



Do Internal and External Control Systems Foster Accountability Practices in Public Institutions in Ghana?

Samuel Ataribanam¹

¹ataribanam@gmail.com

¹GradXs Researcher for PhD, LIUTEBM University, Lusaka. LIU22115

Recommended Citation: Ataribanam, S. (2024). Do internal and external control systems foster accountability practices in public institutions in Ghana? *African Quarterly Social Science Review*, 1(4), 149–163. <https://doi.org/10.51867/AQSSR.1.4.14>

ABSTRACT

Improving governance results in Ghana requires a culture of candour among public institutions. This paper tried to determine what extent do internal and external control systems foster accountability practices in public institutions in Ghana. The research also sought to assess the strengths and shortcomings of current control mechanisms, offering practical recommendations for improving institutional accountability and reinstating public trust in governmental operations. A comprehensive understanding of internal and external control mechanisms in Ghana's public sector is urgently required owing to the nation's particular challenges, including widespread accountability issues, corruption, and misappropriation of financial resources. The study adopted agency theory to underscore the propensity of public officials to pursue self-interest in the absence of sufficient control, complimented by stewardship theory, which posits that alignment with organisational objectives may improve ethical conduct around officials. Internal and external controls are essential for sustaining public confidence and averting corruption. Internal controls include management audits and performance evaluations, while external controls entail regulatory supervision by independent organisations, guaranteeing the effective and ethical utilisation of public resources. The study adopted a descriptive research design, utilising both quantitative and qualitative approaches. A non-probability sampling with purposive and convenience sampling technique was used. This was to ensure that knowledgeable people were selected by the judgment of the researcher. The population of the study was 5000 comprising senior management and non-managerial employees of public institutions. A sample of 300 respondents received the questionnaires with 259 (86.33%) returning same. The research used SPSS with Multiple Linear Regression via a stepwise model. The qualitative data using semi-structured interviews was transcribed with quotation marks into a text box. This study emphasised the significance of internal and external control mechanisms in enhancing accountability inside public institutions. Issues such as insufficient funding and political interference underscore the need of improving these systems. With overall R^2 of 15.2% the Null hypothesis was rejected. The study concludes that both internal and external control mechanisms assist in regulating behaviour; nevertheless, political factors, insufficient training, and limited resources may render them almost ineffective. The apparent autonomy of external controls enhanced their efficacy in promoting accountability. The paper therefore, recommends enhancing Internal Control Mechanisms by allocating additional resources for training and innovative audit technology. Enhance External Oversight by augmenting the capabilities and independence of external auditing institutions to mitigate political meddling. And finally, the public's trust in accountability systems may be bolstered by the encouragement of transparency and integrity in reporting.

Keywords: Accountability, Agency Theory, Controls, Internal, External, Stewardship Theory, Public Institutions

I. INTRODUCTION

Regulatory authorities overseeing the proper utilisation and allocation of resources, as well as ensuring public welfare, remain the principal providers of essential needs (Brown & Marsden, 2023; Ezenduka et al., 2022). Enhancements in the efficiency and transparency of these institutions are essential, given their significance to the Ghanaian populace. Nonetheless, the nation's public sector persists in confronting issues related to corruption, egregious financial mismanagement, and insufficient accountability. To resolve these challenges, accountability processes are improved by the use of internal and external control mechanisms (Matebese-Notshulwana, 2021; Overman et al., 2021).

State institutions are actively involved in several areas, including service supply, policy implementation, and administration. In public institutions, accountability practices guarantees that money is used appropriately to meet goals, with public support. Nonetheless, the need for the implementation of suitable control systems has been recognised in light of concerns about resource misappropriation and occurrences of malfeasance (Sibanda et al., 2020; Sofyani et al., 2020). In the delivery of public services, public servants are involved in corruption and various shady deals all in the pursuit of self-interest. Hence, these public servants must be held accountable for the resources entrusted in their care for the betterment of all citizens (Transparency International, 2017).



Institutional controls are used to oversee and regulate activities inside an organisation. These controls may include management audits, performance assessments, and policies. These controls are implemented to ensure the proper utilisation of resources and the timely achievement of objectives, preventing and detecting improper and wasteful occurrences (Rakipi & D'Onza, 2024). Conversely, institutions must operate legally and in compliance with set standards via external control systems, which include regulations and social control mechanisms, including certification from relevant organisations, the government, and other entities (Abbott & Snidal, 2021). A comprehensive knowledge of the interaction among several control mechanisms is crucial for enhancing the organisational performance, transparency, and accountability of public institutions (Dubihlela & Boamah, 2024).

The research "Do Internal and External Control Systems Foster Accountability Practices in Public Institutions in Ghana" identifies significant independent and dependent variables essential for understanding the dynamics of accountability within Ghana's public sector.

These are the frameworks established by governmental entities to ensure proper governance, effective risk management, and compliance with all relevant laws and regulations. According to the study (Brenya Bonsu et al. 2023) a robust internal control system enhances accountability measures by establishing clear standards and conducting frequent assessments.

Audits and regulatory agencies are two examples of external authorities that carry out oversight procedures in order to examine the performance of public institutions and ensure that they are in accordance with regulations. It is believed that these external assessments will enhance accountability and transparency by holding institutions accountable to the people who have a stake in them (Brenya Bonsu et al., 2023; Appau & Anku-Tsede, 2015).

The primary dependent variable of the study is accountability practices, referring to the mechanisms by which public officials are held responsible for their decisions and actions. To ensure public officials are accountable to stakeholders and citizens, it implements processes such as reporting, monitoring, communication and participatory decision-making (Brenya Bonsu et al., 2023; Van Belle, & Mayhew, 2016). The primary objective of this research is to examine how varying values of the independent variables affect different accountability practices within the Ghanaian government.

The primary purpose of this research is to assess the accountability of public sector organisations in Ghana via their existing internal and external supervision mechanisms. To enhance governmental accountability and mitigate corruption, they scrutinise internal operations, efficiency, challenges, and outcomes. The enhancement of accountability, fortification of institutions, and cultivation of public trust in Ghana's governance systems are contingent upon a comprehensive assessment of these metrics.

1.1 Statement of the Problem

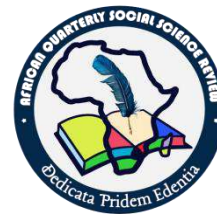
Globally, public institutions have challenges with accountability, despite having established frameworks. Notwithstanding the existence of established frameworks, the study subject focusses on the enduring issues of accountability in public entities in Ghana. There is an increasing cry among citizens for increased transparency and effective governance from institutions, thereby highlighting the issue of public accountability in Ghana. The refusal of several public officials to adhere to accountability standards has led to mismanagement of public resources and a decline in taxpayer trust, as recently discussed (Appau & Anku-Tsede, 2015). Several public institutions in Ghana exhibit insufficient monitoring and sanctions for mismanagement, despite the accountability mandated by the 1992 Constitution of Ghana (Kuyini, 2023; Draman, 2017). A comprehensive investigation is necessary to understand the underlying dynamics and develop strategies for improvement in this context.

