

Assessment of Factors Affecting Effectiveness of Internal Audit Function in Public Institutions in Tanzania; Case of Selected Public Sectors

Jilala Gabriely Maeda

Open University of Tanzania, Dar es salaam, Tanzania, Department of Accounting and Finance

Email: [jilalagabriely\[at\]gmail.com](mailto:jilalagabriely[at]gmail.com)

Abstract: *This study assessed factors affecting effectiveness of internal audit function in public institutions in Tanzania. Case of selected public sectors. The study was guided by three research objectives which were to assess the independence of auditor's in the public sector's, to assess the management support to the internal audit function unit in the government organization, and to examine the salient features of accounting information system in audit performance of public sectors. The study was carried out in Dar es Salaam and Lindi regions and public institutions were selected are Muhimbili University of Health and Nachingwea District Council. The study was informed by Agency theory. Through quantitative approach purposive sampling methods was used to choose the respondents of the study from the Public Institutions. The study applied descriptive and inferential statistics in the data analysis. In inferential analysis, data analysis was performed by using Model Fitness, Analysis of variance, Correlation Analysis and Multiple Linear Regression through the application of SPSS software. The study found out that independence of auditors (I) does not have a significant effect on the effectiveness of internal audit functions ($\beta = 0.190$, $p = 0.623$). In contrast, the results show that management support to internal audit functions (Mgt) has a significant positive effect on the effectiveness of internal audit functions ($\beta = 0.026$, $p \leq 0.001$). This suggests that when management provides more support to the internal audit function, the effectiveness of the function tends to increase. Furthermore, the results also indicate that internal audit technology (IAT) has a positive effect on the effectiveness of internal audit functions ($\beta = 0.195$, $p = 0.005$). This implies that when the internal audit function uses more advanced technologies, the effectiveness of the function tends to increase. From the findings of this study, a number of recommendations were provided. The study suggests government should be ensuring defined scope of auditing, top management supports to the audit committee, promote corporate governance, adopt skilled and qualified manpower, enable properly delineated authority, maintain integrity, objectivity, professionalism independence and understand the firm's finances and operations. Moreover, the study recommends that government should emphasize some of incentives to the government on effective usage auditing and Audit information system and packages to enhance effectiveness of undertakings of the organization performances.*

1. Introduction

The effectiveness of internal audits is a key issue for those interested in internal audits such as internal auditors, boards, management and the audit committee (Gamayuni, 2018). However, there are different views among interested groups in the organization with regard to the effectiveness of internal auditing which has contributed to the debate among researchers (Ta & Doan, 2022). This calls for the need to examine the views of the heads of internal audit functions, internal auditors and chairpersons of audit committees within the Tanzanian Local Government Authorities (LGAs) on the effectiveness of internal auditing. Only a few studies have been conducted in the world and several researchers have recommended the need for more research especially in developing countries (Isanzu, 2020; Fonseca et al., 2020; Dzikrullah et al., 2020; Cashin et al., 2017). They state that without enhancing an effective internal auditing system, detection and control of misconduct would not be possible.

In Tanzania, despite the government's struggles to enhance the effectiveness of audit structures in the LGAs, still, internal audit functions do not meet its main objectives in helping management to achieve its strategic objectives (Chalu & Mzee, 2018). Accordingly, Controller and Audit General report for LGAs in 2015/2016, 2016/2017, 2017/2018 and 2018/2019 revealed key weaknesses in LGAs such as abnormalities in expenditure management, insufficient human resource management controls and

inadequate internal control systems (Kalufya & Nyello, 2021).

Hence, a need to investigate the effectiveness of internal audit services. This study argues that the individual characteristics of internal auditors are necessary for the effectiveness of internal audit services. This view is supported by IPPF which adopts these characteristics as attributes for both organizations and individuals (IPPF, 2017).

Previous studies informed by institutional theory point out that the validity of the notion that internal audit could add value to the organizations rests on the implied assumption that internal audit is effective (Mulenge, 2019).

However, literature in this area suggests that the function of internal audit may not always be effective because the degree of internal audit effectiveness tends to vary with country and organization level dynamics (Isanzu, 2020). Most of the previous studies examine the direct relationship between internal auditor's characteristics and internal audit effectiveness (Katamba et al., 2017; Hamad & Yusuf, 2021; Ukamaka, 2021). However, the studies did not link audit quality, organization setting and auditee attributes and effectiveness of internal audit services. To fill that gap, this study examines how the level of attributes of the internal audit function relates to the effectiveness of internal audit services in LGA in Tanzania.

Specifically, the study aimed at assessing the independence of auditor's in the public sector's, to assess the management support to the internal audit function unit in the government organization, and to examine the salient features of accounting information system in audit performance of public sectors.

2. Literature Review

2.1 Internal Audit

According to Katamba et al., (2017) an internal audit unit in the public sector is intended to increase accountability and transparency in the use of public funds, as well as provide independent advice and assurance on the organization's strategy, performance, and compliance with numerous rules. Internal audit is needed to play a critical role in improving and increasing transparency in the governance, risk management, and internal control systems of public sector enterprises. It also acts as an independent oversight and advisory body, with Management continuing to make decisions.

