

# Enhancing Accountability through Internal Control Practices: The Case of Two Nigerian Public Higher Learning Institutions

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## Abstract

**Purpose:** This study aims to explore the role of internal control practices in enhancing accountability in two Nigerian public higher learning institutions (HLIs). This study also investigates the determinants and barriers of internal control practices within these public HLIs. **Design/methodology/approach:** This study adopts a qualitative research approach. We conducted a series of semi-structured interviews with 18 participants in two selected public HLIs in Nigeria. Documentary reviews and observations supplemented these interviews. The data were analysed using thematic analysis over a two-year period. **Findings:** Our study has demonstrated that the two HLIs adopted the internal control system as a part of broader public sector reforms driven by the New Public Management (NPM) concept. In addition, empirical evidence show that internal control practice had marginally contributed to the enhancement of accountability within the case organisations as these case organisations did not effectively implement the internal control practice. Nonetheless, it has been confirmed that poor internal control implementation within the case organisations was related to the lack of top management's commitment and support, inefficiency and lack of qualified staff with accounting backgrounds in the internal audit departments. **Originality/value:** This explorative study contributes to the body of knowledge on public sector internal controls and accountability literature, as studies on internal controls and accountability in not-for-profit organisations, especially, public HLIs are limited, requiring in-depth exploration.

**Keywords:** Internal Control Practices, Public HLIs, Accountability

## Introduction

Higher learning institutions (HLIs) worldwide have been recognised as centres of excellence in exchanging knowledge mainly through teaching and research. HLIs mainly serve as instruments for national development and change (Gandhi, 2015; Kyambad *et al.*, 2025) by providing highly educated and specialised people from different walks of life. Furthermore, HLIs, especially universities, play an important role in key notable areas including nation-

building, economic growth, and the development of knowledge and innovation (Nik Ahmad *et al.*, 2019; Wan and Sirat, 2018) through talent development, technological transfer, and preparation of a skilled workforce.

Despite playing important roles, many public HLIs have encountered some significant financial mismanagement issues (Rangongo *et al.*, 2016). According to Joseph *et al.* (2020), public HLIs like other public sector organisations across the globe do commit fraudulent activities. Studies have reported fraudulent activities in HLIs, in South Africa (Rangongo *et al.*, 2016), Malaysia (Mohamed *et al.*, 2019), and Ghana (Prempeh *et al.*, 2015). Subsequently, various governments across the globe have attempted to fundamentally transform public HLIs through the New Public Management (NPM) (Alach, 2017; Narayan and Stittle, 2018) by intensifying sound financial management practices for greater accountability. What the literature has postulated is that internal control practices play a vital role in enhancing accountability, such as preventing the inefficient use of public resources, fulfilling budgetary objectives, safeguarding assets, combating fraud and other financial irregularities, and being able to prepare and produce available financial statements and reports in an appropriate manner (Dangi *et al.*, 2020; Tadesse *et al.*, 2022).

In the context of Nigeria, as part of NPM reform, the Nigerian government has provided public accountability framework through the enactment of public sector legislations (such as the Financial Regulations 2009, the 2007 Public Procurement Act, the Financial Management (Amendment) Act 2004, and the Fiscal Responsibility Act 2007) that require public organisations to design and maintain an internal control system that will provide good financial management in order to enhance public sector accountability. Public HLIs, as part of the public sector, are also part of this reform, subsequently public HLIs' regulatory agencies in Nigeria, (Nigerian Universities Commission (NUC), National Council for Colleges of Education (NCCE), and National Board for Technical Education (NBTE)) have directed public HLIs to design and implement internal control mechanisms as part of public sector reforms to strengthen the internal control system on financial management (Akosile and Akinselure, 2016). These controls are a set of guidelines and internal policies that an organisation adopts to ensure that its financial transactions are managed properly in order to prevent theft, waste, and improper use of its resources. The aim is to effectively manage funds for more accountability in the use of educational resources and curbing corruption and fraudulent activities (Akosile and Akinselure, 2016).

