

**CHALLENGES FACING AUDITORS IN THE PRACTICE OF INTERNAL
AUDIT**

THE CASE OF MOROGORO DISTRICT COUNCIL

**CHALLENGES FACING AUDITORS IN THE PRACTICE OF INTERNAL
AUDIT:
THE CASE OF MOROGORO DISTRICT COUNCIL**

**By
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**A Dissertation Submitted in Partial Fulfillment of the Requirements for Award
of the Degree of Master of Science in Accounting and Finance (MSc AF) of
Mzumbe University
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CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation entitled “**Challenges facing Auditors in the practice of Internal Audit: The case of Morogoro District Council**”, in partial fulfilment of the requirements for the Degree of Master of Science in Accounting and Finance of Mzumbe University.

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Last but not least, all contributions from various professionals who are not mentioned herein are fully appreciated for they made this study a reality. Above all I thank the almighty “God” who provided me with day to day strength needed to pursue the difficult and turbulent route of academics.

DEDICATION

This dissertation is dedicated to my parents who invested in my education and to my family inclusive of my children Meshack Ephraim, for their patience, sacrifice and understanding which were necessary for the materialisation of this intense duty.

LIST OF ABBREVIATIONS AND ACRONYMS

CAPAA	:	Colombian Association of Professional Auditors and Accountants
IAA	:	Institute of Accountants and Auditors
MDC	:	Morogoro District Council
NBAA	:	National Board of Accountants and Auditors
TRA	:	Tanzania Revenue Authority
URT	:	United Republic of Tanzania
NAO	:	National Audit Office

ABSTRACT

The central aim of study was to find out the challenges facing internal auditors in the practice of internal audit in local government authorities in Tanzania; the case of Morogoro District Council (MDC), Morogoro Region. Specific objectives were: to assess whether lack of peers' cooperation and reluctance to provide information relating to their resources utilization is one of the sources for ineffective internal audit practices in LGAs; to examine whether there is low management support to internal auditors; to assess whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing; and to furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs.

The methods employed by this study were questionnaire, and interview and documentary review. A sample of 50 respondents was used in collecting data. The data were presented and analyzed using techniques like; SPSS and Excel – out of which Tables and figures were constructed – which were all supported by percentage rates.

The study found that public servants working with MDC were lacking interest in giving cooperation to internal auditors. Thus, the study had concluded that public servant have negative attitude and feeling against the audit practice in their organisation. As the consequence, such problems of lack of cooperation have been posing great challenges to internal auditors and in turn, majority of audit reports have been seen to be lacking consistency and reliability. The study also concluded that one of the great sources and even the challenges facing internal auditors include the lack of cooperation from peers, negative attitude, and dislike from majority of public servants – whose effects tend to result in the scenario, whereby, audit practice lacks essential information required for it to issue reliable and effective report. The study recommended the government to be prudent and strategic in putting measures that would regulate the appropriate use of its resources allocated in different local authorities. The study also recommended other studies to cover similar areas of knowledge for them to extent the notion or awareness pertaining to internal audit.

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CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.0 Introduction

This chapter introduces the study on the challenges facing auditors in the practice of internal audit using the case of Morogoro District Council (MDC), Morogoro Region, Tanzania. The chapter presents the background, statement of the problem, objectives of the study, research questions, scope and limitations, delimitation and significance of the study.

Currently, internal audit function has received an increasing attention as an important component of government financial and a tool for improving the use of resources and performance of the government sector (Edna, 2011; Evarista, 2008). Recently, certain reports have been issued about the challenges facing internal auditors in the practice of internal audit (Dzefangh, 2009). However, there are copious challenges facing internal auditors in the practice of internal audit around the globe and in Tanzania particularly. The source for the challenges derives from the fact that, internal audit practice remains on the focus to provide financial report relating to financial performance undertaken within a predetermined period (Edna, 2011; Evarista, 2008).

That is to say, the task of internal auditors is centered on providing information useful to management and stakeholders for resource allocation decisions (Ibid). For internal audit task to be useful, it should be timely and free from material errors, omissions, and fraud. In the real sense, internal audit reports are always expected to provide reliable financial and other resources consumption-related information. The task done by internal auditors around the globe and in Tanzania has been viewed as critical for day-to-day business decisions regarding strategic planning, capita obtainment, credit decisions, supplier partnerships, consumption trend, and so forth. This signifies that the standard platform to effectively safeguard firms' resources is dependent much on the effective performance of internal auditors (Young, 2009).

Even though many stakeholders from different companies tend to view the tasks of internal auditors in different ways some believe it to be revealing-information instrument as they eventually disclose all information relating to their resources consumption others view it as protecting tool used to safeguard firm's resources (Folkers, Vartle, and Risnen, 2012). From that contradiction, the logic is that; the former group is often known to be resources misappropriating, while the latter is the opposite. Edger (2010) points out that the performance of internal audit appears to be the heart of firm's resources security. Based on the scenario of contradiction indicated above, it is clear that internal auditors must be facing a number of challenges. Clark and Rebitzer (2007) explained that challenges facing internal auditors are the responsible factors which hinder the best and effective practice of internal audit. Such challenges need to be researched as they are not known up to now. Hence, that is why this study intends to explore the challenges facing internal auditors in the practice of internal audit in Local Government Authorities (LGAs) in Tanzania; the case of Morogoro District Council (MDC). The findings from this study are expected to enhance the development of strategies for addressing the challenges that will be identified in the study.

1.1 Background of the study

According to the Institute of Chartered Accountants, ICA (2005), the history of internal audit around the globe should be traced back to the times scarcely less remote than that of accounting. ICA (2005) indicates that internal audit started at the time when civilization kept an advanced step and resulted in the necessity of one man being entrusted to some extent with the property of another. From that time, the task of internal auditors became apparent at every time whenever someone needs to be checked upon his/her fidelity achieved in using resources. Since the evolving of the task of internal audit, just after World War II in 1945, many targets were directed more towards financial auditing than any other area by public accounting firms which kept a gradual pace as experienced up to now.

Since then, several challenges were faced by internal auditors as the result of infidelity in resources utilization manifested by many firms' users in different public and private entities. (Bravo, Brown and Jack, 2008).

The history of challenges facing internal auditors in Tanzania must be addressed in parallel with the coming in of the audit practice in the country. That is to say, challenges facing internal auditors have been in existence for years since the coming in of internal audit practice. The reason is that the history of the internal audit in Tanzania goes hand in hand with the history of the country. Precisely, on the 1st of October, 1954, the first organ that oversaw the internal auditors' service within the British Colonial Territories was into effect and known as Colonial Audit Service which was used to oversee all financial-related performances throughout the British colonies including Tanzania (Khalfan, 2007; NAO, 2010).

Soon in 1959 before the independence of Tanganyika, the National Audit Office was called Audit Department and in the same moment had embraced evolutionary step marked by enlargement of services throughout majority of territories (Khalfan, 2007; National Audit Office, 2010). According to Razia, (2005), following the evolution of internal audit practice in Tanzania, challenges tremendously escalated as the result of increase in the tendency of many public firms' users tendency to misappropriate firms' resources while they were not ready to be audited fearing to be charged of any resources utilization misconduct. As the result, since 1919 it was too difficult for the then internal auditors to issue reliable; effective; and consistent audit reports since stakeholders reduced co-operation with them.

Currently, there are several modern methods used by internal auditors in the practice of internal audit, while new challenges have emerged leaving internal ineffective in issuing reliable reports. It should be remembered that, up to the year 1959, the Audit department that governed audit activities was part of the British Overseas Audit Services based in London, England which was established as per the Audit Ordinance cap 86, and had four stations Dar es Salaam being the headquarters and three

upcountry stations including; Mwanza, Tanga and Arusha. But now the country has its accredited audit office known as National Audit Office responsible for managing all audit activities performed around the country. Also, currently, there are many audit departments placed in every local government authority responsible for internal auditing activities.

Currently, there is a mushrooming tendency of misappropriating public resources among some of the public servants in Tanzania (Sawa, 2010). Evidences say some of them do not want the audit activities to take place as they fear being charged of public money misuse. And perhaps this might be one of the sources for the challenges faced by internal auditors (Sawa, 2010). In order to get rid of this misconduct, the government has been in line by putting close measure to regulate that phenomenon in different local authorities using the accredited department- the National Audit Office (NAO). Since the establishment of the Local Government Finance Act No 9 of the year 1982 under Section 45 (1) all the accounts of LGA must be audited by internal Auditors. Based on that reason, internal auditing is therefore part of internal control system established by management of LGAs (NAO, 2010).

Since long time back, internal auditors have been acting as advisors to management by helping to ensure the efficiency and reliability of internal control procedures and management practices (IPPF, 2011). Internal audit has been used as a tool for guaranteeing the soundness of resources use and ensuring that risks are understood, avoided, and properly managed – while, even though, challenges are several and cause the practice of internal audit to fail to meet their targets (IIA, 2005; Pagrustev, 2003). Based on these cases, it is true that for long time, internal auditors have been facing challenges in the practice of internal audit in Tanzania. That is why this study seeks to determine challenges facing internal auditors in the practice of internal audit in Tanzania; the case of Morogoro District Council (MDC). And findings from the study are expected to come out with the solution to rectify the situation under concern.

1.2 Statement of the Problem

Rosenberg (2006) points out that the in-depth and core aim of internal audit task leaves the profession in most challenging arena as the topmost of its focus always stagnates on the safeguarding any firm's resources activity – while in the parallel moment, some of the company's users decide to behave dishonestly. Very strangely, it has become common in most organisations including, parastatal ones, where in, most of servants have been actors of different blunders – some of them relating to financial misuse, while others to different firm's resources misuse and misallocation (Ambatia, 2012). At the end, these scenarios remain as founders of the basic challenges commonly faced by professional auditors during the practice of the profession, since; apparently, most of actors will tend to minimize their co-operation with the professional practitioners as fearing of being charged of any committed blunder. This is extensively concrete, as Edna (2011) found from her study that, almost 64% of most internal audit tasks carried out between 2009 and 2010, in government-owned organisations in Tanzania, specifically, were partly successfully implemented due to different challenges faced during the practice of the audit duty. Thus, based on this evidence, it is true that numerous challenges exist and are consequently faced by internal auditors during the practice of internal audit duties, of which must be identified to rectify the problem in hand.

Many of the reviewed evidences about this problem provided numerous facts from which this study identified that; the worst connotation about the way internal audit is currently viewed by company's users remains one of the causes for it to go victim of several unknown challenges. Since, naturally, it is viewed as revealer and barrier for an individual to protect one's interest according to his consideration – something, which is and will always remain the main concern of the said internal audit responsibility.

However, in case all but not exhaustive issues relating to phenomena like; co-operation amongst firm's users, readiness from firm's workers to openly provide information relating to their expenses, etc. are available co-operatively provided to and enjoyed by professional auditors during the practice of internal audit, normally, nothing will be said about challenges rather the other side way-up. In contrast, Razia (2012) signals that most of internal audit units in many organisations are viewed by fellow workers as hindrances to the implementation of one's/personal interest as many of them tend to inappropriately use firm's resources in different ways, separately. But also, because, most of them consider this action as the most and mere way towards rapidly successfully achieving their needs, without caring about protecting firm's resources as being beneficial to everyone in there. To better illustrate this phenomenon, it should be recognized that, basically, on the one hand, when individual worker tends to protect one's interest in an inappropriate way while on the other hand; internal audit will tend to always minimize, avoid, and even detect all such misconduct. Then, the former phenomenon will always result in reducing cooperation with the later and consequently challenges will eventually be faced (Razia, 2012)

Now, based on all the above factual evidences and illustrations, it was up to this stage, arguable that challenges particularly for the practice of internal audit exist and are faced by professional internal auditors during the practice of the said duty. In this respect, it should therefore be noted that, much needs to be done so that the said challenges can become known and in turn get solved to allow the best and effective practice of internal audit to take place in all organisations around the country, and above all, safeguard firm's resources as a whole. Based on that reason that is why this study, sought to determine challenges facing internal auditors in performing their duties in Local Government Authorities (LGAs) in Tanzania using Morogoro District Council (MDC) as the case for the study.

1.3 Objectives

This study was guided by one general objective, out of which four specific others are constructed as follows

1.3.1 General Objective

The general objective of this study was to find out challenges faced by professional auditors in the practice of internal audit in Local Government Authorities in Tanzania.

1.3.2 Specific Objectives

Four specific objectives of the study were as follows:

- i) To assess whether lack of peers' cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs
- ii) To examine whether there is low management support to internal auditors as one of the challenges faced in the performance of internal auditing
- iii) To assess whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing
- iv) To furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs.

1.4 Research Questions

This study will be tasked to answer one general researcher question, out of which four specific research questions will be constructed as follows:

1.4.1 General Research Question

The general research question of this study will be “what are the challenges faced by professional auditors in the practice of internal audit”.

1.4.2 Specific Research Questions

Four specific research questions of the study will be as follows:

- i) Are lack of peers' cooperation and reluctance to provide information relating to their resources utilisation one of the sources for ineffective internal audit practices in LGAs?
- ii) Is low management support to internal auditors as one of the challenges faced in the performance of internal auditing?
- iii) Is the way public servants view internal audit task one of the sources for challenges facing internal auditors in the effective practice of internal auditing?
- iv) What might be the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs

1.5 Scope of the Study

This study focused on challenges faced by internal auditors during the practice of internal audit amongst local government authorities in Tanzania using Morogoro District Council as a case study. The choice of this scope was done following several reasons among which include: - First; the researcher was very much familiar with the authorities of the said office something, which would facilitate the obtainment of required information. Second, researcher believes that, authorities in the said office seem to be very open and ready in providing all needed information, of which on one way or another will smooth the effective achievement of the study in hand. Third, the said office seems to be closer to the residence of the researcher and this scenario had undoubtedly helped the researcher get rid of different limitations which might be met in terms of expenses and others.

1.6 Limitation and Delimitation of the Study

Currently, there might be if not hundreds that means thousands of auditors spread around the country working in both govern-owned and private organisations.

If this is the real case, the same reality applied to this study, where it would be too costly and even fruitless to cover all internal auditors working with LGAs around the country, especially, as several limitations would come into effect and hinder the effective achievement of the study. Based on this fact, this study will focus on a single area, which is Morogoro District Council (MDC). For, by so doing, the study would be able to achieve all what it was intended to do as well as meeting the deadline accorded by the academic authority of the Mzumbe University in an acceptable manner.

