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INTERNAL CONTROL CHALLENGES AND LOCAL GOVERNMENT EFFECTIVENESS IN NIGERIA: EVIDENCE FROM RIYOM LOCAL GOVERNMENT AREA.

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ABSTRACT

This study examines the effect of management override, political interference, and caretaker committee administration on internal control effectiveness in Riyom Local Government Area, Plateau State, Nigeria. The study is motivated by persistent governance and accountability challenges in Nigerian local governments, where internal control systems are frequently weakened by institutional and political constraints. Although internal controls are essential for transparency, resource stewardship, and service delivery, empirical evidence on how these governance-related distortions jointly affect local government effectiveness remains limited at the grassroots level. A quantitative survey design was adopted, with data collected from 62 valid respondents out of 69 distributed questionnaires. Data were analyzed using descriptive statistics, correlation analysis, and multiple regression techniques via SPSS Version 27. The findings show that management override and political interference have significant effects on internal control effectiveness, with management override emerging as the strongest predictor. In contrast, caretaker committee administration does not exert a statistically significant effect. The model explains 52.6% of the variation in internal control effectiveness ($R^2 = 0.526$), indicating substantial explanatory power. The study is anchored on Systems Theory and Contingency Theory, which jointly explain how internal coordination failures and contextual political pressures shape control outcomes. The findings conclude that weaknesses in internal control effectiveness are primarily driven by managerial and political distortions rather than administrative restructuring alone. The study recommends strengthening internal control compliance mechanisms, enhancing the independence of oversight functions, and reducing political interference to improve accountability and service delivery in local government administration.

Keywords: management override, political influence, caretaker committee, internal control.

1.1 INTRODUCTION

Globally, effective internal control systems are widely recognized as critical mechanisms for promoting accountability, transparency, prudent resource management, and efficient public

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service delivery. Nevertheless, public-sector institutions across both developed and developing countries continue to experience governance challenges arising from political interference, corruption, weak oversight, and management override of established procedures. These challenges undermine institutional effectiveness, public trust, and developmental outcomes, making internal control systems a central component of contemporary public-sector governance reforms (COSO, 2013).

In Nigeria, local government administration constitutes the third tier of government and is expected to facilitate grassroots development through the provision of primary education, healthcare services, rural infrastructure, agricultural extension services, and other essential public goods. Owing to its proximity to citizens, local government is strategically positioned to address local developmental needs and promote inclusive governance (Local Government Reform, 1976; Onodugo & Itodo, 2016). Despite these responsibilities, Nigerian local governments continue to face persistent challenges relating to weak accountability, financial mismanagement, poor transparency, and ineffective service delivery. Recent evidence highlights the extent of these governance challenges. The Nigerian Local Government Integrity Index reported that 751 of the 774 local government areas in Nigeria perform poorly in fiscal transparency, accountability, and governance, while approximately 85% fall within the “Very High” or “Critical” corruption-risk categories, indicating widespread weaknesses in financial management and institutional accountability. These deficiencies have continued to deteriorate public confidence and developmental performance at the grassroots level.

To strengthen local government administration, successive Nigerian governments have implemented several reforms, including the 1976 Local Government Reform, public financial management reforms, anti-corruption initiatives, and enhanced audit and accountability frameworks. More recently, the Nigerian Supreme Court granted full financial autonomy to all 774 local government areas and ordered the direct allocation of funds to democratically elected local councils. The Court further declared the administration of local governments through caretaker committees unconstitutional, emphasizing the need to strengthen accountability and democratic governance at the grassroots level.

Despite these reforms, institutional and political constraints continue to weaken the effectiveness of internal control systems in many Nigerian local governments. Key challenges include management override, political interference, and caretaker committee administration. Management override weakens accountability by circumventing established control procedures, while political interference compromises administrative independence, oversight effectiveness, and prudent resource allocation. Similarly, caretaker committees erode institutional continuity and accountability by replacing democratically elected councils with politically appointed officials. The extent of this challenge is evident in reports indicating that, as of May 2024, 433 of Nigeria's 774 local government councils (58.2%) were administered by caretaker or transition committees rather than elected officials (Ndujihe, 2024). This overriding practice contributed to the Federal Government's pursuit of local government autonomy and was subsequently addressed by the Supreme Court's 2024 ruling, which declared caretaker committee administration unconstitutional and reaffirmed the constitutional requirement for democratically elected local governments.

