

# The Impact of Internal Audit Function on Corporate Governance: A Case of NSSA, Zimbabwe (2018-2022)

**Blessing Nyakumwa**

*Midlands State University, Zimbabwe*

**Newman Wadesango**

*University of Limpopo, RSA*

*Newman.wadesango@ul.ac.za*

**Lovemore Sitsha**

*Midlands State University*

## ABSTRACT

*The study analyzed the impact of internal audit function on corporate governance in a parastatal company specifically NSSA. The research focused on the role of internal audit function on corporate governance and factors that enhances the effectiveness and efficiency of the internal audit function in promoting excellent corporate governance in a parastatal company like NSSA. NSSA has been experiencing a series of corporate scandals thus affecting performance of the organization the research's problem statement exposed that NSSA has been struggling to mirror its purported ethics in its employees, hence the entity is riddled with counterproductive behaviour of employees such as fraud and corruption which is affecting the reputation of NSSA to a greater extent as well as NSSA beneficiaries.. Descriptive research design was used in this study and structured questionnaires were used to collect data. Pearson correlation coefficient was used to analyse quantitative data using the Statistical Package for Social Scientific (SPSS 26). The study established that there is a positive relationship between the effectiveness of internal audit functions and corporate governance. The research recommend NSSA and other organizations to develop other anti-corruption procedures, promote independence of internal audit functions so as to enhance the efficacy of internal audit functions in promoting superficial corporate governance.*

**Keywords:** Internal Audit Function, Parastatal, Corporate Governance, NSSA.

## 1. BACKGROUND OF THE STUDY

The National Social Security Authority will be used as a case study (NSSA). The NSSA is a statutory body that provides social security to Zimbabweans. It was founded in 1989 with the primary mission of providing sustainable social security schemes for Zimbabwe's civil servants and employees, and is primarily governed by the NSSA Act of 1989, Chapter 17:04.

Institute Internal auditors (IIA) defines internal auditing is a liberated, impartial guarantee and consultant activity intended to improve to and increase an entity's operations. According to Banerjee (2022), internal audit has been the focus of corporate governance. Internal auditing assists a business in attaining its goals by using a disciplined approach to assess and improve the efficacy of risk, control, and governance management (Florea et al. 2013). Internal audit is thought to play a role in the centralized management of internal control and risk in corporate governance. As a result, internal audit can be viewed as one tool that can assist management and the board of directors in risk management by not only classifying, evaluating, fully operational, reporting, and compliance, but also by having provided guidance and recommendations on proper management decisions to manage risk and expand the business in order to meet set corporate goals (Yusuf & Saputra, 2019). Internal auditing is a proactive method intended to enhance the operations of the organization (Krishna et al., 2010) as one of the pillars of quality governance.

The internal audit function plays a critical role in the governance of organisations (Gebayel et al., 2018). Yassin et al. (2011) stressed that the corporation must concentrate into all corporate governance players in order to achieve quality in governance, with a larger emphasis on the internal audit function because it is crucial for observing and influencing corporate governance quality. In Zimbabwe's public

sector, the government has stipulated that all institutions have internal audit capabilities that assist external auditors in doing their responsibilities (MOFED, 2015).

A corporation's direction, control, and accountability are governed by a system of procedures, conventions, value codes, policies, regulations, and structures known as corporate governance. Corporate governance ensures that the company is run efficiently, that goals are achieved, and that resources are managed with the highest level of legality and probity (CGF, 2010). Accountability, fairness, openness, and responsibility are the four pillars of corporate governance. In Zimbabwe, the Corporate Conceptual Framework was established which aims at achieving these four pillars in both SEPs and Parastatals. Shareholder rights, transparency, and board responsibility have long been considered the "holy trinity" of excellent corporate governance (Calder, 2003)

Effective corporate governance is required for any business entity to grow. The importance of corporate governance is the core of investment choices (Banerjee, 2022). An examination of listed Indian companies reveals that internal audit plays a substantial part in improving corporate governance effectiveness through increased use of the Audit Committee, greater public transparency, and the adoption of a sinewy and decisive Board structure (Banerjee, 2022).

