KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,

KUMASI, GHANA

DETERMINANTS OF INTERNAL AUDIT EFFECTIVENESS IN THE PUBLIC SERVICE OF GHANA: EVIDENCE FROM SUNYANI MUNICIPALITY

BY

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A Thesis submitted to the Department of Accounting and Finance,

College of Humanities and Social Sciences

in partial fulfillment of the requirement for the degree of

MASTER OF SCIENCE IN ACCOUNTING AND FINANCE

NOVEMBER 2020

DECLARATION

I hereby declare that this submission is my own work toward the award of the Master of Science in Accounting and Finance and that, to the best of my knowledge, it contains no material previously published by another person, nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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DEDICATION

This project is dedicated to my father and husband for their financial support in making this a reality and to all family members and friends their prayers and encouragement.

ACKNOWLEDGEMENT

My first and foremost thanks goes to the Almighty God for His spiritual guidance throughout the entire period of writing this thesis. I also wish to thank Dr. Kwame Mireku for his support and constructive criticism which have contributed immensely to this study. I also wish to thank all the selected public agencies in the Bono Region for their prompt response to my questionnaire. I again want to thank my father Mr Joseph Ako Sowah and husband Mr. Michael Teye-Anim for their financial support given to me. Furthermore, I want to thank all family and friends for their support and encouragement throughout the journey.

ABSTRACT

This study was undertaken to investigate the determinants of internal Audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana. Specifically, the study focused on assessing the effect of internal audit competence on internal Audit effectiveness; the effect of management support for internal audit on internal Audit effectiveness; the effect of independence of internal audit on internal Audit effectiveness; the effect of the relationship between internal and external auditors on internal Audit effectiveness. This study adopted quantitative research approach. The target population of the study comprised of accountant, auditors and financial officers in the Sunyani Municipality of Ghana. Primary data has been used in the study, through administration of structured questionnaire to 85 respondents. SPSS version 20 was used to analyze the data. The study has revealed that internal audit staff competency and management support for internal audit had significant and positive effect on internal auditing effectiveness. However, the study has revealed that internal audit independence and internal audit and external audit relationship had insignificant and positive effect on internal auditing effectiveness. The study concludes that only internal audit competency and management support for internal audit were significant determinants of internal audit effectiveness.

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LIST OF ABBREVIATIONS

BC	British Columbia
CAE	Chief Audit Executive
CIPFA	Chartered Institute of Public Finance and Accountancy
GABs	Government Accounting and Budgeting System
IAA	Internal Audit Authority
IAE	Internal Audit Effectiveness
IAD	Internal Audit Directorate
IDA	Institute Docteur Audit
IIA	Institute of Internal Auditors
IPPF	International Professional Practices Framework
ISPPIA	International Standards for the Professional Practice of Internal Audit
ISO	International Organisation for Standardization
ISSAIs	International Standards of Supreme Audit Institutions
MDAs	Ministries, Departments and Agencies
MMDAs	Metropolitan, Municipal and District Assemblies
MPCU	Municipal Planning Coordinating Unit
SMCD	School Management and Development Committee
SPSS	Statistical Package for Social Sciences
UK	United Kingdom
USA	United States of America

CHAPTER ONE

INTRODUCTION

1.0 BACKGROUND TO THE STUDY

Undoubtedly, internal audit recognizes the systematic application of methods and techniques for analyzing business processes or organizational problems and recommends solutions (Asare, 2008). Institute of Internal Auditors [IIA] (1978) states that internal auditing includes independent evaluation activities set up within the organization as an organizational service. It is an audit that operates by evaluating and monitoring the effectiveness and adequacy of other audits. The principal aim of internal audit is to ensure that organizations conduct its activities in accordance with acceptable practices. Thus, internal auditing, activities include analyses, appraisals, suggestions, advices, and information regarding activities reviewed (Ali, Gloeck, Ali, Ahmi, &Sahdan, 2007). Millichamp (2002) similarly indicated that internal auditing activity is mainly geared towards internal management improvement. It purposely measures, assesses and accounts on the internal management adequacy as a way of complementing proper economic, efficient and effective utilization of resources.

Historically, internal auditing has been recognized as providing assurance about the adequacy of the organization's financial statements and underlying information, that the internal audit agency was established in an effort to secure the resource and as well check if policies and procedures were set and followed duly. As times keep on going, there have been major adjustments in the internal auditing concept thus to talk of its definitions, scope of coverage and procedure. Nowadays some firms have extended the scope of internal auditing from financial affairs to other areas like profitability, risk assessment, management effectiveness and management processes. (Asare, 2008).

Institute of Internal Auditors (2002) argue that internal audit acts as "an independent, objective, reassuring and advisory activity established with the view of adding more value and enhancing the operations of a business. It also, through furnishing firms with systematic, disciplined approach to assess and promote the management control and management process effectiveness, enabled firms to complete their set objectives (Asare, 2008). As per the ISSAIs (2007), internal auditing is a new generation of accountability and management. The way in which public sector entities carry on with internal control and the way they were held responsible has advanced to necessitate a more transparency and accountability from these businesses that spend investors or tax payers' funds. This development has considerably manipulated the way management implement, monitor, and account on internal control.

The Turnbull report when disclosed in 1999 in the UK, insisting on how risk is regulated in the entire organisation, the world became surprised about agencies like Enron and WorldCom, which attracted more attention to the internal auditing leading to its enormous trend.

New regulation and framework were afterwards introduced including the Smith Report on Audit Committees, the Combined Code, and the Sarbanes-Oxley Act. Firms became more insightful regarding the importance of internal auditing and executives' and non-executives board members observed that they must set up an extensive range of assurance to execute their works effectively (Nixon, 2005).

Businesses within the USA improved upon budgets for internal audit, the level of staffing, conferences with the audit board and the length of meetings during this period (Carcello, Hermanson, & Raghunandan, 2005). The internal auditing also a profession was upgraded from solely examining and assessing the internal control effectiveness by also being relevant in areas such risk-based auditing and consulting activities (Krogstad, Ridley, & Rittenberg, 1999). The Institute of Internal Auditors of Ghana was formally established in Ghana in April 2001 under the Register of Professional Organizations, 1973 (NRCD 143) as an organisation dedicated to the improvement and development of internal auditing in Ghana. The organization was formal initiated in May13, 2005 to supervise internal auditing in Ghana (Nomo, 2009). The Internal Audit Authority (IAA) was additionally mounted via the agency act of the Internal Audit, 2003 (Act 658) with the consent to direct, support and offer assurance for the units of the internal audit in Metropolitan, Municipal and District Assemblies (MMDAs). The main objective of the Agency is to provide accountability and efficiency in Ghana's public sector (Nomo, 2009).

The Institute of Internal Auditors was established by the government's request to put in place a system that could facilitate the final transfer of budgetary authority and expenditure management to MMDAs. The Office's efforts in the framework of the PUFMARP includes these tasks. The law was approved by the President on 31 December 2003, the administrative transition was tested on 31 August 2004 and its effective implementation started in 2005 (Abbey, 2010). Ghana commenced an extensive program of local government decentralization in the late 1980s. Proposals inaugurated in 1987 peaked in the introduction of the District Assemblies Law (PNDC regulation 207) in 1988.

1.1 PROBLEM STATEMENT

It is necessary to explore the key factors that influence the IAE from Ghana's perspective. As postulated by Ghartey (2003), in accordance with the 1979 tax authority decree, SMCD 221, the Auditor-General is legally mandated to perform internal audit activity in the MMDAs. These personnel for the most parts are attentive on pre-auditing of payment vouchers because of absence of formal training in internal auditing. In line with Ghartey (2003), there was additionally the issue of conflict of interest with officials having to execute in all likelihood the roles of both accounting and an internal audit within the same or associated branch. As a result of the much interest shown towards accountability, transparency and development in public sector performance mainly in the developing nations in which several stakeholders including civil society and the media are getting more interested about how public budget are allocated and expended, it is of the essence that governments are known to have sense of responsibilities assured with an efficient and effective financial control system. Internal auditing as part of public sector auditing is constructive in dealing with public expenditure, assuring financial accountability, and strengthening governance mechanisms of public entities (Asare, 2008). Unarguably, even though several studies have been conducted on the determinants of internal audit effectiveness, little has been reported from the perspective of local governance in Ghana where most of the tax payers' money are spent. In cases where attempts were made the focus were on developed economies context which can be applied in developing country such as Ghana. There is therefore the need for new study on to address this knowledge gap. In this light the present study is conducted to explore the determinants of internal audit effectiveness from the local governance perspective of Ghana.

1.2 OBJECTIVES OF STUDY

The main objective of the study is to access the determinants of internal Audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana. The study will specifically address the following specific objectives:

1. To determine the effect of internal audit competence on internal Audit effectiveness in some selected Public Agencies.
2. To assess the effect of management support for internal audit on internal Audit effectiveness in some selected Public Agencies.
3. To determine the effect of independence of internal audit on internal Audit effectiveness in some selected Public Agencies.
4. To determine the effect of the relationship between internal and external auditors on internal Audit effectiveness in some selected Public Agencies.

1.3 RESEARCH QUESTIONS

1. What is the effect of internal audit competence on internal Audit effectiveness in some selected Public Agencies?
2. What is the effect of management support for internal audit on internal Audit effectiveness in some selected Public Agencies?
3. What is the effect of independence of internal audit on internal Audit effectiveness in some selected Public Agencies?
4. What is the effect of the relationship between internal and external auditors on internal Audit effectiveness in some selected Public Agencies?

1.4 SIGNIFICANCE OF THE STUDY

The research will be of great relevant to the Ghana public sector management. The research is expected to contribute to accountability, probity and transparency in the public sector. The results from the survey are expected to highlight the critical factors that exert significant impact on Internal Audit Effectiveness (IAE). The activities of the internal auditors will be assed in lieu of Internal Audit Agency Act 2003 (Act 658).

The results are expected to alert the government of the consequence of effective internal audit on the operations of their policies. The results of this study might also be evident as a contribution to present works on internal audit. Certainly, this would partake greatly in developing academic understanding on an extensive variety of issues.

Furthermore, the study would also contribute immensely towards future studies in the field of IAE determinants, particularly in the Ghanaian public sector. The study will in addition facilitate policies making regarding financial management and internal structure in Ghana.

In addition, the study is expected to contribute immensely towards training and development programs that would be needed to improve the Internal Audit ability and skills in order to improve their productivity.