Recent research indicates that integrity systems and internal control mechanisms significantly influence accountability procedures within Ghana's public sector. Research indicates that existing frameworks are underutilised, suggesting that improvements in integrity systems could substantially enhance public accountability (Brenya Bonsu et al., 2023). The interaction between these processes, leadership practices, and the broader socio-political context remains inadequately understood.

More research emphasises internal processes while neglecting external factors such as public participation and civil society engagement. Further study is required to evaluate the effectiveness of civil society groups' participation in promoting accountability via the oversight of governmental actions (Abhayawansa, 2021; Villanueva, 2020).

Additional empirical study is required to assess accountability mechanisms in the real-world context of various government institutions. There is a scarcity of data from specific institutions and empirical case studies in the study of accountability frameworks (Tetteh et al., 2024; Han, 2020). The enactment of laws such as the Right to Information Bill has created new opportunities for enhancing accountability. Nonetheless, there has been an insufficient examination of the execution of these regulatory frameworks and their impact on transparency in the public sector (Tetteh et al., 2024).

Finally, by filling up these gaps with targeted research, we may learn how to make Ghana's public institutions more accountable. The study's overarching goal is to make a substantial addition to the ongoing conversation about



accountability and governance in Ghana by investigating the relationship between leadership dynamics and internal and external control systems foster accountability practices in Ghana's public sector. This study therefore aims to examine how the accountability practices of these institutions are influenced by their internal and external control mechanisms.

1.2 Research Objective

To examine the effectiveness of internal and external control systems in fostering accountability in public institutions.

1.3 Research Hypothesis

Ho: Internal and external control systems have a negative effect in accountability practices in public institutions.

Ha: Internal and external control systems have a positive effect in accountability practices in public institutions.

II. LITERATURE REVIEW

2.1 Theoretical Review

The Concept and Importance of Accountability in Public Institutions

To guarantee that Public Institutions are held accountable, it is imperative that public officials be held responsible for their choices, deeds, and the way they use public funds. When accountability efforts are effective, it leads to more trust, less corruption, and better government (Agu et al., 2024; Cassim & Osler, 2023; Sofyani et al., 2022; Vian, 2020).

The phrase "public accountability" refers to the mechanisms established to guarantee that public authorities are held responsible to the public for their decisions and actions (Sindelo & Cronje, 2024; de Boar, 2023; Ricci, 2023). The OECD, (2013) asserts that a transparent, proficient, and trustworthy management of public finances is crucial for fostering a dependable connection between the public sector and its constituents. This relationship enables individuals to assess the reliability of government entities in their management of tax expenditures (Cao et al., 2022).

Accountability beyond just compliance with legal laws; it encompasses a broader need to maintain transparency and integrity. Transparency International asserts that public officials are accountable to the populace for their utilisation of allocated funds and power. Effective governance requires public trust in its leaders, and this concept is essential for maintaining that trust (Efunniyi et al., 2024; Jejenywa et al., 2024).

Trust Building in Accountability

Proper systems of accountability provide a robust basis of public confidence. When governmental entities operate with integrity and reliability, it fosters confidence in those authorities (Amin et al., 2024). Credibility, transparency, and competence are three attributes that research indicates are essential for establishing public confidence. Research indicates that public trust in officials is more adversely impacted by unethical behaviour than by inadequate performance, underscoring the importance of ethical conduct in accountability frameworks (Kamara, 2024; Lee & Li, 2021).

Corruption reduction in Public Institutions

Accountability serves as a deterrent to corruption by ensuring that public officials are held responsible for their actions. Officials are less inclined to do corrupt activities when constituents insist on transparency and hold them accountable for unethical behaviour or mismanagement (Vian, 2020). In Ghana, there have been calls for more accountability of public officials to ensure transparent management of resources. Corruption may lead to substantial financial losses in the absence of accountability, underscoring its essential function in safeguarding public funds (Sefayarko et al., 2021; Akonnor & Ohemeng, 2020).

The improvement of Governance Outcomes

Effective institutional accountability mechanisms enhance governance. Community empowerment and enhanced service delivery are two results of open and participatory systems (Kosec & Wantchekon, 2020). The UNDP asserts that inclusive policies including public involvement in decision-making are fundamental to responsible governance. Enhanced and equitable outcomes stem from accountability mechanisms that promote public participation in governance (Jili & Enaifoghe, 2023).

Finally, ensuring responsibility among public officials necessitates accountability inside public institutions. It enhances governmental outcomes, augments public confidence, and diminishes opportunities for corruption. To ensure honest and effective public service delivery, robust accountability frameworks must be established.



2.1.1 Agency Theory

The study employed two theories, thus the Agency theory which suggests that public officials (agents) may pursue personal interests contrary to the goals of the public (principals) without adequate monitoring. Transparency in public institutions is essential for public accountability, as evidenced by the effective management of public entities (Ji, 2022). Svava (2021) assert that public accountability in this context manifests as the responsible management of public institutions, grounded in rights rather than utilitarian principles. According to Ji (2022) a public accountability and disclosure model at public institutions should be informed by the principles of fairness, accessibility, and distribution. Organisations such as public institutions must recognise the diverse expectations of their stakeholders and provide a comprehensive and transparent account of their operations to a broader audience. This aligns with the normative framework of stakeholder theory as articulated by Mondoñedo (2021).

2.1.2 Stewardship Theory

The agency theory was complimented by Stewardship theory which also proposes that public officials can act responsibly and ethically when aligned with organizational goals, reducing the need for strict control mechanisms. Greiling and Schaefer (2020) assert that a public service ethos underpins public accountability through effective stewardship, as it inherently restricts the application of delegated authority, channelling it towards the achievement of national objectives and the protection of the public interest.

Ji (2022) refer to public accountability as the public's right to be informed about the condition and performance of the institution under the charge of an accountant. Based on Hadley and McGrath (2021) research, the authors emphasises a significant distinction between "accountability" and "public accountability." The former denotes the responsibility to justify and elucidate one's actions; however, this process may not be apparent to external observers. Instead, it frequently entails pre-determined actors or parties, potentially excluding larger constituencies. Conversely, management and institutions would be accountable in a transparent environment where information is readily available and open to public scrutiny. The annual report is esteemed by the authors for its capacity to provide a comprehensive overview of an institution's objectives and performance, both financial and non-financial, in a single document. This facilitates a thorough understanding for all stakeholders. No other source consistently offers this type of information to all stakeholders.