Despite the reforms and the existence of internal control system in Nigeria, public HLIs have been criticised for several corrupt practices due to weak internal controls (Ogunode, 2020). For example, in 2018, the Socio-Economic Rights and Accountability Project (SERAP) a Civil Society Organisation, reported that Nigeria has suffered financial losses amounting to over 103.5bn Naira equivalent to USD304.41m over a period of ten years (2007-2017) due to corruption cases committed by public HLIs (Ogunode, 2020). In addition, Premium Times (2020) reported that Tertiary Education Trust Fund (TET Fund) had accused lecturers across the country's public HLIs of diverting research grants to their uses. Furthermore, there was a report of a corruption saga at the university of Ilorin, which engulfed a considerable amount of money (The Nation, 14 March 2017). Moreover, Academic Staff Union of Universities (ASUU) (through its Budget and Monitoring Committee), Obafemi Awolowo University branch claimed that the university had embezzled 3.5 billion Naira without any justification (Ololube,

2016). Independent Corrupt Practices and other Related Offences Commission (ICPC) accuses officials of some public HLLs for inflaming the personnel budgets in their universities (Ogunode, 2020), which results to a multiple emoluments payment to particular employee or even payment of salary to a non-existent employee. Ahmodu and Sofoluwe (2018) reported that some Nigerian public university's officials was prosecuted as a result of corruption cases of mismanaging funds of about 100 billion Naira. Consequently, mismanagement and other fraudulent activities in Nigerian public HLLs have given rise to rising administrative costs, shortage of infrastructural facilities, inadequate academic staff, and poor quality of education resulting in the poor image of HLLs in the international communities (Jacob *et al.*, 2021; Ololube, 2016). Zakaria *et al.* (2016) and Sofyani *et al.* (2023) opined that the reported cases of many corruption scandals in some developing countries' public HLLs are apparently an indication of weakness in their internal control practice. Nonetheless, literature has postulated that effective internal control practices play a vital role in enhancing accountability by preventing the inefficient use of public resources, fulfilling budgetary objectives, safeguarding assets, combating fraud and other financial irregularities, and helping in preparing financial statements and reports in an appropriate manner (Dangi *et al.*, 2020).

Despite numerous studies on internal control practices, there has been a significant research gap concerning internal control practices particularly related to accountability in public HLLs. Existing research on internal control practices has primarily focused on banking institutions and profit organisations (Aziz, 2025; Bonsu *et al.*, 2022; Gadelha *et al.*, 2022; Hamid *et al.*, 2011; Hanim *et al.*, 2005; Hoai *et al.*, 2022; Kamaruddin *et al.*, 2022; Chalmers *et al.*, 2019; Setiawan *et al.*, 2025), with limited attention given to the accountability aspect of public HLLs. This research gap highlights the need for a comprehensive study to examine the internal control practices of public HLLs in Nigeria. Using Nigeria as a case study is relevant, particularly due to the prevalence of mismanagement and fraudulent activities within Nigeria's public HLLs, which have led to rising administrative expenses, inadequate infrastructure, and a negative reputation for public HLLs, among others.

In line with the aforementioned considerations, our study aims to investigate two representatives public HLLs in Nigeria. These institutions serve as typical examples of many Nigerian public HLLs, sharing similarities in various aspects such as government funding, accounting systems, budgeting, and financial reporting. Additionally, they exhibit comparable internal audit functions, legislative compliance requirements, and strategic planning approaches.

Specifically, the study addresses three research questions:

RQ1. What are the existing internal control practices implemented in public HLLs in Nigeria?

RQ2. What are the key factors influencing the design and implementation of internal control practices in public HLLs, as perceived by administrators and relevant stakeholders?

RQ3. What are the main challenges faced by public HLLs in implementing and maintaining robust internal control practices?

To inform our study, we draw upon the institutional theory that underpinned public organisations' institutional relationships with their stakeholders. Adopting such a theory helps us to explain the practices of internal control that lead to increased accountability as

organisational responses to pressures from external parties in public HLI. Various studies have adopted institutional theory (e.g. Azhar, 2020; Soobaroyen *et al.*, 2019) to understand how the institutional environment shape organisations, and how the adoption of certain practices (which occurred as a response to institutional pressures) unfolds in a given environment.

