



Preface to the Second Issue of Indian Pacific Journal of Accounting and Finance

I welcome you to the Vol. 1 Issue 2 of Indian-Pacific Journal of Accounting and Finance. You will recall in Issue 1, I made known our commitment to publish high-quality, impactful papers and to bring scholars who share our vision and mission into the Editorial Advisory Board. Dr Ishaya John Dabari (Modibbo Adamawa University of Technology, Adamawa, Nigeria) has consented to join the Editorial Advisory Board. I am pleased to welcome him on board.

In Issue 2, all the presentations are international research with emphasis on corporate governance and risk management, internal auditing, accounting information system, education, telecommunications, and banking sectors.

In the first paper captioned “Effect of Risk Management Committee on Monitoring Mechanisms”, Dr Rachael Olujemisi Arowolo (Chrisland University), Prof Dr Ayoib B. Che-Ahmad (Universiti Utara Malaysia), and Asst. Prof. Dr Oluwatoyin Muse Johnson Popoola (Universiti Utara Malaysia) examines the influence of risk management committee (RMC) on monitoring mechanisms (MM) in Sub-Saharan Africa. The paper provides empirical supports for RMC association with monitoring mechanisms to reduce agency problems, using the secondary data (2010-2012) of Nigerian non-financial listed companies. The article recommends to the board of Nigerian companies to explore the usefulness of RMC in monitoring the management and controlling shareholders to lessen agency problems and protect the interests of the minority shareholders.

In the second paper entitled “Aligning Corporate Governance with Enterprise Risk Management Adoption in the Nigerian Deposit Money Banks”, Dr Ishaya John Dabari (Modibbo Adama University of Technology), Sini Fave Kwaji (Modibbo Adama University of Technology), and Ghazali Zulkurnai (Universiti Utara Malaysia) align corporate governance (CG) with Enterprise Risk Management (ERM) adoption in the Nigerian Deposit Money banks (DMBs). Their study used cross-sectional research design, survey method and questionnaire technique to collect data in 21 Nigerian DMBs. Out of 722 questionnaires distributed, 435 were found usable for further analysis through Structural Equation Modeling in Stata. The paper empirically reveals the significant positive relationship between CG and ERM adoption regarding internal audit effectiveness, human resource competency and top management commitment. The study provides insightful results for the banking industry, regulators, practitioners, academia and other stakeholders, perhaps to render assistance in the areas of policy formulation, implementation and evaluation.

In the third paper titled “Independence and Management Support: The advocate for Internal Auditors’ Task Performance in Tertiary Institutions”, Oyewumi Hassan Kehinde (Universiti Utara Malaysia), Prof Dr Ayoib B. Che-Ahmad (Universiti Utara Malaysia), and Asst. Prof. Dr Oluwatoyin Muse Johnson Popoola (Universiti Utara Malaysia) examine the influence of independence (IND) and management support (MS) on the task performance (TP) of internal auditors in the South-West tertiary institutions in Nigeria.

The study formulates and tests two hypotheses on the relationship between IND and TP in one hand, and MS and TP on the other hand. This study employs a quantitative approach, cross-sectional design, and survey questionnaire in obtaining data from 350 internal auditors from the internal audit departments/units of the universities, polytechnics, and colleges of education. The results of the PLS-SEM algorithm and bootstrapping reveal positive significant relationships between IND and TP, and the MS and TP, and hence, support the two hypotheses. The paper has a policy implication on the government/private proprietors who are owners of tertiary institutions; management and Council who control the institutions, internal auditors who are operators of internal auditing; regulatory authorities who perform oversight function on the institutions, and professional accounting and auditing bodies. The article adds to the body of knowledge and extends internal audit research to tertiary institutions.

In the fourth paper entitled “Examining Information Disclosure on Regulatory Compliance of Telecommunication Companies in Nigeria”, Sini Fave Kwaji (Modibbo Adama University of Technology), Dr Ishaya John Dabari (Modibbo Adama University of Technology) examine the impact of information disclosure on regulatory compliance of telecommunication companies in Nigeria. The study adopted ex-post facto research design, which relies on secondary data collected from the financial statements of three (3) telecommunication companies out of the eight (8) telecommunication companies for the period of 2004 to 2015 and analysed through the multiple regression statistics. The results reveal that computed compliance index of telecommunication companies was above average (av. 75.6%) with the requirements of regulatory agencies. Also, the findings indicate that mandatory information disclosure (MID) recorded a significant impact at 10% (weak compliance), while voluntary information disclosure (VID) showed an effect at 5% (partial compliance). The article makes a clarion call for the enforcement of full compliance by all the telecommunication companies operating in Nigeria and therefore, recommends to the National Communication Commission (NCC) to monitor the compliance with the requirements of information disclosure and pursue its objective to achieve best corporate governance practices in Nigerian telecommunication companies.

In the fifth paper titled “Examining CAATTs implementation by internal auditors in the public sector.” Dr Aidi Ahmi (Universiti Utara Malaysia), Associate Prof Dr Siti Zabedah Saidin (Universiti Utara Malaysia), and Dr Akilah Abdullah (Universiti Utara Malaysia) investigate the implementation of CAATTs by internal auditors in the Malaysian public sector. Their research reports the results from 12 interviews conducted with internal audit departments in both federal and state levels. The study revealed the implementation of CAATTs by internal auditors in public sector is still low because of lack of expertise, high implementation and maintenance cost, limited access of auditee’s data, and preference to conduct the audit manually. Furthermore, it is not mandatory for them to use CAATTs. The evidence is a contrast with the encouragement made by the government to improve the IT usage in public sector. The results implied that training for future auditors in CAATTs to ensure the successful implementation is crucial and strategic. For CAATTs to be a success, the head of internal audit must possess the awareness about the importance of CAATTs as well as enforcement of its implementation.

As you read through this Vol. 1 Issue 2 of IPJAF, I would like to recap that the success of the journal depends on your active participation and those of your colleagues and friends through submission of high-quality articles for review and publication.

I reiterate to our prospective authors to enjoy the benefits IPJAF provides about mentoring nature of the unique review process, which offers high quality, and helpful reviews tailored to assist authors in improving their manuscripts.

I acknowledge your support as we endeavour to make IPJAF the most authoritative journal on accounting and finance for the community of academic, professional, industry, society and government.

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