EFFECT OF INTERNAL AUDIT ON MANAGEMENT COMPLIANCE IN TANZANIA PUBLIC CORPORATIONS; A CASE OF TANZANIA TELECOMMUNICATIONS CORPORATION

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A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

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CERTIFICATION

The undersigned certify that we have read and at this moment recommend for acceptance by the Open University of Tanzania a dissertation titled: **"Effect of Internal Audit on Management Compliance in Tanzania Public Corporations: A Case of Tanzania Telecommunications Corporation",** in partial fulfilment of the requirements for the degree of Master of Business Administration (Accounting and Auditing) of the Open University of Tanzania.

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DEDICATION

This dissertation is dedicated to my family.

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ABSTRACT

This study investigated the effect of internal audits on management compliance in Tanzania Telecommunications Corporation. It consisted of three specific objectives, namely to determine the effect of internal audit risk management, the influence of internal audit controls, and the effect of internal audit governance processes on TTCL management compliance. With the Institutional Theory, the study used the positivist philosophy and a quantitative approach in conjunction with an explanatory research design. A simple random sampling technique was used to select 292 participants from a targeted population of 1200 employees. The methods for data collection were questionnaires. Data were analyzed using descriptive statistics and multiple linear regression analysis. The results showed that internal audit risk management, internal audit controls, and internal audit governance processes had a statistically positive and significant relationship with management compliance of TTCL in Dar es Salaam. It is concluded that internal audit risk management, internal audit controls, and internal audit governance processes positively and significantly affect the management compliance of public corporations. It is recommended that internal audit risk management, internal audit controls, and internal audit governance processes should be enhanced in public corporations in Tanzania.

Keywords: *Internal audit, management compliance, public corporations, TTCL, Internal audit risk management, internal audit controls, internal audit governance processes.*

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LIST OF ABBREVIATIONS

AI   :   Artificial Intelligence

CEO   :   Chief Executive Officer

CFO   :   Chief Financial Officer

IAC   :   Internal Audit Controls

IAGP   :   Internal Audit Governance Processes

IARM   :   Internal Audit Risk Management

IIA   :   Institute of Internal Auditors

ISA   :   International Auditing Standards

LGAs   :   Local Government Authorities

MCI   :   Management compliance of TTCL in Dar es Salaam

MLR   :   Multiple Linear Regression

NBAA   :   National Board of Accountants and Auditors

NRA   :   National Revenue Authority

PCA   :   Principal Component Analysis

PCAOB   :   Public Company Accounting Oversight Board

RBIA   :   Risk-Based Internal Audit

SEC   :   Securities and Exchange Commission

SEM   :   Structural Equation Modeling

SOX   :   Sarbanes-Oxley Act

SPSS   :   Statistical Package for the Social Sciences

TTCL   :   Tanzania Telecommunications Corporation

CHAPTER ONE

INTRODUCTION

1.1 Chapter Overview

This chapter introduces the study about the effect of internal audit on management compliance in Tanzania Telecommunications Corporation. It provides the background to the study, statement of the research problem, research objectives, relevance of the research, and organization of the study.

1.2 Background to the Study

Internal auditing stands as a pivotal function within organizations, offering indispensable assurance and advisory services crucial to their operations (Stairs, 2023). The inception of the Institute of Internal Auditors (IIA) in 1941 marked a significant stride in formalizing and broadening the scope of internal audit as a profession (Kebede, 2019). Noteworthy figures like Lien and Viet (2023) played instrumental roles in expanding internal auditing's purview beyond financial matters, highlighting its multifaceted role in fortifying organizational controls (Kebede, 2019). Over time, the IIA has burgeoned into a dynamic global entity with over 200,000 members worldwide, underscoring the profession's mounting significance and relevance (Certificates, 2023). This growth emphasizes the dedication of professionals and volunteers committed to elevating internal auditing into a respected and esteemed profession (Certificates, 2023). Economic scandals involving fraud have afflicted both developed and developing economies, precipitating company failures due to management non-compliance. Notable among the affected entities are BCCI, the Mirror Group Newspapers, Polly Peck (United Kingdom), Peregrine

Systems, Adelphia, Tyco International, WorldCom, and Enron Energy Corporation (United States) (Kayinwaye & Ruth, 2023). Furthermore, entities like NAFCON and NITEL in Nigeria have grappled with governance-related challenges (Kayinwaye & Ruth, 2023). Measures such as the establishment of the enactment of the Sarbanes-Oxley Act (SOX) in 2002 and the Public Company Accounting Oversight Board (PCAOB), alongside subsequent regulatory actions by the Securities and Exchange Commission (SEC), strive to institute governance frameworks that shore up management compliance and mitigate the risk of collapse, thereby, benefiting both managers and investors (Fried & Ozery, 2023).

Lennox and Wu (2022) posited that the mandate for auditors to publicly expose internal control deficiencies has intensified conflicts among clients and auditors, prompting auditors to become less inclined to identify (and rectify) errors in their clients' financial statements before audits. While such standards are commonplace for internal audits in developed nations, the deficient institutional framework for compliance in developing countries creates a markedly different environment for internal audit functions in these regions.

In Africa, adopting ISO management standards encounters unique challenges stemming from organizational practices and cultural factors (Ali et al., 2022; Tayo-Tene et al., 2018). Limited resources, hierarchical organizational structures, and informal governance systems further complicate efforts to establish formalized internal audit processes (Boamah, 2020). Nonetheless, internal auditors play a pivotal role in advocating for reforms and driving enhancements in governance and

accountability practices (Boamah, 2020). Recent incidents involving bribery leading to the collapse of major corporations emphasize insufficient internal audit oversight, emphasizing the critical need for augmented management compliance to safeguard the interests of investors and stakeholders (Tayo-Tene et al., 2018).

In Tanzania, regulatory reforms aim to bolster transparency and accountability within public entities (Public Finance Act, 2020). Nevertheless, challenges like limited resources and political interference impede the optimization of internal audit effectiveness (Ndiwabu, 2023). Despite these hurdles, promising strides have been made, including capacity-building initiatives and collaborations with international organizations (Chalu, 2019). Furthermore, the National Board of Accountants and Auditors (NBAA) is pivotal in steering Tanzania's transition to international standards (Chalu, 2019). By offering oversight and setting professional standards, the NBAA contributes to enhancing the professionalism and effectiveness of internal auditors in Tanzania.

This study employed the Institutional Theory on internal audit effectiveness to assess the effect of internal auditing on management compliance, focusing specifically on public corporations such as Tanzania Telecommunications Corporation. This theory explored how institutional factors shape the effectiveness of internal auditing practices within organizations, encompassing internal audit risk management, internal audit governance processes, and internal audit controls. By scrutinizing these variables within the institutional context of Tanzania Telecommunications Corporation, the study endeavored to unveil insights into how organizational

structures, regulatory frameworks, and cultural norms influence internal audit effectiveness and its role in fostering management compliance.

1.3 Statement of the Problem

In Tanzania, the Tanzania Telecommunications Corporation (TTCL) grapples with a critical issue: the efficacy of internal audits in ensuring management compliance. These audits serve as a vital safeguard against fraud and ensure adherence to legal requirements by meticulously scrutinizing company operations and internal quality controls (Haryanto & Ardillah, 2021). However, recent studies highlighted shifts in administrative reporting relationships within internal audit functions globally. While there was an initial trend of departments reporting to audit committees or chief executive officers (CEOs), recent statistics showed a regression. Notably, in publicly traded U.S. companies, 76% of internal audit functions now report administratively to the chief financial officer (CFO), deviating from the global trend where 65% report to the CEO. This shift raises concerns about compromised objectivity due to significant CFO influence on internal audit budgets (IIA, 2022).

Furthermore, the integration of internal auditors into risk management roles poses a risk to their independence and objectivity, particularly when organizations fail to recognize that, risk management is primarily the responsibility of management (Is-Haka, 2019). Despite efforts to enhance internal audit procedures, practices, and activities, including training, financial support, and regulatory oversight (Dogani, 2020; Turetken et al., 2020), persistent challenges such as understaffing and skill deficiencies hinder the positive effect of internal audits on organizational

performance. If left unaddressed, the compromised effectiveness of internal audits within TTCL and similar organizations could lead to increased risks of fraud, legal violations, and operational inefficiencies. Additionally, the gap in effectively addressing compromised objectivity poses a significant obstacle to ensuring the integrity and reliability of internal audit processes, thereby undermining organizational governance and accountability (Dogani, 2020).

To bridge this gap, the study aimed to determine the specific effect of internal audits on management compliance in Tanzania public corporations within TTCL. By examining the day-to-day responsibilities of internal auditors within TTCL's operational context, this research sought to illuminate internal audit procedures, practices, activities, administrative reporting relationships, budgetary influences, and overall audit effectiveness. Such a focused investigation offered insights not fully explored in the existing literature, providing valuable contributions to internal audit management in the Tanzanian telecommunications sector.

1.4 Research Objectives

1.4.1 General Objectives

To assess the effect of internal audit on management compliance in Tanzania public corporations within Tanzania Telecommunications Corporation

1.4.2 Specific Objectives

i. To examine the effect of internal audit risk management on TTCL management compliance

ii.   To examine the influence of internal audit controls on TTCL management compliance

iii. To examine the effect of internal audit governance processes on TTCL management compliance

1.5 Significance of the Study

The study on the effect of internal audit on management compliance in Tanzania's public corporations, specifically at Tanzania Telecommunications Corporation, provides valuable contributions across theoretical, practical, and academic domains. Theoretically, it advances our understanding of how internal audit functions serve as governance tools to promote accountability and ensure compliance with established policies, especially in public sector contexts (Ali et al., 2020). Practically, the research highlights the critical role of internal audits in identifying gaps in compliance, thereby guiding management to implement corrective measures that enhance operational integrity and reduce risks associated with non-compliance.

This is particularly relevant in the telecommunications sector, where regulatory adherence is essential to maintaining service quality and organizational reputation. For academia, the study contributes to the broader literature on public sector auditing by providing empirical evidence from a Tanzanian context, thereby offering a comparative perspective for researchers and prompting further investigation into internal audit effectiveness in public corporations (Mwakyembe, 2019). This research can serve as a foundation for policy recommendations aimed at strengthening internal audit frameworks in Tanzania.

1.6 Scope of the Study

The study aimed to examine the effect of internal audit on management compliance in Tanzania public corporations, focusing on Tanzania Telecommunications Corporation (TTCL). With a sample size of 292 respondents from a population of 1200 TTCL employees, the study spanned 2 months. It delved into topics such as internal audit risk management, internal audit controls, and internal audit governance practices to assess their influence on management compliance within TTCL. The geographical scope of the study encompassed TTCL's headquarters in Tanzania.

