THE EVALUATION OF FACTORS THAT CONTRIBUTE TO THE EFFECTIVENESS OF INTERNAL AUDIT IN PUBLIC SECTORS IN TANZANIA.

A CASE OF MOROGORO DISTRICT COUNCIL

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A CASE OF MOROGORO DISTRICT COUNCIL

By:

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The Dissertation submitted in partial fulfillment of the requirements for awards of degree of Masters of Science in Finance and Accounting (MSc. F and A) of the Mzumbe University

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CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, The evaluation of the factors that contribute to the effectiveness of internal audit in Tanzania, in partial fulfillment of the requirement for the award of degree of masters of Science in finance and Accounting of Mzumbe University.

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Major Supervisor

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Internal Examiner

Accepted for the Board of _______________________________

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FACULTY/DIRECTORATE/SCHOOL/BOARD

DECLARATION

I, **Gerald Samson**, declare that this Dissertation is my own original work and my own investigations except where otherwise identified by references and that I have not plagiarized another's work. I also declare that this work have not been presented and will not be presented to any other University for a similar or any other degree award.

Signature ________________________________

Date ____________________________________

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The completion of this work cannot go without acknowledging the contribution made by few special individuals who have devoted their time, means and intellectual abilities to make my Masters studies at Mzumbe University a success.

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DEDICATION

This study is dedicated to our ALMIGHTY GOD who is the source of all knowledge. To my beloved Mather Ester Kamanzi , who enabled me to see this world, bringing me up as a responsible human being, their encouragements and advices and their financial support toward my education carier and my sister suzan. Real their support and love will always be treasured. Also this dedication includes my two wonderful friends, Kanyoro and Godlove for their advices and for always be there for the time I needed them the Most.

LIST OF ABBREVIATIONS

MDC	-	Morogoro District Council
CAG	-	Control and Auditor General
C/Os	-	Clinical Officers
CEOs	-	Chief Executive Officers
IAG	-	Internal Auditor General
I/A	-	Internal Audit
IIAs	-	Institute of Internal Auditors
LGAs	-	Local Government Authorities
VEOs	-	Village Executive Officers
WEOs	-	Ward Executive Officers

ABSTRACT

The issues of globalization, transparency, integrity and improvement of government service delivery increase the need for governance and accountability. Consequently, this phenomenon leads the interest to internal audit function in organizations.

This study is aimed at assessing the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. Data were collected from Morogoro District council, by using different methods including questionnaire, interviews and documentary. The data were presented and analysed with the assistance of SPSS 16 and exel where by tables, graphs and regression analysis were used.

The findings reviled that the internal audit in Morogoro District council is ineffective (not working properly) which leads to poor management decision making and misuses of public funds. This conclusion has been arrived by considering all the three specific objectives, were for specific objective one, which wanted to assess the independence and objectivity of internal audit in public sectors, whereby the integrity being part of it. The findings shows that in MDC there is no high integrity which has been reviled by comparing the internal audit reports with external audit reports, management recommendation and the community view.

The second objective which was meant to assess the audit competence in public sectors, it is reviled that there is little competence of internal audit in MDC which limit the effectiveness of internal audit in public sectors. The team work problem has also contributed to incompetence's of the audit.

The third objective was assessing the management support and value to the internal audit in public sectors, and the findings has justified that there is a little support of the management to the internal audit that provides a great challenge to the auditors.

The researcher concluded that the whole government at large need to ensure that they continuously review these Internal Control Systems so as to ensure that they are operational toward the achievement of the desired goal on every public fund.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

CHAPTER ONE
INRODUCTION

1.1 Introduction.

According to Izedonmi (2000), Auditing involves an independent examination of the financial statements of an enterprise prepared by the management of that enterprise by an appointed person called auditor in order to express a professional opinion whether or not those financial statements show a true and fair view position of the enterprise as at the end of the financial period in accordance with the auditor terms of engagement as well as other relevant statutory and professional regulations. As owners of organization are separated from the management, this has necessitated the need for auditing.

1.2 Background of the problem

In Tanzania, the Public Finance Act, 2004 as amended 2010 and Local Government Finance Act, 1982 provide internal auditors with a role of examining and evaluating the adequacy and effectiveness of internal controls; risk management controls and governance processes in organization.

It used to be that internal auditing in the public sector served as a simple administrative procedure comprised mainly of checking accuracy of transactions, pre-payment verification and control, counting assets and reporting on past events to various types of management. But in recent times, a combination of forces has led to a quiet revolution in the profession. Governments moving toward higher levels of transparency must demonstrate accountability in the use of public money and efficiency in the delivery of services which is currently occurring in Tanzania.

Larger and more complex operations demand greater competency and professionalism from internal auditors to minimize and manage risk. Internal audit is one of a number of internal assurance and business review activities that should operate in a coordinated and complementary manner to the benefit of the organization. These other activities include management monitoring, evaluations, quality assurance and control self-assessment arrangements that are all designed to provide confidence and assurance to Chief

Executives Offices (CEOs) and/or Boards that management is meeting its responsibilities and the entity is achieving its objectives, Anao (2012).

In Tanzania there had been a constant blames from the members of parliament and the community at large on the misuse of public resources as it has been reported by the CAG reports time to time. This has raised some questions on the effectiveness of the internal control system of the public organization in the country.

It should be understood that auditing is an expensive proposition, however auditing help in reduction of information risk which is the risk that information upon which a business is based is accurate but this has not been the case for most of the public sectors in the country. Establishing a professional working relationship between internal audit and the external auditor was expected to deliver benefits to both parties along the process of safeguarding the public resources. It is important that internal audit becomes competent and able to seek input from the external auditor in developing the internal audit strategy and internal audit work plan so that to strengthen the effectiveness of the internal audit unit in the public sectors. Internal and external audit consult with each other during the planning phase of individual audits that address the key financial and business systems underpinning the entity's financial statements. In order for the external auditor to use specific work of the internal auditor, the external auditor is required to evaluate the work of internal audit to determine its adequacy for external audit purposes. Internal audit (IA) is supposed to ensure effectiveness and the extent to which an internal audit staff meets its obligation, is arguably a result of the interplay among some factors: internal audit quality management support; and organization setting.

Due to the constant misuse of the public fund in the country in most of the public sectors this relationship and accountability of the management and the internal audit unit is giving a great mistrust by the society that rise the need to the researcher to evaluate the effectiveness of the internal audit in public sector in Tanzania.

1.3 Statement of the problem

The issues of globalization, transparency, integrity and improvement of government service delivery increase the need for governance and accountability. Consequently, this phenomenon leads the interest to internal audit function in organizations. Dittenhofer (2001) and Goodwin (2004) claimed that internal auditing is emerging as an important component of management and a governance mechanism both in private and public sectors. However, Montondon and Fischer (1999) asserted that the credibility of the internal audit function is significantly important especially in public entities as they are held responsible to diverse stakeholders compared to private entities. Assertion towards the importance of internal auditing in public sector has been pointed by the Tanzania Auditor General (Auditor General Report 2011/2012). According to the Auditor General, internal audit function plays a proactive role as a monitoring mechanism and in examining ongoing projects. It may assist public sector entities in achieving their objectives effectively, efficiently, economically and ethically by providing unbiased and objective assessments. Internal auditors' unbiased findings and recommendations represent critical input to good governance that can lead organizations to take prompt and appropriate corrective actions to remedy identified weaknesses and deficiencies.

There is general awareness all over the world for the need to pay greater attention to the improvement of public sector management. The reason is obvious, government constitutes the largest single business entity and her pattern of expenditure through its various parastatals, agencies and commissions stimulate lot of economic activities. As a result of these Government huge involvements in economic activities, initiatives are being taken all over the world towards improvement of the standards of accounting and auditing departments in government (Angus and Mohammed, 2011). Public sector managers operate in a complex and challenging environment. This, in part, reflects the evolving demands and expectations of the community, government and the Parliament. Internal audit is an important element of the range of resources and mechanisms available to public sector managers to assist them to meet their responsibilities within this environment. Anao (2012). Internal audit provides an independent and objective review and advisory service to-provide assurance to the Chief Executive and/or Board that the entity's financial and operational controls designed to manage the organization's risks and achieve the entity's objectives are operating in an efficient, effective, economical and ethical manner; and assist management in improving the entity's business performance.

Along with the analysis of different scholars on the internal audit, less has been done to investigate of the effectiveness of the internal audit in public sectors in Tanzania; this is what the researcher has done in this study.

1.4 Objective of the study:

An audit objective is the hypothesis that will be tested through the collection and analysis of evidence, it should be framed in a way that allows a clear and unambiguous,madein a pass/fail or yes/no format,hence it verify either an entity did or not meet the requirement performance standard .

The objective of this study have been categorized into main and specific objectives as follows below.

1.4.1 Main objectives.

The main objectives of the study of this study were to evaluate of factors that contribute to the effectiveness of internal audit in public sectors.