The government must make sure that State Enterprises and parastatals have reliable governance structures. While minimizing risks related to undesirable human behaviour, good corporate governance will enable enhanced service delivery for these fundamental human needs for which the government is responsible to the people of Zimbabwe. As an illustration of these concerns, corporate crime is a global disease that thrives in settings with poor corporate governance (Corporate Framework Report (CFR), 2010).

Nevertheless, NSSA was established to provide social security services to enhance the lives of Zimbabwean citizens but it seems there is a deviation between what it was formed for and its operation now. A high rate of corruption has been frequently increasing at NSSA over the past five years with pensioners being given monthly allocations which cannot cater their needs. This is as a result of increasing corruption in the organisation especially in the areas of salaries and allowances.

According to Mutingwende (2019) in the Best News Online, High-ranking officials have been involved in corruption cases involving millions of dollars that have eroded the value of citizens' savings. He noted that among these cases include the case involving former Minister of Public Service, Labour and Social Welfare who abused her office in deals at the entity involving amounts upwards of ninety-five million United States Dollars. Presently, NSSA's General Manager by the name Arthur Manase, who is alleged to have received a US \$750 000 housing loan on top of receiving a monthly housing allowance of US\$2500 for servicing the loan but he owns a home. Mutingwende also noted that;

1. Top executives are said to be receiving loans from US\$60000 to US\$100000 at the institution
2. In addition to travel and fuel allowances, executives are receiving top- of- the range Land Rover Discovery vehicles.
3. NSSA directors and former directors are reportedly receiving yearly holiday allowances worth US\$15000 per individual.
4. Executives at NSSA have benefits of unlimited school fee allowances running into millions of US dollars per year

Furthermore, in the 2019 Auditor-General Report, he mentioned that now the NSSA accounting information for the fiscal year ended 31 December 2018 were audited and received an adverse opinion, suggesting that NSSA's financial statements are misstated, misrepresented and do not accurately reflect the true financial performance and health of the company. Nothing is being done to address these scandals but this is a regular finding and this worsens the state of corruption in not only NSSA but in other parastatals. Ndoro (2022) stated that recently the entire NSSA board team took a luxurious vacation to Kenya. Furthermore, he mentioned that pensioners with more than 20 years of service are being given a pittance ranging from ZWL\$14000.

Despite having the internal auditing function, NSSA as ever increasing cases of corruption. Could all this happen without the Internal Auditor having highlighted this to the relevant authorities? This poses a question 'If the company had been following good corporate governance, could these scandals have been avoided or is a matter of hiding behind a finger. Again the Internal Auditor's role comes into perspective are

they not to highlight to shareholders some of the questionable activities done by Management, especially considering their know – how and application of corporate governance.

### **Research Objective**

The aim of this research is to determine the impact of the internal audit function on corporate governance in a parastatal company.

## **2 THE ROLE PLAYED BY INTERNAL AUDIT FUNCTION ON CORPORATE GOVERNANCE**

As stated IIA (2017) the role of the IAF is to operate the internal audit within a company and resources, competence, structure and the implementation of IIA's standards are the pillars for the good operation of IAF.

According to Volodina et al. (2022), the spread of neoliberal ideals in the Ukrainian public sector has altered the functions of internal auditors. In support of the aforementioned, a study by Deloitte (2018) found that IA's position in corporate governance has changed from a watchdog to a more strategically valuable service.

In their research in Nigeria, Omolaye & Jacob (2017) found a positive association between IAF and institutions' performance in terms of functioning effectiveness, organizational progression, high lucrativeness, solvency, and business stability due to the availability of liberated guarantee services and enhanced threat management, control as well as governance procedures. Kontogeorgis (2018) noted that a research by Lee (2022) on internal controls and risk management and other key pillars of good corporate governance in Singapore asserted that in order to complete the proper institutionalization of internal controls and risk management the responsible board notably the Audit committee or a separate Board Risk Committee should put in place a team of internal auditors to monitor the implementation of the control policies and rules.

