Audit Committee Attributes and Internal Audit Function Effectiveness. Evidence from Zimbabwe Local Authorities

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Research Journal of Finance and Accounting.

Vol.10, No.24.

doi.org/10.7176/rifa/10-24-07

**Abstract**

The study aimed at establishing the impact of audit committee characteristics on internal audit function effectiveness in Zimbabwe local authorities. The study used audit committee characteristics as represented by its dimensions of competence, conduct of meetings and independence as the independent variable and internal audit function effectiveness, represented by its dimensions of independence, competence and objectivity as the dependent variable. The association between the independent and dependent variables was assessed considering the effects of the regulatory environment as the mediating variable there to. Survey data was obtained from audit committee chairpersons and chief audit executives in Zimbabwean local authorities using semi-structured questionnaires. Correlation and regression analysis were used to test whether there is a relationship between audit committee characteristics and internal audit function effectiveness. The study established that audit committee membership in Zimbabwe local authorities is not subject to qualifications, experience or expertise, as such, majority of audit committees in Zimbabwe local authorities lack the required competencies to effectively execute their mandates. Correlation and regression analysis results further established that the characteristics of independence and conduct of meetings are capable of predicting the effectiveness of internal audit functions within Zimbabwe local authorities. The study recommends the inclusion of “resource persons”, in form of independent professionals with financial expertise and experience within audit committees of local authorities, most preferably from the civil service, so as to fill the competency gap. The study also recommends the establishment of clearer guidelines on the operation of audit committees within Zimbabwe local authorities to help in ensuring the committees’ independence and objectiveness is guaranteed thereby strengthening their oversight role.

**Keywords**

Audit committee, Attributes, Internal audit function, Effectiveness