



INTERNAL AUDIT PROCESSES IN NIGERIAN TAX ADMINISTRATION: A QUALITATIVE STUDY OF FIRS AUDITORS

Zakariya'u Gurama

Department of Accounting

Faculty of Arts and Social Sciences

Gombe State University, PMB 127 Gombe, Nigeria

zakariyaugurama@gmail.com

ABSTRACT

This study explored the internal audit processes required in tax administration to enhance auditors' performance in adding value to Nigerian tax administration. The study is a qualitative study that employed interviews to gather data from internal auditors of tax administration. The empirical data were gathered from 9 internal auditors of the Federal Inland Revenue Service Headquarter Abuja, Nigeria. The gathered data were further transcript verbatim and analyzed for thematic purpose using Nvivo₁₃ software. The findings of the study revealed that internal audit processes in tax administration have four interconnected components namely; planning, performing, communicating, and monitoring. These components are the auditor's requirements that can facilitate the auditing activities and functions of auditors during auditing performance. Based on the findings, internal auditors are expected to consolidate these audit components to achieve the auditing processes proficiently. The findings of this study have practical implication for both tax administration and internal auditors in other public sector organization. Therefore, this study recommends that tax administrators should provide the entire required enabling environment to empower internal auditors to perform auditing functions objectively.

Keywords: Internal Audit Practices, Tax Administration, Performance

INTRODUCTION

This study emphasis the internal audit processes and practices in the Nigerian tax administration. The role and function of internal auditors has for long being a popular area of research over the past decades across the globe. In the past, and nowadays, internal audit functions provide a catalyst service to the management and value-added role to the organization (Gurama, & Mansor, 2021; Cooper, et al., 1996). In essence, internal auditors do not confine themselves only to the routine assessment of internal control (Pitt, 2014); rather they were involved in understanding the complexity of their organization activities and provide vital inputs to the management effectiveness (Abubakar & Bello, 2018; Alqudah et al., 2023; Oussii & Boulila, 2018).

On the hand, internal auditors act as arbitrator and service providers to the management from the perspective of reviewing organizational operation efficiency, providing knowledge of process activities, identifying and



analyzing potential risk, and examining performance outcomes (Khalilov, 2024; Gurama, & Mansor, 2018; Arena & Azzone, 2009). Therefore, internal auditors in an organization have a substantial role to play in ensuring the sustainability of the operational performance of organization efficiency and effectiveness.

Traditionally, internal audit function is somewhat restricted to the role of accounting and financial control (Pickett, 2004) because most of their function is to check and balance between the financial viability of an organization and report to the management (Alqudah et al., 2023). However, in a recent time, studies on the internal audit is termed to analyzed and improved organizational activities which increasingly shows the dynamic nature and important role of their job in enhancing organizational effectiveness (Gurama, & Mansor, 2021). This dynamic change and shift of role rendered the function of internal auditors more complex (Abubakar & Bello, 2018; Khan, 2023; Hass et al., 2006) and created a long-standing demand for difference skills and expertise to reinforce their capabilities to meet the auditing function in an efficient manner. In addition, skills, expertise, and other related competencies such as planning, communicating and monitoring skills have greater important to understand the internal auditors' processes that could aid their efficiency and add value to their organization (Khalilov, 2024; Gurama, et al., 2019a; Pitt, 2014).

In tax administration, the roles of internal auditors are to identify and analyzed the tax administration required input, processes that could facilitate the output efficiency of tax collection and eventually yielded effective tax administration. Nigeria has experience, deficiencies of efficient internal audit processes which affected the auditing performance and rendered their role ineffective (Gurama, et al., 2019b). In addition, lack of efficient internal audit processes and frauds in some Nigerian public sector organizations have plunged the country into an operational misconduct due to lack of effective organizational outputs and inadequate independence of auditing institutions (Olimdjon, & Mansurbek, 2024; Khalilov, 2024; Hazaea, et al., 2022). Therefore, inefficient internal audit processes in an organization can leads to poor performance and also stimulate unethical manners, and ineffective audit result.

