INTERNAL AUDIT QUALITY AND PERFORMANCE OF PUBLIC TERTIARY INSTITUTIONS IN OSUN STATE, NIGERIA

IDOWU, Khadijah Adeola[1], IBRAHIM, Jimoh[2]

[1]Department of Accounting, Lagos State University, Ojo, Lagos Nigeria

[2]Department of Accounting, Postgraduate School, Osun State University, Osogbo, Nigeria

08023039633: idowuadeola2@yahoo.com

08038532583: jimohibrahim889@gmail.com

Abstract

Despite the presence of internal audit mechanism in most public tertiary institutions, evidence has shown that most of them have experienced audit failure in recent years with consequential effect on the effectiveness and efficiency in quality of service delivery, financial control and performance. In view of this, the study examined the impact of internal audit quality on performance of public tertiary institutions in Osun State, Nigeria. Primary data was obtained through the administration of structured questionnaire to 72 respondents out of total population of 151 comprising staff of internal audit and bursary departments in three state-owned tertiary institutions in Osun State. Data obtained was analyzed using Correlation Analysis and OLS - Multiple Regression technique. The results show that there is a significant relationship between internal audit quality and performance of Osun state-owned tertiary institutions as confirmed with $F_{(3, 68)} = 52.96; P< 0.05$). *The study concluded that internal audit quality is a veritable tool for promoting performance in terms of efficiency, effectiveness, economy, and quality of service delivery of state-owned tertiary institutions. This study therefore, recommended among others that internal auditor competence and independence should be given more attention and mechanism through which these qualities can be employed and sustained for better internal audit service delivery to enhance performance of public tertiary institutions.*

Keywords: Internal audit quality, performance, independence, competency, tertiary institutions

INTRODUCTION

Public sector performance measurement depends on its objectives, results and goals. However, performance of pubic tertiary institutions can be measured in terms of effectiveness, efficiency, economy, quality of service delivery, student intake, and ranking by popular agencies or regulatory bodies (Gavrea, Ilies & Stegerean, 2011). In order to achieved these, internal audit mechanisms need to put in place to allow auditors of institutions to strategize to minimizing the cost of resources, enhance quality of service delivery, be effective in the utilization of resources and ensure system of internal control is efficient and effective.

Internal audit quality is characterized by competence, independence, scope of work, top management support, and size of audit (Suleiman, Ayoib & Nor Zalina 2018). The ability to communicate audit reports and other findings and recommendations in time and at the same time to have prompt response from decision makers is quite important in achieving organizational performance (Enofe, Mgbame, Osa-Erhabor & Ehioro 2013). Internal audit is a function of highly knowledgeable, experienced and expertized personnel; reasonable size of audit staff; independence and objectivity in the audit process; and, ability to communicate audit findings and recommendations through regular and acceptable reporting pattern**.** To effectively focus on internal audit quality, factors such as internal audit competence, independence, size, timeliness and reporting line in internal audit are of fundamental importance.

Suleiman, Ayoib and Nor Zalina (2018) posit that the efficiency and effectiveness regarding the use of public funds being expanded to education especially tertiary institutions is receiving adequate attention. Authorities are aware that, high quality management of its resources will lead to the success of its programs and activities. To enhance the performance, agencies have been established with the duties and responsibilities as an internal control mechanism to look into the operations in order to realize the value for the money expended on various institutional programs and activities. This brought about the creation of Internal Audit (IA) unit in institutions to help in reviewing organizational processes and control procedures that can provide measurable assurance that public funds are being utilized in a most efficient and effective manner (Achua & Ogunjoboun, 2014).

Internal audit is the bedrock for effective public financial management and it is imperative to ensure effective and efficient operations and the appropriate application of controls. It assesses compliance with underlying financial regulations, directives and measures, appraises the efficiency of adopted internal controls; evaluates the value and usefulness with which resources are utilized; evaluates the dependency and credibility of records maintenance and reporting; examines abnormalities; guarantees that resources are brought together and reported; and, authenticates inventory records and their identity with physical inventory (Desmond, Isaac & Tahir 2018).