1.7 Significance of the Study

Findings from this study are expected to derive specific information that had told out challenges faced by internal auditors in the practice of internal audit. For, through the said findings, each and every issue relating to with the research problem at hand was identified and thereafter strategies to get rid of them were obtained. As such, this study was significant in several ways including the following:-

To the Government: This study was significant to the government as a whole in several ways, but most specific for this study include; first; at the end the government has been able to support the prominent role played by internal audit in safeguarding its agencies' resources. Second, the government has become able to scrutinize the challenges faced during the practice of internal audit and in turn rectify the situation in a successful manner. Third, the government was informed about the importance of placing more attention to have internal audit in all its agencies as they serve as vital units for the security of its resources

To the Community of Auditors: Apparently, it seems internal auditors were not clearly aware about challenges that are faced in the practice of their duties and cannot even know what to do so as to get rid of them.

Thus, through the findings to be obtained, the study believes that all internal auditors will be well placed to identify specific challenges they face during the practice of their profession and upon them, they were likewise able to get rid of them as well.

To the Researcher: at the end of this study, a researcher has added knowledge to all what is concerned with challenges relating to the practice of internal audit. And above all, the study believes that, the researcher has been able to provide instructions on particular ways through which challenges faced by internal auditors in the practice of internal audit might effectively be rectified to all professional auditors.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter deals with the presentation of literature part of the study in hand. With such a focus, this chapter specifically presents the definition part of the study theoretical literature, empirical literature, and conceptual framework of the study about challenges faced by internal auditors in the practice of internal audit in LGA in Tanzania. Moreover, in the definition part, the chapter defines and describes all key terms and concepts involved in the study. Where, in the theoretical literature, this chapter reviews some of the theories relating to the study. Likewise, in this chapter, the study reviews some of the empirical studies relating to the topic being dealt with. And finally but not exhaustive, in the conceptual framework, this chapter presents the drawn conceptual framework by mainly focusing on the whole description about each aspect involved in the study.

2.1 Definition of terms

Below are definitions and descriptions of all key terms and concepts of which on one way or another, are involved in the study upon which an understanding about the topic in hand would be obtained in reliable manner.

2.1.1 Internal Audit

According to Geemiz (2011) the term internal auditing has many definitions, but in the business and accounting terminology it is called Financial Auditing. A financial auditing is then an accounting process. Independent bodies called the auditors are used to examine an entity's financial transactions and financial statements. Its major purpose is to accurately account a company's financial transaction.

The process is being made to ensure that the entity is trading fairly and in accordance with the Accounting Standards so that their issued financial statements will not be misleading for users. (Geemiz, 2011; Akerlof, 2009)

Similarly, Bale (2005) and the Institute of Internal Auditors (IIA) (2006) on their turn define the term internal audit as an independent appraisal function established by the management of an organisation (such as MDC) as the path to systematically manage firm's resources in line with the application of internal control system applied in any organization. Likewise, Dzefangh (2003) puts forwards that internal audit should be viewed as a systematic way placed by any organization with the aim to objectively examine, evaluate, detect, check, and report on adequacy of internal control as the way towards proper, economic and effective use of resources.

2.1.2 The Concept of Local Government Authorities in Tanzania

According to Shadrack (2010) common names for Local government authority include; state, province, region, department, country, prefecture, district, city, township town, borough, parish, municipality, shire and village. To better illustrate this description; just take the example of the Morogoro District Council (MDC) being dealt with hereunder. For administrative purposes, Tanzania is divided into 26 regions; 21 on the mainland, 3 on Zanzibar, and 2 on Pemba. Ninety nine (99) districts have been created to further increase local authority. These districts are also now referred to as local government authorities. (Shadrack, 2010)

2.1.3 The Concept of Financial Resources

Imperatively, the sole connotation about this terminology, is that; the term financial resources should always be referred to as any resource relating to finance or specifically to money. However, in reference to the study at hand, this term is precisely described by Lee, Wenying, and Van der Hagen (2010) as the money available to a business for spending in the form of cash, liquid securities and credit

lines before going into business for specific application in relation to specific activity or even duty. (Lee, Wenying, and Van der Hagen, 2010)

2.1.4 A Review of Internal Audit under Tanzania Local Government Authorities Context

LGA's Internal Audit Manual (2005) provides that internal audit is an independent appraisal function within an LGA, for the review of activities as a service to all levels of management. It is the control that measures, evaluate and reports upon the effectiveness of internal controls, financial and others, as a contribution to efficient use of resources within an LGA. (LGA Internal Audit Manual, January 2005).

2.1.5 A Review about Common Role of Internal Audit within an Organisation

The role of internal auditing is to help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management control, and governance processes. Another similar role of internal audit is taken as a catalyst for improving an organisation's governance, risk management and management controls by providing insight and recommendations based on analyses and assessment of data and business processes (Institute of Internal Auditors, 2012). With commitment to integrity and accountability, internal auditing provides value to governing bodies and senior management as an objective source of independent advice. Professionals called internal auditors are employed by organizations to perform the internal auditing activity (IIA, 2012).

2.1.6 A View on Common Factors Affecting Internal Auditing

Hills (2009) put forward that in accounting and auditing, internal audit is known as a process mostly effected by an organization's structure, work and authority flows, people and management information system, designed to help the organization accomplish specific goals or objectives (Richard, 2007)

2.1.7 A View on Common Goals for performing Audit

Davoren (2012) specifies that the goal of an audit is to test the reliability of a company information, policies, practices and procedures. In such, several governments regulations around the globe require that certain financial institutions undergo independent financial audits, but standards can mandate the audit from all sorts of companies to perform that task towards ensuring the safety of their resources. I.e., the overall goal of internal audits is to allow any organization to meet assets security.

2.1.8 Scope of Internal Audit within an Organisation

The scope of internal auditing within an organisation is broad and may involve topics such as an organisation's governance, risk management, and management controls over: efficiency/effectiveness of operations (including safeguarding of assets), the reliability of financial and management reporting, and compliance with laws and regulations (Thea; Peterson, Thomhesen, and Carlson, 2005). Internal auditing may also involve conducting proactive frauds audits to identify potentially fraudulent acts; participating in fraud investigations under the direction of fraud investigation professionals, and conducting post investigation fraud audits to identify control breakdowns and establish financial loss. (Thea; Peterson, Thomhesen, and Carlson, 2005).

2.1.9 Types of Audits

Based on the explication by Folkers; Vartle, and Risnen (2012) there are many types of audits; but internal Audit Services determine which kind to undertake based on a formal risk assessment process. The following are some of the common examples of the audits:

i) Information Systems Audits

Evidence provides that there are many types of information systems audits that focus on the controls that govern the development, operation, maintenance, and

security of application systems in a particular environment. This type of audit might involve viewing a data center an operating system, a security software tool, or processes and procedures (such as the procedure for controlling production programme changes), etc. Internal Audit Services may also review of the development of a new application system (Folkers; Vartle, and Risnen, 2012), (Joëlla, & Tomseng, 2011)

ii) Operational Audits

Operational audits provide an objective evaluation of an area, department, or functional operation. The process assesses the adequacy and effectiveness of controls designed to manage risks and ensure objectives are met. (Akerlof, 2009; Folkers; Vartle, and Risnen, 2012)

iii) Financial Audits

According to Rosenberg (2006); Thea; Peterson, Thomhesen, and Carlson, (2005) financial audits are a historically oriented, independent evaluation performed for the purpose of attesting to the fairness, accuracy, and reliability of financial data. This category of internal auditing is always conducted by extensively focusing on a financial system's controls to ensure that financial controls are adequate and effective.

In addition to the list about types of audits, it should be recognized that types of audits are not exhaustive in this enumeration. That is to say, others are not inclusive in this list, which are:- first, compliance Audits; which address the specific unit adherence to laws and regulations, policies and procedures, federal, and restrictions imposed on endowments and grants etc. Second, Follow-up Audits; which include all audits conducted after an internal or external audit report has been issued. They are designed to evaluate corrective action that has been taken on the audit issues reported in the original report; and so on. (Rosenberg, 2006)

2.2 Theoretical Literature Review

With regards to numerous existing literatures, much of evidences are available through which, relative opinions and ideas from various authors and writers must be checked out to effectively lay down common understanding about the topic under concern. In simple words, this description wants to put forward that all effort and zeal provided by this study are rather ways to effectively place the comprehension about the challenges faced during the practice of internal audit. In the same standing, it means that; ideas and opinions from different authors and writers, must serve as basis for understanding the whole connotation of the study at hand.

2.2.1 The Theory of the Firm in Auditing

According to this theory, internal audit, both as a function in the internal governance of the firm and as a profession is expected to be based on the assumptions regarding the nature of the firm, or theory of the firm. (Edgar, 2010). Similarly, Davoren (2012) explicates that; although, there is a large volume of literatures covering the theory of the firm, and the majority of this economic literature views and explains the firm from a theory of markets (Jensen, 2009). The theory of the firm views a market as a black-box input-output system, without people in information problems. On this basis; internal auditing is then considered as a special tool through which the whole input-output process can be effectively implemented with high success in achieving assets' security from that market. This theory also provides a theoretical understanding for the field of internal audit in relation to the control system of the firm. In such, the use of common language is to be noted. Commonly, the concept of risk management and internal control are used in current corporate governance codes to achieve such an intention through the active participation of internal auditors. (Edgar, 2010).

2.2.2 Living System Theory of Internal Auditing

In this interest, Kouladies, (1996), Hugh, and Swanson, (2001) present an interpretive and analytical thought of the function of internal auditing, not only from the viewpoint of its role in an organization, but also in regard to the role it plays in the economics of societies and governments upon which they have been able to provide a living idea about the way internal audit may be understood. Their theory was created in focusing on the entire affairs concerning internal auditing and positions it within the context of a scientific conceptual framework called Living Systems Theory (LST). Kouladies, (1996), Hugh, and Swanson, (2001) further points out that there are specific issues and areas of concern in internal auditing, including its functions, profession, its professional standards. The theory provides that internal auditing as money-information provider, non-monetary quantitative information, is key catalyst tool for estimating compound measurement and forecasting error, non-quantitative assessments, concrete process analysis and living systems process analysis, and ethics. The same theory stipulates that using internal auditing a company can achieve a high-level aspect of asset security and consequently enable the firm to operate under an environment of certainty as every important aspect is not only well determined but also well maintained. (Kouladies, 1996; Hugh, and Swanson, 2001).

2.2.3 Agency Theory of Auditing

According to ICA (2005) agency theory is a useful economic theory of accountability, which helps to explain the development of the audit and the way it should be viewed. In order to better explicate the relationship of opinions, this theory has put aside two variables ruling in principals such as company's top management on one side, as well as agents like, auditors on the other side. Therefore, a simple agency model suggests that, as a result of information asymmetries and self interest, principals lack reasons to trust their agents and will seek to resolve these concerns by putting in place mechanisms to align the interests of agents with principals and to reduce the scope for information asymmetries and opportunistic behaviour. (ICA, 2005)

According to this theory ICA, (2005) an agency relationship arises when one or more principals (e.g. an owner) engage another person as their agent (or steward) to perform a service on their behalf. Performance of this service results in the delegation of some decision-making authority to the agent.

ICA (2005) further indicates that this delegation of responsibility by the principal and the resulting division of labour are helpful in promoting an efficient and productive economy. However, such delegation also means that the principal needs to place trust in an agent such as auditor to act in the principal's best interests like; performing internal auditing with full focus of safeguarding company's assets. (ICA, 2005; Ambatia, 2012)

In relation to all reviewed theories, the therefore, the researcher is on the view that all reviewed theories are very useful and of huge help in providing a clear comprehension about the topic under concern. Their intervention comes into being, especially as they altogether have the desire of putting forwards a common comprehension intending to describe the complexity of internal auditing field. Based on the common idea derived from them, however, this study, thus, supports all of them (theories) simply based on the fact that they all strive to provide clear understanding about the practice of internal audit and its relative assistance in achieving firm's resources' security. Another explicating reason for this support is derived from the evidence as to whether they all apparently equally place emphasise on the way internal auditing field is linked to other core activities of any organization since it greatly helps in safeguarding firm's assets and meanwhile place trust between employee and employer.

2.2.4 A Glance at Internal Auditing as a Process

According to Bale (2005) it should be recognizant to bear that; as far as internal audit is viewed as a process, that means, in parallel view, it can be done with internal resources or can be outsourced to an external third party vendor.

Meanwhile it is imperative to understand that performing an internal audit can be time consuming and designated resources should be allocated to the process. An internal audit can be done on a scheduled daily, weekly, monthly, or annual basis. Depending on the department, some areas may need to be audited more often than others. And the followings are common steps involved in the performance of internal auditing practices (Bale, 2005)

i) Step One: Identify Areas that Need Auditing

Identify department areas that operate by using policies and procedures written by the organization or by regulatory requirements. This can include areas such as complex manufacturing techniques or simplistic accounting procedures and practices (Wiley, and Zabihollah, 2006).

ii) Step Two: Determine How Often Auditing needs to be Done

Some areas may only need to be audited annually while some departments may require more frequent audits. For example, a manufacturing process may require daily audits for quality control purposes while the HR function may only require an annual audit of records and processes. (Wiley, and Zabihollah, 2006).

iii) Step Three: Create Audit Calendar

Like any other business goal, it is important to have audits scheduled and integrated into corporate objectives. Having a structured and systematic approach to the auditing process can help ensure the function gets completed.

iv) Step Four: Alert Departments of Audits

It is common courtesy to give departments notice of an audit so that they can have needed documents and materials ready and available for the reviewer. A surprise audit should only be done if there is suspicion of unethical or illegal activity.

v) Step Five: Be Prepared

The auditor should come prepared with an understanding of policies and procedures and a list of items that will be reviewed. For example, an HR audit may focus on employee files and I-9 compliance.

vi) Step Six: Interview Users

The auditor should interview employees and ask them to explain their work process. Compare the process, as the employee explained it, to what the written policy says.

vii) Step Seven: Document Results

Document the results and any differences in practice to show how the policies are written and when policies are complied with and when they are not. This may also include other information that is gathered from the interview process (Pagrusev, 2003; Wiley, and Zabihollah, 2006).

viii) Step Eight: Report Findings

Audit reports should be reviewed with senior management and an improvement plan should be developed for areas that have gaps in practice compliance.