Lee (2022) further noted that to ensure risk management thereby ensuring good corporate governance the auditor's should be independently staffed and should report directly to the audit committee. The author also emphasized the need for an effective whistle blowing system by internal auditors which says that internal auditors should be able to act independently in doing their job and should detect and report any breach of the group's internal control or any management override without any fear or favour (Lee, 2022). This was in the view to support risk management. Internal auditors' main concern with the three E's, or economy, efficiency, and effectiveness, is strongly related to the concept of risk assessment and how risks are controlled by technology.

The prominence of the internal audit functions in risk administration was stressed by Malafronte & Pereira (2021) in their investigation of corporate risk management in the United Kingdom. According to the authors, managing risks in a comprehensive way through a suitable and organized process is a crucial obligation of an organization's corporate governance structure. Internal auditing is a tool for managing risk across the range of an organization's activities, within the context of organizational policies and procedures that operate as control parameters (Mihret & Grant, 2017). Likewise, sound corporate governance is ensured and the function of internal auditing of risk management is fulfilled (Mihret & Grant, 2017).

A study by Park & Park (2020) in Korea also supported the risk management role of internal audit. The purpose of the study was to examine the whether legal internal auditors impact firm – level stock price crash risk. The study concluded that legal auditors play a vital role in monitoring future stock price crash risk and steadiness in the equity marketplace. Deloitte (2018) stated that internal auditors have increased the services they offer .They have included disruptive technologies risk assessment and cyber risk assessment as well as embarking on onto using innovative audit analytics, responsive practices, dynamic and visual broadcasting as innovative . Islam et al. (2018) supported the idea that internal audit's role in risk management has changed recently to include IT risk, particularly IT Security in the cyber world, in both consulting and assurance services. This is because business development is increasingly leading to a digital environment.

Internal audit's primary responsibility with regard to risk is to monitor an organization's operational environment for potential risk exposures, consider the impact of identifying risks, and give

recommendations on risk alleviation strategies as well as steps that should be taken to minimize risks found. According to Eke (2018), the role of internal audit in regard to risk is as follows:

- Assess the current risk in the assessed environment and communicate the results to the managerial department and the audit committee.
- Construct a scheme for uniformly evaluating threat throughout the organization.
- Use threat self-assessment techniques to lead the risk assessment.
- Assess the hazards posed by cutting-edge computer innovations, and halt the project if the risks cannot be managed at predefined acceptable levels.

Internal auditors must evaluate the organization's control procedures while taking into account knowledge of controls gained from consulting engagements in order to fulfil these roles (Eke et al., 2018). Control is whichever deed engaged by management to enhance the possibility that established intentions and aims will be achieved (Eke, 2018). Thus, proper planning, organization, and management-based controlling produce control. He or she then makes recommendations for improvement.

According to Majid et al. (2022) the function of high quality internal audit with a greater degree of training and experience significantly affects the quality and control of the internal control systems. Additionally internal auditors will contribute more to financial statements audits where there is a larger proportion of internal audit staff and also those with previous experience in accounting and auditing, effective internal audits are more likely to detect and prevent fraud. Cheng et al. (2018) asserted that an effective internal audit function which adheres to the International Standards for the Professional Practice of Internal Auditing and Regulatory standards is needed to produce cost control reports that are of good quality in order to improve the performance efficiency of a company that is assessing corporate risks, saving costs and increasing corporate operational effectiveness.

A study by Mohammadi et al. (2021) indicated that internal auditors who act independently, with the necessary financial expertise and the size of the internal audit team has a significant impact on corporate social responsibility thereby ensuring good corporate governance. Tossin et al (2021) noted that internal audit which uses independent measures, professional skills, scope of work, implementation of investigation, internal audit management simultaneously ensures good corporate governance.

As pinpointed by Mulvane et al. (2021) on their study of the impact of internal audit, ethical leadership and accounting information systems towards Good Corporate Governance in Arden they emphasized that internal audit significantly affects good corporate governance implementation because it assist management distributor in identifying failures, weaknesses, inefficiencies from several programs that have been carried out by a concerned corporate because the internal audit will push the emergence of better corporate governance. Bananuka et al. (2018) further noted that internal audit function significantly affects accountability as a pillar of corporate governance in Ugandan statutory corporations.