2.2 Audit Technology

Audit technology refers to the use of various software applications, tools, and techniques to enhance the efficiency and effectiveness of the audit process. This technology enables auditors to automate routine tasks, streamline workflows, and analyze large volumes of data more quickly and accurately (Castka & Searcy, 2023). The integration of audit technology in the auditing process not only improves the overall quality of audits but also helps auditors identify potential risks, anomalies, and areas of non-compliance. Some common examples of audit technology include data analytics tools, artificial intelligence, robotic process automation, and cloud-based audit management systems (Han et al., 2023).

2.3 Internal Audit Independence

Internal audit independence is a critical aspect of the internal audit function, ensuring that internal auditors are able to perform their duties objectively, impartially, and free from any undue influence or bias (Eklov, 2023). It refers to the ability of internal auditors to make unbiased judgments and report their findings and recommendations without fear of retaliation or interference from management or other stakeholders within the organization (Eklov, 2023). Independence is essential for internal auditors to maintain their credibility and provide the organization with reliable and objective assurance regarding its internal controls, risk management, and governance processes.

2.4 Effectiveness of Internal Auditors

Internal auditor expertise, internal auditor composition, internal auditor independence, management readiness and support for internal auditors, and the audit process all contribute to internal auditor effectiveness. Internal auditing is successful if the desired result is attained (Ali, Hameedi, & Almagtome, 2019). The internal audit work isn't complete until the issues are resolved, " the author adds. Something

similar has been mentioned (Stewart & Subramaniam, 2010). Internal audit's efficacy is measured by how much it improves the efficiency and effectiveness of the targeted services, according to this criterion. Attitudes and ownership, organizational and governance structure, legislation, greater professionalism, conceptual framework, and resources, among other things, all have an impact on internal audit effectiveness.

2.5 Agency Theory

Agency theory originated in the field of economics and management in the 1970s, with foundational contributions from scholars such as Michael C. Jensen, William H. Meckling, and Stephen A. Ross (Chen, Wang, & Wang, 2021). The theory focuses on the relationship between principals and agents, seeking to understand how contracts and incentives can be designed to align the interests of both parties and mitigate potential conflicts arising from information asymmetry and differing objectives (de Moraes et al., 2022).

The importance of agency theory lies in its ability to provide a framework for understanding and addressing the challenges associated with principal-agent relationships, particularly in terms of aligning interests, reducing information asymmetry, and designing effective monitoring and control mechanisms. The applicability of agency theory is wide-ranging, covering various contexts, including corporate governance, managerial decision-making, and public sector management, including the study of internal audit functions in government organizations (Davis et al., 2021).

2.5.1 A SWOT Analysis of Agency Theory

Strengths: Agency theory offers a robust framework for analyzing principal-agent relationships, addressing issues related to information asymmetry, moral hazard, and adverse selection, and emphasizing the role of contracts and incentives. **Weaknesses:** The theory tends to assume rational, self-interested behavior by principals and agents, which may not always hold true in practice, and may not adequately account for the influence of external factors, such as societal norms or regulations (Macho-Stadler & Pérez-Castrillo, 2021).

Opportunities: Agency theory provides insights into designing more effective governance structures, monitoring mechanisms, and incentive systems to better align the interests of principals and agents and enhance organizational performance. **Threats:** The focus on contracts and incentives might lead to an overemphasis on extrinsic motivation and financial rewards, potentially undermining intrinsic motivation and other non-financial factors that influence agent behavior (Stadler & Castrillo, 2021).

2.5.2 Critics of Agency Theory

Critics of agency theory argue that it may oversimplify the complexities of human behavior and organizational dynamics by assuming rational, self-interested actors (Braun & Guston, 2003). Furthermore, the theory's focus on contracts and incentives may not adequately address the role

of trust, organizational culture, or social and psychological factors in shaping principal - agent relationships.

Therefore, agency theory provides a valuable perspective for understanding and addressing the challenges associated with principal - agent relationships, particularly in the context of government organizations and their internal audit functions. It is recommended that researchers use agency theory in combination with other theories, such as institutional theory, to provide a more comprehensive understanding of the various factors affecting the internal audit function's effectiveness and to account for both internal and external influences.

2.6 Empirical Reviews

To uncover sufficient literature on resources mobilization strategies, this section uncovers the independence of audit function of the Public Sector's, management support to the Internal Audit function unit and the salient features of Technology in Audit Performance of Public Sector's.

2.6.1 The Independence of Internal Auditors of the Public Sector's

Ukamaka (2021) found that internal auditing must be independence enough to play its major role of promoting good corporate governance. Feizizadeh (2012) it's function must be played in such a way that management must support its operation and staffs must be competence enough to carry out the internal audit duty. For such reason internal audit must be associated with the process, which could match with the size of the organization, company financial control and nature of service. The conclusion reached is internal audit must be improving its function independently without interference. Dzikrullah et al., (2020) did study "on factors that influence IAF effectiveness in Jamaica commercial banks". They adopted a conceptual frame work as provided by Shamsuddin et al., (2014) provides that "IAF effectiveness is determine by professional proficiency, organizational independence, and Top management support and audit quality as independent variables. " IAF effectiveness was measured by internal work quality, evaluation by auditee and contribution of added value by IAF. The study observed that professional proficiency, organizational independence, Top management support and quality of audit work have significant impact on IAF effectiveness.