2.2 Empirical Review

Organisational accountability is fundamentally dependent on the concepts of internal and external control systems. These frameworks facilitate risk management, ensure compliance, and enhance the overall effectiveness of governance systems (Cooley, 2020).

Internal control systems refer to an organization's policies, processes, and procedures established to safeguard its assets, ensure precise financial reporting, and adhere to regulations and laws. Al-Astal et al. (2024) and Atiade and Enebong (2021) reference the Turnbull Report, which asserts that effective internal controls enable an institution to manage significant risks without compromising its objectives.

Accountability Mechanisms

Management implements defined performance metrics to enhance responsibility inside internal control systems. Executives are accountable to the board of directors for the development, implementation, and evaluation of these protections. Regular performance evaluations are done using specified measures to ensure accountability within the internal control system (Al Astal et al., 2024).

The Role of External Control Systems in Accountability

Organisations may gain advantages from the involvement of third parties, such as auditors or regulatory agencies, in their external control systems. This is particularly crucial in public sector administration for enhancing accountability. For instance, studies in Uganda indicate that the Office of the Auditor-General and comparable external entities are instrumental in ensuring local government accountability (Atiade & Enebong, 2021). However, these external controls face numerous challenges, including insufficient funding and ineffective legislation (Al Astal et al., 2024).

The effectiveness of external control mechanisms can be assessed by examining the extent to which external agencies can ensure accountability, contingent upon adequate funding and support from lawmakers. The effectiveness of these bodies in implementing accountability-related legislation. External control mechanisms should prioritise the involvement of civil society in promoting accountability (Hamed, 2023).



Interaction between Internal and External Controls

Internal and external control systems possess a bidirectional relationship. To maintain operational integrity, internal controls are essential, while external controls are necessary for oversight and to enhance accountability. When both systems align with the organization's objectives, governance is significantly facilitated. For instance, failures in accountability within public administration might arise when deficiencies in internal controls diminish the efficacy of external audits (Al Astal et al., 2024; Hamed, 2023).

In conclusion the use of both internal and external control systems may significantly boost organisational responsibility. External controls are crucial for maintaining operational integrity, while internal controls provide the foundation for this integrity. A robust organisational culture that prioritises ethical conduct and legal adherence, together with enough resources and coordination, is crucial for the efficient operation of these systems. Enhancing overall responsibility in governance frameworks necessitates tackling the limitations of both systems.

2.3 An Overview of Control Systems

Control systems are crucial to ensure that firms adhere to regulations and operate responsibly. They are primarily categorised into Internal and External systems. Audits performed inside an organisation and regulations established to govern and manage its activities exemplify internal control systems (Almasria, 2022). In risk management, these systems are essential for identifying deficiencies and ensuring compliance with legal standards and regulations. Effective internal controls may mitigate the risks associated with financial, operational, and regulatory issues, hence safeguarding a corporation's assets and information (Turetken et al., 2020). The internal audit function is essential for assessing these controls to ensure their effectiveness and independence from management influence (Almasria, 2022; Chorafas, 2001).

External control systems include audits performed by independent third parties and oversight entities that evaluate a company's adherence to established norms. External evaluations often rely on the efficacy of internal controls to identify risk areas and prioritise audit processes (Airout, 2022; Yakubu & Williams, 2020). Prior to conducting formal audits, external auditors assess the efficacy of internal controls to identify any deficiencies that may affect operational efficiency and compliance (Grima et al., 2023; Almasria, 2022; Christensen, 2022).

In order to ensure that organisations are following ethical standards and complying with regulatory obligations, control systems are put in place both internally and externally. According to Grima et al. (2023), Airout (2022), and Yakubu and Williams (2020) this two-pronged strategy improves audit effectiveness and encourages openness and responsibility in institutions.

Ho – Internal and external control systems have a negative effect in accountability practices in public institutions.

Ha - Internal and external control systems have a positive effect in accountability practices in public institutions.

2.4 Conceptual Framework

According to Nwachukwu et al. (2024) and Hamed, (2023) key components of internal controls are: *Control Environment*: Integrity and ethical conduct are fundamental elements of a robust organisational culture, establishing the precedent for all other aspects; *Risk Assessment*: Organisations must consistently identify and evaluate risks to establish suitable controls; *Control Activities*: The particular activities used to manage risks include preventative measures such as authorisation procedures and investigative measures like reconciliations; *Monitoring*: Continuous assessment of the control systems ensures they remain effective and relevant and; *Information and Communication*: Clear communication regarding roles and responsibilities enhances understanding and commitment to internal controls (de Boar, 2023).

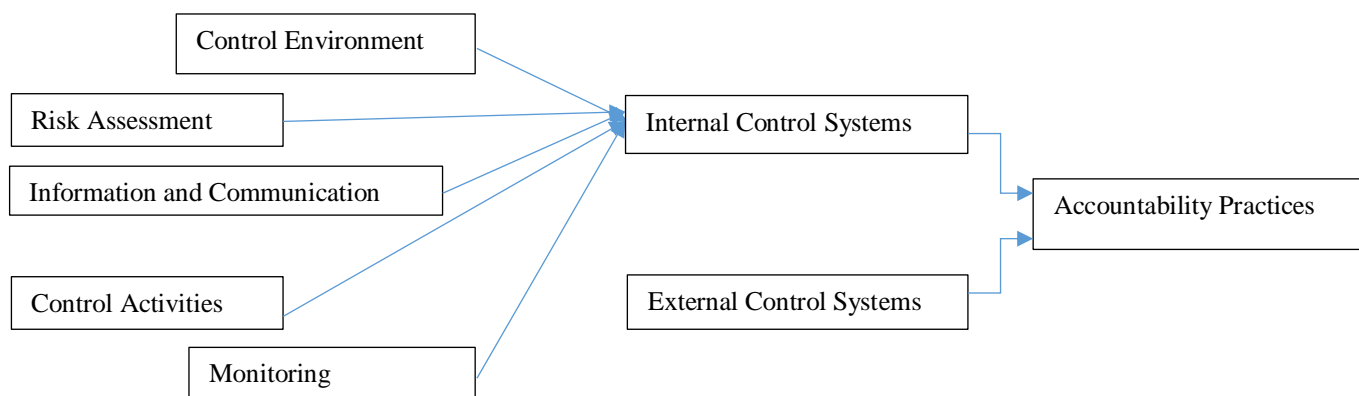


Figure 1
Institutional Control Components



This conceptual model in figure 1 illustrates the complementary relationship between a company's internal and external control systems, enhancing institutional accountability. Organisations may attain their strategic objectives thus protecting assets and maintaining regulatory compliance thereby effectively integrating these elements. This is an excellent starting point for public institutions aiming to establish robust governance structures that promote transparency and accountability.