According to Bananuka et al. (2018) a well undertaken internal audit is the baseline for financial reporting and a functioning internal audit evaluates the effectiveness of internal controls, participates in risk management and ensures compliance with the laws and regulations. The institute of internal auditors' professional guidelines stated that the public sector governance encompasses the policies and procedures used to direct an organization's activities to provide reasonable assurance that objectives met and that portions carried out in an ethical and accountable manner.

### **3 INTERNAL AUDIT INDEPENDENCE AND CORPORATE GOVERNANCE**

The Institute of Internal Auditors (IIA) internal auditing is regarded as an independent consulting activity and objective designed to elevate the value and operational. Ta & Doan (2022) in their study on the factors affecting IA effectiveness in Vietnam noted that internal auditors' impartiality and managerial backing to internal audit have a constructive effect on the usefulness of internal audit. The authors further noted that competence of internal and quality of IA do not affect internal audit effectiveness. Mwanza & Kaira (2022) in their study on the efficacy of internal auditing in the public sector in relation to corporate governance concluded that internal audit independence is a necessary attribute which ensures good corporate governance which the government should ensure it is guaranteed to make sure that the IA work with without fear or interference.

The internal auditor must be sufficiently hierarchical within the organization so as to ensure that the internal audit function exercises its duties responsibly because independence by internal auditors is not achieved when the internal auditor reports to the functionality to the Board (Krichene, 2020). According to Ratmono & Darsono (2021) there is a favourable correlation between IA effectiveness and IA independence in local governments in Indonesia. The authors also agreed that the effectiveness of IA increase with increasing levels of independence. According to Saputra et al. (2020) and Mupeta (2017), an adequate auditor's independence increases the efficiency of the IAF.

Shio (2019) examined the variables affecting the performance of internal audit's functions in Tanzania. According to the report, internal auditors in public organizations must perform adequately, and they should not be given more responsibilities than they can handle. The authors pointed out that internal auditors lack the independence they need to carry out their duties, and management should provide them the freedom and independence they need to do their tasks well.

Karyawati & Josh (2021) held the opinion that internal audit independence is not regarded as a serious issue in developing nations, especially those with family business characteristics, because there is no agency issue between shareholders and management. Instead, the family business companies' internal auditing goals place a greater emphasis on external regulations.

Mohammadi et al. (2021) on their study of the impact of board and audit committee characteristics on corporate social responsibility from the Iranian Stock Exchange asserted that board independence significantly affects corporate social responsibility as a pillar of corporate governance. Lee (2022) further noted that to ensure risk management thereby ensuring good corporate governance the auditor's should be independently staffed and should report directly to the audit committee. The author also emphasized the need for an effective whistle blowing system by internal auditors which says that internal auditors should be able to act independently in doing their job and should detect and report any breach of the group's internal control or any management override without any fear or favour.

According to Muqattash (2017), independent internal audit processes and objectivity among internal audit specialists are necessary if organizations are to conduct highly effective audits. Internal auditors should adhere to professional regulations according to Djordjervic & Dukic (2017), and they should be able to identify and deal with any threat to independence and objectivity. Sherriff (2021) observed that the internal audit system's lack of independence, complete support, and an inadequate budget allocation render it useless. The success of the internal audit function, according to the American Institute of Certified Public Accountants (AICPA) and other like-minded organizations, depends on organizational independence. To be able to work independently and, equally crucial, be seen working, auditors must be sufficiently removed from the parties they are needed to audit. When an organization is independent and objective, it improves the quality of the auditors' work and offers staff member's confidence that they can depend on their findings and reports. Since independence shields internal auditors from influence or coercion and increases their neutrality in their auditing work, it is said that liberty is more harmful to internal auditors' effectiveness.

#### 4. RESEARCH METHODOLOGY

The study adopted a quantitative research approach and data was collected using questionnaires. The researchers engaged 35 participants, which included all management and non-managerial staff from the accounting department as well as internal audit department. According to Krishnaswami (2006), cited by Mbelengwe (2020), an optimal sample achieves the academic's objectives. As confirmed by Steyn (2016), a sample size of 35 is adequate. The table below shows and sample size and the targeted population.