Even though, the role of internal audit in an organization has received substantial attention from researchers, there remain inadequate researches on the internal audit processes. Because efficient processes could determine the link between input resources expended and the output result realized. Therefore, the objective of this study is to understand how internal auditors perform this crucial function and their perception toward their organization in accomplishing this important task. The motivation of the study stems from the low performance of the internal auditors in public sector organizations



especially, in the developing countries (Olimdjon, & Mansurbek, 2024; Hazaea, et al., 2022; Alqudah et al., 2023; Olukayode, 2016; Faitusa, 2015; Brierley, El-Nafabi & Gwillam, 2001) and the important role of internal auditors in enhancing organizational performance. The paper continuous as follows. Section 2 discussed the literature reviews on internal audit concepts and literatures. Section 3 describes research methodology and methods. Section 4 empirical findings and discussion of the study, and finally, Section 5 conclusions.

LITERATURE REVIEW

This study reviewed relevant literature such as overview of internal audit function, and conceptual framework of internal audit.

Overview of Internal Audit Function

According to Pickett (2004), the early activities and practices of internal audit are viewed as the mechanisms of double checking on different financial transactions carried out weekly. However, in the early 1950s the trend of the activities changed and focused largely on account testing to detect errors and irregularities. Pickett further identified nine evolutionary stages of internal audit and their main concerns are as follows: internal audit activities in the 1950s focuses on checking account records, in 1960s their concern is to assess compliance whereas in 1970s and 1980s, the concerns are to examine procedures and evaluation control respectively. During the 1990s, they focus on preparing reports on internal control system, and during 2000s they assess risk management. In 2001 and 2002, they facilitate risk management and assured risk control. From 2003 to date, the focus of internal audit is on value added to the organization and more specifically, auditing for value for money (Olimdjon, & Mansurbek, 2024; Khalilov, 2024; Pickett, 2004). However, in recent years, practitioners and scholars have accepted that the philosophy of internal auditing undergoes a major transformation in order to add more value to organizations. For this purpose, the scope of internal audit was extended from mere traditional area of accounting and financial control to include the governance, operational control, performance evaluation, added value to organization, process efficiency and management outcome effectiveness (Olimdjon, & Mansurbek, 2024; Khalilov, 2024; Hazaea, et al., 2022; Alqudah et al., 2023).

Conceptual Framework of Internal Audit

Internal audit is defined as independent, objective assurance and consulting activities designed to add value and enhance operational performance of an organization (Khalilov, 2024; Institute of Internal Auditors, 2013). It is a function perform by internal auditors to assist organization achieve its goals and objectives through discipline and systematic approach to assess and



enhance organizational effectiveness in terms of internal control, risk management, and governance processes (Mihret, 2014). It is also a catalyst for enhancing organization's risk management, governance, and internal control through offering foresight and recommendations based on evaluation and analysis of data as well as organization processes and performance (Gurama, & Mansor, 2021). In line with accountability and commitment on duty, internal auditing functions provides values to organization governing authority and serve as a reliable and objective source of independence strategic advice on the overall performance of the organization (Khalilov, 2024; Alqudah et al., 2023).

The scope of internal audit varied from organization to organization, public to private, however, in a broad term, it involves analyzing areas such efficiency of operation, reliability of financial management and reporting, employees' compliance with organizational laws, rules and regulation (Olimdjoni, & Mansurbek, 2024; Gurama, et al., 2019a). Internal audit functions in public sector organization are concern with how services are efficiently performed, the extent to which laws, status and framework are being followed (Hazaea, et al., 2022; Oussii, & Boulila, 2018). It's also involve conducting proactive activities to identify probable fraudulent act, mismanagement or underutilization of organization resources and capabilities, and pre and post investigation to identify weaknesses and strength of the organization processes (Khalilov, 2024; Alqudah et al., 2023; Sarens et al., 2011).

In attaining the audit process's function, there are four basic functions perform at during auditing practice that include audit planning engagement, performing engagement, communication audit result, and monitoring progress (Khan, 2023; Pitt, 2014; IIAA, 2013; Gramling & Hermanson, 2009; Smith, 2005). These four stages of internal audit processes are very important in understanding the efficiency of internal audit functional process and the anticipated impact of their activities in value adding, identifying and analyzing potential risk within the organization, and re-examining performance outcomes (Hazaea, et al., 2022; Oussii, & Boulila, 2018; Funnell & Wade, 2012). Figure 2.1 illustrate the internal audit processes and their interconnection.

