

**The influence of internal auditing characteristics on the adoption of
accounting standards in Tanzania**

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The nature and positioning of internal auditing in an organisation structure make them of special interest in the adoption process as they guarantee efficiency and effectiveness of the internal control, compliance and risk management. The presence of a robust internal auditing in an organization provides a basis for effective organization performances and therefore adoption process is assured. The aim of the current study was to scrutinize the relation between internal auditing characteristics and the adoption of accounting standards. The research had four specific objectives. The first objective intended to determine the influence of internal auditing scope on the adoption of accounting standards. Second, the study intended to determine the influence of internal auditing structure on the adoption of accounting standards. Third, the study aimed at assessing the influence of the internal auditing reporting relation on the adoption of accounting standards and the fourth was to find out the effect of the intervening variable competences on the adoption of accounting standards. The study employed quantitative research methodology in which primary data were collected from 214 sampled internal auditors. Both public and private's internal auditors were involved in collecting information. The study used both online and hard copy questionnaires of which 204 equivalent to 97%, responded (107 online and 97 hardcopy). Data were analysed using descriptive statistics, correlation and regression. The results of the analysis revealed that the majority of the internal auditors agreed that the scope, structure, reporting relation and the competence of internal auditing influenced the adoption of accounting standards. Moreover, the results from regression analysis indicated that structure, reporting relation and competence of internal auditing had a significant influence on the adoption of accounting standards but the scope of internal auditing has insignificant influence on the adoption of accounting standards. The study recommends that policy makers should ensure that internal auditing is equipped with appropriate working tools. It is further recommended that the personnel in the internal audit unit attend seminar, in-service courses and workshops so as to update their knowledge on the adoption of the accounting standards. Moreover, it is recommended that further research should be carried out on the qualitative factors which cause the scope of internal auditing to have insignificant value.