



Effect of Internal Audit on the Performance of Uganda Registration Services Bureau

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Abstract: The study was conducted to evaluate the effect of internal audit on the performance of the URSB. A cross-sectional survey design was adopted by the study and a mixed methods approach for data collection and analysis was used. The data was collected using questionnaires and structured interviews. A sample of 152 respondents was used and a total of 142 was accessed giving a response rate of 92.1%. The study findings established a weak statistically significant relationship between Internal audits and Performance of the URSB ($r = 0.329$; $p < 0.05$ ($=0.000$)). Furthermore, regression results established that internal audit accounts for 10.1% of the variance in performance of URSB. In conclusion, internal audit reflects gaps that need to be attended to boost the performance of the URSB. In order to improve the performance of the Uganda Registration Services Bureau, it is recommended that management of URSB ensure that Budgetary controls are given top priority in order to promote cost-effective procurement, boost surplus income, and save money. Furthermore, the management must strengthen the implementation of internal audit and the segregation of duties.

Keywords: Effect, Uganda Registration Services Bureau (URSB), Internal Audit.

How to cite this work (APA):

Ekaju A. (2025). Effect of Internal audit on the performance of Uganda Registration Services Bureau. *Journal of Research Innovation and Implications in Education* 9(4), 287 – 299. <https://doi.org/10.59765/xwr936k>.

1. Introduction

The Uganda Registration Services Bureau is self-directed and recognized in Chapter 210 of the 1998 amendments to Uganda's constitution. URSB reports to the Ministry in charge of Justice and Constitutional Affairs and immediately executes the activities necessary for the Registrar General's Office. In July 2010, Uganda's constitution granted URSB authority to conduct self-accounting. At the moment, URSB is key in enhancing the competitiveness of the economy through registration services, which include, but are not limited to, civil registration and business registration and protection of intellectual property rights. The Uganda Registration Services Bureau does have internal control systems in place for its operations, including internal audit an oversight function, Segregation of duties in registration services, budgetary or work plan controls (payments made with proper authority, payments made from votes, all expenses charged to the correct cost

centres). It has been graded as performing well to achieve its mandate (Mwema and Gachunga, 2014).

The vision for URSB reflects the intention to provide excellent and reliable registration services, while the mission points towards making registration services as accessible, innovative, and reliable as possible to formalize the economy. Internal Auditor General of Government (IAG) and Auditor General of Government (OAG) rated Performance of the URSB as "Unsatisfactory" by June 2018, citing poor accountability of funds, delays in implementing planned activities, mischarges of expenditure, under consumption of funds, domestic arrears, under payment of required fees, and so on.

1.1 Statement of the Problem

Internal control systems are critical in improvement of organization performance as they provide mechanisms for minimizing risks, improved efficiency, and accountability (Gichana, *et al.*, 2016). To ensure

improvement in performance by Uganda Registration Bureau as stipulated in the PFMA 2015, USRB has put in place mechanisms for undertaking internal controls, internal audit, Budgetary controls, and segregation of duties.

However, according to PFMA 2015, Internal Auditor General of Government (IAG) report for June 30th, 2018, and the Auditor General of Government (OAG) remarks for June 30th, 2018, indicated that “USRB experiences poor financial accountability, delays in implementing planned activities, mischarges of expenditure, under consumption of funds, domestic arrears and failure to pay essential fees”. Moreover, the extent to which internal control systems affect the performance of USRB is also not clear.

Several studies have been carried out in Uganda in relation to internal control systems and organization performance (Ongom, 2021, Matagi, 2013; Kamiya, 2017). However, none assesses the effect of internal control systems and performance of USRB. These, if not addressed, could jeopardize the Uganda Registration Service Bureau's overall effectiveness.

Purpose

To ascertain the effect of Internal audit on the performance of Uganda Registration Services Bureau.

2. Literature Review

As a service, internal auditing is theorized as an independent, objective attestation and consulting services needed in the management of an organization to ensure that an organization's risk management, governance and internal control processes are operating efficiently and effectively IIA, (2017). The Chartered Institute of Internal Auditors postulates that internal audit effectiveness is pegged to the qualification, skills and experiences of internal auditors, whose adherence to the code of ethics and internal audit international standards would guarantee the achievement of its value-add mission (Christopher, 2015).

Previous studies claimed that an effective internal audit aims to add value to the organization by helping its management and board of directors to evaluate and improve the effectiveness of risk management, internal control, and governance processes (Auditors, 2015). Chambers and Odar, (2015) confirmed that internal audit could bring added value by helping organizations to achieve its economic objectives through the implementation of internal audit recommendations by senior management. In addition, Al-Akra, et al., (2016) argued that internal audit is able to improve the competitive advantage for the company by ensuring high-quality financial reporting and improving the governance process. Moreover, Zanden and Zanden, (2013) pointed out that the effectiveness of internal audit contributes not only to the adequacy of procedures and operations of each department audited, but also to the effectiveness of the organization as a whole.