**Table 1. Population and sample size**

Department	Targeted population	Sample Size	Sample Frequency %
Internal Auditors	12	12	100
Management	15	13	87
Finance	13	10	77
Total	40	35	88

## 5. RESULTS

### 5.1 Relationship results

#### 5.1.1 Correlation Analysis

**Table 2. Correlation analysis of results of pearson correlation analysis**

		Internal auditing	Corporate governance
<b>Internal auditing</b>	Pearson Correlation	1	0.950**
	Sig.(2-tailed)		0.000
	N	35	35
<b>Corporate governance</b>	Pearson Correlation	0.950**	1
	Sig.(2-tailed)	0.000	
	N	35	35
<b>**Correlation is significant at the 0.01 level (2-tailed).</b>			

Internal auditing and corporate governance are positively and significantly correlated, as shown in Table 2 above, with a significantly positive coefficient of 0.950 and a p-value of 0.000, which is lower than 0.05 at the 95% Confidence Interval.

### 5.2 Regression analysis

**Table 3. Model summary of results of linear regression analysis**

Model	R	Rsquare	Adjusted RSquare	Std. Error of the Estimate
1	0.950 <sup>a</sup>	0.902	0.899	0.43337
a. Predictors:(Constant),Internal auditing				

**Table 4. Summary of results of linear regression analysis**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.816	0.466		-10.340	0.000
	Internal auditing	1.839	0.105	0.950	17.433	0.000
a. Dependent Variable: Corporate governance						

Source: SPSS version26

$Y = \beta_0 + \beta_1 X_1 + \varepsilon$  ; Where : Y=Corporate governance,  $\beta_0$ = Interceptionaty –axis ,  $\beta_1$ = Regression coefficient of  $X_n$  ,  $X_1$ =Internal auditing,  $\varepsilon$ =Error

$$Y = -4.816 + 1.839X_1 + 0.466$$

Outcomes for the model's importance are shown in Table 4, with Internal Auditing accounting for about 90.2% ( $R^2=0.902$ ) of the variation in Corporate Governance.

Internal auditing and corporate governance have a significant positive relationship, as shown in Table 4 ( $B=1.839$ , p-value = 0.000). There is a predicted 1.839 increase in corporate governance for each and every one increment in internal auditing.

## 6. CONCLUSION

The results showed that internal auditing plays a crucial role in enhancing good corporate governance in NSSA. The researchers also found that factors such as competency of the internal audit team, internal auditors independence, and managerial support for the IAF roles, internal audit quality and professionalism of the internal auditing team thereby fostering good corporate governance in NSSA. The researchers came to the conclusion that a substantial beneficial relationship between corporate governance and the internal audit

function do exist. The researcher came to the additional conclusion that, in order to achieve effective corporate governance, NSSA must guarantee greater independence for the IAF.