1.4.2 Specific objectives.

In order to achieve the above main objectives, the followings specific objectives was considered

1. To assess the independence and objectivity of internal audit in public sectors
2. To assess the audit competence in public sectors.
3. To assess the management support and value to the internal audit in public sectors

1.5 Research Questions.

1. How independent is the internal audit in public sectors?

2. How competent is the internal audit in public sectors?

3. Do the management support and value to the internal audit in public sectors?

1.6 Hypothesis

The hypothesis that governedthis study have been presented bellow

Ho: Auditors competence, objectivity of internal auditor and management supports does not lead to effectiveness of internal audit.

H1: competence, objectivity of internal auditor and management supports leads to effectiveness of internal audit.

1.7 Significance of the study.

This study is having a great significance to the public sectors, auditors, management and policy makers since will Provide greater assurance to accounting officers, management and the Audit committee that the analyses factors help the systems of internal control to be effective or not. The study will also improve the quality of management's understanding of the work of internal audit and give them much support as needed.

An effective internal audit in public sectors strengthen the financial management discipline, control environments and operational controls within the organization/department and Improve organizational performance by taking timely corrective actions based on evaluations and recommendations. This study is of a great use on this area. It will also help the policy makers to set some policies and review the existing one that will help the internal auditors to perform their duties without any obstacles for the purpose of managing the public resources for the benefit of the country at large.

CHAPTER TWO

LITERATURE REVIEW.

2.0 Introduction

Meaning of Internal Audit:
The examination, monitoring and analysis of activities related to a company's operation,including its business structure,employee behavior and information systems. An internal Audit is designed to review what a company is doing inorder to identify the potential threats to the organization's health and profitability, and to make suggestions for mitigating the risk associated with those threats inorder to minimize costs.

This chapter discusses the reviews some related literatures, both theoretical and empirical concerning the effectiveness of internal audit in public sectors, afterwards, it draws the conceptual framework based on the assumptions presented in the available literature.

2.1 Theoretical literature review

Auditing is originally a financial management concerned with assessing practice for the internal financial status of the organization and the evaluations of the financial performance of the organization, Mihret and Yismaw (2007). They further argued that, after the revolution and beginning the 20th century the reporting practice of auditors, which involved submitting reports of their duties and findings, was standardized as the Independent Auditor's Report. Since then, the auditing practices have evolved over the years and develop into the broader aspects to become into a field of fraud detection and financial accountability.

It also provides feedback on organization financial information and reporting. It also becomes a tool for an analysis of any fraudulent activity, potential and actual within the organization. In Tanzania, Internal audit profession has become into the main business after the formation of the internal auditor General (IAG).

There are a number of researches had been done in the area of the internal audit in private and public sector. The fact that effective internal audit can contribute to the significant impact to the quality of management has raised the interest for researchers to explore into this matter. Effectiveness of internal audit will contribute to the effectiveness of the client and the organization as a whole Dittenhofer (2001). The internal audit findings and recommendations are clearly crucial to the management of public office to follow through and immediately rectify the problems in the organization. Mihret & Yismaw (2007) suggested that, public sector organizations are required to have an internal audit function to support effective management in managing public funds. So many findings from the research done linked the effectiveness of the internal auditor contribution to effective management and internal control of the agency. According to Okafor & Ibadin (2009) they argue that the internal audit exercises a critical role in improving corporate governance in organizations. In terms of accountability and management relationship. Furthermore Saren and De Beelde (2006) found that Internal Auditors are playing a pioneering role in the creation of a higher level of risk and control awareness in managing risk in the management system. Internal audit is a 'comfort provider' to the Audit Committee especially in its assurance role and its involvement in improving internal control. Cooper et al (1996) on their study on Benchmarking- a comparison of internal audit in Australia, Malaysia and Hong Kong found that 51.7 % of Malaysian CEOs and 50.5%

Hong Kong CEOs were more assertive in their opinions about internal audit being an independent evaluation function on the effectiveness of management. Furthermore, Australian research study on Financial Reporting and Auditing Bridging the Expectation Gap suggested that apart from management, internal auditing is the centre of integrated activities within organization, and it is the best suited for the new roles as agent of change.

2.2 Empirical literature review

2.2.1. Auditors competency

Competency can be relate to the ability of an individual to perform a job or task properly base on the educational level, professional experience and the effort of the staffs for continuing professional development. Auditors' competency determines the effective auditing in the organization. It contributes to the ability of the auditors to perform the systematic and discipline audit approach to improve the effectiveness of internal audit. Mihret & Yismaw (2007) concluded in their study that internal audit office constantly face the problem of low technical staff proficiency and high staff turnover, which would limit it capacity to provide effective service to management. Whereby Unegbu et al (2011), found in their study that, internal audit can effectively carry out their duty in the public sector if there are enough internal audit personnel with required competencies. Competency of auditors determines the quality of the audit work performed in an organization. Competency is measured in terms of academic level, experience, skill and the effort of the staffs for continuing professional development. Competency determines the efficiency of the auditor in setting a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's activities and financial management as well as governance processes.

2.2.2 Independence /objectivity of internal auditors

The other factor that may contribute to the effective government audit activities is the need of organizational independence and objectivity which can allow the audit activity to conduct work without interference by any party for the audit task. The independence and objectivity of internal auditing is with respect to both assurance services and consulting for the organization. Independence and objectivity are closely related where the freedom from conditions that may threaten objectivity and no significant quality compromises are made during rendering the audit service, IIA (1999). In fact, the audit activity should have sufficient independence from those it is required to audit so that it can both conduct its work without interference and be seen to be able to do so IIA (2001). This is very crucial element in conducting audit because the auditors can access to any document relating to the audit work without favor and fear. This will make the auditors provide the objective report and reliable professional judgment on the auditing work to achieve the mandate given to them with integrity. Independence of auditors would not be considered to be impaired if the auditors do not appear to act in a capacity equivalent to a member of client management or as an employee Caplan (1999). In certain extent there is a confusion of the role of IA as internal auditors are part of the management team and at the same time to independently evaluate management's effectiveness and efficiency. However, in more recent years, there has been heightened interest in issues associated with the independence and objectivity of internal audit. This could affect the effectiveness of internal auditing as even though internal auditor are charged with upholding the best interests of their employer, they may be reluctant to counter management, regardless of consequences (study mode.com, 03.2011).

2.2.3. Management support to the roles of internal auditor

The support and commitment of management also have the certain impact to make sure internal audit is functioning effectively. The success of internal audit function will depend on the strength of management's support for the auditing process. They have to accept the fact that the internal audit process is just as critical and important activity as any other process within the organization. Some study found that without management approval, support, and encouragement, the internal audit audit process is likely to face failure and worse – time and money wasted. Ali et al (2007) on their study on internal audit in the state and local government of Malaysia found that, the effectiveness of the internal audit function in State and Local Government appears to be directly related to the management style of organization heads and their links, relationships and position in the social contract.

Some internal audit function appears to be doing well; the determining factors appear to be the attitude and leadership qualities of the head of an organization and audit reports that are ignored by everyone, Ali et al (2007). Mihret & Yismaw (2007) on their study also found that internal audit recommendations are not afforded enough attention. Though the audit reports are generally well prepared, they do not separately highlight the status of past audit results and they could be presented in a more consistent way. Besides, the audit evidence is attached to the reports. This provides a bulky appearance of the audit reports and reduces readability. The distribution of the audit reports is limited where copies are not provided to other senior management officers
128 to which related to audit report. Their study also concluded that management supports to internal audit as a determinant of internal audit effectiveness.

2.3 Research gap

Along with the findings of different scholars on the internal audit, little has been done on the actual factors that lead to the effectiveness of internal audit in public sectors. Due to this gap the researcher evaluated the factors that leads to the effectiveness of internal audit in public sectors in Tanzania by considering how the auditors' competence, independence of internal auditors and management support influences the effectiveness of internal auditors in public sectors in Tanzania.