According to Olivier and Heras (2019), internal audit as an oversight function is a basic component of ethics. The role of internal audit is changing from a reactive approach to a more proactive risk-based internal auditing approach. The authors' findings revealed that individuality and neutrality are necessary for customer-breadwinner dealings. By implication, employees expect to work independently and with impartiality if they are to meet organizational objectives. However, there is no assurance whether such knowledge can be applicable to the context of Uganda Registration Services Bureau.

Internal auditing is one of the effective tools of organizational risk management that supports implementation of internal control systems through formulation of strategic policies to achieve enterprise goals Vijayakumar, (2012). Internal audit as a tool of internal control system implementation is a paradigm shift from traditional pre-auditing to systems audit (Saeidi et al., 2019). Scholars point out that internal audit is superior to traditional and systems audit as it focuses on risks not just records, it shifts the focus from inspecting the quality of financial information in the financial statements to building quality into the financial reporting processes and adding value to organization's operations (Rafindadi and Olanrewaju, 2019).

A few issues with internal control systems are listed by Peggy, Yao and Gameli, (2015). including issues with liquidity, poor financial statements, a lack of accountability for financial resources, fraud and the misuse of administrative capital, and the failure to achieve intended goals after a series of decisions. According to World Bank estimates from 2014, demand is declining across all economic sectors, including tourism. The above-mentioned enterprises' financial results have a negative effect on the expansion of the Nigerian economy. Most of the businesses on the list have operational internal audit divisions whose job it is to make sure that internal control procedures are efficient and that the services are of a high caliber (Omolaye & Jacob, 2018).

According to Griffiths (2012), internal audit is linked to internal control systems implementation due to the fact that it provides assurance to the board or top management that risk management processes are managing risks effectively, in relation to risk appetite. This calls for the top management to ensure that senior management upholds the existing internal controls, otherwise new strategies would be designed to augment the existing internal controls to ensure that risks are mitigated if not eliminated from occurring in the organization. Internal audit emphasizes management's responsibility for managing risks and the risks to be covered in audits will exist in all parts of the organization. Therefore, audit will involve departmental managers who will in turn actively participate in implementing forward looking internal control systems in place in a bid to mitigate occurrence of risks (Hain, 2011).

It is essential to understand the precise responsibilities and divisions within your accounting department, as well as the borders between each division, whether you manage a small business with a few employees or a "mom and pop shop." The basic, daily operations of the company's accounting department, including accounts receivable, accounts payable, tax preparation and payment, payroll, internal accounting, and accounting systems and operations, are performed and managed by the Advanced Accountant roles in your firm (Pacific Crest Group, 2021).

3. Methodology

3.1 Research Design

This study adopted a cross-sectional survey design that enabled the researcher to collect data on certain events from a fairly large number of people in a short period of time

3.2 Study Population

In the study of the effect of internal control systems on the performance of URSB the study had 194 staff employed by URSB under Government of Uganda. These included Top Management (15), Senior Management Committee (14), Managers Forum (11) and

Officers (154). The senior management team was specifically included because they decide on all URSB revenue and expense decisions and it has the powers to manage the work of the managers' forum. The managers' forum and other public-facing officials are also a subject of the study, whereas officers are a group that reflects the URSB employee team as a whole.

3.3 Determination of Sample Size

On the basis of the study population the sample size which was used for assessment of the effect of internal controls in URSB was established using the formula for sample size determination. Except for the category of officers, whose number (154) is large and necessitates calculating sample size using the Tamale Yamane (1967) formula below, all responders were immediately included in this study.

$n = \frac{N}{1+N(e)^2}$ where the small 'n' represents the sample size, whereas the large N represents the study's population, which is 154. The letter e, on the other hand, stands for the acceptable error threshold, which is usually set at 0.05 (5 percent). The number 1 represents probable omissions.

$n = \frac{154}{1+154(0.05)^2} = 111.19 = \sim 112$ respondents in the category of Officers.

The sample sizes are provided in table below using the (Yamane 1967) formula:

Table 1: Sample Size and sampling techniques

No.	Category	Accessible	Sample size(n)	Sampling Technique
1	Top Management	15	15	Purposive sampling
2.	Senior Management Committee	14	14	Purposive sampling
3	Managers Forum	11	11	Purposive sampling
4	Officers	154	112	Simple random sampling
	Total	194	152	

Source: URSB Registrar General's office 2019

3.4 Sampling Techniques and Procedure

Purposive Sampling

This is a technique where information required is collected on specific or special targeted groups of people on some coherent basis (Sekaran, 2003). A purposive sampling technique was applied in selecting Top Management, Senior Management Committee and Managers Forum.