1.7 Organization of the Study

This study comprised five chapters. Chapter One provided an overview of the research purpose, encompassing the study background, problem statement, objectives (both general and specific), significance, and the scope of the study. In Chapter Two, a comprehensive literature review was presented, exploring relevant concepts, theories, and empirical studies related to internal audit and management compliance. This chapter also included the presentation of a conceptual framework and research hypotheses. Chapter three was detailed with the research methodology, outlining the data collection and analysis procedures. It covered discussions on research philosophy, approach, design, study location, and survey population; it further provided the sample size, sampling technique, data collection methods, data processing, analysis methods, data validity, reliability, and ethical considerations. Chapter four dealt with the findings and discussions based on the specific objectives while chapter five dealt with the summary of the findings, implication, conclusions, and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Chapter Overview

This chapter reviews literature related to studies that assessed the effect of internal audits on management compliance in public corporations. The reviewed literature is organized into the following sections: definitions of key concepts, theoretical and empirical literature reviews, research gaps, conceptual framework, and lastly, research hypotheses.

2.2 Definitions of Key Concepts

2.2.1 Management Compliance

Management compliance refers to aligning actions with explicit provisions of agreements, treaties, regulations, and laws, necessitating continuous adherence and evaluation of industry-specific corporate policies, regulatory prerequisites, and norms (Ramakrishna, 2015). Management compliance was defined as the meticulous alignment of corporate actions with explicit provisions delineated in agreements, treaties, regulations, and laws. It involves a continuous process of adherence and assessment of industry-specific corporate policies, regulatory prerequisites, and ethical standards, alongside responsible utilization of natural resources (IIA, 2022).

This definition emphasized the multifaceted nature of compliance, ranging from strict adherence to specific rules to exhibiting a spectrum of behavior reflecting varying degrees of law adherence. In this study, management compliance was referred to as the alignment of actions with explicit provisions of agreements,

treaties, regulations, and laws, as well as ethical standards and responsible usage of natural resources. This included adherence to specific rules and regulations, as well as a spectrum of behavior reflecting diverse degrees of law adherence. Management compliance was a nuanced concept that encompasses legal, compliance, and industry-specific dimensions, and is particularly relevant to the study's examination into the effect of internal audit on management compliance at TTCL Corporation.

2.2.2 Internal Audit

Internal audit is a comprehensive process that is critical to a company's financial reporting and operational efficiency (Behrend & Eulerich, 2019). It ensures adherence to regulations, established rules, and ethical standards, extending beyond fraud prevention and financial controls to encompass broader operational and compliance audits. The internal audit process serves as a backbone for ensuring compliance, with implications beyond compliance validation to spotlighting areas for improvement (KPMG, 2020). Challenges in maintaining extensive coverage in rapidly evolving sectors like telecommunications prompt considerations for leveraging innovative technologies, like data analytics and artificial intelligence (AI), to refine predictive compliance validation and enhance audit capabilities. A rigorous and dynamic audit process fosters a culture of compliance and continuing enhancement inside the corporation.

In this study, an internal audit was described as a thorough procedure to guarantee precise financial reporting and operational effectiveness within the Tanzania Telecommunications Corporation. This procedure encompassed tasks such as

complying with regulations, adhering to rules, and upholding ethical standards. The study emphasized that internal audits extended beyond merely preventing fraud to encompass a broader scope of operational and compliance audits. Furthermore, the research underscored the significance of internal audits in fostering a culture of adherence to regulations and continual enhancement within organizations, specifically inside the context of public corporations in Tanzania.

2.2.3 Internal Audit Governance Processes

Internal audit governance processes encompass the mechanisms and procedures established to supervise and administer the internal audit function in an organization. These processes guarantee that internal audit activities link with the organization's policies, goals, and regulatory mandates (Dzomira, 2020). Internal audit governance guarantees clarity regarding the objectives and duties of the audit. It ensures the presence of an official mandate and clearly defined departmental objectives (Mukono, 2021).

Internal audit governance processes were essential components of the Tanzania Telecommunications Corporation (TTCL)'s framework, overseeing and managing internal audit activities. These structured mechanisms encompass governance mechanisms, policies, and practices within TTCL to ensure the effectiveness, independence, and integrity of the function of the internal audit. This included defining the responsibilities and roles of the audit committee, structuring the internal audit department, determining audit scope and frequency, and establishing reporting and follow-up procedures for addressing audit findings. By promoting transparency,

accountability, and compliance, internal audit governance processes played a pivotal role in supporting TTCL's management compliance objectives. Through these processes, TTCL could uphold high standards of corporate governance, mitigate risks, and enhance overall organizational performance and compliance.

2.2.4 Internal Audit Risk Management

Internal audit risk management involves the processes and approaches internal audit departments use to mitigate risks, monitor, assess, and identify within an organization, ensuring the effectiveness of controls and risk management procedures (Tamimi, 2021). The main role of internal audit in risk management is to evaluate and monitor risks facing the company and recommend effective controls (Onay, 2020). In this study, internal audit risk management at Tanzania Telecommunications Corporation (TTCL) included strategies and methodologies to identify, assess, prioritize, and address risks affecting organizational goals. This involved assessing the likelihood and effect of various risks on TTCL's operations, financial outcomes, and regulatory compliance. It included establishing risk management frameworks, conducting risk assessments, and creating risk mitigation plans specific to TTCL's context and objectives. Effective internal audit risk management aimed to enhance adherence to internal protocols, procedures, and external regulations, thereby improving TTCL's governance, risk management, and compliance.

2.2.5 Internal Audit Controls

Internal audit controls are precise measures and protocols set up and executed by an internal audit department within an organization. These controls aim to guarantee

internal audit operations' efficiency, effectiveness, and credibility (Saputra, 2022). Internal audit controls usually cover different facets such as the preparation and conduct of audit assignments, documentation and evidence collection, quality assurance procedures, and the communication of discoveries and suggestions (Handoyo & Bayunitri, 2021).

Internal audit internal controls within Tanzania Telecommunications Corporation (TTCL) pertained to the strategies, guidelines, and procedures enforced by the internal audit department to uphold the efficiency, efficacy, and integrity of the corporation's internal control mechanisms. These protocols could be implemented to safeguard TTCL's assets, mitigate risks, ensure conformity with statutory requirements, and optimize operational efficiency. They encompassed a range of tasks, including risk appraisal, design and execution of controls, continuous monitoring of their effectiveness, and reporting any deficiencies to management.

Through establishing and maintaining robust internal audit controls, TTCL endeavored to heighten adherence to organizational policies, procedures, and regulatory mandates, ultimately driving the company's overarching governance and risk management objectives. This endeavor promoted transparency, accountability, and the attainment of strategic objectives by enabling the effective deployment of these controls.

2.3 Theoretical Literature Review

The Institutional Theory was linked to this study.

2.3.1 Institutional Theory

The Institutional theory, as applied in organizational studies, delves into how organizations abide by institutional rules, norms, and cultural practices to secure legitimacy and acceptance within broader societal, political, and economic systems. Developed by Meyer and Rowan in the late 1970s and 1980s, this theory emphasizes the profound influence of institutional environments on organizational behavior, strategies, and structures. It elucidates the pressures organizations face from coercive, mimetic, and normative forces within their surroundings (Di-Maggio et al., 1983).

Assumptions inherent to the Institutional theory included the concept of isomorphism, wherein organizations tend to mirror each other to gain legitimacy, and the notion of rationalized myths, where organizations adopt certain beliefs or practices based on perceived rationality or necessity (Jackson, 2010). Moreover, the theory bridges the gap between macro-level institutional influences and micro-level organizational behaviors, emphasizing the interplay between the two. Additionally, Institutional theory posits that organizations operate based on prevailing institutional logics which shape their decision-making processes.

Despite its insights, the Institutional theory exhibits weaknesses, notably its static nature, which may limit its adaptability to rapidly changing organizational environments and regulatory frameworks. Furthermore, the theory's capacity to account for innovation and adaptation within organizations while conforming to institutional norms may be constrained (Lewin et al., 2004).

To address these limitations, efforts have been made to advance the Institutional theory by introducing dynamic concepts such as "institutionalization" to explain institutional structures more fluidly. Additionally, Kalum Schou (2018) sought to enrich the theory by incorporating newer aspects like institutional logic and refining empirical research methodologies.

In assessing internal audit effectiveness within the Tanzania Telecommunications Corporation (TTCL), variables borrowed from the Institutional theory prove pertinent. These variables incorporated internal audit risk management, internal audit controls, and internal audit governance practices. Incorporating these variables into the study framework guided by the Institutional theory enabled a comprehensive assessment of internal audit effectiveness at TTCL.

2.3.2 Justification of the Institutional Theory

The selection of the Institutional theory for the study on internal audit effectiveness within the Tanzania Telecommunications Corporation (TTCL) was justified by its relevance to understanding organizational behavior within institutional contexts. TTCL, operating in the telecommunications industry in Tanzania, is likely affected by various institutional factors including industry norms, regulatory requirements, and cultural expectations. By applying the Institutional theory, the study aimed to investigate how TTCL responds to these institutional pressures and evaluate the effectiveness of internal audits in ensuring compliance. The Institutional theory has been extensively used in empirical research across different industries and organizational settings, providing a strong theoretical basis for this study's objectives.

Scholars Manyama (2020) and Di-Maggio et al., (1983) have applied the Institutional theory in their studies of organizational behavior, further validating its effectiveness in empirical research. This theory offered a framework to analyze how organizations abide by institutional rules, norms, and practices to secure legitimacy and acceptance within their environments, making it a suitable choice for examining internal audit effectiveness at TTCL within the broader institutional context.

2.4 Empirical Literature Review

2.4.1 Internal Audit Risk Management on Management Compliance

Globally, Praise and Rapina (2022) conducted a study on the "role of internal audit, leadership effectiveness, and organizational culture in risk management effectiveness in Europe." The study examined how organizational culture, leadership effectiveness, and internal audit influenced the effectiveness of risk management in private Universities in Cimahi and Bandung, Region IV. It utilized a quantitative research technique accompanied by an explanatory research design. Data collection methods were survey questionnaires. The findings highlighted a crucial relationship linking internal audits, leadership, culture, and the effectiveness of risk management, specifics on sample size and sampling technique are lacking. The study suggested that improving risk management effectiveness entailed enhancing internal audit practices, leadership, and organizational culture. However, its limitations, including regional focus and lack of details on methodology impacted its generalizability. Further research in diverse contexts was recommended for validation and expansion. Additionally, Momot et al., (2021) researched the *"internal auditing in the public sector: issues of risks compliance application* in Ukraine." The study explored the

role of risk compliance application in supporting financial control services and internal audit in the public sector, aiming to enhance transparency and improve government governance quality. The statistical analysis, systemic, theoretical generalization, and logical analysis, the study investigated the theoretical background of risk compliance application, preconditions for introducing internal audit systems in the Ukraine public sector, and major risks in public sector entities. The findings suggested that implementing risk compliance was pivotal for the public sector internal auditing, aiding in strengthening management accountability through the utilization of financial and non-financial data. Recommendations focused on advocating for the adoption of risk compliance practices within internal audit frameworks in public sector organizations. However, weaknesses like the lack of methodological specificity and a narrow focus on the public sector of Ukraine limited the study's generalizability, warranting further research for validation and extension to broader contexts.