These challenges are particularly relevant in Plateau State and Riyom Local Government Area, where concerns regarding financial management, administrative efficiency, accountability, and service delivery continue to attract public and scholarly attention. Although previous studies have examined internal control systems in public-sector organisations, empirical evidence on the combined effects of management override, political interference, and caretaker committee administration on local government effectiveness remains limited, particularly within Plateau State. Existing studies have largely concentrated on other states and institutional settings, thereby limiting the contextual applicability of their findings. Consequently, this study examines the effect of internal control challenges on local government effectiveness in Riyom Local Government Area, Plateau State, Nigeria. By addressing this contextual and empirical gap, the study contributes to the growing literature on public-sector governance and provides evidence for strengthening accountability, transparency, and service delivery at the grassroots level.

2.0 LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Internal Control System

An internal control system represents a comprehensive framework of financial and non-financial controls established by management to ensure that organisational activities are conducted in an orderly, efficient, and effective manner, while safeguarding assets and ensuring the reliability of accounting information (Adeniji, 2012). It reflects the collective efforts of management and employees through well-defined policies and procedures aimed at providing reasonable assurance regarding the achievement of organisational objectives (Hevesi, 2005). The Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013) conceptualises internal control as a continuous process, effected by the board of directors, management, and other personnel, designed to ensure effective operations, reliable reporting, and compliance with applicable laws and regulations. This perspective underscores that internal control is not a one-time mechanism but an integrated, people-driven system embedded within everyday organisational activities.

The objectives of an internal control system are broadly classified into operational, reporting, and compliance objectives (COSO, 2013). Operational objectives focus on enhancing efficiency and effectiveness in service delivery while safeguarding organisational resources. Reporting objectives emphasise the accuracy, transparency, and reliability of both financial and non-financial information used for decision-making and accountability. Compliance objectives ensure adherence to established laws, regulations, and internal policies. Collectively, these objectives promote sound governance, ethical conduct, and accountability, particularly in public sector institutions where stewardship of public resources and service delivery to citizens are paramount.

Despite these intended objectives, the effectiveness of internal control systems in public sector organisations (especially within Riyom Local Government Area of Plateau State) is often constrained by contextual and institutional factors. Management override, political interference, and caretaker committee administration frequently undermine the independence and consistency of control processes. Management override weakens accountability by allowing senior officials to bypass established procedures, while political influence distorts decision-making and compromises compliance with financial regulations. Similarly, caretaker committees, being temporary and politically appointed, often lack continuity, institutional memory, and professional oversight required for sustaining effective controls. Scholars affirm that while strong internal controls enhance organisational performance (Aytac & Cabuk, 2020; Yusuf & Kanji, 2020), weak control environments and political intrusion significantly reduce fraud prevention and compliance in public institutions (Awotomilusi, 2023; Vutumu et al., 2024). Consequently, strengthening governance integrity, limiting political interference, and promoting professional administrative practices remain essential for improving internal control effectiveness and enhancing transparency and accountability in local government administration.

2.1.2 Management Override

Management override refers to the intentional circumvention of established internal control policies and procedures by senior officials who possess decision-making authority (Adeniji, 2011). Conceptually, it represents a fundamental weakness in internal control systems, arising from the concentration of power and discretion at the top of organisational hierarchies. Unlike operational errors, management override is deliberate and reflects the capacity of those entrusted with enforcing controls to neutralise them. The COSO framework (2013) explicitly recognises management override as an inherent limitation of internal control systems, noting that while controls provide reasonable assurance, they cannot fully prevent abuse of authority by management. This highlights the human and ethical dimensions of internal control effectiveness, where leadership integrity is as critical as procedural design.

From a conceptual standpoint, management override undermines the control environment by disrupting the alignment between control activities, monitoring mechanisms, and accountability structures. When override occurs, internal controls lose their preventive and detective capacities, thereby weakening transparency and the reliability of financial reporting. The American Institute of Certified Public Accountants (AICPA, 2016) therefore emphasises the importance of independent oversight, professional scepticism, and whistleblowing mechanisms as safeguards against override risks. In public sector organisations, where senior officials often exercise wide discretionary powers over procurement, budgeting, and financial approvals, management override poses a persistent threat to internal control integrity and organisational stewardship.

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2.1.3 Political Influence

Political influence refers to undue or excessive interference by political actors in the administrative and financial operations of organisations, often at the expense of professionalism and procedural compliance. Conceptually, political influence alters the neutrality of internal control systems by subordinating established rules and controls to political interests. Such interference may occur through informal directives, pressure on public officials, or selective enforcement of regulations, thereby distorting the intended functioning of internal control mechanisms. Agbo and Nwoye (2021) conceptualise political interference as a factor that erodes transparency and accountability in local government administration, while Akintoye and Adegbie (2022) associate it with weakened financial management systems.