2.3 Empirical Literature Review

It may become paradoxical to trace the urgency of any academic work if and only if there is an absence of previously related works carried out by other writers or authors for their presence must, of course, provide the basis for why the urgency of any study, including this one. By so considering, this study reviews some of the relative empirical works so that much about its urgency is thereon known, identified, and even shown, of which is performed in the following manner.

2.3.1 Review of Study from Colombia

A study by Gomez, in collaboration with the Colombian Association of Professional Auditors and Accountants (CAPAA) (2011) provides a great illustrative basis in tracing the urgency of the study at hand.

The study was mainly aiming at investigating the effectiveness of internal audit on the effective budget practice in public institutions in Colombia (Gomez, & CAPAA, 2011).

This study used 200 respondents as sample size, which was selected from 10 public institutions in Colombia. Findings from this study stipulated that about 75% of all respondents involved in the study had been on the view that the integration of internal audit had largely cut-off different misconducts relating to fund misuse and corruption the situation which in turn had consequently led to better budget practice. Thus, based on findings generated from the field, the study concluded that, internal audit has been hugely effective in placing modification on the practice of budget from worse into better image (Gomez, & CAPAA, 2011). The conclusion plus findings from this study wanted to say that; internal auditing had been a key catalyst in alleviating the prevalence financial and budget misconducts in public institutions in Colombia.

2.3.2 Review of Study from Ghana

Another similar study to illustrate the actual one was carried out in Accra by Ditoeng, (2010). This study was investigating factors for practicing internal auditing in modern organizations, Community-Based Organisations in Accra. The methodology employed by this study encompassed the use of on-phone-call interview and group discussion in gathering data from the field of 120 respondents from 5 different CBOs. The study by Ditoeng, (2010) found that; trust in assets usage amongst organisations' members, and well-directed in incurring expenses, were on the main concern raised by 88% of all respondents involved in the study. Findings stipulated that reasons for performing internal auditing in CBOs were as many as everyone might think. But, only two of them were very specific and concerned with the study. These had included mainly; well-directed-way of expenses incurring as well as to place trust in assets usage amongst CBOs members (Ditoeng, 2010). So, based on these findings, this study concluded that factors that pushed many CBOs to carry out internal audit practices included mainly the above mentioned reasons.

2.3.3 Review of Studies from Tanzania

As long as more attention will be put on Tanzania than any other area, notably, in parallel view, much needs to be focused on the target area. In such, Edna (2011) conducted a study on effectiveness of internal auditing practice in government owned organizations the case of parastatal companies operating in Dar es Salaam. In fact, 6 parastatal organizations amongst other; Tanzania revenue Authority (TRA); Dar es Salaam Water Sewerage Company Ltd (DAWASCO), and others were randomly selected and had all provided a total number of 120 respondents, who were studied through the use of questionnaire, interview and documentary review.

Moreover, findings of this study revealed out that almost 64% of most internal audit tasks carried out between 2009 and 2010, in government-owned organisations in Tanzania, specifically, were partly successfully implemented due to different challenges faced during the practice of the audit duty. Thus, based on this factual evidence, the study then concluded that challenges exist and are consequently faced by internal auditors during the practice of internal audit duties. But, very unknowingly, this study could not clearly enumerate or detail all challenges faced therein during the said practice. (Edna, 2011)

Another study to be reviewed in this process is that of Makubi (2012), which was all about investigating the impact of financial internal control on financial performance in Religious-based organizations (RBOs). However, certain ways were used by this study in gathering data from the field of 60 respondent using interview and questionnaire. While, tables and figures were used in presenting findings which were supported by percentages in illustrating responses from respondents. Based on findings presented and analyzed, the study found that FIC plays a significant role especially by preventing the occurrence of fraud, and likewise FIC may impact financial performance by detecting various aspects involved in financial performance (Makubi, 2012).

The study found also that FIC contributes a lot especially in allowing the appropriate reporting financial performance as it may be used as a tool which can reveal all necessitate financial-related matters such as fraud, cost, expenses, etc. (Makubi, 2013)

2.3.4 Research Gap

It is up to here indubitable that all reviewed studies have provided great reason for why the study in hand needs to be carried out. More precisely, it is clear that all reviewed studies touched different areas but with similarity in focus. For, some of them addressed issues relating to the effectiveness of internal audit on the effective use of firm's resources, while others touched issues relating to the role of financial control on the effective financial performance, as well as the way internal auditing task faced challenges, but unknowingly, none of the challenges could be specifically mentioned. This explicates the extent to which, altogether were apparently unable to address topic relating to challenges faced by professional internal auditors in the practice of internal auditing. But, also, they seemed to be incomplete as they could not identify the said challenges in a precise manner. So, based on these enumerated scenarios, this study, of course, needs to be urgently carried out, so that all identified gaps left by the previously conducted ones and by the reviewed ones are successfully filled in.

2.4 Conceptual Framework

If this study had reviewed some of the available and relative literatures first, the main aim is to provide an insight towards understanding every aspect in particular, and later on achieve a clear understanding about the topic being dealt with. Therefore, all assumptions to be laid down in this stage, are mainly but not exhaustive based on all aspects involved in the study, of which are drawn as follows.

2.4.1 Peers' Cooperation in Internal Auditing

In this respect, the study wants to assess by assuming whether lack of cooperation and reluctance to provide information relating to their resources utilization are one of the sources for challenges facing internal auditors in performing their duties.

Most of available literatures provide that co-operation from fellow workers to internal auditors during the said practice is openly explicated by the state of willingness from other organizational members in providing full support in terms of required information from every one of them. In simple words; it means, during the course line of internal auditing process, all members of the organization should massively willingly be ready to provide all necessary information they are required to provide to internal auditors (Lee, Wenying, and Van der Hagen, 2010). Hence, based on this statement, this study assumes that there is a strong relationship between peers' cooperation and internal audit practice without challenges. This signifies; the co-operations and non-co-operation from fellow workers to internal auditors have huge impact on the practice of internal audit. For, they may either alleviate or even exaggerate the occurrence of challenges which might be faced by internal auditors during the performance of internal auditing. That is why this study also assumes by putting forward that; it is very necessary that, all members in the organization to closely and willingly be co-operative during the conduct of internal audit duty. Because, by so doing, they will allow their organization to achieve high sense of resource security and in turn, they will altogether be served in an appropriate manner and equally as well.

The study also assumes that when internal auditors perform their duties, the primary and most important aspect is the information relating to the whole resources utilization undertaken within a predetermined period. That is to say; information plays a significant role on the practice of internal audit. The reason is that, without information internal auditors will inevitably be incapable of detecting, evaluating, financial, and other resources performance carried within any period. Similarly, internal auditors will not be able to place measure through which errors, fraud, and other misconducts can be prevented thereto. So, the study assumes that the relationship between availability of information relating to resources utilization and elimination of challenges in the practice of internal audit is evident as the former is the causal fact for the occurrence of the latter

2.4.2. Management Support and Internal Auditing

The assumption in this respect is that, nothing in any organization can be achieved effectively, if and only if there is low management support allowing it to be so done. That means, there is a strong relationship between management support to internal auditors' performance and internal audit practice without any challenge (Kogan, 2007; Graham, 1984). This implies that management support is profoundly of great importance for the effective internal auditing practice and should always be defined in terms of both approval as well as the co-operation shown to professional auditors throughout the conduct of the said duty (Thompson, 1967). Thus, in relation to this fact, the study thus, assumes that management must frequently have more than one time participation, advice, and assistance, whose effect may inevitably bring about change into free-form-challenged internal audit practice. The study also assumes that there is a huge role derived from management support to internal auditors, of which must necessarily lead to effective performance of internal auditing duty in any organization, ruling in; Morogoro District Council (MDC) in particular.

2.4.3 Public Servants' Views and Effective Practice of Internal Audit

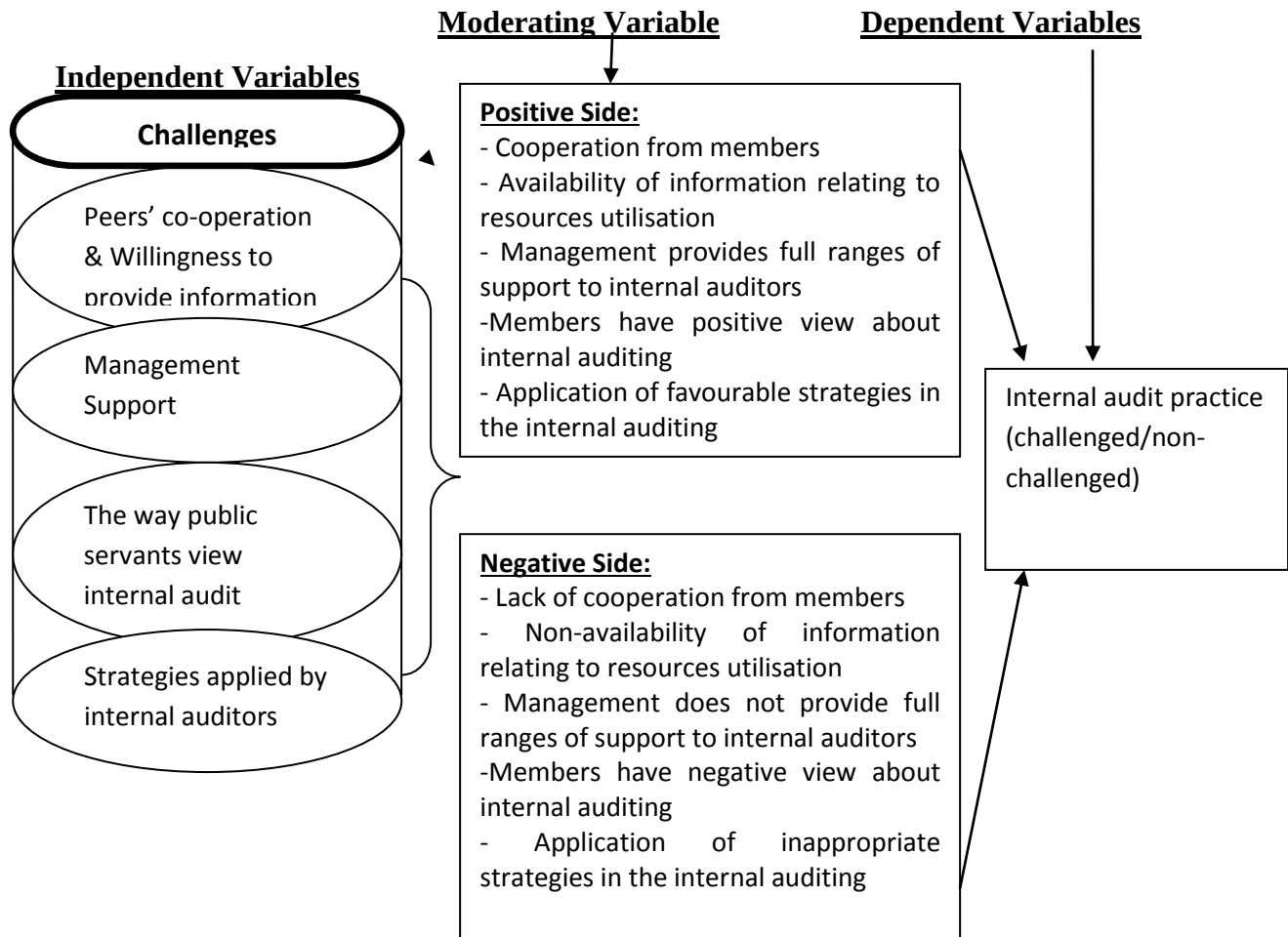
The way peers view internal auditing is of great importance for the effective performance of internal audit tasks. This means, in case public servants view it in a positive way, notably, internal auditors will carry their duties in a reliable manner without facing any challenge as most of peers will be ready to give them necessary support, and in turn, internal auditing will be performed as effectively as desirable. Gittfredson, (2007) states that a big number of company's users need to possess favourable understanding about the prominence of internal auditing practice. Nevertheless, the opposite consideration about internal auditing must inevitably stand as the basis for why the practice may end up failing to attain its target of safeguarding firm's resources. And consequently, such a situation will hinder the effective implementation of the auditing duties (Gittfredson, 2007).

So, the study assumes that peers' view about the prominence of internal auditing is of great importance and may be one of the causes for challenges faced therein or otherwise.

2.4.4 The Best Way to be used by Internal Auditors in alleviating Challenges faced during the Practice of Internal Audit in LGAs

The effective performance of internal auditing would inevitably be explicated by the effective safeguarding of any firm's resources (Gittfredson, 2007). In contrast, Edna, (2011) indicated that most of LGAs are currently running out of effective practice of internal audit. This phenomenon is characterized by the fact that internal auditing carried out in most LGAs is inappropriately implemented as the result of different challenges faced therein. Therefore, based on this scenario this study assumes that; it is quite obvious that a certain predetermined way needs to be put in action if and only if LGAs are to get rid of challenges faced by internal auditors during the practice of internal auditing duty and above all, meet their asset security from all angles of utilization.

Figure 2.1: Research Model



Source: Researcher's Own Construct, 2013

Figure 2.1 above elucidates the relationship that exists between independent and dependent variables of the study. The model describes independent variable by splitting it into four components considered as challenges. These four components are considered as challenges depending on the situation in which they occur. However, in a situation where there is absence of them, notably the result of internal auditing will consequently be negative and vice versa.

That means, when elements like; management support labeled by providing a full range of support to internal auditors; members' co-operation and will to provide information relating to resources utilisation, etc. are assumed to be one of the sources for why auditors may or not face challenges during the practice of internal auditing and in turn lead to either ineffective or effective implementation of internal audit duties in LGAs.

However, in reference to the topic under the study, the model thus, focuses much on identifying challenges facing internal auditors in the practice of internal auditing in LGAs. In that respect, the study thus, assumes that positive support from the management, members' cooperation and other mentioned elements must lead to the situation where internal auditors will not face any challenges during the performance of their duties. Nevertheless, in case the assumed actions appear in reverse sense, notably, that phenomenon will likely tend to result into challenged practice of internal auditing.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter deals with the presentation of the methodology that was employed in carrying out the study in all steps involved in either gathering data from the field, or otherwise. More specifically, this chapter presents the research design that has guided the study; study target area, sample and sample size, data collection and analysis methods, and all other methods to be employed during the whole process of the study on challenges faced by professional auditors in the practice of internal auditing in Local Government Authorities in Tanzania.

