



ENTREPRENEURIAL ACCOUNTABILITY DEFICITS AND DIGITAL MECHANISMS: AN INVESTIGATION OF BUSINESS FAILURE AND SURVIVAL IN LAGOS STATE

Babatunde Diekolola OSINUPEBI^{1*}, Atanda Akeem GARUBA² & Kabiru Tope ANIMASHAUN³

^{1*}Department of Accounting, College of Applied Social Sciences, Lagos State University of Science and Technology, Ikorodu, Lagos State, Nigeria.

+2348027575860, +2348098684988: osinupebi.bd@lasustech.edu.ng

²Department of Accounting, College of Applied Social Sciences, Lagos State University of Science and Technology, Ikorodu, Lagos State, Nigeria.

+2348055464733: akgaruba@gmail.com,

Department of Accountancy, School of Management and Business Studies, Yaba College of Technology, Lagos State, Nigeria.

+2348023869728, +2348144561997: kabiru.animashaun@yabatech.edu.ng

<https://doi.org/10.63725/majaf.v7.i1.14>

Abstract

Entrepreneurial firms in emerging economies continue to experience high failure rates despite various policy interventions and support programmes. In Nigeria, particularly within Alaba International Market, Lagos State, many enterprises face accountability deficits such as weak financial reporting, poor governance, and limited transparency. This study examined the effect of entrepreneurial accountability deficits on entrepreneurial sustainability and the role of digital accountability mechanisms among 120 randomly selected entrepreneurs. Data were collected using structured questionnaires and analysed using descriptive statistics and multiple hierarchical regression. Findings revealed that weak financial record-keeping, poor internal controls, and low use of digital monitoring tools significantly reduce entrepreneurial sustainability, while fintech applications, blockchain systems, and AI-based tools significantly enhance transparency, accountability, and business resilience. The study further established a significant moderating effect of digital mechanisms on the relationship between accountability deficits and entrepreneurial sustainability ($\Delta R^2 = 0.054$, $p = 0.031$), indicating a buffering effect. It concludes that digital accountability mechanisms improve both direct and conditional effects on sustainability and recommends stronger digital literacy and technology adoption support for SMEs.

Keywords: Entrepreneurial accountability, business failure, digital mechanisms, sustainability, fintech, blockchain, developing economies,

JEL Classification: L26, M41, O33, M15, L25

1. Introduction

Despite such possibilities, the adoption of digital accountability tools among Nigerian small business owners remains relatively low. Empirical evidence suggests that less than half of informal sector operators consistently use structured digital financial or accountability systems, with reported usage rates ranging between 28% and 45% across similar urban markets in Lagos State (Adebayo & Yusuf, 2024). This low adoption has been largely attributed to infrastructural deficiencies (such as unstable internet access and unreliable power supply), limited digital

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

literacy among traders, and prevailing economic constraints that restrict investment in technological tools (Adeola & Evans, 2023; Okeke & Nwankwo, 2022; Eze & Eke, 2024). Furthermore, existing empirical studies have predominantly focused on formal small and medium enterprises (SMEs) or fintech adoption within the banking and formal financial services sector, with minimal attention given to informal commercial environments such as Alaba International Market (Obi & Emenike, 2023; Ojo & Okon, 2024). For instance, prior studies report that over 70% of research on digital financial accountability in Nigeria is concentrated in formal sector institutions, while less than 30% addresses informal market structures (Chinomona & Mafini, 2023). This represents a clear contextual and empirical gap in the literature, particularly regarding how accountability mechanisms function in unregulated, high-volume trading environments where record-keeping is largely manual and financial transparency is limited (Alalade & Ojo, 2025).

In addition, there is insufficient empirical evidence linking entrepreneurial accountability gaps directly to business sustainability outcomes in informal market settings. This is particularly important given that informal enterprises account for approximately 80–85% of employment in urban Lagos markets, yet remain underrepresented in accountability and sustainability studies (Mensah & Boateng, 2024; Ogunlami & Dare, 2025; Uzonwanne, 2023). The absence of such context-specific evidence limits understanding of how digital interventions could mitigate accountability deficits and enhance business viability. In view of this identified gap, this study therefore aimed to examine the influence of entrepreneurial accountability gaps on business failure and viability in Alaba International Market, Lagos State, Nigeria. Therefore, the overall objective of this study was to investigate the capacity of digital accountability mechanisms to mitigate entrepreneurial accountability deficit and business unsustainability in emerging economies, with Lagos State, Nigeria and Alaba International Market as the case study.

2. Literature Review

Conceptual Review

Entrepreneurial Accountability

Entrepreneurial accountability has emerged as a platform for understanding business failure and survival, especially in developing economies such as Nigeria. In this context, accountability extends beyond financial reporting it entails transparency, moral answerability, and accountability for resources entrusted to entrepreneurs. The theory is in agreement with Agency Theory (Jensen & Meckling, 1976) and Stakeholder Theory (Freeman, 1984), which state that without robust accountability mechanisms, the potential for inefficiency, fraud, and failure is greatly enhanced (Davis, 1989; Ugochukwu & Abiola, 2024). Entrepreneurial accountability refers to the duty of business owners and managers to account for their decisions, actions, and resource utilization to the stakeholders concerned (Olayinka & Bello, 2023). Entrepreneurial accountability entails financial accountability (accuracy of records, reporting, and compliance), managerial accountability (transparency and accountability in decision-making), and ethical accountability (adherence to moral and societal expectations). In unregulated markets like Alaba International Market, accountability is weakened by poor documentation, high cash transactions, and lack of external oversight (Mensah & Ntim, 2023). These weaknesses make it difficult to ascertain true performance, monitor financial health, or identify early signs of mismanagement. Recent studies emphasize that accountability mechanisms—such as digital record-keeping, automated audit trails, and mobile-based reporting—can enhance operating transparency, reduce agency costs,

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

and facilitate sustainable growth (Amoo & Adeyemi, 2024; Etim & Ayoola, 2025). Accountability also facilitates investor and customer trust, which connotes long-term business stability (Iwu & Eze, 2023). However, while there is recognition of the importance of accountability, many Nigerian entrepreneurs operate informally, with several avoiding organized accountability due to low financial literacy, fear of taxation, and weak institutional enforcement (Musa & Chukwu, 2025).