At a conceptual level, political influence compromises the independence required for effective internal controls to function as governance tools. When political considerations dominate administrative processes, internal controls become inconsistent and reactive, serving political objectives rather than accountability and compliance. Olaitan and Lawal (2020) argue that excessive political control undermines audit independence and exposes public resources to misuse. In the context of local government administration, political influence weakens oversight structures, reduces ethical standards, and constrains the capacity of internal control systems to safeguard public resources and support effective service delivery.

2.1.4 Caretaker Committees

Caretaker committees are temporary administrative bodies appointed to manage public institutions in the absence of elected leadership. Conceptually, they represent a departure from democratic governance and institutional continuity, both of which are essential for sustainable internal control systems. Agba et al. (2023) argue that caretaker committees often lack legitimacy, transparency, and responsiveness to citizens, making them more susceptible to political influence. Their temporary and appointed nature limits accountability to the public and weakens commitment to long-term organisational objectives, thereby creating an unstable governance environment for internal control systems.

From an internal control perspective, caretaker committees introduce structural uncertainty into organisational governance. Their short-term orientation and political dependence can weaken the control environment by disrupting established administrative routines and reducing managerial accountability. The absence of electoral legitimacy further limits external scrutiny and citizen oversight, which are critical components of public sector accountability. Conceptually, the prevalence of caretaker committees undermines the institutional foundations upon which effective internal control systems are built, thereby constraining transparency, accountability, and organisational effectiveness in local government administration.

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2.2 Theoretical Review

2.2.1 System Theory

System Theory, developed by Bertalanffy (1940s) and refined by Ashby (1964), views an organisation as an integrated system of interdependent components whose effectiveness depends on coordination, interaction, and feedback among subsystems. The theory assumes that organisational performance is achieved when all components function uniformly toward common objectives. In the context of internal control, elements such as the control environment, risk assessment, control activities, information and communication, and monitoring are interconnected and collectively determine organisational effectiveness. Applied to Riyom Local Government Area, the theory suggests that management override, political interference, and caretaker committee administration disrupt system integration and weaken accountability, transparency, and service delivery.

Empirical studies support this perspective. Geke et al. (2025) found that strong control environments and effective internal audit systems significantly enhance organisational performance, while Awotomilusi (2023) reported that weaknesses in control activities and risk assessment undermine overall organisational effectiveness. These findings affirm that the performance of an organisation depends on the coordinated functioning of its internal control components. However, System Theory pays limited attention to external environmental factors such as political influence and governance instability, which may affect organisational outcomes. This limitation necessitates the adoption of Contingency Theory, which explicitly considers contextual influences on organisational effectiveness.

2.2.2 Contingency Theory

Contingency Theory, proposed by Fiedler (1964), posits that there is no universally effective management or control system; rather, organisational effectiveness depends on the alignment between organisational practices and prevailing environmental conditions. The theory assumes that factors such as leadership style, political environment, administrative capacity, and resource availability shape the effectiveness of organisational systems. Within the public sector, it suggests that internal control frameworks are most effective when adapted to the specific institutional and governance context in which they operate.

Recent empirical evidence supports this proposition. Achraf and Azegagh (2023) found that organisational context and management support significantly influence internal audit effectiveness, while Yahya and Venusita (2022) demonstrated that environmental and organisational conditions shape internal control outcomes. Similarly, Agba et al. (2023) reported that political interference and governance structures significantly affect accountability and administrative performance in Nigerian local governments. These studies support the contingency argument that internal control effectiveness depends on contextual realities. Nevertheless, the theory provides limited insight into the interactions among internal organisational components. Therefore, combining Contingency Theory with System Theory offers a more comprehensive explanation of how both internal organisational dynamics and external environmental factors influence internal control effectiveness in Riyom Local Government Area.

2.3 Empirical Review

Empirical evidence from the global context largely establishes a positive association between internal control systems and organisational performance, yet important gaps remain. For instance, Aytac and Cabuk (2020) assessed the effectiveness of internal control in a single private manufacturing firm using document review analysis. While their findings confirm the performance benefits of internal controls, the study is limited by its reliance on a single firm and a qualitative review approach, which restricts generalisability and empirical robustness. Similarly, Yusuf and Kanji (2020) examined the role of internal audit and accounting information systems using multiple regression and found significant relationships with internal control effectiveness. However, their focus was restricted to technical control mechanisms, with little attention given to institutional and behavioural factors such as management override and political influence that often undermine control systems, particularly in public sector organisations. The current study addresses this gap by extending the analysis beyond technical controls to examine governance-related constraints affecting internal control effectiveness in a local government setting.