Tertiary institutions connote institutions of higher learning which comprises of universities, polytechnics, and other allied colleges where students acquired knowledge and where researches are undertaken in various fields of human endeavor (Ibrahim, Adeyemi & Ayeni, 2016). It is important to appreciate the fact that for tertiary institutions (private or public) to achieve its desired objectives effectively, the management of such tertiary institution must establish an effective internal audit unit which would be able to furnish the management of the institutions with necessary analyses, appraisals, and recommendations for onward decision making. All these put together shall form the thrust of the current study that evaluates the internal audit quality and performance of public tertiary institutions in Osun State, Nigeria.

Effectiveness and efficiency in quality of service delivery and human capital development in terms of research productivity depends on resources management of institutions. As a result of poor performance, the budgets do not follow due process, rules and regulations on the use of finances are not adhered to, and massive funds are unaccounted for. This has led to the ineffective utilization of resource, inadequate service delivery, and employee dissatisfaction (Bunu & Omwenga, 2017). Despite, the presence of internal audit mechanisms in most public tertiary institutions, evidence has shown that most of them have experienced audit failure in recent years with consequential effect on the effective and efficient delivery of service, financial control, and performance in the public tertiary institutions (Agboola, 2019).

Traditionally, internal auditors were hired, directed, and controlled by ministries, agencies, and commissions they served (Ziegenfuss, 2000). Their reporting lines varied and the quality of their work depended on individual capabilities. This called for findings as to the competence of internal auditors how independence and size of the internal audit unit can be employed and sustained for service delivery and performance in terms of effectiveness, and the efficiency and economy of public tertiary institutions. There is plethora of work in the area of internal audit quality and performance of public tertiary institutions. The available literatures on internal audit quality in Nigeria and/or in other countries pay limited attention to public tertiary institutions. Therefore, it is against this background that this study is carried out to investigate the effect of internal audit quality on the performance of public tertiary institutions in Osun state. This study also aims at adding to the existing studies. Particularly Adedokun and Ogunwole (2019) appraised the determinants of effectiveness of internal audit of public tertiary institutions in Nigeria. Suleiman, *et al* (2018) examined internal audit quality dimensions and organizational performance in Nigerian federal universities while Abbott, Daugherty, Parker and Peters (2016) investigated internal audit quality and financial reporting quality.

Hendra, Made and Lilik (2019) researched determinants of the effectiveness of internal audit with management support as the moderating variable and Desmond, Isaac and Tahir (2018) examined the effect of internal audit practices on financial management. Eke (2018) explored internal audit and corporate governance effectiveness in universities in Rivers state; Bunu and Omwenga (2017) examined the effect of internal audit function on financial performance in Lamu county, Kenya; and Muchiri and Jagongo (2017) looked at internal auditing and financial performance of public institutions in Kenya while some authors focused on audit quality and performance in private sector such as (Farouk, & Hassan, 2014). However, less attention has been placed on internal audit quality and its relationship with the performance of the public tertiary institutions. The omission of this in literature is major gap which this study attempts to fill. Hence, this study provides useful information to councils of tertiary institutions, management, and internal auditors of public tertiary institutions in Osun State to know the specific qualities to be focused on in order to enhance internal auditors' performances and institutions at large.

To achieve the objectives of this study, the study aims at examining the following research questions:

i. Is there any significant relationship between independence of auditor and performance of public tertiary institutions?
ii. To what extent does competence of auditor influence on performance of public tertiary institutions?
iii. Is there any significant relationship between size of internal audit unit and performance of public tertiary institutions?

The broad objective of this study is to examine the effect of internal audit quality on the performance of public tertiary institutions in Osun state. Specific objectives of the study are to:

i) examine the significant relationship between independence of auditor and performance of public tertiary institutions;

ii) evaluate the impact of competence of auditor on performance of public tertiary institutions; and,

iii) investigate the significant relationship between size of internal audit unit and performance of public tertiary institutions.

