

**THE RELATIONSHIP BETWEEN INTERNAL CONTROLS AND RISK
MANAGEMENT IN PUBLIC SECTOR INSTITUTIONS: A CASE STUDY OF
UGANDA CLAYS**

GRACE NINSIIMA

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**UGANDA CHRISTIAN
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DECLARATION

I NINSIIMA GRACE, hereby declare that to the best of my knowledge and belief, this is my original work, I am the sole author. This work has never been submitted to any academic award in any institution previously.

Signed.....

Date:  10/04/2026.....

APPROVAL

I the undersigned, certify that this proposal was prepared under my direct guidance and supervision. I certify that I have read and hereby recommend it for examination.

Signature.....*Maureen*.....

Date.....*Ma* 10/04/2026.....

MRS. NATUHWERA MAUREEN
(Research Supervisor)

DEDICATION

This Dissertation is dedicated to my family and friends for their contribution towards our career success both in prayer and financially, may the Good Lord bless them abundantly.

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I want to thank God Almighty who gives knowledge beyond human understanding and always present at all times.

Every good work is certainly impossible to accomplish single handed. Therefore, it is with heart felt gratitude that I convey thanks to all of you who made the writing of this proposal a success.

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ABSTRACT

In this study, the interaction between internal controls and risk management in the public sector organizations through the example of Uganda Clays Limited was discussed. It poses the question of whether robust internal controls will enhance the risk management and the overall performance. The research aimed to combine a survey (quantitative) and interviews (qualitative) with Uganda Clays employees. Findings indicate that companies that have a strong internal control also have an excellent risk-management practice. Employees claimed that with good controls, financial reports were more reliable, and fraud and errors were minimized, and the company was within the confines of the laws. They observed as well that incorporation of risk management increased performance and reduced losses of money, which enhanced the stability of the organizations. The study highlights the importance of risk-conscious culture and the ongoing training of the staff. Lastly, it provides feasible recommendations to the public sector organizations with a view to enhancing internal control and risk-management systems and eventually enhance good governance, accountability and service delivery.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This study explores the relationship between the internal controls and risk management in the organizations in the public sector using the case of Uganda Clays. Internal controls protect the validity of the financial data and facilitate effective working. Risk management determines and eliminates threats. However, most Ugandan government agencies do not have strong controls leaving them vulnerable to financial misuses and failure of operations. The study will analyze the Uganda Clays, assess its existing control systems, and determine the risk-management practices that are present in the company, as well as assessing the impact of controls on risk outcomes. The research findings will provide viable recommendations that could enhance governance, accountability, and general risk resilience in the government.

1.1 Background to the Study

The relationship between risk management and internal controls is becoming viewed as critical to the existence of public sector bodies in the world. Contemporary organizations have numerous challenges and powerful controls can assist in safeguarding resources, meeting regulations, and increasing performance (COSO, 2022). The state sector of Uganda is to deal with a variety of risks: financial fraud, cyber threats, varying regulations, etc., and thus it needs the robust systems of control more than ever (OECD, 2021). Studies have indicated repeatedly that companies that have well-founded controls are in a better position to manage uncertainty, enhance operational efficiencies, financial stability, and resiliency (KPMG, 2023). The controls also help the institutions to withstand crisis and other growth opportunities in an environment that keeps changing quickly (World Bank, 2022). Finally, the need to encourage transparency, accountability, and stakeholder confidence is done by internalizing effective controls within risk-management frameworks so that public bodies fulfill their missions and deliver services to the citizens (IFAC, 2023).