Finally, it is expected that the result from the study be used by future researchers and academicians as a base for further studies by addressing the current survey limitation. This will help to ensure quality information in the field of internal audit competency.

1.5 SCOPE AND LIMITATIONS

Contextually, the survey will focus on determinants of IAE in some selected Public Service Agencies. Specifically, the study will focus on factors affecting internal audit effectiveness of local government organizations in Ghana; Internal Audit Staff Competency;

Management aid for Internal Auditing; Independence of the Internal Audit and Internal and External Auditors Relationship. Geographically, the study will focus on Public Service Agencies in the Sunyani Municipality of Ghana.

This survey was restricted to internal auditors in the Sunyani Municipality of Ghana. This limits the ability of the researcher to generalize the research results to cover all the internal auditors in Ghana. Besides, the fear of victimization on the part of the respondents also affected their willingness to contribute to study.

1.6 ORGANISATION OF THE STUDY

The first Chapter presented the studies subject matter in addition with the background, the problem statement, objectives, and hypotheses. It outlined information on the scope, significance, organization, limitation and the delimitations of the study. The second Chapter presents, the definitions, history, evolution, theories of internal auditing and decentralization. The third Chapter presents the methodology used in the study such as the design, and strategy followed as well as the population and sample, the research tool and the procedures undertaken in data collection.

The method employed in testing the hypotheses and the determinants of effective internal auditing. The dependent variable and the independent variables were described. The fourth Chapter consisted of the analyses and discussion. Finally, the chapter five presents summary of results, conclusions and the recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

This chapter gives the applicable literature review for the study in relation to the determinants of IAE in decentralized local government. Empirically, the review focuses on; the influence of staff competency of internal audit on IAE; the impact of relationship between internal and external auditors on the IAE; the impact of internal audit independence on the IAE and the effect of internal auditing management guide on the IAE. Theoretically, contingency theory and stewardship theory are reviewed and mentioned. Sooner or later, internal audit and its ancient antecedence had been assessed.

2.1 CONCEPTUAL REVIEW

Conceptualizing Internal Audit

In step with the statistics of Mesopotamian civilization, auditing started out lower back inside the year 3500 British Columbia at some stage in which men started to look the importance of shielding and safeguarding country's belongings as well as non-public properties (Nordin, 2003 and Dumitrescu, 2004). Auditing became a vital exercise that ensured powerful systems of operation. Auditing practices consisted of systems of verification, internal controls and separation of obligations (Nordin, 2003). Internal auditing begins to gain place inside company in businesses after the World War II. The outcomes coming out from the World War II affected maximum firms and consequently internal auditing became very vital for most companies of their operation. Via internal audits, firms are capable to locate foremost elements affecting a few internal practices and outline a few approaches and method to help preclude those demanding situations. Internal auditing usually pertains to financial auditing by means of public accounting firms. Financial auditing is very vital in public institutions as it guarantees accountability and transparency. The internal auditing theory turned into popularized by means of Lawrence Sawyer (1911-2002) who is additionally in any other case called ‘the father of contemporary internal auditing”. Technically, internal auditing definitions were primarily based Sawyer’s internal auditing theory such as the definition given by the International professional Practices Framework (IPPF).

At first, the word ‘audit’ was extracted from the Latin which means that hearing or to assess and interrogate (IIA, 2012). Audit is typically related to controlling structures, appraisals and different assessment criteria (Morgan, 2009 and Wynne, 2001). Aside supply chain management, internal auditing is one of the significant mechanisms for enhancing business operation. Audit has been defined within the requirements of ISO 9000 family of standards. According to the ISO definition, audit refers to the structured procedure by which relevant information on internal activities, like determining an organization’s financial performance, is obtained to determine whether resources are used to safeguard an organization’s interests.

Audit can be labeled into two forms, internal audit and external auditing. Internal auditing is an auditing activity conducted by an organization in its own activities whereas the external auditing involves audits conducted by a hired organization (Manoukian, 2016). Each sort of the auditing may yield exclusive results and various frameworks and workflows. In keeping with Institute of internal Auditors (IIA) (2009), internal auditing can be described as the process wherein firms behavior assessments within the internal structures of the institute to make sure that each one practices results in fulfillment of goals.

Internal auditing added worth to firm operation since it indicators units within the industry to be aware on process overall performance to enhance main competencies to enhance effectiveness and control of operational risks (Morgan, 2009).

Importantly, internal auditing must be performed by way of professionals who are prepared with business experience and talents with the intention to make proper and truthful audits amongst all devices within the organization. With the aid of this, organizations must build the audit committee with the whole potential to make audits within the financial flows within the organization to make sure accuracy and transparency within the financial resource management as well as motivating duty and consistency (IIA, 2004 and Protivi expertise leader, 2005). Internal audit activity enables to improve hazard management, enhance quality as well as enabling organizations to reach organizational dreams and objectives (internal auditors Expert, 2013).

Especially, internal audit activity is meant to be an impartial activity that is intended to assist promotes enterprise operation, boom transparency, accountability and adding worth to the firm. Successful internal auditing assist firms to attain goals and objectives thus boom competitiveness. This also enhances effectiveness of risk management, control and governance (Internal Auditors expert, 2013).

Internal auditing is one of the critical equipment that increase business operation which include enabling organizations to perceive on and control hazard, boom controlling systems and additionally encouraging compliance in an organization (wooden, 2012). Via internal auditing, managers are capable of detect weaknesses and strengths inside the organization and thereby letting them placed measures into place to enhance upon operational overall performance. Internal auditing has numerous advantages to organizations but its effectiveness may also depend upon the eye given to it with the aid of organizations. The audit activity is meant to be performed by way of specialists and qualified auditors who can make effective audits on all internal activities to reach audit functions (Mihret & Yismaw, 2011; Cohen and Sayag, 2010).

Internal Audit Effectiveness

The effectiveness of audit activity is measured with auditors' abilities and competencies. Auditors are purported to be devoted and good enough in conducting internal audits especially in the financial of the firm (Cohen and Sayag, 2010). Hereafter, internal audits ought to be targeted on key element for business increase and improvement. In this situation, internal audit function must be geared towards making sure compliance with financial laws and regulations (Diamond, 2002). Institute of internal auditors (IIA) (2012) showed that effective public sector internal usually aims at increasing business governance and compliance with organizational legal guidelines. Onumah and Krah (2012) assessed the feature of the internal audit features in the public region of Ghana and the elements proscribing the effectiveness of internal audit inside the zone extensive the use of semi-based interview with senior managers of the inner audit employer. The study indicated that the Ghanaian public area the effectiveness of internal audit is hampered by elements such as the lack of professionalism of internal auditors, the failure to control and support the sport of internal audit, the loss of financial power of Internal Audit units and the dysfunction of the audit committee.

Businesses can acquire operational overall performance while compliance degree is high inside the firm. Internal auditors contribute importantly to organizational growth and development therefore attainment of better governance. Except, through internal auditing organizations acquire accountability, transparency and consistency inside internal activities mainly inside the financial activities. Also, internal audit reduces corruption, increase hazard management and increase main competencies. Therefore, internal auditor must enhance auditing performance to acquire predicted outcomes. On the other hand, internal auditors must be empowered to take action with integrity and give enough information to assist in the decision-making process of the organization (IIA, 2011).

Alzeban and Gwilliam (2014) assessed the determinants of internal audit and effectiveness (IAE). Study discovered that, the foremost thing that will increase the effectiveness of the auditing feature is top management's aid and internal auditor's objectives and goals. Managements' aid right here includes staff training and provision of enough resources in addition to enhancing the relationships between internal and external auditors therefore encouraging the independence of the auditors. Research indicated that, linkages among management support and internal audit effectiveness are basically broadened beyond the context of public sectors in Saudi.

Different research (Baharud-din et al, 2014) discovered that, lack of management assist may lead to ineffectiveness of the auditing branch. Auditors can become very efficient when they're inspired by means of the management such offering the critical tools and device wanted with the aid of the auditing committee to make right auditing to achieve better reports and plans. Akpomi and Amesi (2014) revealed that in many Nigerian public establishments, administrators are always scared of being caught on a selected irresponsible behaviour and therefore in preference to making the auditing committee very effective they as a substitute intimidate the audit committee so that it will achieve a cover up in the activities they do.

Deribe & Regasa (2014) also found out that, management control over the auditing committee would help enhance the auditing performance of the organization which would result to effectiveness and fairness in the auditing function. As proven via Lenz (2013), discussion among the chief Audit Executive and the senior management is the most relevant component to assist improves the auditing function in a firm. Via the effective communication and coordination, auditors may be inspired to maintain up with top auditing overall performance to promote performance and transparency inside the auditing performance of the organization. Manager must consequently pay vital attention to the auditing structure in the organization in an effort to promote the activities of auditors through presenting education helps and providing essential gear and equipment to enhance internal auditing activities.

Further, internal audit as an impartial activity encourages self-efficacy and privacy. In this case, the auditors would be free from any external impact on and focused on job performance to attain intended outcomes (Dumitrescu, 2004). Internal audit is also one of the powerful tracking structures for assessing internal capital (Dumitrescu, 2004 and IIA, 2009). The internal audit serves as a backing tool for assisting management and the board of directors to accomplish their obligations.

2.2 THEORETICAL ORIENTATION

2.2.1 The Contingency Approach to Internal Audit Effectiveness

One of the main theories used in the research is contingency theory. The theory of contingency is a theory of organization which states that there is no standard way to organize, operate or take decisions about the business. On the contrary, the ideal course of action depends on the internal and external situation. A leader effectively applies his or her leadership style to the right situation. Contingency managers are agile in selecting and applying concise strategies to change situations at any point in the company's management (Abushaiba& Zainuddin, 2012; Ninlaphay& Ngamtampong, 2013; Badara, 2015). The contingency theory has obtained much attention within the sector of the accounting and auditing in contemporary researches. Badara, (2015) used contingency theory in the study of internal auditors and found that that, the effectiveness of organizations relied on three most important factors such as the formalization of the organisation, interdependence of information among functional regions inside the organization and interdependence of sharing information with different firms. Furthermore, the study showed that, organization's effectiveness is based at the competencies and abilities of control for that reason the capability for the organization to conform to environmental modifications each internally and externally (Haldma& Laats, 2002).