LITERATURE REVIEW

Conceptual Review

Internal audit perfects and completes its functions and adds value based on an understanding of how contemporary organizations function. The duties of internal audit unit is not only to discover insufficient processes and procedures but also to suggest ways to improve organizational practices in order to assist the organizations to achieved the desired objectives especially in risk management (Achua & Ogunjoboun, 2014). Internal audit quality is characterized by competence, independence, scope of work, top management support and size of audit (Suleiman *et al*, 2018). Millichamp (2000) as cited by Badara (2012) defines internal auditing as an independent appraisal function within an organization for the review of system of control to the proper economic, efficient and effective use of resources. Internal audit quality which is demonstrated by the office's capability to provide useful audit findings and recommendations is one of the important factors on which audit effectiveness is anchored. The office's ability to properly plan, perform and communicate the results of audits is a proxy for audit quality. Therefore, audit quality is arguably a function of extensive staff expertise; reasonableness of the scope of service; and effective planning, execution and communication of internal audits (Enofe *et al*, 2013).

The reasons why internal audit is important in an organization include to objectively review an organization's business processes, evaluate the efficacy of risk management procedures that are currently in place, protect against fraud and theft of the organization's assets, ensure that the organization is complying with relevant laws and statutes, and make recommendations on how to improve internal controls and governance processes.

Independence of the auditor means the state or quality of being independent, freedom from dependence, and exemption from reliance on or control by others, self–subsistence or maintenance; direction of one's own affairs without interference. Therefore, the independence of the auditor can only be achieved by allowing internal audit unit to perform its duties free from interference; avoiding conflict of interest; having direct contact with the board and senior management; having unrestricted access to records, employees and departments; and the appointment and removal of the heads of internal audit not being under the direct control of executive management (Institute of Internal Auditors (IIA, 2008).

Competence of auditor is the ability of auditors to perform their duties and this is a key element of internal audit quality. For internal auditors to effectively carry out their duties and responsibilities, they need to possess the requisite knowledge, skills and other competencies and there is a need for audit personnel to be appropriately qualified if a high level of internal audit effectiveness is to be achieved and maintained (Gwilliams & El-Nafabi, (2002).

Internal audit size is another important element in achieving internal audit quality which invariably stimulates the organizational financial performance. This refers to expected reasonable number of personnel to carry out audit works successfully. International Standards for the Professional Practice of Internal Auditors (ISPPIA) indicated that for internal audit to function more effectively there should be sufficient personnel (ISPPIA, 2003).

Organizational Performance

The concept of organizational performance is used commonly among scholars and academic literature; however, its definition is often difficult because of many meanings. In profit oriented organizations, financial performance is measured in terms of return on asset, return on capital employed, and earning per share etc, whereas public organizations performance measurement depends on its objectives, results and goals, but public tertiary institutions performance can be measured in terms of effectiveness, efficiency, economy, quality of service delivery, student intake, ranking by popular agencies or by regulatory bodies (Gavrea, Ilies & Stegerean, 2011).