III. METHODOLOGY

3.1 Research Design

Using a combination of quantitative and qualitative techniques, this study presents comprehensive insights via Descriptive research design.

3.2 Population and Sampling

The study primarily focuses on senior management and non-managerial employees of 5000 people inside governmental institutions. A sample size of 300 was established using purposive and convenience sampling to ensure the inclusion of competent and knowledgeable respondents. The target population was located in the Upper East Region in the Northern part of Ghana. All public institutions are replicated across all the regions with the same function and mandate. Out of the 15 Districts, 8 were purposively sampled and questionnaires distributed across more than 10 major public institutions which include Ghana Education Service, Ghana Health Service, the Police Service, Immigration Service, Universities, National Health Insurance Scheme, Customs and Preventive Service.

3.3 Data Collection Methods

A systematic questionnaire was used to collect quantitative data about participants' views of internal and external control systems and accountability practices. The questionnaires retrieved were 259, which was over 86% response rate. Semi-structured interviews with chosen important officials for comprehensive qualitative insights.

3.4 Data Analysis

Quantitative data was recomputed using the compute method in SPSS with Multiple Linear Regression model to determine relationships between control systems and accountability. Qualitative data from the interviews were transcribed verbatim into texts boxes with quotation marks.

3.5 Reliability and Validity of the Research Tools

The questionnaire/interview guides were evaluated for specificity and alignment with study goals and the used conceptual framework. The evaluation used Cronbach's Alpha method in SPSS, yielding an overall Alpha of 0.824, indicating a strong level of reliability and consistency of the questionnaire. The individual Cronbach's Alpha values for the questions exceeded 0.8. Churchill (1979) asserts that Cronbach's alpha over 0.7 indicates that the items were consistent with the hypothesis and hence highly dependable. This mitigated the researcher bias and led to modifications in the questionnaire/interview guide where necessary.

3.6 Ethical Consideration

This study adhered to all ethical standards since the researcher followed them. The researcher adhered to a number of ethical norms, including being forthright and honest at all times and not engaged in any kind of bias, deceit, prejudice, or misrepresentation. Furthermore, every participant's rights were honoured. The participants were given the assurance that their data would be analysed and reported in a way that would protect their confidentiality and identity. Time and directions were followed to the letter, and participants' permission was sought before proceeding

IV. FINDINGS & DISCUSSION

4.1 Descriptive Statistics

This paper sampled two (2) major features of the respondents, including gender and age. These features were included to provide a clear picture of the sample distribution and their involvement in the day to day institutional governance and accountability practices in institutions in Ghana.



4.1.1 Gender of respondents

Table 1 show that 71.8% of the respondents were males, while 28.2% were females. This seems to be representative of the working population in the public sector workers in Ghana.

Table 1
Gender Distribution of Respondents

Gender	Frequency	Percent
Male	186	71.8
Female	73	28.2
Total	259	100

4.1.2 Age Distribution of Respondents

Figure 2 indicates that 33.98% respondents were within the young age of 18 to 35 years. The lower middle age of 36-45 years represented the majority of the respondents with (37.45%). This is quite significant because, effective working staffs are undertaken by the energetic age of youth or those approaching lower middle age. A few respondents were within the ages of 46-55 years were 24.71%. The age range of respondents 56 and above (nearing retirement) is 3.86%.

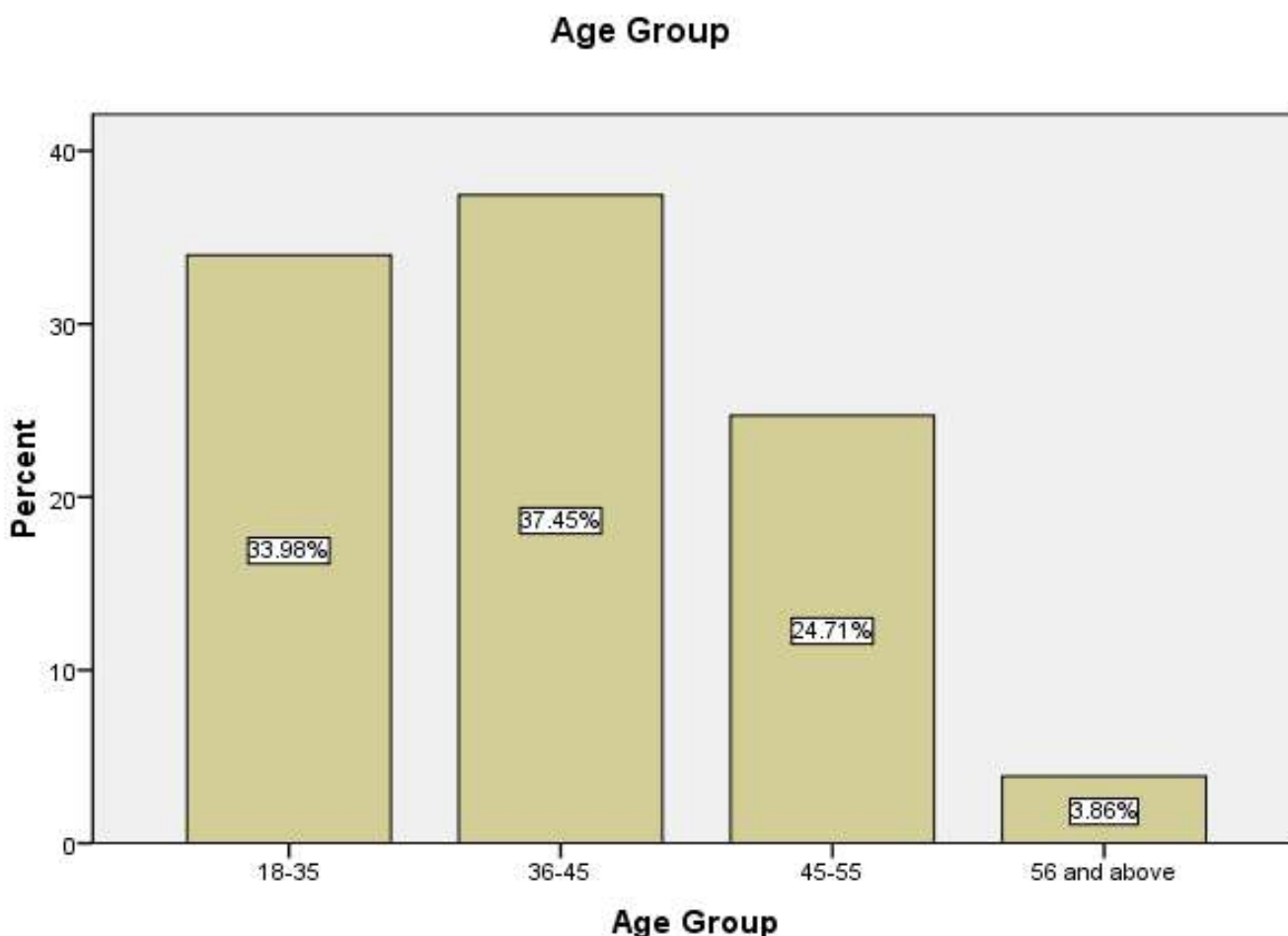


Figure 2
Age Distribution of Respondents

The objective of this paper was to determine what extent do internal and external control systems foster Accountability practices in Public institutions in Ghana. Hence, the following output results from Multiple linear Regression using the stepwise model were obtained.