Kim and Umanath (1993) further showed that, firms' effectiveness in the enterprise field rely upon the internal structures and decision-making process of the organization. Commonly, companies benefit competitiveness through powerful usage of resources thus internal management. Firms' capability to acquire internal controlling systems within business operation is very critical for enhancing overall performance and work activities. Except, firms' decision-making process also exert some impact on organization performance. If the decision-making process of firm is facilitating, management is capable of make knowledgeable decisions by integrating the ideas given by the workers together with strategic methods to enhance business performance.

Furthermore, Woods (2009) assessed how the contingency theory relates with risk management at local government in the United Kingdom. Study discovered that, the contingency theory had an influence on risk management. Factors resulting to this include technology, strategy, external environment and organizational size. Moreover, Gordon, Loeb and Tseng (2009) discovered that there was substantial high-quality affiliation between organizational risk management and operational performance. Such variables consist of, firm complexity, size of a company and among others.

Jokipii (2010) although employed the contingency theory to assess the effectiveness of internal control system with the use of contingency variables like uncertainty, firm size, organizational shape and others. Study discovered that, the variables showed had an important contingent connected with organizational performance. Krishnamoorthy (2002) likewise revealed that, contingency variables have an important effect on audit performance of firms each internally and externally. However, Sudsomboon and Ussahawanitchakit (2009) indicated that factors such as audit reputation, audit quality, professional regulation, stakeholder force and professional competitive are benefits that can be attained through the application of the contingency theory in business operation by firms. This thereby shows the importance of the contingency principle in assisting firms to attain effective audit systems. Firms ought to pay vital attention to internal shape and install measures and practices which can help enhance the auditing function to reap effectiveness and transparency in all organizational activities.

Endaya and Hanefah (2013) discovered that, organizational growth, success and progress in addition to auditing effectiveness rely upon on member’s guide. This is why decision-making process inside an organization is very critical. Managers have to make certain that on the subject of any organizational decisions all members inside the business organization contribute their opinions and recommendations to assist management come out with the best decision. Members have to their most support to all decisions taken to assist project the performance of the organization so one can promote coordination and integration to attain effectiveness and growth. The audit department must ensure coordination among auditors so that suited output can be produced to sustain effectiveness and transparency inside any financial activities inside the organization. Badara (2015) confirmed that the efficacy of the contingency theory is one mechanism for measuring the extent of auditing overall performance consequently detecting effectiveness.

The contingency theory though differs from different theories in terms of its effect on variables since it mostly hypothesizes on the conditional affiliation among two or more unbiased variables (Drazin& Van de Ven, 1985). The contingency theory in addition allows researchers to decide variables complexities and relationships, such as analyzing the moderating effect of variable beneath study (Heo & Han, 2003). Sekaran and Bougie (2009) showed that moderating variables typically have the most powerful impact on the affiliation among impartial variables and dependent variable. Following the assertions, the contingency theory has a vital implication on audit performance should firm practice the contingency theory inside the decision-making process. Except, making use of the contingency theory world enable firms to explain the internal auditing effectiveness and decide the exceptional methods to apply to enhance its performance to gain effectiveness.

2.2.2 Stewardship Theory

Upon other theories, the stewardship theory was recognized as the great theory for discussing internal audit as the research framework. The motive being that, the theory particularly elaborates on the identity of problems that suits the interest of organization. Ebimobowei and Binaebi (2013) posited that, enterprise entities exercise auditing because of the idea of stewardship as a concept and stewardship accounting. Appreciably, effective implementation of stewardship approach inside public institutions would assist create diverse organizational adjustments and growth inside the public ministries. That is due to the fact the stewardship theory serves as a mechanism for making sure accountability and transparency in all activities. The theory additionally encourages compliance with rules and regulations amongst all units in the industry which assist to instill discipline between workers therefore enhancing operational performance. (Cribb, 2006). Ebimobowei and Binaebi (2013) recommended that, auditing activity can be increased through the adoption of the stewardship methods.

By way of that, public establishments can attain growth and fulfillment for the reason that stewardship theory would assist project organizational sports into attaining goals and objectives. Moreover, the stewardship theory allows managers to set up effective structures which permit employees to improve upon capabilities and abilities therefore enhance job performance (Hernandez, 2012). The stewardship theory equips managers to make sure that organizational goals and objectives are attained to meet the organization as a whole (Donaldson & Davis, 1991). Top organizational performance encourages workers to enhance job performance thereby improving the firms' capability to enhance investment into long term projects (Davis, Allen & Hayes, 2010).

Moreover, auditors can turn out to be very efficient when the local councils do nicely in business operations. For that reason, the audit department would be able to attain audit goals and objectives of the local government. The stewardship theory is used rather than the agency theory as the result of the fact that, the stewardship theory is broader and more realistic than the agency theory and as well as the stewardship theory is focused upon the psychological literature and sociological as well. The stewardship theory is also one mechanism for enhancing employee overall performance for that reason regulating worker attitudes toward job overall performance (Schepers, Falk, Ruyter, Jong & Hammerschmidt (2012). However, stewardship results can be reliant on internal structures of the organization (Hernandez, 2012). Because of this, the stewardship theory is employed within the study to assess on association among numerous cultures within organizations (Davis et al., 2010).

Some benefits of the stewardship theory consist of knowing the relationships between employees, customers and organizations (Hernandez, 2012). Because of this, public establishments grow to be more effective when structures and strategies are based on the standards of stewardship consisting of enabling auditors construct robust relationships with respective organizations. Companies must however make sure that goods stewards are recruited inside organizations to enhance firm overall performance (Davis et al., 2010). Greater so, through the adoption of the stewardship theory, the local council would be capable of enhance auditors' overall performance to attain auditing goals and objectives in addition to improving the functions of the audit committee to grow to be greater effective and obvious within the councils (international Federation of Accountants, 2001).

From the theory, it was additionally suggested that individuals inside diverse organizations make alternatives on how to behave or be a steward to specific object within the organization (Pastoriza & Arino, 2008). The stewardship theory facilitates to improve the relationship among members in the organization especially between management and subordinates. Technically, relationship is the vital criteria to enhance organizational performance and growth consequently promoting coordination and know-how among units. However, for the theory to be efficient on business performance, managers need to pay crucial attention to the stewardship concepts and use it on operational activities so one can ensure goals fulfillment (Cribb, 2006).

The theory stipulates that most managers are desirable stewards and trustworthy and consequently shall adopt the theory to improve personal capabilities and additionally increase operational overall performance. Further, the theory indicates that right steward managers would no longer have interaction into activities that might not serve the interest of the organization or in an effort to bring mismanagement of sources however could paintings diligently to achieve centered goals and objectives (Donaldson & Davis, 1991). As a result, auditing activity will become very powerful thereby enhancing the local government administration that will result to the achievement of goals and objectives. Davis et al., (2010) showed that employee dedication, trust and consistency has an enormous superb impact on firm growth and development thus importantly related to stewardship.

2.3 EMPIRICAL REVIEW AND HYPOTHESES FORMULATION

2.3.1 Effect of Internal Audit Staff Competency on Internal Audit Effectiveness

Self-competency is the vital element for attaining efficient auditing (IIA, 2009). There is therefore the need for firms to employ competent and qualified auditors to undertake auditing obligations and duties (ISPPIA). Researchers have proven that, competencies are the essential criteria for examining auditor inside the auditing activity (Al-Twaijry et al., 2004). Ali et al. (2007) and Ahmad et al. (2009) determined the important of Internal Audit within the public zone in Malaysia and discovered that, experience, adequate knowledge and skills were a few factors for enhancing audit activity however public sectors in Malaysia lacked such significant performance indicators and therefore had vulnerable internal auditing practices.

Study additionally discovered that, within the public sector in South Africa, Schyf (2000) confirmed that auditing activity was low as a result of obstacles consisting of Limited Internal Audit capacity. Same outcomes were indicated in countries consisting of the public sector in Sudan. (Brierley et al., 2001, 2003; Gwilliam & El-Nafabi, 2002) showed that there were unqualified staff of workers in the auditing process of the public establishments. This was also genuine of the public sector in Ethiopia (e.g., Wolderupheal, 1998; Mihret & Yismaw, 2007; Mulugeta, 2008). Also, in the Saudi environment, Al-Twaijry et al. (2003) asserted that, body staff had the specified training in doing audit duties, but based on the external report, as an example the GAB's summary reviews (2008, 2010), lack of qualified staff turned was the major challenge that was into affecting audit obligations hence the main cause of irregularities within audited businesses.

Study further suggests that, the internal Audit workplace of the organization has low technical know-how and less capacity and because of that staffs are not able to offer vital service to the management which is affecting the effectiveness business operation in various firms. Except, majority of the employees have brief term employment contract and therefore there was the need for the employees to upgrade or make bigger their competencies in an effort to offer effective and best services.

Although, report has been made to the president however the officer does not manipulate its personal budget. Besides, the audit proof is connected to the reports (Mihret and Yismaw, 2007). Even though reports have been made to the president for instant action to improve audits within the public sector but there have not been any feedbacks to the senior management officer consequently there are no mechanisms in vicinity to make sure audit implementation and enforcement in public entities.

Ensuring audit quality and management is very crucial for enhancing audit overall performance in organizations particularly in the public sectors. Public establishments ought to therefore make sure that qualified auditors are tasked to adopt auditing in the enterprise to increase operational overall performance therefore accomplishing transparency and accuracy inside the internal activities (Mihret and Yismaw, 2007).

Weldu (2017) decided the effectiveness of auditing capabilities in firms. Study revealed that, audit activity can simplest be effective with top management's support. For any structures to be effective in an organization, management needs to installed their maximum attempt to ensure that the system is superior to acquire operational overall performance. In this case, management wishes to make sure that able, professional and qualified personnel are recruited to perform auditing function in order that the auditing characteristic may be very effective to achieve audit goals.

Baharud-din et al (2014) indicated that, core competency is the capability for an auditor to produce high-quality outcomes from undertaken internal audits based totally on educational achievement, professionalism and experience. Core competency is one of the vital factors that contribute operational growth and improvement. To obtain effectiveness, managers need to choose qualified, skilled and experience workers to perform the auditing function in order that auditing systems within the company can emerge as very powerful to attain better auditing activities thus enable managers get access to important information in the enterprise to assist in decision making process. Mpakaniye (2017) and Baharud-din et al (2014) also affirmed that personnel competence may be very important in relation to job performance. Auditors must be self-reliant in conducting auditing with a purpose to produce fair results to enhance internal performance in particular firms' resource management. Desai, Roberts and Srivastava (2006) in addition showed that competence performs the important role in determining firm overall performance.