The Uganda Clays is a part of the public sector of Uganda, which is subjected to political pressures, limited budgets, and intensive scrutiny, which can derail effective risk-management strategies (World Bank, 2022). These obstacles highlight the need to have powerful controls that can quickly recognize, evaluate, and reduce risks (OECD, 2021). Mismanagement and corruption are particularly vulnerable to Ugandan institutions, and it is estimated that the problems cost the institutions about a lot of money annually (Transparency International, 2023). This fact has created the necessity to develop systems that would encourage accountability and transparency (KPMG, 2023). Research indicates that organisations that reinforced internal controls do not only enhance their risk management efforts but also create trust in its stakeholders, which are the foundation of long-term sustainability and efficiency (IFAC, 2023). The element of trust is essential because governmental institutions must work through governance challenges and make efforts to realise their mandates. Through sound controls, organisations will be able to minimize risks, increase efficiency, and enhance better provision of services to the people, and thus strengthen the legitimacy and trust that the society places in the states.

The connection between the internal controls and the risk management is crucial to the public sector institutions around the globe, and it is of special concern in Uganda and at Uganda Clays. The need to have powerful internal controls has become the most important thing as organisations continue to experience increased complexity and uncertainty in the current fast-paced environment. These controls will be the foundation of a good risk management, and with the help of them, organizations will be able to identify potential threats, assess their effects, and respond to them accordingly. Using technology and following new risk-management measures, it is possible to make public sector institutions much more resilient to unforeseen problems, so that the processes would go on without any interruptions. These integrations also lead to transparency and accountability culture that is good in instilling trust among the stakeholders- governments, investors, and the masses. This trust gives institutions the ability to work more with communities, fulfill their needs, and address expectations. Additionally, these organisations will be able to spur sustainable development of the economy and improve the delivery of services to citizens by positioning themselves to capture new opportunities.

The study will enrich our knowledge, on the effectiveness of the internal controls, to enhance the risk management and overall performance, particularly, at Uganda Clays. The research will provide insight into the best practices by examining the gaps and advantages of the current internal-control systems that can be used by Uganda Clays, as well as other organisations in the public sector, to overcome the same challenges. It will highlight the essence of constant improvement in control systems and risk-management plans, which organisations should embrace to adjust to the dynamic nature of risks and opportunities. Finally, the findings will aim at offering a viable model of enhancing governance and accountability in the institutions of the public-sector that will enhance efficiency and effectiveness in the delivery of their mandates. Such a holistic solution will assist in ensuring that the organisations of the public sector are prepared to address the modern challenges and are capable of succeeding in future to contribute to the overall socio-economic development of Uganda and region, in general.

1.2 Statement of the Problem

Although the significance of good internal controls and risk management in institutions in the public sector is realised, a number of organisations such as Uganda Clays Limited still find it difficult. These obstacles manifest themselves through a number of factors, including the failure to identify risks effectively, slow responses to the arisen threats, and the failure to resolve them effectively. Studies indicate that the correlation between internal-control systems and risk-management systems can make decision-making more effective and improve operational efficiency (Kieso, Weygandt, and Warfield, 2022). Nevertheless, Uganda Clays has had to contend with such problems as poor reporting and financial losses, questioning the efficiency of the existing internal-control and risk-management strategies (Sacer and Žager, 2022).

1.3 Objective of the Study

- 1) To analyze the effectiveness of internal control and risk management in public sector institutions.
- 2) To identify the impact of risk management practices on the operational efficiency and financial performance.
- 3) To recommend strategies for enhancing the integration of internal controls and risk management.

1.4 Research Questions

- 1) What is the effectiveness of internal control and risk management in public sector institutions?
- 2) What is the impact of risk management practices on the operational efficiency of public sector institutions?
- 3) Which strategies can be recommended to enhance the integration of internal controls and risk management in public sector institutions?

1.5 Purpose of the study

The purpose of the study will be to examine the relationship between internal controls and risk management in public sector institutions.

1.6 Scope of the Study

The researcher will divide the study into the following parts.