Simple Random Sampling

The researcher undertook simple random sampling with the use of computers to draw a list of numbered random numbers as a basis for selecting a sample for officers. The approach facilitated in giving an equal chance to all the officers that were eligible to participate in the study.

3.5 Data Collection Methods

Two methods -the survey and interview were applied appropriately.

Survey Method: The researcher used the survey method therefore for capturing of the general information in relation to internal controls effect on the performance of URSB. Using this method, data was collected from Senior Management Committee, Managers Forum and Officers of URSB at the Headquarters.

Interview Method: The interview method of data collection was utilized to conduct an in-depth and comprehensive examination of the participants' perspectives, perceptions, and opinions on the study problem. Top management team was considered because not every employee has expert information regarding internal control systems on the performance of URSB. Top Management comprises of knowledgeable people and were in position to provide specialized information

based on the kind of knowledge and expertise they possess by virtue of their positions.

3.6 Data collection instruments

Two instruments- questionnaires and interview guides were appropriated.

Self-Administered Questionnaire (SAQ): The researcher distributed questionnaires to each of the Senior Management Committee, Managers Forum and Officers that made up the sample size. This was done since all respondents were able to read, understand, and express their ideas using the appropriate scale.

The structure of the questionnaire was to the effect that the first section contained information regarding the demographic characteristics of respondents, and following sections indicated questions to obtain responses on organizational performance, Internal audit, budgetary controls and segregation of duties.

Interview guide: Based on the demands of the study's objectives, the researcher produced a list of questions to

guide the one-on-one conversation. The researcher interviewed the top management team members since they possess specialized information and expertise on the study subject based by virtue of their positions. The interviews involved probing in addition to asking predetermined questions in order to create rapport between the interviewer and interviewee, and guiding the respondents to get to the depth of the issue under investigation. This instrument is effective in the sense that a variety of ideas are generated and detailed information is got from respondents which creates a balance between quantity and quality of data collected for complete justification of the phenomena under inquiry.

3.7 Validity and Reliability

Validity

Validity is the ability to produce findings that are in agreement with the theoretical or conceptual values. The research instruments were proof read by research supervisors to establish their face validity using expert judgment method. The researcher ensured that the questions are relevant through the calculation of Content Validity Index (CVI), given by the formula;

Table 2: CVI results

Section	No. of items	No. of items scored relevant	CVI
Organizational Performance	27	23	0.852
Internal Audit	11	9	0.818

Source: Data from URSB

Reliability

Reliability, on the other hand, assesses whether similar responses can be achieved again in the same geographic area. Cronbach's Alpha was used to assess reliability at a threshold of 0.7. Results less than 0.60 are undesirable,

results in the range 0.60-0.69 are slightly dependable, results in the range 0.70-0.79 are unwavering, results in the range 0.80-0.90 are incredibly dependable, and results greater than 0.90 are hugely trustworthy, according to Cronbach Alpha's scale. Table 3 indicates findings for the reliability coefficients.

Table 3: Cronbach Alpha reliability Coefficients

S/N	Variable	No. of Items	Alpha Coefficient	Range	Interpretation
1.	Organizational (URSB) Performance	23	0.889	0.80-0.90	Highly Dependable
2.	Internal Audit	9	0.874	0.80-0.90	Highly Dependable

Source: Data from URSB

3.8 Procedure for Data collection

Following the defence, an introductory letter was received, which acted as official approval for the study to be conducted. The permission letter served as a foundation for instilling confidence in the responders about the study's academic nature and lack of self-interest. Following that, the researcher scheduled meetings with respondents for data collection in order to avoid interfering with any of the respondents' professional endeavours. The researcher carefully picked the respondents as intended during the data collection procedure, then led the research assistant to distribute and collect fully completed questionnaires. The researcher conducted interviews with the Top Management at URSB Headquarters at that time. In addition, the researcher received approval from URSB as a fundamental proof of study taking place. The researcher checked for inconsistencies in the data collected, coded it and entered it into a computer, and analysed it for reporting. Following that, the questionnaires and recorded spoken responses were preserved in a secure location for future reference.

3.9 Data Analysis

The quantitative data was analysed to provide insight in relation to descriptive and inferential statistics. The analysis facilitated understanding of the descriptive

findings and inferential statistics in view to the effect of internal controls and financial performance. The Statistical Package for Social Scientists (SPSS) spreadsheet was used to automatically generate frequencies, and percentages. Summary tables with the relevant inferential statistics were used to convey the findings of the respondents' background information as follows. To determine the effect of internal audit on Performance of the URSB, internal audit items were presented in a summary table and examined using the percentages. Additionally, data from a regression analysis were employed to show if an internal audit affects organizational performance.

