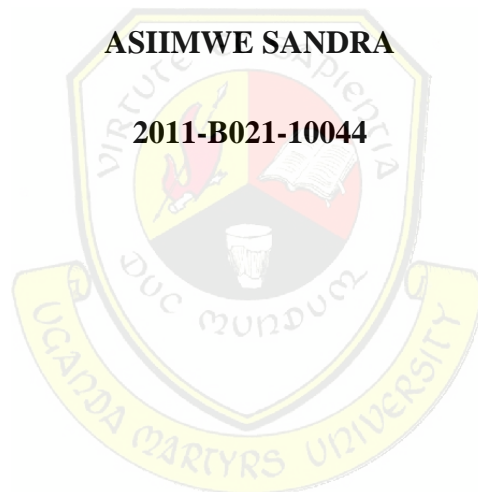


INTERNAL CONTROLS AND ORGANIZATIONAL PERFORMANCE

Case study: Uganda Wildlife Authority



Uganda Martyrs University

April, 2014

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**An undergraduate dissertation presented to the faculty
of Business Administration and Management in partial fulfillment of the requirements
for the award of the degree Bachelor of Business Administration and Management.**

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ASIIMWE SANDRA

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DEDICATION

I hereby dedicate this book to my beloved parents; Mr. Byakatonda Gorden and Mrs. Nyonyozi Lydia.

ACKNOWLEDGEMENT

I would like to take this opportunity to thank all people who have been supportive both financially and academically that have enabled me to pursue my cherished ambition of attaining quality education.

My special thanks go to my supervisor, Ms Nabaggala Maria who always spared time to attend to me and also guide me as I wrote this dissertation. Without her support and encouragement, this dissertation would have been an uphill task. I pray that God rewards her handsomely.

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Lastly, I would like to send my regards to my family; Mr. Gordon Byakatonda, Mrs. Byakatonda Lydia, my brother and sister; Ainamani Solomon and Atuhairi Sheila for their ever unreserved and kind encouragement. May God bless you all.

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LIST OF ABBREVIATIONS

COSO Committee of Sponsoring Organizations

ISA International Standards of Accounting

IDRC International Development Research Center

GAO General Accounting Office

KCCA Kampala Capital City Authority

IT Information Technology

IS Information Systems

POS Perceived Organizational Support

ABSTRACT

The study sought to investigate the impact of internal controls on the performance of an organization using Uganda Wildlife as a case study. The objectives of the study were; to examine the role of control activities on the performance of an organization, to determine the effect of the control environment on the performance of an organization and to find out the influence of information and communication on the performance of an organization.

In the conduct of the study, both qualitative and quantitative data was gathered in order to establish the impact of the independent variable on the dependent variable, so as to examine how internal controls affect delivery of service in Uganda Wildlife Authority. A case study research design was used. The study comprised of 44 respondents who were employees in the organization. External validity was used in selecting the sample of respondents. Data was collected, answered questionnaires were gathered, and data was edited and sorted for the next steps. The data was presented in tabular form with frequencies and percentages. Statistical Package for Social Sciences (SPSS) was used to analyze the impact of the independent variable on the dependent variable under study.

The findings indicated that although control activities, control environment, and communication of information were in place at Uganda Wildlife Authority, their effectiveness needs to be improved for efficient delivery of services.

The study recommends establishment of a management information system within the organization so as to enable all parties utilize the official information and freely access it.

CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

This research was conducted to establish the effectiveness of internal control and their impact on the performance of organizations. Internal controls comprise the plan of an organization and all the coordinated methods adopted to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency and encourage adherence to prescribed managerial policies (Miller, 2003).

This chapter consists of the background, statement of the problem, general objectives, research questions, significance and scope of the study, and conclusion.

1.1 Background of the study

During the days of the Great depression, the Securities Exchange Act of 1934 was enacted to impose mandatory audit on financial statements of listed companies. The role of auditors then was to inspect financial statements to see if they complied with accounting principles. As corporations became even bigger and more complex, it became impossible to ignore the aspect of business management which is the pre requisite of auditing the reliability of financial reporting. Consequently, the American Institute of Certified Public Accountants published a special report on internal controls in 1949 defining it as ‘safeguarding of assets, the ensuring of accuracy and reliability of accounting data , the promotion of operational efficiency, and the adherence to prescribed management policies’ thereby building in the perspective of executive management. This definition, however, invited criticisms that the scope of responsibility of auditors was extended too far, leading to arguments in favor of a

narrower interpretation of the concept of internal controls (Present, past and future of Internal Control; A survey of J-sox compliance).

In 1992, the Committee of Sponsoring Organizations (COSO) published the report, “Internal Control – Integrated Framework”, as a basis for developing business control systems and assessing their effectiveness (Internal control issues).

In Africa, internal controls have traditionally been one of the weakest areas in public financial governance. In some systems, controls are lax or nonexistent. In others typical of the franco phone systems, controls are numerous and strict on paper, so that there is a strong temptation to evade them by taking advantage of regulatory loop holes. In recent years, a number of regulations and institutions have been introduced to strengthen internal control systems in the public sector. Improvement has been made and audit is now system based and undertaken on the basis of professional standards. Most countries have, replaced the previous traditional pre- audit functions with post audit, and organized internal audit units and committees across government. Audit reports are being issued and distributed to all relevant bodies. Despite these significant improvements, management implementation is still weak, undermining the effectiveness of internal control (Public Financial Governance Reforms in Africa, May 2012; African governance outlook, e-journal).

In Uganda, effective internal controls are lacking in public sector projects financed by the African Development Bank. The outcome of the evaluation process is that some control components of effective internal control systems are lacking in these projects (Public finance government reforms in Africa journal, May 2012).

When companies suddenly collapse, the often resounding question is, ‘what went wrong?’ A breakdown in the internal control system is the usual cause. Internal control is the process that guides an organization towards achieving its objectives. The objectives include

operational efficiency and effectiveness, reliability of financial reporting and compliance with relevant laws and regulations (COSO, 1992). Absence of these variables often results in organizational failure (International Research e-Journal of Finance and Economics, 2009).

Basing on the study of regional member countries focusing on Uganda in East Africa, it looked at evaluating the internal control systems in Public sector projects in Uganda financed by the African development bank. The outcome of the evaluation process revealed that some components of effective internal control systems are lacking in these projects. This renders the current control structures ineffective projects (Public finance government reforms in Africa journal, May 2012).

Uganda Wildlife Authority is located in Kampala Capital City Authority (KCCA) on plot 7 Kiira Road, Kamwokya near the Uganda Museum. It was established in 1996 and manages ten national parks and twelve wildlife reserves spread in different regions of Uganda. Its motto is “Conserving for Generations”. Its vision is “to be the leading, sustaining wildlife conservation agency that transforms Uganda, the best eco- tourist destinations in Africa”. Its mission is “to conserve, economically develop and sustainably manage the wildlife and protected areas of Uganda in partnership with the neighboring community and stakeholders for the benefit of the people of Uganda and the global community”.

Uganda wildlife authority is a big organization; therefore its internal controls should be carefully monitored since good internal controls help in achieving an organizations objective. Internal controls also play an important role in the early detection, correction and prevention of fraud.

1.2 Statement of the problem

When companies suddenly collapse, the often-resounding question is, “what went wrong?”. A breakdown in the internal control systems is the usual cause. Internal control is a process that guides an organization towards achieving its objectives. These objectives include operational efficiency and effectiveness, reliability of financial reporting, and compliance with relevant laws and regulations (COSO, 1992).

Internal control systems is a topical issue following global fraudulent financial reporting and accounting scandals in both developed and developing countries (International Research Journal of Finance and Economics, 2009).

The research is an attempt to study whether organizations in Uganda have sufficient internal controls, and their effectiveness in ensuring effective and efficient delivery of services, with specific reference to Uganda Wildlife Authority.

1.3 Objectives of the study

1.3.1 Major objective

The main objective of this study is to investigate the impact of internal controls on the performance of organizations.