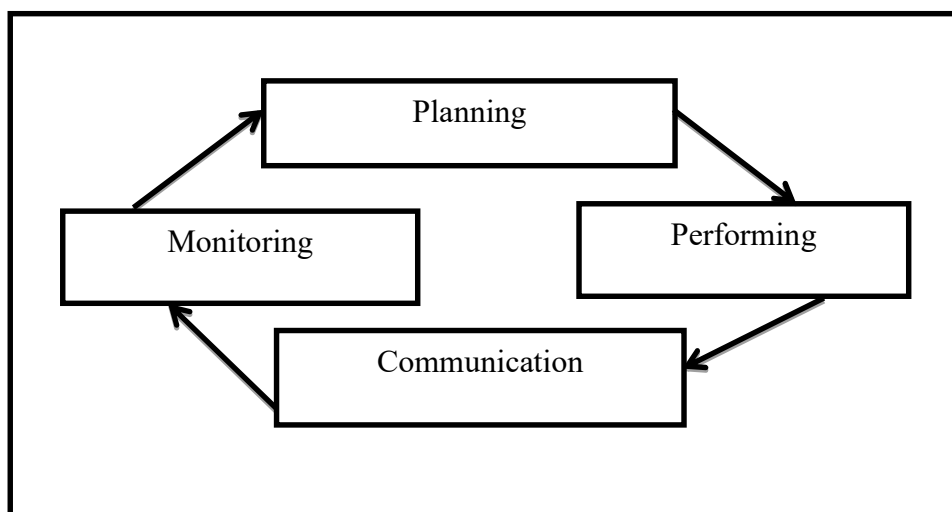


Figure 2.1 internal audit processes

Internal Audit Planning Processes

At the planning engagement, internal auditors are to outline the annual audit plan that would add value to the operational activities of the organization and thereby assist in achieving goals and objectives of the auditing function as well as organization. Effective internal audit planning can maximize internal auditor's functions and potential to provide high quality service as well as value added delivery to the organization (Olimdjoni, & Mansurbek, 2024; Gurama, et al., 2019b). This situation could offer an opportunity to align internal auditor's engagement with the organizational key priorities and strategic risk management and create opportunity for engaging other organizational stakeholders. Planning audit engagement is an important area of concern in the internal audit process. The function is primarily performed at the beginning of the audit process (Pitt, 2014) to ensure devotion of auditors' attention in identifying potential problems that are basically require and align to organization key priorities and objectives. Audit plan means developing overall strategy and detailed method for the anticipated nature, timing and extent to achieved internal audit activities in an organization (Hazaea, et al., 2022; D'Onza, et al., 2015). Internal audit planning processes include knowledge of the organization scope and objectives, developing the audit strategies to the overall plan in terms of how, when and why, and coordinating the resources to perform the audit program (Gurama & Mansor, 2018a). Therefore, planning is very important and fundamental pillar in exploring efficient and effective internal audit process.



Internal Audit Performing Processes

Performing internal audit engagement is where auditors have multiple opportunities to interact with the employees, and other stakeholders in an organization. It is a field work where internal auditors will demonstrate their maturity in identifying and analyzing the organization using their professionalism, skills and expertise (IIAA, 2013, Pitt, 2014). Internal auditors are expected to establish their best practice of transparency, commitment, and impartiality at audit function that can be observed through efficient audit process (Olimdjon, & Mansurbek, 2024; Gramling & Hermanson, 2009). Nonetheless, better internal audit practice required effective collaboration with organization engagement and determine the organization overall goal that can contentiously add value to the organization performance. Efficient and effective internal audit in performing a function is what could trigger the added value to organization (Hass et al., 2006) and hence what could determine the ability of internal auditors in performing auditing activities substantially. Therefore, performing engagement is very essential for implementing audit plan in an attempt to accomplish effective internal audit process that could yield useful auditing result.

Internal Audit Communication Processes

Communicating internal audit result to the management is also a very critical issue that can determine the efficiency and effectiveness of the auditing process in an organization. Efficient communicating of auditing finding to the management is what could determine effectiveness of the internal auditor's function in an organization. Internal auditors that lack effective communication and ability to encode their audit result to the management they fail in their auditing function (Khan, 2023; Smith, 2005). In reality, without internal auditor ability to communicate appropriately, both in writing and verbally, their service to the organization is worthless and could not have impact in value adding and influencing management to make needed changes in terms of internal control, performance improvement, and organizational effectiveness (Gurama, et al., 2019a). Therefore, excellent communication is required by internal auditors also should have maintained efficient and effective communication line with their auditees as well as among themselves. This will enable them to understand and inquire facts and information from their auditees (Smith, 2005) that could allow them to identify areas that need enhancement in an organization. This would provide a medium and channel to which auditors can encode and decode data and information from to management and other stakeholders in an organization (Khalilov, 2024; Pitt, 2014). Therefore, effective communication can provide assurance to the organization management that the engagement objectives will be achieve in an accurate, fair, and impartial manner during the internal audit process.