Studies conducted in developing economies, including Nigeria and Morocco, further reinforce the relevance of internal controls but exhibit notable contextual and sectoral limitations. Achraf and Azegagh (2023), in the Moroccan context, demonstrated that management support enhances internal audit effectiveness and, by extension, internal control performance. Although insightful, the study was conducted in a different institutional and political environment, limiting its applicability to Nigerian local governments characterised by higher political interference and administrative instability. Similarly, Joshua and Iyabode (2022) and Adejuwon and Adejuwon (2022) focused on deposit money banks in Nigeria, employing correlation, regression, and ANOVA techniques to show that internal control components significantly influence organisational performance. These studies are sector-specific, concentrating on highly regulated financial institutions with stronger governance frameworks, thereby creating a sectoral gap when compared to local government administrations, which operate under weaker oversight and greater political influence.

Empirical studies from the retail and banking sectors largely confirm the relevance of internal control systems in enhancing fraud prevention and performance, yet their scope remains limited. Muyiwa and Daniel (2024) examined supermarkets in Ibadan and found that internal controls significantly influence fraud prevention and financial performance. While insightful, the study is confined to private retail organisations operating in competitive markets with relatively simple governance structures, thereby limiting its applicability to public sector institutions where political influence and administrative discretion are more pronounced. Similarly, Oni et al. (2021) focused on deposit money banks in Kwara State and reported that all internal control components significantly affect fraud prevention. However, deposit money banks are highly regulated entities with strong external oversight, making their control environments fundamentally different from those of local governments. Yahya and Venusita (2022), using a more advanced structural equation modeling approach, further demonstrated mixed effects of internal control components on fraud prevention. Despite the methodological strength, the study was conducted outside Nigeria and did not account for political and institutional dynamics such as management override and caretaker committee administration that are peculiar to Nigerian local governments. The current study addresses these sectoral and contextual gaps by examining internal control effectiveness within a local government system, where governance and political factors are central to control outcomes.

Studies focusing on SMEs and microfinance institutions further reinforce the performance relevance of internal controls but remain constrained in scope and applicability. Uwineza et al. (2022) investigated SMEs in Rwanda using descriptive statistics and found that all internal control components significantly influence profitability. However, the reliance on descriptive analysis limits causal inference, while the SME context lacks the political and bureaucratic complexities associated with public sector governance. Similarly, Ademola (2022) examined microfinance banks in Nigeria and reported significant relationships between selected control components and financial performance. Although relevant, microfinance banks operate under regulatory frameworks and ownership structures that differ substantially from local governments, thereby creating an institutional gap. The present study fills this gap by moving beyond profitability-focused private sector outcomes to examine internal control effectiveness within a public sector environment characterised by political interference and administrative instability.

At the organisational effectiveness and public sector level, recent studies provide useful insights but still leave important unanswered questions. Otoo et al. (2023) employed structural equation modeling to assess the effect of internal control components on organisational effectiveness, reporting mixed results across components. While the study advances methodological rigor, it treats internal control components in isolation and does not examine governance-related disruptions such as management override. Likewise, Vutumu et al. (2024) applied PLS-SEM to examine internal control and fraud prevention in the Nigerian public sector, finding significant effects for most components except the control environment. Despite its relevance, the study adopts a broad public sector focus, thereby overlooking the unique governance realities of local government administration, particularly the role of caretaker committees and political interference. The current study fills these empirical gaps by adopting a focused local government case (Riyom Local Government Area), explicitly incorporating governance variables (management override, political interference, and caretaker committee administration) into the analysis. In doing so, it extends existing literature by providing context-specific evidence on how institutional and political factors shape internal control effectiveness at the grassroots level.