1.3.2 Specific Objectives

The study will be guided by the following specific objectives.

- I. To examine the role of control activities on the performance of an organization.
- II. To determine the effect of the control environment on the performance of an organization.
- III. To find out the influence of information and communication on the performance of an organization.

1.4 Research questions

- I. What is the role of control activities on the performance of an organization?
- II. What is the effect of the control environment on the performance of an organization?
- III. How does information and communication influence the performance of an organization?

1.5 Scope of the study

The study is limited to assessing the impact of internal controls on the organizational performance of Uganda Wildlife Authority.

1.5.1 Content Scope

The study was based on internal controls as an independent variable measured basing on control environment, control activities, information and communication; and the dependent variable (performance of organizations) basing on liquidity of an entity, turnover and profitability. The study observed that infrastructure, culture, and economic and political instability as the intervening factors.

1.5.2 Geographical Scope

The study was conducted at the headquarters of Uganda Wildlife Authority located in KCCA on plot 7 Kiira Road, Kamwokya near the Uganda Museum. Uganda Wildlife Authority was chosen because it is easily accessible to the researcher, and in recognition of wildlife (tourism) as one of the biggest sources of revenue for the country.

1.6 Significance of the study

The study will be useful to professionals, students, management of Uganda Wildlife Authority and government in appreciating the prevailing status of internal controls at the organization, and encourage research and development of reforms for better delivery of service.

The study can further be used in developing effective internal controls within organizations as a means of creating robust, viable, sustainable and strong institutions.

The research findings will also be available for reference by academicians and researchers who seek to conduct further research in any of the variables under this study.

The study will enrich the researcher's knowledge on the variables under study and help in fulfillment of the requirement for the award of the degree of Bachelor of Business Administration and Management of Uganda Martyrs University.

1.7 Justification

Organizational performance is crucial for any entity and many topics researched recognize its importance to successful survival and sustainability of all businesses. Emphasis on internal controls leads to improved organizational performance, stakeholder appreciation, and overall economic performance. While the research findings reported have been obtained as a result of careful study and scrutiny of the institutions documents, the researcher believes that there are still gaps arising out of time and financial constraints and possible omissions due to sampling method used. In spite of the gaps mentioned, this work provides reasonable information on how internal controls subsist at the institution, and will be of importance to users who wish to understand and guide other organizations to achieve their goals.

1.8 Definition of key terms

Internal control is the integration of the activities, plans, attitudes, policies, and efforts of the people of an organization working together to provide reasonable assurance that the organization will achieve its objectives and mission.

Control environment is the tone of an organization and the way it operates. It concerns the establishment of an atmosphere in which people can conduct their activities and carry out

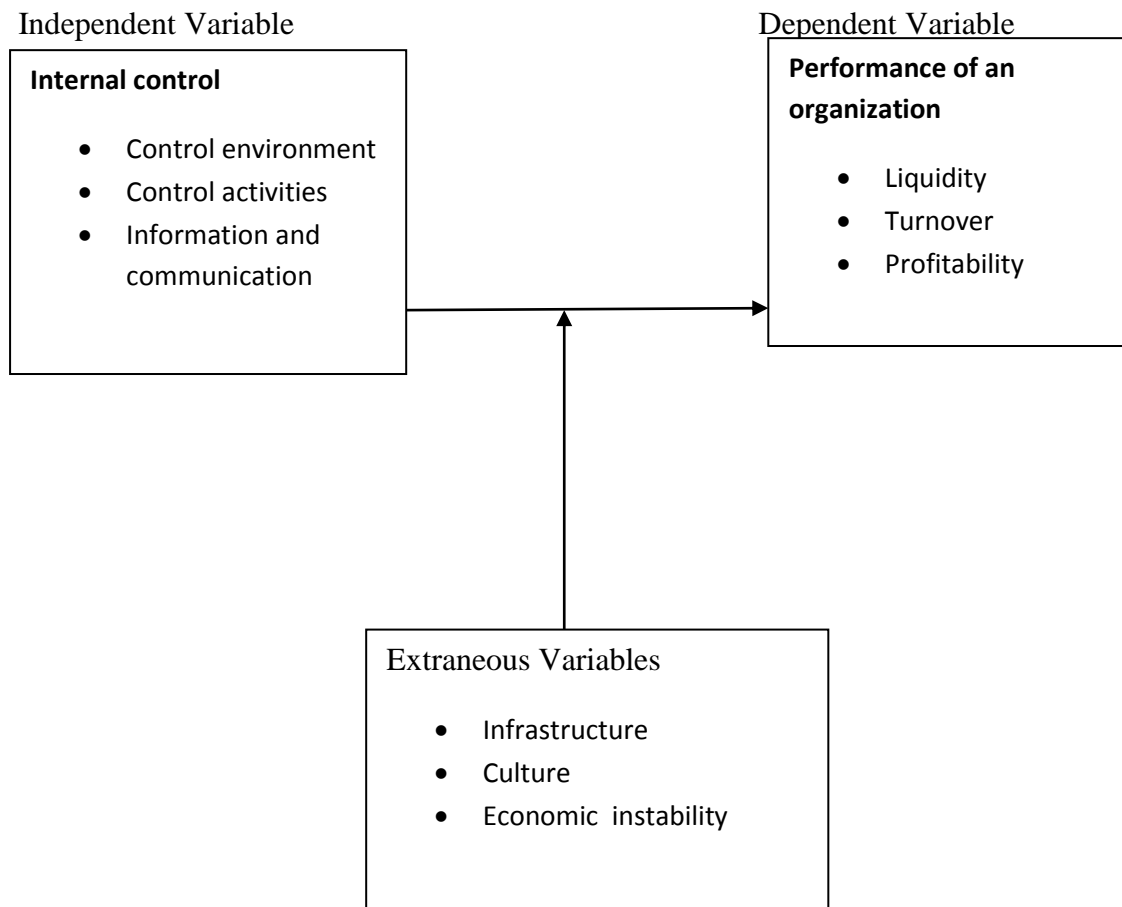
their control responsibilities effectively (Beneish et al, 2008). It also refers to how leaders appreciate, respect and abide by the set internal controls.

Information and communication refer to the systems put in place by an organization to identify, capture, process and report relevant and reliable information in a timely manner so that people can carry out their responsibilities effectively. In addition, these systems deal with both internally and externally generated data and flows both vertically and horizontally in the organization. Without appropriate information being communicated on a timely basis, decision making becomes a challenge for both leaders and other stakeholders.

Control activities are the policies and procedures implemented by an organization to ensure that management's directives are carried out. These activities are often grouped into the three categories of objectives to which they relate, namely, operations, financial reporting, and compliance (Shelton and Whittington, 2008).

1.9 Conceptual Framework:

Fig 1. Illustration of the conceptual framework



Source: Adopted and Modified by the researcher

From the above conceptual frame, it is clear that internal control as an independent variable (as measured by the control environment, control activities, information and communication) has an impact on organizational performance a dependent variable (as measured by liquidity of an entity, turnover and profitability). However there are intervening variable like infrastructure, culture and economic instability.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter provides a critical review of related literature on the study variables, definition and understanding of internal controls, Organizational performance, components of an internal control system which include control activities, control environment and information and communication. The researcher will also discuss the impact of these components to organizational performance.

2.1 Theoretical review

2.1.1 Agency theory

Agency theory is concerned with the diverse interests and goals that are held by an organizations stakeholders (stockholders, managers, employees) and methods which the enterprises reward system is used to align these interests and goals. The theory draws its name from the fact that the people who are in control of large organizations are seldom the owners, rather, in almost every case; they are agents who are responsible for representing the interests of owners (Fred, 2008).

Nevertheless, the theory recognizes the incomplete information about the relationship, interests or work performance of the agent described as adverse selection and moral hazard. Coarse (1937) explains that moral hazard and adverse selection affects the output of the agent in two ways; not doing exactly what the agent is appointed to do, and not possessing the requisite knowledge about what should be done. This therefore, affects the overall performance of the relationship as well as the benefits of the principal in form of cash residual.