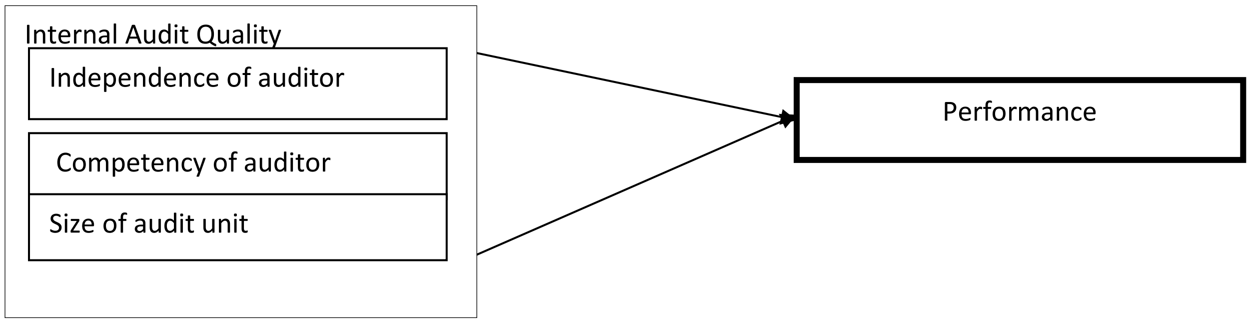
Mihaiu (2014) posits that performance in the public sector is however a difficult task which derives from the role of the public sector. One way to define performance in the public sector requires the existence of a relationship between objectives, means, and results. Therefore, performance is the result of the simultaneous exertion of efficiency, effectiveness and of a proper budgetin*g*. What matters most for organizational stakeholders in performance of public tertiary institutions being public organizations are expected to increase the quality of their services, efficiency and effectiveness in the utilization of their resources (Suleiman, Ayoib & Nor Zalina, 2018).

The performance measurement system is defined as a system that gives room for making some decisions and implementing some fundamental actions because it is based on quantifying the efficiency and effectiveness of past actions using appropriate information infrastructure (Neely, Adams & Kennerley, 2002)

Current systems for measuring performance in the public sector present some limitations because they are based only on efficiency, effectiveness and economy indicators, which are mainly financial and which fail to measure the fulfillment of environmental and social objectives of the public organizations. A solution for this is the transition from the system of the "3 E's" (economy, efficiency, effectiveness) to a system of the "5 E's": Economy, Efficiency, Effectiveness, Environmental and Equity (Nan Chai, 2009). Therefore, economy is a technique of minimizing the cost of resources used for an activity having regard to appropriate quality. Efficiency is regarded as the relationship between output, in terms of goods, service or other results, and the resources used to produce them. An efficient activity maximizes output for given resources or minimizes input to a given output and, in doing so, pays due regard to appropriate quantity. Effectiveness is the extent to which objectives have been achieved and the relationship between the intended impact and actual impact of an activity.

Conceptual Model

Figure 1: A Schematic Diagram showing the relationship between internal audit quality and performance of public tertiary institution



Source: Developed by researchers (2020)

Theoretical Review

There are many theories such as progressive state theory, Limperg's theory of inspired confidence, Stakeholder theory Agency theory and Stewardship theory that have been linked to the relationship between audit quality and organizational performance. However, this study is anchored on stewardship theory because stewardship perspective suggests that stewards are satisfied and motivated when organizational success is attained. Stewardship theory therefore provides one framework for characterizing the motivational behavior in various types of organizations. It considers that from the beginning, organizations serve a wider social purpose than ordinary profit making or maximizing the fortunes of shareholders. It holds that organizations are social entities that are concerned with welfare of stakeholders having relationship with the organization and are affected by the achievement or performance of that organization (Donaldson & Preston, 1995).

Moreover, stewardship theory promotes the unity of the role of the board and the management so as to mitigate costs and to have greater role as stewards. It was evidence that there would be better safeguarding of the interest of the owner. This is because any misconduct in using these resources may affect their reputation and future career prospects (Conyon & He, 2011). Based on these assertions, stewardship theory can contribute to economy, effective and efficiently in service delivery.

Empirical Review

Several studies have investigated the internal audit quality and organizational performance in Nigeria, and in different parts of the countries with diverse techniques and opinions. For instance, empirical studies from African countries followed by Nigeria include Muchiri and Jagongo (2017) investigated the internal auditing and financial performance of public institutions in Kenya. The study discovered that the relationship between the internal audit function existence and financial performance at the KMC was insignificant; existence of internal auditing does not influence the profitability and return on investment.

Bunu and Omwenga (2017) studied the effect of internal audit function on financial performance in Lamu county, Kenya. The study concluded that, Lamu County has an effective internal audit function that plays the role of monitoring and evaluating organization activities; it has an effective and efficient internal audit function which is able to detect fraud, but it is not able to prevent and control it.