**Table 2***Correlation Results of Internal and External Control Systems and Accountability Practices*

Correlations				
		Accountability Practices	Internal Control	External Control
Pearson Correlation	Accountability Practices	1.000	.364	.289
	Internal Control	.364	1.000	.448
	External Control	.289	.448	1.000
Sig. (1-tailed)	Accountability Practices	.	.000	.000
	Internal Control	.000	.	.000
	External Control	.000	.000	.
N	Accountability Practices	248	243	242
	Internal Control	243	253	248
	External Control	242	248	252

Table 3*Model Summary Results of Internal and External control Systems and Accountability Practices*

Model Summary ^c									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.364 ^a	.133	.129	1.56644	.133	36.721	1	240	.000
2	.390 ^b	.152	.145	1.55176	.020	5.562	1	239	.019

a. Predictors: (Constant), Internal Control

b. Predictors: (Constant), Internal Control, External Control

c. Dependent Variable: Accountability Practices

From the correlation Table 2 both predictor variables were statistically correlated at .000 less than the standard value of .05 with the dependent variable (AccountabilityPractices). Whiles, the model summary Table 3 the independent variable (Internal Control) included in the model explained approximately 13.3% of variance ($R^2 = .133 \times 100\%$) in the dependent variable (AccountabilityPractices) and the second independent variable (External Control) also included in the model explained approximately 15.2% of variance ($R^2 = .152 \times 100\%$) in the dependent variable (AccountabilityPractices).

Table 4*ANOVA Results of Internal and External Control Systems on Accountability Practices*

ANOVA ^c						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	90.102	1	90.102	36.721	.000 ^a
	Residual	588.893	240	2.454		
	Total	678.995	241			
2	Regression	103.494	2	51.747	21.49	.000 ^b
	Residual	575.501	239	2.408		
	Total	678.995	241			

a. Predictors: (Constant), Internal Control

b. Predictors: (Constant), Internal Control, External Control

The ANOVA Table 4 above also indicates that the model as a whole is significant. With model 1 at $F(1, 240) = 36.721, p < .0005$ ($p = .000$) and model 2 at $F(2, 239) = 21.490, p < .0005$ ($p = .000$).



Table 5
Coefficient Results of Internal and External Control Systems on Accountability Practices

Coefficients ^a											
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	3.164	0.356		8.898	0					
	Internal Control	0.248	0.041	0.364	6.06	0	0.364	0.364	0.364	1	1
2	(Constant)	2.564	0.434		5.901	0					
	Internal Control	0.2	0.045	0.294	4.413	0	0.364	0.274	0.263	0.799	1.251
	External Control	0.1	0.042	0.157	2.358	0.019	0.289	0.151	0.14	0.799	1.251

a. Dependent Variable: Accountability Practices

Evaluating the coefficients from Table 5 indicated that the best predictor of Accountability Practices in the public sector institutions or organizations is; The Internal Control with a $\beta = .294$ followed by; The External Control with a $\beta = .157$. Therefore, the overall model is presented in the following Table 6.

4.2 Overall Analysis of the Regression and Hypothesis results of Internal and External Control Systems and Accountability Practices

Table 6
Summary of Multiple Linear Regression Results of Internal and External Control Systems on Accountability Practices

Model	R ²	β	B	SE	SIG
Model	.152***				
Internal Control		.294*	.200	.045	.000
External Control		.157*	.100	.042	.019

Note: Statistical Significance: * $p < .05$; ** $p < .01$; *** $p < .001$

Multiple regression was performed using the stepwise method to analyse the extent to which each variable thus Internal Control and External Control would predict the level of Accountability Practices in public sector organizations/institutions. Initial studies were conducted to ensure no violation of the assumptions of normality, linearity, and homoscedasticity. Additionally, the correlations between the predictor variables included in the study were examined. All correlations were weak to moderate, ranging between $r = .29, p < .001$ and $r = .36, p < .001$. This shows that multicollinearity was not likely to be a problem according to Tabachnick and Fidell (2007). All the two predictor variables were statistically correlated with Accountability Practices which shows that the data was appropriately correlated with the dependent variable for investigation through multiple linear regression to be dependably undertaken.

Since there was prior hypotheses to determine the order of entry of the predictor variables, a stepwise method was used for the multiple linear regression analysis. The two independent variables explained 13.3% (Internal Control) of variance and 15.2% (External Control) of variance in Accountability Practices (With model 1 at $F(1, 240) = 36.721, p < .0005 (p = .000)$ and model 2 at $F(2, 239) = 21.490, p < .0005 (p = .000)$). In the final model all two predictor variables were statistically significant, with Internal Control recording a higher Beta value ($\beta = .294, p < .05$) than the External Control with a Beta value of ($\beta = .157, p < .05$). The overall model's R² was 15.2% though weak significance. Therefore, the Null hypothesis that, Internal and External control systems have a negative effect on accountability practices was rejected.

4.3 Selected Interviews on some Respondents on Internal and External Control and Accountability Practices

The researcher selected some of the respondents for in-depth interviews on the second objective/question: to what extent have internal and external control systems fostered accountability practices in the public sector organizations/institutions in Ghana? Box 4.1 depicts sampled responses from the interviews. The interview results revealed further the extent to which internal and external control systems foster accountability practices in the public sector organizations/institutions in Ghana.