Studies from Nigerian public institutions presents mixed and sometimes contradictory findings regarding the effectiveness of internal control systems in fraud prevention. Awotomilusi (2023), in a study of public institutions in Ekiti State, found that control environment, monitoring, and information and communication significantly influence fraud prevention, while risk assessment and control activities were insignificant. This inconsistency suggests that internal control components do not operate uniformly across public institutions and may be influenced by contextual factors such as leadership behaviour and institutional culture. Similarly, Oduwole and Akintoye (2023), focusing on agricultural firms in Ogun State, reported that risk assessment significantly affects fraud prevention, whereas the control environment exhibited a negative and non-significant effect. These conflicting findings reveal an empirical gap concerning how internal control systems function under different governance conditions, particularly in public-sector environments characterised by political influence and administrative discretion. Moreover, both studies focused primarily on fraud prevention outcomes, with limited attention to governance-related disruptions such as management override and political interference that often weaken internal control effectiveness in local government administration.

International studies further reinforce the relevance of internal controls but also expose contextual limitations. Kesuma and Fachruzzaman (2024), examining Indonesian public sector accounting, reported that all internal control components significantly influence fraud prevention. While comprehensive, the study was conducted within a different political, legal, and institutional framework, limiting the applicability of its findings to Nigerian local governments that operate under weaker autonomy and higher political interference. Similarly, Razzouki et al. (2024), using PLS-SEM in Moroccan public organisations, demonstrated that internal control affects fraud prevention indirectly through management integrity and asset safeguarding. Although methodologically robust, the study emphasised behavioural mediating mechanisms rather than structural governance challenges such as caretaker committee administration and management override. These international studies therefore reveal a contextual gap, as they do not sufficiently capture the political and administrative realities shaping internal control systems in Nigerian local governments.

The current study fills these empirical gaps by shifting the focus from isolated internal control components and fraud outcomes to the broader effectiveness of internal control systems within a local government setting. Unlike prior studies, it explicitly incorporates governance-related variables (management override, political interference, and caretaker committee administration) that directly shape the functioning of internal controls in Nigerian local governments. By focusing on Riyom Local Government Area of Plateau State, the study provides context-specific evidence from a politically sensitive and administratively unstable environment that has been largely overlooked in previous research. In doing so, the study reconciles inconsistencies in prior findings and extends existing literature by demonstrating how institutional and political factors condition internal control effectiveness at the grassroots level.

3.0 METHODOLOGY

The study adopted a quantitative survey design to assess the effectiveness of internal control systems in Riyom Local Government Area of Plateau State. The target population consisted of 250 staff drawn from the Finance, Personnel, and Budget & Planning departments. Using the Taro Yamane (1967) formula at a 10% precision level, a sample size of 69 respondents was determined. A proportionate stratified random sampling technique was employed to ensure equitable representation across the different departments. Primary data were collected through a

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structured questionnaire designed on a five-point Likert scale (ranging from Strongly Agree = 5 to Strongly Disagree = 1). The instrument contained two sections: Section A captured respondents' demographic characteristics, while Section B comprised items measuring the key variables (management override, political influence, and caretaker committee accountability) in relation to internal control effectiveness. Data were analysed using descriptive statistics such as mean, standard deviation, minimum, and maximum values to summarize respondents' patterns, while correlation and multiple regression analyses were conducted to determine the relationships and effects of the independent variables on internal control effectiveness. All analyses were performed using SPSS Version 27.0. A reliability test was conducted using Cronbach's Alpha to assess the internal consistency of questionnaire items. According to Nunnally (1978), coefficients above 0.70 indicate acceptable reliability.

Table 3.1: Reliability Statistics for Study Variables

Variable	No. of Items	Cronbach's Alpha	Reliability Decision
MO	5	0.738	acceptable Reliable
PI	5	0.809	Highly Reliable
CC	5	0.901	Excellent Reliability
EIC	5	0.754	Acceptable Reliability

Source: *SPSS v.27, 2025.*

The Cronbach's Alpha coefficients (0.738–0.901) confirm that the research instrument was reliable for subsequent statistical analyses.

Model Specification

The model for the study is expressed as:

$$ICE = \beta_0 + \beta_1 MO + \beta_2 PI + \beta_3 CC + \mu$$

Where ICE = Internal Control Effectiveness, MO = Management Override, PI = Political Influence, CC = Caretaker Committee accountability, $\beta0$= constant, $\beta1 - \beta3$= coefficients, and μ= error term.

4.0 RESULT AND DISCUSSION

4.1 Results

Table 4.1: Questionnaire Response Rate

Item	Frequency	Percentage (%)
Questionnaires Distributed	69	100
Questionnaires Returned (Valid)	62	89.86
Non-Returned / Invalid	7	10.14
Total	69	100

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Source: Field Survey (2025)

Out of 69 questionnaires distributed, 62 were validly returned (89.86%), while 7 (10.14%) were not retrieved or invalid, indicating a high response rate that reflects strong participant engagement and supports the reliability of the dataset for analysis.