Qualitative data analysis

Following the collection of qualitative data, the researcher identified important concepts, themes, or subjects that emerged from the discussion, and the data was edited for any errors or omissions based on these. The researcher then created a classification system to keep track of data and evaluate outcomes based on the frequency with which certain key terms were used.

Data measurement

The respondents indicated their extent of agreement using a scale of 1-5 with 1 to mean strongly disagree, 2 to mean disagree, 3 to mean not sure. 4 to mean Agree and 5 to mean strongly Agree as indicated in the Table 4.

Table 4: How variables were measured

1 Strongly Disagree	2 Disagree	3 Not sure	4 Agree	5 Strongly Agree
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3.10 Ethical considerations

The researcher protected the privacy of respondents' personal information. The researcher obtained consent from respondents to participate in the study; ensure that the information provided by respondents is not shared with third parties; ensure that the researcher does not plagiarize other people's work but rather properly cites and references it; and finally, ensure that the correct methods and data collected are presented.

Physical and psychological harm, deception, informed consent, and privacy were the main ethical issues addressed in this study. Confidentiality was considered to protect the privacy of the respondents or participants. Respondents/participants were also assured that the study was solely for academic purposes, and that the self-administered questionnaires were purposefully anonymous.

As a result, participants/respondents were given the option of giving their informed consent. The participants

chose to participate in the study voluntarily, and they had the option to withdraw at any time. The respondents' anonymity was preserved by not asking them to write their names on the questionnaires. There is no known risk of physical or psychological harm to participants in this study.

Furthermore, all researchers and scholars whose work was cited in this study were quoted, acknowledged, and appropriately cited. The researcher ensured that findings were reported precisely to avoid fabrication of information through the presentation of fraudulent results.

At this level, the researcher acknowledged the importance of knowledge in the pursuit of truth. Individual identities were withheld to protect against traceability and flexibility, and a lot of effort was put into ensuring participants' or respondents' rights to privacy.

4. Results and Discussion

4.1 Findings on Performance

Performance was measured on the questionnaire using three dimensions, namely Task performance, Contextual

performance and Counterproductive work behaviour. Respondents were required to indicate their level of agreement or disagreement to each of the statements used to measure performance and the findings are presented in Table 5. Qualitative findings collected using the interview guides are used to supplement the quantitative findings.

Table 5: Performance of the URSB (%age distribution)

Task Performance	SD	D	NS	A	SA
Timely plan of work	11.6	64.3	1.6	14.7	7.8
Managing to make optimal plans	112.4	15.5	10.1	31.0	31.0
Seeking achievement from previous results	32.6	26.4	8.5	15.5	17.1
Making priorities in planning	31.0	25.6	13.2	14.0	16.3
Knowledge of setting priorities	35.7	20.2	10.9	12.4	20.9
Accomplishment of work in time and with less effort	27.1	29.5	9.3	14.7	19.4
Productivity through collaboration	45.7	15.5	11.6	12.4	14.7
Contextual Performance					
Diligence for extra work	51.2	10.9	8.5	14.7	14.7
Feeling of the spirit of self-drive	37.2	17.8	14.7	18.6	11.6
Handling challenging jobs	39.5	329.5	7.8	12.4	10.9
Career development initiatives in place	34.1	21.7	10.9	15.5	17.8
Excelling in work	36.4	12.4	10.1	20.9	20.2
Being regular in work gatherings	44.2	16.3	6.2	15.5	17.8
Seeking performance improvement	42.6	12.4	12.4	19.4	13.2
Handling challenges successfully	33.3	20.2	14.7	17.8	14.0
Counterproductive Work Behaviour					
Raising regular complaints	20.9	17.8	9.3	35.7	16.3
Fear for problems at work	20.2	14.7	13.2	30.2	21.7
Taking time on negative matters at work	15.5	15.5	11.6	32.6	24.8
Sharing work experience with colleagues	20.9	14.0	8.5	435.7	20.9
Sharing work problems outside the organization	17.8	14.0	13.2	20.9	34.1
Being an under performer	65.1	3.1	3.1	3.1	25.6
Breaking off work before departure time	30.2	18.6	9.3	16.3	25.6
Manifesting idleness at work	17.8	13.2	12.4	10.9	45.7

Source: Primary data

4.2 Task Performance

Task Performance was measured on the questionnaire using seven statements to which the respondents were asked whether in the last three months, there were a number of things in place or done.