## REFERENCES

1. Banerjee, S. (2022). Is there a Nexus between Internal Audit and Corporate Governance?. *The Management Accountant Journal*, 57(7), 72-73.
2. Florea, R., & Florea, R. (2013). Internal audit and corporate governance. *Economy Transdisciplinarity Cognition*, 16(1), 79.
3. Saputra, I. G., & Yusuf, A. (2019). The role of internal audit in corporate governance and contribution to determine audit fees for external audits. *Journal of Finance and Accounting*, 7(1), 1-5.
4. Gebrayel, E., Jarrar, H., Salloum, C., & Lefebvre, Q. (2018). Effective association between audit committees and the internal audit function and its impact on financial reporting quality: Empirical evidence from Omani listed firms. *International Journal of Auditing*, 22(2), 197-213.
5. Mutingwende, B.A. 2019. Corruption at NSSA: A case of stealing from the poor .”Business, Development and Health.
6. Ndor, N. (2022). Exclusive: Massive corruption rocks NSSA, GM Manase implicated- Local Business Corruption. Available at [nehandaradio.com](http://nehandaradio.com)
7. Chiremba, P. P. (2017). Investigation of funding gap on performance of a non-profit making organisation: a case of Simukai child protection programme.
8. Jensen, M.C., & Meckling, W.H. (2019). Theory of the firm: Managerial behavior, agency costs and ownership structure. In *Corporate governance*, 77-132.
9. Andrijarservic, M. (2018).Theoretical assumptions of agency problem. Faculty of Management. *Conference Paper. Megatrend University Belgrade*.
10. Payne, G. T., & Petrenko, O. V. (2019). Agency theory in business and management research. In *Oxford Research Encyclopedia of Business and Management*.
11. Josh, P. L. (2022). The Institutional Theory on the Internal Audit Effectiveness: The Case of India. *Iranian Journal of Management Studies*, 15(1).
12. Donaldson, L. & Davis, J. H. (2016). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16 (1), 49-65.
13. Key, A. (2017). Stewardship theory: is board accountability necessary?. *International Journal of Law and Management*, 59(6), 1292-1314.
14. Donaldson, L. (2008). Ethics problems and problems with ethics: Toward a pro-management theory. *Journal of Business Ethics*, 78, 299-311.
15. Panda, B., & Leepsa, N. M. (2017). Agency theory: Review of theory and evidence on problems and perspectives. *Indian journal of corporate governance*, 10(1), 74-95.
16. Deloitte. (2018). The innovation imperative: forging internal audit’s path to greater impact and influence. *Deloitte’s 2018 Global Chief Audit Executive Research Survey*.
17. Omolaye, K. E., & Jacob, R. B. (2017). The role of internal auditing in enhancing good corporate governance practice in an organization. *International Journal of Accounting Research*, 6(1), 174.
18. Mihret, D. G., & Grant, B. (2017). The role of internal auditing in corporate governance: a Foucauldian analysis. *Accounting, Auditing & Accountability Journal*, 30(3), 699-719.
19. Eke, G. O. (2018).Internal Audit and Corporate Governance Effectiveness in Universities in Rivers State. *European Journal of Accounting, Auditing and Finance Research* ,6 (9),8-31.
20. Bananuka, J., Nkundabanyanga, S. K., Nalukenge, I., & Kaawaase, T. (2018). Internal audit function, audit committee effectiveness and accountability in the Ugandan statutory corporations. *Journal of Financial Reporting and Accounting*, 16(1), 138-157.
21. Onay, A. (2022). Internal Audit Effectiveness in the Turkish public Sector: Moderator effect of task complexity. *Elsehir Technical University*
22. Elbashir, A. (2018). Factors affecting internal audit effectiveness in Sudanese public sector. *Research journal of Finance and Accounting*, 9(1).
23. Ta, T. T., & Doan, T. N. (2022). Factors affecting internal audit effectiveness: empirical evidence from Vietnam. *International journal of financial studies*, 10(2), 37.
24. Mwanza, O. (2022). *The effectiveness of internal auditing in the public sector in Zambia* (Doctoral dissertation, The University of Zambia).
25. Krichene, A., & Baklouti, E. (2021). Internal audit quality: perceptions of Tunisian internal auditors an explanatory research. *Journal of Financial Reporting and Accounting*, 19(1), 28-54.
26. Mulenga, M. (2019). *The influence of internal auditing on the effectiveness of corporate governance in parastatal organisations in Tanzania* (Doctoral dissertation, The University of Dodoma).