2.6.2 Management Support to the Internal Audit Function Unit in the Government Organization

Ashfaq et al., (2021) the internal auditor is one factor that determines the effectiveness of the internal audit functions unit. High - quality work will come from having competent personnel, but this will not be the case if the number of such individuals is minimal in contrast to the organization's load. To complete the audit, an audit unit requires a team of specialists with the requisite education, talents, training, experience, and professional qualities. Internal auditors must fulfill the NBAA's (Oussii & Boulila Taktak, 2018) minimum ongoing education/development standards.

According to Endaya & Hanefah (2016) an auditor must have a high level of education in order to be recognized as a

positive and effective human resource. Competence is also an important issue to consider when it comes to the internal work of external auditors (Oussii & Boulila Taktak, 2018).

Yustiani & Ichsan (2019) the capacity of internal auditing to lead to a managerial career in a firm may therefore have an influence on the internal audit function's success. According to the author's results, this is more likely to be the case currently than in the past (Dellai & Omri, 2016).

According to Dien (2014) audit independence is mostly a mental condition. Internal auditors cannot be physically isolated from the company for which they work, but they must always preserve their independence. Many empirical research show that top management support is crucial for unit development (Rahmatika Dien, 2014). The success of the Internal Audit Unit is largely determined on the support it receives (Asaolu, Adedokun, & Monday, 2016). The major measure of such support is, of course, funding. According to Lelly & Afiah (2017) chief audit executives are typically pleased with IA's performance. They consider themselves as an important member of the management team who can influence choices, as well as maintain a high degree of impartiality, honesty, and competence in their employment and give excellent assistance to their own employees. More critically, they consider top management's assistance to be critical to their role's efficacy. Alzeban & Sawan (2013) reported on the emergence of a similar mindset in Belgium, where the internal audit function is now receiving greater attention and support from boards and management as a result of recent changes in national and international corporate governance legislation.

2.6.3 Salient Features of Technology in Audit Performance of Public Sector's

According to Ali et al., (2019) The AIS it collects, store and process financial and account data and produce different financial reports as per the purpose of organization. The result of financial information can be used to make decision by investors, management and customer as well as the general public. Accounting information systems are created to produce the quality of financial report that support auditing tax, managerial issues and financial accounting.

Accounting information systems include cost management, financial reporting, management accounting and enterprise resource planning ERP that give a business a reliable way to view in analyzing financial information. Accounting information system functions are not just for the purpose of creating financial reports. Their character goes beyond this traditional perspective. AIS should be utilized to include managing business activities and planning. Also, AIS should be used in budgeting (Khaghaany et al., 2019).

Al - Wattar et al., (2019) every Organization aims to perform high in order to excel and gain market potentiality through expanded operations. Proper planning of an integrated business management software is needed. The same applies to the integrated AIS. Anton et al., (2015) studied on Integration of Accounting Information System. Seyed et al (2014) found out that When Accounting information system are not interconnected with other level of management it creates the multiple of overlapped data

base for which is tiresome and untidy to conduct. The integration of AIS saves enormous amount of time and money on maintaining, acquiring new version because often once new version is purchased even more integration and maintenance need to be performed for all the different version of software to work together.

3. Methodology

3.1 Research Philosophy

The study is positioned to use positivism paradigm approach, which looks at the reality and that can be observed and analyzed from the study subject matter regarding the objectives (Ranjit, 2011). This “study prefers working with observable social reality and that the end product of that research can be law like generalizations. “According to Kothari (2004) stipulates that in order to make a clear analysis and observation for the phenomenon, the reality should be set aside and being studied from a critical view (through the window). Kothari further elaborated that handling the reality with variations on independent variable to categorize and sort the regularities.

3.2 Research Design

The study is intending to examine the factors that influence the effectiveness of internal Audit Unit in the public sectors. Since sampling area is easily accessible the researcher used primary data obtained through administered questionnaires of which the questionnaires will be distributed to target respondents. For the purpose of this study, case study design was adopted. The major source of primary data as discussed above was from survey questionnaires which were filled by heads of departments, internal auditors, independent chairs/members of audit committee and managerial appointed members of the audit committee from public offices in Tanzania.

Sample Size

A sample refers to the segment of the population which is selected for investigation. It also entails a subgroup of the elements of the population selected for participation in the study (Panacek & Thompson, 2007) . The sample for this study comprised of the staffs from the public sectors namely; Prime Minister’s office, President Office - Regional administration and local government, internal audit departments and all executives in local governments. The sample size where be drawn using Yamane’s Formula as follows:

$$n = \frac{N}{1 + Ne^2}$$

Whereby,

n = corrected sample size,

N = population size

e = margin of error (MoE)

$$n = \frac{350}{1 + 350(0.032)^2}$$

$$= \frac{350}{1.3584}$$

$$= 257$$

$$\approx 250$$

Therefore, the study sample was 250 respondents.