Box 1

Responses from Selected Respondents on Internal and External Control Systems and Accountability Practices

“Internal and external control ensures that institutions work within guidelines and regulations, best practices within framework of the institutions”

“Very low”

“To a large extent”

“Immensely and largely influenced”

“It has given guidelines to the public sector institutions in Ghana to follow in order to ensure that they deliver according to standards to reduce the level of malpractices”

“Procurement laws are there but not to perfection because corruption takes it start from there and kick-backs, and percentages would have to flow”

“Sanctions are rarely applied to those involved in infractions and No evidence of usefulness of the special prosecutor’s office”

“Very well”

“By establishing internal control systems, discipline at management level will reinforce corporate governance and strongly fulfil the company’s social responsibility as well as further increase corporate value”

“Some institutions and officials have ways of circumventing both internal and external controls to favour them”

“Sometimes, procurement values are overpriced or products purchased are inferior but with high values”

“The financial administration laws and the Public procurement laws are good alright. But they are recipe for looting the national and institutional funds. The system rather allows the implementers to inflate prices which is very bad. I do not approve of the need for the use of the public procurement law in public institutions. It is a bad law since it drains the coffers of public purse”

“At least, the internal and external control systems are able to prevent some losses and ensure accountability up to about 40%”

“The internal and controls are appropriate and effective, but the problem is the non-compliance. This non-compliance defeat the purpose of corporate governance”

“Highly insignificant”

“Accountability must be mandatory not just an ethical issue”

“To a large extent because internal and external controls serves as checks and balances”

“To a large extent because when workers know they are being watched or supervised they behave well”

“Internal and external control systems has not foster accountability because people have their own ways of beating the system for their own interest”

“Those who set up the laws are the same people who break them therefore, internal and external control systems such as audit rather cause financial impropriety”

“The special prosecutor’s office was created to gain political point and also to witch hunt political opponents”

4.4 Discussion

4.4.1 Accountability Practices

Accountability is an ambiguous and challenging concept to define, as noted by various scholars and researchers. In fact, "responsibility" is the most semantically similar term in Japanese, French, Portuguese, and Spanish; however, the term "accountability" lacks a clear equivalent in these languages (Cassim & Osler, 2023; Ji, 2022; Da Cruz, 2018). Accountability is essential for those in positions of power, including governments, elected representatives, and appointed officials, as they must demonstrate the proper exercise of their powers and fulfilment of their duties (Svara, 2021). Internal and external control systems are critical components that promote accountability practices within



government agencies. Greiling and Schaefer (2020) assert that accountability in the public sector encompasses a broader scope than that in the private sector.

The board or council of a private company holds all employees accountable for their actions. A minister, cabinet, and legislature function as a governing body to which the public sector is accountable. The public sector is accountable not only to its employees and clients, who directly utilise the services, but also to individuals who do not engage with these services. These individuals do not utilise the service. This new form of accountability is characterised by subtlety and indirection. Public servants, whether elected or appointed, bear the responsibility to account for their utilisation of the trust, power, and resources granted to them by the public, specifically the taxpayer. Public office holders are required to adhere to a multifaceted framework of legal, moral, and ethical standards, as defined by Svara (2021). Accountability entails the obligation to execute tasks promptly and effectively, as well as to acknowledge the consequences of one's actions, regardless of their outcomes. The issue of bureaucratic responsibility is an essential component of any discourse on "accountability" within government. Internal accountability refers to the obligation of public officials to be answerable to those who supervise and manage their roles within the organisational hierarchy at all levels.

On the other hand, external accountability means answerability for activities carried out and performance achieved to other relevant and concerned authorities outside his/her department or organization. Accountability is, therefore, an ethical virtue since ethics concern principles and rules that govern the moral value of people's behaviour. Improving ethics is crucial to enhancing accountability and vice-versa (Cassim & Osler, 2023).

4.4.2 Internal and External Control Systems

The internal audit is often considered one of the "four pillars" of corporate governance tool, the other pillars being the Board of Directors, management, and the external auditor (Grima et al., 2023).

A primary focus area of internal auditing as it relates to institutional governance is helping the Audit Committee of the Board of Directors (or equivalent) perform its responsibilities effectively. This may include reporting critical internal control problems, informing the Committee privately on the capabilities of key managers, suggesting questions or topics for the Audit Committee's meeting agendas, and coordinating carefully with the external auditor and management to ensure the Committee receives effective information (Turetken et al., 2020).

The internal audit aims to develop an action plan that will help the organization achieve its objectives by adopting a systematic and disciplined approach to evaluate and improve the effectiveness of risk management processes to add value and improve operations and performance of an organization (Almasria, 2022). The internal control system in Corporate Governance frameworks facilitates the execution of effective governance and evidences the presence and satisfactory performance of appropriate internal controls. Institutions use measures to establish and sustain an effective internal control environment, ensuring adequate oversight of processes, compliance, and financial reporting (Alam et al., 2019). The objective of an organization's internal control system is to provide boards, councils, senior management, and other management with reasonable confidence that the organisation is functioning consistently within the specified areas: Concurred aims and plans; Concurred processes and policies; and Concurred decisions and principles. The internal control environment of an enterprise comprises internal auditing, risk management, and compliance tasks (Kamara, 2024; Airout, 2022).

Auditing enhances the functions of monitoring, insight, and foresight, serving as an essential component of any good public sector governance structure. Public sector audits must evaluate financial compliance, effectiveness, economy, and efficiency of programs, since these elements are crucial for assessing the public sector's performance in delivering services and executing programs equitably and effectively. Given that the public sector exists to assist all individuals, auditors have an enhanced obligation to protect its core values (Otia & Bracci, 2022).

This means both Internal and External auditing and procurement procedures as control systems contribute significantly to enhancing accountability practices in public sector institutions or organizations in Ghana. Internal control institutions such as the internal audit service have helped in promoting accountability practices in organizations. Internal control institutions such as the Public Procurement Authority, to a very large and significant but weak to a moderate extent, have helped in promoting accountability practices in institutions/organizations in the public service. Internal control systems foster accountability practices in organizations. According to Hamed, (2023) the essence of accountability is to strengthen the perception of transparency and fairness hence Accountability reduces the incidence of corruption and enforces the Public Procurement Law 2003, Act 663, Laws such as Financial Administration Law 2003 (Act 654) and Public Procurement Law 2003 (Act 663) have helped in promoting accountability, integrity, transparency, and corruption-free in public institutions in Ghana. Meanwhile, the setting up of the Office of the Special Prosecutor as an external control measure is not the panacea to stopping all corruption-related scandals in Ghana because since it was set-up, there is not known usefulness of the office. Also, in Ghana, good laws exist, but their ultimate enforcement becomes a nine-day wonder and a nightmare. Therefore, corrupt practices continue unabated, for example,



the Skroll and Associates One million dollar (\$1m) contract scandal as reported by the 2018 Auditor-General's report to Parliaments Public Accounts Committee of Ghana (Auditor-General Report, 2018).

V. CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusions

Audits, financial assessments, and regulations exemplify internal controls that significantly enhance accountability. Challenges such as constrained resources and capacity limitations, however, diminish their effectiveness.

Accountability is improved by the provision of independent evaluations by external control mechanisms, particularly government oversight authorities. The participants agreed that political intervention may hinder the effectiveness of external audits, which are meant to discourage wrongdoing.

This study emphasised the significance of internal and external control mechanisms in enhancing accountability inside public institutions. Issues such as insufficient funding and political interference underscore the need of improving these systems.

The study indicates that both internal and external control mechanisms assist in regulating behaviour; nevertheless, political factors, insufficient training, and limited resources may render them almost ineffective. The apparent autonomy of external controls enhanced their efficacy in promoting accountability.