Agboola (2019) investigated the internal audit practices and internal audit quality of public owned tertiary institutions in Osun state. The study found that the effectiveness of internal audit quality in Osun state owned tertiary institutions was moderate since internal audit system in the public organization's was not absolutely independent and professional competence was limited due to the challenge of insufficient funds to successfully carry out its duties.

Abbott, Daugherty, Parker & Peters (2016) examined the internal audit quality and financial reporting quality. The study discovered that joint presence of competence and independence is a necessary antecedent to effective internal audit function and financial reporting monitoring. Suleiman, Ayoib and Nor Zalina (2018) studied the internal audit quality dimensions and organizational performance in Nigerian federal universities. The study found that there is a strong correlation between the dimensions of internal audit quality and organizational performance and optimum performance in Nigerian federal universities which are attainable when internal audit quality dimensions are functional. Desmond, Isaac and Tahir (2018) investigated the effect of internal audit practices on financial management. The study discovered that the independence of internal audit function and management assistance was identified as significant determinants of financial performance in the universities

In addition, Oyewumi, Ayoib and Oluwatoyin (2016) examined the determinants of internal audit task in Nigerian tertiary institutions. The study suggested that adequate management support and effective communication skills of internal auditors will enhance the task performance of internal audit department, hence, curbing the incidence of financial malpractices. Ejoh and Ejom (2014) established the relationship between internal audit function and financial performance in tertiary institutions in Nigeria. The study discovered that all activities of the colleges are initiated by the top management and further disclosed that the internal audit department of the college is not sufficiently staffed and does not perform their roles with greater degree of autonomy and independence from management.

METHODOLOGY

The study employed survey research design. This was deemed appropriate because it enabled the researcher to obtain the opinion of the representative sample of the target population. A well-structured closed ended questionnaire was administered to elicit relevant information from the staff of audit and bursary department of selected public tertiary institution in Osun state.

The data needed for the study were obtained from primary sources through well-structured questionnaire administered to the staff of internal audit and bursary departments in selected three tertiary institutions in Osun state. The choice of the staff of two departments is justified on the fact that the departments have an in-depth knowledge on the internal audit quality. Therefore, responses of the respondents emanated from the questions on Likert scale, ranging from strongly agree (5) to strongly disagree (1). The scale was subjected to item analysis to ensure it is valid and reliable. It yielded reliability Cronbach's alpha of 0.73 which is appropriate to measure the data.

There are seven public tertiary institutions in Osun State according to the state Ministry of Education (2019) and out of these, three were considered for this study. All employees of two departments in tertiary institutions selected in the state formed the population of study. As at 2019, the list of employees in all the relevant units of the tertiary institutions as obtained from each of the institutions in Osun State are shown in the table 1

Table 1. Population Table

S/N	Departments	Osun State University, Osogbo	Osun State College of Technology, Esa-Oke	Osun State College of Education, Ilesa	Total
1	Internal audit	8	16	9	33
2.	Bursary	33	50	35	118
	Total	41	66	44	151

Source: Registry unit of selected tertiary institutions in Osun State, (2019)

The sampling techniques employed for this study were purposive and stratified methods. The purposive method was used to select three tertiary institutions in Osun State. Stratified sampling technique was employed to select respondents on the basis of two strata (audit and bursary departments) and this technique is used because of its heterogeneous population in nature which functions and qualities of employees varied in different departments in tertiary institutions. The researchers derived the sample size statistically by using Taro Yamane. The sample size consists of one hundred and nine (109) of relevant employees of the units selected in tertiary institutions of Osun State.

This study adopted Pearson Product Moment Correlation (PPMC) and Ordinary Least Square-Multiple Regression methods using Statistical Package of Social Science (SPSS) version 20 were employed to achieve the stated objectives.