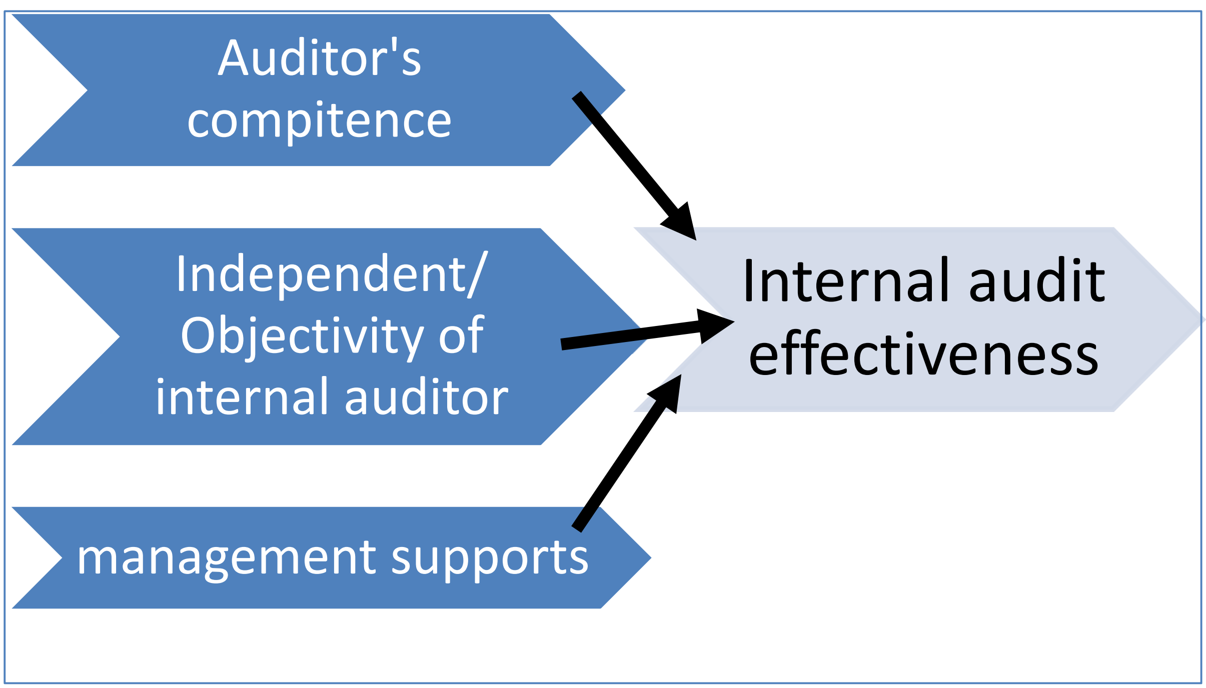
2.4 Conceptual framework

In presenting the conceptual framework for the study, this section based much on providing assumptions based on the objectives to be achieved by the study in hand. That is to say; most of the assumptions laid down in this context are in parallel with the assumption portrayed from the objective as well.

This study based on two variables the dependent variable which is effectiveness of internal audit and the independent variables collectively factors for effectiveness of internal audit as shown below

Figure 2.1 Conceptual framework

Independent Variables Dependent Variable



Source: Researcher's own schetching 2015

The model above explains the relationship amongst the variable under study; it explains the auditors competence, independence of internal auditors and management support as the Independent variable while effectiveness of internal audit as the dependent variable. According to the Figure 2.1 above, competence, independence of internal auditors and management support may influence effectiveness of internal audit in public sectors.

CHAPTER THREE

RESEARCH METHEDOLODY

3.0 Introduction

This chapter presents the procedures that were employed in the study. The chapter therefore, presents the methodology that was deployed in the study by specifying the study area, research design, study population, sampling size and sampling Techniques, data collection methods, reliability and validity measurement methods and also data analysis.

3.1 Study Area.

The study area in which the study was carried out is Morogoro District Council (MDC). The said council is located in the region of Morogoro.

3.1.1 Geographical location:

Morogoro District is one among the 6 Districts in Morogoro Region .The District is located at North East of Morogoro Region between 6º00’ and 8º00’ Latitudes South of Equator also between Longitudes 36º00’ and 38º’ East of Greenwich.

It is bordered by Bagamoyo and Kisarawe districts (Coast region) to the east, Kilombero district to the south and Mvomero district to the north and west.

3.1.2 District land area and administrative units:

For Morogoro District the total area is 11,925 km². That is 16.34% of the total Area of Morogoro Region which has 72,973 km².

Table: 3.1 Distribution of Land Area and Water Area by Morogoro:

Total area sq. kms.	Percentage of total Area	Land Area (sq. kms.)	Percentage of total land Area
11,925	16.34	11,711	16.05

***Source**: Planning Department, 2014.*

3.2 Research Design

The study employed survey design. The survey study design is selected based on the researchable reasons that is; it focuses more on an identical areas or organization. Therefore, it is important to note that survey study design can permit the use of variety of data collection methods to be deployed during the whole conduct of the study.

The focus is that, this type of research design permitted the researcher to explore and analyze information over the life of a single unit, which is Morogoro District Council (Birkinshaw, 2004; and Welch, 1998)

3.3 Study Population

The target population for this study included 2794 workers of MDC. Including teachers, internal auditors, accountants, human resources officers, Ward executive officers, Village executive officers and politicians.

3.4 Sample Size and Sampling Technique

The study employed sample size of 155 respondents, as presented in Table 3.1 bellow

Table 3.2: Sample Size Composition

Category	Population Size	Expected Sample Size
Staff-Primary & secondary schools	2067	40
Staff-health sector	328	15
VEO & WEO	182	50
Politicians	41	10
Some Staff at MDC	217	40
TOTAL	**2794**	**155**

Source; Researcher's (2015)

3.4.1 Sampling Techniques

According to Stasch *et al.*, (1985) the procedure of selecting a sample for a study is an important step in any research project since it is rarely practical, efficient, and costly, to study the whole population. The researcher therefore will employ purposive and convenience sampling techniques.

i) Purposive Sampling Technique

The researcher used purposive sampling in selecting the key respondents, namely auditors who are the custodians of the internal control system, accountants, Human resources officers, VEOs, WEOs, Teachers, Health staffs and planning department as they was involved on the study since the internal control touches directly their area of responsibility.

ii) Convenience Sampling Technique

This technique allows clustering the sample first before selecting them randomly, i.e. 40 schools was chosen then from each school one head of school was selected, also 35 villages were chosen then from each village one VEO was taken, 15 wards were chosen and from them one WEO was taken and 15 health centers and dispensaries were and from each one C/Os was selected.

3.5 Data Collection Methods

These are the ways that was used to extract information. The methods employed by this study are observations, documentary and questionnaires. The researcher considered these methods appropriately to enable gathering accurate and enough information.

Primary data was collected through questionnaire and interview. Secondary data was gathered from documentary review.

3.5.1 Questionnaire Method

This study used questionnaires as one of the methods of data collection. The questionnaires were administered to the MDC staffs (internal auditors, accountants, Human resources officer, WEOs, VEOs, teachers and Politician). The method of administering questionnaires will help this study to have the intended numbers of the respondents. Also administering questionnaires reduced some ambiguities of understanding some of the word(s) on the questionnaires where by clarifications were provided.

3.5.2 Interview

Interview was conducted to the top management of the council which includes the District Treasury, District internal auditor and the District executive Director (DED) using interview guide. Also the interview was conducted to some members of audited committee. During the process of interview, some structured questions were asked and the study will be taking note on the responses. Respondents were given almost full liberty to express themselves on matter, which was used to support the smooth achievement of the study in hand.

3.5.3 Documentary Review

Documentary review is the kind of data collection technique which will be used in collecting secondary data. In this study specifically, documentary was done by reviewing different auditing report and some auditing principles as well as GAG reports.

3.6 Data Analysis methods

Data to be collected was divided into two categories, qualitative data and quantitative data. To analyze these data the study used tabular way of analysing data, percentage and descriptive ways.

3.6.1 Qualitative Data Analysis

These data were collected from interview, and from parts of questionnaires that required respondents to explain in detail for their own words. The data was analyses in a descriptive way by refining the common responses. The qualitative data that was obtained were used to enhance the discussion of the findings in quantitative data.

3.6.2 Quantitative Data Analysis

Data was collected, coded and analyses. The Descriptive analysis was conducted to enable the researcher to summarize the collected data and organize in a way that the researcher was able to answer the research questions. Descriptive analysis allows data to be quantified and analyses. The use of different tools like tables, and percentages was considered, also in some areas further analysis was conducted depending on the nature of the data.

3.7 Reliability and Validity measurement methods

In order to reduce the possibility of getting the wrong answer, attention needs to be kept to the particulars on the research design, reliability and validity (Saunders et. al.; 2003).

3.7.1 Validity

Validity is concerned with whether the findings are really about what appears to be (Saunders et. al.; 2003). Validity is defined as the extent to which data collection methods accurately measures what they were intended to measure (Saunders et. al., 2003). Cooper and Schndler (2003) believe that validity refers to the extent to which a test measures what we actually want to measure. In other words, validity refers to accuracy, correctness or truth of measuring instruments.

3.7.2 Reliability

According to Saunder et al. (2003), reliability refers to the degree to which data collection method will yield consistent findings, similar observations would be made or conclusions reached by other researchers or there is transparency in how sense was made from source. Cooper and Schindler (2003) have defined reliability as many things to people, but in most contexts the notion of consistency emerges.

In establishing validity and reliability of the study research instruments, interview schedule and questionnaire was administered to ten people in MDC whereby six will be staffs from health centers and schools and four from the MDC headquarters. The responses was processed and analyses to establish weaknesses.