1.6.1 Geographical scope

Uganda Clays Limited is a company that was started in 1950 in Kajjansi, Wakiso District. It has operations that cut across the nation, targeting consumers in a number of districts, counties, and villages. In Wakiso, the company covers local municipalities and sub-counties like Entebbe, Kasangati, Kira and Nansana. These regions have the advantage of local jobs and development of infrastructures. The company extends to other districts other than Wakiso. It covers such divisions in Kampala as Nakawa, Makindye, Kawempe, Rubaga, and Central Kampala. The products can be easily obtained as a residential, commercial and infrastructure project in urban regions. Uganda Clays also covers the rural and small villages in the country. It has a distribution network, which includes such districts as Gulu, Jinja, Mbale, Mbarara, and Masaka as well as Soroti.

1.6.2 Time scope

This paper evaluates internal controls and risk management of Uganda Clays in three months in 2025. This period enables narrow examination of the influence of controls in the management of risks in the midst of the recent developments in the public sector. The period will provide sufficient

time to assess short-term impacts on performance and financial performance to guide the process of risk-management in the future in the institutions in the Ugandan public sector.

1.6.3 Content scope

This is mostly concentrated on the correlation between the internal controls and the risk-management practices in the institutions of the public sector in relation to a case study of Uganda Clays. The researcher will focus on the efficacy of the inside control mechanisms to recognize and address the risk and their influence on the overall performance and economic outcomes. This will provide useful information concerning the need to enhance controls to enhance risk management and performance in the government sector.

1.6.4 Limitations of the Study

The focus of the study is on Uganda Clays which makes it difficult to generalize to other public sector organizations. Although the detailed study of this organization is feasible, the results can hardly be applicable to other institutions that may vary in their structure, governance, regulations, or culture. As such conclusions need to be approached with caution when used elsewhere.

The availability of data is also a major problem particularly when gauging internal control and risk-management systems in Uganda Clays. The proprietary or sensitive information can be difficult to access due to the confidentiality and policy limits as it can limit the depth of the analysis. Inaccurate data reporting or absence of standard documentation also makes the research more difficult, possibly leaving gaps in the knowledge of the actual situation of controls and risk management.

The biggest weakness in the evaluation of the internal controls and risk management of Uganda Clays is subjectivity in the evaluation. These systems are often based on personal judgment and the various stakeholders view such systems differently. Management can be concerned with compliance and efficiency, whereas employees are concerned with usability in its day-to-day application. These differences may be biased in the analysis, which results in different interpretations of the same information. Views are also influenced by personal experiences and company culture which undermine the validity of the study. In response to this, multiple

perspectives and objective measures should be used in the analysis yet the subjectivity of human judgment continues to jeopardize the credibility of the study and its general applicability.

Dynamic Environment, The political, economic, and regulatory environment in Uganda is rapidly evolving and this restricts the duration of relevance of the findings provided in this study. With the change of governance, the economy changes, and new regulations come, new risks may emerge, which the initial research did not address. To illustrate, unexpected threats may appear due to policy changes or a slump of the economy, so the controls in place will not be effective. The dynamic environment thus calls on the need to revise and adjust internal controls in order to make them useful. Although the research provides valuable information at present, its findings must be interpreted in the context of a dynamic environment and it is necessary to continuously monitor and review the results.

Minimal Stakeholder Lenses. The research might not be able to adequately represent all the voices in the controls and risk management of Uganda Clays. The use of a broad participation group including the employees, managers, and external auditors would provide a more comprehensive picture. In case of missing some groups, the results can be biased and overlook important information. Practical issues of implementation can be pointed out by employees at the shop floor and an objective perspective on compliance can be provided by the auditors. The omission of different opinions constrains the profundity and applicability of the findings, which explains the need to have a more inclusive method of data-collection that embraces all the opinions.

