

**Internal Control and Organizational Performance of Selected Deposit Money
Banks in Nigeria.**

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**Being a Thesis Submitted to the Department of Management and Accounting
Faculty of Management and Social Sciences, Lead City University, Ibadan,
Oyo State, Nigeria.**

**In Partial Fulfillment of the Requirements for the Award of Master of Science
Degree (M.Sc.) in Accounting.**

Certification

This is to certify that Iyabode Kurfilat Hassan with Matriculation number LCU/PG/000505 carried out this research work titled “Internal Control and Organizational Performance of Selected Deposit Money Banks in Nigeria” in Department of Management and Accounting, Faculty of Management and Social Sciences, Lead City University, Ibadan, Oyo state, for the award of Master Degree (M.Sc) in Accounting and that this has not been previously submitted.

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Dedication

This research work is dedicated to God Almighty, the giver of life.

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Abstract

This study investigated the relationship between internal control and organizational performance of selected deposit money banks in Nigeria with specific objectives to determine the impact of risk assessment on the performance of DMBs in Nigeria; evaluate the relationship between monitoring activities and performance of DMBs in Nigeria; and establish the impact of control activities on the performance of DMBs in Nigeria. It is expected that effective internal control mechanisms in any organization assist to improve the achievement of organization's goals and objectives. As it is yet to be determined whether or not the internal control mechanism has a major impact on performance of DMBs in Nigeria, this study was prompted by the fact that there are still numerous unresolved issues in Nigeria's DMBs' internal control mechanisms. Primary data was collected using questionnaires administered to top level employees and other employees of 11 banks using a purposive random sample of 150 respondents out of which 97 responses were collected. The data were analyzed using descriptive statistics, correlation analysis, exploratory factor analysis and regression with aid of Statistical Package for Social Sciences (SPSS) version 26. The result of the analysis shows that risk assessment, monitoring activities and control activities each have a positive and significant impact on financial, non financial and overall organizational performance DMBs in Nigeria. Based on the research findings it can be concluded that internal control mechanism is a significant predictor of organization performance and that effective internal control systems must incorporate the effects of risk assessment, monitoring and control activities to enhance organizational performance of DMBs. The study therefore recommended that internal control systems especially risk assessment, monitoring activities and control activities are significant areas and management of DMBs in Nigeria should give great attention to them in order to improve organizational performance.

Keywords: Risk assessment, Monitoring Activities, Control Activities, Financial performance, Non financial performance.

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