3.8 Ethical Consideration

All important norms for collecting data from the field are available and should always be respected in the whole course. That is to say; the said process was amongst the topmost attentions that were put into consideration by the researcher during the entire process. The researcher obeyed ethical norms. Based on this statement, the researcher was given a written recommendation from the academic authority of Mzumbe University, which was presented to the concerned offices for approval to collect all necessary information from the intended field. The researcher ensured that all respondents that whatever information was given by them was treated and guarded with a high sense of confidential and no any piece of it was taken out of concealment.

CHAPTER FOUR

RESEARCH FINDINGS

4.0 Introduction

This chapter represents the findings on the factors that contribute to the effectiveness of internal audit in public sectors, the case of Morogoro district council. The chapter present table and graphs that shows the response of different respondents in trying to answer the research questions of this study.

4.1 Characteristics of the respondents

This chapter begins by presenting the sample characteristics of the respondents such as their gender, age, Education of the respondents, working experiences and designation of the respondents. Statistical tools such as frequencies and percentage are presented in table 4.1 - 4.4

4.1.1 Gender

Table 4.1: Gender of the respondents

Response	Frequency	Percent
Male	98	63.2
Female	57	36.8
Total	155	100.0

Source: Primary Data

From Table 4.1 above, it shows that out of 155 respondents, male were 98 which is equivalent to 63.2% and female were 57 which is equivalent to 36.8%. These data shows that the findings were from both male and female respondents.

4.1.2 Age

Table 4.2: Age of the respondents

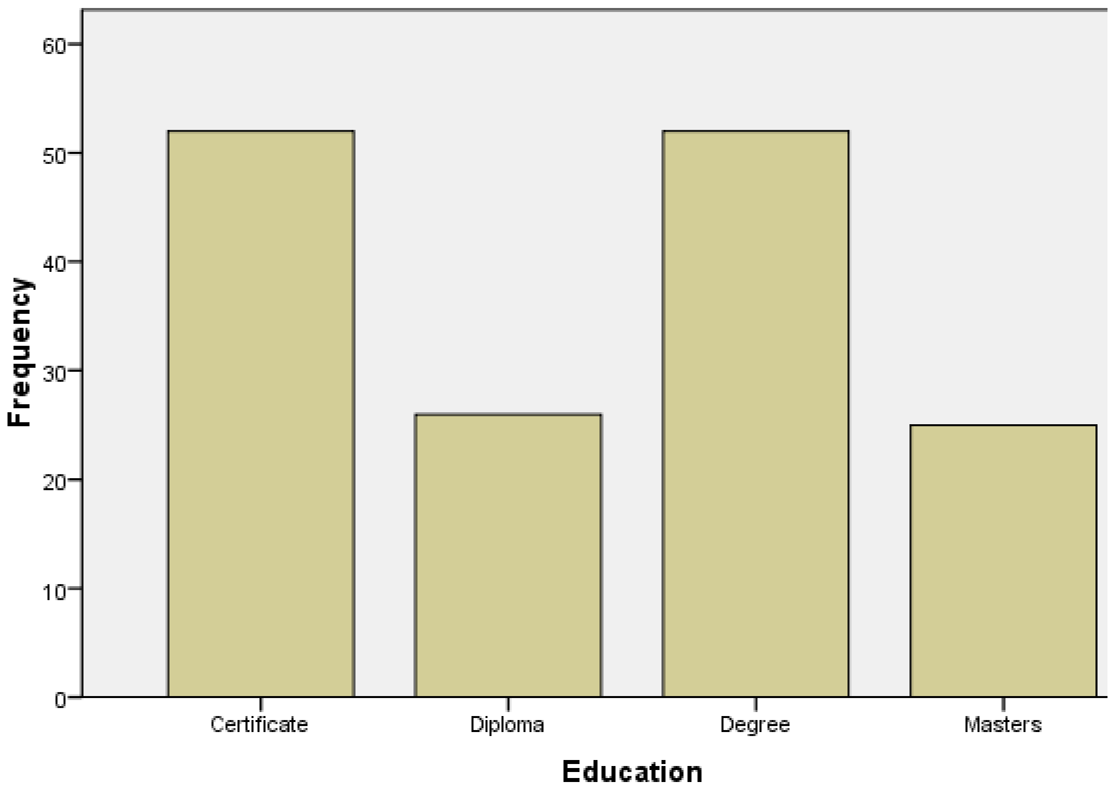
Response(Age)	Frequency	Percent
24	10	6.5
25	15	9.7
26	15	9.7
27	5	3.2
28	10	6.5
29	5	3.2
31	5	3.2
32	5	3.2
33	15	9.7
34	10	6.5
36	5	3.2
37	10	6.5
40	5	3.2
41	5	3.2
46	5	3.2
47	5	3.2
54	5	3.2
55	10	6.5
56	5	3.2
59	5	3.2
Total	155	100.0

***Source**: Primary Data*

Table 4.2 above shows the age of the respondents whereby the minimum age of the respondents was 24 years and the maximum age was 59 years. The table above revile that respondents were selected nearly equal for all groups of the youth age and those who are more aged so that to bring in unbiased responses.

4.1.3 Education of the respondents

Figure 4.1: Education of the respondents

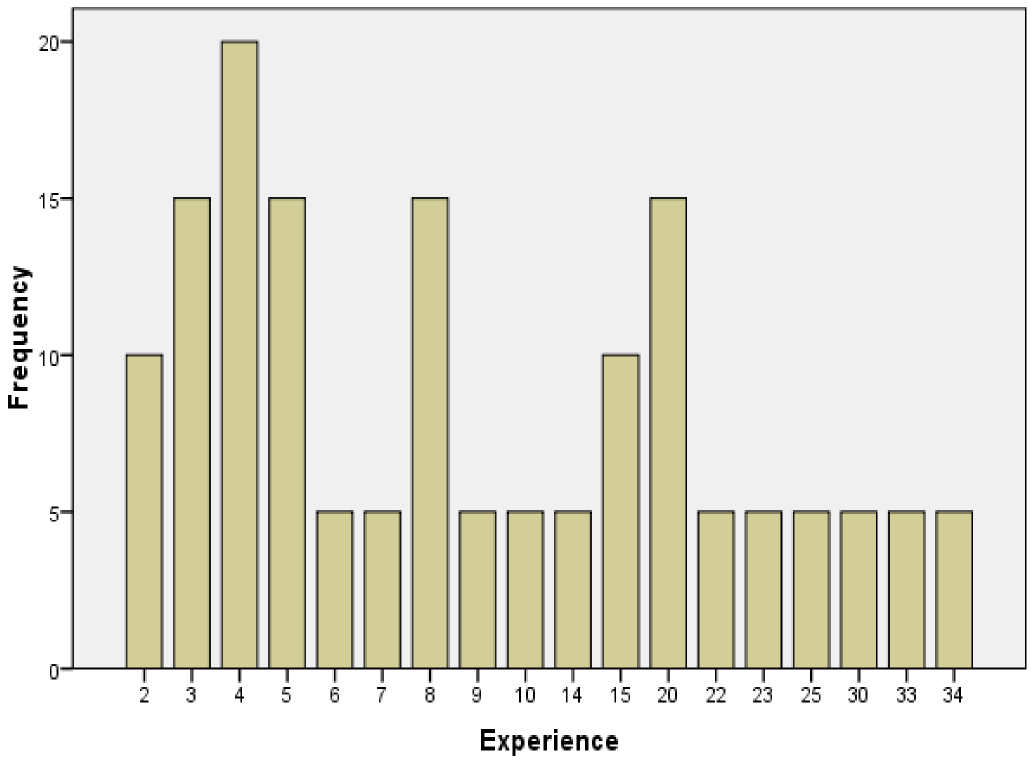


Source: *Primary Data*

Graph 4.1 above shows the education level of the respondents, were certificates, Diploma, degree and Masters Holders were included in the study. The findings show that certificate and the degree holders were the majority. The information presented in Figure 4.1 above, justifies that most of the respondents were the qualified personnel in their carrier so this provides the researcher with high level of reliability of the findings.

4.1.4 Working experience

Figure 4.2: Working experience of the respondents



***Source**: Primary Data*

Graph 4.1 above presents the experiences of the respondents in the work in terms of years. Considering the age, the findings show that, majority were of the age of 3, 4, 8 and 20 years. This is due to the current expansion of schools and health centres in different areas which lead to the new employment of the workers. But for other experiences in terms of years, the findings show that there was nearly equal sampling of the respondents basing on the experiences. These data reviled that the findings come from the experienced workers who actually have the understanding of the internal control in public sectors.

4.1.5 Designation

Table 4.3: Designation of the respondents

Response	Frequency	Percent
Health	26	16.8
Auditors and accountants	25	16.1
politician	25	16.1
Teacher	27	17.4
Veo	26	16.8
Weo	26	16.8
Total	155	100.0

Source: *Primary Data*

Table 4.3 above shows different employment position of the respondents in MDC whereby among 155 respondents, from health sector were 26 which is equivalent to 16.6%, auditors and accountants were 25 which is equivalent to 16.1%, Teachers were 27 which is equivalent to 17.4%, politician were 25, which is equivalent to 16.1%, WEO were 26 equivalent to 16.8% and VEO were also 26 which is equivalent to 16.8%.
The information presented above reviled that the findings came from all sectors as it was sampled by the researcher.