Internal Audit Monitoring Process

Monitoring the progress of auditing activities as well as organizational performance also is very important to internal audit process and so significant in understanding the effective role of internal auditors to the operational performance of an organization. At this point, the chief internal audit shall establish and maintain a good and sound monitoring process (Hazaea, et al., 2022; Alqudah et al., 2023; Pitt, 2014) that could facilitate the disposition of audit activities and result communicated to the management. Institute of Internal Audit Standard 2500 confine monitoring function of internal audit process as vital instrument for achieving auditing goals evenly in the previous engagement in the audit process (Khan, 2023; Keating, 1995). Accordingly, IIAA, (2013) has commended the following at monitoring stage that: chief internal auditor must ensure the workability of organization database or system and its updates, management support, and review of the totality of the audit processes and function and they are aligned with the organization goals and objectives. Therefore, the chief internal auditor must ensure the audit staffs are motivated; there is good understanding among the internal auditors about the roles of monitoring, and allocating appropriate time to complete an activity at other process stages in the internal audit function.

METHODOLOGY

This study adopts qualitative research paradigm which is found to be the most suitable research approach for understandings of individual experience, knowledge and perception about the reality of a process, practice, and concept (Silverman, 1997). Data were collected from internal auditors at Federal Inland Revenue Service (FIRS) Headquarters Abuja through interview. The face-to-face interviews were conducted one-on-one with internal auditors to explore their knowledge and experience on the internal audit processes, nature of the activities involve, and what is required most by the internal auditors to enhance the audit processes in tax administration. According to Guest et al., (2006), a minimum of six respondents and a maximum of twelve are sufficient for interview saturation. Therefore, this study interviewed 9 internal auditors as sample size which is adequate to qualified saturation level in line with the Guest et al. (2006) suggestion. The 9 interviewed internal auditors of FIRS was done as free formal flowing discussion to allow the respondents expressed views and share their knowledge about the activities involved and often required in the internal audit processes. The gathered data was analyzed using Nvivo₁₃ software after transcription verbatim. The used for Nvivo₁₃ in analysis is for thematic purpose and based on this, the data is categorized into themes and subthemes.



RESULT AND DISCUSSION

Planning themes: audit key priorities, and audit procedures

During the interviews, respondents deliberate on their perception, knowledge, and experience on what is required at the planning level which can enhance the audit process in tax administration. In addition, the respondents have expressed their perception on the required internal audit processes in tax administration that could enhance their audit activities under planning which the study categorized them into two themes i.e. audit key priorities and audit procedures. Most of what was shared by the respondents is based on these themes and they almost emphasized on its significance in internal audit planning at process level.

Internal audit planning entails setting auditing goals, key priorities and predicting how to achieve the plan successfully (IIA, 2010). It is also coping up with uncertainty by predicting future causes of action and determining procedures adopted to accomplish anticipated audit functions and result efficiently. Internal audit planning also embodied all forms of plans such as strategic, tactical and operational planning to achieve goals and objectives of the audit and that of the organization consecutively (Sterch & Bounckaert, 2006).

Planning for the internal audit process is done by the internal auditors at the beginning of every year and the planned activities are submitted to the FIRS management for approval. The result of the study shows that the key success of the auditors depends on their ability to outline the auditing priorities and procedures. The interview result further reveals that the staff's strength, scope and objective in audit plan are the audit key priorities and consideration during planning process. Internal auditors highly regarded these areas and gave it more emphasis at the planning stage i.e. by planning their annual functions within their scope and it goes in line with the auditing objectives. Similarly, they need to ensure that at the beginning of the year they have adequate manpower that can implement the planned auditing programme and functions.

However, inadequate manpower and time lag in the management approval of the planned audit activities could adversely affect the auditors' performance. It was argued that adequate internal audit staff at the planning stage is one of the fundamental requirements for auditing priorities that could lead to successful planning and could be utilized to execute auditing functions in an organization (Sterch & Bounckaert, 2006; Mihret et al., 2007). To improve the situation and regain internal auditing planning efficiency, the management of FIRS should provide enabling environment that could be used to enhance internal auditors' knowledge and skills which in turn increase their performance and enhance planning efficiency of auditing activities.