Table: Sampling Distribution

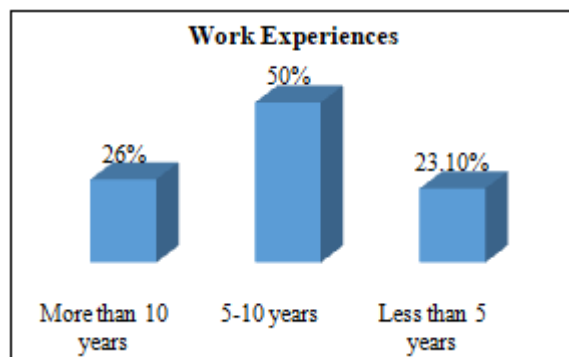
Sample Unit	Sample size
Heads of Departments	30
Internal Auditors	60
Member of Audit Committee	30
Managers, Staff	130
Total	250

Source: Findings (2023)

4. Findings and Discussion’s

4.1 Profile of the Respondents

This section provides the profile of the respondents in term of organization and work experience. The study highlighted the basic features of respondents by just looking at working and education experience. The study at this point wanted to evaluate the extent of education and experience in relation to internal auditing undertakings, its efficiency and overall organizational performance. It was set in the pre assumption that the better the experience and education the better the implementation and evacuation of organization functions, say internal auditing functions at Public Institutions Tanzania. The demographic information is presented below as follow: -

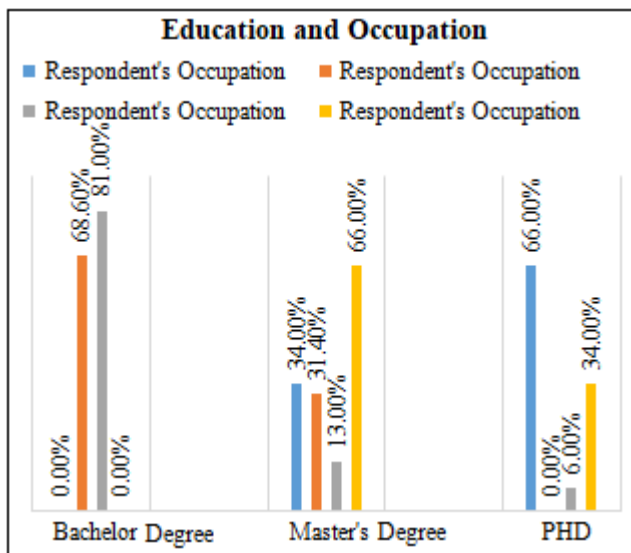


Source: Research Findings (2023)

The study requested the respondents to state the period that they had been working at particular organization. From the findings, 50% of the respondents had worked for 5 to 10 years, 23% had worked in less than 5 years, and 26% had worked from 5 - 10years. This implies that majority of the respondents had worked with Public Institutions for more than 5 years and therefore were having experience on auditing and organization undertakings and this believed to be the reliable and valid source of the information on the both questionnaires and interview.

Education and Occupations

Thus, study establishes that most of independent auditors and internal auditors to be major among bachelor degree, while very few among them have master’s degree level of education. Also, respondents with PHD were very few and based only on to positions such as; Head of departments and Managers. Observably, the top positions in Tanzania are being held by people who have sufficient education and qualified experience.



5. Major Findings

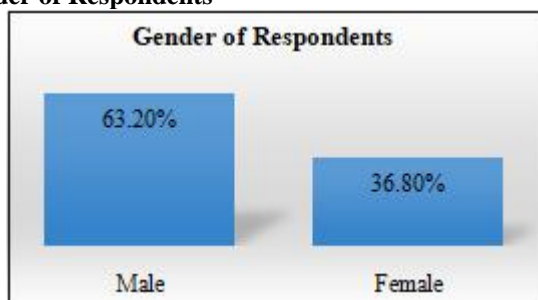
5.1 Regression Assumptions

Ordinary Least Square (OLS) regression assumptions are typically taken into account in a basic regression equation (Seber & Lee, 2003). The key presumptions were examined to ensure that the data met the requirements for analysis in order to meet the goals of the regression analysis. Five underlying presumptions of the Ordinary Least Square were examined. These include multicollinearity, homoscedasticity, outlier, linearity, and normalcy.

5.2 Linearity Assumption

The relationship between the independent variables must be linear for regression to occur. For each increment of the predictor, the mean value of the outcome variables follows a straight line. Using P - P plots to determine where they fall along the diagonal line, this assumption is verified.