27. Ratmono, D. & Darsono, D. (2018). New public management and corruption: Empirical Evidence of Local Governments in Indonesia. *Public and Municipal Finance Journal*, 11 (1),54-62.
28. Saputra, K. A. K. (2020). The Performance Of The Internal Auditors Of The Village Rural Institution. *International Journal of Environmental, Sustainability, and Social Science*, 1(2), 28-35.
29. Mupeta, G. (2017).the factors that determine internal audit effectiveness in the selected public sector and parastatal organisations in zambia. *The International Journal of Multidisciplinary Research*, 1-23.
30. Shio, C. (2019). Factors influencing the effectiveness of the functions internal audit in Tanzania: A Case study of Ministry of Education Science and Technology. (*Dissertation*) University of Dodoma.
31. Josh P.L. & Karyawati G.P. (2021). Institutional Theory on Internal Audit Effectiveness.The case of India. *Iranian Journal of Management Studies*, 15(1), 54-62.
32. Đorđević, M., & Đukić, T. (2017). Independence and Objectivity of Internal Auditors as Determinants of their Effectiveness. *Facta Universitatis, Series: Economics and Organization*, 231-242.
33. Sheriff, S. (2021). Evaluating Management Support to the Internal Audit System in Bo District Council, Sierra Leone. *Open Journal of Business and Management*, 9(4), 1603-1618.
34. Kalokola. M.A. (2020). The effectiveness of internal audit services in selected local government authorities in Tanzania. (*Dissertation*), University of Dodoma.
35. Vadasi, C., Bekiaris, M., & Andrikopoulos, A. (2021). Internal audit function quality and corporate governance: The case of Greece. *Multinational finance journal*, 25, 1-61.
36. Cheng, S. (2018). Internal control and operational efficiency. *Managerial Auditing Journal*, 30 (4/5), 456-481.
37. Lai, S. M., & Liu, C. L. (2018). Management characteristics and corporate investment efficiency. *Asia-Pacific Journal of Accounting & Economics*, 25(3-4), 295-312.
38. Quampah, D. K., Salia, H., Fusheni, K., & Adoboe-Mensah, N. (2021). Factors affecting the internal audit effectiveness in local government institutions in Ghana.
39. Alzeban, A. (2022). CEO characteristics, management support for internal audit and corporate performance: an analysis of listed Malaysian companies. *Managerial Auditing Journal*, 37(1), 102-128.
40. Alkebsi, M., & Aziz, K. A. (2017). Information technology usage, top management support and internal audit effectiveness. *Asian Journal of Accounting and Governance*, 8(1), 123-132.
41. Dawuda, A., Ataribanam, S., & Joseph, A. (2017). An exploratory study on management support services and its effects on the quality service delivery of internal auditors in the Northern Ghana. *International Journal of Accounting Research*, 5(2), 2-5.
42. Wondwosen., G. (2018). Determinants of Profitability of commercial banks in Ethiopia: The case of Selected Banks.AAA *Institutional Repository*.
43. Goodwin, J., & Yeo, T. Y. (2001). Two factors affecting internal audit independence and objectivity: Evidence from Singapore. *International Journal of auditing*, 5(2), 107-125.
44. Carcello, J., Eurilech, M. Masli, A., and David, W. (2021). Are internal Audits Associated with Reductions in ris? Social Science Research Network (SSRN).
45. Mustafa, F. M., & Al-Nimer, M. B. (2018). The association between enterprise risk management and corporate governance quality: The mediating role of internal audit performance. *Journal of Advanced Research in Law and Economics*, 9(4 (34)), 1387-1401.
46. Al-Yazidi, A. M., Abdullah, M. F., & Alhebry, A. A. (2022). The role of internal audit function in strengthening corporate governance: A case on Yemeni commercial banks. *Journal of Emerging Economies and Islamic Research*, 10(2), 90-109.
47. Zeyn, E. (2018). The effect of internal audit quality on financial accountability quality at local government. *Journal of Accounting, Business and Finance Research*, 4(2), 74-82.
48. Alflahat, M. T. (2017). The impact of internal audit on organizational performance of selected Jordanian companies. *International Journal of Multidisciplinary Research and Development*, 4(8), 85-289.
49. Kontogeorgis, G. (2018). Study on the Positioning of Internal Audit Function under Corporate Governance. *International Journal of Business and Economics Research*, 10 (6), 277-283.
50. Tugman, L., & Leka, L. (5). Key Factors to Enhance Audit Committee Effectiveness. IFAC. Available online: <https://www.ifac.org/knowledge-gateway/supporting-international-standards/discussion/5-key-factors-enhance-audit> (accessed on 10 September 2020).
51. Drogalas, G., Pazariskis, M., Anagnostopoulou, E., & Papachristou, A. (2017). The effect of internal audit effectiveness, auditor responsibility and training in fraud detection. *Accounting and Management Information Systems*, 16(4), 434-454.
52. Al-Mzary, M. M. M., Al-rifai, A. D., & Al-Momany, M. O.E. (2015). Training and Its Impact on the Performance of Employees at Jordanian Universities from the Perspective of Employees: The Case of Yarmouk University. *Journal of Education and Practice*, 6(32), 128-140.
53. Bairo, E. (2020). Influence of Procurement Processes on Performance in Tanzania Public Sector: A Case of Suma JKT.
54. Kumar, R. (2018). Research methodology: A step-by-step guide for beginners. *Research methodology*, 1-528.
55. Ahmed,S. (2017). Research methodology: various approaches to research methods explaining major strengths and drawbacks of each of these methods.
56. Bryman, A. (2016). *Social research methods*. Oxford university press.