4.2. Independence and objectivity of internal audit in public sectors

The first objective that was covered by this study was the independence and objectivity of the internal audit in public sectors. To cover the this objective the researcher explored the following aspects; integrity of internal audit in MDC, relationship of internal audit with other people and how independence leads to effective of internal audit in public sectors. The findings were presented in Tables 4.5 to 4.6 bellow.

4.2.1 Integrity of internal audit in MDC

For the internal audit to be independence and objective, integrity should be observed. To cover this part the respondents were required to rank the integrity of the internal audit in MDC as “High”, “average” and “low”, the findings were presented in Table 4.4 bellow

Table 4.4: Integrity of internal audit in MDC

Response	Frequency	Percent
High	24	15.5
Average	79	51.0
Low	52	33.5
Total	155	100.0

Source: *Primary Data*

From Table 4.4 above, it shows that out of 155 respondents, 24 respondents equivalent to 15.5% responded that there is high integrity of internal audit in MDC, 79 respondents equivalent to 51% responded that there is average integrity of internal audit in MDC and 52 respondents equivalent to 33.5% responded that there is low integrity of internal audit in MDC. Therefore from the findings presented above, it reviled that there is no such a high integrity of internal audit in MDC since large percentage of respondents were in the average and low integrity.

In this case the researcher interviewed different personnel in order to assess the integrity of internal audit in MDC. The researcher used the following attributes for the case.

(i) Comparing the internal audit reports with external auditor’s reports.

The respondents responded that when comparing the two audit report, that is of internal audit and that of external audit, you find that to some extent there is honest in internal audit some audited issue are related , though other respondents shows that there is little honest in the internal audit due to some audited issue are not related.

(ii) Management recommendations.

If the management recommend positively to the audit report, it justify that there is integrity to the internal audit. For this case the management for some extent they had negative recommendation to the internal audit report but for other issue their not. Hence this shows little integrity of I/A.

(iii) Who audit the internal auditor?

In this case the one “who audit the auditor is third parts (community)”, When the community accept the works of internal auditor it show the integrity of that auditor, but in MDC there are element of biasness because not all community which they audited talk positive about I/A, interference when preparing the report and other factors which impare the auditor’s work such as the rise of intimidation issue and other threat.

4.2.2 Relationship of internal audit with other people

To maintain independence and objectivity of internal audit there must be little relationship of internal audit with other people. To cover this part the respondents were required to rank the relationship in either very high or somehow and the results were presented in Table 4.5 bellow.

Table 4.5: Relationship of internal audit with other people

Response	Frequency	Percent
very high	104	67.1
somehow	51	32.9
Total	155	100.0

***Source**: Primary Data*

From Table 4.5 the results shows that out of 155 respondents, 104 respondents who are equivalent to 67.1% responded that there is very high relationship and 51 equivalents to 32.9% responded that there is somehow relationship with other people. Therefore the high relationship reveled by the findings, justify that the independence and objectivity of the internal audit can be impaired. Hence we look relationship in differences ways such as follows

The relationship with people who auditing them.

The relationship with people in auditing is allowed but not for large extent, the internal Auditor needs to have normal relationship for the sek of getting some applicable and relevant information which may help him/her when performing the work. But on the other hand, to have causal relationship it is not good in auditing activities because it may bring some difficultness on decision making for some issue. For example the personal relationship results to self interest threat, intimidation threat, and familiarity threat. Finally it may impare the independent. So in this research under MDC internal auditor have high relationship with people, Hence there is no independence

4.2.3 How independence leads to effectiveness of internal audit in public sector

We expect the internal audit to be independent so that it can perform its duties effectively. To cover this part, the respondents were required to respond yes if the independence leads to the effectiveness of internal audit in public sector or No if independence does not leads to the effectiveness of internal audit in public sector. The results were presented in the following Table 4.6

Table 4.6: How independence leads to effectiveness of internal audit in public sector

Response	Frequency	Percent
yes	103	66.5
no	52	33.5
Total	155	100.0

Source: *Primary Data*

From Table 4.6 above, out of 155 respondents, 103 equivalents to 66.5% responded yes that independence leads to the effectiveness of internal audit in public sector and 52 respondents equivalent to 33.5% responded No to disagree with the statement. Therefore the findings reveled that if there is independence of the internal audit, and then this will leads to the effectiveness of internal audit in public sector

To conclude this objective as per the findings presented, it obvious that Independence and objectivity of internal audit in public sectors especially in MDC is impaired due to high relationship of internal audit with people and low integrity of the Internal audit unit. So on this we justify by consider the follows factors after interview some personnel in MDC, such as follows:

(i) Independence help to exercise his duties with profession skepticism lead them to be objectivity which also leads effectiveness in performance.

The independence of internal auditor helps to exercise the professionalism, objectivity such as not to be subjective for any issues which impure their independence when making auditing activities. Finally it leads to competence and effectiveness to the works. But internal Auditors of MDC have failed on this, hence their work are not showing effectiveness.

(ii) Independence helps to Overcoming the threat which lead them effectiveness.

The situation of avoiding things (threat) which impare independence and make auditing work to be ineffective, These are not practiced by internal auditors of MDC so their auditing work are not effective and efficiency due to some threat arises such intimidation, personal interest threat and so on those lead them to be bias for a certain things, omission of some relevant input in their report in order to favor some people who are fraudulent.

4.3 The audit competence in public sectors

To cover this objective, the researcher made investigations on five parts which are; to check if there was auditing in the past years to the public sectors, how do auditing help the better use of public fund, How does audit reports add credibility to organization, timely submission of audit reports and to check if internal auditors are working as a team work. The results of the findings were presented in Tables 4.7 to 4.11 bellow.

4.3.1 Help of auditing in better use of public fund

If the auditing process in public sector help the better use of the public fund, then can be the evidence on the competence of the internal audit in MDC. Under this part the respondents were required to rank there response on either “Very high”, “some how” and “very low” to justify the statement that internal audit help better use of public fund. The results were presented in Table 4.7 bellow.

Table 4.7: The help of auditing in better use of public fund in organization (MDC)

Response	Frequency	Percent
very high	31	20.0
somehow	62	40.0
very low	62	40.0
Total	155	100.0

Source: *Primary Data*

The findings from Table 4.7 above show that out of 155 respondents, 31 respondents equivalent to 20% responded that internal audit help very high in the better use of public fund, where 62 respondents equivalent to 40% responded that somehow it help on the better use of public fund and 62 respondents equivalent to 40% responded that internal audit help very low on the better use of public fund. Therefore these findings justify that there is no competence of the internal audit in MDC since it has a little contribution on the better use of public fund as justified with the findings presented above

(i) To control any fund uses Out of Budget of organization (MDC).

The findings reveled that there is misuses of fund, Mostly of the fund are used out of budget, such as to finance unplanned event such as Mwenge, Procurement of certain goods which unbudgeted, Payment Perdiem out of budget. Hence the I/A fail to control this things and to advice management about the misuses of funds... Hence this shows the internal audit unit is not competent.

(ii) To facilitate the better uses of fund in Development project.

How auditing process in public sector help to facilitate the better use of the public fund in Development project, then can be the evidence on the competence of the internal audit in MDC. Under this part the respondents were required to rank there response on "Agree" and "Disagree" to justify the statement that internal audit help to facilitate the better use of public fund. The results were presented in Table 4.7.1 bellow.

Table 4.8: Audit help use in public fund in case of Development projects

Response	Frequency	Percent
Agree	62	40.0
Disagree	93	60.0
Total	155	100.0

Source: *Primary Data*

The findings from Table 4.7.1 above show that out of 155 respondents, 62 respondents equivalent to 40% responded that internal audit help to facilitate the better use of public fund for development projects, where 93 respondents equivalent to 60% responded disagree that internal auditor help on the better use of public fund in MDC development activities may fail due to poor monitoring and consultation of internal audit department such wards executives offices many have not yet finished some project up to date due to misuses of fund by the people concern to supervise forex ample kolero wards office, bwakila juu ward office,mtombozi ward office and Also many teachers' houses they were not completed up to date due to misuses of fund. Hence the internal auditor fails to make fallow up

The researcher reveled that some fund uses for the purpose not intended , for example the fund which comes for development projects .hence which lead to fail to accomplish of development projects and Those who have been fulfilled in this case there is no value for money (substandard project).

(iii) Audit help to monitoring the procurement procedure in MDC.