Organization' intelligence and capabilities towards job overall performance is the fundamental key for promoting job functions. When an employee lacks the skills and potential towards a specific job performance, resources are wasted and the work too is not on time thereby affecting the growth and development of the organization. That is why it's miles critical that, auditors must be trained and orientated so that satisfactory auditing results may be produced to assist management make right assessment to attain appropriate outcomes. Meggeneder (2015) then again screen that, maximum agencies do not have competent auditors to perform auditing function and therefore there's bad overall performance in the internal auditing department. Study showed that only 40% of the internal auditors between the 166 nations had less than forty hours training on auditing overall performance.

Al-Okaily and Naueihed (2019) investigated the connection between the characteristics of the audit committee and the performance of the company and whether family ownership and involvement have little impact on company performance. The study found that the characteristics of the audit committee - size, expertise and frequency of meetings - are positive and significantly correlated with the overall performance of family-owned businesses without reservation, even as insignificantly related to own family firm overall performance. In the light of the above, the study proposes that:

H1: ***Internal Audit Staff Competency has positive effect on Internal Audit Effectiveness***

2.3.2 Effect of Management Support for Internal Auditing on Internal Audit Effectiveness

In attaining organizational growth and development, management performs a major position such as providing supportive strategies to assist accomplish organizational goals and objectives. Internal auditing effectiveness by hook or by crook is based on managements' abilities and assists to ensure effective practices of internal auditing. Management is consequently speculated to attach importance to the internal auditing characteristic in order that its performance can be advanced to reap goals and objectives (Carcello et al., 2005). With management assist, internal auditors motivated to correctly take auditing functions to offer good enough outcomes to assist the organization make knowledgeable decision inside the decision-making process to promote operational overall performance. This also boosts the IAD jobs abilities and capabilities to execute auditing without worry or favour. Also, management ought to participate in the internal audit plan with the consideration of the CAE (ISPPIA, fashionable 2012. A1). From the IAD's side too, reliable and sufficient reviews ought to be furnished to the management to assist enhance operational performance.

According to the normal status, it's the duty of the Chief Audit Executive to post relevant information to the senior managers and the board often to make sure effectiveness in all business activities (ISPPIA, widespread 2010). Research have diagnosed that top management's guide is very crucial for company increase and improvement consequently crucial in accomplishing audit desires and objectives. Ahmad et al. (2009) found that management help was one of the essential factors that decide internal audit performance. Study indicated that managements' support was the second most important determinants of IAE inside the public zone in Malaysia. Ahmad et al. (2009) similarly opined that support from top managements could help improve internal auditing approaches in addition to growing effectiveness in the auditing activities.

Mihret and Yismaw (2007) determined that, in Ethiopia auditing activities inside public institutions are very susceptible because of negative management aid that's affecting internal auditing function inside the institutions. Auditing functions would be ineffective without top managements' assist. Baltci and Yilmaz (2006) for example revealed that internal audits may be useless if control refuses to implement the pointers of the internal audit. This however may lead to ineffectiveness inside the auditing function (Van Gansberghe, 2005). The importance of the implementation of Internal Audit pointers is to demonstrate the effectiveness of the auditing feature (Van Gansberghe, 2005). In the light of the above, the study proposes that:

H2: ***Management Support has positive effect on Internal Audit Effectiveness***

2.3.3 Effect of Independence of the Internal Audit on internal Audit Effectiveness

Independence is very important in achieving effectiveness in some obligations inside an organization. A vital work like internal audits is supposed to be unfastened from any external impact so that equity can be carried out inside the audit activity to attain desirable results. Even though, professional auditors are normal personnel but there is the need for managers to make sure independence for these internal auditors in other to prevent any impact in the auditing function to maintain transparency and effectiveness (CIPFA, 2003). According to the worldwide expert standards and guidance of ISPPIA and the IIA practice Advisory, independence can be attained within the auditing activity when there is regular reporting in the organization which would equip the IDA to adopt duties without any impact on therefore preventing conflict of interest among people inside the organization. Studies discovered that, a number of the irregularities and bad auditing performance in maximum developing countries is due to lack of independence inside the auditing functioning.

Brinkley (2015) asserts that audit independence is whereby internal auditors are subverted from external affects and controls in the auditing process. The IIA additionally showed that, technically internal auditing is an activity that demands independence and objectivism. Due to this, internal auditors ought to be impartial and objective in undertaking auditing activities. That is to make sure transparency, effectiveness and responsibility in the auditing function of the organization. Independence here consistent with the standard consists of the freedom from terms and conditions that may impact on or threaten auditors' capacity to undertake proper audits on internal activities (Oyewumi et al, 2017). Following this (Alzeban & Gwilliam, 2014; Gustavson & Sundstrom, 2016; Tepalagul & Lin, 2015) posited that independence and objectivism ought to be both in internal and external auditing. Firms nowadays positioned lots emphasis on auditors' independence due to the fact it's far the principal key for enhancing effectiveness and performance within the auditing function. Okike (2004) otherwise showed that, auditors in Nigeria had been tagged as useless with relate to the environment they found themselves. Unegbu and Kida (2011) opined that, internal auditors within public institutions in Nigeria are very useless in their characteristic and due to that public institutions do no longer see the significance and importance of internal auditing in enterprise operation. Except, Unegbu and Kida (2011) confirmed that internal auditors are prone to several dangers that's hindering the performance and effectiveness of the IAs.

In addition, Akharayi (2013) found out that auditors' independence in Nigeria is very vulnerable and there's the fear that maximum auditors are going to lose their job due to ineffectiveness and lack of profession. Research (see Mihret, James &Mula, 2010; Tusek&Pokrovac, 2012; Unegbu & Kida, 2011) have argued that auditor however cannot acquire an absolute independence within the auditing activity but still there is the need for the auditors to become powerful in any other case they might lose their job. This had been a key risk for maximum auditors since it might weaken their ability to make effective auditing. In the light of the above, the study proposes that:

H3: ***Independent of internal audit has positive effect on Internal Audit Effectiveness***

2.3.4 Effect of internal and External Auditors Relationship on Internal Audit Effectiveness

Relationships inside firms have usually been very crucial for growth and improvement. Internal-external auditing relationship in this situation is very important for attaining audit goals and objectives. Coordination and interrogation is an instance of constructing internal-external audit relationships. Internal auditors together with external auditors must coordinate with each other to identify each-others' strengths and weaknesses so that higher plans may be drawn to enhance the auditing activity. Besides, sharing information and opinions is one way of enhancing first-class in the auditing function. Each party can recommend possible method and approach to assist enhance the auditing activity and also stopping any useless duplication works to attain accuracy and transparency in the auditing function. The relationships among internal auditor and external auditors ought to be based on expert standards which include sharing information and coordination of activities. Also, these relationships should encompass professional working relationship among the two auditors to assist internal auditors add value to the auditing characteristic to gain auditing goals and objectives in addition to offering better services to the organization.

Information from both parties would help each auditor to make appraisal on auditing functions to denote feasible reforms needed to be finished to make sure higher-fine audit opinion and increase resource performance, effectiveness and additionally providing first-rate outcomes to management to assist decision making process. Studies reported that, high level of coordination among internal and external auditors assist to promote performance, economy and also enable management to offer best services to the public. But, lack of organization among actors inside the auditing work may affect effectiveness, result to low quality and unfair auditing function. This will also result to low quality public services (e.g., Brierley et al., 2001; Gwilliam & El-Nafabi, 2002). Al-Garni (2008) and Almohaimeed (2000) revealed that as a result of lack of corporation among the GAB and audited organization, auditing activities in Saudi Arabia's public establishments is very weak as a result influences external auditor effectiveness. The GAB summary reports (2008, 2010) additionally discovered that, the main component accounting for financial mistakes and irregularities was lack of corporation among the auditing department and the GAB. Therefore, its miles essential that efficient coordination is motivated among the audit committee and GAB to promote efficiency and effectiveness within the auditing function.

Li, Raman, Sun and Yang (2019) evaluated the performance of increased audit efforts to reduce irregular financial statement risk for groups with poor internal control in three separate periods. The result revealed that extra audit strives (as proxied by means of way of bizarre audit expenses) is effective in reducing the risk of economic misstatements for clients with susceptible internal controls for the duration of the Auditing standards No. 2 regime (2004–2006), but now not throughout the extant Auditing popular No. five (AS5) regime or the sooner 2002–2004 pre-404 audit (but however post-SOX) time period. We make a contribution to the on-going debate approximately the potential blessings related to the SOX 404 audit and, in particular, the rising literature on the effectiveness, or lack thereof, of the SOX 404 audit in improving the evaluation of manage hazard beneath the extant AS5 regime (Schroeder and Shepardson in Account Rev ninety-one(five):1513–1541, 2016). collectively, our findings are ordinary with the notion that extant PCAOB issues about internal control nice beneath AS5 can be legitimate. In the light of the above, the study proposes that:

H4: internal audit and external audit relationship has positive effect on Internal Audit Effectiveness

2.4 CONCEPTUAL FRAMEWORK

This study suggests that there are four main hypotheses (relationships) that could be tested, as shown in Figure 2.1. The first relationship (H1) is the relationship between Internal Audit competence and IAE. The second relationship (H2) is the between Internal Audit management support and IAE. The third link (H3) is between the independence of IAE and the IAE. The last connection (H4) is between internal and external audit and IAE.