The remainder of the paper proceeds as follows: the second section provides a review of existing literature about the research context and the theoretical framework. The third section presents the methodology used in this study. The results of our thematic analysis are presented and discussed in the fourth section. Finally, the fifth section discusses the implications and offers opportunities for future research.

## Literature Review

### *Internal Control Practices in the Public Sector*

Internal control practice has been discussed in several ways in the accounting and management control literature (Aziz, 2025; Bowrin, 2004; Mizan *et al.*, 2016; Setiawan *et al.*, 2025). Internal control practices are essential because it ensures that the organisation's goals and objectives are achieved (Mizan *et al.*, 2016)

However, public sector organisations globally have now acknowledged the importance of internal controls, which have been seen as valuable tools to safeguard the overall accomplishments of the organisation's objectives and increase taxpayers' confidence within the public sector (Mahmud *et al.*, 2024; Aziz *et al.*, 2015). In addition, robust internal controls play a vital role in enhancing accountability, such as preventing the inefficient use of public resources, fulfilling budgetary objectives, safeguarding assets, combating fraud and other financial irregularities, and being able to prepare and produce available financial statements and reports in an appropriate manner (Dangi *et al.*, 2020).

Despite the abundance of literature on the internal control system and accountability in organisations, as argued by Abdul Rahman *et al.* (2019) and Chalmers *et al.* (2019), only a few empirical studies were observed in the public sector and other NPOs. Therefore, some insights have been drawn from the following studies: In their study, Othman *et al.* (2015), studied fraud detection and prevention methods in the Malaysian public sector. Their study found that internal control is among the effective mechanisms for fraud detection and prevention in public sector organisations. Such internal controls would serve as a reasonable assurance to an organisation for achieving the best performance while making optimal use of resources and thereby protecting it from unwanted events (Dangi *et al.*, 2020). A study was conducted by Kamaliah *et al.* (2018) on the effectiveness of monitoring mechanisms and mitigation of fraud incidents in the public sector. The authors found that ineffective internal controls could lead to various accountability issues such as fraudulent activities like corruption. In addition, Hajiha and Bazaz (2016) suggested that internal control weaknesses might be a major contributing factor to accountability issues such as fraud committed in an organisation.

In the context of HLIs, literature has reported that robust internal control systems in public HLIs enhance sustainable financial management and prudence within the HLIs (Rono, 2017). Such enhancement may lead to enhanced accountability in the organisation. Another

literature on the effects of internal controls on the financial performance of public HLIs by Abdullahi and Muturi (2016), suggested that a sound internal control system in HLIs may improve their financial performance. These studies revealed that internal controls enhance HLIs' financial performance. Nonetheless, there has been little research on how internal control practice contributes to public HLIs accountability apart from financial performance. To fill this gap, this study is being conducted.

#### *Accountability in the Public Sector*

Accountability in the public sector entails public organisations answering to the public to justify the source and utilisation of public funds (Almquist *et al.*, 2013; Said *et al.*, 2018). Due to the increasing concern about how public organisations spend money, the public demands seem growing and adding much pressure to the government entity in managing scarce resources prudently (Almquist *et al.*, 2013). In public sector settings, various stakeholders have an interest in the accountability of public organisations such as public HLIs. Therefore, Bovens (2007), suggested that the fundamental question to enhance public sector accountability is 'to whom' in order to determine for what a public organisation is accountable. Furthermore, as substantial funds used by public organisations are sourced from taxpayers, Barton (2006) augured that public organisational managers must account for what purposes the money was used. Cutt and Murray (2000), suggested that NPOs such as public sector organisation are held accountable for two aspects: processes and consequences. Procedural accountability centred on process and procedure compliance rather than organisational operations and objectives. However, consequential accountability focused on the higher level of organisational operation as it explicitly refers to the achievement of organisational objectives, prescribed by the mission statement of an organisation (Cutt and Murray, 2000). The current study is concerned with procedural accountability.

Even though the studies mentioned above are significant in terms of the study background, the study on how internal control practice contributes to public HLIs accountability is scanty in the literature. This study is being conducted to fill this gap. We, therefore, consider the current study's theoretical framework informed by the institutional theory in the next section, in a bid to conceptualize and understand the practice of internal controls for enhancing accountability in public HLIs.