Allen, Myers and Brealy (2006) argue that a modern corporation is a team effort involving a number of players, such as managers, employees, share holders and bond holders. For a long time economists used to assume without question that all these players acted for the common good, but in the last 30yrs they have had a lot more to say about possible conflicts of interest and how companies attempt to overcome such conflicts. These ideas are collectively known as the agency theory.

According to Bakibinga (2001) agency may be defined as the relationship which exists whenever one person (the agent) acts on behalf of another person (the principal) and has power to affect the principal's legal position with regard to a third party.

2.2 Conceptual review

2.2.1 The concept of internal control

The auditing Guideline "Internal Control" defines internal control as the whole system of controls, financial and otherwise, established by the management in order to carry on the business of the enterprise in an orderly and sufficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible completeness and accuracy of records. It is a responsibility of management to decide the extent of the internal control system which will depend on the nature, size etc (Kenneth, 1993).

The author goes ahead to talk about reporting to management on internal controls, the auditor must report as soon as possible to senior management significant weaknesses in internal controls. Any such report should indicate that other weaknesses besides the ones reported upon, may exist. The fact that the auditor reports weaknesses in internal controls to management doesn't absolve management from its responsibility for the maintenance of an adequate internal control system.

Internal control systems include the concept of ‘internal checks’ which is defined as the separation of duties between persons and departments, so that one person or department carries out the whole transaction and one person checks the work of another. The controls are detailed as custody controls, recording controls, authorization controls, the controls exercised by management supervision and organization controls (Kenneth, 1993).

The traditional accounting professional definition of internal control hinged on financial reporting and compliance aspect of control, however COSO report (1994) describes internal control system as a process involving board of directors, management, and other personnel created as a means of ensuring that the organization’s objectives can be achieved. The objectives are categorized as; effectiveness and efficiency of operations, reliability of financial reporting, compliance with the relevant laws and regulations.

The ISA 315 requires auditors to obtain an understanding of internal controls sufficient to plan the audit and develop an effective audit approach.

2.2.2 The concept of Organizational performance

An organization is a group created and maintained to achieve specific objectives. It may be a hospital with objectives dealing with health care, a local authority with objectives concerned with providing services to the local community or a commercial company with objectives including earning profits, providing a return for share holders and so on. Modern economies consist of countless organizations so their efficiency and performance is of critical importance. As a consequence the types of organizations, their structures, methods of management used, the relationships with other organizations and so on have been extensively researched (Terry, 2008).

According to Charles et al (1999), an organizations performance is made visible through the activities it conducts to achieve its mission. Outputs and their effects are the most observable

aspects of an organizations performance. Ideas about the concept of performance vary considerably. Each interest group or stakeholder may have an entirely different idea of what counts. For instance, administrators might define your organizations performance in terms of the amount of money brought into the organization through grants whereas a donor might define performance in terms of your organizations beneficial impact on a target group.

He goes ahead to say that the effectiveness of an organization is the degree to which it moves toward the attainment of its mission and realizes its goals. Effectiveness, however is not a simple concept, an organization must be able not only to provide exceptional services but also to provide them with an appropriate cost structure. Performance is increasingly judged by the efficiency of the organization whatever the overall size of the unit, performing organizations are viewed as those that provide good value for the money in both quantitative and qualitative terms.

Brown (1996) argues that performance measures in organizations must focus attention on what makes, identifies and communicates the drivers of success, support organizations learning and provide a basis for assessment and reward.

Performance in organizations is looked at in terms of economy, efficiency and effectiveness. Economy and efficiency are usually measured in financial terms and data such as costs, volume of sales and productivity are used. Economy is defined as acquiring resources in appropriate quantities and at the least cost (Palmer, 1993).

The International Development Research Centre (IDRC) and Universalia Management group have constructed a framework to help organizations assess themselves. An organization's performance is made visible through the activities it conducts to achieve its mission. Outputs and their effects are the most observable aspects of an organization's performance.

Ideas about the concept of performance vary considerably. Each interest group or stakeholder may have an entirely different idea of what counts. For instance administrators may define an organizations performance in terms of the amount of money bought into the organization through grants, whereas a donor might define performance in terms of an organization's beneficial impact on a target group. In day to day experience, very few organizations have performance data readily available. However, it is usually not difficult to generate this information from existing data or to develop mechanisms for gathering performance data. Data gathering tends to be mechanical and technical. When diagnosing an organization and its performance, the number and choice of indicators are critical. "Wise" organization's try to identify 10-15 key performance indicators that they can regularly monitor to assess their own performance (Charles et al, 1999).

2.3 Control environment and organizational performance

ISA400 clearly looks at the control environment to represents management's overall attitude, awareness and actions regarding internal controls.

According to the United States of General Accounting Office (GAO, 1999), a positive control environment is the foundation for all other standards. It provides discipline and structure as well as the climate which influences the quality of internal control. One of the factors is the integrity and ethical values maintained and demonstrated by management and staff. Here, agency management plays a key role in providing leadership in this area, especially in setting and maintaining the organization's ethical tone, providing guidance for proper behavior, removing temptations for unethical behavior, and providing discipline when appropriate.

Management's philosophy and operating style also affect the environment. This factor determines the degree of risk the agency is willing to take and management's philosophy towards performance-based management. Further more, the attitude and philosophy of

management toward information systems, accounting, personnel functions, monitoring, and audits and evaluations can have a profound effect on internal control. Another factor affecting the environment is the agency's organizational structure which provides management's framework for planning, directing, and controlling operations to achieve agency objectives. A good internal control environment requires that the agency's organizational structure clearly define key areas of authority and responsibility and establish appropriate lines of reporting (United States of General Accounting Office, GAO, 1999).

John (2007) looks at control environment as the philosophy and management style, organizational structure, methods of imposing control, assignment of authority and responsibilities are all key aspects of the control environment.

According to Douglass, John and Carol (1996), management's attitude towards control sets the stage for the attitudes and actions of either company. If employees perceive that control is not important to top management, there is little hope for an effective, conscientious application of accounting and control procedures. The control environment sets the tone of an organization; it influences the control consciousness of all organizations personnel and is the foundation for the other components. For example if management emphasizes the importance of maintaining reliable accounting records and adhering to established policies and procedure then a company's personnel are more likely to have a high regard for these matters in performing their duties.

Douglass, John and Carol (1996) go ahead to say that a company's organizational structure is the overall frame work for planning, directing and controlling operations. It includes the form and nature of the company's organizational units and related management functions and reporting relationships. An effective control environment requires clear definitions of responsibilities and lines of authority for personnel, these features are also important at higher

level. There should be clear responsibility for the board of directors, the audit committee of the board and senior management.

Creating the proper control environment for a local government is crucial to the effective implementation of all the other elements of the integrated framework. Staff members will take their cue from the attitude and example displayed by management. If employees see officials or department heads abusing their authority or not being held accountable to appropriate policies, then employees may also begin abusing those policies. As the old saying goes, "Actions speak louder than words." Management must communicate its support for internal controls to all levels of staff within the organization. The control environment is enhanced by written policies governing employee activities that are communicated to employees to act upon (Thomas, 2010).

The auditor has to report whether there is an adequate internal control procedure corresponding with the size of the company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods. An auditor reviews the system of internal control even in the ordinary course of an audit. This provision specifically requires him to report on the adequacy of the internal control system on purchase of assets and sale of goods by the company under audit. While evaluating the internal controls on purchase of assets and sale of goods, the auditor should pay due regard to the size of the company, the nature of its business and its organizational structure (Kamal, 1999).