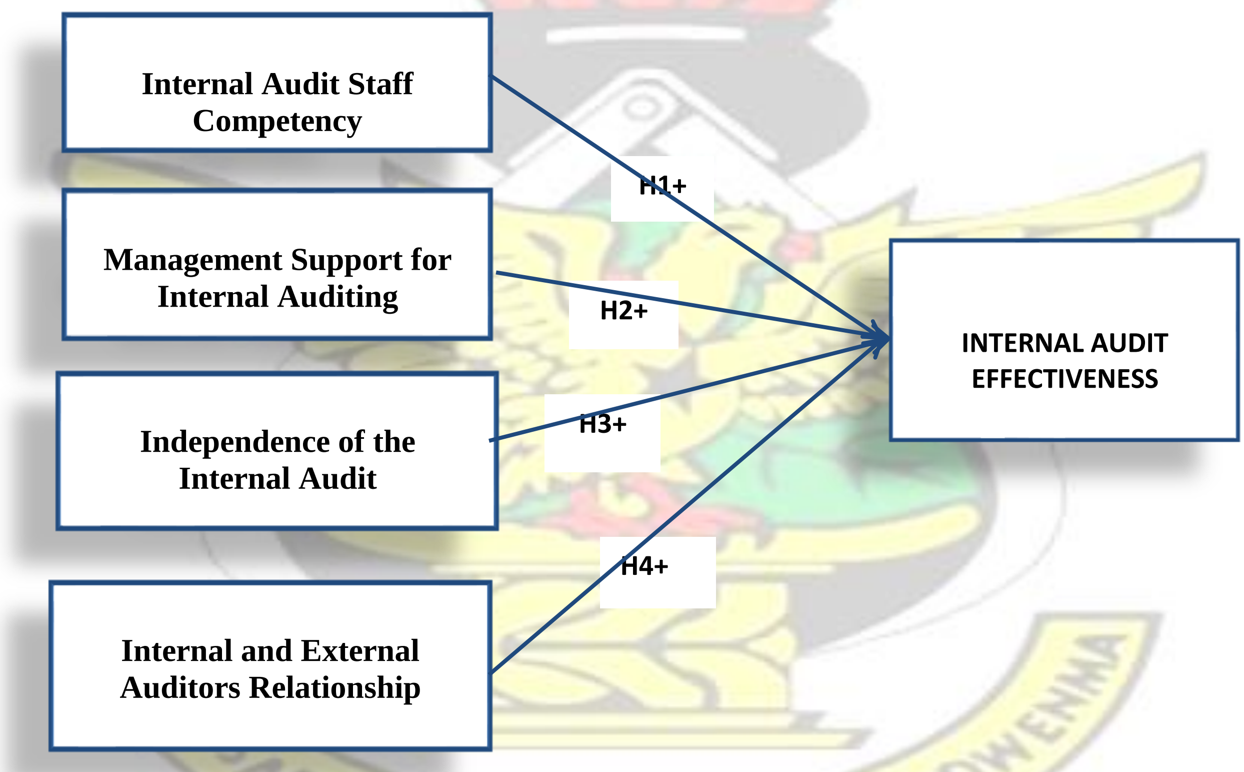

Figure 2.1: Conceptual Framework
Source: Author's Construct

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 INTRODUCTION

This chapter outlines the methodology and strategies used to study the factors that determine IAE in specific civil service institutions in Sunyani municipality, Ghana. This chapter discusses the field of the study, the design for the study, the sample and sampling process utilized in the research. The chapter also discusses the study instrument used, the data collection used and data measurement and reliability test. Finally, the chapter concludes with the data analysis process.

3.1 RESEARCH DESIGN

To successfully investigate the determinants of internal audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana the present study adopts quantitative research approach. This is because it's is compatible with the overall approach to the study. Moreover, the study will used structured questionnaire to obtain data and used statistical approaches to analyzed the data and empirically test hypotheses. Moreover, due to the causes and effect relationship in the objectives of the study explanatory research design would be employed.

Zikmund et al. (2012) postulated that explanatory survey research could be used to address a question been raised, it is appropriate in solving issues been posed, to assess objectives and goals of the study and to determine the cause-and effect relationship.

3.2 POPULATION OF THE STUDY

The population of a study defines a group or element with a shared identify (Saunders et al., 2012). The study main objective is to assess the determinants of IAE in some selected Public Service Agencies in the Sunyani Municipality of Ghana. The population of the study involved all internal audit units in the MMDAs in the Sunyani municipality. The target population of the study comprised of accountant, auditors and financial officers in the Sunyani Municipality of Ghana. The region was chosen because no such study has been conducted in recent times and also information was available in the various units selected in the municipality. The estimated population for the study is 280 out of which 30% was used as the sample size for the study

3.3 SAMPLE SIZE AND SAMPLING TECHNIQUES

Sampling is the process of carefully selecting representatives from a given population (Sekaran, 2008). The census approach was used for the study. Due to this, all the internal auditors in the public agencies within the Sunyani were estimated to be 85. Per the summary survey conducted, there are four internal audit personnel in all these internal audit units. The participants were selected using purposive sampling technique. This is because auditing is a noble profession and not anyone has knowledge on their scope of work. It is therefore imperative to select people who have adequate knowledge on the issues been investigated.

3.4 DATA COLLECTION

The procedure for soliciting for information from a target population is termed data collection. This could be either primary or secondary information. The main source of data for the study is primary (Sekaran, 2008). The present study would use primary data and structured questionnaires. The structured questionnaire has been detailed in the next section.

The instrument used for collecting primary data for the study was structured questionnaire. Questionnaire was structured in such a way that it would make sense to the respondents in order to acquire better information from their responses. The questionnaire was also structured based on the objectives of the study. The questionnaire was made up of three elements. The first part focused on the profile of the respondents, the second the determinants of Internal Audit effectiveness within the MMDAs and the third information on internal audit effectiveness in public sector. The questionnaire was closed-ended to save respondents time. The self-administered questionnaire formed the primary source of data for the study. The researcher explained to the respondents the motive of the study. This was done with the aim achieving better responses from the respondents. The respondents were assured of their confidentiality that the information was only to serve academic purpose. The study adhered to different codes of ethics concerning data collection and information retrieval. The respondents were thoroughly guided to complete the questionnaire. The questionnaires were adopted and modified from previous studies.

Pretesting of instruments would be done to ensure that the instrument is free from all forms of ambiguity and discrepancies. The instruments would be pretested in Kumasi metropolis with 15 internal auditors across the public agencies. This is aimed to obtain the needed inputs from the experts in order to improve the content of the questionnaire wherever necessary. The feedback from the pretesting will determine the final instruments and the direction of the study.

3.5 DATA ANALYSIS

The process of sorting, naming, tabulating and interpreting data is called data analysis. The analysis is carried out using the software "Statistical Package for Social Scientists". (SPSS version 23.0). The study presents a descriptive analysis as well as mean values, standard deviations and infection statistics as correlation and regression. The regression and correlation analyses will be used to test the proposed hypotheses as well as to achieve the objectives of the study. Cronbach's alpha test was used to assess the reliability of the measuring devices. Multidimensional regression analysis was also used to link different research variables. The model is presented below: The model is presented:

$Y = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \mathcal{E}$

Where Y – dependent variable (Internal Audit Effectiveness)

X1 – Internal Audit Competency

X2 – Management Support for Internal Audit

X3 – Independence of the Internal

X4– Internal Audit and External Audit Relationship

Ɛ – Is the error term

β – Predictor variables coefficients

3.6 RELIABILITY AND VALIDITY OF DATA

Kent, (2007) identified that reliability refers to the extent to which the software of a scale produces consistent results if repeated measures are taken. The Cronbach's coefficient alpha (α) was used to decide the mean reliability coefficient for the scale of social and personality factors. The value of Cronbach's alpha ranges from 0 to 1 and the closer the value of α to 1 the better the reliability. Hair, et al., (2006) explained that alpha threshold of 0.5 for simple studies and later adjusted the value to 0.7. In this study, the cut-off factor for α is 0.5. With respect to the measurement of variables, most of the items were taken from the study made with the aid of Cohen and Sayag (2010), because they tally with the targets of the current study.

3.7 ETHICAL CONSIDERATIONS

The researcher is familiar with the ethics associated with all researches. Due to this, the researcher considered ethics of anonymity, information confidentiality, respecting the proper of the respondents and making sure that the technique of data collection does not embarrass respondents and that the study is carried out in good environment. The researcher sought for the consent of the management of the companies before taking information from the chosen respondents. Also, pre-testing was done to ensure that the questions were understandable. Thus, the names of the respondent were not required as way to avoid a third-party hand in the study. Last, assurance was given to the respondents that the information was secured and it was only to serve academic purposes.

3.8 PROFILE OF SUNYANI MUNICIPAL

Among the twenty-two administrative district, the municipality of Sunyani was identified to be among the municipals discovered within the Brong-Ahafo region in Ghana. According to the world map, traces will locate that the municipality lies among the range of 70 20’N and 70 05’Nand with longitude of 20 30’W and 20 10’W and it is recognized to keep in touch or have its boundary against the Sunyani West District which is to the east. In terms of land coverage or capacity, the municipal covers a total land location of 829.3 square Kilometres as a result 320.1 rectangular miles. Notably, one third of the total land is not cultivated or nevertheless stays unused, and as a result the municipal see the ones portions for future use or funding. In relation to growth or advancement, the municipal possesses a charge of rate of 3.8% which makes the population of the municipal stand at a number of 147,301. It is further observed that, the population density stands at 122 humans per each square kilometre (MPCU Coomputation, 2010). Municipal Planning Coordinating Unit, (2010), undertook a study on the population density of the area within the municipality which included the Zongo, New Dormaa and also the Area 2 and in that manner. The medium of the populated dense areas had been determined to consist of Abesim, Nkwabeng and Nkrankrom and on the other hands area found with low dense populace covered Airport Area, Atronie, Baakoniaba, and South Ridge. In terms of areas found to be dense populated, they have been rated because the area with low earnings wherein on the other hand, the less dense areas are rated to have excessive and also medium earnings in the region. Again, the municipality is found within the Wet Semi-Equatorial climate Zone of Ghana.

CHAPTER FOUR

PRESENTATION OF RESULTS AND DISCUSSIONS

4.0 INTRODUCTION

This chapter presents the presentation and discussions of results in relation to the determinants of internal Audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana. Specifically, the results have been discussed according to the following: The effect of internal audit competence on internal Audit effectiveness; the effect of management support for internal audit on internal Audit effectiveness; the effect of independence of internal audit on internal Audit effectiveness; the effect of the relationship between internal and external auditors on internal Audit effectiveness.

4.1 BACKGROUND OF RESPONDENTS

The demographic information of respondents has been presented in the Table 4.1. The study found that, majority of the respondents (72.9%) showed that they were males, whiles the remaining respondents (27.1%) showed that they were females.

The study found that, majority of the respondents (45.9%) indicated that their ages were between forty-one to fifty years; 7.1% of the respondents showed that their ages were thirty and below; 30.6% of the respondents indicated that their ages were between thirty-one to forty years; the remaining respondents (16.5%) showed that their ages were fifty and above.

Moving on with level of education majority of the respondents (36.5%) showed that they were in the masters' degree level; 3.5% of the respondents showed that they were in the SSSCE/A level; 21.2% of the respondents indicated that they were in the diploma/HND level; 29.4% of the respondents showed that they were in the bachelor degree level, whiles the remaining respondents (9.4%) showed that they were in other levels.