Business Failure

Business failure occurs when a firm cannot sustain business operations due to accumulated losses, mismanagement, or exogenous shocks that ruin profitability. Business failure might not be recorded officially in the Nigerian informal sector but manifests in the high rate of business collapse, unaccounted stock, and indebtedness (Okon & Balogun, 2024). From the agency perspective, poor accountability structures offer fertile grounds for internal inefficiency and resource diversion (Chinomona et al., 2023). Poor control mechanisms observe opportunistic behaviours that realize themselves immoderately in financial distress. Empirical observation in recent studies shows that weak financial controls, lack of accountability, and non-integration of technology are some of the factors responsible for the high death rate of small and micro enterprises in sub-Saharan Africa (Yusuf & Kolawole, 2024). Moreover, the predominance of informal financing—where interpersonal trust rather than institutional structures governs transactions—still subjects them to fraud and operational risks (Adebisi & Ojo, 2023). In markets such as Alaba International, where digital records are rare, these risks become more pronounced, leading to frequent business interruptions and diminished investor trust.

Digital Accountability Mechanisms

Digital accountability mechanisms are the integration of technology-based systems—such as enterprise resource planning (ERP), blockchain systems, mobile accounting software, and fintech reporting platforms into business operations to enhance transparency and control (Okeke & Danjuma, 2025). These mechanisms provide immutable audit trails, real-time data accuracy, and automatic reporting, which cumulatively augment accountability and decision-making (Creswell & Creswell, 2018). The Technology Acceptance Model (TAM) (Akintola & Menson, 2024) provides an explanation of how such innovations are perceived and adopted by entrepreneurs, founded upon an array of factors like perceived usefulness, perceived ease of use, and contextual readiness. Digital accountability in developing settings is not only a technological innovation but a governance innovation that tackles record keeping, monitoring, and reporting deficits. For example, mobile-based accounting platforms and blockchain-based payment platforms have been shown to reduce fraud, improve inventory management, and foster customer trust among SMEs (Saunders et al., 2019). Adoption, however, is limited due to infrastructural problems, low digital literacy, and affordability issues (Ibrahim & Umeh, 2025).

Entrepreneurial Sustainability

Entrepreneurial sustainability is the capacity of firms to be profitable and grow while being socially, ethically, and environmentally responsible (Zhang et al., 2024). Sustainability is directly linked to accountability since transparent practices attract investors, increase customer loyalty, and render firms more resistant to economic shocks (Oluwole & Abubakar, 2025). In Nigeria's informal sector, sustainability challenges are a result of disorganized operations, poor record systems, and insufficient long-term strategic planning (Nwachukwu & Ibe, 2025). Digital

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

accountability systems thus provide a pathway for achieving sustainability by ensuring accuracy, efficiency, and data-driven decision-making (Balogun & Okoro, 2025). Empirical evidence across sub-Saharan Africa shows that companies that utilize digital monitoring systems experience heightened productivity, reduced wastage, and improved stakeholder relationships (Adeleke & Musa, 2022). According to Nwosu and Adesanya (2024), digital systems also facilitate access to formal credit because banks and microfinance institutions now require digital records for credit evaluation. Therefore, accountability through digitalization is both a preventive and remedial solution for business failure.

In conclusion, the conceptual framework establishes entrepreneurial accountability gaps as a fundamental cause of business failure in the Nigerian informal economy, and digital accountability systems as a viable avenue for altering the situation.

Theoretical Framework

The theoretical foundation of this study is anchored on three interrelated theories – Agency Theory, Stakeholder Theory, and the Technology Acceptance Model (TAM) – which collectively explain entrepreneurial accountability deficits, the adoption of digital accountability mechanisms, and business sustainability. These theories provide a complementary framework for understanding how governance weaknesses contribute to business failure and how digital tools may address such challenges in developing economies such as Nigeria. Agency Theory provides the primary explanatory foundation for accountability deficits. The theory posits that where ownership and management are separated, conflicts of interest may arise between principals (owners) and agents (managers), often resulting in information asymmetry and opportunistic behaviour (Sule & Akinwale, 2024). In small and medium-sized enterprises (SMEs), this problem is more pronounced due to weak record-keeping systems, informal decision-making processes, and the absence of structured financial reporting mechanisms (Oladipo & Adeyemi, 2023). These deficiencies often manifest as fund misappropriation, poor financial discipline, reduced profitability, and declining investor confidence, thereby increasing the risk of business failure. Zhang and Li (2024) argued that effective financial controls, transparent reporting systems, and robust governance structures are essential for reducing agency costs and improving entrepreneurial sustainability. In the context of Alaba International Market, such agency problems are evident in cash-based transactions, unrecorded sales, and weak financial oversight.

Stakeholder Theory expands the analysis by situating business sustainability within a broader socio-economic context. It argues that organisational survival depends not only on satisfying owners but also on maintaining the trust and expectations of multiple stakeholders, including employees, customers, suppliers, financiers, regulators, and the wider community (Olu & Nwankpa, 2024). When accountability systems are weak, stakeholder trust is eroded, leading to reduced patronage, limited access to credit, reputational damage, and eventual business decline (Okpara & Ezenwoke, 2025). Adebayo et al., (2024) affirms that firms that adopt transparent reporting practices and digital monitoring systems tend to enjoy improved stakeholder confidence, stronger market relationships, and long-term sustainability. In this regard, digital accountability tools such as blockchain-based transaction systems and fintech-enabled accounting platforms enhance traceability, transparency, and trust among stakeholders.

According to Adeola et al., (2023), the Technology Acceptance Model (TAM) is used to explain the behavioural determinants of digital technology adoption among entrepreneurs. TAM posits

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

that users' intention to adopt technology is primarily influenced by perceived usefulness and perceived ease of use]. Accordingly, entrepreneurs are more likely to adopt fintech applications, blockchain systems, and artificial intelligence-based accounting tools if they perceive them as beneficial for simplifying financial management and improving accountability. However, Okeke et al., (2022) argues that in developing economies such as Nigeria, adoption is often constrained by low digital literacy, inadequate infrastructure, and high implementation costs, which collectively slow down technology diffusion. These constraints reinforce accountability gaps and increase vulnerability to business instability. Nonetheless, Saunders et al. (2019) argued that empirical evidence suggests that entrepreneurs who successfully integrate digital tools into their financial and governance systems experience improved transparency, efficiency, and long-term sustainability.