57. Hafsa, N. E. (2019). Mixed methods research: An overview for beginner researchers. *Journal of Literature, Languages and Linguistics*, 58(1), 45-48.
58. Satishprakash, S. (2020). *Methods of Research*. Gujarat University.
59. Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
60. Chinzou, R. (2014). *The effects of auditors' workloads on audit quality* (Doctoral dissertation).
61. Harvey, M. (2017). *Research Methods for Nurses and Midwives: Theory and Practice*. Sage Publications Limited, London.
62. Cohen, L., Manion, L., & Morrison, K. (2002). *Research methods in education*. Routledge.
63. Mbelenge, M. (2020). *Exploring challenges facing public entities in responding to procurement audit queries: a case of Mzinga Holding Company Limited (MHCL)*. (Doctoral Dissertation, Mzumbe University).
64. Silverman, D. (2016). *Qualitative Research Methods*.
65. McCombes, S. (2019). *Research design: Types, methods, and examples*.
66. Zimidzi, V. (2017). *An analysis of the effects of the audit committees on the performance of state-owned enterprises in Zimbabwe (2011-2015)*.
67. Acharya, S.K., Pal, P., Biswas, A. (2018). *Research methodology design, tools and techniques*. Satish Publishing House.
68. Farrow, R., & Mathers, B. (2020). *Conceptualising Research Methodology for Doctoral Researchers in Open Education (with penguins)*. *Int. J. Manage. Appl. Res.*, 7, 349-359.
69. Donald, R.C. (2015). *Business Research Methods*. 12<sup>th</sup> ed. McGraw-Hill Education.
70. Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). *Business research methods*. Cengage Learning.
71. Huong, T. T. L. (2018, August). *Factors affecting the effectiveness of internal audit in the companies: Case study in Vietnam*. In *The International Conference on Business Management*, 1-12.
72. Mebratu, A. A. (2015). *Internal audit function and its challenges in public sector governance: Empirical evidence from Amhara National Regional State, Ethiopia*. *AshEse Journal of Economics*, 1(1), 001-012.
73. Abbott, L. J., Daugherty, B., Parker, S., & Peters, G. F. (2016). *Internal audit quality and financial reporting quality: The joint importance of independence and competence*. *Journal of Accounting Research*, 54(1), 3-40.
74. Shin, H., & Park, S. (2020). *The internal control manager and operational efficiency: evidence from Korea*. *Managerial Auditing Journal*, 35(7), 979-1006.
75. The Institute of Internal Auditors (IIA). (2017). *International Professional Practice Framework (IPPF)*, The Institute of Internal Auditors, Altamonte Springs, FL.
76. Suleiman, Z.A., Hamad, A.U. and Yussuf, S. (2021.) *Factors influencing the effectiveness of internal audit services at Ministry of Finance and Planning in Zanzibar*. *Research Journal of Finance and Accounting*, 12(2), 8-13.
77. D'Onza, G., Selim, G.M., Melville, M.G. and Allegrini, M. (2015). *A study of Internal Audit Perceptions of the Function to add value*. *International Journal of Auditing*, 19 (3), 182-194.
78. George, D., Theofanis, K., Konstantinos, A. (2015). *Factors associated with Internal Audit Effectiveness: Evidence from Greece*. *Journal of Accounting and Taxation*, 7(7), 113 – 122.
79. Goodson, S. G., Mory, K. J., Lapointe, J. R. (2012). *The role of auditing in public sector governance*. Altamonte Springs, Fla. USA: *The Institute of Internal Auditors*.