In Africa, Kamara (2023) assessed the "effectiveness of the internal audit on the performance of the National Revenue Authority (NRA) in Sierra Leone." The study employed a comprehensive approach to assess the corporation's internal control system and risk management practices, highlighting the essential role of internal audit (IA) in enhancing governance, compliance, risk mitigation, operational efficiency, and performance. While the methodology lacked specificity regarding population, sample size, and data collection tools, the findings emphasized IA's multifaceted contribution to organizational improvement. Recommendations focused on strengthening IA practices, enhancing risk management and compliance efforts,

and improving operational efficiency and performance management. Despite these strengths, the study's lack of methodological details and focus on IA practices limited its applicability to broader organizational contexts, warranting further research for validation and generalization.

In Tanzania, Masuhuko (2023) evaluated the "effectiveness of internal audit in improving the performance of local government authorities." The study investigated the effectiveness of internal audits in enhancing the performance of local government authorities in the Kakonko district council in the Kigoma region. Through a cross-sectional survey research design, data were collected from 65 purposively selected participants using questionnaires and interviews. The analysis of the quantitative data engaged descriptive statistics while qualitative data by content analysis. The findings revealed that internal auditors at Kakonko District Council demonstrated professional competence, independence, and adherence to standards, with access to council records and adherence to audit standards evident. While the study underscored the potential positive ieffect of internal audit practices on Kakonko District Council's performance, limitations such as its singular case focus and lack of generalizability necessitated further research on a nationwide scale to comprehensively assess the effectiveness of internal auditing in enhancing the performance of local government authorities in Tanzania. Additionally, Michael (2023) examined "internal auditors' perceptions of the risk-based internal audit (RBIA) approach in higher learning institutions." Through a descriptive survey research design, the study found that RBIA enhanced transparency and accountability, with internal audit perception and training playing crucial roles in its adoption. Recommendations included enhancing

training on RBIA and increasing top management support for internal audit functions. The findings enlightened on the importance of practices of internal audit higher learning institutions in Tanzanian and offered insights for improving internal audit effectiveness in the context of academic institutions.Top of Form.

2.4.2 Internal Audit Controls on Management Compliance

From global studies, Koutoupis and Malisiovas (2023) investigated the "effects of the internal control system on the risk, profitability, and compliance of the US banking sector." This quantitative research investigated the effect of the system's internal control components on compliance, profitability, and credit risk within the US banking sector, drawing on established frameworks like Basel Committee frameworks and the COSO framework. Employing fixed-effects regression on a panel dataset of the 210 largest US bank-holding companies over financial years 2013–2017, the study quantifies internal control components and analyzes their effects on financial outcomes. The findings revealed the significant relationships between internal control components and credit risk, profitability, and compliance, with certain components demonstrating varying effects. Recommendations included strengthening internal control mechanisms to optimize financial performance and compliance within banking institutions.

In Africa, Lartey et al., (2020) assessed the "determinants of internal control compliance in public organizations; using preventive, detective, corrective, and directive controls in Ghana." This study investigated internal control compliance within Ghanaian public organizations, utilizing a sample of 395 observations and

employing structural equation modeling (SEM) to measure relationships. The outcomes suggested that directive controls, corrective, detective, and preventive significantly influenced compliance with preventive measures demonstrating greater effectiveness. However, over-reliance on detective controls, common among public entities, might not ensure long-term compliance. The study recommended prioritizing preventive controls while balancing implementation costs, emphasizing the need for ongoing monitoring and evaluation to adapt to emerging risks.

Additionally, Egbea et al., (2020) research "internal controls compliance: manufacturing companies in Nigeria." This study emphasized the importance of internal audits as a crucial mechanism for ensuring compliance with organizational standards and regulatory frameworks. It highlighted the significance of standards in optimizing organizational performance and emphasized the role of ethical standards and compliance culture in driving success. The rising prominence of compliance and internal audit due to weak internal controls and non-compliance with ethical standards is discussed. The necessity of well-structured internal controls and competent internal auditors to ensure regulatory compliance and prevent resource mismanagement was emphasized. However, the study lacked specific details regarding methodology, which limited its applicability and reproducibility. Despite this, its insights into the importance of compliance and internal controls aligned with to review of the effect of internal control systems on management compliance.

In Tanzania, Arbogast (2023) explored the "effectiveness of internal control systems in enhancing financial management efficiency, focusing on selected training

institutions in Arusha," Applying a quantitative research technique, the study revealed the importance of a strong control environment in promoting financial management efficiency within these institutions. The findings underscored the critical role of internal control systems in ensuring transparency, accountability, and effective resource utilization in Tanzanian public sector organizations. Recommendations included strengthening internal control mechanisms to optimize financial management processes and improve overall organizational performance.Top of Form.

2.4.3 Internal Audit Governance Processes on Management Compliance

For Global Studies, Obeid (2023) focused on the "contribution of internal control and internal audit to the governance of Lebanese and international NGOs." This research adopted a qualitative methodology to investigate the roles of internal control and internal audit in consolidating governance efficiency within NGOs, focusing on the critical nexus between governance responsibility, internal controls' accountability, and financial transparency necessary for securing funding and maintaining stakeholder trust. Through primary and secondary data collection from international and Lebanese NGOs, analyzed using NVIVO 12 and Iramuteq software, the study derived ten research propositions illustrating elements of answers to the main research question and interpreting mechanisms contributing to NGOs' legitimacy. While providing valuable insights, the study's limitations included its limited generalizability beyond the studied contexts and the potential lack of quantitative data to substantiate its findings, suggesting avenues for further research to bolster the empirical basis of the study.

Studies from Africa, Tumwebaze et al., (2021) investigated the "audit committee effectiveness, internal audit function, and sustainability reporting practices within organizations in Uganda." Employing a correlational research design, the study revealed the significant role of organizational culture effectiveness and the internal audit function in promoting sustainability reporting practices, particularly concerning economic and social indicators. The study provided valuable insights into enhancing sustainability reporting practices in the African context, emphasizing the importance of effective governance mechanisms and internal audit processes in driving organizational sustainability initiatives.

In Tanzania, Mpocholwa and Kagoro (2021) examined the "role of internal audit function on the performance of public higher learning institutions: A case of the Institute of Accountancy Arusha." This study investigated the effect of the function of internal audit on the performance of public higher learning institutions of Tanzanian. Using a descriptive correlational design, data from 83 returned questionnaires out of a sample of 103 staff members are analyzed through regression analysis and descriptive statistics. The findings highlighted the organization's proficiency in control mechanisms and risk management within the internal auditing function, with resource availability emerging as a significant predictor of organizational performance. Recommendations emphasized maintaining existing risk management strategies, enhancing control mechanisms, and ensuring resource provision for an effective internal audit function, aligning with organizational goals. However, limitations such as sample size and focus solely on Tanzanian public higher learning institutions warranted further research for broader validation.

Additionally, Mahyoro and Kasoga (2021) researched the "attributes of the effectiveness of internal audit services and internal audit function: evidence from local government authorities." This study examined the relationship between attributes of the effectiveness of internal audit services and the internal audit function in local government authorities (LGAs). Data from 510 respondents, including chairpersons, internal auditors, and heads of internal audit functions of audit committees from LGAs, were analyzed by applying principal component analysis and exploratory factor analysis. The findings suggested that attributes such as auditee attributes, organization setting, and audit quality positively influence internal audit effectiveness in LGAs. Recommendations focused on improving identified areas for enhancement, while future research should address gaps and extend beyond LGAs in Tanzania. This study contributed to both management and internal auditing literature by connecting internal audit function attributes with internal audit service effectiveness, with rigorous statistical analysis strengthening the credibility of the findings. Limitations included the study's exclusive focus on LGAs in Tanzania, prompting the need for broader research for enhanced generalizability.

Furthermore, Tlegray and Selemani (2022) assessed the "effect of internal audit practices on the financial management of local government authorities in Morogoro municipality." This study investigated the influence of the practices of internal audit on financial management within Tanzanian local government authorities (LGAs), focusing on the municipality of Morogoro. Utilizing descriptive and multiple regression analyses on survey data, the study revealed that, the quality of internal audit independence and internal audit work significantly impacted financial

management in LGAs. However, internal audit proficiency did not demonstrate a significant effect. Recommendations underscored the significant of equipping internal auditors with relevant experience and emphasizing their independence. Future research encompassed other Tanzanian municipalities and qualitative methods such as focus group discussions and interviews should supplement survey data collection to provide deeper insights.

2.5 Research Gaps

The study titled effect of internal audit on Management Compliance in Tanzania Public Corporations: A Case of Tanzania Telecommunications Corporation, aimed at filling a notable gap in the literature concerning internal audit practices and their influence on management compliance within Tanzanian public corporations, focusing specifically on the telecommunications sector. Existing research, while abundant globally, lacks specificity regarding the Tanzanian context, particularly within the telecommunications industry. Methodological gaps, such as insufficient details on sample sizes, sampling techniques, and data analysis tools, further exacerbated this issue. For instance, global studies like that of Praise and Rapina (2022), and Kamara (2023) offered valuable insights into internal audit practices' multifaceted contributions to organizational improvement but lacked specificity regarding methodologies, limiting their applicability to Tanzania. To address these gaps, future research should adopt more rigorous methodologies tailored to the Tanzanian telecommunications industry to provide context-specific insights into the relationship between internal audit practices and management compliance. Through addressing this knowledge, contextual, and methodological gaps, the study aimed to

significantly contribute to understanding internal audit's role in ensuring management compliance within Tanzanian public corporations, specifically within the telecommunications sector.

2.6 Conceptual Framework

The conceptual framework of this study elucidated the connection between internal audit and management compliance within Tanzania public corporations, specifically examining the Tanzania Telecommunications Corporation. The study treated internal audit risk management, internal audit governance processes, and internal audit controls as independent variables while management compliance served as the dependent variable. By exploring these components, the research aimed to uncover the influence of internal audits on ensuring compliance with management standards within Tanzanian public corporations.
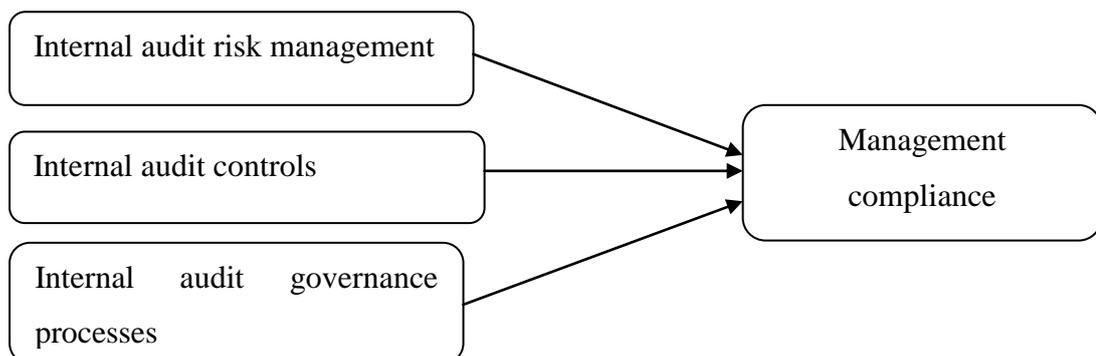
Figure 2.1: Conceptual Framework

Source: Meyer and Rowan's Institutional Theory (1970 &1980)

2.7 Research Hypotheses

H1: There is a statistically positive and significant effect between internal audit risk management and management compliance on TTCL.

