

THE IMPERATIVES OF INTERNAL AUDIT IN NIGERIAN BANKS: ISSUES AND PROSPECTS

ABSTRACT

Many have argued that internal audit plays a pivotal role in enhancing corporate performance in organizations (Oseni, 1994 and Lav, 2004). This is the focus of this paper, using Nigerian recapitalized banks as a reference point .This paper empirically evaluates the relationship between internal audit and corporate performance. In pursuance of this, a survey sampling of the Banks was conducted. The dependent variable was corporate performance that was measured by return on total assets (ROTA). The independent variables were the motivation of internal audit staff and the efficiency of regression analysis. The results indicated that motivation of audit staff positively affect bank's corporate performance; and the efficiency of the internal Control was also positively related to corporate performance .It is therefore recommended that Nigerian Banks should professionalize the audit departments to optimize the objectives for which they are established.

Keywords: Internal Audit , Corporate Performance ,Motivation, Internal Control Efficiency, Internal Audit Staff