On whether there were timely plans of work, the majority, 98 (75.9%) were in disagreement; 15 (11.6%) strongly disagreed and 83 (64.3%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no timely plan of work. In regard to managing to make optimal plans, the majority, 80 (62.0%) were in agreement; 40 (31.0%) strongly agreed and 40 (31.0%) agreed. This means that the majority of the respondents were of the view that in the last three months, there was managing to make

optimal plans. In respect to seeking achievement from previous results, the majority, 76 (59.0%) were in disagreement; 42 (32.6%) strongly disagreed and 34 (26.4%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no seeking achievement from previous results. On making priorities in planning, the majority, 73 (56.6%) were in disagreement; 40 (31.0%) strongly disagreed and 33 (25.6%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there were no making priorities in planning.

Key informants associated inefficiency in the planning area to limited manpower in the organization. One of the key informants noted:

“URSB has several positions that have not been filled to date and this means that most of the departments lack some key personnel which may have an effect on each department’s performance. This may be one of the reasons why there are some inefficiencies in the planning area like lack of plans to work, not seeking achievement from previous results and not making priorities in planning”.

In regard to knowledge of setting priorities, the majority, 72 (55.9%) were in disagreement; 46 (35.7%) strongly disagreed and 26 (20.2%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no knowledge of setting priorities. In respect to accomplishment of work in time and with less effort, the majority, 73 (56.6%) were in disagreement; 35 (27.1%) strongly disagreed and 38 (29.5%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no accomplishment of work in time and with less effort. On productivity through collaboration, the majority, 79 (61.2%) were in disagreement; 59 (45.7%) strongly disagreed and 20 (15.5%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no productivity through collaboration. In line with the above quantitative findings, key informants further associated the gaps to limited manpower within the organization. This has led to existing staff not to set work priorities, not to accomplish their work in time and to lack productivity through collaboration.

4.3 Contextual Performance

Contextual Performance was measured on the questionnaire using eight statements to which the respondents were asked whether in the last three months, there were a number of things in place or done.

In regard to diligence for extra work, the majority, 80 (62.1%) were in disagreement; 66 (51.2%) strongly disagreed and 14 (10.9%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no diligence for extra work. On feeling of the spirit of self-drive, the majority, 71 (55.0%) were in disagreement; 48 (37.2%) strongly disagreed and 23 (17.8%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no feeling of the spirit of self-drive. In respect to handling challenging jobs, the majority, 89 (69.0%) were in disagreement; 51 (39.5%) strongly disagreed and 38 (29.5%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no handling challenging jobs. Key informants further associated gaps in to limited number of staffs currently available and because they are already over stretched they tend not to want to take on extra work or new challenging jobs.

In regard to career development initiatives in place, the majority, 72 (55.8%) were in disagreement; 44 (34.1%) strongly disagreed and 28 (21.7%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there were no career development initiatives in place. On excelling in work, the highest number of respondents, 63 (48.8%) were in disagreement; 47 (36.4%) strongly disagreed and 16 (12.4%) disagreed. However, a substantial number, 53 (41.1%) were in agreement; 16 (12.4%) strongly agreed and 27 (20.9%) agreed. This means that there were mixed reactions on whether in the last three months, there was excelling in work. In respect to being regular in work gatherings, the majority, 77 (60.5%) were in disagreement; 57 (44.2%) strongly disagreed and 21 (16.3%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no being regular in work gatherings. When there are no career development initiatives in an organization and staffs are not regular at their workplaces, the overall performance of the organization shall definitely go down.

In regard to seeking performance improvement, the majority, 71 (55.0%) were in disagreement; 55 (42.6%) strongly disagreed and 16 (12.4%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no seeking performance improvement. Furthermore, on handling challenges successfully, the majority, 69 (53.5%) were in disagreement; 43 (33.3%) strongly disagreed and 26 (20.2%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no handling challenges successfully.

4.4 Counterproductive Work Behaviour

Counterproductive work behaviour was measured on the questionnaire using eight statements to which the respondents were asked whether in the last three months, there were a number of things in place or done.