#### *Theoretical Framework: Institutional Theory*

According to Dillard *et al.* (2004, p. 508), "institutional theory is a way of thinking about formal organisation structures and the nature of the historically grounded social processes through which these structures develop". From an analytical standpoint, institutional theory can be examined through three logical lenses: coercive, memetic, and normative. The first perspective, also known as "coercive isomorphism", results from pressure exerted on organisations by other organisations on which they rely for financial resources and/or cultural expectations from the society in which the organisation is embedded (DiMaggio and Powell, 1983). The pressure may be perceived as a force, an appeal, or an invitation, such as an invitation to participate in collusions. Coercive isomorphism, according to DiMaggio and Powell (1983), is the use of particular features by an organisation as a result of pressure from external environment. Second, normative isomorphism refers to relationships between management policies and employee backgrounds in terms of educational level, job

experience, and professional association networks (Najeeb, 2014). It is linked to professionalisation, which is often defined as the collective struggle of members of an occupation to define the conditions and methods of their work, control production by producers, and establish a cognitive base and legitimacy for their occupational autonomy (DiMaggio and Powell, 1983). Furthermore, normative isomorphism develops as organisations become more professionalised. Finally, mimetic isomorphism occurs when organisations imitate other organisations that are perceived as having a successful track record.

According to Hoque (2018), institutional theory has been used by various qualitative studies. As the current study focuses on specific accounting practices (internal control), we used a qualitative approach that helps us to understand the institutional sector better, including how accounting practice (internal control) was developed and experienced. The next section discussed the methodology of this study.

### **Methodology**

This study adopts a qualitative case study approach. The qualitative approach is the most suitable for answering “what” and “how” questions (Merriam, 2015; Roddy, 2019). Furthermore, a case study allows time-intensive and in-depth analysis to be performed with high practicality to cover the maximum expected spectrum or variation of unique features (Gerring, 2008), in this context, the internal control practices in Nigerian public HLIs.

#### *Unit of analysis and sampling Technique*

In this study, two universities were selected and named Uni1 and Uni2, respectively as unit of analysis. Due to the anonymity and confidentiality concept, as suggested by Adam, (2025) and Wiles *et al.* (2008), the real names of these public HLIs will not be disclosed.

The purposive sampling method, as well as snowballing technique, was utilised for the selection of participants. Purposive sampling is commonly understood as a sampling technique that selects the participants of the study using a non-random technique (Robinson, 2014). Atkinson and Flint (2001) described snowball sampling as a technique for identifying key respondents as a guide to reach out to other respondents. The process started with the interview of a key official who was heavily involved in the internal control practice. Consequently, a total of eighteen participants (nine from each university) were recruited from two sampled Nigerian public HLIs, involving the university’s registrar, bursar, three deputy bursar, director internal audit, and three chief internal auditors (see table 1 below).

#### *Data Collection*

The data of this study were collected between 2023 and 2024 in two phases. We used a face-to-face semi-structured, in-depth interviews as a main data collection method, and supplemented by document reviews and observation. The interviews were conducted based on a set of semi-structured questions. The interviewees were questioned based on the participants’ experience and understanding of internal control formulation policy, implementation, process, procedures, and the barriers to internal control practices in the university. The interview continued until a point of data saturation was reached where no new insights were provided by the interviewee. The interviews were tape recorded and transcribed, and its lasted between 40 to 70 minutes.