H2: There is a statistically positive and significant influence between internal audit controls and TTCL management compliance.

H3: There is a statistically positive and significant effect between internal audit governance processes and TTCL management compliance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Chapter Overview

This chapter delineates the methodology employed in the study and elucidates the research paradigm, research design, and area of the study. Study population, procedures for sampling, and sample size, and delineate the methods for data collection and analysis.

3.2 Research Philosophy

Research philosophy encloses the principles guiding data collection, interpretation, and application in understanding phenomena, emphasizing knowledge creation and its significance (Saunders et al., 2009). The chosen research philosophy for this study was the positivist philosophy which is well-suited for investigating the effect of internal audit on management compliance at the TTCL (Saunders et al., 2009). Positivist philosophy emphasizes using quantitative methods to empirically test theories and identify relationships between variables, allowing the researchers to produce objective, reliable data that can be used to understand and improve internal audit practices within the organization (Singh et al., 2011).

3.3 Research Approach

The research approach serves as a structured roadmap guiding researchers from overarching assumptions to analysis methods and specific data collection (Bambale, 2014). A quantitative research technique was selected to systematically evaluate the effect of internal audits on management compliance. This technique was appropriate

due to its involvement in the collection and statistical analysis of numerical data through questionnaires, which provided empirical evidence to support or refute the hypotheses. Quantitative methods were particularly beneficial in this context as they enabled the precise measurement of variables and the testing of relationships, thereby, contributing to a more comprehensive understanding of how internal audit practices affect compliance of financial management.

3.4 Research Design

Study design encompasses the blueprint for conducting research, delineating methods for data collection and analysis, and the overall structure, including the statistical analysis techniques, data collection methods, sampling strategy, and research question (Bell et al., 2022). An explanatory research design was employed to study the effect of internal audit practices on management compliance within the TTCL. This design was justified by its ability to provide an extensive understanding of the underlying mechanisms and factors influencing compliance levels. By identifying crucial variables and systematically engaging with participants, the explanatory design facilitated the collection of relevant data that were analyzed to reveal causal relationships. This thorough approach ensured that the study findings were robust and could inform practical improvements in internal audit practices (Bell et al., 2022).

3.5 Area of the Study

The study was conducted at the headquarters of TTCL Dar es Salaam. This location was chosen due to the recent relocation of key internal audit and senior management

offices, providing a relevant context for examining the interplay between internal audit processes and management compliance.

3.6 Survey Population

This research focused on the TTCL employees, which included internal auditors, directors of departments, managers, and other staff members. In total, there were 1200 participants comprising the study population.

3.7 Sampling Size and Sampling Techniques

3.7.1 Sample Size

Based on this study, the researcher preferred the sample size selected from the targeted population, and determined an acceptable margin of error (Singh et al., 2011). Therefore, the researcher followed Yamane's formula (1967), expressed as

$$n = \frac{N}{1+N(e)^2}$$

, where N = number of the population, n = sample size, e = marginal error (e) (assumed to be 5%), and the confidence level=95%. The detailed calculation is presented below:

$$n = \frac{1200}{1+3}$$

n= 292   consequently, the study's sample size comprised 292 participants.

3.7.2 Sampling Techniques

The random probability method was preferred through simple random sampling, every participant had an equal opportunity to be chosen (Schulz & Grimes, 2002).

3.8 Data Collection Methods

The study gathered data using structured questionnaires to ensure respondents provided the necessary information. By exclusively employing the questionnaire as the primary data collection technique, the study streamlined data compilation through structured inquiries directed at the respondents (Brace, 2018). Structured questionnaires were utilized for their ability to provide consistent, unbiased, and comprehensive responses across a wide geographical area. This method links with the study objectives and ensures the efficient collection of relevant data from a diverse participant pool (Kothari, 2004).

3.9 Data Processing

The study employed robust data processing methods to guarantee the reliability, completeness, and accuracy of the collected data (Nagurney et al., 2005). Firstly, data cleaning was conducted, involving data normalization, missing value imputation, and outlier detection, to rectify errors and inconsistencies (Winson-Geideman et al., 2017). Subsequently, data transformation techniques such as logarithmic transformation and binning were applied to prepare the data for analysis (Sigworth & Sine, 1987). Lastly, data reduction methods like principal component analysis were utilized to streamline the dataset, facilitating analysis (Rehman et al., 2016). These rigorous data processing techniques were crucial for upholding the validity and rigor of the study, intending to shed light on the effect of internal audits on management compliance in Tanzanian public corporations. Through this investigation, practical recommendations were proposed to enhance internal control systems and ensure regulatory compliance within these organizations.

3.10 Data Analysis

The study involved a rigorous approach to data processing and analysis, focusing on the meticulous examination and interpretation of responses gathered through the research inquiry process. This entailed comprehensive steps such as data compilation, cleansing, coding, and tabulation to ensure accuracy and reliability (Graves et al., 2007).

The collected data underwent systematic codification, analysis, and summarization using Microsoft Excel and SPSS software. Initially, descriptive statistics (standard deviations, mean scores, percentages, and frequencies) were employed to explore the central tendencies and variations of variables. Subsequently, the multiple linear regression analysis was utilized to explore the relationships among the variables specified in the conceptual framework, specifically targeting the study's objectives. This methodical technique aimed to provide comprehensive insights into the research hypotheses and a contribution to a nuanced understanding of the phenomena being studied.

3.11 Variable Measurements

Table 3.1: Variables and Measurements

Variable	Type of Variable	Measurement and Regression	Scale of Measurement	Code and Value
Gender	Categorical	Nominal	Nominal	0 = Female, 1 = Male
Educational Level	Categorical	Nominal	Nominal	1 = O-level, 2 = A-level, 3 = Undergraduate degree, 4 = Master's degree, 5 = PhD
Age	Continuous	Interval	Interval	1 = 18-35, 2 = 36-45, 3 = 46-54, 4 = 55 and above
Internal audit risk management	Independent	Ordinal	5-point Likert Scale	1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree
Internal governance processes	Independent	Ordinal	5-point Likert Scale	1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree
Internal audit control	Independent	Ordinal	5-point Likert Scale	1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree
Management compliance	Dependent	Ordinal	5-point Likert Scale	1 = Very Low, 2 = Low, 3 = Moderate, 4 = High, 5 = Very High

Source: The researcher (2024)

3.11.1 Multiple Linear Regression

This study used multiple linear regression to analyze relationships between variables in the conceptual framework, examining the effect of dependent variable on the independent variables. The ordinary least squares (OLS) estimator was used for its simplicity, interpretability, and ability to provide the best linear unbiased estimates under the Gauss-Markov assumptions (Gujarati, 2002). OLS is suitable for this study

because of the quantitative nature of the data and the objective of identifying relationships among variables. The multiple linear regression model was expressed as $Yi = \beta0 + \beta1Xi1 + \beta2Xi2 + \beta3Xi3 + \epsilon i$ where: Yi=the dependent variable for observation i, $\beta0$=the y-intercept, $\beta1$, $\beta2$, $\beta3$ are the regression coefficients for each independent variable, Yi=management compliance, $Xi1$=internal audit risk management, $Xi2$=internal audit control, $Xi3$=internal governance processes.

3.12 Validity

To uphold the credibility of the collected data, this research focuses on content validity through the development of meticulously crafted questionnaires. These questionnaires were designed to align closely with the research objectives, ensuring comprehensive coverage of all relevant topics. By exclusively utilizing questionnaires, the study ensured that the respondents' understanding of the study's significance and purpose was accurately reflected in their responses, enhancing the construct validity of the findings. The purpose of validity analysis was to confirm that, the research instruments accurately measured what they were designed to measure, targeting the relevance and comprehensiveness of the questionnaire items. This technique safeguarded the reliability and relevance of the collected data, reinforcing the credibility of the study's outcomes.

3.13 Reliability

The researcher ensured internal consistency and reliability by providing a comprehensive introduction to respondents before data collection, preparing them to

provide coherent responses. This approach anticipated a seamless flow of data, with responses correlating across objectives and addressing the research questions effectively. By fostering coherence and alignment with the study objectives, this strategy aimed to enhance the validity and reliability of the research outcomes, contributing to robust findings (Heo et al., 2015). Therefore, the study utilized Cronbach's Alpha test setting a minimum value of 0.70, indicating acceptable reliability, to ensure and assess the reliability of the collected data. The purpose of reliability analysis was to ascertain the coherence of the responses collected, targeting internal consistency to ensure dependable and consistent data across different respondents and over time.

3.13.1 Individual Item Reliability Scale Results

The study had one dependent variable and three independent variables. They were all tested for internal consistency using Cronbach's Alpha before they were administered to the participants. Table 3.2 presents the findings of the scale test conducted to evaluate the reliability of the multi-item scales for internal consistency, utilizing Cronbach's Alpha. The Cronbach's Alpha for internal audit risk management with 5 items was .854 indicating that it was acceptable and very good. The Cronbach's Alpha for internal audit controls with 5 items was .844 which was likewise deemed acceptable and very good. The Cronbach's Alpha for internal audit governance processes with 5 items was .916 and it was found to be very good and acceptable. Lastly, the Cronbach's Alpha of management compliance of TTCL in Dar es Salaam with 3 items was .878 which was very good and acceptable.

Table 3.2: Individual Item Reliability Scale Results

S/N	Variable	Cronbach's Alpha	Cronbach's Alpha based on standardized items	No. of items	Strength of association
1.	IARM	.854	.853	5	Very good and acceptable
2.	IAC	.844	.846	5	Very good and acceptable
3.	IAGP	.916	.917	5	Very good and acceptable
4.	MCI	.878	.878	3	Very good and acceptable

IARM= Internal audit risk management, IAC= Internal audit controls, IAGP= Internal audit governance processes, MCI= Management compliance of TTCL in Dar es Salaam

Source: Data analysis (2024)

3.14 Ethical Considerations

The researcher-maintained confidentiality, protected copyrights, and ensured voluntary participation. University approval was obtained to adhere to ethical guidelines, fostering trust and integrity.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

4.1 Chapter Overview

This chapter analyzes and discusses the study's findings based on the collected data. The data analysis aimed to address the study's specific objectives and to identify the statistical relationships among the study's variables. The study employed multiple linear regression analysis and descriptive statistics (including standard deviations, mean scores, percentages, and frequencies). The findings will be discussed in relation to the primary objective of this research, which was to evaluate the effect of internal audit on management compliance within Tanzania's public corporations, specifically Tanzania Telecommunications Corporation (TTCL). The study examined the effects of internal audit risk management, the influence of internal audit controls, and the effect of internal audit governance processes on TTCL management compliance.