Collectively, these three theories provide an integrated explanatory framework for this study. Agency Theory and Stakeholder Theory jointly explain the origins and consequences of accountability deficits in informal business environments, while the Technology Acceptance Model explains the behavioural and structural factors influencing the adoption of digital accountability mechanisms. Together, they offer a comprehensive theoretical lens for examining how technology-driven accountability can enhance entrepreneurial sustainability in informal markets such as Alaba International Market, Lagos State.

Empirical Review

Accountability Deficits and Entrepreneurial Sustainability

Empirical evidence has consistently demonstrated that accountability remains a fundamental determinant of entrepreneurial sustainability, particularly within developing economies where institutional weaknesses and governance challenges are prevalent. Uzonwanne (2023) examined the relationship between fintech innovation, governance, and MSME performance in developing economies using a quantitative survey design and regression analysis. The findings revealed that weak governance structures and poor accountability mechanisms significantly constrained enterprise performance and sustainability. The study recommended strengthening accountability systems through improved governance frameworks and digital innovations. However, the study focused predominantly on formal MSMEs and did not adequately address accountability challenges within the informal sector.

Ugochukwu and Abiola (2024) investigated accountability practices and informal business operations in Nigeria using a cross-sectional survey design. The study found that poor record-keeping practices, weak financial disclosure, and inadequate accountability mechanisms negatively affected business efficiency and long-term sustainability. The authors recommended capacity-building initiatives aimed at improving entrepreneurial accountability practices. Nevertheless, the study did not explore the role of digital technologies in addressing accountability deficiencies.

Yusuf and Kolawole (2024) assessed accountability deficits and SME failure in Lagos State through a quantitative approach employing multiple regression analysis. Their findings indicated that poor accountability practices significantly contributed to business failure through weak monitoring systems, inadequate financial management, and poor governance structures. The study recommended the adoption of standardized financial reporting systems among SMEs. However, the study failed to investigate the role of digital accountability tools in mitigating these

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

challenges. Similarly, Eze and Eke (2024) examined accounting culture and sustainability among small businesses in Lagos State using survey research and inferential statistical techniques. The findings showed that businesses maintaining reliable financial records and sound accountability practices achieved significantly higher sustainability outcomes than those with weak accountability systems. The researchers recommended strengthening accountability culture through entrepreneurship education and training programmes. Nonetheless, the study did not consider the influence of technological innovations on accountability outcomes.

Okeke and Nwankwo (2022) examined governance and transparency deficits among informal enterprises in Nigerian markets using a descriptive survey design. The findings revealed that weak governance structures and poor transparency practices increased information asymmetry, reduced stakeholder confidence, and heightened the risk of business failure. The study recommended enhanced governance education and regulatory oversight. However, the potential contribution of digital technologies to improving transparency and accountability was not explored. The reviewed studies collectively suggest that accountability deficits significantly undermine entrepreneurial sustainability through poor governance, inadequate financial disclosure, weak monitoring mechanisms, and unreliable record-keeping systems. Despite these contributions, existing studies have largely neglected the role of digital mechanisms in strengthening accountability and improving sustainability outcomes among entrepreneurs in the informal sector.

H₀₁: Entrepreneurial deficits in accountability have no significant impact on entrepreneurial sustainability.

Digital Mechanisms and Accountability Enhancement

With the increasing digitalization of business operations, scholars have paid growing attention to the role of digital technologies in enhancing accountability systems. Ojo and Okon (2024) examined digital accountability and financial transparency in emerging markets using survey research and regression analysis. The findings indicated that digital accounting systems significantly improved transparency, financial monitoring, and reporting accuracy. The study recommended increased investment in digital accountability infrastructure. However, entrepreneurial sustainability outcomes were not specifically examined. Chinomona and Mafini (2023) investigated fintech adoption and entrepreneurial sustainability in Sub-Saharan Africa using a quantitative survey approach. Their findings revealed that fintech adoption significantly enhanced financial accountability, operational efficiency, and business resilience. The authors recommended increasing entrepreneurs' access to fintech solutions. Nevertheless, accountability was not examined as an independent explanatory variable.

Alalade and Ojo (2025) examined blockchain applications in SME governance and accountability in Nigeria using a mixed-method research design. The study found that blockchain technology significantly improved transparency and accountability by creating tamper-resistant financial records and reducing opportunities for manipulation. The authors recommended broader blockchain adoption among SMEs. However, the study focused primarily on governance outcomes without directly examining entrepreneurial sustainability. Mensah and Boateng (2024) investigated the influence of artificial intelligence on business accountability in Africa using survey data analysed through structural equation modelling. The findings revealed that AI-driven accounting systems enhanced fraud detection, financial monitoring, and managerial

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

decision-making. The study recommended integrating AI technologies into entrepreneurial accounting systems. Nevertheless, the combined effects of AI-driven accountability and entrepreneurial sustainability were not explored.

Etim and Ayoola (2025) assessed digital monitoring systems and accountability practices among SMEs in Lagos State using quantitative analytical techniques. The findings showed that digital monitoring systems significantly reduced financial irregularities and improved compliance with accountability standards. The researchers recommended expanding digital literacy programmes among entrepreneurs. However, the study did not investigate whether digital technologies moderate the relationship between accountability and sustainability. Overall, empirical evidence suggests that digital technologies improve accountability through enhanced transparency, monitoring, reporting accuracy, and fraud prevention. However, there remains limited empirical evidence regarding the extent to which digital mechanisms influence entrepreneurial sustainability through accountability enhancement.

H₀₂: Digital mechanisms do not play a significant role in influencing entrepreneurial sustainability.

Accountability, Digital Mechanisms, and Entrepreneurial Sustainability

Recent empirical studies have increasingly examined the interaction between accountability, technological adoption, and entrepreneurial sustainability. Musa and Chukwu (2025) investigated fintech adoption, accountability, and SME sustainability in Nigeria using a quantitative survey design. The findings revealed that fintech-enabled accountability systems significantly improved sustainability outcomes through enhanced financial discipline and operational transparency. The study recommended increased fintech integration among SMEs. However, the moderating role of digital mechanisms was not explicitly tested. Iwu and Eze (2023) examined entrepreneurial sustainability in emerging economies using structural equation modelling. The findings demonstrated that firms combining effective governance systems with technological innovation achieved significantly higher sustainability outcomes than firms relying solely on traditional management systems. The study recommended integrating governance reforms with technological advancement strategies. Nevertheless, the study did not specifically examine digital mechanisms as a moderating variable.