Table I  
List of Interviewees

Position	Qualification	Working Experience
Registrar, Uni1 (Participant1)	Degree	30 years
Bursar, Uni1 (Participant2)	Degree	31 years
Deputy Bursar Budget, Uni1 (Participant3)	Degree	28 years
Deputy Bursar Treasury, Uni1 (Participant4)	ND	25 years
Deputy Bursar Store, Uni1 (Participant5)	HND	22 years
Director Internal Audit, Uni1 (Participant6)	Degree	33 years
Chief Internal Auditor – Pay Roll System, Uni1 (Participant7)	ND	25 years
Chief Internal Auditor – Income and Expenditure, Uni1 (Participant8)	ND	23 years
Chief Internal Auditor – Capital Project Management, Uni1 (Participant9)	ND	23 years
Registrar, Uni2 (Participant10)	Masters	33 years
Bursar, Uni2 (Participant11)	Degree	30 years
Deputy Bursar Budget, Uni2 (Participant12)	HND	22 years
Deputy Bursar Treasury, Uni2 (Participant13)	Degree	27 years
Deputy Bursar Store, Uni2 (Participant14)	Degree	29 years
Director Internal Audit, Uni2 (Participant15)	Degree	29 years
Chief Internal Auditor – Pay Roll System, Uni2 (Participant16)	ND	23 years
Chief Internal Auditor – Income and Expenditure, Uni2 (Participant17)	ND	21 years
Chief Internal Auditor – Capital Project Management, Uni2 (Participant18)	HND	21 years

The above key officials were chosen as participants in the interview because they were heavily involved in the internal control practice and accountability of their respective organisations. Some of the participants interviewed had previously worked in the private sector, government parastatals and other public HLIs before joining the studied HLIs, and they had variable levels of experience on internal control practices. For example, the current bursar of Uni1 joined the university from private sector, and the Uni2 director audit joint the university after serving for 17 years in one government parastatal's audit unit. Interestingly, all participants from both audit and bursary units (from both two studied HLIs) had an accounting/auditing/financial qualification ranging from degree, higher national diploma (HND) and national diploma (ND) as reflected in table 1 above, therefore, they were able to provide useful contrasts and insights on how their organization practices internal controls. Participants were informed that the information obtained will be confidential and that the work is for academic purposes only.

Observations were made throughout the data collection period at the two public HLIs. For each selected HLI, we observed management meetings that we were allowed to attend over a period of the study. The various meetings attended include those meetings concerned with the financial management process of the HLIs. Documentary data that were collected comprising annual reports, strategic plans, circulars, financial regulations, audit reports, laws, policies, and audit manuals of the selected universities were analysed thematically (Braun *et al.*, 2019, p. 19).

### *Data Analysis*

The interview data were analysed thematically (Braun and Clarke, 2006). Consequently, institutional theory was used to look at the potential drawbacks that could arise in the analysis process. The research findings have been analysed and determined how public HLIs practice internal control, how internal control practice contributes to accountability and what challenges public HLIs face in practising internal control. These objectives are consistent with the process of institutionalization policy as described by Hoque (2018). The analysis began by reading the transcripts several times to acquire a better understanding of the data. The data was then manually categorised into codes, which were then organised into themes (Braun and Clarke, 2006). The reliability and validity of the data collected in this study were ensured through several techniques as suggested by Braun and Clarke (2006). This includes the interview protocol, re-checking the transcription, and feedback derived from the transcriptions of participants.

### **Results and Discussion**

The data analysis methods discussed above were followed in the current study to present data in answering the research questions. In so doing, themes were identified based on the research questions raised in the previous sections. These include the existing internal control practices implemented, perceived influential factors and barriers/obstacles to effective internal control practices in Public HLIs in Nigeria. The results of the analysis are presented in the following subheadings:

#### *What are the existing internal control practices implemented in public HLIs in Nigeria?*

The internal controls framework in Nigerian public HLIs is designed as a result of the federal government financial regulations of 1958 (revised 2009), which urged for the establishment of internal audit functions in all public organisations, including universities, as part of an internal control effort to enhance accountability. It has been observed from the universities' policy document that both Uni1 and Uni2 have an internal control department, commonly referred to as the internal audit department to strengthen the internal controls and financial management system of the university.

Furthermore, during the interviews, some participants describe why the two case organisations initially enact internal control practices in their universities:

*Since the emergence of regulations regarding internal control systems, we are forced by the government to establish an internal audit department as part of internal controls. (Participant 2)*

*...We developed internal controls as it was part of our obligation to follow instructions from the government [as a regulation requirement]. Even though we actually need an internal control system as well to make sure we achieved results. (Participant 10)*

*...As a public HLI, internal control practice is mandatory because this is related to state finances. (Participant 3)*

These quotes suggest that internal control practices appear to have been institutionalized in the two case organisations. Different participants show that the main reason for introducing internal control practices is to comply with government regulations. Therefore, public HLIs in

Nigeria try to comply with the requirement of implementing an internal control system in a coercive context.