Gender of Respondents



Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Effectiveness of Internal Audit Functions

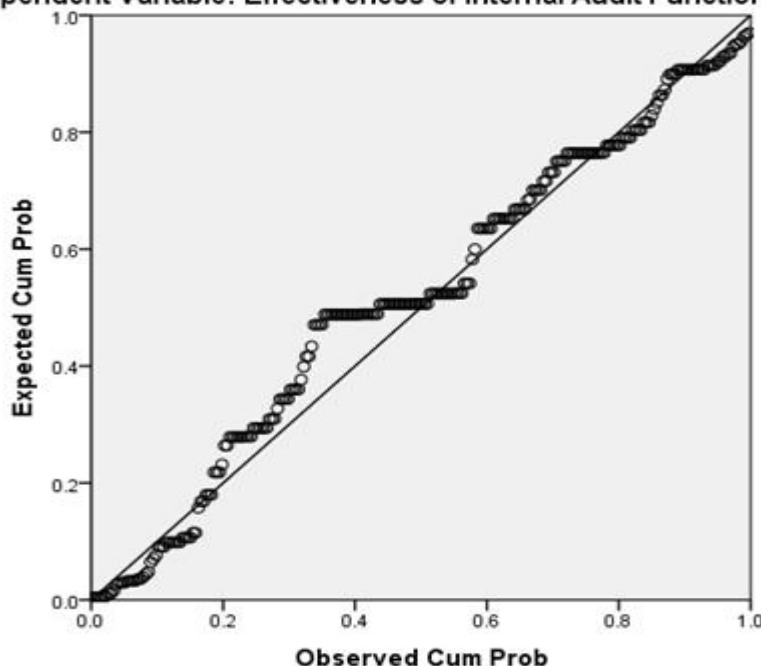


Figure 1: Linearity Assumption

5.3 Normality Assumption

The linear regression model presupposes a normally distributed distribution for the regression residuals (differences between observed and predicted values).

Checking for normalcy is done using the histogram. The bell - shaped distribution of residuals, with a mean near to 0 and an SD close to 1, should be seen, demonstrating a normal distribution of residuals.

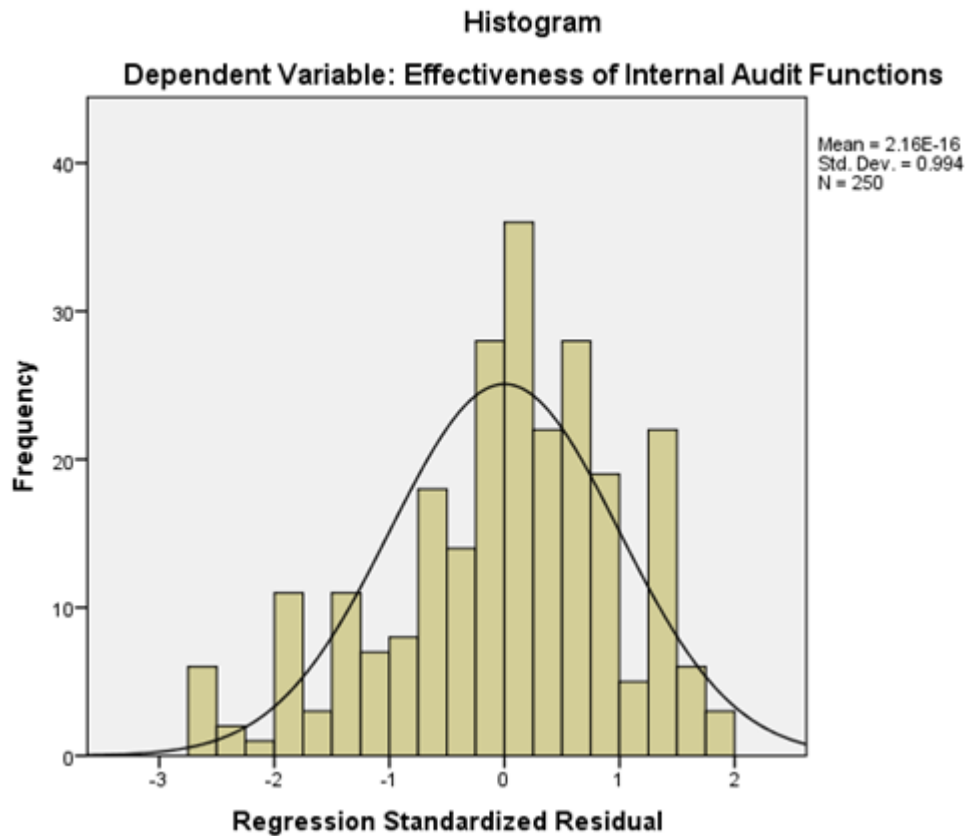


Figure 2: Normality Assumption

5.4 Outlier Assumption

Regression makes the assumption that residual values outside of the histogram's 3 are outliers. who contend that any number outside the range of $|3|$ constitutes an outlier, endorse this (Pituch & Stevens, 2015). Typically, outliers skew estimations of parameters like mean. Outliers may also alter the sum squares in order to appear outlier - like. Typically, sum squares are employed to calculate the standard error. Therefore, the standard error is probably also impacted if the sum square is biased. Bias in the confidence interval. Once a problem is discovered, the case value must be deleted.