The planning process also entails is the auditing procedures that are required for internal audit efficiency which are audit timeline and audit manual based on the analysis of the case. Audit timeline and audit manuals are regarded as important at this stage of planning process. From the findings of this study, timeline is required as one of the auditing procedures that can aid auditors in planning and guiding their audit functions. Effective timeline is regarded by the auditors as a periodic event, need to be implemented on timely basis and when due without compromise. Also in the findings, audit manual was regarded as a procedure guide required by internal auditors during the planning process.

Internal auditors in FIRS are being guided by the audit manual and timeline in performing their auditing functions. The Institute of Internal Auditors (2010) indicated that internal audit planning is regarded as a process that can give the internal auditor the opportunity to design, arrange and align their functions with the organization's key priorities using strategic approach that guides them in achieving auditing as well as organizational objectives efficiently. That is for internal auditors to be efficient in planning auditing functions; there must be adequate guiding procedures that can assist them in aligning auditing key priorities and organizational objectives using up-to-date manuals and related regulations. Therefore, provided there is enabling environment for internal auditors to rationalize their planning procedure effectively, they required up-to-date audit manuals and related regulations that could guide them in enhancing their efficiency.

Performing themes: commitment, impartiality, and transparency

Performing level is where internal audit interacts and exhibit his competency in implementing the audit plan. The responses and the data collected from internal auditors in this study were thematised into three; commitment, impartiality, and transparency. In this regard, the participants' responses highlighted what is meant by commitment, impartiality, and transparency and how these three are connected and useful to internal audit performing process.

Performing the internal audit process is where internal auditors would transform the planned activities during planning stage into real actions. The findings of this study indicate that for the internal auditors to perform efficiently, they required commitment, impartiality and transparency in all degree of their auditing functions. Lack of commitment, partiality and transparency would render the functions of internal audit subjective, which in turn, negatively affect their effectiveness. In reality, performing auditing functions based on commitments, impartiality and transparency by following the auditing principle and ethical values would enhance audit process. In addition, transforming the work planned wouldn't be accomplished without



committed staffs that can honestly practice the audit activities in an impartial and transparent process and manners on the auditees.

The internal auditors' impartial and transparent characteristics would be best achieved in an environment where they are independent to practice their profession without fear of sanction, intimidation or victimization from their top management. According to Sterch and Bounckaert (2006) lack of assured internal audit independence in public organization is among the deterring factor of auditing performance in some of the OECD countries such as the Netherland, Canada, Australia, and Sweden. In addition, Faitusa (2015) as well as MaeRai and Gils (2014) advocated in their different studies that independence of internal audit from the top management of their organization is an essential factor for instituting efficient auditing process and effective output that can assist top management in decision making. Furthermore, this would make the audit process very objective and free from any bias, interference and harassment. There is no doubt that performing level of internal audit process is an avenue where internal auditors can exhibit their competency, knowledge and skills by focusing on auditing activities using commitment ability to perform audit function, impartiality to the auditees and transparent procedures for efficient and effective auditing functions. This would make the auditing exercise more credible at the end of the activities and acceptable to the auditees and useful to the management in value adding.

Communication themes horizontal and vertical

This is an important requirement for an internal auditor to possess good communication skills and understanding in order to succeed in the process of auditing functions and to overcome global and complexity of organizational environment. Internal auditor should possess strong interpersonal and listening skills. Under the communication process, there are two themes based on the responses of interviewees. The themes are horizontal and vertical communication.

The finding of the interviews shows that there are two basic communication channels used by internal auditors' namely horizontal and vertical communications. Horizontal communication entails two major channels i.e. written report, and memos. These are the findings from the responses of the interviewees. Internal auditors sent and received information and messages about the auditing activities performed by them as well as what are required to be done by the FIRS management through these channels. They also used the channels to transmit their findings to the management interchangeably. Vertical communication is about how the internal auditors communicate among themselves and to their auditees while on duty. The finding of the study reveals that the internal auditors used phone calls and verbal communication with their auditees and among themselves. These are the



major required vertical communications channels that can aid efficiency of the internal auditing in tax administration and are very efficient in transmitting information among auditors and to their auditees.