In addition, it has been confirmed that both the two case organisations have a form of internal control mechanisms through various committees as the participants commented:

*We use committees to handle capital project funds as an internal control. For example, our university has a finance committee, as part of the governance structure, which is normally tasked with the assessment and approval of financial plans, budgets and other significant projects. Furthermore, we have a project monitoring committee to ascertain that capital project funds are used for the purpose for which they were granted and that the use of such funds complies with guidelines made by the government/donor and the university management. We also have an audit committee which responsible for overseeing accounting, auditing, reporting and risk practices/issues within the university. (Participant 1).*

Furthermore, Uni2 has some committees as part of internal controls as indicated by another interviewee.

*Yes, our university has established some committees as part of internal controls such as the finance committee with the task of assessing and approving budgets and the procurement committee with the task of ensuring that all purchases in the university are delivered and received centrally at the central store and project monitoring committee with the task of ascertaining that capital project funds are used for the purpose of which they were granted. (Participant 14)*

*What are the key factors influencing the design and implementation of internal control practices in public HLIs, as perceived by administrators and relevant stakeholders?*

To achieve effective internal control practice, we pinpointed three key factors. First, top management support and commitment. As Participants 4 and 12 claim, this commitment is demonstrated by the top management's willingness (particularly VC) to be audited, while support is demonstrated by giving full authority to an internal auditor to monitor internal control practice, especially to audit lower management units such as deans, head of departments and campus units.

*I can say that, here, internal control practice is entirely dependent on our leader's commitment and support (the VC). Internal controls will effectively function if the VC supported the audit department in monitoring internal control practices. (Participant 4)*

*...You know top management support and their commitment to effective internal control practice is very crucial. Without the top management's support, lower-level management are more likely to refuse the instruction to implement internal control mechanisms. (Participant 12)*

The comments above indicate that, with strong support and commitment from top management, internal control can be effectively practiced. Second, as some participants claimed, internal control practice can be effective if there is harmony between internal audit department and HLIs' management at all levels:

*The practice of internal control can be effective if the internal auditors demonstrate a good attitude in their interaction with the auditee. (Participant 6)*

*...The practice of internal control can be effective if the head of the internal audit unit communicates and interact directly with the chief executive of the institution. (Participant 13)*

From the above conservation, it can be seen that good communication between internal auditors with auditees is another significant factor for effective internal control practice in HLIs.

Third, the competency of internal auditors. The last key factor for effective internal control practice is the competency of internal auditors. In both two HLIs that we research, policy documents showed that internal audit department should have dominated by people from disciplines of accounting backgrounds. Their educational qualifications should be degrees, and master's degrees with professional certificate from an accounting professional body. This was confirmed by one participant:

*The university's internal audit department should have encompassed of accounting professionals with varying levels of education. Because the practise required expertise, this formation is critical for internal control practises. (Participant 5)*

*What are the main challenges faced by public HLIs in implementing and maintaining robust internal control practices?*

Internal control practices in public HLIs are plagued by a variety of issues. Based on all of the interviews with the two public HLI participants, it has appeared that there are some barriers that hindered the robustness of internal control practices. First, lack of commitment from some top HLIs' management. We observed that sometimes, management of the case organisations regards the internal audit department as a "police" department who monitors internal control practices that limit their authority in using the HLI's budget. Therefore, management sometimes disregard procedures for certain activities related to procurement of goods/services and budget implementation. Participants 8 and 16 stated that they were sometimes pressured to approve budgets that they had not been involved in the formulation process. Because the internal audit department is under top management directives, while the HLI will face sanctions from the government if the budget is not realized, therefore the internal auditor is "forced" to authorize some transactions that are not in the budget:

*Top management can sometimes override some control activities and sometime ignore the authorization process. furthermore, sometimes, we (internal auditors) were pressured to authorize some procurement documents for budget realization. (Participant 8)*

Participant 8 highlighted an important observation regarding the potential challenges faced in maintaining effective control activities within an organisation's top management. It was noted that there are instances where top management can override specific control activities or neglect the authorization process altogether. This raises concerns about the integrity and effectiveness of internal controls in such situations. Furthermore, the participant shared their personal experience as internal auditors, revealing the occurrence of a situation where they felt compelled to authorize procurement documents to facilitate budget realization. This

highlights the complex dynamics and pressures that internal auditors may encounter in their roles, potentially compromising the independence and objectivity of their function.