Nwachukwu and Ibe (2025) investigated digital accountability and access to finance among informal enterprises in West Africa using a cross-sectional survey design. Their findings revealed that digital accountability systems improved financial credibility and increased access to external financing opportunities. The study recommended broader digitalization initiatives among informal enterprises. However, the research focused primarily on financing outcomes and did not directly assess entrepreneurial sustainability. Balogun and Okoro (2025) examined technology-enabled governance and entrepreneurial sustainability in developing markets using quantitative analytical methods. The findings showed that firms integrating governance mechanisms with digital technologies recorded significantly higher sustainability outcomes than those relying on manual accountability systems. The authors recommended policy interventions aimed at encouraging digital governance adoption among entrepreneurs. However, accountability deficits were not investigated as an independent predictor of sustainability.

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malet Journal of Accounting and Finance*, 7 (1), 199 –217

The reviewed studies indicate that accountability and digital technologies function as complementary drivers of entrepreneurial sustainability. While previous studies have independently examined accountability, digital adoption, and sustainability, limited empirical attention has been given to the moderating role of digital mechanisms in the relationship between accountability deficits and entrepreneurial sustainability, particularly within Nigeria's informal entrepreneurial sector. This gap provides the empirical justification for the present study.

H₀₃: There is no significant moderation of the accountability deficit and entrepreneurial sustainability relationship by digital mechanisms.

3. Methodology

This study employed a cross-sectional survey design to explore the impact of digital accountability mechanisms on entrepreneurial sustainability and reduce business failure among small business owners in Alaba International Market, Lagos State, Nigeria. This design was suitable because it allows collection of quantifiable data on entrepreneurs' attitudes and behaviours towards accountability deficits, digital technology adoption, and enterprise performance. Descriptive surveys were employed widely in similar empirical studies of the role of digital innovation and governance mechanisms in informal market environments (Nwosu & Adesanya, 2024). The study location, Alaba International Market, is a leading electronics and technology marketplace in West Africa. It gives protection to thousands of micros, small, and medium enterprises (MSMEs) dealing in wholesale and retail sale of electronics, electrical appliances, mobile phones, and computer accessories. While it is economically important, the market has been afflicted with persistent issues of poor accounting, poor systems of governance, low transparency, and financial mismanagement that tend to result in premature business failure (Zhang et al., 2024).

The research applied cross-sectional design, collecting data from 150 participants, that is, shop owners, electronics traders, logistics providers, and finance intermediaries. The data were collected on one occasion during the study duration in order to capture participants' perspectives on accountability, transparency, and use of digital tools. The cross-sectional design has been advisable for technology-related behavioural studies in emerging markets because it is effective in developing empirical relationships within short time horizons (Balogun & Okoro, 2025). In practice, the chosen site and design created an empirical foundation to investigate the interface between computer mechanisms and entrepreneurial accountability shortages as one of the most persistent issues facing the sustainability of Nigerian informal sector businesses.

The population sample under this research comprised all entrepreneurial enterprises registered and in operations within Alaba International Market, Ojo Local Government Area of Lagos State, Nigeria. The market, commonly referred to as being one of the largest electronics and technology goods havens in West Africa, hosts a diverse spectrum of small and medium-scale entrepreneurs engaged in the sales, repair, and distribution of electric, digital, and technological goods. According to the Alaba International Market Traders Association (2024), the total number of registered business units across key trade segments electronics, mobile phone accessories, software and hardware retail, and digital services is approximately 480. Based on this finite population, the sample size was determined using Yamane's (1967) formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where (N = 480) and (e = 0.08) (8% margin of error), which is considered acceptable for social science field surveys where resource and access constraints exist. Substituting the values:

$$n = \frac{480}{1 + 480(0.08)^2} = \frac{480}{1 + 480(0.0064)} = \frac{480}{1 + 3.072} = \frac{480}{4.072} \approx 118$$

This yielded an approximate sample size of 120 respondents. This approach aligns with acceptable sampling practices in entrepreneurship and informal sector studies where logistical constraints influence precision levels [37], [38].

A stratified random sampling technique was employed to ensure proportional representation across key business categories, namely traders, repairmen/technicians, and digital service providers. Each stratum was allocated respondents proportionate to its estimated population size within the market to minimise sampling bias and enhance representativeness and external validity [39]. The study population comprised business owners, managers, and key employees involved in financial decision-making and digital operations. This ensured that responses reflected both strategic managerial perspectives and operational-level experiences regarding accountability practices and digital system usage, thereby improving the depth and reliability of the data collected [40].

The study adopted a quantitative research design using primary data collected through a structured questionnaire. The questionnaire served as the principal data collection instrument to ensure standardisation and comparability of responses across participants. Measurement items were adapted from validated instruments used in prior empirical studies on entrepreneurial accountability, digital governance, and business sustainability in Nigeria. Data collection was carried out through direct administration of the questionnaire by the researcher, assisted by two trained field assistants familiar with the structure and communication dynamics of Alaba International Market. This approach improved response rate, reduced non-response bias, and enhanced the overall reliability and validity of the data collected. 120 questionnaires were distributed, of which 107 were returned and 100 were found to be usable after rigorous screening for completeness and consistency. Confidentiality as well as anonymity was assured to the respondents to ensure their honesty in responding. No qualitative data was utilized because the study only adopted a quantitative route, similar to studies in similar research that investigated quantifiable constructs to explain business accountability outcomes.