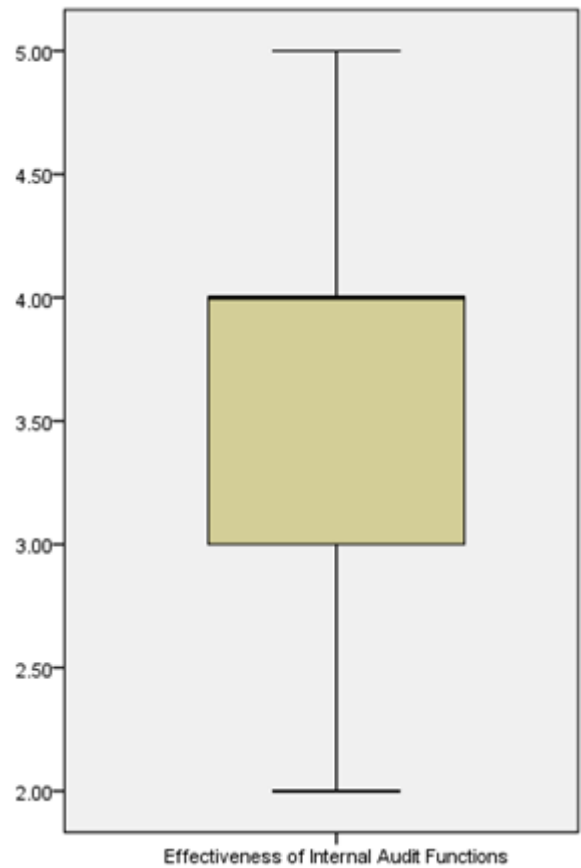


Figure 1: Outlier Assumption

4.5 Homoscedasticity Assumption

Regression makes the assumption that the error term's

variance is consistent for all values of the independent variables. To determine if points are evenly distributed rectangular across all values of the independent variables, one must plot the standardized residuals (also known as scatter plots) vs the projected values. The data is

homoscedastic if the scatter plots have a cone - shaped pattern. Using the Ahmad Daryanto plugin for SPSS, a heteroscedasticity robust standard error is employed to regulate it.

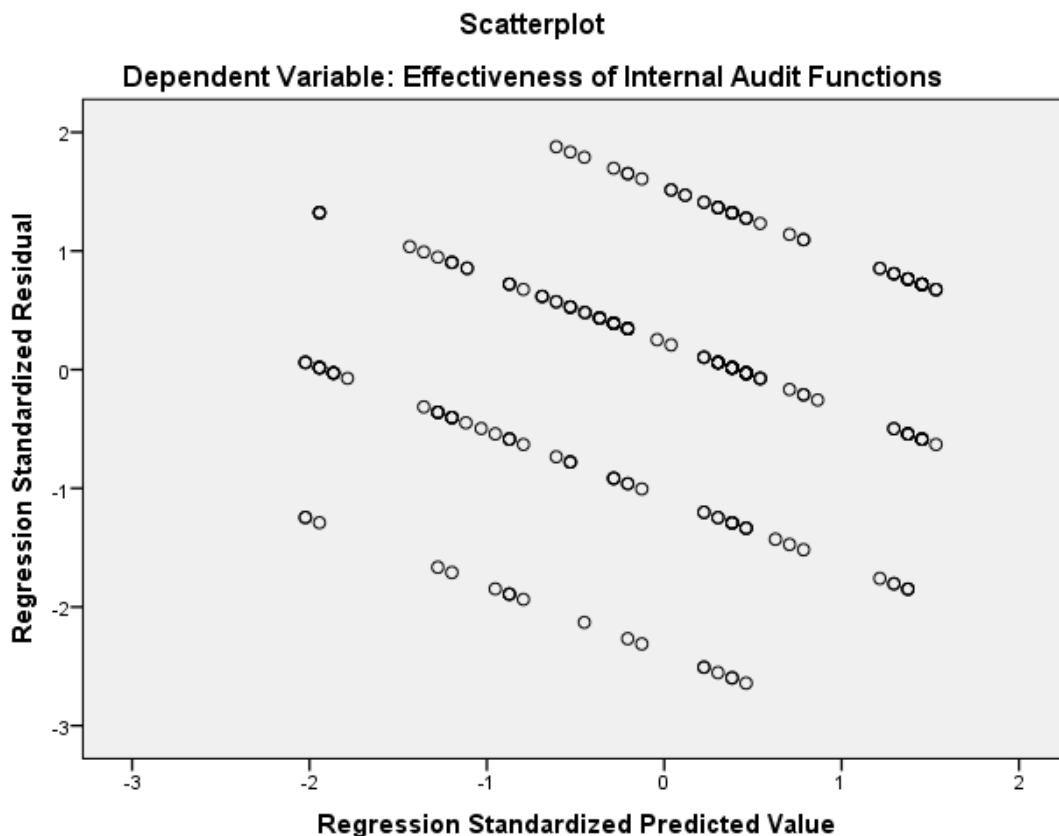


Figure 2: Homoscedasticity Assumption

5.6 Inferential Statistics

This part puts forward the findings on the inferential statistics and standard parameters. The study findings were carried out in terms of fitness model, ANOVA, Correlation and generally multiple linear regression.

5.6.1 Model Fitness

Fitness model was applied to identify the relation and the association of independent and dependent variables. The table presented below indicated the model fitness.