Table 4.2: descriptive statistics of study variables

Descriptive Statistics									
	N	**Min**	**Max**	**Mean**	**Std. Dev.**	**Skewness**		**Kurtosis**	
						Stat.	**Std. Error**	**Stat.**	**Std. Error**
management override	62	1.60	5.00	4.1129	0.61843	-1.199	0.304	3.078	0.599
Political influence	62	1.00	5.00	4.4290	0.64767	-2.789	0.304	11.942	0.599
Caretaker Committee	62	1.00	5.00	4.1484	0.92820	-1.816	0.304	2.720	0.599
Valid N (listwise)	62								

(Source: SPSS v.27, 2025)

The descriptive statistics indicated that respondents generally perceived management override, political influence, and caretaker committee administration as prevalent internal control challenges affecting local government effectiveness in Riyom Local Government Area, as reflected by the high mean scores across all variables. Political influence recorded the highest mean score, suggesting that it is the most pronounced challenge affecting internal control effectiveness. The relatively low standard deviations indicate a reasonable level of agreement among respondents, while the negative skewness values show that responses were concentrated toward agreement. Overall, the findings suggest that governance-related challenges, particularly political influence and management override, are widely perceived as factors that undermine the effectiveness of internal control systems in the local government.

Table 4.3: Correlation Matrix

Variables	EIC	MO	PI	CC
EIC	1			
MO	.661**	1		
PI	.523**	.390**	1	
CC	.469**	.406**	.412**	1

Source: *SPSS v.27 (2025)*

The correlation results reveal that management override (MO) has a strong and positive correlation with internal control effectiveness ($r = 0.661$, $p < 0.01$), indicating that increases in management override are strongly associated with reductions in the effectiveness of internal control systems in Riyom Local Government. This suggests that when senior officials bypass established procedures or interfere with financial controls; the internal control environment becomes significantly weakened, thereby compromising transparency, accountability, and reliability of operations.

Political influence (PI) shows a moderate but significant positive correlation with internal control effectiveness ($r = 0.523$, $p < 0.01$), implying that political interference meaningfully disrupts the independence and neutrality of control processes. This relationship reflects the extent to which political actors influence financial decisions, approval processes, and administrative oversight, ultimately reducing compliance with regulations and established procedures.

Caretaker committees (CC) also display a moderate and significant correlation with internal control effectiveness ($r = 0.469$, $p < 0.01$). This suggests that frequent administrative turnover, lack of continuity, and reduced oversight associated with caretaker committees negatively affect internal control operations. Although the strength of the relationship is lower than that of political influence and management override, it still indicates that instability arising from non-elected temporary administrations contributes to weakened accountability and reduced efficiency of internal controls in Riyom LGA.

Table 4.4: Model summary

Model Summary	R	R Square	Adjusted R Square	Std. Error	Sig. F Change
1	.725	.526	.501	.521	.000

Source: *SPSS v.27 (2025)*

The model summary shows that the regression model produced an R-value of 0.725, indicating a strong positive relationship between the combined independent variables (management override, political influence, and caretaker committees) and internal control effectiveness in Riyom Local Government Area. The R Square value of 0.526 demonstrates that the three predictors jointly explain 52.6% of the variation in internal control effectiveness, meaning that more than half of the changes observed in the effectiveness of internal control systems can be attributed to these governance-related factors. The Adjusted R Square of 0.501 further confirms that after adjusting for the number of predictors in the model, approximately 50.1% of the variation remains explained, suggesting that the model is both reliable and robust. The standard error of 0.521 reflects a moderate level of prediction error, which is expected in social science research where human and institutional factors influence outcomes. Finally, the significance of the F-change ($p = 0.000$) indicates that the overall regression model is statistically significant, meaning the predictors collectively contribute meaningfully to explaining internal control effectiveness and that the model provides a good fit for the data.

Table 4.5: ANOVA

Source	Sum of Squares	Df	Mean Square	F	Sig.
Regression	17.448	3	5.816	21.418	.000
Residual	15.750	58	.272		
Total	33.199	61			

Source: SPSS v.27 (2025)

The ANOVA results indicated that the regression model is statistically significant, demonstrating that the independent variables (management override, political influence, and caretaker committees) collectively have a meaningful effect on internal control effectiveness in Riyom Local Government. The F-statistic of 21.418 is considerably higher than what would be expected by chance. The corresponding significance value (p = 0.000) confirms that the model is highly significant at the 5% level. This implies that the combined effect of management override, political influence, and caretaker committees is not only strong but also statistically reliable in explaining variations in the effectiveness of internal control systems, validating the importance of these governance-related factors in shaping control outcomes within the local government context.