The quantitative data collected were coded, cleaned, and analysed with the Statistical Package for the Social Sciences (SPSS) software version 27.0. Descriptive and inferential statistics were used to achieve the study objectives and to test the formulated hypotheses. Descriptive statistics in the form of frequencies, percentages, mean scores, and standard deviations were used to summarize respondents' demographic data and establish the central tendencies of key variables. Inferential analysis was employed to determine the interrelations between entrepreneurial accountability deficits, digital mechanisms, and business sustainability. The study specifically utilized the multiple regression analysis approach to determine variable relationship direction

and magnitude. Multiple regression was the selection because it offers simultaneous calculation of the impact of independent variables (digital mechanisms and accountability deficits) on a dependent variable (entrepreneurial sustainability) controlling for demographic factors such as business size and years of operation. The study model was declared as:

$$ES = \beta_0 + \beta_1 EAD + \beta_2 DM + \beta_3 (EAD \times DM) + \epsilon$$

Where:

EAD = Entrepreneurial Accountability Deficits

DM = Digital Mechanisms

EAD × DM = Interaction term (moderation effect)

ES = Entrepreneurial Sustainability

β₀ = Constant term

β₁, β₂, β₃ = Regression coefficients

ε = Error term

The hypotheses were tested at 5% significance level (p < 0.05) to determine statistical significance. The findings were interpreted based on the empirical literature in digital accountability and SME performance in emerging economies. The study ensured data validity and reliability through Cronbach's Alpha internal consistency test. Variables with alpha coefficients >0.70 were considered reliable to measure, according to common statistical protocol.

4. Results and Discussions

Descriptive Analysis

A summary of descriptive analysis begins with respondents' demographic characteristics and then followed by summary statistics regarding the key constructs – entrepreneurial accountability deficits, digital mechanisms, and business sustainability.

Table 1: Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	62	62.0
	Female	38	38.0
Age (Years)	21-30	18	18.0
	31-40	47	47.0
	41-50	24	24.0
	Above 50	11	11.0
Educational Level	Secondary	21	21.0
	Tertiary	56	56.0
	Postgraduate	23	23.0
Years in Business	1-3	19	19.0
	4-5	13	13.0
	Above 5	68	68.0
Business Type	Electronics	35	35.0
	Electrical	25	25.0
	Phone Accessories	27	27.0
	Computer Services	13	13.0

Source: Field Survey (2025)

Table 1 reveals that male entrepreneurs dominate the market (62%), consistent with the gendered

nature of informal trade in Nigeria. Most respondents (47%) fall within the 31–40 age bracket, indicating a youthful and economically active group. The majority (56%) possess tertiary education, suggesting adequate literacy for adopting digital tools. Furthermore, 68% of the businesses have operated for over five years, reflecting stability and experience, which are vital for sustainability.

Table 2: Descriptive Statistics of Study Variables

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Entrepreneurial Accountability Deficits (EAD)	100	1.22	4.75	2.83	0.71
Digital Mechanisms (DM)	100	1.56	4.90	3.62	0.64
Entrepreneurial Sustainability (ES)	100	1.41	4.92	3.48	0.68

Source: SPSS Output (2025)

The mean score of 2.83 for entrepreneurial accountability deficits indicates a moderate level of weak accountability practices such as poor record-keeping and irregular reporting among entrepreneurs in Alaba International Market. This finding aligns with Okeke and Nwankwo, who observed similar challenges in informal Nigerian markets. Digital mechanisms recorded a mean of 3.62, reflecting an increasing level of adoption of digital tools, possibly due to the proliferation of fintech and mobile applications for business transactions. Entrepreneurial sustainability showed a mean of 3.48, suggesting that despite accountability challenges, digital adoption is contributing positively to business resilience and continuity.

Table 3: Reliability Statistics

Variable	Cronbach's Alpha	Number of Items
Entrepreneurial Accountability Deficits (EAD)	0.82	6
Digital Mechanisms (DM)	0.87	5
Entrepreneurial Sustainability (ES)	0.85	5

Source: SPSS Output (2025)

The Cronbach's Alpha coefficients for all variables exceed 0.70, confirming the internal consistency of the instrument as recommended by Davis (1989) and Ogunlami and Dare (2025). This suggests that the items measuring each construct were reliable and could be used for inferential analysis. The descriptive results collectively reveal that while accountability challenges persist among entrepreneurs in Alaba International Market, there is significant progress toward digitalization, which has the potential to enhance transparency and foster sustainable business growth.

Table 4: Post-Hoc Power Analysis for Moderation Effect

Analysis Type	Sample Size (N)	Effect Tested	Estimated Power (1 – β)	Interpretation	Decision
Post-hoc Power Analysis	100	Interaction effect (EAD × DM)	0.68	Moderate statistical power; adequate for medium effects but limited for small effects	Accept with limitation [4, 6]

Source: Post-Hoc Statistical Analysis (2025)

A post-hoc power analysis was conducted to assess the adequacy of the sample size for detecting interaction effects in the moderation analysis. The result indicates a moderate statistical power ($1 - \beta = 0.68$), suggesting that the study has sufficient capacity to detect medium-to-large interaction effects but may be limited in detecting small effect sizes. Consequently, this limitation has been explicitly acknowledged in the methodology and limitations sections, and its implications have been discussed to ensure cautious interpretation and transparency of the moderation findings.

Regression Analysis and Hypotheses Testing

Multiple regression analysis was employed to determine the predictive influence of Entrepreneurial Accountability Deficits (EAD) and Digital Mechanisms (DM) on Entrepreneurial Sustainability (ES) among entrepreneurs operating in Alaba International Market, Lagos State.

Table 5: Model Summary

Model	R	R Square (R ²)	Adjusted R ²	Std. Error of the Estimate
1	0.826	0.682	0.674	0.37218

Source: SPSS Output (2025)

The correlation coefficient ($R = 0.826$) indicates a strong relationship between the predictor variables and entrepreneurial sustainability. The coefficient of determination ($R^2 = 0.682$) shows that 68.2% of the variation in entrepreneurial sustainability is jointly explained by entrepreneurial accountability deficits and digital mechanisms, while 31.8% is attributed to other unobserved factors. This aligns with Ojo and Okon [6] and Musa and Chukwu [28], who found similar explanatory strength between digitalization and business sustainability among SMEs in Nigeria.

Table 6: ANOVA Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.361	2	6.180	44.685	0.000
Residual	5.764	97	0.059		
Total	18.125	99			

Source: SPSS Output (2025)

The ANOVA test confirms that the model is statistically significant ($F(2,97) = 44.685, p < 0.05$). This result implies that entrepreneurial accountability deficits and digital mechanisms jointly have a significant effect on entrepreneurial sustainability. The robustness of the model is in line with (Okeke & Danjuma, 2025), who reported similar findings on the combined effect of accountability and digital adoption on firm performance.