Effective communication in auditing is highly regarded and emphasized by the previous researchers on internal audit process. Among the previous researchers are Smith (2005) and Orsini (2000) who argued that it is very essential for internal auditor to possess good understanding and communication skills in the process of auditing functions and reporting to the management to overcome complexity of organizational environment and global auditing challenges. Additionally, Loss (2000) opined that internal auditor must be careful in selecting and using certain voices, words, terms and gesture while interacting with auditees and the top management at various levels of the organization in order to achieve effective communication of audit function. Therefore, it is very important for internal auditors at the audit processes to have maintained good understanding and communication skills to aid them in overcoming organizational and global challenges of communication. The practice of good communication skills can increase the efficiency in auditing and hence improve the auditors' performance in tax administration.

Monitoring process themes: qualities, skills and techniques

Monitoring internal audit process refers to as a close supervision of the entire auditing processes progress that can entail the success of processes function. At the monitoring stage, all the stages before (planning, performing and communicating) are to be monitored and ensured that they are all observed, by strict adherence to the process progress. On this account, this study grouped the responses of interviewees under three themes namely qualities, skills, and techniques of the internal auditor who perform the monitoring function.

Monitoring is the final level of internal audit process in this study as depicted in Figure 2.1. The result of the internal auditors monitoring process show that in FIRS, an internal auditor is required to possess some qualities, skills and techniques that can enable him to perform the monitoring function efficiently. The qualities are smartness and broad ideas on the function that is under the monitoring process. Ideas such as in-depth knowledge of the function should be supported by the smartness in understanding the situation and what is anticipated from the function when the task was done. In addition, internal auditor should be skilful in terms of good communication and writing skills as well as proper documentation. These are two forms of skills that are required to acquaint the internal auditors with essential skills to monitor performance in FIRS. This would enable the auditor to take note, receive and convey the information using the right communication channels as well as necessary document while on the monitoring function.



Follow-up and check-list are the required techniques for efficient monitoring activities by internal auditors in the FIRS. Walker (1996) argued that to achieve effective monitoring result, internal auditors are required to follow-up activities and ensure that an auditor is responsible to his or her deeds and actions in discharging auditing responsibility in an organization. In reality, based on the findings of this study, internal auditors are required to consolidate these three monitoring attributes (qualities, skills and techniques) to enable them perform the function of monitoring internal audit process. According to IIAA (2013), internal auditors monitoring stage is meet to ensure that all the necessary steps that were established from the planning, performing and communicating processes are followed and are in line with the auditors' distinctive monitoring attributes. The distinctive attributes include personal and cognitive characteristics of the internal auditor which can serve as the yardstick to monitor quality (Funnell & Wade, 2012). It was also stated by IIA (2006) that internal auditors shall have the monitoring attributes in terms of qualities, skills and techniques to achieve the efficient monitoring performance. Walker (1996) confirmed that efficient monitoring result required internal auditors with monitoring skills and techniques that can be the guiding tools and attributes for successful monitoring auditing functions in an organization.

CONCLUSION AND RECOMMENDATIONS

This study has explored internal audit processes to understand the interconnected components that are compatible to aid internal audit performance. Four (planning, performing, communicating, and monitoring) components were identified and are basic pillars in facilitating auditors' performance in delivering their auditing functions. Therefore, FIRS management should ensure that their internal audits are provided with enabling environment to allow them perform their audit process efficiently and effectively. The findings of the study also extended the literature of internal audit by providing new perception of the internal audit process in tax administration. The findings also highlight the crucial characteristics and elements required to enhance internal audit process in public organization. Finally, this study recommends that FIRS should ensure implementing quarterly audit manual updates to boost the audit performance the organization at large. Also, FIRS should mandate IIA certification for all senior auditors for effective performance of the tax administration. Future research could use different research design and method of data collection such as focus group to extend the explorative analysis of internal audit processes.