On raising regular complaints, the majority, 67 (52.0%) was in agreement; 21 (16.3%) strongly agreed and 46 (35.7%) agreed. This means that the majority of the respondents were of the view that in the last three months there was raising regular complaints. In regard to fear for problems at work, the majority, 67 (51.9%) was in agreement; 28 (21.7%) strongly agreed and 39 (30.2%) agreed. This means that the majority of the respondents were of the view that in the last three months there was fear for problems at work. These findings further suggest that in the last three months there was raising regular complaints which may be associated to overload of work with the current number of staffs. One key informant observed;

“Of late there has been an increase in the number of complaints coming from out staffs and most of the complaints are related to the fact that staffs are over

loaded with work. Top management is considering ways through which to address the issue to avoid more problems at work”

In respect to taking time on negative matters at work, the majority, 74 (57.4%) was in agreement; 32 (24.8%) strongly agreed and 42 (32.6%) agreed. This means that the majority of the respondents were of the view that in the last three months there was taking time on negative matters at work. On sharing work experience with colleagues, the majority, 73 (56.6%) was in agreement; 27 (20.9%) strongly agreed and 46 (35.7%) agreed. This means that the majority of the respondents were of the view that in the last three months there was sharing work experience with colleagues. In regard to sharing work problems outside the organization, the majority, 71 (55.0%) was in agreement; 44 (34.1%) strongly agreed and 27 (20.9%) agreed. This means that the majority of the respondents were of the view that in the last three months there was sharing work problems outside the organization. For staffs to spend a lot of time on negative matters at work is an indicator of negative productivity that will generally have a negative effect on the overall performance of the URSB. However, when staffs share work experience with colleagues and also share work problems outside the organization, it’s a good indicator because it means that generally there is cohesion and teamwork amongst staffs.

On being an under performer, the majority, 88 (68.2%) were in disagreement; 84 (65.1%) strongly disagreed and 4 (3.1%) disagreed. This means that the majority of the respondents were of the view that in the last three months, there was no being an under performer. In respect to breaking off work before departure time, the highest number of respondents, 63 (48.8%) was in disagreement; 39 (30.2%) strongly disagreed and 24 (18.6%) disagreed. However, a substantial number, 54 (41.9%) were in agreement; 33 (25.6%) strongly agreed and 33 (25.6%) agreed. This means that there were mixed reactions on breaking off work before departure time. Furthermore, on manifesting idleness at work, the majority, 73 (56.6%) was in agreement; 59 (45.7%) strongly agreed and 14 (10.9%) agreed. This means that the majority of the respondents were of the view that in the last three months there was manifesting idleness at work.

4.5 Findings on Internal Audit

Internal audit was measured on the questionnaire using nine statements to which the respondents were required to indicate their level of agreement or disagreement to each of the statements and the findings are presented in Table 6. Qualitative findings collected using the interview guides were used to supplement the quantitative findings.

Table 6: Descriptive statistics on Internal Audit

Items for Internal audit	SD	D	NS	A	SA
Documented policies and procedures in place	0.0	16.3	2.3	38.0	43.4
Availability of relevant, adequate, effective, and current policies	18.6	2.3	2.3	41.9	34.9
Professionals available to review and reconcile banner accounts and reports	16.3	7.8	3.9	19.4	52.7
Timely research and correction of unrecognized financial transactions	4.7	79.1	3.1	3.9	9.3
Division of labour during transactions	0.0	21.7	1.6	38.0	38.8
Ready replies for budget and account questions	20.9	2.3	3.1	41.9	31.8
Anticipation of deficits and timely solutions obtained	20.9	25.6	3.9	13.2	36.4
Availability of back-up procedures for processes in the URSB	6.2	27.1	1.6	16.3	48.8
Documented retention plan in place	11.6	17.8	4.7	32.6	33.3

Source: Primary data

On whether documented policies and procedures were in place, the majority of the respondents, 105 (81.5%) were in agreement; 56 (43.4%) strongly agreed and 49 (38.0%) agreed. This means that the majority of respondents were of the view that documented policies and procedures were in place. In response to whether there is availability of relevant, adequate, effective, and current policies, the majority, 99 (76.8%) were in agreement; 45 (34.9%) strongly agreed and 54 (41.9%) agreed. This implies that the majority of the respondents were of the view that there is availability of relevant, adequate, effective, and current policies in URSB. Corroborating this with findings from interviews about

the contribution of internal audit in the URSB, the top management seems to suggest that even when there are no special individuals to handle monthly reviews, at least documents can be accessed in the required time. One of the managers was quoted as saying:

“It is possible to quickly and easily access these papers, get updates on new policies or procedures, or check that staff members have read a particular policy statement. Without this in the URSB, benefits like these would be lost. Nevertheless, certain things remain within the administration and senior staff”.

In regard to whether professionals are available to review and reconcile banner accounts and reports, the majority, 93 (72.1%) were in agreement; 68 (52.7%) strongly agreed and 25 (19.4%) agreed. This means that the majority of the respondents were of the view that professionals are available to review and reconcile banner accounts and reports. Qualitative findings revealed that management was aware that accounting functions are duly performed to enhance service delivery under the internal audit department. Responding to the question about the contribution of Internal Audit to the URSB, one of the key informants revealed that: *“Audit largely performs the duty of internal reviewing. Contracts and procurement procedures are reviewed resulting in substantial savings to URSB. We have noted a great improvement in the URSB procurement procedures in the recent past, a change to which we have made a contribution”*.