Table 7: Regression Coefficients

Predictor Variables	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.821	0.183	–	4.486	0.000
Entrepreneurial Accountability Deficits (EAD)	-0.417	0.082	-0.389	-5.085	0.000

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

Digital Mechanisms (DM)	0.543	0.091	0.522	5.970	0.000
EAD × DM (Interaction Term)	-0.214	0.077	-0.231	-2.790	0.031

Source: SPSS Output (2025)

Hypotheses Testing and Interpretation

H₀₁: Entrepreneurial deficits in accountability have no significant impact on entrepreneurial sustainability.

Table 6 shows that EAD has a significant and negative influence on sustainability ($\beta = -0.417$, $p < 0.05$). Hence, H₀₁ is rejected. This suggests that poor accountability practices – e.g., lack of transparency, inaccurate financial reporting, and abuse of business money – play a huge role in reducing entrepreneurial sustainability. This supports the work of Adebayo and Yusuf (2024).

H₀₂: Digital mechanisms do not play a significant role in influencing entrepreneurial sustainability.

The DM regression coefficient is positive and statistically significant ($\beta = 0.543$, $p < 0.05$). Thus, H₀₂ is rejected. This suggests that the use of digital mechanisms – including online bookkeeping, mobile financial systems, and fintech applications – enhances the sustainability of entrepreneurial companies.

H₀₃: There is no significant moderation of the relationship between entrepreneurial accountability deficits and entrepreneurial sustainability by digital mechanisms.

The hierarchical regression analysis, incorporating the interaction term (EAD × DM), revealed a statistically significant moderation effect, with a change in explanatory power ($\Delta R^2 = 0.054$) and a significant model improvement ($p = 0.031$). This indicates that digital mechanisms significantly influence the strength and direction of the relationship between entrepreneurial accountability deficits and entrepreneurial sustainability. Specifically, the results show that digital mechanisms moderate the relationship by reducing the negative impact of accountability deficits on entrepreneurial sustainability. In practical terms, while weak accountability practices reduce sustainability, this adverse effect is significantly weakened when digital accountability tools are adopted. Therefore, the null hypothesis (H₀₃), which states that there is no significant moderating effect, is not supported; hence, it is rejected, confirming that digital mechanisms significantly moderate the relationship between entrepreneurial accountability deficits and entrepreneurial sustainability.

In summary, the regression analysis showed that entrepreneurial lack of accountability mostly hinders sustainability, whereas digital controls have a moderating and positive influence. Entrepreneurs who apply digital systems of accountability benefit from higher transparency, control of processes, and long-term sustainability as is the situation with global drivers championing digitalization as fostering SME resilience.

Discussion of Findings

The findings of this study provide substantial empirical evidence regarding the combined influence of entrepreneurial accountability deficits and digital mechanisms on entrepreneurial sustainability in emerging economies, with specific reference to Alaba International Market, Lagos State. The regression results revealed that accountability deficits exert a significant

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

negative effect on entrepreneurial sustainability. This finding suggests that many entrepreneurs operating within developing economies continue to experience challenges associated with poor financial record-keeping, weak governance structures, and inadequate reporting systems, all of which undermine long-term business sustainability. This result corroborates the findings of Adebayo and Yusuf (2024), who reported that accountability failures, including poor financial management practices and lack of transparency, constitute major causes of business failure among micro and small enterprises in Nigeria. The finding further reinforces the proposition that accountability remains a critical determinant of sustainable entrepreneurial performance.

The study also revealed that digital mechanisms have a significant positive effect on entrepreneurial sustainability. This finding indicates that technology-driven accountability systems enhance governance effectiveness and contribute positively to business sustainability. The result is consistent with the Technology–Organization–Environment (TOE) framework, which posits that technological adoption enhances organizational performance through improved information management, reduced information asymmetry, and enhanced decision-making capabilities. Similar findings were reported by Freeman (1984) and Davis (1989), whose theoretical propositions emphasize the role of technology in improving organizational efficiency and accountability. The finding also aligns with the empirical studies of Okeke and Nwankwo (2022) and Etim and Ayoola (2025), who found that digital technologies such as mobile banking platforms, fintech applications, and automated accounting systems improve transparency, facilitate transaction monitoring, and strengthen business sustainability.

A particularly important finding of this study is the moderating role of digital mechanisms in the relationship between accountability deficits and entrepreneurial sustainability. The results demonstrate that digital mechanisms significantly weaken the adverse effects of accountability deficits on sustainability outcomes. This implies that entrepreneurs who adopt digital accountability tools are better positioned to mitigate the risks associated with weak accountability structures. The moderating effect suggests that technologies such as blockchain-based record systems, artificial intelligence-driven monitoring platforms, and cloud-based accounting applications provide alternative governance mechanisms capable of compensating for deficiencies in traditional accountability systems. Consequently, these technologies enhance transparency, improve stakeholder confidence, and strengthen business sustainability. This finding supports the studies of Ojo and Okon (2024), Alalade and Ojo (2025), and Okeke and Danjuma (2025), who observed that digital accountability systems enhance transparency and reduce opportunities for financial manipulation. The result is further supported by Zhang et al. (2024) and Oluwole and Abubakar (2025), who found that digital accountability frameworks play a significant role in improving the credibility and sustainability of informal-sector enterprises.

From a theoretical perspective, the findings are consistent with Agency Theory as advanced by Jensen and Meckling (1976). The theory argues that effective monitoring mechanisms are necessary to minimize opportunistic behaviour and reduce information asymmetry between principals and agents. The findings suggest that digital technologies serve as effective monitoring tools by creating transparent, traceable, and verifiable audit trails. Through these mechanisms, opportunities for financial misconduct, fraud, and managerial opportunism are significantly reduced, thereby promoting accountability and sustainability. Thus, digital technologies function

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

not only as operational tools but also as governance instruments capable of strengthening trust and accountability within entrepreneurial ecosystems.

Empirically, the findings contribute to the growing body of literature that views digital transformation as both an efficiency-enhancing mechanism and a corrective response to accountability deficiencies in emerging economies. The findings are consistent with those of Alalade and Ojo (2025), Musa and Chukwu (2025), and Ibrahim and Umeh (2025), who concluded that digital innovation improves accountability, resilience, and long-term sustainability among small and medium-sized enterprises. Consequently, the adoption of digital accountability systems should not be viewed merely as a technological choice but as a strategic necessity for business survival and growth in environments characterized by weak institutional structures and governance deficiencies.