Model Specifications

The model of study was to establish the relationship between the dependent variable performance (PERF) and independent variables of internal audit quality proxy (independence of auditor, competence of auditor, and size of internal audit unit). The model of the study is established through the empirical model adopted from the work of Kwabena, 2017.The model specification is as stated below:

PERF **Model**

This model shows the significant relationship between PERF and IOA, COA, SOA

The model is specified on the functional and stochastic form

$$PERF = f\,(IOA, COA, SOA, \mu) \ldots\ldots\ldots\ldots \mathit{eq.}\ 1$$

$$PERF = \beta_o + \beta_1 IOA_i + \beta_2 COA_i + \beta_3 SOA_i + \mu \ldots\ldots\ldots\ldots \mathit{eq.}2$$

Where, β_o = Constant Parameter $\beta_{1-}\ \beta_3$= Regression Coefficient of Variables

PERF = performance, IOA = Independence of Auditor, COA = Competency Auditor, SOA = Size of internal audit unit, μ = Stochastic Error term, *i*= Cross sectional

A *priori* Expectations: $\beta_{1-}\ \beta_3$ +/-

RESULTS AND DISCUSSION

Table 2: Summary of Pooled OLS Regression Results

Variables	Coefficient	St. Error	T-Stat.	Sig.	TOL	VIF
(Constant)	.993	.321	3.094	.003	-	-
Independence of Auditor	.485	.061	7.951	.000	.769	1.300
Competence of Auditor	.300	.066	4.546	.000	.754	1.327
Size of audit unit	.020	.022	0.909	.360	.974	1.026

F-Statistics 52.956 P-value .000[a] R Square .700 Adjusted R Square .687

Source: Authors' Compilation (2019)

The table 2 showed that size of internal audit unit, independence of auditor, competency of auditor were joint predictors of performance ($F_{(3,\ 68)}$ = 52.96; $P< 0.05$). This implied that there is a significant relationship between internal audit quality and performance of state owned tertiary institutions Osun state. From the estimated model in the Table 2, it was observed that the coefficient of determination for the regression as depicted by the R^2 value of 0.70 suggest that about 70 percent of the systematic variation of the dependent variable is accounted for by the explanatory variables. The remaining 30 percent is caused by variables that are not included in the model, which is accounted for by the stochastic error term.

The results also disclosed that, the predictor variables of independent of auditor and competency of auditor were positively and significantly influenced the performance as shown (β= .485, t = 7.951, $P< 0.05$), (β= .300, t = 4.546, $P< 0.05$), except size of internal audit unit that is statistically insignificant influenced the performance as confirmed (β= .020, t = 0.22; $P> 0.05$). These findings therefore, corroborated the study of Ejoh and Ejom (2014) who found that the internal audit unit was not effective as a result of insufficiently resourced in terms of staff. The multi-collinearity of the variables in the model was verified by the Tolerance (TOL) and Variance Inflationary Factor (VIF) which showed satisfactory values.

Correlation Analysis

Table 3: *Correlation Matrix of the relationship between internal audit quality and performance variable*

Variables	1	2	3	4
1. Performance	1	.773**	.708**	.169
2 Independence of auditor		1	.533**	.082
3. Competence of auditor			1.	.199
4. Size of audit unit	.			1

** Correlation is significant at the 0.01 level (2-tailed).
Source: Authors Compilation (2019)

Table 3: indicates that positive correlations were found among the variables. The findings for the relationship between independence of auditor and performance indicates ($r = .773$, p .01), competency of auditor and performance ($r = .708$, $p < .01$), size of audit unit and performance ($r = .169$, $p > .01$), indicating that auditor independence and competency auditor have significant influence on performance except size of audit unit that was insignificant. All the correlation coefficients are at 1% level of significance.