3.1 Research Design

The study employed case study research design. The reason for that choice is that, the study is qualitative, and the scope covered was limited to the selected case as well. Case study design has been chosen based on the researchable reasons that; it focuses more on a single area like MDC than any other. Based on this statement, it should also be remembered that case study design could permit the use of variety of data collection methods during the whole conduct of the study. That is to say, this type of research design had permitted the researcher to explore and analyze information over the life of a single unit, which is Morogoro District Council (William, and Babin, 2007). Similarly, Gilbert, and Brown, (2007) have explained that, case study research mostly deals with the complexity and particular nature of the case in question like; MDC. Case study, also, entails the detailed and intensive analysis of a single case as it will be for the case of MDC.

Furthermore, Kothari (2010); Ghauri, and GrØnhaug (2005), have put further precision that case study design can be employed in any qualitative and field-based studies.

For, case study design can often involve data collection through multiple sources such as verbal reports, like; interview and questionnaire, and observation as techniques and sources for primary data. Based on these researchable arguments, the case study design is deemed be useful and suitable research design for this study. And because the study expects to collect data using one of the above mentioned techniques.

3.2 Target Area of the Study

This study was conducted in Morogoro District Council. For, in this is where the headquarters of the selected case is located. Moreover, Morogoro District Council (MDC) is one of the six district councils of the Morogoro Region of the United Republic of Tanzania. More precisely, it is imperative to recognize that MDC, precisely, covers 260 square kilometers (100 sq mi). In such, MDC is believed to be bordered to the east and south by the Morogoro Rural District (MRD) and to the north and west by Mvomero District. Currently, the MDC is believed to employ more than 300 staff of different professions, including professional auditors as well.

3.3 Population, Sample Size and Sampling Procedures

3.3.1 Target Population

McCaslin & Scott (2003) said, one of the most useful activity to undertake in any study, being either academic or whatsoever, is to clearly identify the population of the study, from which all expected information would likely be obtained in a precise manner. Likewise, Chuchhill, and Lacobucci, (2002) on their turn had provided that it may illogically sound, but also, to some instances, logical that population might be more accurate to identify than any other activity of the research work. Hence, if this study puts choice on specifying its target population; in fact, this phenomenon does not want to eliminate the prominence of other elements from the same field - rather it intentionally wants to put more consideration on the case being targeted which is MDC than any other area.

3.3.2 Sample Size

Given the fact that this study intends to make sure it maintained a full representativeness of all elements from the chosen field; notably, a sample size of 50 respondents was obtained from the headquarters of the identified area which was Morogoro District Council. However, based on the consideration about ensuring full representativeness, the study had required 10 respondents from 5 respective departments at MDC. To better provide the description about this consideration, the following section details the process through which these 50 respondents were categorized; met, included, and selected during the process of gathering data from them.

3.3.3 Sampling Procedure

Zikmund (1997) had pinpointed that the process of clearly choosing a sample for a study is an important step in any research project since it is rarely practical, efficient, costly and even ethical to study the whole population. Based on this research-related fact, that is why this study will intentionally utilize purposive sampling procedure. The choice about this sampling procedure is done based on the reason that purposive sampling specifically, involves selection of informants based on an important characteristic under study, such as where they live (at their home, where they work, etc.) position in organization (for example, supervisors, management, auditors, and others). In this regard, it means the study will use purposive sampling in selecting the respondents.

However, through informal consultations, the researcher had continuously chosen ten staff from each of five departments, who will be studied therein until the required number is met. But, this process was performed based on criteria that the intended respondents are considered to be relatively better off in terms of knowledge about the whole matter relating to the practice of internal auditing in LGAs as a whole.

But also in order to ensure knowledge ability of the respondents, priority was put to all active workers from every department at MDC.

3.4 Data Collection Methods

The study will be used questionnaire and interview to collect primary data, while documentary review will be used to collect secondary data. However, the study had involved questions in the form of questionnaire and interview in the form of present question to be answered orally, in collecting primary data from the field/MDC.

Secondary data were collected using documentary review method.

3.4.1 Questionnaire

The early mentioned sample size of 50 respondents were obtained from 5 departments at MDC. As far as this study is being carried out for academic-related purpose and not the other way round, questionnaire was used as one of the methods of data collection to be employed there on. The reason for using questionnaire is to allow respondents who were not have time to be interviewed to provide information at their convenient times. More specifically, questionnaire was employed by this study in gathering data, which had established the relationship between the actual availability of information on resources utilization and free-from-challenge internal audit practice in Local Government Authorities, and will also be used to get the data through which the study became able to furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs. Moreover, all this information was obtained through answering pre-set questions by respondents.

3.4.2 Interview

Interview was performed just, because, one of the kinds of information to be solicited by this study will require the researcher to make a direct and face-to-face interaction with respondents through oral expression.

During this process, certain preset questions were addressed to respondents in which they were required to answer them via oral expression. In this regard, they were given almost full liberty to express themselves on concerned matters, which were used to support the smooth achievement of the study at hand. However, it should be remembered that during this process, the researcher was giving leading questions and meanwhile recording the responses for further analytical and conclusion steps. Interview process was performed in such a way that it collects data that had determined the impact of co-operation from fellow workers to internal auditors on the challenges faced during the practice of internal audit. And was likewise used to obtain data through which the study would be able to furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs.

3.4.3 Documentary Review

Documentary review is the kind of data collection technique used in collecting both primary as well as secondary data. In this study particularly, documentary review was utilized simply to collect secondary data which would be done by reviewing different sources of information such as; archives, newspapers, books, materials, speeches, reports, etc. For, documentary review technique involves reviewing all of these kinds of information sources. Because; documentary review may also include (documentary) non-written materials, such as video and video recording, and so on, drawings, TV programmes, etc. Documentary can also be used to generate statistical measures and empirical literature such as the whole performance of internal auditing (Cooper & Chinder, 2001). Again, documentary review will be used mainly in collecting data, which have provided ways to illustrate, describe, and likewise explicate various aspects, concepts in the preceding chapters of the proposal.

3.5 Types and Sources of Data

It is imperatively acceptable to recognize that data for this research exists in two forms ruling in; primary as well as secondary ones – and are notably described as follows :-

3.5.1 Primary Data and Sources

Primary data involve all data which were for the first instance gathered by the researcher of the study at hand. These data were gathered using questionnaire and interview as well. As McCaslin and Scott (2003) provide support to this fact by mentioning that primary data will be collected by using research assistance from the field for the purpose of answering the pre-set questions/issue. More precisely, primary data for this study included all data that were gathered from the field using interview, and questionnaire, which were needed to be analyzed and presented in respect of the challenges faced by professional auditors in the practice of internal auditing. More precisely, this means, the sources for this kind of data included questionnaire and interview processes.

3.5.2 Secondary Data and Sources

Secondary data for this study had necessarily included all types of data which were obtained from literature sources or collected by other people for some other reasons. Likewise, such kind of data will in one way or another entail the success of this study as it will be needed to give further written information which had narrated for instance various cases or reports of relating the way internal auditing duties have been undertaken with related challenges faced thereon. Hence, it means, the source for this particular data include; journals, newspapers, different works, books, and so many other.

3.6 Data Presentation and Analysis Plan

In presenting and analysing data, the researcher had used specific procedures and ways as provided in the following subsections.

3.6.1 Procedure to be undertaken in Analyzing Data

In fact, during the process of analyzing data the first step was tasked by arranging data collected from the field/MDC, then summarise them to obtain the percentage rate and range of responses in reference to each question. Afterwards, all arranged data were presented using graphs, tables, after illustrating them in percentage. Then, researcher had provided interpretation and analysis of findings so as to obtain the expected solution to the problem of challenges facing internal auditors in the practice of internal audit in LGAs in Tanzania.

3.6.2 Data Presentation Methods

Likewise, during the process of presenting data to be gathered from the field/MDC, particular and predetermined methods were purposively employed to make sure they are presented according to the manner in which they were gathered. In such, tables and graphs (pie charts) will constitute suitable methods through which all data to be gathered from the field were presented and summarized, and were supplemented by percentages to be performed by specific machines programmes ruling in; SPSS and Excel as well.

3.7 Ethical Considerations

During data collection the researcher was abided by ethical norms as much as possible in order to make the research process be undertaken smoothly. Based on this statement, the researcher needed to be given a written recommendation from the academic authority of Mzumbe University, which was presented to the concerned office for approval to collect all necessary information from the intended field. In the meantime, it was for the researcher to assure all respondents that whatever information given by them will be treated and guarded with a high sense of confidentiality and no any piece of it will be taken out of concealment.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF FINDINGS

4.0 Introduction

This chapter deals with the presentation and analysis of research findings gathered from the field. The chapter presents and analyses findings based on the way they were gathered from the field in which it focuses to show challenges facing professional auditors in the practice of internal audit in Local Government Authorities in Tanzania. Similarly, in presenting and analysing findings, the chapter presents specific information obtained from an assessment whether lack of peers cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs; examines whether there is a low management support to internal auditors as one of the challenges faced in the performance of internal auditing; afterwards it assesses whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing; and finally it provide way thought which findings furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs.

After having reviewed different document and behaviours relative to the practice of internal auditing in Local Government Authorities (LGAs) in Tanzania – a special concentration was put on the Morogoro District Council – as the case of the study. The aim was to find out challenges faced by professional auditors in the practice of internal audit in Local Government Authorities in Tanzania. With that view in mind, this chapter deals with the descriptive analysis and interpretation of research findings as arranged in the following sequence.

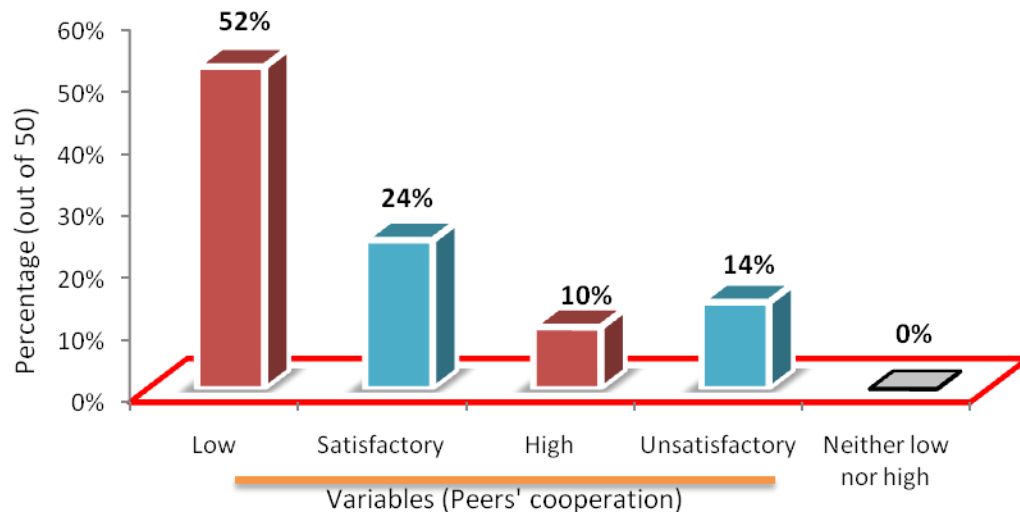
4.1 Peers' Cooperation and Source of Ineffective Internal Audit Practices in LGAs

One of the specific objectives of the study was to assess whether lack of peers cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs. The intention in this regard was to find whether peers' cooperation was one of the sources that led internal auditors to face challenges during the practice of internal audit. In simple terms, the study intended to find one of both of the sides – negative (Lack of cooperation) – as well as positive side (availability of peers' cooperation) – whose analysis was carried based on the result from the field.

4.1.1 Classification about Peers' Cooperation to Internal auditors

The intention in this respect was simply to find the level of peers' cooperation to internal auditors during the practice of internal auditing. In very precise manner, it means, the lower the peers' cooperation, more are bases for challenges faced by internal auditors. Thus, in finding the exact logic about this concern, respondents were asked to classify the level of peers' cooperation to internal auditors during the practice of internal auditing from a list of assertions given to them. Their responses showed that, majority of respondents, 26 (52%) classified it as low, 12 (24%) said, satisfactory; 5 (10%) said, high; 7 (14%) said, unsatisfactory; and none of them mentioned the situation as being neither low nor high.

Figure 4.1: Classification about Peers' Cooperation to Internal Auditors



Source: Field data, (2014)

Findings in figure 4.1 above denote that there is a very low peers' cooperation to internal auditors during the practice of internal audit. Based on the findings in figure 4.1, the study realised that during peers' cooperation is one of the challenges internal auditors face during the exercise of their duties.

In order to find more evidence about the above presented information, the study interviewed respondents by asking them to state the way everyone describes peers' cooperation to internal auditors during the practice of internal auditing. With regards to this concern, respondents were of several different opinions in their answer. Even though, some of their responses were common as they are shown in the following citation.

... Peers' cooperation to internal auditors is quite low in the sense that many of the servants tend to not give important information required by internal auditors regarding the use of resources undertaken by each of us. The peers' cooperation described in here means, being ready to be audited, provide all necessitated

information, and showing interest about the importance of internal audit practice for the resources security of the organisation. In contrast, several of public servants in the organisation (Morogoro District Council) have been seen boycotting the practice. That is why there have been several complaints from the external auditors that, most of the auditing practices carried in our organisation have been lacking important features about the precise information detailing the utilization of resources in there ...

Based on the information presented above, it is acceptable that, several of public servants are not ready to show cooperation to internal auditors during the practice of internal audit. That implies, internal auditors have been carrying their auditing duties in an environment which lacks important support in the form of cooperation. As the consequence, the practice of internal audit seems to be in some difficulty due to that phenomenon.

Furthermore, the study searched for other information which could supplement the exactness of the above presented ones in proceeding sections/above. In that respect, respondents were asked to specify their answer (in reference to their responses in preceding question) by explaining the reason why they have classified peers' cooperation to internal auditors as being low and not the other way up. Thus, several answers were given relating to the concern in hand – which is presented in detail in Table 4.1.