4.2 Response Rate

The study had a total of 292 questionnaires distributed to respondents. Out of these, 280 were filled out and submitted, resulting in a rate of response of 95.9%, suitable for statistical analysis.

According to Akram, Cerin, Lamb, and White (2023), a rate of response above 70% is regarded as excellent. Thus, the achieved rate of response of 95.9% in this study was deemed excellent, providing sufficient data to develop conclusions.

4.3 Demographic Descriptive Statistics Results

This section outlines the general demographic characteristics of the study participants. These characteristics were crucial to examine, as they highlight significant aspects of the effect of internal audit on management compliance within Tanzania Telecommunications Corporation. Descriptive statistics were employed to calculate percentages and frequencies for the respondents' characteristics. The demographics analyzed in this study included age, gender, education levels, and work experience, with the results displayed in bar charts. As shown in Figure 4.1, the analysis revealed that the majority of respondents age were 18-25 years, making up 38.6% of the sample, followed by those aged 56 and above, who constituted 27.5%. Respondents aged 36-45 years accounted for 19.6%, while those aged 46-55 years represented 14.3%.
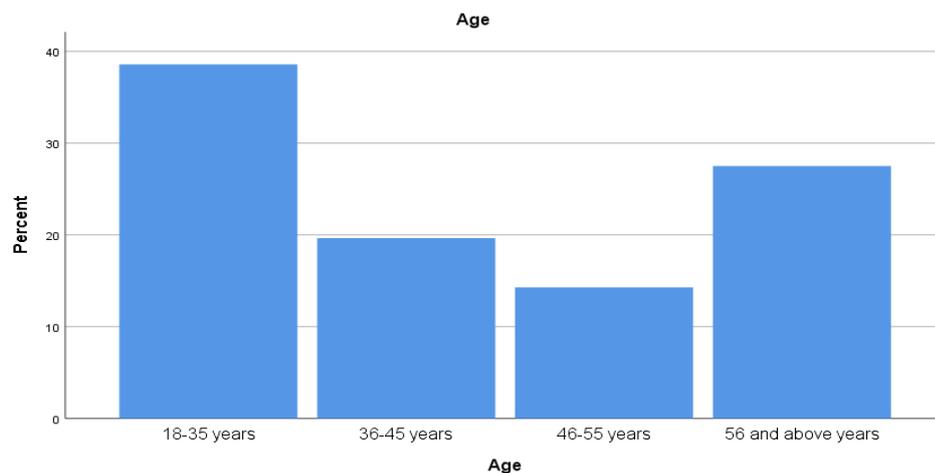
Figure 4.1: Participants' Ages

Source: Field data (2024)

Gender-wise, the analysis indicates that the majority were males with 59.6% while the remaining 40.4% were females as shown in Figure 4.2.
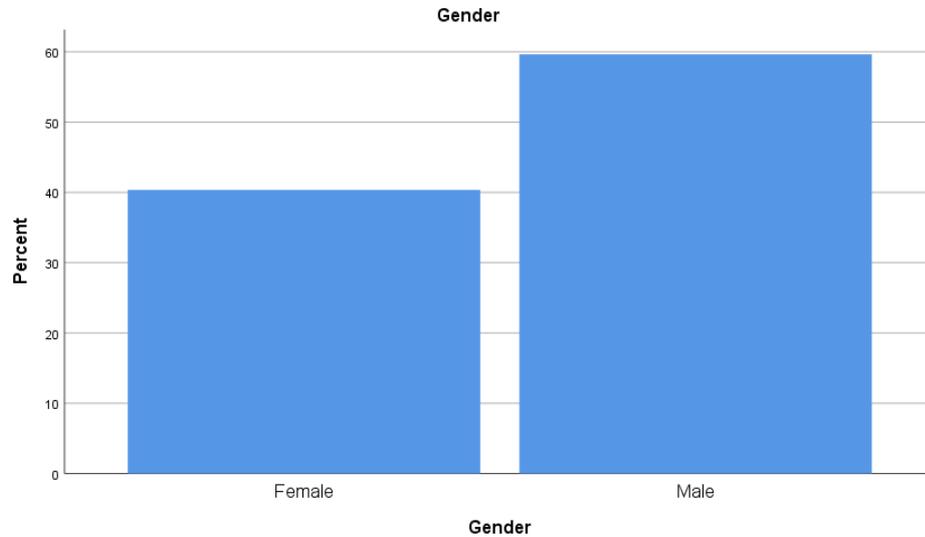
Figure 4.2: Participants' Genders

Source: Field data (2024)

The researcher also aimed to determine the education levels of the respondents in the study. The education levels identified included certificates, diplomas, undergraduate degrees, master's degrees, and doctorates (PhDs). The analysis revealed that 38.6% of respondents were diploma holders, and 28.9% held certificates. Those with undergraduate degrees made up 24.6%, while those with master's degrees constituted 7.9%. Additionally, the analysis indicated that there were no participants with a doctorate (PhD), as shown in Figure 4.3.
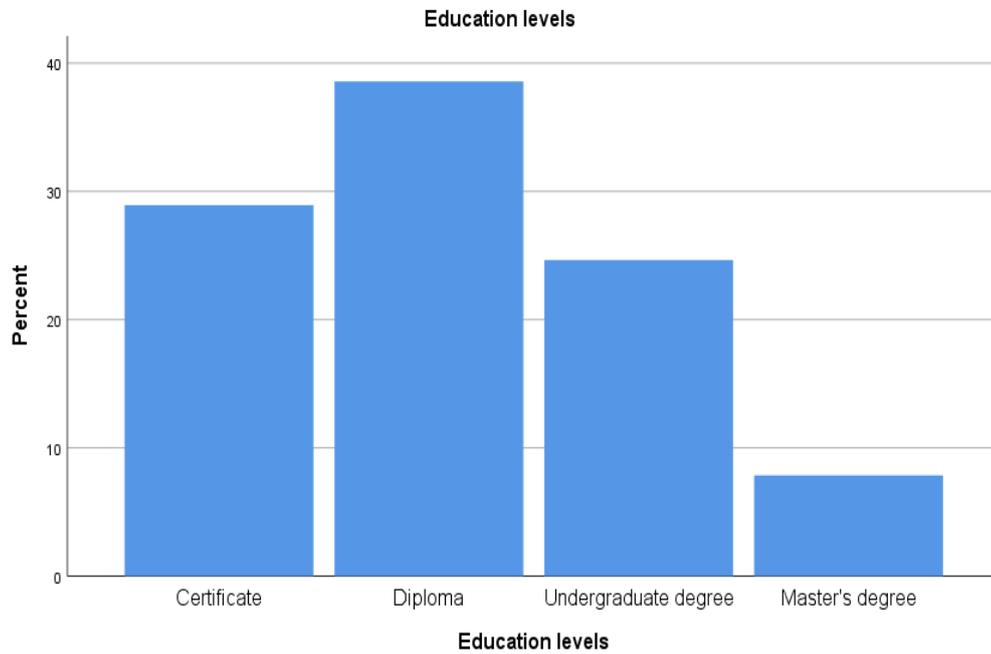
Figure 4.3: Participants' Education Levels

Source: Field data (2024)

Additionally, the study aimed at determining the participants' working experience. The analysis revealed that the majority of the respondents had working experience within 16 and above years with 40.4%. These were followed by those within 11-15 years with 26.4%. Those who ranged from 6-10 years were 20.4% while those within 1-5 years were 12.9% as indicated in Figure 4.4.
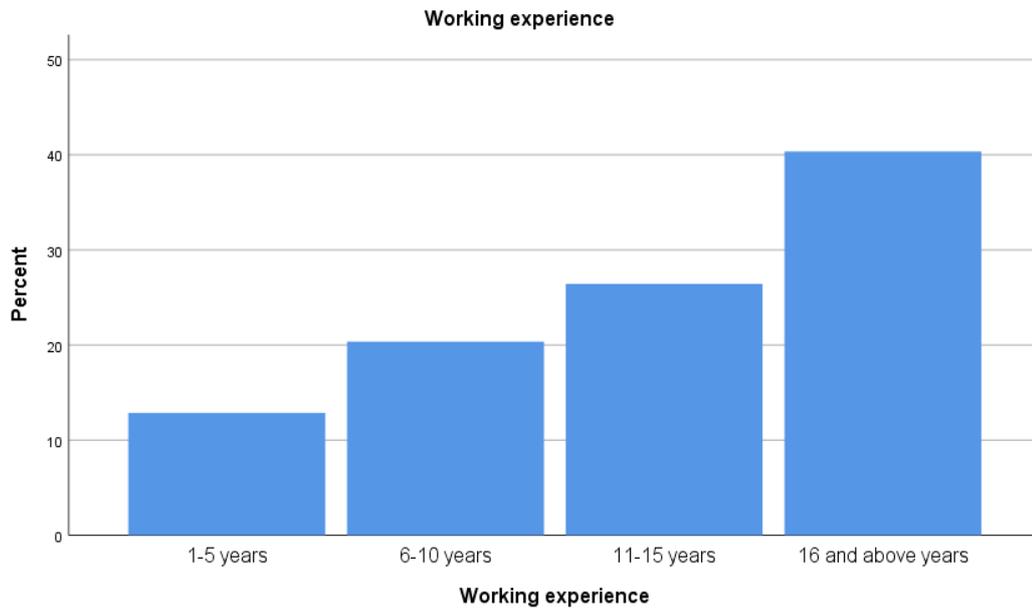
Figure 4.4: Participants' Working Experiences

Source: Field data (2024)

4.4 Detailed Data Analysis

The study aimed to evaluate the effect of internal audits on management compliance within Tanzania's public corporations, specifically the Tanzania Telecommunications Corporation (TTCL). To address this purpose, several questions in the questionnaires were measured using a Likert scale ranging from 1 to 5, where 1 represented "strongly disagree" and 5 represented "strongly agree," to gather responses from participants. Descriptive statistics were conducted for the items, which were based on one dependent variable and three independent variables aligned with the specific objectives. These variables included internal audit risk management, internal audit controls, internal audit governance processes, and management compliance at TTCL. The data were presented using mean scores and standard deviations, with the interpretation scale defined as follows: 1.00–1.79 for strongly disagree, 1.80–2.59 for

disagree, 2.60–3.39 for neutral, 3.40–4.19 for agree, and 4.20–5.00 for strongly agree.