REFERENCES

- Abubakar A. & Bello U. (2018). An overview of Corporate Governance in Nigeria. *The certified National Accountant: A Quarterly Journal of Association of National Accountants of Nigeria*, 26(1), 45-51.
- Ahmad, Z., & Taylor, D. (2009). Commitment to independence by internal auditors: the effects of role ambiguity and role conflict. *Managerial Auditing Journal*, (24)9, 899-925.
- Alqudah, H., Afza, N. A., Hassan, H., Lutfi, A., Alessa, N., Alrawad, M., & Amin, M. A. (2023). Examining the critical factors of internal audit effectiveness from internal auditors' perspective: Moderating role of extrinsic rewards. *Heliyon* 9, 1-17. doi.org/10.1016/j.heliyon.2023.e20497
- Arena, M., & Azzone, G. (2009). Identifying organizational drivers of internal audit effectiveness. *International Journal of Auditing*, (13)1, 43-60.
- Boritz, J. E. (1983). Planning for internal audit function. Altomonte Springs, FL: Institute of Internal Auditors Research Foundation.
- Brierley, J. A, El-Nafabi, M., & Gwillam, D. R. (2001). The problems of establishing internal auditing in the Sudanese public sector. *International Journal of Auditing* (5) 1, 73-87.
- Cooper, B. J., Leung, P., & Mathews, C. M. (1996). Benchmarking-a comparison of internal audit in Australia, Malaysia and Hong Kong. *Managerial Auditing Journal*, (11)1, 23-29.
- Didis, S. K. (1997). Communication audit results. *Internal Auditor*, (54)5, 36-38.
- Enofe, A. O., Mgbame C. J., Osa-Erhabor V. E., & Ehiorobo. A. J. (2013). The role of internal audit in effective management in public sector. *Research Journal of Finance and Accounting* (4)6, 162-168.
- Eze, N. M. (2016). Changes and challenges of auditing in 21st Century: The Nigerian experience. *International Journal of Finance and Accounting*, (5)1, 37-45.
- Faituša, I. (2015). Public internal control in the European Union. Proceedings of the 2015 International Conference, Economic Science for Rural Development, No37 LLU ESAF Jelgava, Latvia.
- Gramling, A., & Hermanson, D. (2009). Internal audit quality: Would we know it if we saw it? *Internal Auditing*, (24)1, 36-39.
- Guest, G., Bunce, A., & Johnson, L. (2006). How many interviews are enough? An experiment with data saturation and variability. *Field methods*, 18(1), 59-82.
- Gurama, Z., & Mansor M. (2021). Connecting competency in internal audit with tax administration performance: A case study of the Nigerian tax authority. *Journal of Business Management and Accounting*, 11(2), 73-94. <https://doi.org/10.32890/jbma2021.11.2.5>
- Gurama, Z., & Mansor, M. (2018a). Integrated internal audit model for effective internal auditing performance in Nigerian tax administration. *Asian Journal of Economics, Business and Accounting*, 7(3), 1-7.
- Gurama, Z., & Mansor, M. (2018b). Environmental consideration for internal auditing effectiveness in tax administration. *European Journal of Business, Economics and Accountancy*, 6(3), 49-58.



- Gurama, Z., Alhaji, A. S. & Ahmed, A. H. (2019a). Communication as a critical factor for internal audit effectiveness in tax administration in Nigeria. *International Journal of Business and Tehnopreneurship*9(1), 103-112.
- Gurama, Z., Shehu, M. & Abdulhamid, A. B. (2019b). The roles of planning in internal audit performance in tax administration. *Nigerian Journal of Accounting and Finance*, 11(1), 36-53.
- Hazaea, S., Zhu, J., Elamer, A.A. and Khatib, S. (2022). Mapping the Literature of Internal Auditing in Europe: A Systematic Review and Agenda for Future Research. *Meditari Accountancy Research*, Forthcoming, 1-48.
- Hass, S., Abdolmohammadi, M. J., & Burnaby, P. (2006). The Americas literature review on internal auditing. *Managerial Auditing Journal*, (21)8, 835-844.
- Institute of Internal Auditors (IIA, 2013). Rethinking the future of audit - Internal Audit is at a crossroads, *The Institute of Internal Auditors*, The Austin Chapter Research Committee, March.
- Institute of Internal Auditors (IIA, 2010). Practical guide: Developing the internal audit strategic plan. *Altamonte Springs, FL: The Institute of Internal Auditors*.
- Institute of Internal Auditors-Australia (IIAA, 2013). Graduate certificate in internal audit. Module 1 Unit 1.
- Institute of Internal Auditors (IIA, 2006). The role of auditing in public sector governance. Florida: *The Institute of Internal Auditors*.
- Karen, Van Peurse (2004). Internal auditors' role and authority: New Zealand evidence. *Managerial Auditing Journal*, (19)3, 378-393.
- Khalilov, B. B. (2024). Role of internal auditing in international companies. *International Journal of Economy and Innovation*47, 413-419.
- Khan, M. G. S. H. (2023). Persuading drivers of internal audit functions effectiveness: Development of conceptual model. *American International Journal of Economics and Finance Research*, 6(1), 1-8. <https://doi.org/10.46545/aijefr.v6i1.288>
- Keating, G. (1995). The art of the follow-up. *Internal Auditor*,(52)2,59-62.
- Loss, J. (2000). The communications contract. *The Internal Auditor*, (57)6, 88-88.
- MacRae, E., & Gils, D. (2014). Nine elements required for internal audit effectiveness in the public sector. *The Institute of Internal Auditor*, *Altamonte Springs, FL*.
- Mihret, D. G. (2014). How can we explain internal auditing? The inadequacy of agency theory and a labour process alternative. *Critical Perspectives on Accounting*, (25)8, 771-782.
- Moeller, R. R. (2009). *Brink's modern internal auditing: A common body of knowledge*. John Wiley & Sons.
- Olimdjon, E. K. & Mansurbek, M. (2024). Internal audit methods and their importance. *Academic Research in Modern Science*, 101-105. doi.org/10.5281/zenodo.14235431
- Olukayode, A. S. (2016). Internal audit and fraud control in public institutions in Nigeria: A survey of local government councils in Osun State. *International Journal of Academic Research in Business and Social Sciences*, (6)2, 153-