Table 4.1: Reason for Low Classification about the Peers' Cooperation to Internal Auditors

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unwillingness to give information	20	40	40	40
	No cooperation	18	36	36	76
	Don't know	12	24	24	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

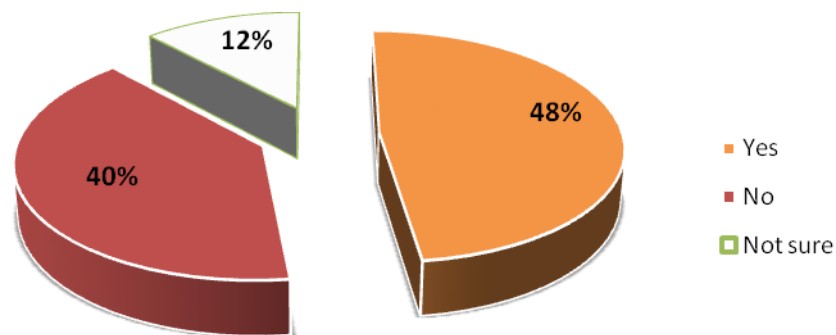
Based on the findings presented in Table 4.1, the study found that the reason for why many of the respondents have classified the peers' cooperation to internal auditors as being low is because many public servants are not willing to give information relating to their resources utilisation. Another reason is because, there is no cooperation from non-internal auditors' servants provided to internal auditors during the performance of internal audits in government local authorities in Tanzania. Based on the findings presented in table 4.1, the study further noted that lack of peers' cooperation poses a great challenge to internal auditors when carrying their duties, whose consequence must be seen in the effectiveness of performance. That is, the practice of internal auditors in government authorities seems to be ineffective due to the factors in the form of low cooperation from peers.

4.1.2 The Effects of Reluctance to provide Cooperation on Effective Auditing Task

In this regard, the study wanted to precisely find whether the reluctance to provide cooperation to internal auditors may be one of the causes for why majority of internal audit task have been ineffective in providing reliable result relating to the overall resources utilisation in MDC. This concern was addressed as the result of the preceding findings to have shown that several public servants are not ready to cooperate with internal auditors during the practice of internal auditing activities – and majority of them fear of being charged of any resource utilisation misconduct.

In that respect, respondents were asked to specify that, if many employees are reluctant to provide cooperation and information relating to resources utilisation, do you think that can be one of the causes for why internal auditors have been ineffective in practising the internal auditing task. Results from this concern showed that 24 (48%) said yes; 20 (40%) said no; and 6 (12%) others said, they are not sure.

Figure 4.2: The Effects of Reluctance to provide Cooperation on Effective Auditing Task



Source: Field data, (2014)

Findings presented in figure 4.2 above have revealed that the phenomenon of reluctance by majority of public servants being reluctant to provide cooperation to internal auditors has been affecting the practice of internal audit task into negative way. Due to that situation, that is why majority of internal audit tasks have been ineffective and could not report what they are supposed to do in effective manner. Thus, the study realised that, cooperation from peers is of great importance since it is an inevitable base for the effective performance of any auditing activity, including internal one.

4.1.3 The Causes for Reluctance from many Public Servants to Provide Cooperation

Another concern raised by the study was just to find the real causes for why majority of public servant in local government authorities especially at Morogoro District Council tend to be reluctant in providing cooperation to their peer's internal auditors during the practice of internal audit activities. The main aim of this concern was just to find the deep causes for why challenges have been faced during the practice of internal audit. Therefore, in order to find reliable information about this fact, however, respondents were asked to specify the causes that led many of the public servants to be reluctant in providing cooperation to their peers (internal auditors) during the practice of internal audit. And results showed that, 19 (38%) of them mentioned fear of losing job, other 17 (34%) mentioned dislike internal audit practice; 8 (16%) said, they don't know, and 6 (12%) others did not answer this question for unknown reason.

Table 4.2: Reasons why Many Public Servants are Reluctant to Cooperate

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Fear of losing job	19	38	38	38
	Dislike internal audit	17	34	34	72
	don't know	8	16	16	88
	No answer	6	12	12	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

Based on the findings in table 4.2 above, it can be realised that one of the main reasons for why majority of public servants in Tanzania tend to be reluctant in providing cooperation to their colleagues of internal auditing is fear of losing job, and just because some other dislike the task of internal audit. Thus, based on those findings, it can further be realised that one of the challenges facing internal auditors include low cooperation as the consequence of fearing to lose their job.

Having found the above information, the study had strived to find further evidence about the reason why majority of respondents mentioned fear of losing their job as one of the causes for their reluctance to give cooperation to their colleagues. This was so done, just to see whether public servants had practiced any misconduct relating to resources utilization, from which they feared once identified they could be charged of such misconduct, and whether such misconduct could lead to their termination as one of the penalties that could be determined from the internal audit practice. In order to find the logic pertaining to this concern, notably, respondents were interviewed in which they were required to explain: based on the causes mentioned: do you think internal audit can lead them to lose their job? How? Several reasons were given by respondents amongst which the most common ones have included the followings.

... People are reluctant to provide cooperative to internal auditors just because they fear to lose their job and at the same time that is why majority of other public servants dislike the practice of internal audit. The reason is that, majority of them fear to lose their job in the sense that they all believe that through internal audit, every aspect and step relating to resource utilization will be reported accordingly. In contrast, in a situation, where someone had carried misconduct relating to resources utilization (e.g. theft, embezzlement, and resources misallocation) will be charged accordingly and perhaps may end up being dismissed. That is what may public servant avoid and why do not give full cooperation to internal auditors ...

Based on the finding presented above, it is largely true that, majority of public servant working with LGAs in Tanzania have deviant conduct relating to budget allocated resources utilization – and that is why they tend to be passive during the conduct of internal audit. This is true, because information gathered from interview strategy had revealed a lot and provided great illustrative evidence about the real fact reigning in many of the LGAs in Tanzania. So, it is up to here, very true that, one of the major causes for reluctance to provide cooperation is the fear to lose job as many of the public servants are actors of misconduct actions relating to their resources utilization.

This can also be translated into the saying, majority of budget allocated resources in LGAs in Tanzania are not used as adequately as they were allocated.

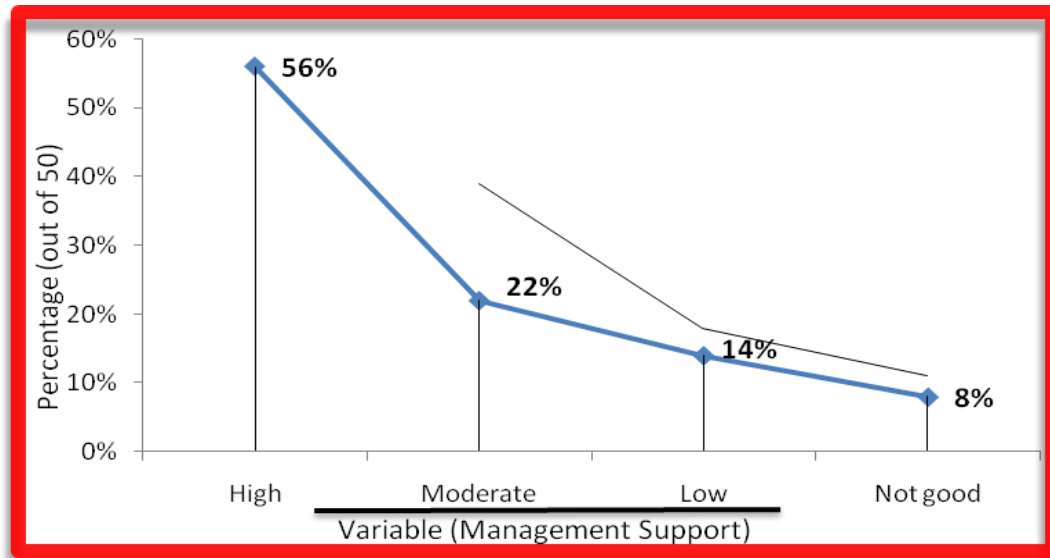
4.2 Low Management Support and Challenges faced in the Performance of Internal Auditing

The study was also aiming at specifically examining whether there is a low management support to internal auditors as one of the challenges facing internal auditors in the practice of internal auditing. This specific aim was laid down following the assumption made by the study in which it considered that low top management support can affect the practice of internal audit in negative way, and in turn the whole performance would be ineffective.

4.2.1 The Rank about the level of Management Support

This element was searched by the study just to find the way respondents would rank the level of management support on the practice of internal audit in Morogoro District Council. In other words, the central aim in here was to find whether internal auditors get any support from the management during the performance of their duties. This implies, the result from this concern was needed by the study because they would detail the position of management support as being either one of the challenges facing internal auditors or otherwise. Respondents were asked to rank the level of management support to internal auditors during the internal auditing practice. And results from this concern show that 28 (56%) respondents out of 50 ranked as high, 11 (22%) ranked as moderate, 7 (14%) ranked as low and only 4 (8%) others ranked it as being not good.

Figure 4.3: Rank about the Level of Management Support to Internal Audit Practice



Source: Field data, (2014)

Based on the findings presented in figure 4.3 above, the study found that management support to internal auditors is high. This was so stated based on the reason that majority (56%) of respondents have ranked the management support to internal auditors as high. Thus, with regards to that result, it is clear that management provide a huge support to internal auditors during the performance of internal audit in LGAs in Tanzania. This implies, management support does not include one of the challenges facing internal auditors during the practice of internal audit duties in LGAs.

Similar concern was raised during the interview method as the way to find further evidence about the exactness of the above presented and found results. The aim in that process was to get exactitude from oral expression on whether management in most LGAs is willing to give cooperation to internal auditors so that they achieve their duties in good manner. However, during that process, the studied respondents were interviewed in which they were required to state whether the management support is one of the challenges facing internal auditors in the practice of internal auditing in

your company, and how. Thus, respondents were of several opinions amongst which the most common from them were as follows.

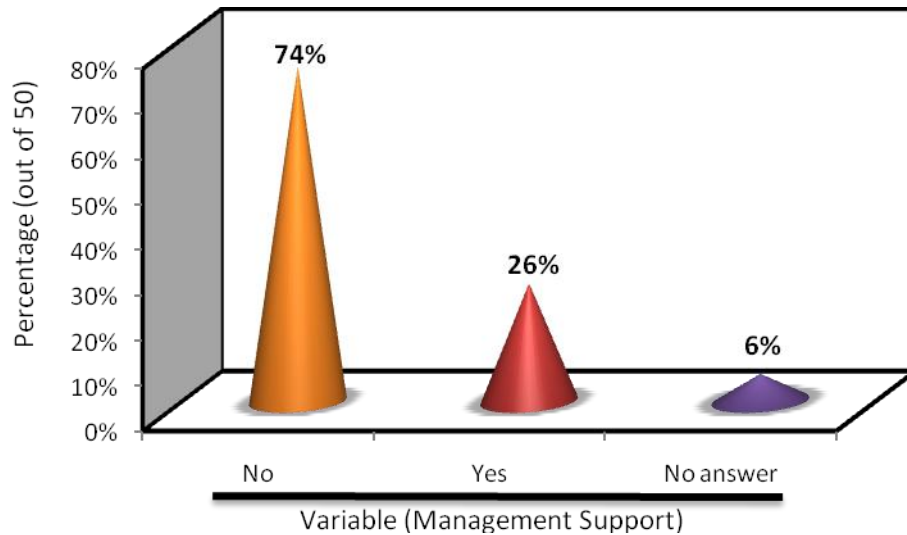
... The management support to internal audit activity is high in the sense that whenever that duty is in practice, management has been ready to provide all necessary information relating to resources utilization from its offices. Management is one of the great instances in MDC that provides full information required by internal auditors compared to other sections. But also, the management support has been noticed mainly when they show cooperation and provide itinerary to audit all other levels in the same organisation ...

The findings presented in the form of citation above provides further evidence that management support to internal auditors is high and should not be included among other challenges facing internal auditors during the practice of their duties. Based on those findings, the study realised that one of the elements that help internal auditors accomplish their duties at a certain acceptable level is the management support.

4.2.2 Management as a Source for Challenges facing Internal Auditors

Another element searched by the study was to find whether management support as being either low or high is one of the sources causing challenges facing internal auditors or otherwise. Another similar focus in this respect was to find whether the same management support has been one of the sources for ineffective internal audit task carried in LGAs. This information was searched following the results from previous sections that, several of the practices relating to internal audit were ineffective due to challenges faced in there. Therefore, in order to find the reality about this matter, respondents were asked to state from what they think whether management support can be one of the sources for why there may be ineffective internal auditing practice in their organisation. Thus, result showed that, majority 34 (74%) of studied respondents said, no, 13 (26%) others said yes; and only 3 (6%) of them did not respond to this question.

Figure 4.4: Management Support and Challenges facing Internal Auditors



Source: Field data, (2014)

Findings in figure 4.4 above have given almost the same result as in the preceding sections. That is, findings in figure 4.4 above denote that management support is not one of challenges facing internal auditors in the practice of internal audit in Morogoro District Council. This was so found based on the reason that majority of studied respondents have been ready to deny on the fact management support cannot be one of the challenges facing internal auditors. Thus, based on the these findings, the study thus, had realised that management support is not one of the challenges facing internal auditors during the performance of their duties as being high and positive to them.

4.2.3 Management Support and Production of Reliable Audit Information

Another important element searched by the study was to ascertain the way management support could be one of the reasons for why internal auditors failed to produce best information relating to their duties with regard to resources utilisation undertaken in LGAs in Tanzania.

In order to find the logic about this matter, respondents were required to state they way low management support can be one of the reasons for why internal auditing practice may fail to produce reliable audit information. Thus, several answers were given by respondents amongst others include the followings.

Table 4.3: The Effect of Management Support on the Production of Reliable Audit Information

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Has possible way to hinder the conduct of the audit	20	40	40	40
	Is the basis of all required information	21	42	42	82
	Difficult to explain	9	18	18	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

Information presented in table 4.4 denotes that management support can be big impact on the production of reliable audit information in several ways – but one of the most common ways include the management has possible way to hinder the conduct of audit, and due to that possibility, is thus, the basis for all required information required in there. This implies, in case management does not provide support to internal auditors that means there can be a great possibility for internal auditors to produce unreliable audit information, and that may constitute one of the great challenges that might be faced during the practice.