4.4.1 Descriptive Statistics for the Internal Audit Risk Management on Management Compliance

The first specific objective of the study examined the effect of internal audit risk management on TTCL management compliance in Dar es Salaam. Data analysis was presented using mean scores and standard deviations. Table 4.1 displays the computation of the descriptive statistics on the effect of internal audit risk management on management compliance. The findings showed that respondents agreed that, the implementation of internal audit risk management practices improved the level of compliance among TTCL's management team (Mean=3.70, Std. dev=1.392) and helped to assess potential risks that could effect management compliance (Mean=3.68, Std. dev=1.260).

Furthermore, the internal audit function regularly evaluated and monitored the effectiveness of risk management strategies (Mean=3.66, Std. dev=1.390) and (Mean=3.64, Std. dev=1.408) respectively. However, the respondents were neutral about the internal audit risk management practice to help the management team comply with the overall organization's objectives (Mean=3.36, Std. dev=1.460).

Table 4.1: Descriptive Statistics for the Internal Audit Risk Management

Responses	N	Mean	Std. Deviation
The implementation of internal audit risk management practices have improved the level of compliance among TTCL's management team.	280	3.70	1.392
The internal audit function at TTCL effectively assesses potential risks that could impact management compliance.	280	3.68	1.260
TTCL's internal audit function regularly evaluates the effectiveness of risk management strategies in ensuring management compliance.	280	3.66	1.390
TTCL's internal audit function regularly monitors the effectiveness of risk management strategies in ensuring management compliance.	280	3.64	1.408
The internal audit risk management approach at TTCL is well-aligned with the organization's overall compliance objectives.	280	3.36	1.460
Valid N (list wise)	280		

Source: Field data (2024)

4.4.2 Descriptive Statistics for the Internal Audit Controls on Management Compliance

The second specific objective of the study examined the influence of internal audit controls on TTCL management compliance in Dar es Salaam. Data were analyzed through the mean scores and standard deviations. Table 4.2 shows the computation of descriptive statistics on the influence of internal audit controls on TTCL management compliance. The results demonstrated that respondents agreed that, the internal control systems ensured the management team complied with organizational policies (Mean=3.76, Std. dev=1.372) and procedures (Mean=3.68, Std. dev=1.448).

Furthermore, the respondents agreed that the internal control measures enhanced the reliable reporting of management compliance (Mean=3.62, Std. dev=1.051), it helped to strengthen internal audit function and mechanisms (Mean=3.50, Std.

dev=1.404), and it actively engaged the management team to address internal audit deficiencies (Mean=3.40, Std. dev=1.461).

Table 4.2: Descriptive Statistics for the Internal Audit Controls

Responses	N	Mean	Std. Deviation
TTCL's internal audit function has established robust internal control systems to ensure management compliance with organizational policies	280	3.76	1.372
TTCL's internal audit function has established robust internal control systems to ensure management compliance with organizational procedures.	280	3.68	1.448
The internal control measures implemented by the internal audit function at TTCL have enhanced the reliability of management's compliance reporting.	280	3.62	1.051
TTCL's management team actively engages with the internal audit function to strengthen internal control mechanisms.	280	3.50	1.404
TTCL's management team actively engages with the internal audit function to address deficiencies.	280	3.40	1.461
Valid N (list wise)	280		

Source: Field data (2024)

4.4.3 Descriptive Statistics for the Internal Audit Governance Processes on Management Compliance

The third specific objective of the study examined the effect of internal audit governance processes on TTCL management compliance in Dar es Salaam. Data analysis was presented by using mean scores and standard deviations. Table 4.3 shows the computation of descriptive statistics on the effect of internal audit governance processes on TTCL management compliance. The results indicated that respondents agreed that, the governance structure and oversight mechanisms promoted independence in ensuring management compliance (Mean=3.64, Std. dev=1.415) and supported the department's reporting lines and communication

channels with the management and governing bodies (Mean=3.57, Std. dev=1.337).

Furthermore, the internal audit governance processes promoted objectivity in

ensuring management compliance (Mean=3.43, Std. dev=1.518) and strengthened

the management team to make effective strategic decision-making (Mean=3.37, Std.

dev=1.480).

Table 4.3: Descriptive Statistics for the Internal Audit Governance Processes

Responses	N	Mean	Std. Deviation
The governance structure and oversight mechanisms of TTCL's internal audit function promote its independence in ensuring management compliance.	280	3.64	1.415
The internal audit department's reporting lines and communication channels with TTCL's management and governing bodies support effective governance processes.	280	3.57	1.337
The governance structure and oversight mechanisms of TTCL's internal audit function promote its objectivity in ensuring management compliance.	280	3.43	1.518
The internal audit function's involvement in TTCL's strategic decision-making has strengthened management compliance.	280	3.37	1.480
The internal audit function's involvement in TTCL's strategic risk management processes have strengthened management compliance.	280	3.36	1.265
Valid N (list wise)	280		

Source: Field data (2024)

4.4.4 Descriptive Statistics for the Management Compliance Indicators

The study assessed the management compliance indicators of TTCL in Dar es

Salaam. Data were analyzed and descriptively presented by the mean scores and

standard deviations. Table 4.4 shows the computation of the descriptive statistics

regarding the management compliance of TTCL. The findings informed that the

TTCL's management team highly complied with internal audit risk management

practices (Mean=3.75, Std. dev=1.433), with internal audit governance processes (Mean=3.73, Std. dev=1.240) and with internal audit control measures (Mean=3.64, Std. dev=1.290).

Table 4.4: Descriptive Statistics for the Management Compliance Indicators

Responses	N	Mean	Std. Deviation
How would you rate the overall level of compliance within TTCL's management team with regard to internal audit risk management practices?	280	3.75	1.433
In your opinion, how effectively does TTCL's management team follow internal audit governance processes?	280	3.73	1.240
To what extent do you believe that TTCL's management team adheres to internal audit internal control measures?	280	3.64	1.290
Valid N (list wise)	280		

Source: Field data (2024)

4.5 Transformation of Variables

After the computation of internal consistencies of the variables, the same were transformed by grouping them. The process of grouping required removing any measurements that did not properly fit into their assumed constructs. The process of grouping was conducted by using an SPSS computer program version 28.0. The grouping process was computed by adding up the mean scores of each variable in each case. This helped to obtain a construct representative score which was involved in the inferential statistics. The inferential statistics helped to examine the statistical relationship among variables. Both dependent and independent variables were given codes for easy transformations. The code for internal audit risk management with 5 items was coded as IARM500, the code for internal audit controls with 5 items was IAC500, and for internal audit governance processes with 5 items had a code of

IAGP500 while the code for management compliance with 3 indicators was MCI300.

The entire coding and transformation process is illustrated in Table 4.5.

Table 4.5: Variable Transformations

Variable name	Variable codes	Computations
Internal audit risk management	IARM501 IARM502 IARM503 IARM504 IARM505	IARM501+IARM502+IARM503+IARM504+IARM505
Internal audit controls	IAC501 IAC502 IAC503 IAC504 IAC505	IAC501+IAC502+IAC503+IAC504+IAC505
Internal audit governance processes	IAGP501 IAGP502 IAGP503 IAGP504 IAGP505	IAGP501+IAGP502+IAGP503+IAGP504+IAGP505
Management compliance indicators	MCI301 MCI302 MCI303	MCI301+MCI302+MCI03

Source: Data analysis (2024)

4.6 Inferential Statistics

Inferential statistics were applied to reach conclusions that went beyond the descriptive findings. The primary objective of this study was to evaluate the effect of internal audits on management compliance within public corporations in Tanzania, specifically focusing on TTCL in Dar es Salaam. This assessment involved examining three independent variables (internal audit risk management, internal audit controls, and internal audit governance processes) and one dependent variable (management compliance), all evaluated using a 1-5 point Likert scale. Each

independent variable comprised various sub-variables. To identify the statistical relationship among the predictors and the dependent variable, multiple linear regression analysis was performed. This method was employed to test the research hypotheses related to the study's specific objectives, considering the multiple items within the three independent variables

4.7 Assumptions of Multiple Linear Regression Analysis

In this study, multiple linear regression analysis was employed to identify the statistical relationships between the independent variables (predictors) — namely internal audit risk management, internal audit controls, and internal audit governance processes — and the dependent variable (management compliance). However, before applying the multiple linear regression model, it was essential to test the underlying assumptions of the model for sensitivity and validity.

4.7.1 Linearity

The study also tested and checked for errors in linearity by using the scatter plot diagram. The results in Figure 4.1 showed that the scatter diagram was linear (upward sloping from left to right) and errors were normally distributed (United States Pharmacopeia, 2023b). This means that the findings were correct and the coefficient significances were appropriately corrected and determined (United States Pharmacopeia, 2023c). Furthermore, the mean error of the regression model is zero meaning that, the line obtained was not biased (United States Pharmacopeia, 2023a); the variance of errors is positive and constant meaning that, variables were positively correlated (Saha & Wang, 2019). From the scatter diagram, errors were normally distributed to support the findings of the model.

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Management compliance
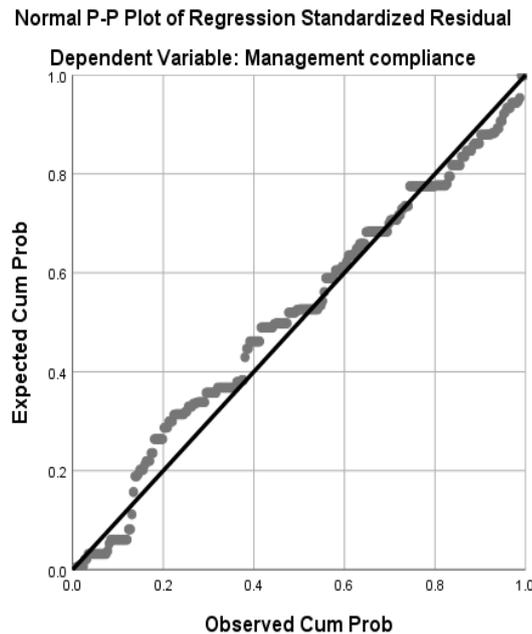
Figure 4.5: Scatter Plot Showing the Assumptions for Linearity Checking and Testing

Source: Data analysis (2024)

4.7.2 Multicollinearity

This study performed the multicollinearity test aiming at testing the level of tolerance of independent variables. According to Jarantow, Pisors, and Chiu (2023), multicollinearity is tested by using the Variance Inflation Factor (VIF) and Tolerance values. The Variance Inflation Factor (VIF) and Tolerance were utilized in this study to test for the multicollinearity effect among the variables. The assumption is that independent variables should not be independent of each other for multicollinearity assumptions to be met. The acceptable range of the VIF must be equal to or less than 10 (= or <10) while for the Tolerance measure, the values must be greater than 0.1 (>0.1). This would mean that multicollinearity is not violated (Jarantow et al., (2023). The output findings in Table 4.6 depicted clearly that, internal audit risk

management had a Tolerance value of 0.668 and a VIF of 1.496. For internal audit

controls, the Tolerance value was 0.438 with a VIF of 2.283 and internal audit

governance processes had a Tolerance value of 0.529 and a VIF of 1.891. In all three

independent variables, the output findings indicated that, the Tolerance values were

above 0.1 (>0.1) and the VIF values were below than 10 (<10). This means that,

there was no multicollinearity problem among the variables and, therefore, it is safe

to assume that, this assumption was also met.

