there is a significant impact of accountability on the financial institution in South Sudan, because the significance level for the t-statistic was less than 0.05 ( $P = 1.824$ ), as indicated. This finding is consistent with a study by (Murinde & Suppakitjarak, 2003), which found that increased employee engagement, trust, and effective communication all serve to motivate and enhance accountability. These factors also generally improve financial institution performance in terms of profitability and liquidity. This suggests that the nature of financial institution in South Sudan is positively impacted by accountability as a third predictor.

## **5. Conclusion and Recommendations**

Based on the results, it can be said that financial products have a positive and significant impact on the financial institution's performance in South Sudan. This is evident in the number of shares, which indicates high liquidity, bonds, and investment funds, which typically aid in expansion when necessary.

The success of the financial institution was also closely related to its profitability due to elements like growth, job satisfaction, rewards and recognition, and Since strategy usually plays a major role in generating large profits and liquidity, a positive outcome may be guaranteed.

According to this study, it concludes that greater levels of trust, higher employee engagement, and effective and efficient communication, when properly applied, could eventually result in huge profits and liquidity looming over the financial institutions within the commercial banks in South Sudan, making accountability the final factor here.

## **Implications**

This study confirms earlier research findings in the literature about the nature of financial institutions from the viewpoints of commercial banks in Juba, South Sudan, focusing on three key factors: financial products, profitability, and accountability. There are significant theoretical advances in this work.

First, while the literature on financial products is expanding, there are only a few empirical studies examining the idea within financial institutions. The data was gathered in South Sudan, one of the countries with the newest economy in the world, where the market is vibrant and competitive.

The study's managerial implications primarily center on assessing the nature of financial institution in South Sudan. The significance of aligning values and practices is highlighted by our findings.

Although this study offers managers empirical proof that the public's and customers' perceptions of their financial institution's activities impact their perceptions in the context of South Sudanese financial institutions, to the extent that more improvement should be done to critically assess the growth of financial institution and its actual nature in South Sudan.

### **Limitations**

One of the limitations here is that the respondents failed to respond to some of the sensitive questions, hence denying crucial information for research data collection.

The study's large sample size may vary when this study was conducted in any of the cities of South Sudan and this entails how broadly these results can be applied at different places, therefore, the research was conducted in Juba city alone.

### **Future research**

More research is needed on the nature of financial institution and other countries in order to explore more information on this study for future use by researchers, students and scholars. The data is recommended to be bigger than data shown in this study in order to produce high quality results for future reference. Finally, more insight needs to be done of financial products and innovation in order to explore the true nature of financial institution in either South Sudan or another country.

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