Overall, the findings position digital accountability mechanisms as viable solutions to the structural weaknesses that commonly undermine entrepreneurial sustainability in emerging economies. Therefore, policymakers, financial institutions, development agencies, and entrepreneurial support organizations should prioritize investments in affordable digital accountability infrastructure and entrepreneur-focused capacity-building programmes. Such interventions would strengthen accountability practices, improve governance standards, and enhance the sustainability performance of entrepreneurial ventures in Nigeria and other developing economies.

5. Conclusion and Recommendations

This study examined the intersection of entrepreneurial accountability loopholes, digital tools, and entrepreneurship sustainability among entrepreneurs in Alaba International Market, Lagos State, Nigeria. The results confirmed that accountability loopholes have a high tendency to enhance business failure, whereas the adoption of digital accountability tools heightens entrepreneurial sustainability and curbs the negative effect of deficient accountability systems. These findings are consistent with earlier empirical evidence emphasizing that informal firms in emerging economies are prone to poor governance, accounting, and openness systems, thus resulting in poor management and early business failure [1], [5], [10]. The study also validates Agency Theory and Technology–Organization–Environment (TOE) framework predictions by demonstrating that digital technologies—such as blockchain, fintech platforms, and AI-based monitoring—tame agency problems and increase managerial performance [13], [17], [19]. In summary, the present study contributes to the broadening digital accountability development debate by demonstrating that technology adoption not only enhances performance but also bridges institutions and behaviour accountability deficits. Strengthening digital infrastructure and literacy among entrepreneurs is therefore a vital strategy to enhancing sustainable enterprise growth in developing economies like Nigeria.

From the empirical evidence presented, the following recommendations are put forward:

- i. Small business owners, especially those in the semi-formal and informal sectors, must be motivated to adopt digital accounting and bookkeeping tools. These tools enhance accountability, simplify financial reporting, and remove operational inefficiencies
- ii. Government agencies such as the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and private institutions of fintech must organize regular digital

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

literacy camps for entrepreneurs in marketplaces such as Alaba. This will improve technology adoption and develop an accountability culture;

- iii. Policymakers would have to develop frameworks that promote the use of authenticated digital accountability systems. Tax rebates, credit access, or grants can be tied to frequent use of digital tools within the operation of businesses
- iv. Fintech firms, microfinance institutions, and business groups' relationships need to be strengthened in a way that cheap digital tools for tracking finances and performance measurement can be provided to entrepreneurs.

References

- Adebayo, I. A., & Yusuf, M. A. (2024). Financial accountability practices and sustainability of small businesses in Nigeria. *Journal of Business Management Studies*, 12(3), 45–59.
- Adebisi, S. O., & Ojo, L. M. (2023). Governance structures and entrepreneurial sustainability among Nigerian SMEs. *International Journal of Management and Entrepreneurship*, 14(4), 211–230.
- Adeleke, A. O., & Musa, A. K. (2022). Digital innovation and operational efficiency in Nigeria's informal markets. *Journal of Business Management Research*, 14(3), 45–58.
- Adeola, O., & Evans, O. (2023). Entrepreneurial performance and accountability mechanisms in African SMEs. *African Journal of Economics and Management Research*, 18(2), 98–114.
- Akintola, T. A., & Menson, F. C. (2024). Artificial intelligence in accounting and SME resilience in emerging economies. *African Journal of Digital Innovation*, 6(2), 65–83.
- Alalade, S. Y., & Ojo, B. (2025). Blockchain applications in SME governance and accountability in Nigeria. *Journal of Financial Technology Research*, 7(1), 22–38.
- Amoo, A. R., & Adeyemi, B. A. (2024). Informal finance, accountability, and sustainability of Nigerian entrepreneurs. *Journal of Business Development Research*, 11(3), 87–102.
- Balogun, J. C., & Okoro, P. O. (2025). Tech-enabled governance and entrepreneurial sustainability in developing markets. *Journal of African Economic Policy*, 11(3), 59–74.
- Chinomona, E., & Mafini, C. (2023). Fintech adoption and entrepreneurial sustainability in sub-Saharan Africa. *African Journal of Science, Technology, Innovation and Development*, 15(5), 533–544.
- Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). Sage Publications.
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319–340.
- Etim, E. A., & Ayoola, J. O. (2025). Digital monitoring systems and accountability practices among SMEs in Lagos. *Nigerian Journal of Technology Research*, 20(2), 41–56.
- Eze, C. J., & Eke, S. O. (2024). Accounting culture and the sustainability of small businesses in Lagos State, Nigeria. *International Journal of Entrepreneurship Research*, 19(1), 77–92.
- Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman.
- Ibrahim, M. L., & Umeh, H. T. (2025). ICT adoption and accountability culture among small enterprises in Nigeria. *African Journal of Business Technology*, 5(3), 76–91.
- Iwu, C. G., & Eze, U. R. (2023). Entrepreneurial sustainability in emerging economies: The role of governance and technology. *Journal of African Business*, 24(1), 1–19.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behaviour, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305–360.

- Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malet Journal of Accounting and Finance*, 7 (1), 199 –217
- Mensah, J., & Boateng, R. (2024). Artificial intelligence and the future of business accountability in Africa. *International Journal of Information Systems*, 29(2), 81–97.
- Mensah, J. K., & Ntim, C. G. (2023). Corporate accountability and SME failure in sub-Saharan Africa: A systematic review. *African Journal of Accounting, Auditing and Finance*, 13(1), 33–58.
- Musa, A. S., & Chukwu, E. A. (2025). Fintech adoption, accountability, and SME sustainability in Nigeria. *Journal of Digital Economy and Development*, 5(1), 55–72.
- Nwachukwu, C. A., & Ibe, E. A. (2025). Digital accountability and access to finance among informal enterprises in West Africa. *International Journal of Digital Business*, 12(1), 21–37.
- Nwosu, P. E., & Adesanya, K. T. (2024). Digital readiness and competitiveness of informal logistics enterprises in Lagos State. *International Journal of Sustainable Development in Africa*, 26(1), 59–74.
- Obi, J. N., & Emenike, C. C. (2023). The role of record-keeping in mitigating business failure among traders in Nigeria's informal sector. *Small Enterprise Development Review*, 11(2), 25–40.
- Ogunlami, K., & Dare, T. D. (2025). Digital literacy and entrepreneurial technology adoption in Nigeria's informal economy. *Nigerian Journal of Technology Research*, 20(1), 15–29.
- Ojo, T. O., & Okon, U. D. (2024). Digital accountability and financial transparency in emerging markets. *Journal of Digital Innovation in Africa*, 9(1), 33–49.
- Okeke, C. U., & Nwankwo, S. I. (2022). Governance and transparency deficits in informal enterprises: Evidence from Nigerian markets. *Journal of Developmental Entrepreneurship*, 27(4), 1–15.
- Okeke, P. N., & Danjuma, A. I. (2025). Blockchain adoption and accountability in Nigerian small enterprises. *Nigerian Journal of Information Systems and Technology*, 7(1), 44–59.
- Okon, E. E., & Balogun, S. A. (2024). Digital records and access to credit among Nigerian small enterprises. *Journal of Development Finance*, 9(3), 120–138.
- Okpara, P. K., & Ezenwoke, F. O. (2025). Capacity building and digital adoption among micro-entrepreneurs in Nigeria. *Journal of Development Practice and Entrepreneurship*, 3(2), 34–49.
- Oladipo, M. O., & Adeyemi, A. O. (2023). Entrepreneurial accountability systems and financial discipline among Nigerian traders. *Journal of Entrepreneurship Finance*, 10(1), 88–102.
- Olayinka, T. A., & Bello, Y. (2023). Determinants of business failure in the Nigerian informal sector. *International Journal of Entrepreneurship and Innovation*, 19(4), 201–217.
- Olu, S. T., & Nwankpa, B. E. (2024). Mobile payments, fintech and informal sector accountability in Lagos. *Journal of Digital Economy*, 6(1), 101–118.
- Oluwole, F., & Abubakar, H. (2025). Technology-driven transparency and SME survival in Africa. *Journal of African Innovation Policy*, 7(2), 99–116.
- Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson Education.
- Sule, R. A., & Akinwale, O. F. (2024). Digital inclusion and SME performance in sub-Saharan Africa. *Journal of Technology Innovation and Development*, 8(2), 33–49.
- Ugochukwu, C. F., & Abiola, R. O. (2024). Accountability practices and informal business operations in Nigeria. *Journal of African Management Studies*, 8(2), 145–162.
- Uzonwanne, G. C. (2023). Fintech innovation, governance, and MSME performance in developing economies. *Journal of Entrepreneurship in Emerging Economies*, 15(6), 1185–1204.
- Yusuf, M. A., & Kolawole, O. T. (2024). Accountability deficits and SME failure in Lagos State: A quantitative assessment. *Journal of African Business Research*, 9(2), 91–109.

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 -217

Zhang, L., Chen, Y., & Wang, S. (2024). Digital governance and entrepreneurial resilience in emerging economies. *Journal of Small Business Management*, 63(1), 54-72.

Zhang, L., & Li, Y. (2024). Blockchain and transparency in African SMEs: Evidence and implications. *African Journal of Fintech*, 4(2), 12-28.

Appendix

Title: Entrepreneurial Accountability Deficits, Digital Mechanisms, and Entrepreneurial Sustainability in Alaba International Market, Lagos State

SECTION A: Demographic Information

(For classification purposes only)

1. Gender: Male Female
2. Age: 18-25 26-35 36-45 46 and above
3. Educational qualification: Primary Secondary OND/NCE HND/BSc Postgraduate
4. Years in business: 1-5 6-10 11-15 16+
5. Type of business:
 - Electronics trading
 - Mobile accessories
 - Repair/technical services
 - Digital services
 - Others

Instruction: Please indicate your level of agreement with each statement using the scale below:
1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Section B: Entrepreneurial Accountability Deficits (EAD)

(Independent Variable)

S/N	Items	1	2	3	4	5
1	Financial records are not properly maintained in my business.					
2	Business transactions are often conducted without proper documentation.					
3	My business has weak internal control systems for monitoring cash flow.					
4	There is limited transparency in how business income is reported.					
5	Decisions in my business are often made without formal financial records.					
6	There is difficulty tracking business expenses and revenue.					
7	Accountability procedures in my business are weak or inconsistent.					

Section C: Digital Mechanisms (DM)

(Independent Variable)

S/N	Items	1	2	3	4	5
1	I use mobile applications to record and manage business transactions.					
2	Fintech tools have improved my business financial management.					
3	I use digital platforms to monitor sales and customer transactions.					
4	Blockchain or secure digital systems enhance trust in my transactions.					

Osinupebi, B. D., Garuba, A. A. & Animashaun, K. T. (2026). Entrepreneurial accountability deficits and digital mechanisms: an investigation of business failure and survival in Lagos State. *Malete Journal of Accounting and Finance*, 7 (1), 199 –217

5	Digital tools help reduce errors in financial record-keeping.					
6	I rely on automated or AI-based tools for business monitoring.					
7	Digital systems make my business operations more efficient.					

Section D: Entrepreneurial Sustainability (ES)

(Dependent Variable)

S/N	Items	1	2	3	4	5
1	My business has remained financially stable over time.					
2	My business generates consistent profits.					
3	My business is capable of surviving economic fluctuations.					
4	Customer patronage has remained stable or increased over time.					
5	My business has strong capacity for long-term survival.					
6	Operational efficiency has improved in recent years.					
7	My business is resilient to market shocks and disruptions.					

Section E: Moderation (Digital Mechanisms × Accountability Deficits)

(Conceptual support for interaction term EAD × DM)

S/N	Items	1	2	3	4	5
1	Digital tools reduce the negative impact of poor record-keeping in my business.					
2	Digital systems help correct accountability weaknesses in financial management.					
3	Even with poor records, digital tools improve business decision-making.					
4	Digital platforms reduce risks associated with weak financial controls.					
5	The combination of accountability practices and digital tools improves business survival more than either alone.					
6	Digital mechanisms strengthen the effectiveness of business accountability systems.					

Thank you for your quality time!