The structure of your organization is the system of working relationships that divides and coordinates the tasks of people and groups working with a common purpose. Most people imagine an organizations structure with in terms of the familiar organization chart. However, structure is far more, it involves the division of labor (including roles, responsibilities and

authority) as well the coordination of labor into units and inter and intra unit groupings. When you assess the structure of your organization, you will want to see if it facilitates or hinders the achievement of the mission and goals (Charles et al, 1999).

According to the Association of Government Accountants(AGA, online journal) controls are the systems, policies, procedures, personnel and culture within an organization that mitigate the risk of fraud. Taken as a whole, these controls compromise the control environment; the better the control environments, the less the risk of fraud. Organizational culture, starting with what is known as the “tone at the top” is critical. When management acts unethically, it signals to every employee that unethical behavior is acceptable. In addition, tools like anti-fraud training, codes of conduct, consistent policy enforcement and swift prosecution establish a culture in which it is understood that wrong doing will not be tolerated; in such a culture, fraud rarely flourishes for long. Certain policies and procedures must be in place and enforced to reduce the likelihood of fraud. Policies and procedures include directives maintaining the segregation of duties, requiring appropriate review of disbursements, taking physical inventories or reconciling accounts and reports. Policies and procedures should be reviewed periodically to make sure they continue to be effective in a changing environment (The AGA [Association of Government Accountants] Fraud Prevention Toolkit: Partnership for Intergovernmental Management and Accountability) [online-journal].

Agency management plays an essential role in maintaining a strong and effective control environment. Without management support, the application of internal controls and operational systems may be less than effective. The responsibilities of the role can be broadly categorized into those of effective leadership and management of agency controls and processes (Financial Accountability Handbook journal: Governance, Vol.2).

2.4 Control activities and organizational Performance

According to Douglass, John and Carol (1996), control activities encompass both policies and procedures that management has established to help ensure management directives are carried out. Procedures for authorization and approval provide some assurance of validity. Authorization and approval steps help to ensure that only valid transactions are processed and that invalid transactions are rejected. Related procedures that provide assurance of validity concern the proper use of documents that serve as the original record of transaction execution of the source documents.

Douglass, John and Carol go ahead to say that source documents should be designed to reduce the risk that a transaction will be recorded incorrectly, recorded more than one time or omitted from recording. In some systems, source document information is recorded on a computer screen. A report of the source document information is generally printed as an audit trail and the individual source document remains available for display on the system for a designated period. An example of a control procedure is cancellation of supporting documents for a purchase when payment is approved. This prevents inadvertent or fraudulent re-use of the source documents to support a duplicate payment of fictitious purchase.

According to GAO (1999), management should track major agency achievements and compare these to the plans, goals, and objectives established under the Government Performance and Results Act. An agency must establish physical control to secure and safeguard vulnerable assets. Examples include security for and limited access to assets such as cash, securities, inventories, and equipment which might be vulnerable to risk of loss or unauthorized use. Such assets should be periodically counted and compared to control records.

Establishment and review of performance measures and indicators activities need to be established to monitor performance measures and indicators. These controls could call for

comparisons and assessments relating different sets of data to one another so that analyses of the relationships can be made and appropriate actions taken. Controls should also be aimed at validating the propriety and integrity of both organizational and individual performance measures and indicators. Segregation of duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets (United States of General Accounting Office, GAO, 1999).

Control activities should be designed to limit the potential negative effects of risks identified during the assessment process. Some risks may be so remote or the effects of such risks so minor that you may decide simply to accept those risks without developing controls to address them. Some risks, if they occur, may be so significant that, even though remote, they need to be limited. For these risks, management may decide to purchase insurance. For all other risks (and even for risks that are insured) managers should implement controls that will reduce the likelihood of such risks occurring or reduce the impact if such risks do occur (Thomas, 2010).

Control activities are the policies, procedures, techniques, and mechanisms that help ensure that management's response to reduce risks identified during the risk assessment process is carried out. In other words, control activities are actions taken to minimize risk; the need for a control activity is established in the risk assessment process. When the assessment identifies a significant risk to the achievement of an agency's objective, a corresponding control activity or activities is determined and implemented. Control activities can be preventive or detective where preventive activities are designed to deter the occurrence of an undesirable event which involves predicting potential problems before they occur and implementing procedures

to avoid them. Detective activities are designed to identify undesirable events that do occur and alert management about what happens, this enables management to take corrective action promptly (State Administrative and Accounting Manual, pdf, July 1 2008).

2.5 Information and communication on the performance of an organization

According to Douglass, John and Carol (1996), the information and communication component involves the identification, capture and exchange of information in a form and time frame that enables organization personnel to carry out their responsibilities. An organization's information system includes its accounting system and consists of the methods and records established to identify, assemble, analyze, classify, record and report exchange transactions and relevant events and conditions and to maintain accountability for the related assets and liabilities. For financial reporting, the accounting system is most significant aspect of information and communication component.

According to Charles et al (1999), accurate information keeps an organization's employees informed and motivated aside from the specific information they need to carry out their work, the organizations members also need information to make them feel that they are part of an important effort and work for a wider purpose. An organization also needs mechanisms to help staff members obtain information. Coordinating committees, newsletters and meetings of various sorts all provide vehicles for transmitting correct messages. The function of internal communication in an organization is to exchange information and achieve a shared understanding among staff members. Internal communication can serve as the glue holding an organization together or it can break it apart because both information and mis-information flow constantly in organizations.

Several authors have supported this view, including Bradley, Hausman and Nolan (1993);

Brown and Starkey (1994) argue that, if the members of an organization share the view that IT, and its correct usage within an IS, entails competitive advantages for a firm and a personal or group satisfaction, which would be acknowledged, for instance, through a reward policy, then its acquisition and usage will be part of the firm's values, and also the opposite may happen. Pertinent information must be identified, captured and communicated in a form and timeframe that enable people to carry out their responsibilities. Information systems produce reports containing operational, financial and compliance-related information that make it possible to run and control the business. They deal not only with internally generated data, but also information about external events, activities and conditions necessary to informed business decision-making and external reporting. Effective communication also must occur in a broader sense, flowing down, across and up the organization. All personnel must receive a clear message from top management that control responsibilities must be taken seriously. They must understand their own role in the internal control system, as well as how individual activities relate to the work of others. They must have a means of communicating significant information upstream. There also needs to be effective communication with external parties, such as customers, suppliers, regulators and shareholders.

According to Ronald, Jeanne and Kristen (2013), virtually all communication is aimed at achieving goals. On the job, the most obvious type is what scholars call instrumental communication, messages aimed at accomplishing the tasks at hand;

A second set of goals involves relational communication messages that shape and reflect the way people regard one another. Building positive relationship is not about being sociable; a positive climate helps achieve instrumental goals. Conversely, a negative relationship can make it difficult or even impossible to accomplish them. A third less obvious reason people

communicate involves identity of management which in ways that produce a preferred image and distinctive sense of self.

The process of a receiver attaching meaning to a message is called decoding. Misunderstandings often arise because messages can be decoded in more than one way. Besides message related considerations, the culture of the organization which one works with may favor some communication channels over others. In other organizations, voice mail is the preferred channel. Kirk Froggat, a vice president at silicon Graphics, offers one explanation: "There's something fundamentally more personal about voicemail. You can get the tone of voice, the passion. People like that therefore communication has a great influence in the internal controls of an organization to (Ronald, Jeanne and Kristen, 2013).

According to Terry (2008), communication at its most basic level involves three elements; the source, the message and the destination- and these three components are always present regardless of the size or sophistication of the system. Most communication systems deal with hard communications where there is some tangible record of the information, for example: letters, memoranda among others. Where information is in a less concrete form, such as the tone of voice, body language, facial expression, it is known as soft communication. For obvious reasons these nuances are difficult to transmit through formal channels although these less tangible characteristics provide assistance in interpreting or judging the quality of a message and are thus important in making information more useful.