Table 4.6: Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
1 Internal audit risk management	.668	1.496
Internal audit controls	.438	2.283
Internal audit governance processes	.529	1.891

a. Dependent Variable: Management compliance

Source: Data analysis (2024)

4.7.3 Normality of Residuals

In this study, the normality of residuals was tested by using P-P plots. According to

Jarantow et al., 2023), residuals must be normally distributed and if not, the findings

might be incorrect. To show the normal distribution of the residues, the plot shows a

fairly diagonal straight line running from left to right (Sondag, Zeng, Yu, Yang, &

Novick, 2020). In this study, P-P plots showed a normal distribution of residues since

there was a fairly diagonal straight line running from left to right and the model is

accepted in predicting the results as indicated in Figure 4.6.
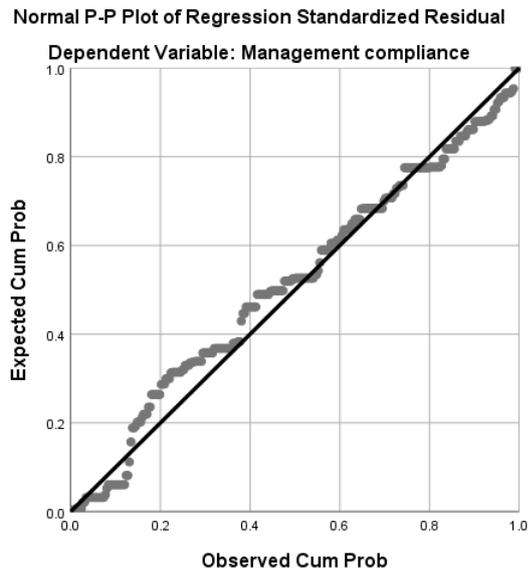
Figure 4.6: Scatter Plot Showing a Normal Distribution of Residuals

Source: Data analysis (2024)

4.8 Multiple Regression Analysis

Under this study, the multiple linear regression analysis was computed to determine the statistical link of each predictor (independent variable) on the dependent variable. The analysis was meant to show a physical way in which the independent variable X affected variable Y.

4.8.1 Model Summary

Table 4.7 shows the model summary showing the statistical relationship among dependent and independent variables. The output findings reveal that the R-value was 0.952 similar to 95.2%. This suggests that a strong statistical relationship existed between the variables under investigation. Additionally, the output revealed that the R square was 0.906 explaining that, the three independent variables interpreted a high 90.6% of the variation in the management compliance of TTCL in Dar es

Salaam. The unexplained 9.4% variance is a result of other variables not in the model. The adjusted R square was 0.905 equivalent to 90.5%. This indicates that the change in the management compliance of TTCL in Dar es Salaam was influenced by the change in internal audit risk management, internal audit controls, and internal audit governance processes.

Table 4.7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.952a	.906	.905	.366	.906	886.780	3	276	.000

a. Predictors: (Constant), Internal audit governance processes, Internal audit risk management, Internal audit controls

b. Dependent Variable: Management compliance

Source: Data analysis (2024)

4.8.2 Analysis of Variance

The findings of the output in Table 4.8 shows that the model had less than 5% level of significance ($p < 0.05$), the numerator df= 3, and the denominator df= 276 while the computed F value was 886.780. Since the p-value is less than 0.05, the regression model is statistically significant in predicting the effect of internal audit on management compliance in Tanzania public corporations within TTCL in Dar es Salaam.

Table 4.8: Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	355.745	3	118.582	886.780	.000b
	Residual	36.907	276	.134		
	Total	392.652	279			

a. Dependent Variable: Management compliance

b. Predictors: (Constant), Internal audit governance processes, Internal audit risk management, Internal audit controls

Source: Field data (2024)

4.8.3 Regression Coefficients

The study focused on evaluating the effect of each independent variable to the dependent variable. In determining the level of the influence of the independent variables over the dependent variable, the multiple linear regression model was used as shown in the following formula: $Yi = \beta 0 + \beta 1 Xi1 + \beta 2 Xi2 + \beta 3 Xi3$.

This means that, $Yi = -0.544 + 0.702Xi1 + 0.262\beta 2Xi2 + 0.122Xi3$. The findings from the output in Table 4.9 revealed that internal audit risk management had a regression coefficient (beta) of positive 0.702 and a p-value of 0.000. This implies that internal audit risk management had a statistically positive and significant effect on management compliance of TTCL in Dar eS Salaam (X1 = 0.702, p=0.000<0.05). Furthermore, these findings indicate that a change in one unit in internal audit risk management results in a 0.075 increase in the management compliance of TTCL in Dar es Salaam if other factors are held constant. Internal audit controls had a regression coefficient (beta) of 0.262 equivalent to 26.2% with a p-value of 0.000.

This implies that internal audit controls had a statistically positive and significant relationship with the management compliance of the TTCL in Dar es Salaam (X2 = 0.262, p=0.000<0.05). It further signifies that, as internal audit controls increase by one unit and the other independent variables remain constant, the management compliance of the TTCL in Dar es Salaam also increases by 0.262 units. Furthermore, the findings on internal audit governance processes showed the regression coefficient (beta) of positive 0.122 and the p-value of 0.000. The implication of this finding is that, internal audit governance processes had a statistically positive and significant effect on management compliance of TTCL in Dar es Salaam (X3 = 0.122, p=0.000<0.05). This finding also signifies that, if other factors remain constant, a unit change in the internal audit governance processes would result to an increase of 0.445 units on the management compliance of TTCL in Dar es Salaam.

Table 4.9: Regression Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	.544	.089		6.140	.000
Internal audit risk management	.758	.024	.702	31.108	.000

a. Dependent Variable: Management compliance

Source: Data analysis (2024)

4.9 Summary of Hypotheses Testing

The study focused on assessing the effect of internal audit on management compliance in Tanzania public corporations within TTCL in Dar es Salaam. To

achieve the general objective of the study, three hypotheses were formulated which either could be accepted or rejected. Additionally, the statistical tests were determined to assess the validity of the specific objectives of the study. The outcomes in Table 4.10 indicate that all three hypotheses were accepted. The regression model shows that internal audit risk management had a statistically positive significant effect on the management compliance of TTCL in Dar es Salaam (Beta=0. .702, p=0.000<0.05). This hypothesis was accepted. The internal audit controls had a statistically positive and significant influence on management compliance with TTCL in Dar es Salaam (Beta=0.262, p=0.000<0.05). This hypothesis was also accepted. The internal audit governance processes had a statistically positive and significant effect on the management compliance of TTCL in Dar es Salaam (Beta=0.122, p=0.000<0.05). This hypothesis was also accepted.

Table 4.10: Summary of Hypotheses Testing

Hypothesis	Model	Coefficient P-value	Conclusion
H1: There was a statistically significant and positive effect between internal audit risk management and management compliance of TTCL in Dar es Salaam.	Multiple regression model	p=0.000<0.05	Accepted H1
H2: There is a statistically significant and positive influence between internal audit controls and the management compliance of TTCL in Dar es Salaam.	Multiple regression model	p=0.000<0.05	Accepted H2
H3: There is a statistically positive and significant impact between internal audit governance processes and the management compliance of TTCL in Dar es Salaam.	Multiple regression model	p=0.000<0.05	Accepted H3

Source: Data analysis (2024)

4.10 Discussion of the Findings

Focusing on the study objectives, the discussion will base on the information of the findings as they were generated from data analysis. They will be compared and/or contrasted with the current findings together with the previous related studies. Any contribution of each finding will be highlighted. By doing so, it will help to clear an in-depth understanding of the effect of internal audit on management compliance in Tanzania public corporations within TTCL in Dar es Salaam.

4.10.1 Internal Audit Risk Management on Management Compliance

The intention of the study was to examine the effect of internal audit risk management on TTCL management compliance in Dar es Salaam. The results from the multiple linear regression analysis indicated that, there was a statistically significant and positive effect between internal audit risk management and management compliance of TTCL in Dar es Salaam. This finding concurs with that of Praise and Rapina (2022) together with that of Masuhuko (2023) who reported that, internal audit risk management had a statistically positive and significant relationship with management compliance and performance of an organisation. Additionally, the findings showed that, the implementation of internal audit risk management practices improved the level of compliance among TTCL's management team and helped to assess potential risks that could effect management compliance. Furthermore, internal audit function regularly evaluated and monitored the effectiveness of risk management strategies. These findings are in line with those of Momot et al., (2021) who informed that, internal audit risk management enhanced accountability through the utilisation of financial and non-financial data. These

observations are also supported by Kamara (2023) who reported that, internal audit risk management enhanced governance, compliance, risk mitigation, operational efficiency and performance. Additionally, Michael (2023) posited that, internal audit risk management enhanced transparency and accountability of the management team.

4.10.2 Internal Audit Controls on Management Compliance

This study examined the influence of internal audit controls on TTCL management compliance in Dar es Salaam. The results from the multiple linear regression analysis established that, there was a statistically significant and positive influence between internal audit controls and the management compliance of TTCL in Dar es Salaam. These observations are in line with those of Koutoupis and Malisiovas (2023), and Lartey et al., (2020) who reported that, internal audit control components had a significant effect with the management compliance. The results continued to demonstrate that, the internal control systems ensured the management team to comply with organisational policies and procedures.

Furthermore, the internal control measures enhanced the reliable reporting of the management compliance, it helped to strengthen internal audit function and mechanisms, and it actively engaged the management team to address internal audit deficiencies. These findings are supported by Egbea et al., (2020) who reported that, internal audit control practices optimised organisational performance and ensured regulatory compliance and prevented resource mismanagement. Additionally, Arbogast (2023) cemented that, internal audit control mechanisms ensured transparency, accountability, and effective resource utilisation.

4.10.3 Internal Audit Governance Processes on Management Compliance

This study examined the effect of internal audit governance processes on TTCL management compliance in Dar es Salaam. The results of the multiple linear regression analysis indicated that, there was a statistically positive and significant effect between internal audit governance processes and the management compliance of TTCL in Dar es Salaam. This finding is in line with those of Mpocholwa and Kagoro (2021), Mahyoro and Kasoga (2021), and Tlegray and Selemani (2022) who observed that, internal audit governance processes had a significant and positive relation with the management compliance of an organisation. Additionally, internal audit governance processes promoted independence in ensuring management compliance and supported the department's reporting lines and communication channels with the management and governing bodies. Furthermore, the internal audit governance processes promoted objectivity in ensuring management compliance and strengthened the management team to make effective strategic decision-making. These findings are supported by Obeid (2023) who posited that internal audit governance processes enhanced internal controls' accountability, governance responsibility, and financial transparency. Furthermore, Tumwebaze et al., (2021) observed that internal audit governance processes promoted sustainability reporting practices concerning economic and social indicators.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Chapter Overview

This chapter presents the summary, conclusions and recommendations based on key findings of the study as they were depicted in the specific objectives.