The above presented findings are quite true and have provided illustrative evidence about the exact picture and the way both internal auditors and public servants vie the impact of management support on the production of reliable audit information. Thus, due to that result, the study had strived to find further evidence about the same information by interviewing respondents in which they are asked to state through a question which was reading: how would you describe the management support to internal auditors during the practice of internal auditing?

Are they constructive or otherwise. Therefore, respondents had given several views, but the most common ones have included the following.

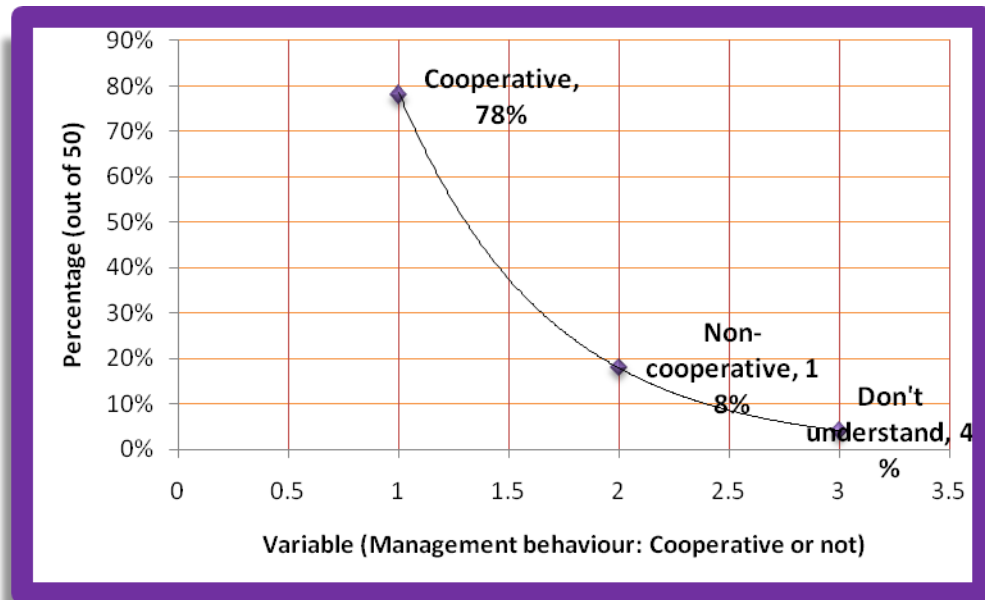
... To large extent, management supports to internal auditors are too constructive in several reasons. One of the tangible reasons is that, management has been giving leeway to internal auditors to conduct their duties. The management support is the base for audit practice conducive environment. Without management support, internal auditors cannot perform their duties in safe way since majority of public servants have negative disregard the practice and thus cannot provide any required information relating to their resources utilization. Management support and care pose influence upon which other members of the organisation become interested and pushed to give cooperation and information required during the practice of internal audit ...

With regard to the findings presented in the form of citation above, it is clear that, management support to internal auditors is of great importance, constructive, and constitutes the base for production of audit reliable information. The reason is that, through management support, all other public servants become influenced and pushed to give cooperation and all required information necessitates by internal auditors during the practice of the audit. Based on those findings, the study realised that management support, to large extent, is the base for which the production of reliable audit information may be attainable.

Furthermore, the study searched for information that would exactly explain the behavior of management regarding cooperation they provide to internal auditors. The main aim in this regard was to find whether the support provided by management could be described as really cooperative or otherwise. In other words, the study assumed that perhaps respondents viewed management support shallowly and could not describe the support in precise manner. But also the study wanted to ascertain the exactness of the findings presented in the preceding sections. Therefore, in order to find the reliable evidence about this matter, the study had asked respondents to clearly state the behaviour of management with regard to cooperation provided to internal

auditors during the practice on internal auditing; in term of more cooperative or non-cooperative – whose results showed that a big number 39 (78%) of all studied respondent said, cooperative; while 9 (18%) others said non-cooperative; and only 2 (4%) said, management support to internal auditors is not clear.

Figure 4.5: Management Behaviour with Regard to Audit Practice



Source: Field data, (2014)

Findings presented in Figure 4.5 above elucidate that majority (78%) of respondents have described the management behavior with regard to audit practice as cooperative, while a very little number (4%) of them said, they did not understand the management support as being cooperative nor non-cooperative. Based on that information, the study thus continued to find that management support was really cooperative, and was the only element that helped internal auditors to at least perform their duties in some reliable manner. And most of the challenges facing internal auditors were not centered on that aspect rather derived from other angles and not from management.

4.3 The Way Public Servants view Internal Audit Task and Effective Practice of Audit

Another specific aim of the study was to assess whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing. The intention in this regard was to find whether public servants view the practice of internal audit in negative or positive way. The implication is that, in case they tend to view audit in negative way that means they will always dislike the practice and in turn will often tend to minimise cooperation towards internal auditors. As result, internal auditors will always face challenges during the performance of their duties and eventually, the majority of their reports will be ineffective. Respondents were asked to state specify the way public servants view the practice of internal auditing in their organisation – and results showed that 24 (48%) view it as bad instrument, 15 (30%) viewed it as good instrument, 10 (20%) said, they don't like it, and only 1 (2%) did not provide any response regarding this concern.

Table 4.4: The Way Public Servants view Internal Audit Practice

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bad Instrument	24	48	48	48
	Don't like it	10	20	20	68
	Good instrument	15	30	30	98
	No answer	1	2	2	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

Findings presented in Table 4.4 above have provided great support in explicating the way public servants view the practice of internal audit in their organisation. The common understanding from the findings in Table 4.4 above is that, public servants do not like as well as view audit practice as being a bad instrument. Moreover, based on the same findings in Table 4.4, the study also realised that challenges facing internal auditors in the practice of internal audit are vivid and caused by several factors among which – one is the way it is viewed by majority of public servants as a bad instrument.

Under that circumstance, it is difficult for internal auditors to provide audit reports which are compatible with the real situation.

The information presented in the preceding section had provided huge attention concerning the way audit practice is viewed in general. But also, those findings have shown great concern and reason for challenges faced during the practice of internal audit as well as the reason for low cooperation manifested by majority of public servants to their fellow internal auditors. Thus, with regards to the prominence shown by the preceding findings, the study had searched for further information using interview in which respondents were interviewed to state the way everyone, feels when internal auditing is under process, and why. One of their responses included the followings.

... Internal audit is not a good practice just because it always tends to put one's secret information relating to resources utilisation. The problem is centered on the fact that many of the public servants are not satisfied with the normal salaries they are receiving and that is why certain resources (e.g. fund) are misused to meet one's needs in unlawful way. Some of the purchases are undertaken without any evidential receipt which would testify the permission on someone to do so. During the internal audit practice, every purchase step, and evidential must be exhibited to internal auditors. Contrary from that, the result will be the allegation. In the same vein, once a public servant is found guilty of misusing/using any resources without a clear order to do so, will eventually be charged of such misconduct and sometimes ends up being dispelled from job. This means, internal audit practice is bad instrument as tends to always put our information out of concealment from which many of public servants have lost their job ...

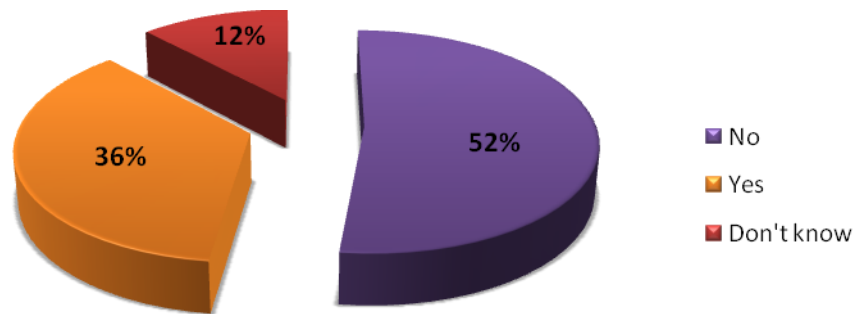
Based on the findings presented above, the study established that the reason for most public servants to view internal audit as bad instrument and dislike it, is centred on the fact that, many public servants seem to misuse allocated resources to meet their need –

something, which must be determined by the conduct of audit and perhaps ends up causing someone to be charged of such misconduct and also dismissed from job. Based on that fact, it can also be argued that internal auditors face challenges during the execution of their duties due to several reasons – one being, many public servants dislike it and view it as revealing instrument of their information relating to resources utilisation. But it can also be established that, it seems majority of public servants working with LGAs in Tanzania are unfaith regarding the use of resources.

4.3.1 The Public Servants' Attitude regarding the Practice of Internal Audit

Public servants' attitude regarding audit practice was another element searched by the study in finding whether attitude was one of the causes for challenges facing internal auditors in the practice of internal audit. The meaning in here was that, the study assumed that when there is negative attitude, that means public servants will not provide cooperation to internal auditors, the audit reports will be ineffective, and finally challenges will become tangible. Therefore, in order to identify the attitude shown by public servants on the audit practice, respondents were asked to clearly state the way, everyone, thinks whether employees in their organisation are happy with the internal audit practice or otherwise. Thus, results showed that a huge number 26 (52%) of respondents have shown negative attitude as they mentioned, no; 18 (36%) said yes; and the remaining 6 (12%) said, they don't know.

Figure 4.6: Public Servants' Attitude regarding Audit Practice



Source: Field data, (2014)

Based on the findings presented in figure 4.6 above, the study established that public servants' attitude regarding the practice of audit is not good. This was so mentioned based on the logic that majority of studied respondents said, they are not happy with the overall conduct of internal audit in their organisation. Due to that result, it can also be argued that, lack of positive attitude constitutes another factor responsible for challenges facing internal auditors in the practice of their duties.

4.3.2 Reasons for Public Servants' Negative Attitude regarding Audit Practice

Having found the above information, the study had strived to get further certitude about public servants' attitude regarding the practice of audit in their organisation. In that respect, respondents were asked a question which required a direct response relating to their attitude on the performance of audit in their organisation. That is, respondents were asked to state the reason for their answers in preceding questions that, why that attitude toward internal auditing.

Thus, results from this concern showed that 16 out of 50 as 100% which make 32% said, they categorically dislike internal audit practice because it reveals their information relating to their resources utilisation-related misconduct; while 14 others which makes 28% said, internal audit is a very bad practice; 13 others which makes 26% went far and said, audit does not put most of public servants in a freedom of resources consumption, and finally the remaining 2 of them which makes 7% said, nothing to mention because they like it very much.

Table 4.5: Reasons for Public Servants' Negative Attitude on Audit Practice

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dislike audit because it reveals out their information	16	32	32	32
	Audit is a very bad practice	14	28	28	60
	Audit reduces freedom of resources consumption	13	26	26	86
	Nothing to mention/like it	7	14	14	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

Findings presented in Table 4.5 above want to elucidate that reasons for why majority of public servants have negative attitude towards audit practices are several and amongst them include, because they dislike audit because it reveals out information relating to their resources use even if that practice was unlawful. Others said, audit is a very bad practice at all; and others were of the view that audit reduces their freedom of resources consumption. In contrast, a very few number of public servants like internal audit but they did not specify the reason for their positive attitude regarding audit practice.

Similar information was searched by the study through the use of interview in which respondents were asked to specify whether the negative attitude towards internal auditing is one of the great challenges faced by internal auditors in the practice of

internal auditing in their organisation and how. Respondents have given several opinions but most of them were too common as presented in the following array.

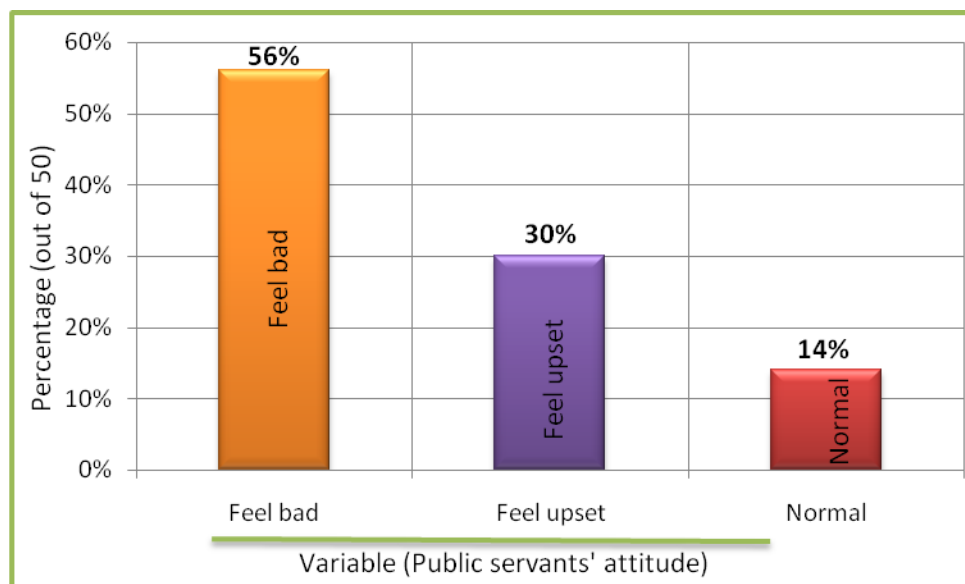
... The negative attitude showed by most public servants towards the practice of internal audit is greatly one of the main sources for challenges facing internal auditors in the practice of their duties. The reason is that, through negative attitude, public servants cannot be ready to show any positive cooperation to internal auditors and that behaviour is inevitably the key indicator that audit practice is disliked. Many public servants are not happy with the practice of internal audit as majority of them tend to consider it as instrument responsible for revealing out their misconduct relating to resources utilisation. Therefore, it is this ground how negative attitude stands as one of the major challenges facing internal auditors ...

Based on the findings above, the study thus, established that, together with the preceding reasons another element causing challenges facing internal auditors is the negative attitude. This has been found as one of the challenges, simply, because negative attitude must always result into missing cooperation between internal auditors and public servants– as the result, the whole audit report will tend to be ineffective in all senses. The study has also identified that, public servants' positive attitude is of great importance on the overall effective performance of audit in both private as well as public organisation.

The above findings had provided a great interest to the extent the study wanted to know the real feeling public servants possess towards the practice of internal audit. This was so focused as the continuation of investigative efforts to ascertain the accurateness of the preceding findings. In that respect, notably, each one of the respondents, independently, was asked to state the way he/she feels when internal auditing is under process, and why.