Discussion of Findings

From above, the study examined the relationship between the performance of state owned tertiary institutions in Osun state and internal audit quality. The internal audit qualities measured are independence of auditor, competence of auditor, and size of internal audit unit. This study discovered that all internal audit variables were significantly influenced by the performance of public tertiary institutions in Osun state except the size of internal audit unit that was statistically insignificant. These findings therefore, corroborated the study of Ejoh and Ejom (2014) who found that, the internal audit unit was not effective as a result of insufficient resources in terms of staff. This also agrees with Ahmad, Othman & Jusoff, (2009) who discovered that limited number of internal audit staff was among the reasons for ineffective performance in Malaysian public sector. The findings are also consistent with Abbott, Daugherty, Parker & Peters, (2016) who hypothesized that joint presence of competence and independence is a necessary antecedent to effective internal audit function and organizational performance. However, stewardship theory can contribute to economy, effective and efficiently in service delivery as this theory promotes the unity of the role of the board and the management so as to mitigate costs and to have greater role as stewards. It was evidence that there would be better safeguarding of the interest of the owner. This is because any misconduct in using the resources may affect their reputation and future career prospects.

CONCLUSION AND RECOMMENDATIONS

In view of the above findings, it is concluded that the internal audit quality is a veritable tool for promoting performance in terms of efficiency, effectiveness, economy, quality of service, the fulfillment of social and environmental requirements of the public tertiary institutions in Osun State. This has shown that competence of auditor, independence of auditor, and size of internal audit unit are joint predictors of performance. This implied that there is a significant relationship between internal audit quality variables and performance of Osun state public tertiary institutions.

In the light of the foregoing findings and conclusions, the following recommendations are suggested:

i) Management of institutions should give adequate attention to internal auditor competence and independence and mechanisms through which these qualities can be employed and sustained for more internal audit service delivery to enhance performance of public tertiary institutions.

ii) Management of tertiary institutions should ensure that adequate and sufficient numbers of employees are employed.

REFERENCES

Abbott, L. J., Daugherty, B., Parker, S., & Peters, G. F. (2016). Internal audit quality and financial reporting quality: The Joint Importance of Independence and Competence. *Journal of Accounting Research*, *54*(1), 3–40.

Adedokun, R . A ., & Ogunwole, C. A. O. (2019). Appraisal of determinants of effectiveness of internal audit of the public tertiary institutions in Nigeria. *Global scientific journal 7(2) 247-263.*

Achua, J. K., & Ogunjoboun, F. I. (2014).Imperative of value-for-money internal Auditing in Nigerian universities. *The Nigerian Accountant*, 47(1).

Agboola, L .I (2019). Internal audit practices and internal audit quality of public owned tertiary institutions in Osun state. *Unpublished MSc Thesis submitted to Department of Accounting, College of Postgraduate Studies, Joseph Ayo Babalola University, Ikeji Ara-keji,Osun State.*

Ahmad, N., Othman, R., & Jusoff, K. (2009).The effectiveness of internal audit in Malaysian public sector. *Journal of Modern Accounting and Auditing*, *5*(9), 53.

Alzeban, A., & Gwilliams, D. (2014). Factors affecting the internal audit effectiveness A survey of the Saudi public sector. *Journal of International Accounting, Auditing and Taxation*, 23(2), 74-86.

Alzeban, A., & Sawan, N. (2013). The role of internal audit function public sector in Saudi Arabia public sector. *African Journal of Business Management*, 7(6), 443-454.

Badara, S. M. (2012). The role of internal auditors in ensuring effective financial control at local government level: the case of Alkaleri L.G.A., Bauchi State. *Research Journal of Finance and Accounting*, *3*(4), 1-10.

Bunu, M. A., & Omwenga, J (2017). Effect of internal audit function on financial performance in Lamu county, Kenya . *International Journal of Management and Commerce Innovations (5) 1, 354-359, www.researchpublish.comdownloded 25/11/2019*

Desmond. Z, Isaac, C.O., & Tahir, A.A (2018). Effect of internal audit practices on financial management. *European Journal of Business, Economics and Accountancy* 6 (3), 40-48

Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of management Review*, *20*(1), 65-91.