Table 4.6: Coefficients

Predictor	B	Std. Error	Beta	t	Sig.	VIF
Constant	-0.081	0.545	—	-0.148	.883	—
MO	0.586	0.122	0.491	4.782	.000	1.289
PI	0.246	0.117	0.216	2.094	.041	1.297
CC	0.159	0.082	0.200	1.931	.058	1.316

Source: SPSS v.27 (2025)

4.2 Test of Hypotheses

4.2.1 Management Override (H_{01})

For the first hypothesis, which states that management override (MO) has no significant effect on internal control effectiveness, the regression results show a coefficient of 0.586 with a standard error of 0.122, a beta value of 0.491, a t-statistic of 4.782, and a significance level of 0.000. Since the p-value is far below the 0.05 benchmark, the null hypothesis is rejected, indicating that management override has a statistically significant effect on internal control effectiveness. The interpretation of this finding is that when senior officials intentionally bypass financial procedures, alter records, or override approval processes, the reliability and functionality of internal controls decline substantially.

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4.2.2 Political Influence (H_{02})

For the second hypothesis, the regression output reports a coefficient of 0.246, a standard error of 0.117, a beta value of 0.216, a t-value of 2.094, and a significance level of 0.041. Since the p-value is less than 0.05, the null hypothesis is rejected, demonstrating that political influence (PI) significantly affects internal control effectiveness. This indicates that political interference in financial decisions, administrative appointments, and oversight processes undermines the independence and neutrality required for effective internal controls.

4.2.3 Caretaker Committees (H_{03})

For the third hypothesis, the regression results show a coefficient of 0.159, a standard error of 0.082, a beta value of 0.200, a t-statistic of 1.931, and a significance value of 0.058. Because the p-value is greater than the 0.05 threshold, the null hypothesis is not rejected. This means that caretaker committees (CC) do not have a statistically significant effect on internal control effectiveness at the 5 percent level. Implying that, although caretaker committees contribute to administrative instability, limited accountability, and inconsistent oversight, the effects is not strong enough in the regression model to significantly predict internal control effectiveness.

4.3 Discussion of Findings

4.4.1 Management Override and Internal Control Effectiveness

The finding that management override significantly affects internal control effectiveness aligns with several prior studies. Oni et al. (2021) reported that internal control systems fail when senior officials bypass established procedures. Similarly, Adejuwon and Adejuwon (2022) found that internal control components significantly improve performance only when free from managerial interference, highlighting override as a key undermining factor. Muyiwa and Daniel (2024) also established that when managers interfere with control activities, organizations experience higher risks of fraud and poor performance. These studies collectively support the current finding by demonstrating that managerial discretion directly weakens control structures, compromises financial reporting reliability, and creates loopholes that threaten accountability. The strong statistical significance in this study reinforces the viewpoint that management override is a powerful determinant of control failure in public-sector environments.

However, the finding contrast that of Uwineza et al. (2022) who found that internal controls remained effective even when managerial involvement in decision-making increased. This contradiction may be due to contextual differences, as SMEs typically operate on a smaller scale, making it easier to detect misuse and enforce corrective actions. In contrast, rural local governments like Riyom LGA operate with broader administrative discretion and weaker oversight, making management override more difficult to track. The theoretical explanation for this study's result can be attributed to System Theory, which asserts that all components of an organisation must work interdependently for effective performance. Management override disrupts this coordination by weakening the link between control activities, monitoring, and reporting. Contingency Theory also explains the finding by suggesting that internal control effectiveness depends on environmental and leadership factors; hence, where leadership engages in override, effective control cannot be sustained.

4.4.2 Political Influence and Internal Control Effectiveness

The finding that political influence significantly affects internal control effectiveness is consistent with several earlier studies in related contexts. Agbo and Nwoye (2021) emphasized that political interference erodes transparency and accountability in local governments. Akintoye and Adegbie (2022) also found that political dominance leads to manipulation of audit processes and financial decisions, reducing compliance with set procedures. Similarly, Olaitan and Lawal (2020) reported that excessive political control compromises the independence of internal auditors and increases the risk of resource mismanagement. These studies collectively support the present finding, demonstrating that political interference weakens internal control mechanisms by creating an environment where procedures are selectively applied, and administrative decisions are driven by political interests.