Results from this concern indicated that 28 of them which makes 56% said, they feel bad because audit had always been revealing out their information; 15 others which make 30% said, they feel upset because they fear to lose their job once they are caught responsible for any misconduct, and only 7 which makes 14% said, they feel normal and no reason was provided.

Figure 4.7: Public Servants' Feeling during the Practice of Audit



Source: Field data, (2014)

Findings in Figure 4.7 above enunciate that, majority of public servants feel bad when internal audit is under process. These findings have given continuous evidence about the negative attitude showed by public servants towards internal audit practice. In other hand, it means there are several resource-utilisation-related misconducts and that is why public servant have negative feeling towards internal audit and also, that why challenges are several during the process per se.

4.4 The Best Way to be used by Internal Auditors in Alleviating Challenges

Finally, the study was specifically aiming at furnishing recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs. The main aim in this respect was to provide recommendation about the way through which the challenges facing internal auditors in the performance of their duties can be get rid off in effective way. The assumption in this regard was that, the study wanted to suggest the strategy by which the overall audit reports can be accomplished effectively – the phenomenon, which can made possible if and only if challenges would be absent.

4.4.1 The Possibility of Alleviating Challenges in the Audit Practice

In this section, the study was searched for evidence from respondents on whether it would be possible for the practice of internal audit to be carried out without facing any challenges, and in turn come up with reports that are effective and compatible the real situation relating to resource use in LGAs. In order to find the exact reality about this matter, respondents were asked to specify whether they think there should be a best way that internal auditors would use to alleviate any challenges during the practice of internal auditing. And results showed that out of 50 studied respondents, huge number of 44 (88%) of them said yes, and only 6 which makes 12% said no.

Table 4.6: Whether there is a Way though which Challenges in Internal Audit can be alleviated

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	44	88	88	88
	No	6	12	12	100.0
	Total	50	100.0	100.0	

Source: Field data, (2014)

Based on the findings in Table 4.6, the study established that it is possible to alleviate the challenges facing internal auditors can be alleviated. This was so mentioned following the reason that, majority (88%) of respondents have massively accepted

that, there are ways by which internal auditors can performance their duties without facing nay challenge in there.

4.4.2 Suggested Ways through which Audit-related Challenges can be alleviated

Having found that, there is a possibility of alleviating challenges through the use of certain ways, respondents where thus, asked to provide any suggestion about the best way that can be used by internal auditors in alleviating challenges faced during the practice of internal audit in their organisation. Thus, one of the suggested ways included the followings.

... Instruct the importance of suing adequate budgetary and procurement procedures in undertaking any purchase activity, inform public servant the importance of internal audit on the security of their organisations assets, instruct public servant the position of patriotism spirit in eliminating the tendency of any misconduct, internal auditors should enhance their cooperation with both tom management, and other normal employees during the conduct of audit. All these ways, can be effective and helpful to public servants by which they can enhance their cooperation to internal auditors and they will also understand the impact of negative attitude to audit on the overall security of their organisation resources at all ...

Based on the above findings, this study then, identified that, one of the ways that can be used by internal auditors in alleviating challenges they face during the practice of internal audit is enhance instruction to all public servant by informing them the importance of the audit practice on the overall security of their organisation assets. But also, findings suggested that, internal auditors would enhance cooperation with top management and other normal employees and inform all of them the role of audit. In the same vein, findings provide that, public servants would also be instructed and reminded about the role of patriotism spirit by which they may get rid of any misconduct and act patriotically and not otherwise.

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.0 Introduction

This chapter deals with the discussion of findings presented in the preceding chapter. In that regard, findings are discussed based on the way they were presented and based on the overall picture each element involved in the study had been provided in the presentation part. The discussion of findings for this study is carried out in the following array.

5.1 Whether Lack of Peers' Cooperation is the Sources for Challenges facing Internal Auditors

It first of all important to recognise that, the study in this respect was specifically aiming at assessing whether lack of peers cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs. The intention in this regard was to find whether peers' cooperation was one of the sources that led internal auditors to face challenges during the practice of internal audit. Sufficient findings relating to this specific task were gathered, and presented. Thus, findings presented about this matter revealed that there is a very low peers' cooperation to internal auditors during the practice of internal audit.

Similarly, findings about this concern had shown that peers' cooperation towards the practice of internal audit always tend to be low compared to the top management support and one of the reasons for such low cooperation from peers include many public servants are not willing to be audited because of fearing to lose their job as they often induce in misconduct relating to resources utilisation. Findings further revealed that the phenomenon of reluctance by majority of public servants being reluctant to provide cooperation to internal auditors has been affecting the practice of internal

audit into negative way – and consequently, such phenomenon has been making the practice ineffective. But again, findings indicated that another consequence derived from that phenomenon is the ineffectiveness of internal audit practice as not provide reliable and well-detailed report on resources utilization in the Morogoro District Council.

Based on all the findings gathered and presented about this matter, the study thus, realised that lack of peers' cooperation to internal auditors is one of the challenges facing internal auditors during the exercise of their duties. Similarly, the same findings led the study to enunciate that several of public servants are not ready to show cooperation to internal auditors during the practice of internal audit due to several reasons including fear to lose their as they involve into resources utilization misconducts. In other words, internal auditors have been carrying their auditing duties in an environment which lacks important support in the form of cooperation. As the consequence, the practice of internal audit seems to be in some difficulty due to that phenomenon.

Based on the findings, the study also found that the lack of cooperation from non-internal auditor servants to internal auditors during the performance of internal audits in government local authorities in Tanzania poses great challenges to the practice of audit since, much of what is supposed to report by that activity may not be done in effective way. That implies the practice of internal auditors in local government authorities seems to be embodied by challenges and thus, ineffective due to the factors in the form of low cooperation from peers. Based on those situations revealed by the findings, the study thus posits that cooperation from peers is of great importance for the effective audit practice since it is an inevitable base for the effective it performance. Bu also, based on these findings, the study established that it is largely true that, majority of public servants working with LGAs in Tanzania have deviant conduct relating to budget allocated resources utilization.

And it means, majority of them do not want to comply with the procurement procedures in using their budget-allocated resources. Such information can also be translated into the picture that majority of budgets allocated in LGAs in Tanzania are not used as adequately as they were allocated.

In reality, findings obtained on the basis of this specific objective are very exact as they have purveyed in the same way as established by the empirical literatures for this study. For example, Edna, (2011), has established that challenges exist and are consequently faced by internal auditors during the practice of internal audit duties in most current situations. The same reality has been achieved by this study and upon which the conclusion has been drawn down accordingly.

5.2 Low Management Support as a Challenge facing Internal Auditors in the Performance of their Audit Duties

In the second stance, the study specifically aiming at examining whether there is a low management support to internal auditors as one of the challenges facing internal auditors in the practice of internal auditing. This specific aim was laid down following the assumption made by the study in which it considered that low top management support can affect the practice of internal audit in negative way, and in turn the whole performance would be ineffective as well as challenged. Likewise, several and sufficient findings concerning this matter were effectively gathered, and presented in the preceding chapter.

Findings about this point of concern have indicated that management support to internal auditors is high. Amongst the elements that testified the prevalence of this issue is in terms of the rank given by respondents – who specified that management support to internal auditors is extremely high. In that vein, findings elucidate that management support to the practice of audit should, eventually, not be included among other challenges facing internal auditors during the practice of their duties.

Based on those findings, the study realised that one of the elements that help internal auditors accomplish their duties at a certain acceptable level is the management support.

Furthermore, findings have shown that management support is not one of the challenges facing internal auditors during the performance of their duties as being high and positive to them. Due to that phenomenon, it was realised that management support has big impact on the production of reliable audit information in several ways. For instance; the management has possible way to hinder the conduct of audit, and due to that possibility, is thus, the basis for all required information required in there. This implies, in case management does not provide support to internal auditors that means there can be a great possibility for internal auditors to produce unreliable and fact-lacking audit information, and that may constitute one of the great challenges that might be faced during the practice.

Based on the findings gathered and presented on the basis of this specific aim, the study further establishes that it is clear that management provide a huge support to internal auditors during the performance of internal audit in LGAs in Tanzania. This implies, management support does not include one of the challenges facing internal auditors during the practice of internal audit duties in LGAs. But also, based on those findings, the study establishes that management support is one of the elements that help internal auditors accomplish their duties at a certain acceptable level of effectiveness. In that respect, through findings, the study describes that management support has big impact on the production of reliable audit information in several ways, including management has possible way to hinder the conduct of audit, and due to that possibility, is thus, the base for all required information and in turn the base for reliable audit reports. This implies, in case management does not provide support to internal auditors, notably, there can be a great possibility for internal auditors to produce unreliable audit information, and that may constitute one of the great challenges that might be faced during the practice.

That is to say management support to internal auditors is of great importance, constructive, and constitutes the base for production of audit reliable information. Because through management support, all other public servants become influenced and pushed to give cooperation and all required information necessitates by internal auditors during the audit practice. Based on these evidences, it is wise to state that most of the challenges facing internal auditors were not centered on that aspect rather derived from other angles and not from management.

In reality, these findings are very accurate as they have gone in the same line as situated by other writers. For instance, Hills (2009) put forward that in accounting and auditing, internal audit is known as a process mostly affected by an organization's structure, work and authority flows, people and management information system are normally designed to help the organisation accomplish specific goals or objective. Under this scenario, it means one of the hardest elements that may hinder the effective practice of internal audit is the management support meant in here. In other words, if the managements go reluctant to provide support, that means in turn, the whole audit task must be hindered from achieving what it is supposed to do.

5.3 Public Servants' Perception on Internal Audit Task and Effective Practice of Audit

Furthermore, the study was aiming at specifically assessing whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing. The intention in this regard was to find whether public servants view the practice of internal audit in negative or positive way. The implication is that, in case they tend to view audit in negative way that means they will always dislike the practice and in turn will often tend to minimise cooperation towards internal auditors. As result, internal auditors will always face challenges during the performance of their duties and eventually, the majority of their reports will be ineffective. Likewise, several and sufficient findings regarding this aspect were gathered and presented, of which have yielded the following results.

Findings gathered and presented about this specific matter of discussion have provided great support in explicating the way public servants view the practice of internal audit in their organisation. In that regards, the common understanding from the findings showed that public servants do not like and often view audit practice as being a bad instrument. Moreover, based on the same findings the study also realised that challenges facing internal auditors in the practice of internal audit are vivid and caused by several factors among which, include the way it is viewed by majority of public servants as a bad instrument. Under that circumstance, the study established that it is difficult for internal auditors to provide audit reports which are compatible with the real situation since important information may not be unavailable.

Based on the findings presented regarding this concern, the study further notes that the reason for most public servants to view internal audit as bad instrument and dislike it, is centered on the fact that, many public servants seem to misuse allocated resources to meet their need – something, which in turn must be revealed by and in the conduct of audit and perhaps ends up causing someone to be charged of such misconduct and also dismissed from job. Based on that fact, it can also be argued that another challenge facing internal auditors during the execution of their duties is the bad feeling majority of public servants have been manifesting towards the audit practice.

However, the study had also realised that one of the challenges evolve as the result of many public servants to dislike audit practice market by the consideration on viewing it as revealing instrument of their information relating to resources utilisation. Based on the same findings the study also established that, it seems majority of public servants working with LGAs in Tanzania are unfaith regarding the use of resources. In similar vein, the study established that public servants' attitude regarding the practice of audit is not good – and in clear connotation, their attitude is negative. The study establishes this fact based on the reason that majority of findings relating to this aspect has shown that majority of public servants are not happy with the overall conduct of internal audit in their organisation.

Due to that result, it can also be argued that, lack of positive attitude constitutes another factor responsible for challenges facing internal auditors in the practice of their duties.

Furthermore, the study had realised that reasons for why majority of public servants have negative attitude towards audit practices are several and amongst them include, because they dislike audit, because it reveals out information relating to their resources misuse. That is why majority of public servant at MMC showed negative attitude and specified that audit is a very bad practice at all; and many others were of the view that audit reduces their freedom of resources consumption. In contrast, a very few number of public servants like internal audit but they did not specify the reason for their positive attitude regarding audit practice. Thus, together with the preceding reasons another element causing challenges facing internal auditors is the negative attitude posed by majority of public servants. This has been found as one of the challenges, simply, because negative attitude must always result into missing cooperation between internal auditors and public servants – as the result, the whole audit report will tend to ineffective in all senses. Based on that reality from the findings, the study has also realised that, public servants' positive feeling and attitude is of great important on the overall effective performance of audit in both private as well public organisation.

5.4 The Best Way to be used by Internal Auditors in Alleviating the Challenges

Finally, the study aimed at specifically furnishing recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs. The main aim in this respect was to provide recommendation about the way through which the challenges facing internal auditors in the performance of their duties could be eliminated in effective way.

The intention in this regard was that, the study wanted to suggest the strategy by which the overall audit reports can be accomplished effectively – the phenomenon, which can be made possible if and only if challenges would be absent.

Findings gathered and presented about this matter revealed that it is quite possible to alleviate the challenges facing internal auditors in great instance. Findings have also revealed that there are ways by which internal auditors can perform their duties without facing nay challenge in there. Based on those findings, the study identified that, one of the ways that can be used by internal auditors in alleviating challenges they face during the practice of internal audit is enhance instruction to all public servant by informing them the importance of the audit practice on the overall security of their organisation assets. But also, findings suggested that, internal auditors would enhance cooperation with top management and other normal employees and inform all of them the role of audit. In the same vein, findings provide that, public servants would also be instructed and reminded about the role of patriotism spirit by which they may get rid of any misconduct and act patriotically and not otherwise.

CHAPTER SIX

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

6.0 Introduction

This chapter presents the summary, conclusion, and recommendations derived from the study on the challenges facing internal auditors in the practice of internal audit in local government authorities in Tanzania; the case of Morogoro District Council (MDC).

6.1 Summary of the Study

The audit practice was the central activity of this study. However, the effective audit practice should be considered as the mere instruments by which a high-level asset security in both private and public organisations and companies may be attained in effective way. Different from that logic, the other side effect will be the most experienced situation and most of budgets-allocated resources will eventually be misappropriated. In fact, this study was mainly aiming at finding out the challenges facing internal auditors in the practice of audit in Local Government Authority (LGAs) in Tanzania; the case of Morogoro District Council (MDC) – Morogoro Region.