The study found that, majority of the respondents (38.8%) showed that they were assistant directors; 12.9% of the respondents showed that they were directors; 32.9% of the respondents indicated that they were internal auditors; the remaining respondents (15.3%) showed that they were accountants.

Finally, the study found that, majority of the respondents (35.3%) showed that they have been in the institution for seven to ten years; 29.4% of the respondents showed that they have been in the institution for four to seven years; 24.7% of the respondents indicated that they have worked with the institution for ten years and more, whiles the remaining respondents (10.6%) indicated that they have been in the institution for zero to three years.

Table 4.1: Demographics

Variables	Frequency	Percent
Gender		
Male	62	72.9
Female	23	27.1
Age		
<30 years	6	7.1
31-40 years	26	30.6
41-50 years	39	45.9
>50 years	14	16.5
Level of Education		
SSSCE/A level	3	3.5
Diploma/HND	18	21.2
Bachelor degree	25	29.4
Masters' degree	31	36.5
Others	8	9.4
Job Designation		
Director	11	12.9
Assistant Director	33	38.8
Internal Auditor	28	32.9
Accountant	13	15.3
Years of working with the Institution		
0-3 years	9	10.6
4-7 years	25	29.4
7-10 years	30	35.3
10 years and above	21	24.7

Source: Field Survey, 2020

4.2 INTERNAL AUDIT STAFF COMPETENCY

The Table 4.2 presents internal audit staff competency. The study found that, majority of the respondents agreed that the internal auditors and the auditees communicated with a recorded (mean= 4.19, SD= 1.28); majority of the respondents agreed that internal auditors were seen as experts with a recorded (mean= 4.04, SD= 1.23); majority of the respondents agreed that internal auditors attended educational seminars for continuous training with a recorded (mean= 4.08, SD= 1.37); majority of the respondents were not sure whether internal auditors were proactive with a recorded (mean= 3.39, SD= 1.62); majority of the respondents were not sure whether internal auditors possessed high expert knowledge with a recorded (mean= 3.28, SD= 1.62); majority of the respondents were not sure whether internal auditors have more education with a recorded (mean= 3.94, SD= 1.42). The implications of the respondents were that, majority of the respondents somewhat agreed that internal auditors possessed high expert knowledge and also have more education. Also, some of the respondents agreed that internal auditors attended educational seminars for continuous training.

Table 4.2: Internal Audit Staff Competency

Statements	Min	Max	Mean	Std. D
Internal auditors are proactive	1.00	5.00	3.38	1.61
The professional knowledge of internal auditors is high	1.00	5.00	3.28	1.62
Internal auditors are considered as professionals	2.00	5.00	4.03	1.22
There is communication between internal and external auditors and auditees	1.00	5.00	4.18	1.27
Internal auditors attend educational seminars for continuous training	1.00	5.00	4.08	1.37
Internal auditors have adequate education	1.00	5.00	3.94	1.41

Source: Field Survey, 2020

4.3 MANAGEMENT SUPPORT FOR INTERNAL AUDITING

The Table 4.3 presents management support for internal auditing. The study found that, majority of the respondents agreed that senior management reacted well to internal audit reports with a recorded (mean= 4.08, SD= 1.38); majority of the respondents agreed that the unit of internal audit possessed enough budget to well perform its duties and obligations with a recorded (mean= 4.39, SD= 1.00); majority of the respondents were not sure whether senior management helped internal audit to carry out their duties and responsibilities with a recorded (mean= 3.05, SD= 1.56); majority of the respondents were not sure whether internal audit gave senior management with enough, reliable and relevant reports about the duties they carried out and suggestions made with a recorded (mean= 3.16, SD= 1.59); majority of the respondents were not sure whether internal audit unit was large enough to well perform its duties and responsibilities with a recorded (mean= 3.92, SD= 1.71); majority of the respondents disagreed that senior management were involved in the internal audit plan with a recorded (mean= 2.59, SD= 1.49). The implications of the study were that, majority of the respondents somewhat agreed that internal audit gave senior management with enough, reliable and relevant reports about the duties they carried out and suggestions made and also have units which was large enough to well perform its duties and responsibilities. Moreover, some of the respondents agreed that senior management reacted well to internal audit reports.

Table 4.3: Management Support for Internal Auditing

Statements	Min	Max	Mean	Std. D
Senior management supports internal audit to perform its duties and responsibilities	1.00	5.00	3.04	1.55
Senior management are involved in the internal audit plan	1.00	5.00	2.58	1.49
Internal audit provides senior management with sufficient, reliable and relevant reports about the work they perform and recommendations made	1.00	5.00	3.16	1.58
The response to internal audit reports by the senior management is reasonable	1.00	5.00	4.08	1.38
Internal audit department is large enough to successfully carry out its duties and responsibilities	2.00	5.00	3.91	0.71
Internal audit department has sufficient budget to successfully carry out its duties and responsibilities	2.00	5.00	4.38	1.00

Source: Field Survey, 2020

4.4 INDEPENDENCE OF INTERNAL AUDIT

The Table 4.4 presents independence of internal audit. The study found that, majority of the respondents agreed that internal audit staffs were more independent to carry out their expert obligations and duties with a recorded (mean= 4.09, SD= 1.35); majority of the respondents agreed that internal audit heads reported to a degree inside the firm that aids the internal audit to meet its duties with a recorded (mean= 4.06, SD= 1.43); majority of the respondents agreed that the department of the internal audits have direct contact with senior management other than the finance director with a recorded (mean= 4.18, SD= 1.22); majority of the respondents agreed that all access of units and workers in the firm was given to the internal auditors with a recorded (mean= 4.04, SD= 1.28); majority of the respondents were not sure whether conflict of interest was rarely present in the work of internal auditors with a recorded (mean= 3.99, SD= 1.29); majority of the respondents were not sure whether internal auditors rarely face interference by management while they perform their duties with a recorded (mean= 3.99, SD= 1.48); majority of the respondents were not sure whether appointment and replacement of the head of internal auditing was approved by the board of directors (the President for Government Organizations) with a recorded (mean= 3.80, SD= 1.40). The implications of the study were that, majority of the respondents agreed that internal audit staffs were more independent to carry out their expert obligations and duties, have free access to all departments and employees in the organization and also have unit which have direct contact with senior management other than the finance director. Moreover, some of the respondents somewhat agreed that internal auditors rarely face interference by management while they carry out their duties and also have conflicts of interest in their work.

Table 4.4: Independence of Internal Audit

Statements	Min	Max	Mean	Std. D
Internal audit staffs are sufficiently independent to perform their professional obligations and duties.	1.00	5.00	4.09	1.35
The head of internal audit reports to a level within the organization that allows the internal audit to fulfil its responsibilities	1.00	5.00	4.05	1.43
The internal audit department has direct contact with senior management other than the finance director	1.00	5.00	4.17	1.21
Conflict of interest is rarely present in the work of internal auditors	1.00	5.00	3.98	1.28
Internal auditors rarely face interference by management while they conduct their work	1.00	5.00	3.98	1.47
Internal audit staff have free access to all departments and employees in the organization	1.00	5.00	4.03	1.27
The board of directors (the President for Government Organizations) approves the appointment and replacement of the head of internal auditing	1.00	5.00	3.80	1.40

Source: Field Survey, 2020

4.5 INTERNAL AND EXTERNAL AUDITORS' RELATIONSHIP

The Table 4.5 presents internal and external auditors' relationship. The study found that, majority of the respondents agreed that external auditors were willing to offer internal auditors an opportunity to voice out their issues with a recorded (mean= 4.00, SD= 1.31); majority of the respondents agreed that external auditors explain their programs with internal audit with a recorded (mean= 4.09, SD= 1.41); majority of the respondents agreed that there was regularly meetings among internal and external auditors with a recorded (mean= 4.19, SD= 1.24); majority of the respondents agreed that effective relationship among internal and external auditors was promoted by senior management with a recorded (mean= 4.04, SD= 1.40); majority of the respondents agreed that external and internal auditors was supportive and friendly with a recorded (mean= 4.12, 1.38); majority of the respondents were not sure whether external auditors have a good attitude towards internal auditors with a recorded (mean= 3.62, SD= 1.47); majority of the respondents were not sure whether external and internal auditors consult on the timing of work in which they have a mutual interest with a recorded (mean= 3.27, SD= 1.61); majority of the respondents were not sure whether internal auditors work and reports was what external auditors depended on with a recorded (mean= 3.81, SD= 1.91); majority of the respondents were not sure whether working papers were exchanged among internal and external auditors with a recorded (mean= 3.71, SD= 1.56). The implications of the study were that, majority of the respondents agreed that external auditors and internal auditors discussed plans and also meet regularly. Also, some of the respondents were not sure whether external and internal auditors consulted on the timing of work in which they have a mutual interest and shared their working papers.

Table 4.5: Internal and External Auditors' Relationship

Statements	Min	Max	Mean	Std. D
External auditors are friendly and supportive	1.00	5.00	4.12	1.37
External auditors have a good attitude towards internal auditors	1.00	5.00	3.62	1.47
External auditors are willing to give internal auditors an opportunity to explain their concerns	1.00	5.00	4.00	1.30
External and internal auditors consult on the timing of work in which they have a mutual interest	1.00	5.00	3.27	1.60
External auditors discuss their plans with internal audit	1.00	5.00	4.09	1.41
External auditors rely on internal audit work and reports	1.00	5.00	3.81	0.90
External and internal auditors meet on a regular basis	1.00	5.00	4.18	1.23
External and internal auditors share their working papers	1.00	5.00	3.70	1.55
Senior management helps to promote effective co-operation between internal and external audit	1.00	5.00	4.03	1.40

Source: Field Survey, 2020

4.6 INTERNAL AUDITING EFFECTIVENESS

The Table 4.6 presents the internal auditing effectiveness. The study found that, majority of the respondents agreed that the risk based annual plan was developed by internal audit with a recorded (mean= 4.27, SD= 1.16); majority of the respondents agreed that the involvement outcomes were communicated timely by the internal audit with a recorded (mean= 4.06, SD= 1.31); majority of the respondents agreed that the good suggestions for enhancing the organizational processes was made by the internal audit with a recorded (mean= 4.29, SD= 1.19); majority of the respondents agreed that the ongoing system which ensure that the corrective actions have been well implemented was established by the internal audit with a recorded (mean= 4.12, SD= 1.29); majority of the respondents agreed that the compliance with procedures, policies, plans and regulations was assessed by the internal audit with a recorded (mean= 4.01, SD= 1.46); majority of the respondents agreed that the effectiveness of risk management process was enhanced by the internal audit with a recorded (mean= 4.34, SD= 1.03); majority of the respondents were not sure whether the effectiveness of governance process was evaluated and enhanced by the internal audit with a recorded (mean= 3.78, SD= 1.52); majority of the respondents were not sure whether the effectiveness of controls regarding the safeguarding of assets was evaluated by the internal audit with a recorded (mean= 3.19, SD= 1.56); majority of the respondents were not sure whether the reliability and integrity of financial information was reviewed by the internal audit with a recorded (mean= 3.85, SD= 1.54); majority of the respondents were not sure whether the effectiveness and efficiency of operations and programs was reviewed by the internal audit with a recorded (mean= 3.93, SD= 1.31). The study found that, majority of the respondents agreed that the compliance with procedures, policies, plans and regulations, ongoing system which ensure that the corrective actions have been well implemented and also the good suggestions for enhancing the organizational processes were established by the internal auditors. Moreover, some of the respondents somewhat agreed that the effectiveness of governance process and also the effectiveness of controls regarding the safeguarding of assets were evaluated by the internal auditors.