The findings reveled that the internal audit in MDC fails to monitor procurement procedure in organization... Under this, there is no value for money in procurement of goods such as their low quality of purchases goods with high price, poor time delivery of goods, overlapping some tendering procedure, so quotation are there as formalities, also late time delivery of goods and services. Hence this show the Internal Auditor does not help the organizations in control and monitoring the better uses of public fund so they're not competent.

4.3.2 Presence of internal Auditing in Past years for the public sectors

For the audit to be competent there must be a continuous auditing process. If auditing process is not taking place year by year, then it may happened a misuse of public fund that may not be easily disclosed. The respondents were asked on this part and required to respond "yes" if there was auditing for the past year, "no" if there was no auditing in past years and "I don't know" if he/she is not sure,. The results were presented in Table 4.8 bellow.

Table 4.9: Auditing in Past years

Response	Frequency	Percent
Yes	94	60.6
No	60	38.7
I don't know	1	.6
Total	155	100.0

Source: *Primary Data*

From the findings presented in Table 4.8 above shows that out of 155 respondents, 94 equivalent to 60.6% agreed that there was auditing in the past years, 60 respondents equivalent to 38.7% disagreed on the presence of the internal audit in MDC and only one respondent was not sure. Therefore this justify that in MDC for a great extent there is continuous auditing though in some areas there was no auditing in past years as shown in the data above.

4.3.3 Credibility of the public sector through internal audit

If internal audit is competent then it is obvious that the credibility of the public sector will be high. Under this part the respondents were required to respond "yes" if they agree with the statement that audit reports add credibility to the public sector and "no" if they do not agree. The findings were presented in the following Table 4.9.

Table 4.10: How does audit reports add credibility to organization

Response	Frequency	Percent
Yes	62	40.0
No	93	60.0
Total	155	100.0

Source: *Primary Data*

From the findings in Table 4.9 above, it shows that out of 155 respondents, 62 respondents equivalent to 40% agreed that internal audit report add credibility to the public sector and 93 respondents equivalent to 60% responded that the internal audit report in MDC does not add credibility to the public sector. Therefore these findings reveled that the internal audit in MDC is not competent, since it does not add credibility to the public sectors.

(i) Add Credibility of the internal auditor in case of Expenditure procedure.

The researcher reviled after interviews some personnel In MDC about credibility of internal audit in cases of overall expenditure of organizations; many have responded that I/As are not good in monitoring Expenditure procedure. Due to fact that their fail to report the problem arises after auditing expenditure or They report but management does not take measure to work on it to settle those problems arises. Researcher verify buy see many repeated queries arising frequently such as improperly recording, payment with unsupported documents, No any proper ledger records , Improper records in cash book.

Therefore these findings reviled that the internal audit in MDC is not competent, since it doesn't add credibility to the organizations in case of Expenditure .Hence lead to misstatement on time preparation of financial statement due some Data are cooked.

(iii) **There is no system audit done in Mdc**.

The finding reviled that there is no system audit have been done in MDC, Due to this many data input in system are not relevant. Hence lead the output report not understandable, it shows that I/A fail to help organization to add value.

(iv) **Add Credibility of the internal auditor in case of Revenue procedure.**

This shown by some indicators of high risk in part of Revenue collections in MDC, some indicator shows that internal auditor does not add any value on this . So I/A have been fail to advice the management for setting good internal control systems for controlling revenue activities to work properly such as to prevent those risk which arise or expected to arise for the future. Some indicator is uses of carbon slipping which lead to the forgery ,no job rotation practice on time , and job description are there but not have been followed (one workers have done more than one activities).

4.3.4 Submitting audit reports on time

For the internal audit to be competent, timely submission of the audit report is very crucial. In this part the respondents were required to respond "yes" if they agree that the audit report are submitted on time, "No" if they do not agree and "I don't know" if they are not sure. The findings were presented in Table 4.10 bellow.

Table 4.11: Timely submission of audit reports

Response	Frequency	Percent
Yes	54	34.8
No	83	53.5
I don't know	18	11.6
Total	155	100.0

***Source**: Primary Data*

From Table 4.10 above, it shows that out 155 respondents, 54 equivalent to 34.8% agreed that there is timely submission of auditing reports, 83 respondents equivalent to 53.5% disagreed timely submission of the reports and 18 respondents equivalent to 11.6% were not sure. Therefore, the findings reviled that then internal audit report is not submitted on time as it has been justified by majority of the respondents.

4.3.5 Team working of the internal audit team in MDC

Team working in internal audit help to add competence to the work. The researcher wanted to know if there is team work for the internal audit in MDC, by requiring the respondents to rank the team work as "Very high", "somehow" and "very low", the results were presented in Table 4.11 bellow.

Table 4.12: Internal audit working as a team work

Response	Frequency	Percent
very high	18	11.6
somehow	81	52.3
very low	56	36.1
Total	155	100.0

Source: *Primary Data*

The findings in Table 4.11 above shows that out of 155 respondents, 18 respondents equivalent to 11.6% ranked the team work as very high, 81 respondents equivalent to 52.3% ranked the team work as somehow and 56 respondents equivalent to 36.1 ranked the team work in MDC as very low. Therefore it can be concluded that in MDC the team working for the internal audit is not very high.

From the analysis made under this objective, it is true that there is little competence of internal auditing in MDC which limit the effectiveness of internal audit in public sectors.

4.4 Management support and value to the internal audit in public sectors

The third objective was to assess how the management support and value the internal audit in public sectors. To cover this objective, three parts were assessed; Management consider the internal audit reports in their decisions, Do internal audit help the internal control system and to check if the Management support internal audit in MDC. The findings were presents in Tables 4.12 to 4.14

4.4.1 Management consider the internal audit reports in their decisions

If the management consider the audit reports in their decisions, then this justify that it support the internal audit in public sectors. To cover this part the respondents were required to agree by responding "yes" if the management consider the internal audit reports in their decisions and "No" if they do not consider it. The results were presented in the Table bellow

Table 4.13: Management consider the internal audit reports in their decisions

Response	Frequency	Percent
yes	62	40.0
no	93	60.0
Total	155	100.0

Source*: Primary Data*

From Table 4.12 above, out of 155 respondents, 62 equivalent to 40% agreed that the management consider the internal audit reports in their decisions and 93 respondents equivalent to 60% responded that the management do not consider the internal audit reports in their decisions. Therefore this reviled that in MDC the management does not consider that the reports of the internal audit in their decision making.

4.4.2 Do internal audit help the internal control system

If the internal audit help the internal control system this will justify that there is management support and value to the internal audit in public sector. To cover this part, the researcher provided the respondents with two responses, "Yes" if the internal audit helps the internal control system and "No" if the internal audit does not help the internal control system. The results were presented in Table 4.13 bellow;

Table 4.14: Do internal audit help the internal control system

Response	Frequency	Percent
yes	60	38.7
no	95	61.3
Total	155	100.0

Source: *Primary Data*

Table 4.13 show hat out of 155 respondents, 60 respondents equivalent to 38.7% responded that internal audit help the internal control system and 95 respondents equivalent to 61.3% responded that the internal audit does not help the internal control system. Therefore the findings reviled that there is no help of the internal audit to the in internal control system in MDC which justify that there is no management support to the internal audit in MDC.

4.4.3 Management support internal audit in MDC

To check if management supports the internal audit in MDC, respondents were given to respond in either "Yes" or "No". The results were presented in table 4.14 bellow

Table 4.15: Management support internal audit in MDC

Response	Frequency	Percent
yes	60	38.7
no	95	61.3
Total	155	100.0

Source: *Primary Data*

From Table 4.14 above, it show that out of 155 respondents, 60 respondents equivalent to 38.7% agreed that the management support the internal audit in MDC and 95 respondents equivalent to 61.3% responded that the management does not support internal audit in MDC. Therefore to conclude this objective, it shows exactly that in MDC there is no management support and value to the internal audit.

A part from the frequency analysis used above for the objectives, The researcher also used the simple regression analysis under the hypothesis that Management support Internal Audit work, Internal Audit help the Internal control system and independence lead to effectiveness of Internal Audit in Public sector does not lead to Management support of the internal Audit to be effective in performance.

Table 4.16: Management support on internal audit unit.

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.184	4.030		2.527	.013
	internal_auditors_help_internal_control_system	.249	.397	.245	.628	.531
	management_consider_internal_auditors_works	.526	.399	.515	1.319	.189
	independence_cause_effectiveness	.061	.052	.061	1.168	.245

a. Dependent Variable: management_support_internal_auditors

From the Table above it shows that the result are not statistically significance that there is no significant evidence to reject Null hypothesis because the significant are greater than 0.05. Therefore in generally we agree that Internal audit help the internal control system does not lead to the management support which lead them not to be effective in their performance, Also, Management consider Internal audit work does not lead to the effectiveness and independence which lead effectiveness does not lead to Management support of internal audit to be effectiveness in performance.

(i) **Internal audit help internal Control**

The researcher reviled that the management fail to help MDC Internal audit to set good internal control systems, Due to poor setting of internal control .So the I/A unit fail to achieve their objectives.