Table: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin - Watson
1	0.701a	0.591	0.364	0.4985	2.285

Source: Field Data, (2022).

a. Predictors: (Constant), Independence of Auditors (I), Management Support to IAF (Mgt), Internal Audit Technology (IAT).

b. Dependent Variable: Effectiveness of Internal Audit Functions

The table above shows that R square is 0.591. Therefore, all the three independent variables which are Independence of Auditors (I), Management Support to IAF (Mgt), Internal Audit Technology (IAT), can influence the dependent variable (Effectiveness of Internal Audit Functions) by

59.1%. The rest of 70.1% is explained by factors other than the three independent variables indicated.

5.6.2 ANOVA

ANOVA is composition of statistical method and interlinking procedures used to study differences of the groups means in the sample (Faraway, 2002). In this study analysis of variance was applied to assess factors affecting effectiveness of internal audit function in public institutions in Tanzania, the case of selected public sectors. The ANOVA analysis is presented in Table below.

Table: ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	20.203	4	5.051	20.325	0.000 ^a
Residual	32.554	131	0.249		
Total	52.757	135			

Source: Field data, (2022).

a. Predictors: (constant) Independence of Auditors (I), Management Support to IAF (Mgt), Internal Audit Technology (IAT). b. Dependent Variable: Effectiveness of Internal Audit Functions

The above shows that the association of variables are strong, since the significance level of “000” portrays strong relationship. This means the independent variables which are

Independence of Auditors (I), Management Support to IAF (Mgt), Internal Audit Technology (IAT) have strong influence on the effectiveness of internal audit functions.

relationship which exists among the variables tested on at least interval scale. Correlation inquiry aims to explain a line of greatest fit. Therefore, correlation analysis was analyzed as shown in Table below:

5.6.3 Correlation Analysis

The study conducted a Correlation analysis process so as to pick out the strength and also the direction of the

Table: Correlation Signal Multicollinearity Analysis

		Independence of Auditors	Mgt Support to IAF	Internal Audit Technology
Independence of Auditors	Pearson Correlation	1	.420**	.311**
	Sig. (2 - tailed)		.000	.000
	N	250	250	250
Mgt Support to IAF	Pearson Correlation	.420**	1	.445**
	Sig. (2 - tailed)	.000		.000
	N	250	250	250
Internal Audit technology	Pearson Correlation	.311**	.445**	1
	Sig. (2 - tailed)	.000	.000	
	N	250	250	250

Source: Research Findings (2022)

The results indicate that there is a positive and significant correlation between independence of auditors and management support to the IAF ($r = 0.42, p < 0.001$). This finding suggests that when management provides more support to the IAF, auditors are more likely to be independent in their assessments. Similarly, there is a positive and significant correlation between management support to the IAF and internal audit technology ($r = 0.45, p < 0.001$). This finding suggests that when management provides more support to the IAF, the IAF is more likely to use advanced technologies to conduct audits.

positively associated with internal audit technology. These findings may be useful for organizations seeking to improve their internal audit function by promoting management support, independence of auditors, and the use of advanced technologies. However, the correlation analysis does not establish causality, and other factors may also influence these relationships. The influence on the dependent variable is then ascertained through VIF. However, the significance equations were determined by VIF to be computed by regression analysis.

There is also a positive and significant correlation between independence of auditors and internal audit technology ($r = 0.31, p < 0.001$). This finding suggests that when auditors are more independent, they are more likely to use advanced technologies to conduct their audits. Generally, the results suggest that management support to the IAF is positively associated with both independences of auditors and internal audit technology. Furthermore, independence of auditors is

5.6.4 Multiple Regression Analysis

The multiple regression analysis was conducted as a step which followed after the correlation analysis to dictate the prediction relating to independent variables on dependent variable. This study was set in a way effectiveness of internal audit functions is influenced by components such as Independence of Auditors, Mgt Support to IAF and Internal Audit technology. Below is the presentation of Multiple regression as shown in Table below.

Table: Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	3.973	0.282		14.10	0.000		
Independence of Auditors	0.134	0.068	0.190	1.952	0.623	0.744	1.345
Mgt Support to Internal Auditors	0.014	0.053	0.026	.255	0.001	0.706	1.416
Internal Audit Technology	0.125	0.064	0.195	1.946	0.005	0.705	1.419

a. Dependent Variable: Effectiveness of Internal Audit Functions

Source: Research Findings, (2022).

The table shows the results of a regression analysis that examined the relationship between three independent variables (independence of auditors, management support to internal audit functions, and internal audit technology) and a dependent variable (effectiveness of internal audit functions). The results indicate that independence of auditors (I) does not have a significant effect on the effectiveness of internal audit functions ($\beta = 0.190, p = 0.623$). This means that auditor independence may not be an important factor that impacts the effectiveness of the internal audit function

in this particular sample. In contrast, the results show that management support to internal audit functions (Mgt) has a significant positive effect on the effectiveness of internal audit functions ($\beta = 0.026, p \leq 0.001$). This suggests that when management provides more support to the internal audit function, the effectiveness of the function tends to increase. Furthermore, the results also indicate that internal audit technology (IAT) has a positive effect on the effectiveness of internal audit functions ($\beta = 0.195, p = 0.005$). This implies that when the internal audit function

uses more advanced technologies, the effectiveness of the function tends to increase. The collinearity statistics suggest that multicollinearity is not an issue in the model, as all variables have tolerance values above 0.1 and VIF values less than 10. The results suggest that management support to internal audit functions and Internal audit technology are the most important factors that influences the effectiveness of the internal audit function. The less significant effect of internal auditor's independence may require further investigation to understand the underlying factors contributing to this relationship.