- 158.
- Orsini, B. (2000). Improving internal communications. *The Internal Auditor*, (57)6, 28-33.
- Oussii, A. A., & Boulila, T. N. (2018). The impact of internal audit function characteristics on internal control quality. *Managerial Auditing Journal*, (33)5, 450-469.
- Pickett, K. S. (2004). *The internal auditor at work: A practical guide to everyday challenges*. John Wiley and Sons Ltd.
- Pitt, S. A. (2014). *Internal audit quality: Developing a quality assurance and improvement program*. John Wiley and Sons Ltd.
- Silverman, D. (1997). *Interpreting Qualitative Data: Method for Analyzing Talk, Text and Interaction*, Sage Publications, Thousand Oaks, CA.
- Smith, G. (2005). Communication skills are critical for internal auditors. *Managerial Auditing Journal*. (20)5, 513-519.
- Sterck, M., & Bouckaert, G. (2006). International audit trends in the public sector: A comparison of internal audit functions in the governments of six OECD countries finds similarities in legal requirements, organizational structure, and future challenges. *Internal Auditor*, (63)4, 49-53.
- Walker, D. (1996). Internal audit reports, keeping them on target. *Managerial Auditing Journal*. (11)4, 11-20.



Appendix

Interview Protocols and Questions for Internal Auditors

Themes: Planning, Performing, Communicating, and Monitoring

1. Theme: Planning

In your own view, what are internal audit processes undertaken during planning process? What do think would be the suitable planning processes to be considered by internal audit that will increase auditing efficiency? Do internal auditors actually undertake required planning processes? What are you really practicing and why? What are the actual processes you undertaken in planning process? Does efficient planning process of internal auditors would improve auditing performance and as how? Overall, what are the challenges and issues internal auditors encounter during planning process and how to enhance the auditor's planning efficiency?

2. Theme: Performing

In your own perceptions, how efficient is internal auditor's performance during engagement? What are the actual tasks performed by internal auditors and how efficient they are during audit engagement? Are auditors actually practicing performing function efficiently? What are actually practicing and why? Overall, what are the issues and challenges of internal auditing during performing engagement? What steps and solutions are required to improve internal auditor's performance efficiency during engagement functions?

3. Theme: Communicating

How internal auditor's undertaken communication processes while auditing? How does the efficient communication process impact on the internal auditors' functions? Are you actually practicing communication required during functional engagement? What are you actually practicing and why? What are the challenges of communication hindering internal auditor's in undertaken efficient processes during auditing engagements? In your own opinion what are suitable forms of communicating required during auditing process? What would you suggest on how to improve communication process during auditing function? Overall, what are the communication process of internal auditors do you think will enhance the auditor's performance and auditing efficiency?

4. Theme: Monitoring

In your opinion, what are the processes undertaken by internal auditors in monitoring engagement? What are the actual monitoring functions required to be performed by auditors? Are you really practicing the function and why not? What



are the issues and challenges of internal auditing efficiency in monitoring functions? Overall, what do you think internal auditors need while monitoring auditing process or function during engagement that can increase their performance efficiency tax administration?

(Source: Adapted from Abu-Azza, 2012 and Rainer, 2013)