*...Internal control mechanisms such as proper authorization, internal auditor's due approval for specific transactions, and involvement of internal auditor in the procurement process are frequently ignored by top management. (Participant 16)*

A narration from the participant above brings attention to a concerning issue regarding internal control practice within the institution. It is noted that crucial control measures, such as proper authorization, internal auditor approval for specific transactions, and the involvement of internal auditors during the procurement process, are frequently disregarded by top management. This revelation raises significant concerns about the effectiveness and integrity of the organisation's internal controls. By ignoring these established control mechanisms, top management may be exposing the organisation to potential risks, including fraud, misappropriation of funds, or non-compliance with regulations.

Obtained from the participants, the following story sheds light on the concerns regarding the sufficiency of staff levels.

*There is not enough staff in our internal audit department to do the job. (Participant 5)*

A notable concern regarding the staffing levels of the internal audit department was raised by Participant 5. It is highlighted that there is an insufficient number of staff members to effectively carry out their responsibilities.

*...One of the problems that we encountered in this is that the university has insufficient internal audit staff who are the actors of effective internal control practice. (Participant 14)*

Third, not all public HLIs have qualified staff with accounting backgrounds in their internal audit department to monitor internal control practice, even though they play a critical role in effective internal control practice. As a result, internal control practice fails. This was commented on by a participant from Uni2:

*Let me tell you, not all public HLIs have qualified staff with accounting backgrounds in their internal audit department. For example, here in this university some of our internal audit staff are unqualified and incompetent to carry out the work, such a condition becomes a significant impediment to the effectiveness of internal control practice. (Participant 15)*

Fourth, another constraint to internal control practice in public HLIs is also the willingness of the HLIs' of the middle and lower management to implement internal control mechanisms. It was discovered that some middle and lower managements perceive internal control practice as less important because they believe that education quality is the main goal of HLI rather than financial performance and accountability:

*Sometimes, those in middle and lower management (dean and department level) ignored internal control mechanisms, reasoning that the public HLIs' main task is to improve educational quality, not financial management and accountability (participant 6)*

Fifth, another impediment to public HLIs' internal control practice is that it does not use information technology (IT) facilities in their internal control practice, instead, they rely on manual internal control. This finding is based on the information obtained from some participants as stated below:

*In our university, most activities related to internal control practice are run manually. The development of applications to support internal control practices, known as IT controls, receives little attention. For example, the university's budget for advanced IT controls is small. (Participant 7)*

*...We are not using any serious IT facilities to support our internal control practice. As a result, internal control practise does not function properly, and the goal of internal control practice may not be met optimally. (Participant 13)*

The above information shows that a lack of IT support in practising internal control in the two public HLIs might affect the effectiveness of their internal controls.

### **Discussions**

The results show that since the government have provided statutory provision for internal control, many public HLIs have made substantial efforts to implement internal control practice. Given that public HLIs' funding is substantially from the government budget, the presence of internal controls is a result of pressure from the government regulatory body, in this context, the NUC. This suggests that, from the standpoint of institutional theory, internal control practice in public HLIs is more oriented towards the coercive isomorphism phenomenon, as claimed by DiMaggio and Powell (1983).

Furthermore, we identified some key factors required to achieve an effective internal control practise based on the analysis. First, robust internal control practices will inevitably rely on top management commitment and support, as reported by Cavalluzzo and Ittner (2004) and Pratolo *et al.* (2020). They proposed that if an organization's top management commits to and supports the adopted policies, a governance policy implemented in the organisation will run smoothly and effectively. Second, it is linked to effective communication between internal auditors and auditees. Best of all, we discovered that internal control practices can be effective if internal auditors and HLI management at all levels have a positive relationship. Third, it is about the competence of the internal auditor. We believe that the fundamental concept of controlling is auditing activities, therefore, our empirical finding reveal that the internal audit department should be staffed with competent individuals who have accounting backgrounds and are capable of carrying out internal audits work. This finding is consistent with the claim made by Noe *et al.* (2017), who stated that the success of an assignment is determined by the knowledge or competence of the individual who performs the task.