(ii) **Also, Management Consideration of internal Audit work.**

On analysis above have shows that the management fails to support internal audit work, to support their works, to provide them better work facilities. Hence this shows the management does not lead effectiveness of internal Audit unit to perform.

(iii) **Then, Independence which leads effective does not lead to management support**.

To be independence the I/A, Must have to be objectives and not to be subjective to any issue which it can impare is freedom of mind, The management on analysis above it shows that they fail to support Independence of Internal Audit unit, such as Internal Audit unit fail to make his own decision and lead I/A to be subjective to them.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the conclutions, policy implications and recommendations of findings on this studies that was evaluting the factors that contribute to the effectiveness of Internal Audit in public sectors...

5.1 Conclusions

The data obtained and analyses in chapter four, provides the basis to meet the specific objectives of the study which were; to assess the audit competence in public sectors, to assess the independence and objectivity of the internal audit in public sectors and to assess the management support and value to the internal audit in public sectors.

The findings have justified that, there is a little competence in public sector as reviled for the case of MDC.As for analysis made in chapter four, section 4.2.2 majority of the respondents have response that the auditing process which is taking place in MDC have not yet helped the better use of public fund. Though on the same part it shows that, the auditing is taking place frequently, but is of no help since, there still miss-use of the public fund. To justify this part the findings, has shown also that audit reports does not add credibility to the public sector, The findings shows further are not supported on time. Also there is low team work in internal audit unit in MDC.Therefore the internal audit is not competence of the internal audit which explained above, the study also assessed the independence of internal audit in public sector. The findings, has shown that there is no high integrity of internal audit but, the relationship of internal audit with other people is very high which actually impaired the integrity of the internal audit.

The findings shows that of there are independence of internal audit, then it will be very effective. But this is not the case for MDC and hence the internal audit is not independent and objectiveness.

The least objective was to see how the management gives support to the internal audit in public sectors. For the case of MDC as per the study area, the findings shows that there is a little support of the management to the internal audit as it has been supported by 60% of the respondent.

Due to this little support of the management, the findings have shown that internal audit has no help to the internal control system in public sectors.

Concluding the whole main objective of the study, which was to evaluate the factor that contribute to the effectiveness of internal audit in public sectors, we find that these factor has mentioned to be; the competence, independence and objectivity as well as the management support to the internal audit have not been considered well in public sectors, which actually lead to poor performance of the internal audit in most of the public sectors as for the case of MDC.

Also the findings shows there is no integrity of internal audit in MDC this also measure by compare the reports of external auditor reports and reports of I/A ,also recommendation provided by management about their reports are negative for some issue, hence this shows there are no integrity of their works performed for some issue, On other end researcher verify for asked the question ‘who judge the auditor (Internal auditor)”,this also researcher look at the answer or responses third parts or communities, how they talk about internal auditor works performed, have are positive explanation. If yes, it verifies the honesty of internal Audit unit. But in MDC, there many negativity talk rather than positive. Hence this shows I/A not honesty in MDC.

5.2 Policy implications

The findings of this study provide a chance to the policy makers to review the controlling and auditing process that will help the internal auditors in public sectors to work effectively in supervising the uses of the public funds provided for different public functions. It also provides a room for more consideration on the factors that contribute to the effectiveness of internal control in public sectors as analyses in this study.

5.3 Recommendations

Having known the factors contributing to the effectiveness of internal audit in public sectors in Morogoro District Council, and the whole government at large the Governments need to ensure that:

5.3.1 They continuously review these Internal Control Systems so as to ensure that they are operational toward the achievement of the desired goal on every public fund for the development of the country and adding credibility to the public sectors.

5.3.2. Further studies should be done on the best ways that will help the coordination of the internal audit and management of the public sectors so that to have a desired value of money for all the public fund used in public sectors.

5.3.3 Then, I advice further studies to deal with Revenue sector because it shows high risk due to poor internal control which have been setting on that areas .

5.3.4 The researcher also recommend to the internal auditors to increases his integrity by ensure that their report's queries appear the same with those of internal auditor reports, also to ensure community who work with them accept their works.

5.3.5 Also the further studies should be done on how the internal audit will be independent of the management for the effectiveness of their activities.

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APPENDECES

APPENDEX 1: QUESTIONNARES FOR STAFF - PRIMARY AND SEC SHOOL.

Dear Respondents,

I am GERALD SAMSON a student at Mzumbe University. The intent of this survey is to evaluate the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. The research is conducted in partial fulfillment of the requirement for the degree of Master of Accounting and Finance. I would be very grateful if you could take about 15 to 20 minutes in filling this questionnaire.

Your feedback is very important and your answers will be kept in strict confidence and will be used only for the purpose of this study.

PART A; PERSONAL INFORMATION

1. Your gender (1) Male [ ] (2) Female [ ]
2. Education level …………………………..
3. Age (No of year) [ ]
4. How long have you worked in current position? ………………..years
5. Designation (Position) ……………………………………

PART B; COMPETENCE OF INTERNAL AUDITORS IN MDC

1. Is there any auditing which has taken place at your institution for the past year?
   (1)Yes (2) No (3) I don't know [ ]
2. How do auditing help in the better use of public fund?
   (1)Very high (2) somehow (3) very low 4) Not at all [ ]
3. Do you believe Internal Audit has provided you with the assurance you need, in useful ways, when you need it, on what matter?
   (1) Yes (2) No (3) I don't know [ ]

4. Do you think their report add credibility to the organization and report submitted on time?

   (1)Yes (2) No (3) I don't know [ ]

5. How you think the degree of integrity of Internal Audit in MDC?

   (1) High (2) Average (3) Low [ ]

PART C: INDEPENDENCE OF INTERNAL AUDITORS:

6. Do you think Internal Audit works as a team in MDC?

   (1) Very high (2) somehow (3) very low (4) Not at all [ ]

7. To what extent the Internal Auditors have established relationship with the people whom they audit in MDC?

   (1) Very high (2) somehow (3) very low (4) Not at all [ ]

8. Mention at least three factors that you think their cause to impair independence of Internal Audit in MDC?

   1……………………………

   2…………………………..

   3……………………………

9. Do you think the independence of internal Audit cause effectiveness performance in MDC?

   (1) Yes 2) No (3) I don't know [ ]

PART D: MANAGEMENT SUPPORT OF INTERNAL AUDITORS.

10. In general did the Management have considered Internal Auditors as part of them?

    (1)Yes (2) No (3) I don't know [ ]

11. Do you think internal Auditors help management to ensure that internal control system work properly in MDC?

    (1)Yes (2) No (3) I don't know [ ]

APPENDEX 2: QUESTIONNARES FOR STAFF –HEALTH SECTORS.

Dear Respondents,

I am GERALD SAMSON a student at Mzumbe University. The intent of this survey is to evaluate the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. The research is conducted in partial fulfillment of the requirement for the degree of Master of Accounting and Finance. I would be very grateful if you could take about 15 to 20 minutes in filling this questionnaire.

Your feedback is very important and your answers will be kept in strict confidence and will be used only for the purpose of this study.

PART A; PERSONAL INFORMATION

1. Your gender (1) Male [ ] (2) Female [ ]

2. Education level …………………………..

3. Age [ ]

4. How long have you worked in current position? ………………..years

5. Designation ………………………………………

6. Working Experience …………………………………

PART B; COMPETENCE OF INTERNAL AUDITORS IN MDC

12. Is there any auditing which has taken place at your institution for the past year?

(1)Yes (2) No (3) I don't know [ ]

13. How do auditing help in the better use of public fund?

(1)Very high (2) somehow (3) very low 4) Not at all [ ]

14. Do you believe Internal Audit has provided you with the assurance you need, in useful ways, when you need it, on what matter?

(1) Yes (2) No (3) I don't know [ ]

15. Do you think their report add credibility to the organization and report submitted on time?

(1)Yes (2) No (3) I don't know [ ]

16. How you think the degree of integrity of Internal Audit in MDC?

(2) High (2) Average (3) Low [ ]

PART C: INDEPENDENCE OF INTERNAL AUDITORS:

17. Do you think Internal Audit works as a team in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

18. To what extent the Internal Auditors have established relationship with the people whom they audit in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

19. Mention at least three factors that you think their cause to impair independence of Internal Audit in MDC?

1……………………………

2…………………………..

3……………………………

20. Do you think the independence of internal Audit cause effectiveness performance in MDC?

(1) Yes 2) No (3) I don't know [ ]

PART D: MANAGEMENT SUPPORT OF INTERNAL AUDITORS.

21. In general did the Management have considered Internal Auditors as part of them?

    (1)Yes (2) No (3) I don't know [ ]

22. Do you think internal Auditors help management to ensure that internal control system work properly in MDC?

    (1)Yes (2) No (3) I don't know [ ]

APPENDEX 3: QUESTIONNARES FOR VEO & WEO.