Table 4.6: Internal Auditing Effectiveness

Statements	**Min**	**Max**	**Mean**	**Std. D**
Internal audit is performed in accordance with the IIA Standards	1.00	5.00	3.83	1.49
Internal audit develops a risk-based annual plan	1.00	5.00	4.27	1.15
Internal audit communicates timely the engagement results	1.00	5.00	4.05	1.31
Internal audit makes appropriate recommendations for improving the organizational processes	1.00	5.00	4.29	1.19
Internal audit establishes a follow-up process to ensure that corrective actions have been effectively implemented	1.00	5.00	4.11	1.29
Internal audit reviews the effectiveness and efficiency of operations and programs	1.00	5.00	3.92	1.30
Internal audit reviews the reliability and integrity of financial information	1.00	5.00	3.84	1.53
Internal audit evaluates the effectiveness of controls regarding the safeguarding of assets	1.00	5.00	3.18	1.56
Internal audit evaluates the compliance with procedures, policies, plans and regulations	1.00	5.00	4.01	1.45
Internal audit improves the effectiveness of internal control process	2.00	5.00	3.88	0.73
Internal audit improves the effectiveness of risk management process	2.00	5.00	4.34	1.02
Internal audit evaluates and improves the effectiveness of governance process	1.00	5.00	3.77	1.52

Source: Field Survey, 2020

4.7 RELIABILITY TEST

As showed in the Table 4.7 the study found that all the measurement instruments were within the acceptable 0.7 Cronbach Alpha score ranging from 0.729 to 0.891. This suggests that the items are very reliable and appropriate for the study.

Table 4.7: Test of Reliability

Constructs	**Number of items**	**Cronbach Alpha**
Internal Audit Staff Competency	6	0.806
Internal and External Auditors' Relationship	9	0.840
Independence of Internal Audit	7	0.891
Management Support for Internal Auditing	6	0.729
Internal Auditing Effectiveness	12	0.841

Source: Field Survey, 2020

4.8 CORRELATION MATRIX

The Table 4.8 presents the correlations between the variables in the study. It was discovered that internal audit effectiveness correlate positively and significantly with internal audit staff competency (r=0.750, p-value=0.000); internal-external auditors' relationship (r=0.517, p-value=0.000); independence internal audit (r=0.545, p-value=0.000); and management support to internal auditing (r=0.719, p-value=0.000).

Table 4.8: Correlations

	Internal Audit Staff Competency	Internal External Auditors Relationship	Independenc e Internal Audit	Management Support Internal Auditing	Internal Auditing Effectiveness
Internal Audit Staff Competency	1				
Internal and External Auditors Relationship	0.633** (0.000) .000	1			
Independence Internal Audit	0.658** (0.000)	0.922** (0.000)	1		
Management Support Internal Auditing	0.782** (0.000)	0.496** (0.000)	0.500** (0.000)	1	
Internal Auditing Effectiveness	0.750** (0.000)	0.517** (0.000)	0.545** (0.000)	0.719** (0.000)	1

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Field Survey, 2020

4.9 MULTIPLE REGRESSION RESULTS

The results in the Table 4.9 show that internal audit staff competency (B=0.761; t-value=3.24; p-value=0.002) and management support to internal auditing (B=0.639; t-value=3.10; p-value=0.003) have significant and positive effect on internal auditing effectiveness. Also, internal-external auditors' relationship (B=-0.067; t-value=-0.31; p-value=0.750) and independence internal audit (B=0.195; t-value=0.809; p-value=0.421) have insignificant effect on internal auditing effectiveness.

Table 4.9: Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.404	3.294		4.981	.000
	Internal Audit Staff Competency	.761	.235	.416	3.243	.002
	Internal External Auditors Relationship	-.067	.210	-.058	-.319	.750
	Independence Internal Audit	.195	.241	.150	.809	.421
	Management Support Internal Auditing	.639	.206	.347	3.109	.003
R				0.784		
R Square				0.614		
Adjusted R Square				0.595		
Df				4		
F-statistics				31.835		
Sig.				0.000		

a. Dependent Variable: Internal_Auditing_Effectiveness

Source: Field Survey, 2020

4.10 DISCUSSIONS OF RESULTS

Internal audit staff competency (B=0.761; t-value=3.24; p-value=0.002) and management support to internal auditing (B=0.639; t-value=3.10; p-value=0.003) have significant and positive effect on internal auditing effectiveness. Also, internal-external auditors' relationship (B=-0.067; t-value=-0.31; p-value=0.750) and independence internal audit

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4.10.1 Effect of Internal Audit Staff Competency on Internal Audit Effectiveness

Internal audit staff competency recording a p-value of 0.002 which is below the theoretical level of 0.05 means internal audit staff competency has a significant effect on Internal Audit Effectiveness. Both Mpakaniye (2017) and Baharud-din et al (2014) have affirmed that personnel competence may be very important concerning job performance.

The findings are in confirmation with Mihret and Yismaw (2007) study. They indicated that Public establishments ought to make sure that qualified auditors are tasked to adopt auditing in the enterprise to increase operational overall performance therefore accomplishing transparency and accuracy inside the internal activities.

Al-Twaijry et al., (2004) made a similar finding, that, competence has a positive and meaningful influence on the consistency of audit staff. They argue that when the auditor has strong integrity, audit efficiency can be achieved and competence consists of experience and information in two dimensions.

According to Desai et al., (2006) competence performs an important role in determining a firm overall performance. Ali et al. (2007) also indicated that to achieve adequate performance in the different hierarchical roles within internal audit departments, internal auditors need a wide range of competencies.

4.10.2 Effect of Management Support for Internal Auditing on Internal Audit Effectiveness

The study found that management support to internal auditing (B=0.639; t-value=3.10; p-value=0.003) has a significant and positive effect on internal auditing effectiveness. Mihret and Yismaw (2007) asserted that Auditing functions would be ineffective without top managements' assist which is in conformation to this study.

The result also confirms studies like Ahmad et al. (2009) and Carcello et al., (2005). Ahmad et al. (2009) found that management help was one of the essential factors that decide internal audit performance. They further indicated that managements' support was the second most important determinant of IAE inside the public zone in Malaysia.

Carcello et al., (2005) also indicated that there is an important connection between internal audit management assistance and organizational efficiency. Ahmad et al. (2009) argue that with management assist, internal auditors are motivated to correctly take auditing functions to offer good enough outcomes to assist the organization makes a knowledgeable decision inside the decision-making process to promote operational overall performance.

According to the Agency theory, internal auditors as agents must conduct audit procedures on the personal consistency, general knowledge, and skills, and other competencies necessary to perform their duties perfectly based on the result that there is a higher positional impact of the agent (competences) on the principles (internal audit efficiencies).

4.10.3 Effect of Independence of the Internal Audit on Internal Audit Effectiveness

The study also revealed that independent internal audit (B=0.195; t-value=0.809; p-value=0.421), meaning independent internal audit has an insignificant effect on internal auditing effectiveness. Therefore, H3 is rejected which is inconsistent with previous studies. Kimotho (2014) found that the independence of the internal auditor was necessary for the organization to help improve the transparency and efficiency of the institution by the employees after an in-depth review of the results.

The finding of this study contradicts that of George et al., (2015) which found a significant relationship to exist between internal audit independence and internal audit effectiveness. Also, the results of Dellai & Omri (2016) study showed that the efficacy of the internal audit was positively affected by the independence of the internal audit, the objectivity of the internal auditors, the internal audit management support, the use of the internal audit feature as an MTG, and the organizational sector.

Mihret and Yismaw (2007) also made a similar finding that independence of the internal auditor was necessary for the organization to help improve the transparency and efficiency of the institution by the employees.

4.10.4 Effect of internal and External Auditors Relationship on Internal Audit Effectiveness

The study found that internal and external auditors' relationship (B=-0.067; t-value=-0.31; p-value=0.750) has insignificant effect on internal auditing effectiveness. This result is meaning the relationship between internal and external audits has no effect on the internal auditing effectiveness. Meanwhile, Fowzia, (2010) argues that the internal and external audits should ensure appropriate and regular contact and exchange of knowledge on a constructive basis that can be of value to the organizations they represent. Institution of Internal Auditors (IIA) (2004) asserts that despite the need to protect their independence and objectivity, a close positive partnership should be established through internal and external audits.

The result of this study is inconsistent with Li et al., (2019) which found a strong relationship impact of the relationship between internal and external audit on internal audit efficiency. Li et al., (2019) further asserted that the relationships inside firms have usually been very crucial for growth and improvement.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 INTRODUCTION

This chapter summarises the findings, conclusions and recommendations regarding the factors determining the IAE in selected government agencies in the Sunyani District of Ghana. In particular, the study focused on the impact of internal audit expertise on internal audit effectiveness, the impact of internal audit support on IAE, the impact of internal audit independence on IAE, and the impact of the relationship between internal and external auditors on IAE.