5.2 Summary of the Key Findings

5.2.1 Internal Audit Risk Management on Management Compliance

The findings indicated that internal audit risk management had a statistically significant and positive effect on management compliance of TTCL in Dar es Salaam. Additionally, the findings continued to reveal that, the implementation of internal audit risk management practices improved the level of compliance among TTCL's management team, helped to assess potential risks that could affect management compliance, and regularly evaluated and monitored the effectiveness of risk management strategies.

5.2.2 Internal Audit Controls on Management Compliance

The findings indicated that internal audit control showed a statistically positive and significant influence on the management compliance of TTCL in Dar es Salaam. This is because the internal control systems ensured the management team complied with organizational policies and procedures, enhanced the reliable reporting of the management compliance, and helped to strengthen internal audit function and mechanisms; furthermore, they actively engaged the management team to address internal audit deficiencies.

5.2.3 Internal Audit Governance Processes on Management Compliance

The findings established that internal audit governance processes indicated a statistically positive and significant effect on the management compliance of TTCL in Dar es Salaam. Furthermore, internal audit governance processes promoted independence in ensuring management compliance and supported the department's reporting lines and communication channels with the management and governing bodies. Furthermore, the internal audit governance processes promoted objectivity in ensuring management compliance and strengthened the management team to make effective strategic decision-making.

5.3 Implication of the Study

The findings of the study may provide insights to the management teams of public corporations to enhance internal audit risk management, internal audit controls, and internal audit governance processes to enhance management compliance of those corporations. This is because these practices have shown a positive and significant effect on management compliance.

5.4 Conclusions

This section presents the conclusions of the study. Drawing from the findings and discussions, this study concludes that:

Internal audit risk management improved the level of compliance among TTCL's management team, helped to assess potential risks that could effect management compliance, and regularly evaluated and monitored the effectiveness of risk

management strategies. It is in this regard, that this practice showed a statistically significant and positive effect on management compliance of TTCL in Dar es Salaam.

Internal audit control systems ensured the management team complied with organizational policies and procedures, enhanced the reliable reporting of the management compliance, and helped to strengthen internal audit function and mechanisms; furthermore, they actively engaged the management team to address internal audit deficiencies. That is why they showed a statistically significant and positive influence on the management compliance of TTCL in Dar es Salaam.

Internal audit governance processes promoted independence in ensuring management compliance and supported the department's reporting lines and communication channels with the management and governing bodies. Furthermore, the internal audit governance processes promoted objectivity in ensuring management compliance and strengthened the management team to make effective strategic decision-making. It is in this regard that, it showed a statistically positive and significant effect on the management compliance of TTCL in Dar es Salaam.

5.5 Recommendations

Based on the findings of the study, analysis, discussions, and conclusions, the following recommendations are made.

It is recommended that several studies be conducted in other public corporations to get a concrete understanding of the effect and significance of internal audit risk

management, internal audit control systems, and internal audit governance processes in Tanzania.

It also suggested that internal audit risk management, internal audit control systems, and internal audit governance processes should be promoted and enhanced by the management of TTCL in Dar es Salaam because they all show a significant and positive relationship with management compliance.

5.6 Limitations of the Study

The researcher faced several limitations in gathering information. These were as follows:

Some respondents were too bureaucratic, and reluctant and failed to submit their responses according to the scheduled timetable. The researcher addressed this limitation by reminding them from time to time through mobile phone calls and sometimes visiting their respective departments/units for the collection of the same. Lastly, twelve respondents failed to return their responses due to illness and transfers. The researcher mitigated this problem by deciding to analyze the available data from 280 respondents to avoid lagging behind time.

5.7 Area for Further Studies

The following are recommendations for further studies:

It is suggested that such kind of a study should also be conducted in other remaining regions to get a deep understanding of the phenomenon.

It is recommended that this kind of study should also be carried out in other public corporations in the same region to get a deep understanding of the phenomenon.

It is suggested that this kind of study should also be performed in other public corporations in other regions to get a deep understanding of the phenomenon.

The current study employed a quantitative method research technique; hence, there might be insufficient opinions from participants. A coming study can employ a qualitative research approach to capture detailed respondents' opinions about the phenomenon at the TTCL headquarters in Dar es Salaam.

Furthermore, there might be insufficient opinions from participants since the current study employed a quantitative research approach. it also suggested that a future study can employ a qualitative research approach to capture detailed respondents' opinions about the phenomenon in other public corporations in other districts and/or regions.

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APPENDICES

QUESTIONNAIRES FOR ACADEMIC RESEARCH

Introduction

Dear interviewee,

I am a student at The Open University of Tanzania, pursuing a master's degree in Business Accounting and Auditing. Currently, I am undertaking a research study on an assessment of the effectiveness of internal audits on management compliance in financial management within Tanzania Telecommunications Corporation. This research is a crucial part of my master's degree requirements. I have attached a questionnaire to this message, and I kindly request your assistance in providing the information needed for the successful completion of my study. Your valuable input will greatly contribute to the quality and depth of this research. Thank you in advance for your participation and support.

APPENDIX II

QUESTIONNAIRES

For the questions provided below, please circle your response for each question and indicate the specified information as requested for that particular question.

PART I: Background information

Please specify your gender

Female

Male

Please state your age:

18-35

36-45

46 -55

56 and above

What is your highest level of education completed?

Certificate

Diploma

Undergraduate degree

Master's degree

PhD

Working Experience

1 – 5 Years

6 – 10 Years

11 – 15 Years

16 and above years

RT II: To examine the effect of internal audit risk management on TTCL management compliance.

The below table shows the responses on the Likert scale, please indicate the extent to which you agree with the following :(5 = Strongly Agree), (4 = Agree), (3 = Neutral), (2 = Disagree) and (1 = Strongly Disagree)

S/NO	Description	Response				
		1	2	3	4	5
1.	The internal audit function at TTCL effectively assesses potential risks that could impact management compliance.					
2.	The implementation of internal audit risk management practices has improved the level of compliance among TTCL's management team.					
3.	TTCL's internal audit function regularly monitors the effectiveness of risk management strategies in ensuring management compliance.					

4.	TTCL's internal audit function regularly evaluates the effectiveness of risk management strategies in ensuring management compliance.					
5.	The internal audit risk management approach at TTCL is well-aligned with the organization's overall compliance objectives.					

PART III: To examine the influence of Internal Audit Controls on TTCL Management Compliance:

The below table shows the responses on the Likert scale, please indicate the extent to which you agree with the following :(5 = Strongly Agree), (4 = Agree), (3 = Neutral), (2 = Disagree) and (1 = Strongly Disagree)

S/No	Description	Response				
		1	2	3	4	5
1	TTC L's internal audit function has established robust internal control systems to ensure management compliance with organizational policies					
2..	TTCL's internal audit function has established robust internal control systems to ensure management compliance with organizational procedures.					
3.	The internal control measures implemented by the internal audit function at TTCL have enhanced the reliability of management's compliance reporting.					
4.	TTCL's management team actively engages with the internal audit function to address deficiencies.					
5.	TTCL's management team actively engages with the internal audit function to strengthen internal control mechanisms.					

PART IV: To examine the effect of internal audit governance processes on TTCL Management Compliance

The below table shows the responses on the Likert scale, please indicate the extent to which you agree with the following :(5 = Strongly Agree), (4 = Agree), (3 = Neutral), (2 = Disagree) and (1 = Strongly Disagree)

S/NO		Response				
		1	2	3	4	5
1.	The governance structure and oversight mechanisms of TTCL's internal audit function promote its independence in ensuring management compliance.					
2.	The governance structure and oversight mechanisms of TTCL's internal audit function promote its objectivity in ensuring management compliance.					
3.	The internal audit department's reporting lines and communication channels with TTCL's management and governing bodies support effective governance processes.					
4.	The internal audit function's involvement in TTCL's strategic decision-making has strengthened management compliance.					
5.	The internal audit function's involvement in TTCL's strategic risk management processes has strengthened management compliance.					

PART V: Assessment of Management's Compliance

The below table shows the responses on the Likert scale, please indicate the extent to which you agree with the following :(5 = Very High), (4 = High), (3 = Moderate), (2 = Low), and (1 = Very Low)

S/NO		Response				
		1	2	3	4	5
1	How would you rate the overall level of compliance within TTCL's management team with regard to internal audit risk management practices?					
2	To what extent do you believe that TTCL's management team adheres to internal audit internal control measures?					
3	In your opinion, how effectively does TTCL's management team follow internal audit governance processes?					

Thank you for your participation in this study.

Research Clearance Letter

THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF EDUCATION, SCIENCE AND

TECHNOLOGY

THE OPEN UNIVERSITY OF TANZANIA

Ref. No OUT/PG202187179   15th July 2024

Director of Human Resource and Administration,

P.O Box 9070,

DAR-ES-SALAAM.

Dear, Director of Human Resources,

RE: RESEARCH CLEARANCE FOR MR.ALEX YACOB KIYAO REG NO:

PG202187179

2. The Open University of Tanzania was established by an Act of Parliament No. 17 of 1992, which became operational on the 1st March 1993 by public notice No.55 in the official Gazette. The Act was however replaced by the Open University of Tanzania Charter of 2005, which became operational on 1stJanuary 2007.In line with the Charter, the Open University of Tanzania's mission is to generate and apply knowledge through research.

3. To facilitate and to simplify the research process therefore, the act empowers the Vice Chancellor of the Open University of Tanzania to issue research clearance, on behalf of the Government of Tanzania and Tanzania Commission for Science and Technology, to both its staff and students who are doing research in Tanzania. With

this brief background, the purpose of this letter is to introduce to you Mr. Alex Yacob Kiyao, Reg.No:PG202187179), pursuing Master Business Administration in Accounting and Auditing We hereby grant this clearance to conduct research titled "effect of Internal Audit on Management Compliance in Tanzania Public Corporation: A case of Tanzania Telecommunications Corporation". She will collect his data at your office from July 3rd, 2024 to 31st July 2024.

4. In case you need any further information, kindly do not hesitate to contact the Deputy Vice-Chancellor (Academic) of the Open University of Tanzania, P.O. Box 23409, Dar es Salaam. Tel: 022-2-2668820.Lastly thank you in advance for your assumed cooperation and facilitation of this research academic activity.

Yours sincerely,

THE OPEN UNIVERSITY OF TANZANIA

Prof.Gwahula Raphael Kimamala

For: VICE CHANCELLOR

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