Ejoh, N. O., & Ejom, P. E. (2014),. Effect of internal audit function on the financial performance of tertiary Institutions in Nigeria.. *International Journal of Economics, Commerce and Management II, (10) 1-14.*

Eke, G. O (2018) Internal audit and corporate governance effectiveness in universities in Rivers state. *European Journal of Accounting, Auditing and Finance Research 6(4) 35-58.*

Enofe, A.O., Mgbame, C.J., Osa –Erhabor, V.E. & Ehioroba, A.J. (2013). The Role of Internal Audit in Effective Management in Public Sector. *Research Journal of Finance and Accounting*, 4(6), 162 – 168.

Farouk, M. A., & Hassan, S. U. (2014).Impact of audit quality and financial performance of quoted cement firms in Nigeria. *International Journal of Accounting and Taxation*, *2*(2), 01-22.

Gavrea, C., Ilies. L., & Stegerean, R. (2011). Determinants of organizational performance: The case of Romania. *Management & Marketing*, *6*(2), 285

Gwilliam, D., & El-Nafabi, H. (2002). The possibility of transition to public sector Modern auditing techniques and procedures found in developing countries; the case of Sudan. *Accounting Research, the Saudi Accounting Association, 6(2), 161-196.*

Hendra .P, Made. S., & Lilik. P (2019).The Determinants of the effectiveness of internal audit with management support as the moderating variable .*International Journal of Multicultural and Multireligious Understanding (6) 1, 33-51.*

Ibrahim. J., Adeyemi, A. O., & Ayeni, A.P. (2016). Critical evaluation of accounting system in tertiary institutions in Osun state, Nigeria . *Journal of Economics and Sustainable Development 7 (3), 63-72.*

IIA (2008). *International Standards for the Professional Practice of Internal Auditing*. Altamonte Springs, FL: The Institute of Internal Auditors Research Foundation.

Kwanbena, K.A (2017). Effect of internal audit quality on financial performance of firm listed at the Nairobi Securities Exchange. *Unpublished MBA Thesis submitted to School of Business, University of Nairobi.*

Mahzan, N., & Hassan, N. A. (2015). Internal audit of quality in SS environment: perceptions on critical factors effectiveness and impact on organizational performance. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 5(1), 92-102.

Mihaiu,D (2014) Measuring performance in the public sector: between necessity and difficulty. *Studies in Business and Economic 40-50.*

Millichamp. A (2000). Auditing, Brendan George.

Muchiri , N. W & Jagongo, A (2017) Internal auditing and financial performance of public institutions in Kenya . *African Journal of Business Management 11(8), 168-174*

Modibo, S. A. (2015). Impact of internal audit unit on the effectiveness of internal control system of tertiary educational institution on Adamawa state, Nigeria. *International Journal of Humanities of Social Science and Education* 2(5), 140-156

Nan,C. (2009), Sustainability Performance Evaluation System in Government. *A Balanced Scorecard Approach Towards Sustainable Development*, Springer.

Neely, A., Adams C., & Kennerley, M. (2002), The Performance Prism. The Scorecard for Measuring and Managing Business Success, *Financial Times Prentice Hall an imprint of Pearson Education, page xi*.

Oyewumi, H.A, Ayoib , C.A., & Oluwatoyin, M.J.P (2016). Determinants of internal audit task performance in Nigerian tertiary institutions: A Conceptual Approach. *International Conference on Accounting Studies ICAS at Tunku Puteri Intan Safinaz School of Accountancy, Universiti Utara Malaysia.*

Rahmatika, D.N. (2014). Impact of internal audit function effectiveness on quality of financial reporting and its implications on good Government governance research on Local Government Indonesia. *Research Journal of Finance and Accounting, 5(18).*

Suleiman, M.B, Ayoib, C.A., & Nor Zaila, M.F (2018) Internal audit quality dimensions and organizational performance in Nigerian federal universities: the role of top management support. *Journal of Business and Retail Management Research 13(1), 156-171*

Ziegenfuss, D.E. (2000). Developing an internal auditing department balanced scorecard. *Managerial Auditing Journal, 15 (1/2), 12-19.*