However, we highlighted how, surprisingly, some financial activities/transactions within HLIs were override by the management. This is due to the actions of their top management. Thus, it is problematic because top management behaviour at HLIs undermined the internal control practice. According to policy document, Nigerian HLIs' management are given soul responsibility to appoint internal auditors. As a result, we find that internal auditors' positions and reports are frequently underestimated, and some internal auditors' suggestions are

sometimes ignored by top management. Furthermore, in some cases management puts pressure on the internal auditor to approve transactions that are not yet budgeted. This could be a major reason why fraud in public HLLs is still prevalent in Nigeria.

Another barrier to reaching effective internal control practice is the lack of enough staff or the inadequacy of internal auditors. We found that both the two HLLs under study do not have enough internal audit staff to monitor the internal control practice which can lead to the possibility of fraud. This shortage of staff in the internal audit department can have significant implications for the HLLs. Internal auditors play a crucial role in assessing and monitoring internal control systems, identifying risks, and providing valuable insights to enhance governance and operational efficiency. However, with limited resources, the department may struggle to fulfil its duties comprehensively. Our finding here is consistent with Badara's (2013) own assertions that the inadequacy of audit staff is the major problem faced by organisational internal auditors in conducting their work effectively. Another issue with effective internal control practice is the lack of qualified staff with accounting backgrounds in the internal audit department. In addition, our findings revealed that the two HLLs involved in the current study have not done any serious IT support development on internal control practice, which might lead the internal control practice to be ineffective. It was also uncovered from the study that an effective internal control practice in an organisation requires IT facilities. Our finding is in line with prior studies (Esmeray, 2016; Queiroz et al., 2018) which revealed that IT support is a critical aspect in enhancing an organisational goal through effective internal control activities.

### **Conclusion**

The current study aims to explore accountability enhancement through internal control practices in Nigerian public HLLs. In addition, the study sought the key factors influencing the design and implementation of internal control practices as well as the main challenges faced by public HLLs in implementing and maintaining robust internal control practices.

Our study has demonstrated that the two HLLs adopted the internal control system as a part of broader public sector reforms driven by the New Public Management (NPM) concept. In addition, empirical evidence show that internal control practice had marginally contributed to the enhancement of accountability within the case organisations as these case organisations did not effectively implement the internal control practice. Nonetheless, it has been confirmed that poor internal control implementation within the case organisations was as a result of lack of top management's commitment and support, inefficiency and lack of qualified staff with accounting backgrounds in the internal audit departments.

The current study has the potential to make valuable contributions. First, the current study contributes to the body of knowledge concerning studies on internal control in the NFPO sector, which, according to the literature receives little attention. Second, as the current study focuses on the Nigerian context, it will provide the insightful contributions to other developing countries, particularly those countries that pursuing improvements their public HLLs. The study can provide valuable insights into the effectiveness of accountability mechanisms within these institutions, shedding light on areas that require improvement. By strengthening internal controls, accountability can be enhanced (Aziz, 2025; Kamaliah *et al.*, 2018). Moreover, by identifying the root causes of challenges, policymakers and educational

institutions can make informed decisions. This understanding enables them to allocate resources more effectively, prioritize critical areas, and ultimately improve educational outcomes. Moreover, the study's findings can contribute to rebuilding trust and attracting foreign students, as well as fostering collaborations of public HLIs in Nigeria with international partners. By highlighting improvements in internal control practices, public HLIs in Nigeria can enhance their reputation and establish themselves as reliable educational institutions globally.

This study has laid the groundwork for future research. Since the current study is based on only two public HLIs in Nigeria, its findings are inappropriate for generalising all public HLIs. Further work is needed to examine whether these findings are replicable in other public HLIs, in view that the literature has suggested that some public HLIs have distinct accountability issues. Moreover, the current study has just focused on public HLIs. Other types of HLIs' (private) practices of internal control and accountability need to be further explored.

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