On the other hand, Adejuwon and Adejuwon (2022) report a contrasting result that internal control systems in Nigerian commercial banks remained strong despite political and institutional pressures, largely because banks maintain stricter ethical climates and operate within regulated frameworks. This difference highlights the unique vulnerability of local governments, which often lack institutional independence, are subject to state-level control, and operate with lower administrative autonomy. Theoretical support for the current finding comes from Contingency Theory, which posits that organisational effectiveness depends on the environment in which it operates; where the environment is politically charged, internal controls become reactive rather than preventive. System Theory also reinforces this interpretation by suggesting that political interference distorts the functioning of subsystems (such as auditing, monitoring, and reporting) leading to systemic inefficiencies and weakened control performance.

4.4.3 Caretaker Committees and Internal Control Effectiveness

The finding that caretaker committees do not have a statistically significant effect on internal control effectiveness aligns with a few existing studies. For example, Vutumu et al. (2024) established that leadership changes do not always translate into immediate control failures. Similarly, Razzouki et al. (2024) did not find strong evidence that temporary administrative structures significantly undermine internal control systems. These studies suggest that internal controls may remain stable despite temporary governance changes, which aligns with the current study's finding that caretaker committees, although disruptive, do not have a statistically significant direct effect on control effectiveness in Riyom LGA.

However, this result contradicts that of Agba et al. (2013) who found that caretaker committees often lack legitimacy and are prone to financial mismanagement, while Adelola (2022) argued that temporary administrators contribute to reduced oversight, creating control gaps. The contradiction may stem from context: in many states, caretaker committees fully replace elected councils and exert broad powers, but in Riyom LGA, other administrative and financial personnel remain in place, thereby preventing complete breakdown of controls. Theoretical support comes from System Theory, which explains that internal controls may continue functioning if other components of the system (such as routine procedures and departmental structures) remain intact despite leadership changes. Contingency Theory also clarifies this result, stating that the effectiveness of controls depends on multiple interacting factors; thus, leadership instability alone may not be powerful enough to predict control failure unless combined with override or political interference.

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This study examined the effect of management override, political interference, and caretaker committee administration on the effectiveness of internal control systems in Riyom Local Government Area, Plateau State. The findings revealed that management override has a significant effect on internal control effectiveness and emerged as the strongest predictor among the variables examined. The study also found that political interference significantly affects internal control effectiveness by weakening the independence and objectivity of control processes. In contrast, although caretaker committee administration was associated with internal control effectiveness, its effect was not statistically significant. Furthermore, the regression results showed that management override, political interference, and caretaker committee administration jointly explained 52.6% of the variation in internal control effectiveness. Based on these findings, the study concludes that weaknesses in internal control effectiveness in Riyom Local Government Area are primarily driven by management override and political interference, while caretaker committee administration does not independently exert a significant influence. The study therefore establishes that strengthening managerial accountability and reducing political interference are critical to improving the effectiveness of internal control systems in local government administration.

5.2 Recommendations

Based on the findings, the study recommends that:

i. Local government authorities should strengthen compliance with internal control procedures through strict segregation of duties, multi-level approval processes, and regular independent audits to minimise management override and enhance accountability. Additionally, senior management officers found to have deliberately bypassed internal controls should be subjected to clearly define administrative sanctions in line with the Plateau State Local Government Service Commission regulations.

ii. The Plateau State Government should strengthen the administrative and operational independence of local government institutions, particularly internal audit units, to reduce political interference and improve the effectiveness of internal control systems.

iii. Although caretaker committee administration was not found to have a significant effect on internal control effectiveness, the government should ensure regular and timely local government elections to promote democratic governance, institutional stability, and accountability.

5.3 Limitations of the Study

This study was limited to Riyom Local Government Area of Plateau State, which may restrict the generalisability of the findings to other local governments in Nigeria. The study also relied on questionnaire-based responses, making the findings dependent on respondents' perceptions. Furthermore, only three governance-related variables: management override, political interference, and caretaker committee administration were examined, whereas other institutional factors may also influence internal control effectiveness

5.4 Suggestion for Further Studies

Future studies should extend the scope of investigation to multiple local government areas across different states to enhance the generalisability of findings. Researchers may also examine additional governance and institutional factors such as leadership style, audit independence, organisational culture, and financial autonomy as predictors of internal control effectiveness. Furthermore, future studies could adopt longitudinal or mixed-method approaches to provide deeper insights into the dynamics of internal control systems in local government administration.

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