5.2 Recommendations

Enhance Internal Control Mechanisms by allocating additional Resources for Training and innovative audit technology. Enhance External Oversight by augmenting the capabilities and independence of external auditing institutions to mitigate political meddling. The public's trust in accountability systems may be bolstered by the encouragement of transparency and integrity in reporting.

REFERENCES

- Abbott, K. W., & Snidal, D. (2021). The governance triangle: Regulatory standards institutions and the shadow of the state. In *The spectrum of international institutions* (pp. 52-91). Routledge, London.
- Abhayawansa, S., Adams, C. A., & Neesham, C. (2021). Accountability and governance in pursuit of Sustainable Development Goals: conceptualising how governments create value. *Accounting, Auditing & Accountability Journal*, 34(4), 923-945.
- Agu, J. C., Nkwo, F. N., & Eneiga, R. U. (2024). Governance and anti-corruption measures in Nigeria: Strategies for enhancing transparency, accountability and public trust. *International Journal of Economics and Public Policy*, 8(1), 1-15.
- Airout, R. M. (2022). Control environment effectiveness: the influence of control systems on the external audit procedures quality. *Academy of Accounting and Financial Studies Journal*, 26(2), 1-19.
- Al Astal, A. Y. M., Ateeq, A., Milhem, M., & Shafie, D. I. (2024). Corporate Governance and Internal Control Mechanisms: Developing a Strategic Framework. In *Business Sustainability with Artificial Intelligence (AI): Challenges and Opportunities: Volume 2* (pp. 551-564). Cham: Springer Nature Switzerland.
- Akonnor, A., & Ohemeng, F. L. K. (2020). Towards a more accountable resource governance in developing countries: The case of Ghana's oil and gas sector. *The Extractive Industries and Society*, 7(3), 812-819.
- Al-Astal, A. Y. M., Ateeq, A., Milhem, M., & Shafie, D. I. (2024). Corporate Governance and Internal Control Mechanisms: Developing a Strategic Framework. In *Business Sustainability with Artificial Intelligence (AI): Challenges and Opportunities: Volume 2* (pp. 551-564). Cham: Springer Nature Switzerland.
- Alam, M.M., Said, J. and Abd Aziz, M.A. (2019), "Role of integrity system, internal control system and leadership practices on the accountability practices in the public sectors of Malaysia", *Social Responsibility Journal*, 15(7), pp. 955-976. <https://doi.org/10.1108/SRJ-03-2017-0051>.
- Almasria, N. A. (2022). Corporate governance and the quality of audit process: An exploratory analysis considering internal audit, audit committee and board of directors. *European Journal of Business and Management Research*, 7(1), 78-99.
- Amin, A., Bamidele, A. H., & Abdullahi, A. (2024). Public Administration Reform: An Impetus For Good Governance And Political Security In Nigeria. *Malaysian Management Journal*, 28(7), 173-214.
- Appau, Y. & Anku-Tsede, O. (2015). Promoting Public Sector Accountability in Ghana: The Role of Stakeholders, *African Journal of Management Research*, 23(1), 24-34.



- Atiade, H. O. & Enebong, M. T., (2021). External Control System and Accountability in Nigeria's Local Government Administration: An Impact Analysis, *AKSU Journal of Administration and Corporate Governance*, 1(2), 144-156.
- Auditor-General Report. (2018). *Performance audit reports*, Public Accounts of Ghana; Ministry of Finance and other agencies of central Government, Ghana.
- Brenya Bonsu, A., Appiah, K.O., Gyimah, P. and Owusu-Afriyie, R. (2023), "Public sector accountability: do leadership practices, integrity and internal control systems matter?", *IIM Ranchi Journal of Management Studies*, 2(1), pp. 4-15. <https://doi.org/10.1108/IRJMS-02-2022-0010>.
- Brown, I., & Marsden, C. T. (2023). *Regulating code: Good governance and better regulation in the information age*. MIT Press, Massacueste.
- Cao, H., Zhang, L., Qi, Y., Yang, Z., & Li, X. (2022). Government auditing and environmental governance: Evidence from China's auditing system reform. *Environmental Impact Assessment Review*, 93(4), 106-705.
- Cassim, R. J., & Osler, C. K. (2023). Financial Accountability of Public Schools: Does the onus lie with those charged with Governance or the Department of Education?. *Issues in Social and Environmental Accounting*, 2(2). 163-180
- Chorafas, D. N. (2001). The Contribution of External Auditors to the Internal Control System. In: *Implementing and Auditing the Internal Control System*. Palgrave Macmillan, London. https://doi.org/10.1057/9780230597860_13
- Christensen, L. (2022). Internal audit: A case study of impact and quality of an internal control audit. *International Journal of Auditing*, 26(3), 339-353.
- Churchill, G. A. (1979). *A paradigm for developing better measures of marketing constructs*. Routledge. New York.
- Cooley, A. (2020), "Comparative analysis of online accountability practices in three sectors: private, public and nonprofit", *Accounting, Auditing & Accountability Journal*, Vol. 33 No. 6, pp. 1423-1445. <https://doi.org/10.1108/AAAJ-03-2019-3919>.
- Kosec, K., & Wantchekon, L. (2020). Can information improve rural governance and service delivery?. *World Development*, 125, 104376.
- Da Cruz, J. V. (2018). Beyond financing: crowdfunding as an informational mechanism. *Journal of Business Venturing*, 33(3), 371-393.
- de Boar, T. (2023). Updating public accountability: a conceptual framework of voluntary accountability. *Public Management Review*, 25(6), 1128-1151.
- Draman, R. (2017). Parliamentary Oversight and Corruption in Ghana. *Africa Center for Parliamentary Affairs (ACEPA)*. Parliamentary Press. Accra.
- Dubihlela, J., & Boamah, K. (2024). The performance of state-owned enterprises in Namibia, an internal auditing and governance perspective. *Journal of Contemporary Management*, 20(si1), 111-132.
- Efunniyi, C. P., Abhulimen, A. O., Obiki-Osafiele, A. N., Osundare, O. S., Agu, E. E., & Adeniran, I. A. (2024). Strengthening corporate governance and financial compliance: Enhancing accountability and transparency. *Finance & Accounting Research Journal*, 6(8), 1597-1616.
- Ezenduka, C., Obikeze, E., Uzochukwu, B., & Onwujekwe, O. (2022). Examining healthcare purchasing arrangements for strategic purchasing in Nigeria: a case study of the Imo state healthcare system. *Health Research Policy and Systems*, 20(1), 41.
- Greiling, D., & Schaefer, C. (2020). Public accountability of state-owned enterprises: approaches and research trends. In *The Routledge handbook of state-owned enterprises* (pp. 460-478). Routledge. London.
- Grima, S., Baldacchino, P. J., Grima, S., Kizilkaya, M., Tabone, N., & Ellul, L. (2023). Designing a characteristics effectiveness model for internal audit. *Journal of Risk and Financial Management*, 16(2), 56.
- Hadley, R., & McGrath, M. (2021). *When social services are local: The Normanton experience*. Routledge. London.
- Han, Y. (2020). The impact of accountability deficit on agency performance: Performance-accountability regime. *Public Management Review*, 22(6), 927-948.
- Hamed, R. (2023). The role of internal control systems in ensuring financial performance sustainability. *Sustainability*, 15(13), 10206.
- Jejenywa, T. O., Mhlongo, N. Z., & Jejenywa, T. O. (2024). The role of ethical practices in accounting: A review of corporate governance and compliance trends. *Finance & Accounting Research Journal*, 6(4), 707-720.
- Ji, S. (2022). Role of managerial and political accountability in improving performance of local governments. *Public Performance & Management Review*, 45(3), 499-531.
- Jili, N. N., & Enaifoghe, A. (2023). The Role of Equity and Inclusive Public Participation in Enhancing Effective Governance in the South African Public Sector from 1994–2020. *Journal of Nation-Building and Policy Studies*, 7(2), 41.