Terry goes ahead to note that there are some factors that should be considered in choosing a method of communication which included security where one ask questions like 'are the contents of the message confidential or a sensitive nature?' If yes, one has to choose an appropriate method of communication like using e-mails. When people now look at the side of information, it has been viewed in a neutral objective manner but it is not always treated

thus in organizations. People in organizations jockey for positions, protect territories and seek to dominate others, and information is used to help these aims as well as the more obviously beneficial purposes. In general, the possession of information gives power so people wishing to retain or enhance status and position sometimes restrict access to information which they possess. For example, a computer department wishes to upgrade equipment may only give cursory attention to the resulting benefits to the organization, which may be slight, and instead concentrate purely on the capabilities of the new equipment it desires. Information specialists must be aware of these potential problems and must seek to ensure that the information produced, communicated and used is that which benefits the organization as a whole, not some sectional interest. Knowledge within people's minds is highly valuable to organizations and is a potential source of competitive advantage. The problem is that it is intangible and invisible and consequently there is a problem sharing knowledge across the organization.

According to Seun (2009), a recent study indicated that employees who followed corporate norms for e-mail and instant messaging received higher performance evaluations. Along with an organization's overall preference for some channels, it's important to consider the preferences of departments or even individuals. For example the computer support staff members in some organizations respond to e-mails, while in other companies a phone call to the help desk is the best way to get a quick response and if you know a co-worker to your boss responds only to face to face reminders, your best bet is to use that approach. Enlightened organizations do everything possible to encourage constructive, informal interaction so as to achieve good internal controls.

Thomas (2010) argues that in order for risks to be controlled, it is imperative that there be a sound communication process that captures information and then provides information to all who have need of it. Since controlling risk is the responsibility of all managers and

department heads, information about identified risks and the means of controlling those risks needs to be communicated to all who are responsible for mitigating those risks. Information about the policies and procedures to be followed by employees should flow down through the organization. It is also important that the communication system allows for information to flow in all directions throughout the organization to lessen the chance of misunderstandings. Information about daily activities may flow across the organization from employees who develop the information to those who need the information. Problems may be identified at the lower levels of the organization (by rank-and-file employees); if the information is not allowed to flow back up to those who are responsible for making corrections, managers will not receive needed information on time.

The executive summary to COSO states, “Pertinent information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities. Information systems produce reports containing operational, financial and compliance-related information that make it possible to run and control the business.” COSO also states that information must flow throughout the organization so that individuals understand their own roles in the internal control system and how their work relates to the work of others. Employees also need to know that they have a responsibility to communicate problems they notice in the performance of their duties (Thomas, 2010).

Information is data that have been interpreted and understood by the recipient of the message. It is noted that the user, not just the sender is involved in the transformation of data into information. There is a process of thought and understanding involved and it follows that a given message can have different meanings to different people. It is the user who determines whether a report contains information or just processed data. Accordingly, it is vital for the producers of reports and messages of all types to be aware of the user’s requirements,

education, position in the organization, familiarity (or otherwise) with language and numeracy and the context in which the message will be used in order to increase the likelihood of information being derived from the message (Terry,2008).

Terry (2008) goes ahead to note that there are some characteristics of good information like it should be communicated to the right person which he explained that all managers have a defined sphere of activity and responsibility and should receive information to help them carry out their designated tasks. In practice this is not always as easy as it sound. It is quite common for information to be supplied to the wrong level in the organization. A superior may not pass it on to the person who needs it whilst subordinates may hold on to information in an attempt to make themselves seem indispensable. Therefore information suppliers need to analyze the key decision points in an organization in order to direct information exactly where it is supposed to go.

Effective communication with management should be particularly effective in increasing Perceived Organizational support (POS) because high-level managers formulate policies and goals and therefore are considered by lower level employees as strong representatives of the organization (Eisenberger, pdf files, 2011). Open communication with management may signal that the organization cares about the well-being and values the contribution of its employees, thus increasing POS.

Several aspects of management's communication, such as quality of information received from management, positive job-related feedback, and conversations about support, as well as employees' satisfaction with communication, have been found to be positively related to POS (Allen, 1992).

Bakos (1997) argues that the use of ICT can also influence the duration of agreements. To build a relationship with an organization requires some investments, for example in

information systems to share information. If the investments are high, it is not profitable to do this over and over again for every order. Long term agreements are settled in which the good or service can be supplied more than once. With the ongoing developments in ICT such as the process of standardization, the investments required will become lower. This could eventually lead to agreements for a shorter period of time.

According to Gagnon and Dragon (Optimum, The Journal of Public Sector Management. Vol. 28), repeated economic crises and steadily increasing competition, brought about in particular by the globalization of markets, are forcing an unprecedented rationalization of resources. Improved productivity has thus become a concern of all organizations, both public and private. At the same time, technology is developing with blinding speed and is becoming the principal instrument for meeting this concern. This explains why many municipalities are investing large amounts of money in implementing information systems. However, the advantages offered by technologies, especially in terms of enhancing productivity, depend upon how these technologies are integrated into an organization. Many municipal officials realize that their systems departments do not have the necessary resources to meet the demands made on them. More and more time is required to complete projects and the work piles up. Moreover, these officials often find that technological, organizational and human resource development processes are not proceeding at the same pace within their organization, which makes them hesitant about adding new systems.

2.6 Roles and Responsibilities

Everyone in an organization has responsibility for internal control (Internal Control Integrated Framework, pdf).

Management

The chief executive officer is ultimately responsible and should assume "ownership" of the system. More than any other individual, the chief executive sets the "tone at the top" that affects integrity and ethics and other factors of a positive control environment. In a large company, the chief executive fulfills this duty by providing leadership and direction to senior managers and reviewing the way they're controlling the business. Senior managers, in turn, assign responsibility for establishment of more specific internal control policies and procedures to personnel responsible for the unit's functions. In a smaller entity, the influence of the chief executive, often an owner-manager is usually more direct. In any event, in a cascading responsibility, a manager is effectively a chief executive of his or her sphere of responsibility. Of particular significance are financial officers and their staffs, whose control activities cut across, as well as up and down, the operating and other units of an enterprise.

Board of Directors

Management is accountable to the board of directors, which provides governance, guidance and oversight. Effective board members are objective, capable and inquisitive. They also have a knowledge of the entity's activities and environment, and commit the time necessary to fulfill their board responsibilities. Management may be in a position to override controls and ignore or stifle communications from subordinates, enabling a dishonest management which intentionally misrepresents results to cover its tracks. A strong, active board, particularly when coupled with effective upward communications channels and capable financial, legal and internal audit functions, is often best able to identify and correct such a problem.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter describes methods that the researcher used in carrying out the study. It looks at the research design, the target population, sample size, sampling techniques, reliability, validity, data instruments, ethical consideration, limitations and anticipated solutions.

Bell (1999) defines research methodology as the framework associated with a particular set of assumptions that one uses to conduct your research.

3.1 Research design

A research design is a systematic plan to study a scientific problem. A case study research design was used during the study.

Both qualitative and quantitative data was gathered in order to establish the impact of internal controls on the performance of organizations a case study of Uganda Wildlife Authority.

Quantitative research involves gathering data that is in numerical form. This very data is to be assessed to come up with statistical results.

Qualitative data was focused on most because data is in form of words, which turns out to be a more subjective form of research where interpretation of events is important. The researcher used descriptive survey, which is typically quantitative.

According to Bell (1999), a research design encompasses the method and procedures employed to conduct research. It also defines the study type such as descriptive, co relational, experimental, review, descriptive, longitudinal or case study.

3.2 Area of the study

The study focused on Uganda Wildlife Authority (UWA) and particularly on internal controls (Control environment, control activities and information and communication) operated at the headquarters.

3.3 Study Population

The study was conducted at Uganda Wildlife Authority which comprised of the staff under the finance, reservation, auditing, fields operation and administration department.

3.4 Sampling Procedures

The researcher got an introductory letter from the faculty dean of Business Administration and Management, and presented it to the organization before the respondents could be asked to answer any questions. Questionnaires were distributed to respective respondents and the data collected was analysed to come up with results. The questionnaires were administrated at during the weekdays since that's the time when employees work. The researcher also left the questionnaires with the respondents for about four days to avoid biasness and allow them to respond freely and at their own pace so that there was no pressure.