The methodology employed by the study had involved the use of questionnaire, interview as primary data collection methods as well as documentary review for secondary data collection. These methods were used to collect all necessitated information from the field (sample size) of fifty respondents. In the same vein, all information gathered from the field were afterwards presented, analysed and discussed. But, in the presentation, methods like, graph, in the form of figures (pie charts, and histograms) and tables were used in illustrating responses from respondents through the support of percentage rate, which were used to provide frequency of variables.

Specifically, the study aimed to assess whether lack of peers' cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs; to examine whether there is low management support to internal auditors as one of the challenges faced in the performance of internal auditing; to assess whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing; and to furnish recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs. On the basis of these specific objectives, relative specific findings have been found, which revealed that public servant working with MDC have been lacking interest to give cooperation to internal auditors. The same findings showed that public servant have negative attitude and feeling against the audit practice in their organisation. As the consequence, such problems of lack of cooperation have been posing great challenges to internal auditors and in turn, majority of audit reports have been seen lacking consistency and reliability.

Based on those findings, the study thus, established that, one of the great sources and even the challenges facing internal auditors include the lack of cooperation from peers, negative attitude, and dislike from majority of public servants – whose effects tend to result into the scenario, whereby, audit practice lacks essential information required for it to issue reliable and effective report. But also, such phenomena have been resulting into issuing audit reports which are not based on real facts. In contrast, management support was excluded from this game based on the reason that, if internal auditors happen to issue audit reports that are at least or somehow reliable is due to management support – which has been acting as the base and influence for some of the necessitated information obtained during some audit practices.

6.2 Conclusion

Findings gathered on the basis of assessment about lack of peers' cooperation and reluctance to provide information relating to their resources utilisation is one of the sources for ineffective internal audit practices in LGAs have revealed that that peers' cooperation towards the practice of internal audit always tend to be low compared to the top management support. And one of the reasons for such low cooperation from peers include; many public servants are not willing to be audited because of fearing to lose their job as they often induce in misconduct relating to resources utilisation. Findings further revealed that the phenomenon of reluctance by majority of public servants being reluctant to provide cooperation to internal auditors has been affecting the practice of internal audit into negative way – and consequently, such phenomenon has been making the practice ineffective. But again, findings indicated that another consequence derived from that phenomenon is the ineffectiveness of internal audit practice as not provide reliable and well-detailed report on resources utilization in the Morogoro District Council.

Based on all the findings gathered and presented about this specific matter, the study thus, concludes that lack of peers' cooperation to internal auditors is one of the challenges facing internal auditors during the exercise of their duties. Similarly, the same findings led the study to conclude that several of public servants are not ready to show cooperation to internal auditors during the practice of internal audit due to several reasons including fear to lose their as they involve into resources utilization misconducts. In other words, internal auditors have been carrying their auditing duties in an environment which lacks important support in the form of cooperation from peers.

Based on the findings, the study concludes that the lack of cooperation from non-internal auditor servants to internal auditors during the performance of internal audits in government local authorities in Tanzania poses great challenges to the practice of

audit – since much of what is supposed to be reported by that activity may not be done in effective way.

That implies the practice of internal auditors in local government authorities seems to be embodied by challenges and thus, ineffective due to the factors in the form of low cooperation from peers. Based on those situations revealed by the findings, the study thus concludes that cooperation from peers is of great importance for the effective audit practice since it is an inevitable base for the effective it performance. Bu also, based on these findings, the study concludes that majority of public servants working with LGAs in Tanzania have deviant conducts relating to budget allocated resources utilization. And it means, majority of them do not want to comply with the procurement procedures in using their budget-allocated resources.

On the side of the results obtained from the examination about low management support to internal auditors as one of the challenges faced in the performance of internal auditing findings revealed that management support to internal auditors has been always high. Amongst the elements that testified the prevalence of this issue is in terms of the rank given by respondents. Findings have also revealed that management support to the practice of audit should eventually, not be included among other challenges facing internal auditors during the practice of their duties. Based on those findings, the study concludes that one of the elements that help internal auditors accomplish their duties at a certain acceptable level is the management support.

Furthermore, the study concludes also that management support is not one of the challenges facing internal auditors during the performance of their duties as being high and positive to them. Due to that phenomenon, it was then concluded that management support has big impact on the production of reliable audit information in several ways. For instance; the management has possible way to hinder the conduct of audit, and due to that possibility, is thus, the basis for all required information required in there.

That implies, in case management does not provide support to internal auditors that means there can be a great possibility for internal auditors to produce unreliable and fact-lacking audit information, and that may constitute one of the great challenges that might be faced during the practice.

Based on the findings gathered and presented on the basis of this specific aim, the study further concludes that management always provides a huge support to internal auditors during the performance of internal audit in LGAs in Tanzania. In illustrative words; management support does not include one of the challenges facing internal auditors during the practice of internal audit duties in LGAs. But also, based on those findings, the study concludes that management support is one of the elements that help internal auditors accomplish their duties at a certain acceptable level of effectiveness. In that respect, through findings, the study further concludes that management support has big impact on the production of reliable audit information in several ways, including management has possible way to hinder the conduct of audit, and due to that possibility, is thus, the base for all required information and in turn the base for reliable audit reports. That is to say, management support to internal auditors is of great importance, constructive, and constitutes the base for production of audit reliable information. Because through management support, all other public servants become influenced and pushed to give cooperation and all required information necessitates by internal auditors during the audit practice.

On the side of specific task that involved the assessing whether the way public servants view internal audit task is one of the sources for challenges facing internal auditors in effective practice of internal auditing – several and sufficient findings have been presented, analysed and discussed. Thus, findings relating to this point of concern revealed that public servants do not like and often view audit practice as being a bad instrument. Moreover, based on the same findings the study also concludes that challenges facing internal auditors in the practice of internal audit are vivid and caused by several factors among which, include the way it is viewed by majority of public

servants as a bad instrument. Under that circumstance, the study concludes that it is difficult for internal auditors to provide audit reports which are compatible with the real situation since important information may not be unavailable.

Based on the findings presented regarding this concern, the study further conclude that the reason for most public servants to view internal audit as bad instrument and dislike it, is centered on the fact that, many public servants seem to misuse allocated resources to meet their need – something, which in turn must be revealed by and in the conduct of audit and perhaps ends up causing someone to be charged of such misconduct and also dismissed from job. Based on that fact, it can also be concluded that another challenge facing internal auditors during the execution of their duties is the bad feeling majority of public servants have been manifesting towards the audit practice.

However, the study had also concludes that one of the challenges evolve as the result of many public servants to dislike audit practice market by the consideration on viewing it as revealing instrument of their information relating to resources utilisation. Based on the same findings the study further concludes that, it seems majority of public servants working with LGAs in Tanzania are unfaith regarding the use of resources. In similar vein, the study concludes that public servants' attitude regarding the practice of audit is not good – and in clear connotation, their attitude is negative. The study establishes this fact based on the reason that majority of findings relating to this aspect has shown that majority of public servants are not happy with the overall conduct of internal audit in their organisation.

Furthermore, the study had concluded that reasons for why majority of public servants have negative attitude towards audit practices are several and amongst them include, because they dislike audit, because it reveals out information relating to their resources misuse. That is why majority of public servant at MDC showed negative attitude and specified that audit is a very bad practice at all; and many others were of the view that audit reduces their freedom of resources consumption.

In contrast, a very few number of public servants like internal audit but they did not specify the reason for their positive attitude regarding audit practice. Thus, together with the preceding reasons another element causing challenges facing internal auditors is the negative attitude posed by majority of public servants. And in conclusion, such has been found to be one of the challenges, simply, because negative attitude must always result into missing cooperation between internal auditors and public servants – as the result, the whole audit report will tend to ineffective in all senses.

Finally, the study aimed at specifically furnishing recommendations on the best way to be used by internal auditors in alleviating challenges faced during the practice of internal audit in LGAs. On the basis of this specific task, findings gathered and presented about this matter revealed that it is quite possible to alleviate the challenges facing internal auditors in great instance. Findings have also revealed that there are ways by which internal auditors can perform their duties without facing nay challenge in there. Based on those findings, the study thus, concludes that, one of the ways that can be used by internal auditors in alleviating challenges they face during the practice of internal audit is enhance instruction to all public servant by informing them the importance of the audit practice on the overall security of their organisation assets. But also, findings suggested that, internal auditors would enhance cooperation with top management and other normal employees and inform all of them the role of audit. In the same vein, findings provide that, public servants would also be instructed and reminded about the role of patriotism spirit by which they may get rid of any misconduct and act patriotically and not otherwise.

6.3 Recommendations

A lot about challenges facing internal auditors in local government authorities have been said, presented, anlaysed and discussed. In most instances of the discussion, it was indicated that challenges facing internal auditors in the practice of internal audit have been widely characterized and caused by factors like lack and sometimes low peers ‘cooperation towards internal auditors, negative attitude toward the audit

practice, bad feeling, and so no. thus, based on these results obtained from the basis of findings from the study – the following recommendations are clear and constructive in alleviating the problem tackled in here.

On the first instance, the government is hereunder recommended to be prudent and strategic in putting measures that would regulate the appropriate use of its resources allocated in different local authorities. By doing so, will enable the government of Tanzania to become able to know the way budget-allocated resources in different local authorities are being used. But also, such endeavour will help eliminate the possibility of resources misappropriation manifested by majority of public servants.

Public servants are also recommended to act things in patriotism spirit through which they will become faith in using budget-allocated resources in their organisations. But also, such spirit will eventually help them practice and follow lawful procedure is carrying any procurement activity and in turn will put them out of misconduct found by the study.

6.4 Area for Further Studies

Based on the fact that, this study was an academic one, that means several issues in the form of coverage must have been lacking for it to do so. That means, certain more efforts would have been provided, would have been able to cover a wider scope than the covered one. Based on that ground, further studies are in here recommended to cover other or wider geographical area than this one. Other studies would also carry the studies either similar to this one or even different from this – but would increase efforts through which more elaborated results would come into being. Very precisely, other studies can focus on finding out the role of internal audit on the overall assets security amongst public or private organisations in Tanzania. By doing so, will enable them come up with findings that provide more elaboration and extend notion and knowledge relating to internal audit.

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APPENDICES

APPENX I : QEUSTIONNAIRE

MZUMBE UNIVERSITY

Dear respondent:

This an academic study intending to find out challenges facing auditors in the practice of internal auditing in Local Government Authorities in Tanzania; the case of Morogoro Municipal Council – Morogoro Region. In that respect, your support is of great importance as it is one of the way toward the effective accomplishment of this study. That is why you are hereby beseeched to fill in this question and return back to the researcher of the study – Nunkonge Kapula pursuing a Master Degree of Science in Finance and Accounting of Mzumbe University in the final year.

Instruction: Please, put a tick (✓) in the bracket for the response you find to be correct, and explain or describe by writing in place where you are asked to do so.

SECTION ONE:

Peers' Cooperation and reluctance to Provide Information

Question one: How would you classify the level of peers' cooperation to internal auditors during the practice of internal auditing?

- i. Low ()
- ii. High ()
- iii. Satisfactory ()
- iv. Unsatisfactory ()
- v. Not neither low nor high ()

Question two: In reference to your answer in question one above, please, specify your answer by explaining the reason for that classification. Explain here:

.....

.....

Question three: if peers do not provide full cooperation to internal auditors, does that means they are reluctant to provide the information relating to their resources utilisation?

- i. Yes ()
- ii. No ()
- iii. I am not sure ()

Question four: If your answer says, many employees are reluctant to provide cooperation and information relating to resources utilisation, do you think that can be one of the causes for why internal auditors have been ineffective in practising the internal auditing task?

- i. Yes ()
- ii. No ()

Question five: In reference to your answer in question four above, please, give causes for such reluctance. Specify here:

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.....

SECTION TWO

Management Support to Internal Auditors

Question six: How would you rank the level of management support to internal auditors during the internal auditing practice?

- i. High
- ii. Low
- iii. Moderate
- iv. Not good

Question seven: Do you think management support can be one of the sources for why there is ineffective internal auditing practice in your company?

- i. Yes
- ii. No

Question eight: In reference to your answer in question seven above, how can low management support be one of the reasons for why internal auditing practice may fail to produce the reliable information? Please, explain here:

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.....

Question nine: Please, explain the behaviour of management with regard to cooperation provided to internal auditors during the practice on internal auditing; in term of more cooperative or non-cooperative.

- i. Cooperative ()
- ii. Non-cooperative ()
- iii. Do not understand ()

SECTION THREE

The Way Public Servants view Internal Auditing Practice

Question ten: How do workers in general view the practice of internal auditing in your organisation?

- i. A good instrument ()
- ii. Do not want it ()
- iii. Bad instrument ()

Question eleven: In reference to your answer in question ten above, do you think employees in your organisation are happy with the internal auditing?

- i. Yes ()
- ii. No ()
- iii. I am not sure ()

Question twelve: In reference to your answer in question eleven above, why that attitude toward internal auditing? Please, you may explain here:

.....
.....

Question thirteen: Now on your own, how do you feel when internal auditing in under process? And why? Please, explain here:

.....
.....

SECTION FOUR

Recommendations

Question fourteen: Do you think there should be a best way that internal auditors would use to alleviate any challenges during the practice of internal auditing?

- i. Yes
- ii. No

Question fifteen: Whatever the response you have provided in the question 14 above, please, provide any suggestion about the best way that can be used by internal auditors in alleviating challenges faced during the practice of internal audit in your organisation. Provide your answer in the blank space below:

Thank you for your constructive cooperation

APPENDIX II:

GUIDING QUESTIONS FOR INTERVIEW

How do you describe peers' cooperation to internal auditors during the practice of internal auditing?

Based on the causes mentioned: do you think internal audit can lead them to lose their job? How?

Is the management support one of the challenges facing internal auditors in the practice of internal auditing in your organisation? How?

How would you describe the management support to internal auditors during the practice of internal auditing? Are they constructive or otherwise?

Now on your own, how do you feel when internal auditing is under process? And why

Do you think the negative attitude towards internal auditing posed by most employees is one of the great challenges faced by internal auditors in the practice of internal auditing in your organisation? How?