Dear Respondents,

I am GERALD SAMSON a student at Mzumbe University. The intent of this survey is to evaluate the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. The research is conducted in partial fulfillment of the requirement for the degree of Master of Accounting and Finance. I would be very grateful if you could take about 15 to 20 minutes in filling this questionnaire.

Your feedback is very important and your answers will be kept in strict confidence and will be used only for the purpose of this study.

PART A; PERSONAL INFORMATION

1. Your gender (1) Male [ ] (2) Female [ ]

2. Education level …………………………..

3. Age [ ]

4. How long have you worked in current position? ………………..years

5. Designation ………………………………………

6. Working Experience …………………………………

PART B; COMPETENCE OF INTERNAL AUDITORS IN MDC

(7) Is there internal Audit in MDC?

(1)Yes (2) No (3) I don't know [ ]

(8) Do internal auditors visit different projects done at your place?

(1) Frequently (2) rarely (3) Not at all [ ]

(9) Do you believe Internal Audit has provided you with the assurance you need, in useful ways, when you need it, on what matter?

(1) Yes (2) No (3) I don't know [ ]

(8) Do you think their report add credibility to the organization and report submitted on time?

(1) Yes (2) No (3) I don’t know [ ]

(9) How you think the degree of integrity of Internal Audit in MDC?

(1) High (2) Average (3) Low [ ]

PART C: INDEPENDENCE OF INTERNAL AUDITORS:

(10) Do you think Internal Audit works as a team in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(11) To what extent the Internal Auditors have established relationship with the people whom they audit in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(12) Mention at least three factors that you think their cause to impair independence of Internal Audit in MDC?

1……………………………

2…………………………..

3……………………………

(13) Do you think the independence of internal Audit cause effectiveness performance in MDC?

(1)Yes (2) No (3) I don’t know [ ]

PART D: MANAGEMENT SUPPORT OF INTERNAL AUDITORS.

14) The roles management to support internal audit; show your agreement or disagreement on the statement by ranking 1(strongly disagree) to 5(strongly agreed) Key; 1=Strongly disagree, 2=Disagree, 3=Not sure, 4=agree, 5=strongly agree

Role	1	2	3	4	5
Management of MDC has support internal Audit for provide them office facilities.					
Management also supports them when they need any Documents on time when they are in Auditing Activities.					
Management of MDC considers their Internal Audit report in Their Decision Making.					

(15) In general did the Management have considered Internal Auditors as part of them?

(1)Yes (2) No (3) I don't know [ ]

APPENDEX 4: QUESTIONNARES FOR POLITICIAN.

Dear Respondents,

I am GERALD SAMSON a student at Mzumbe University. The intent of this survey is to evaluate the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. The research is conducted in partial fulfillment of the requirement for the degree of Master of Accounting and Finance. I would be very grateful if you could take about 15 to 20 minutes in filling this questionnaire.

Your feedback is very important and your answers will be kept in strict confidence and will be used only for the purpose of this study.

PART A; PERSONAL INFORMATION

1. Your gender (1) Male [ ] (2) Female [ ]

2. Education level …………………………..

3. Age [ ]

4. How long have you worked in current position? ………………..years

5. Designation ………………………………………

6. Working Experience …………………………………

PART B; COMPETENCE OF INTERNAL AUDITORS IN MDC

(7) Is there internal Audit in MDC?

(1)Yes (2) No (3) I don't know [ ]

(8) Do internal auditors visit different projects done at your place?

(1) Frequently (2) rarely (3) Not at all [ ]

(9) Do you believe Internal Audit has provided you with the assurance you need, in useful ways, when you need it, on what matter?

(1) Yes (2) No (3) I don't know [ ]

(8) Do you think their report add credibility to the organization and report submitted on time?

(1) Yes (2) No (3) I don't know [ ]

(9) How you think the degree of integrity of Internal Audit in MDC?

(1) High (2) Average (3) Low [ ]

PART C: INDEPENDENCE OF INTERNAL AUDITORS:

(10) Do you think Internal Audit works as a team in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(11) To what extent the Internal Auditors have established relationship with the people whom they audit in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(12) Mention at least three factors that you think their cause to impair independence of Internal Audit in MDC?

1……………………………

2…………………………..

3……………………………

(13) Do you think the independence of internal Audit cause effectiveness performance in MDC?

(1)Yes (2) No (3) I don't know [ ]

PART D: MANAGEMENT SUPPORT OF INTERNAL AUDITORS.

14) The roles management to support internal audit; show your agreement or disagreement on the statement by ranking 1(strongly disagree) to 5(strongly agreed) Key; 1=Strongly disagree, 2=Disagree, 3=Not sure, 4=agree, 5=strongly agree

Role	1	2	3	4	5
Management of MDC has support internal Audit for provide them office facilities.					
Management also supports them when they need any Documents on time when they are in Auditing Activities.					
Management of MDC considers their Internal Audit report in Their Decision Making.					

(15) In general did the Management have considered Internal Auditors as part of them?

(1)Yes (2) No (3) I don't know [ ]

(16) In general did the Management have considered Internal Auditors as part of them?

(1) Yes (2) No (3) I don't know [ ]

(17) Do you think internal Auditors help management to ensure that internal control system work properly in MDC?

(1) Yes (2) No (3) I don't know [ ]

APPENDEX 5: QUESTIONNARES FOR STAFFS OF MDC.

Dear Respondents,

I am GERALD SAMSON a student at Mzumbe University. The intent of this survey is to evaluate the factors that contribute to the effectiveness of internal audit in public sectors in Tanzania. The research is conducted in partial fulfillment of the requirement for the degree of Master of Accounting and Finance. I would be very grateful if you could take about 15 to 20 minutes in filling this questionnaire.

Your feedback is very important and your answers will be kept in strict confidence and will be used only for the purpose of this study.

PART A; PERSONAL INFORMATION

1. Your gender (1) Male [ ] (2) Female [ ]

2. Education level …………………………..

3. Age [ ]

4. How long have you worked in current position? ………………..years

5. Designation ………………………………………

6. Working Experience …………………………………

PART B; COMPETENCE OF INTERNAL AUDITORS IN MDC

(7) Is there internal Audit in MDC?

(1)Yes (2) No (3) I don't know [ ]

(8) Do internal auditors visit different projects done at your place?

(1) Frequently (2) rarely (3) Not at all [ ]

(9) Do you believe Internal Audit has provided you with the assurance you need, in useful ways, when you need it, on what matter?

(1) Yes (2) No (3) I don't know [ ]

(8) Do you think their report add credibility to the organization and report submitted on time?

(1) Yes (2) No (3) I don't know [ ]

(9) How you think the degree of integrity of Internal Audit in MDC?

(1) High (2) Average (3) Low [ ]

PART C: INDEPENDENCE OF INTERNAL AUDITORS:

(10) Do you think Internal Audit works as a team in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(11) To what extent the Internal Auditors have established relationship with the people whom they audit in MDC?

(1) Very high (2) somehow (3) very low (4) Not at all [ ]

(12) Mention at least three factors that you think their cause to impair independence of Internal Audit in MDC?

1……………………………

2…………………………..

3……………………………

(13) Do you think the independence of internal Audit cause effectiveness performance in MDC?

(1)Yes (2) No (3) I don't know [ ]

PART D: MANAGEMENT SUPPORT OF INTERNAL AUDITORS.

14) The roles management to support internal audit; show your agreement or disagreement on the statement by ranking 1(strongly disagree) to 5(strongly agreed) Key; 1=Strongly disagree, 2=Disagree, 3=Not sure, 4=agree, 5=strongly agree

Role	1	2	3	4	5
Management of MDC has support internal Audit for provide them office facilities.					
Management also supports them when they need any Documents on time when they are in Auditing Activities.					
Management of MDC considers their Internal Audit report in Their Decision Making.					

(15) In general did the Management have considered Internal Auditors as part of them?

(1)Yes (2) No (3) I don't know [ ]

APPENDEX 6: INTEVIEW GUIDING QUESTIONS

1. Have MDC Internal Auditors meet regulations?
2. Are you satisfied that the cost of Internal Audit is less than the value of assurance and consultant's service it provided?
3. How can internal Audit improve its service to the Audit Committee, management and the organization as whole?
4. Are there any activities that Internal Audit should think its hinder their performance?
5. To what extent you have co-operation with external Auditors?
6. How Internal Audit been sufficiently responsibility to change in risk, ensuring it remains relevant and on point?
7. Are you objective in your decision?
8. Do you have the assurance you need that management has effective and efficient process and systems to manage the more significant risk to the access of the organization and achievement its goal and strategy?
9. Have management recommendation are positively or negatively on internal audit reports?
10. Who audit the internal auditor?
11. Does the internal and external audit report show differences?
12. Does Internal Audit help management to add value for expenditure activities?
13. Does Internal Audit help management to add value for revenue activities?