3.4.1 Sample Size

The sample size was determined by kreijce and Morgan (1970) sample size population table and then the size selected was divided up in different departments.

Fig 3: Classification of respondents

Category of respondents (departments)	Number of respondents
Finance	15
Auditing	13
Reservation	5
Field operation	4
Administration	7
Total	44

Source: Adopted and modified by the researcher

Total sample size of 44 respondents was selected for the study.

3.4.2 Sampling techniques

Purposive sampling was used; it is a sampling technique that allows a researcher to use cases that have the required information with respect to the objectives of the study.

Simple random technique was used during the study because it has an advantage of minimization of biased results.

3.5 Data Collection methods and Instruments

Data was collected using both primary and secondary sources. Primary sources included self administered questionnaires where each item in the questionnaire is developed to address a

specific objective or research question of the study. Secondary sources included textbooks, journals, reports and e-journals. Closed ended questions were used in the questionnaires. Closed ended questions refer to questions which are accompanied by a list of all possible alternatives from which respondents select the answer that best describes the situation.

3.5.1 Advantages of closed ended questions;

They are easier to analyze since they are in an immediate usable form.

They are easier to administer because each item is followed by alternative answers.

They are economical to use in terms of time and money.

Open ended questions on the other hand are questions which give the respondent complete freedom of response. The free response questions permit an individual to respond in their own words. These questions were not used because the respondent is free to give an individual response deemed to be proper hence there is a tendency to provide information which does not answer the stipulated research questions or objectives.

3.6 Quality control methods

3.6.1 Validity

The researcher used external validity which is concerned to the extent to which the conclusions can be generalized to the broader population. This is because a researcher often cannot work with the entire population of interest, but instead must study a smaller sample of that population in order to draw conclusions about the larger group from which the sample is drawn.

3.6.2 Reliability.

It is the degree to which the instrument measures whatever it is measuring. The aim of this is to find out whether someone who uses the same techniques can get the same data. Inter-rater

reliability was used which is a measure of reliability used to assess the degree to which different raters agree in their assessment decisions. The reliability was tested using the statistical package (SPSS).

According to Amin (2005), reliability is dependability or trustworthiness and in the context of a measuring instrument it is the degree to which the instrument consistently measures whatever it is measuring. He defined Validity as the ability to produce findings that are in agreement with theoretical or conceptual values.

3.7 Data management and processing

After the data collection, the quantitative data was encoded and entered in the computer following the statistical package of SPSS (Statistical Package for Social Scientist) program guidelines for easy analysis and interpretation of results.

3.8 Data analysis

The researcher used Statistical Package for Social Sciences (SPSS) to analyze the impact of internal controls on the performance of Uganda Wildlife Authority.

The data was presented in tabular form with frequencies and percentages for classifications of responses, easier analysis and visual impression.

3.9 Ethical considerations

The researcher first sought permission in order to collect data from the employees at the organization.

The researcher explained to the respondents the main objectives of the research to avoid tension among the respondents.

The researcher guaranteed the respondents confidentiality for example on issues like names.

The researcher did not bribe the respondents to get information about the organization. All respondents were given due freedom of choice as regards to answering all questions asked. In addition, the names of the respondents were not sought so as ensure confidentiality of respondents' identity and revelations. Any respondent who was not willing to answer was excluded and replaced with the one who willingly offered to respond to the questions in the questionnaires.

The researcher respected authors of the different information used by citing them.

3.10 Limitations of the Study

The research was expensive since the researcher had to travel to the area where data was collected and costs like transport costs were incurred.

Time was also another factor since the days when the data collected was during weekdays yet the researcher also had to attend lectures.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter presents empirical findings in reference to research objectives in chapter one which included; to examine the role of control activities on the performance of an organization, to determine the effect of the control environment on the performance of an organization and to find out the influence of information and communication on the performance of an organization.

These findings were obtained from both primary and secondary sources. They were presented and analyzed using frequency tables and finally SPSS was used to establish the impact of internal controls on the performance of Uganda Wildlife Authority.

Findings on General Information;

Table 1: Age of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 21-30	6	13.6	13.6	13.6
31-40	23	52.3	52.3	65.9
41-50	15	34.1	34.1	100.0
Total	44	100.0	100.0	

According to table 1 above, 52.3% of the respondents were between the ages 31-40, 34.1% between the ages 41-50, 13.6% between 21-30 years and none of the respondents were above

the age 50. Findings indicate that majority were in the age group of 31-40 years. This implies that Uganda Wildlife Authority mainly employs people within that age range.

Table 2: Gender of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	17	38.6	38.6	38.6
female	27	61.4	61.4	100.0
Total	44	100.0	100.0	

According to table 2 above, 61.4% were female while 38.6% of the respondents were male. The respondents were mainly female so probably female staff comprises a bigger percentage of the employees at Uganda Wildlife Authority. These findings also show that there is no gender discrimination since all sexes are employed within the organization.

Table 3: Marital status of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid single	11	25.0	25.0	25.0
married	33	75.0	75.0	100.0
Total	44	100.0	100.0	

Table 3 shows that 75.0% of the respondents were married and 25% were single. This shows that most of the respondents were married. This is because married people are assumed to make better decisions and can adhere to set rules hence performance is highly influenced by the married staff.

Table 4: Level of Education of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Professional	5	11.4	11.4	11.4
bachelors degree	34	77.3	77.3	88.6
Diploma	5	11.4	11.4	100.0
Total	44	100.0	100.0	

Table 4 shows that 77.3% of the respondents had a bachelor's degree, 11.4% of the respondents had done professional courses and 11.4% were diploma holders. Majority were degree holders implying that Uganda Wildlife Authority has educated staff and they greatly influence its organizational performance. This indicates that the staff can easily evaluate the effectiveness internal controls in the organization.

Table 5: Length of service by the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid less than one year	5	11.4	11.4	11.4
1-3 years	12	27.3	27.3	38.6
4-6 years	7	15.9	15.9	54.5
above 6 years	20	45.5	45.5	100.0
Total	44	100.0	100.0	

Table 5 shows that 45.5% of the respondents had spent above 6 years, 27.3% between 1-3 years, 15.9% between 4-6 years and 11.4% had spent less than 1 year. This implies that the majority of the respondents have spent more than 6 years in the organization which shows that there is experienced staff at Uganda Wildlife Authority.

SECTION TWO: Findings on the effectiveness of internal controls in Uganda Wildlife Authority

Table 6: Responses on whether what is right and wrong is demonstrated at top management.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	4	9.1	9.1	9.1
Agree	18	40.9	40.9	50.0
not sure	12	27.3	27.3	77.3
strongly disagree	4	9.1	9.1	86.4
Disagree	6	13.6	13.6	100.0
Total	44	100.0	100.0	

Table 6 shows that 40.9% agreed that what is right and wrong is demonstrated at the top management, 27.3% were sure, 9.1% strongly agreed, 9.1% strongly disagreed and 13.6% disagreed. This implies that since the people at the top are like the owners and have to portray what is right and wrong.

This can be supported basing on the United States of General Accounting Office, journal (GAO, 1999) which says that a positive control environment is the foundation of all other standards. This includes factors like integrity and ethical values maintained and demonstrated at the top which help in setting and maintaining the organization’s ethical

Table 7: Responses on whether management investigates deviations from established controls

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	13	29.5	29.5	29.5
Agree	25	56.8	56.8	86.4
strongly disagree	6	13.6	13.6	100.0
Total	44	100.0	100.0	

Table 7 shows that 56.8% of the respondents agreed that management investigate deviations from established controls, 29.5% strongly agreed and 13.6% strongly disagreed to this. This implies that investigations are carried out in the organization incase of deviations from the established controls.