In regard to whether there is timely research and correction of unrecognized financial transactions, the majority, 111 (83.8%) were in disagreement; 9 (4.7%) strongly disagreed and 102 (79.1%) disagreed. This means that the majority of the respondents were of the view that there is no timely research and correction of unrecognized financial transactions. On whether there is division of labour during transactions, the majority, 99 (76.5%) were in disagreement; 50 (38.8%) strongly disagreed and 49 (38.0%) disagreed. This means that the majority of the respondents were of the view that there is no division of labour during transactions. However, results from the top management concerning the contributions of the internal audit show that there is a team of employees in place that guides the income and expenditure. One of the key informants revealed;

“An internal audit sets in place a team of employees that help to balance the flow of cash or the income and expenditures of the institution. Nevertheless, there are some challenges which sometimes exist but do remain at an administrative level. Since the area of accountability is handled by technical people, quite a lot is required to balance transactions, and this is handled by hired individuals”.

On whether there are ready replies for budget and account questions, the majority, 96 (73.7%) were in agreement; 41 (31.8%) strongly agreed and 54 (41.9%) agreed. This means that the majority of the respondents

were of the view that there are ready replies for budget and account questions. In relation to these results, findings as per the qualitative results indicate that:

“On an annual basis we have reviewed the Financial Statements of the Bureau and our efforts have turned around the opinion of the Office of the Auditor General from unqualified to qualified in the period under study”.

In respect to whether there is anticipation of deficits and timely solutions obtained, the highest number of respondents, 64 (49.6%) were in agreement; 47 (36.4%) strongly agreed and 17 (13.2%) agreed. However, a substantial number, 60 (46.5%) were in disagreement; 27 (20.9%) strongly disagreed and 33 (25.6%) disagreed. This means that there were mixed reactions on whether there is anticipation of deficits and timely solutions obtained.

On whether there is availability of back-up procedures for processes in the URSB, the majority, 84 (64.8%) were in agreement; 63 (48.8%) strongly agreed and 21 (16.3%) agreed. This means that the majority of the respondents were of the view that there is availability of back-up procedures for processes in the URSB.

Furthermore, on whether there is a documented retention plan in place, the majority, 85 (65.9%) were in agreement; 43 (33.3%) strongly agreed and 42 (32.6%) agreed. This means that the majority of the respondents were of the view that there is a documented retention plan in place.

One of the key informants noted that although audit has some challenges in the course of doing their work, they are generally doing a good job to ensure compliance to established policies and procedures that are in place. He observed;

“Internal Audit has continued to provide advisory services to management as a trusted business partner i.e., it’s an adviser that tells management what it needs to know, when it needs to know it”.

4.6 The effect of internal audit on the performance of URSB

Regression analysis was used to examine the effect of internal audit on the performance of URSB. The regression summary in Table 7 shows the correlation coefficient (R), coefficient of determination (R Square) and Adjusted R Square

Table 7: Regression results for internal audit on the performance of URSB

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.329 ^a	.108	.101	.75847

a. Predictors: (Constant), Internal audit

Source: Generated from primary data

A correlation coefficient (R = 0.329) means that internal audit has a weak positive relationship with performance

of URSB and an adjusted coefficient of determination (Adjusted R Square = 0.101) means that internal audit

accounts for 10.1% of the variance in performance of URSB. This therefore means that apart from internal audit, there are other variables that affect or influence the performance of URSB. To assess the overall significance

of the regression model for internal audit and performance of URSB, Analysis of Variance (ANOVA) was generated and the results are presented in Table 8.

Table 8: ANOVA for internal audit and the performance of URSB

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.881	1	8.881	15.437	.000 ^b
	Residual	73.060	127	.575		
	Total	81.941	128			

a. Dependent Variable: Organization performance

b. Predictors: (Constant), Internal audit

Source: Generated from primary data

In determining whether a regression model is significant, the decision rule is that the calculated p-value (level of significance) for ANOVA must be less than or equal to 0.05. Since the calculated p-value of 0.000^a is less than 0.05, the regression model was found to be statistically

significant (F=15.437, df = 1, p<0.05 (=0.000)). This means that internal audit has a statistically significant effect or influence on the performance of URSB. This finding was used to reject the research hypothesis.