5.1 SUMMARY OF FINDINGS

5.1.1 Effect of Internal Audit Staff Competency on Internal Audit Effectiveness

The study has revealed that internal audit staff competency (B=0.761; t-value=3.24; p-value=0.002) has significant and positive effect on internal auditing effectiveness. Therefore, the H1 is supported which is consistent with previous studies. Also the study revealed that internal auditors were seen as experts, attended educational seminars for continuous training and also communicated with the auditees. Moreover, some of the respondents were not sure whether internal auditors were proactive, possessed high expert knowledge and also have more education.

5.1.2 Effect of Management Support for Internal Auditing on Internal Audit Effectiveness

The study found that management support to internal auditing (B=0.639; t-value=3.10; p-value=0.003) has significant and positive effect on internal auditing effectiveness.

Therefore, the H2 is supported which is consistent with previous studies. The study found that senior management reacted well to the report of Internal Audit and also the unit of Internal Audit possessed enough budgets to well perform its duties and obligations. Also, some of the respondents somewhat agreed that senior management helped internal audit to carry out their duties and responsibilities, internal audit gave top management with enough, reliable and relevant reports about the duties they carried out and suggestions made and also Internal Audit unit was large enough to well carry out its responsibilities. On the contrary, few of the respondents disagreed that top leaders were involved in the plan of Internal Audit.

5.3 Effect of Independence of the Internal Audit on internal Audit Effectiveness

The study has revealed that independence internal audit (B=0.195; t-value=0.809; p-value=0.421) has an insignificant effect on internal auditing effectiveness. Therefore, H3 is rejected. The study found that the statements that internal audit staffs were more independent to carry out their expert obligations and duties, internal audit heads reported to a degree inside the firm that aids the Internal Audit to meet its duties, the internal audit department is in constant contact with management other than the finance director and also all access of units and workers in the firm was given to the internal auditors. There are few conflicts of interest in the work of internal auditors, internal auditors often do not face interference from management in the performance of their duties, and the appointment and replacement of the head of internal audit has been approved by the board of directors (the president in the case of governmental organizations).

5.1.4 Effect of internal and External Auditors Relationship on Internal Audit Effectiveness

The study found that internal and external auditors' relationship (B=-0.067; t-value=-0.31; p-value=0.750) has insignificant effect on internal auditing effectiveness. therefore, H4 is rejected the study found that, majority of the respondents agreed to the statements that external auditors were willing to offer internal auditors an opportunity to voice out their issues, external auditors explain their programs with internal audit, relationship among internal and external auditors was promoted by senior management, external and internal auditors was supportive and friendly and also there was regularly meetings among internal and external auditors. Moreover, some of the respondents somewhat agreed to the statements that external auditors have a good attitude towards internal auditors, external and internal auditors consult on the timing of work in which they have a mutual interest, internal auditors work and reports was what external auditors depended and also working papers were exchanged among internal and external auditors.

5.2 CONCLUSIONS

This study was undertaken investigate the determinants of internal Audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana. Specifically, the study focused on assessing the effect of internal audit competence on internal Audit effectiveness; the effect of management support for internal audit on internal Audit effectiveness; the effect of independence of internal audit on internal Audit effectiveness; the effect of the relationship between internal and external auditors on internal Audit effectiveness. The study concludes as follows; The study has revealed that internal audit staff competency and management support for internal audit had significant and positive effect on internal auditing effectiveness. However, the study has revealed that internal audit independence and internal audit and external audit relationship had insignificant and positive effect on internal auditing effectiveness.

5.3 RECOMMENDATIONS

1. The study suggests that, the selected public service agencies in the Sunyani Municipality of Ghana should have internal auditors that attend educational seminars for continuous training, possess high expert knowledge, have more education and also communicate with the auditees in other to enhance the effectiveness of internal audit in the public service agencies as the present study found out the internal audit staff competency.

2. The study suggests that, the external auditors and internal auditors in the selected public service agencies in the Sunyani Municipality of Ghana should consult on the timing of work in which they have a mutual interest, share their working papers, discuss plans and also meet regularly in other to improve their relationship as the present study found out the internal and external auditors' relationship.

3. The study suggests that, the internal auditors in the selected public service agencies in the Sunyani Municipality of Ghana should be more independent to carry out their expert obligations and duties, have free access to all workers and units in the organization, work in the organization without interference and also have a department which has direct contact with senior management other than the finance

director in order to help them work independently in the organization as present study found out the independence of internal audit in the organization.

4. The study suggests that, the senior management in the selected public service agencies in the Sunyani Municipality of Ghana should react well to internal audit reports, help internal audit to carry out their duties and responsibilities, involve in the internal audit plan and also rely well on the enough, reliable and relevant reports which was carried out and suggested by the internal auditors in order to enhance the effectiveness of audit in the selected public service agencies as the present study found out the management Support for internal auditing.

5. The study suggests that, the internal auditors in the selected public service agencies in the Sunyani Municipality of Ghana evaluate and improve the effectiveness of governance process, evaluate the compliance with procedures, policies, plans and regulations, review the effectiveness and efficiency of operations and programs, develop a risk-based annual plan and also make appropriate recommendations for improving the organizational processes in the selected public service agencies in order to enhance its effectiveness as the present study found out the internal auditing effectiveness of the organizations.

5.4 RECOMMENDATIONS FOR FUTURE STUDIES

This study was undertaken investigate the determinants of internal Audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana using quantitative research approach and survey questionnaire. It is suggested that future studies should consider different sector of the economy as well as using different research approaches.

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APPENDIX

SURVEY QUESTIONNAIRE

This questionnaire is aimed to assess the determinants of internal audit effectiveness in some selected Public Service Agencies in the Sunyani Municipality of Ghana. The data will be used for academic purpose only and it will be treated with confidentiality it deserves. The respondents are highly encouraged and persuaded to respond to the statements in this questionnaire in the most truthful and objected way possible. Your participation in facilitating this study will be highly appreciated. Kindly tick in the space provided with the correct answer or supply the required information where, required, please specify and elaborate.

Part A: Background Information

1. Indicate your Gender
   a. Male [ ]
   b. Female [ ]

2. **Indicate your Age**
   a. <30 years [ ]
   b. 31-40 years [ ]
   c. 41-50 years [ ]
   d. >50 years [ ]

3. **Indicate your Level of Education**
   a. SSSCE/A level [ ]
   b. Diploma/HND [ ]
   c. Bachelor degree [ ]
   d. Masters' degree [ ]
   e. Others [ ]

4. **Indicate your Job designation**
   a. Director [ ]
   b. Assistant Director [ ]
   c. Internal Auditor [ ]
   d. Accountant [ ]
   e. Finance Officer [ ]
   f. Others specify…………………………

5. **How many years have you worked with the institution?**
   a. 0-3 years [ ]
   b. 4-7 years [ ]
   c. 7-10 years [ ]
   d. 10 years and above [ ]

Section B: Internal audit staff competency

Indicate your level of agreement with the following statements that relate to Internal Audit Staff Competency. Use the 5-point Likert scale where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree, 5=strongly agree

Items	**1**	**2**	**3**	**4**	**5**
1. Internal auditors are proactive					
2. The professional knowledge of internal auditors is high					
3. Internal auditors are considered as professionals					
4. There is communication between internal and auditors and auditees					
5. Internal auditors attend educational seminars for continuous training					
6. Internal auditors have adequate education					

Section C: Internal and external auditors' relationship

Indicate your level of agreement with the following statements that relate to Internal and External Auditors' relationship. Use the 5-point Likert scale where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree, 5=strongly agree,

Items	**1**	**2**	**3**	**4**	**5**
1. External auditors are friendly and supportive					
2. External auditors have a good attitude towards internal auditors					

3. External auditors are willing to give internal auditors an opportunity to explain their concerns					
4. External and internal auditors consult on the timing of work in which they have a mutual interest					
5. External auditors discuss their plans with internal audit					
6. External auditors rely on internal audit work and reports					
7. External and internal auditors meet on a regular basis					
8. External and internal auditors share their working papers					
9. Senior management helps to promote effective co-operation between internal and external audit					

Section D: Independence of Internal Audit

Indicate your level of agreement with the following statements that relate to Independence of Internal Audit. Use the 5-point Likert scale where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree, 5=strongly agree,

Items	1	2	3	4	5
1. Internal audit staffs are sufficiently independent to perform their professional obligations and duties.					
2. The head of internal audit reports to a level within the organization that allows the internal audit to fulfil its responsibilities					
3. The internal audit department has direct contact with senior management other than the finance director					
4. Conflict of interest is rarely present in the work of internal auditors					
5. Internal auditors rarely face interference by management while they conduct their work					
6. Internal audit staff have free access to all departments and employees in the organization					
7. The board of directors (the President for Government Organizations) approves the appointment and replacement of the head of internal auditing					

Section E: Management support for internal auditing

Indicate your level of agreement with the following statements that relate to Management Support for Internal Auditing? Use the 5-point Likert scale where 1= strongly disagree, 2= disagree, 3= neutral, 4=agree, 5=strongly agree,

Items	1	2	3	4	5
1. Senior management supports internal audit to perform its duties and responsibilities					

2. Senior management are involved in the internal audit plan					
3. Internal audit provides senior management with sufficient, reliable and relevant reports about the work they perform and recommendations made					
4. The response to internal audit reports by the senior management is reasonable					
5. Internal audit department is large enough to successfully carry out its duties and responsibilities					
6. Internal audit department has sufficient budget to successfully carry out its duties and responsibilities					

Section F: Internal Auditing Effectiveness

What is your level of agreement with the following statements that relate to Internal Effectiveness? Use the 5-point Likert scale where 1= strongly disagree, 2= disagree, 3=neutral, 4=agree, 5= strongly agree.

Statements	**1**	**2**	**3**	**4**	**5**	**6**	**7**
1. Internal audit is performed in accordance with the IIA Standards							
2. Internal audit develops a risk-based annual plan							
3. Internal audit communicates timely the engagement results							
4. Internal audit makes appropriate recommendations for improving the organizational processes							
5. Internal audit establishes a follow-up process to ensure that corrective actions have been effectively implemented							
6. Internal audit reviews the effectiveness and efficiency of operations and programs							
7. Internal audit reviews the reliability and integrity of financial information							
8. Internal audit evaluates the effectiveness of controls regarding the safeguarding of assets							
9. Internal audit evaluates the compliance with procedures, policies, plans and regulations							
10. Internal audit improves the effectiveness of internal control process							
11. Internal audit improves the effectiveness of risk management process							
12. Internal audit evaluates and improves the effectiveness of governance process							

THANK YOU FOR YOUR PARTICIAPTION