Table 8: Responses on whether there are acceptable codes of conduct.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	25	56.8	56.8	56.8
Agree	19	43.2	43.2	100.0
Total	44	100.0	100.0	

Table 8 shows that 56.8% of the respondents strongly agreed that there are acceptable codes of conduct and 43.2% agreed. All the respondents agreed in general. This implies that there are acceptable codes of conduct at Uganda Wildlife Authority.

Table 9: Responses on whether management acts with honesty when executing their roles.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	9	20.5	20.5	20.5
Agree	14	31.8	31.8	52.3
not sure	18	40.9	40.9	93.2
strongly disagree	3	6.8	6.8	100.0
Total	44	100.0	100.0	

Table 9 shows that 40.9% of the respondents were not sure that management acts with honesty when executing their roles, 31.8% agreed, 20.5% strongly agreed and 6.8% strongly disagreed. This implies that honesty by management when executing their roles is not well portrayed to the employees because those that are not sure take a big percentage and not so far from those that are strongly agreeing and agreeing.

Table 10: Responses on whether the organization has a financial and accounting system.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	29	65.9	65.9	65.9
Agree	9	20.5	20.5	86.4
Disagree	6	13.6	13.6	100.0
Total	44	100.0	100.0	

Table 10 shows that 65.9% of the respondents strongly agreed that the organization has a financial and accounting system, 20.5% agreed and 13.6% disagreed. The majority of the

respondents strongly agree that the organization has a financial and accounting system. This implies that is an adequate financial and accounting system at Uganda Wildlife Authority.

Table 11: The response on whether the codes of conduct are adequately communicated

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	6	13.6	13.6	13.6
Agree	23	52.3	52.3	65.9
not sure	4	9.1	9.1	75.0
Disagree	11	25.0	25.0	100.0
Total	44	100.0	100.0	

Table 11 shows that 52.3% of the respondents agreed that the codes of conduct are adequately communicated, 25.0% disagreed, 13.6% strongly agreed and 9.1% were not sure. Majority of the respondents agreed that the codes of conduct at Uganda Wildlife Authority are adequately communicated. This implies that the codes of conduct are adequately communicated.

Table 12: The response on whether the organizational structure has facilitated the organization in achieving its mission and goals.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	16	36.4	36.4	36.4
Agree	22	50.0	50.0	86.4
not sure	4	9.1	9.1	95.5
strongly disagree	2	4.5	4.5	100.0
Total	44	100.0	100.0	

Table 12 shows that 50.0% strongly agreed that the organizational structure has facilitated the organization in achieving its mission and goals, 36.4% strongly agreed, 9.1% were not sure and 4.5% strongly disagreed. This implies that the organizational structure of Uganda Wildlife Authority has facilitated it in achieving its mission and goals.

This finding can be based on John and Carol (1996) who said that a company's organizational structure is the overall frame work for planning, directing and controlling operations.

Table 13: The response on whether the organization has a clear separation of roles for all employees.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	9	20.5	20.5	20.5
Agree	26	59.1	59.1	79.5
not sure	6	13.6	13.6	93.2
strongly disagree	3	6.8	6.8	100.0
Total	44	100.0	100.0	

Table 13 shows that 59.1% of the respondents agreed that the organization has a clear separation of roles for all employees, 20.5% strongly agreed, 13.6% were not sure and 6.8% strongly disagreed. This implies that there is a clear separation of roles for all employees at Uganda Wildlife Authority.

These findings can be supported on the research of Douglass, John and Carol (1996) who said that an effective control environment requires clear definitions of responsibilities and line of authority of personnel. There should be clear responsibility of the board of directors, the audit committee of the board and senior management.

Table 14: The response on whether records of daily transactions are well kept.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	10	22.7	22.7	22.7
Agree	24	54.5	54.5	77.3
not sure	8	18.2	18.2	95.5
strongly disagree	2	4.5	4.5	100.0
Total	44	100.0	100.0	

Table 14 shows that 54.5% of the respondents agreed that records of daily transactions are well kept, 22.7% strongly agreed, 18.2% were not sure and 4.5% strongly disagreed. This implies that records of daily transactions are well kept at Uganda Wildlife Authority.

Table 15: Responses on whether budgets are prepared at a stated time frame

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	13	29.5	29.5	29.5
Agree	23	52.3	52.3	81.8
not sure	8	18.2	18.2	100.0
Total	44	100.0	100.0	

Table 15 shows that 52.3% of the respondents agreed that budgets are prepared at a stated time frame, 29.5% strongly agreed, 18.2% were not sure. This implies that budgets are prepared at a stated time frame in the organization.

Table 16: Responses on whether receipts are well kept for all the daily transactions

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	16	36.4	36.4	36.4
Agree	21	47.7	47.7	84.1
not sure	5	11.4	11.4	95.5
Disagree	2	4.5	4.5	100.0
Total	44	100.0	100.0	

Table 16 shows that 47.7% of the respondents agreed that receipts are well kept for all the daily transactions, 36.4% strongly agreed, 11.4% were not sure and 4.5% disagreed. This implies that receipts for all the daily transactions at the organization are well kept.

Table 17: Responses on whether employees are trained on how to use the technology available.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	13	29.5	29.5	29.5
Agree	19	43.2	43.2	72.7
not sure	7	15.9	15.9	88.6
strongly disagree	5	11.4	11.4	100.0
Total	44	100.0	100.0	

Table 17 shows that 43.2% of the respondents agreed that employees are trained on how to use the technology available, 29.5% strongly agreed, 15.9% were not sure, 11.4% strongly disagreed. This implies that majority of the employees at Uganda Wildlife Authority are trained on how to use the technology available.

Table 18: Responses on whether computers and telephones are available to all the staff.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	16	36.4	36.4	36.4
Agree	9	20.5	20.5	56.8
not sure	5	11.4	11.4	68.2
strongly disagree	6	13.6	13.6	81.8
Disagree	8	18.2	18.2	100.0
Total	44	100.0	100.0	

Table 18 shows that 36.4% of the respondents strongly agreed that computers and telephones are available to all the staff, 20.5% agreed, 18.2% disagreed, 13.6% strongly disagreed and 11.4% were not sure. This implies that most of the employees can easily access computers and telephones at work in the organization.

Table 19: Responses on whether there is easy access to internet within the organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	12	27.3	27.3	27.3
Agree	22	50.0	50.0	77.3
Disagree	10	22.7	22.7	100.0
Total	44	100.0	100.0	

Table 19 shows that 50.0% of the respondents agreed that there is easy access to internet within the organization, 27.3% strongly agreed and 22.7% disagreed. This implies that there is access to internet within the organization.

Table 20: Responses on whether there is an acceptable way of passing information from lower to top management

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	8	18.2	18.2	18.2
Agree	22	50.0	50.0	68.2
not sure	5	11.4	11.4	79.5
strongly disagree	6	13.6	13.6	93.2
Disagree	3	6.8	6.8	100.0
Total	44	100.0	100.0	

Table 20 shows that 50.0% of the respondents agreed that there is an acceptable way of passing information from lower to top management, 18.2% strongly agreed, 13.6% strongly disagreed, 11.4% were not sure and 6.8% disagreed. This implies that there is an acceptable way of passing information from lower to top management at Uganda Wildlife Authority.

These findings are supported by the works of Charles et al (1999) who said that an organization needs mechanisms to help staff members obtain both information. Coordinating committees, newsletters and meetings of various sorts all provide vehicles for transmitting correct messages. The function of internal communication in an organization is to exchange information and achieve a shared understanding among staff members. Internal communication can serve as the glue holding an organization together or it can break it apart because both information and mis- information flow constantly in organizations.

Table 21: Responses on whether notices pinned up are easily accessible to all employees

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	15	34.1	34.1	34.1
Agree	19	43.2	43.2	77.3
not sure	7	15.9	15.9	93.2
Disagree	3	6.8	6.8	100.0
Total	44	100.0	100.0	

Table 21 shows that 43.2% of the respondents agreed that notices pinned up are accessible to all employees, 34.1% strongly agreed, 15.9% were not sure and 6.8% disagreed. This implies that the majority of the employees access the notices that are pinned up in the organization.