Table 9: Regression Coefficient for internal audit and performance of URSB

Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)		7.271	.000
	Internal audit	.329	3.929	.000

a. Dependent Variable: Organization performance

Source: Generated from primary data

In order to establish whether internal audit is a predictor of performance of URSB and also determine the magnitude to which it affects or influences performance of URSB, Standardized Beta and t Coefficients were generated. For the magnitude to be significant the decision rule is that the t value must not be close to 0 and the p-value must be less than or equal to 0.05. Since the generated t – value of 3.929 for internal audit is not close to 0 and p-value of 0.000 is less than 0.05, the study confirmed that internal audit is a predictor of performance of URSB. A standardized Beta coefficient of 0.329 means; every 1-unit increase in internal audit will lead to an increase of 0.329 units of performance of URSB.

Study findings from correlation analysis established that internal audit has a statistically significant weak positive relationship with performance of URSB. Findings from regression analysis confirmed that internal audit has a statistically significant positive effect or influence on performance of URSB. The study therefore rejected the research hypothesis that was stated as thus: “Internal audit has no significant effect on the performance of URSB”

4.7 Discussion

Findings revealed that internal audit has a statistically significant weak positive relationship with performance

of URSB and that internal audit has a statistically significant positive effect or influence on performance of URSB. These findings are similar to those of Al-Akra, et al., (2016) that argued internal audit is able to improve the competitive advantage for the company by ensuring high-quality financial reporting and improving the governance process. Similarly, Zanden and Zanden, (2013) pointed out that the effectiveness of internal audit contributes not only to the adequacy of procedures and operations of each department audited, but also to the effectiveness of the organization as a whole.

Findings revealed there is availability of documented policies and procedures irrespective of whether their departments had codified key operational procedures and rules. In related studies, Steinbart and Raschke (2018) examined how assessments of the overall effectiveness of an organization's information security operations are affected by the degree of collaboration between internal audit and information security departments in research on the same topic. It was found that the efficiency of the interaction between the internal audit and information security functions was improved by having the chief information security officer (CISO) report to a different department from the IT function and by having higher levels of management support for information security. As a result, URSB employees ought to be able to evaluate how current, suitable, effective, and pertinent departmental policies are.

According to the results still, the majority of URSB respondents said that there are professionals who are in charge of doing monthly reviews and reconciliation of banner accounts and reports for the sake of correctness. In similar research, DocTract (2022) discovered that having well-organized rules and processes is one of the crucial elements of a robust governance, threat, and performance framework. It is possible to quickly and easily access these papers, get updates on new policies or procedures, or check that staff members have read a particular policy statement.

Timely research and correction of unrecognized financial transactions were also looked into to evaluate the efficiency of the internal audit function at URSB. According to the findings, however, the majority of URSB employees believe there is no timely research and correction of unrecognized financial transactions. In associated research, Fortiviti (2017) makes the following observations: Unreconciled transactions are acceptable, but you should review and comprehend them each month to make sure no further explanations are necessary. You should also decide what to do with bank transactions based on the type of transaction, its age, whether an accountant posted it, its value, and a number of other factors.

Concerning "readily available replies" for budget and account questions, the majority of survey respondents revealed that there are ready replies for budget and account questions. In related studies, Pacific Crest Group (2021) contends that it is crucial to comprehend the specific responsibilities and divisions within the accounting department as well as the boundaries between each division, regardless of whether you are the manager of a small business with a few employees or a "mom and pop shop." Accounts payable, accounts receivable, tax preparation and payment, payroll, internal accounting, and accounting systems and operations are just a few of the important daily duties that an advanced accountant at a company conducts and oversees.

The majority of internal audit findings also reveal that there is availability of back-up procedures for processes in the URSB. Similar investigations by Cook and Crocetti (2022) found that a variety of circumstances might cause digital data to lose its data. Backups also include copies of such important data. Instead of allowing data backup methods to sit on a shelf collecting dust, organizations must constantly educate and evaluate their employees on them.

3. Conclusion and Recommendations

5.1 Conclusion

Study findings established that internal audit has a statistically significant weak positive relationship with performance of URSB and that internal audit has a statistically significant positive effect or influence on performance of URSB. This means that improvements in

internal audit through assurance services, internal checks and accountability shall have a significant influence on the performance of URSB in terms of task performance, contextual Performance and counterproductive work behaviour.

5.2 Recommendations

In order to improve on the influence of internal audit on the performance of URSB the following recommendations were made by the study:

1. URSB should continue to document policies and procedures used.
2. Professionals should continue reviewing and reconciling banner accounts and reports.
3. URSB should uphold the practice of timely research and correction of unrecognized financial transactions.
4. URSB should introduce the practice of division of labour during transactions.
5. URSB should uphold the practice of ready replies for budget and account questions.
6. URSB should uphold the practice of back-up procedures for processes.
7. URSB should uphold the practice of documented retention plan.

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