6. Discussions

6.1 Independence of Internal Audit Unit of the Government Organization

The study revealed that internal auditor's independence has less significant influence on effectiveness of internal audit functions. The results indicate that independence of auditors (I) does not have a significant effect on the effectiveness of internal audit functions ($\beta = 0.190$, $p = 0.623$). This means that auditor independence may not be an important factor that impacts the effectiveness of the internal audit function in this particular sample. Furthermore, the study established the extent of internal audit unit independence and in relation to government organization performance. The study then established that internal audit unit has moderate independence in their day to day functions. The study then observed that internal audit unit are free to carry out their functions in the organization as they implement their day to day functions of auditing tasks. Independency of internal audit unit was also considered to be a questionable as it was not clear at which extent the internal auditors are treated to be independent in decision making and assessment of the organization transaction and performance procedures.

Similar findings, from Danga et al., (2020) added that independence of audit in most public organization is still a challenge due to lack of resources needed for Auditing Practices. The study findings reveal that a significant number of Local Government Authorities (LGAs) underperform in their internal audit functions due to a lack of appropriate resources needed for efficient auditing practices. For an audit operation to be effective and adhere to standard practices, adequate manpower and financial resources are necessary. The researchers found that factors such as financial resources, human resources, working tools, and transportation contribute to this issue. The most significant factor contributing to the ineffectiveness of internal audit functions is financial resources.

6.2 Management Support to the Internal Audit Function of the Organization

The study found out the management support on the internal audit function has significant impact on internal audit effectiveness in public organizations ($\beta = 0.026$, $p \leq 0.001$). Similar to the study by Frey et al., (2021) to realize the effect of internal audit in performing its functions cannot be separated from the aspects of management support in public sector organization.

Moreover, research findings by Alkebsi & Aziz (2017) established that the importance of IA is demonstrated in the growing demand for this service in all organizations and in the rapid growth of its professional organization. Through the increasing demand of internal audit service in all organizations and rapid growth of its professional organizations, the internal audit effectiveness has become more important and indispensable. It helps an organization accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Dawuda A, Ataribanam and Joseph (2017) as per the professional standards of the Institute of Internal Auditors, management support is a crucial area that ensures the effective delivery of internal audit services in the public sector. The researchers aimed to determine the satisfaction of internal auditors with the support services provided by their management. It was observed that a majority of the internal auditors were not satisfied with the management support services, citing reasons such as lack of attention to their department's budgetary status, difficulties in enforcing audit recommendations, limitations on their scope of work, and challenges in accessing audit evidence. This dissatisfaction was confirmed by external auditors as a basis for not relying on the work of internal auditors.

6.3 Salient Features of Technology in Audit Performance

The study was set to determine the design of AIS in relations to organizations performance. The study established that, internal audit technology (IAT) has a positive effect on the effectiveness of internal audit functions ($\beta = 0.195$, $p = 0.005$). This implies that when the internal audit function uses more advanced technologies, the effectiveness of the function tends to increase. Ideally, AIS design which is compatible with the organizational day to day key transactions, accounting and financial roles and office operations lay out have significant influence on the organization performance. This design level of AIS if it reflects the user requirements (staff of particular departments). For example, accounting department, requirements and type of activity such as governmental or non - governmental, International or locally based. Reflect the user requirement:

7. Conclusions

From the findings, the study concluded that government institutions needs to enhance the effectiveness of internal audit unit through creating awareness of audit unit to the concerned departments, defining scope of audit in government organizations, managements valuing the internal audit unit promoting corporate governance, adopting skilled and qualified manpower, enabling properly dedicated authority, maintenance of integrity, objectivity, and professional independence enhance internal auditing as well of enabling the organization's officers and other heads of departments and colleagues units to understand the internal audit unit roles in the organization and country as well.

8. Recommendations

The globalization and rapid growth of technology in the first world has affected the other developing countries to adopt the changes so as to meet the current standard of working and to perfect performance. Therefore, the government organizations need to emphasize some of the incentives to the government on effective usage auditing and Audit information system and packages to enhance effectiveness of undertakings of the organization performances. The curriculum should be designed so that from the primary level of education students are taught on basic principles and perspectives of effective management and auditing functions for better organization performance. This will help the large generation of Tanzania to have basic knowledge which will not only be used for operating proper organization's performance, information technology system and Audit information system but also designing and developing system based in Tanzania working standard and ways of performing transactions, resources, assets and working ethics. Also, the government can establish the independent unit which will be examining and evaluating and emphasizing the auditing advancement in public organizations.

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