Table 22: Responses whether management sits down to discuss about the performance of the organization at a specified date

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	7	15.9	15.9	15.9
Agree	31	70.5	70.5	86.4
not sure	6	13.6	13.6	100.0
Total	44	100.0	100.0	

Table 22 shows that 70.5% of the respondents agreed that management sits down to discuss about the performance of the organization at a specific date, 15.9% strongly agreed and 13.6% were not sure. This implies that management sits down to discuss about the performance of the organization at a specified date.

Table 23: Responses whether performance of the organization results from employee skills

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	16	36.4	36.4	36.4
Agree	19	43.2	43.2	79.5
Disagree	9	20.5	20.5	100.0
Total	44	100.0	100.0	

Table 23 shows that 43.2% of the respondents agreed that performance of the organization results from employee skills, 36.4% strongly agreed and 20.5% disagreed. This implies that the performance of the organization results from employee skills.

4.1 Conclusion

I think the organization has good internal controls and all procedures are being followed basing on the finding in the tables.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.0 Introduction

This chapter presents a summary of findings, conclusion and recommendations of the study findings and other relevant literature considered necessary and vital to be used in future to improve the study situation.

5.1 Summary of findings

This part presents the summarized results and interpretation (findings) based on the study objectives as established at the beginning of the study.

5.1.1 To determine the effect of control environment on the performance of an organization

Findings indicate that control environment procedures in Uganda Wildlife Authority were effective. Findings rhyme with studies by Coopers and Lybraud (1993) who argued that there was need to consider whether the following control objectives are met; management conveys the message that integrity and ethical cannot be compromised, the organization structure provides a moral framework for planning, directing, and controlling operations, management ensures that appropriate responsibility and delegation of authority is assigned to deal with goals and objectives and that an appropriate “tone at the top exists”. During my research basing on the questionnaires I retrieved, the responses showed that most respondents were strongly agreeing and agreeing that the above objectives were being put in place which made me to conclude that the areas concerning the control environment were being met by Uganda Wildlife Authority.

5.1.2 To examine the role of control activities on the performance of an organization

The findings show that the control activities at Uganda Wildlife Authority are effective and this is evidenced by; the organization has a clear separation of roles for all the employees. This helps in internal checks since an activity performed by one individual acts as a check on those performed by others.

This can be backed up by the report (United States of General Accounting Office, GAO, 1999) which argues that segregation of duties key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets.

There was also evaluation and monitoring of the activities performed within the organization. This activity is performed by management by looking at the reports and the supporting documents.

5.1.3 The influence of information and communication on the performance of an organization.

The study found out that the information systems available at Uganda Wildlife authority are accessible to most employees at the organization. It was also found out that there are various modes of communication like internet, telephones, notices that are accessible to most employees that enable them to carry out their respective responsibilities well. This is supported by the John and Carol (1996) who argue that, the information and communication

component involves the identification, capture and exchange of information in a form and time frame that enables organization personnel to carry out their responsibilities.

5.2 Conclusions

Based on the findings of the study, it is concluded that the organization has an effective internal control system as supported by the study findings of training, clear tone at the top, adequately communicated codes of conduct, clear separation of roles, training and commitment of management. However there are some challenges like some top management people who don't demonstrate what is right and wrong as said by some few respondents basing on the questionnaires retrieved. Such allegations if true can lead to poor performance of the organization in future.

The final conclusion of this study is that there is a significant impact of internal controls (control environment, control activities, information and communication) on organizational performance (liquidity, turnover, profitability).

5.3 Recommendations

The study recommends establishment of a management information system within the organization so as to enable all parties utilize the official information and freely access it.

The study recommends that the organization should involve non- executive directors/ board of directors in the audit process. This will help to give a better audit opinion from the audit carried out.

The management of Uganda Wildlife Authority should appreciate the findings in the impact of internal controls on organizational performance to ensure its continued service delivery across the tourism industry in Uganda.

The management of Uganda Wildlife Authority should ensure that it strengthens policies aimed at improving organizational performance in all categories of staff and this should continuously be used to ensure that performance levels are maintained.

5.4 Suggestions for further research

The study did not exhaust all the independent variables that influence organizational performance thus the need for other researchers to conduct an exhaustive study on variables under listed;

Training and employee performance,

Leadership and organizational performance,

The influence of ICT on the effectiveness of internal control system

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Partnership for Intergovernmental Management and Accountability.

APPENDICES

Appendix i: Questionnaire

Dear respondent,

I am a student of Uganda Martyrs University pursuing a bachelor's degree in Business Administration and Management. You have been selected to respond to these questions because of your central role in Uganda Wildlife Authority regarding the performance of organizations. The information given will be kept confidential and for only academic purposes.

SECTION ONE: GENERAL INFORMATION

Please Tick your appropriate Choice

1. Age (Years): 21-30 31 – 40 41 – 50 Above 50

2. Gender: Male Female

3. Marital Status

Single Married Divorced/Separated

4. Level of Education

Professional Masters Degree Bachelor Degree

Diploma

Certificate Any other please specify

5. Length of service at Uganda Wildlife Authority

Less than one year 1 – 3 years 4 – 6 years above 6 years

SECTION TWO: To examine the influence of Internal Control on performance of organizations

In this section the researcher seeks to establish the effectiveness of Internal controls in Uganda Wildlife Authority. Please Tick the appropriate alternative

Key; where 1-strongly agree, 2- agree, 3-not sure, 4-strongly disagree 5-disagree

Control environment	1	2	3	4	5
What is right and wrong is demonstrated at top management.					
Management investigates deviations from established controls.					
There are acceptable codes of conduct.					
Management acts with honesty when executing their roles.					
The organization has a financial and accounting system.					
The codes of conduct are adequately communicated.					
The organizational structure has facilitated the organization in achieving its mission and goals.					

Control activities	1	2	3	4	5
The organization has a clear separation of roles for all employees.					
Records of daily transactions are well kept.					
Budgets are prepared at a stated time frame.					
Receipts are well kept for all the daily transactions.					
Information and communication	1	2	3	4	5
Employees are trained on how to use the technology available.					
Computers and telephones are available to all the staff.					
There is easy access to internet within the organization.					
There is an acceptable way of passing information from lower to top management.					
Notices pinned up are easily accessible to all employees.					

SECTION THREE:

ORGANIZATIONAL PERFORMANCE

In this section the researcher seeks to establish the level of organizational performance in Uganda Wildlife Authority. Please Tick the appropriate alternative

Key; Where 1-strongly agree, 2- agree, 3-not sure, 4-strongly disagree 5-disagree

Organizational performance	1	2	3	4	5
Management sits down to discuss about the performance of the organization at a specified date					
Performance of the organization results from employee skills					

Appendix ii

WORK PLAN

ACTIVITIES	DATE	PERSON	PLACE
Writing proposal	Nov 2013	Researcher	UMU
Instruments development and piloting of instruments	dec2013	Researcher	UMU
Pre – testing of instruments	October 2013	Researcher	UMU
Data collection	march 2014	Researcher	Uganda Wildlife Authority
Data organization and analysis	April 2014	Researcher	UMU
Consultation of supervisor	Jan- April 2014	Researcher/Supervisor	UMU
Typing and editing of report	Jan-April 2014	Researcher/Supervisor	UMU
Submission of the dissertation	22 nd April 2014	Researcher/Supervisor	UMU

Appendix iii

PROPOSED BUDGET

S/N	ITEMS	AMOUNT
1	Stationery	70000
2	Data Processing	50000
3	Printing and binding	75000
4	Food and Transport	150000
5	Communication	15000
	Grant total	360000

Appendix iv

APPROVAL LETTER

Appendix v

INTRODUCTION LETTER

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