- Kamara, A. K. (2024). An Assessment of the Effectiveness of the Internal Audit at the University of Sierra Leone. *European Journal of Economic and Financial Research*, 8(3), 159-183.
- Kuyini, M. A. (2023). An evaluation of the quality of democracy of Ghana. *Democracy and Security*, 19(4), 347-388.
- Lee, Y., & Li, J. Y. Q. (2021). The role of communication transparency and organizational trust in publics' perceptions, attitudes and social distancing behaviour: A case study of the COVID-19 outbreak. *Journal of Contingencies and Crisis Management*, 29(4), 368-384.
- Matebese-Notshulwana, K. (2021). Weak procurement practices and the challenges of service delivery in South Africa. *Public Procurement, Corruption and the Crisis of Governance in Africa*, In: Dorasamy, N., Fagbadebo, O. (eds) Public Procurement, Corruption and the Crisis of Governance in Africa. Palgrave Macmillan, Cham. https://doi.org/10.1007/978-3-030-63857-3_6
- Mondoñedo, M. E. S. S. (2021). Stakeholder theory and the sustainable recovery of the tourism sector. *Atlántida. Revista Canaria de Ciencias Sociales*, (12), 31-56.
- Nwachukwu, G., Oladepo, O., & Avickson, E. K. (2024). Quality control in financial operations: Best practices for risk mitigation and compliance. *World Journal of Advanced Research and Reviews*, 24(1), 735-749.
- Otia, J. E., & Bracci, E. (2022). Digital transformation and the public sector auditing: The SAI's perspective. *Financial Accountability & Management*, 38(2), 252-280.
- Okafor, O. N., Adebisi, F. A., Opara, M., & Okafor, C. B. (2020). Deployment of whistleblowing as an accountability mechanism to curb corruption and fraud in a developing democracy. *Accounting, Auditing & Accountability Journal*, 33(6), 1335-1366.
- Overman, S. (2021). Aligning accountability arrangements for ambiguous goals: the case of museums. *Public Management Review*, 23(8), 1139-1159.
- Rakipi, R., & D'Onza, G. (2024). The involvement of internal audit in environmental, social, and governance practices and risks: Stakeholders' salience and insights from audit committees and chief executive officers. *International Journal of Auditing*, 28(3), 522-535.
- Ricci, P. (2023). Accountability. In *Global encyclopedia of public administration, public policy, and governance* (pp. 38-43). Cham: Springer International Publishing. Switzerland.
- Sefa-Nyarko, C., Okafor-Yarwood, I., & Boadu, E. S. (2021). Petroleum revenue management in Ghana: How does the right to information law promote transparency, accountability and monitoring of the annual budget funding amount?. *The Extractive Industries and Society*, 8(3), 156-166.
- Sibanda, M. M., Zindi, B., Maramura, T. C., & Ratajczak-Mrozek, M. (2020). Control and accountability in supply chain management: Evidence from a South African metropolitan municipality. *Cogent Business & Management*, 7(1). 45-56. <https://doi.org/10.1080/23311975.2020.1785105>.
- Sindelo, L., & Cronje, S. (2024). Mechanisms of Ensuring Accountability: The Importance of Accountability in Promoting Good Governance in the South African Public Sector. *Journal of Public Administration*, 59(1), 44-52.
- Sofyani, H., Pratolo, S., & Saleh, Z. (2022). Do accountability and transparency promote community trust? Evidence from village government in Indonesia. *Journal of Accounting & Organizational Change*, 18(3), 397-418.
- Sofyani, H., Riyadh, H. A., Fahlevi, H., & Ardito, L. (2020). Improving service quality, accountability and transparency of local government: The intervening role of information technology governance. *Cogent Business & Management*, 7(1). 1-20. <https://doi.org/10.1080/23311975.2020.1735690>.
- Svara, J. H. (2021). *The ethics primer for public administrators in government and nonprofit organizations*. Jones & Bartlett Learning, Burlington, USA.
- Tabachnick, B. G. & Fidell, L. S. (2007). "Using multivariate statistics" 4th edn, New York: Harper Collins.
- Tetteh, L. A., Agyenim-Boateng, C., & Simpson, S. N. Y. (2024). Institutional pressures and accountability processes in pursuit of sustainable development goals: Insights from Ghanaian indigenous oil companies. *Corporate Social Responsibility and Environmental Management*, 31(1), 89-107.
- Transparency International (2017). What is corruption? Available from: <https://www.transparency.org/what-is-corruption>. Retrieved on 21/08/2024.
- Turetken, O., Jethefer, S., & Ozkan, B. (2020). Internal audit effectiveness: operationalization and influencing factors. *Managerial Auditing Journal*, 35(2), 238-271.
- Van Belle, S., Mayhew, S.H. (2016). Public accountability needs to be enforced –a case study of the governance arrangements and accountability practices in a rural health district in Ghana. *BMC Health Serv Res* 16(4), 568-579. <https://doi.org/10.1186/s12913-016-1836-1>.
- Vian, T. (2020). Anti-corruption, transparency and accountability in health: concepts, frameworks, and approaches. *Global health action*, 13(1), 1-24.



- Villanueva, P. A. G. (2020). Why civil society cannot battle it all alone: the roles of civil society environment, transparent laws and quality of public administration in political corruption mitigation. *International Journal of Public Administration*, 43(6), 552-561.
- Yakubu, R., & Williams, T. (2020). A theoretical approach to auditor independence and audit quality. *Corporate Ownership & Control*, 17(2), 124-141. <http://doi.org/10.22495/cocv17i2art1>.