Resource Constraints, Lack of sufficient financial constraints and time constraints is also a major challenge that could narrow down on the scope and depth of the study. Reduced resources complicate the collection of large amounts of data, complex analysis tools, and the inclusion of a large number of stakeholders, all of which are needed to make strong findings. A lack of time can compel the researcher to give preference to certain areas at the expense of others and this creates gaps. As an example, subtle views can be omitted due to the inability to conduct detailed interviews or focus groups. Such resource limitations have the ability of reducing the quality and reliability of the research in totality and as such, they should be considered when interpreting research outcomes. These problems are critical to the study in terms of enhancing its rigor and depth by means of thorough planning and resource allocation.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

This chapter is a literature review on the applicability of internal controls to risk management in the case of the Uganda Clays in the public sector institutions. It is based on the objectives of the study, which directs discussion and analysis. The sections are concise summaries of the current research with references to authors as to how internal controls enhance risk management. The institutions of the public sector are politically pressured, have ready budget constraints, and are also under scrutiny of the general population, thus, robust control systems are necessary to manage risk successfully. Theories and evidence supporting the idea of the performance and accountability enhancement of strong internal controls are also considered in the chapter. The purpose of the review is to provide valuable insights and recommendations to the Uganda Clays and other organizations in the public sector to enhance internal controls and risk management to achieve long-term success and sustainability.

2.1. The effectiveness of internal control and risk management in public sector institutions.

The competence of risk management and internal control in the organizations of the public sector.

The success of the internal controls within the government sector is based on various theoretical premises. COSO Internal Control Framework is popular and offers a systematic method of developing, establishing, and evaluating control systems. It has five essential elements, which are control environment, risk assessment, control activities, information and communication, and monitoring (COSO, 2018). All the components are essential in a firm control basis. An example is that the control environment establishes the tone on top; risk assessment will assist in identification and priorities of risks. The ISO 31000 standard requires a combined risk-management strategy particularly in matters of governance among the population. It emphasizes the familiarity with the corporate environment and entrenching risk practices within the key

decision-making procedures. These theories provide a foundation of discussing the practical efficiency of internal controls within organisations which are public.

Recent researches highlight the close association between risk management and internal controls and this is especially when accountability and services delivery are the most important. Chavan (2021) discovered that a sound risk-management system should include sound internal controls. Strong controls enable organisations to develop, evaluate and control risks more effectively. The overall internal audit department also enhances the success of risk management (Hafeez et al., 2022). Compliance is assisted by efficient controls and offers a continuous monitoring of risks. Greater controls, consequently, enhance the risk outcomes, performance, and increases the trust of the public. It is a symbiotic relationship: risk management is supported by controls, and a powerful risk strategy supports controls.

Government organizations have particular problems unlike those of the corporate sectors. Carter et al. (2022) observe that service delivery, resource management, and ethics, and not only profit, are the subject of public risks. Risk management is important in sustaining accountability and trust. Close controls can be of great help in minimizing risks of poor resource utilization and inefficiency that may kill the confidence of the populace. Bryan et al. (2021) emphasize the way such controls decrease corruption and make the participant more accountable. Transparency in reporting should be developed by the public organisations in a bid to instill the culture of integrity. In that regard, controls cannot be seen as mere compliance tools, but they are critical in providing services that would fulfil the social contract between government and citizens.

Performance indicators are beneficial to evaluate the efficiency of internal controls and risk management, and it is essential to evaluate an influence on organisational success. Mokhova and Sweeney (2023) introduce a model of assessing the effectiveness of internal control in the publicly owned institutions. Their results indicate that controls which are well executed are associated with improved performance, including reduced cases of financial mismanagement and improved quality of services. The effectiveness is commonly measured through the regulations compliance, goal attainment, and satisfaction of the stakeholders. This strategy focuses on balancing the risk practices with organisational objectives to enhance the overall performance. It is also necessary to

provide constant assessment and feedback, which will enable institutions in the state to evolve according to the new conditions and new risks.

Although the current literature has been vital in providing important information, there are still gaps especially on the specific issues in the organizations of the public sector. Empirical studies on risk management in the unique setting of the public sector remain limited given that much research still concentrates on the risk management processes in the private sector (Ahmed et al., 2023). This is a worrying gap and institutions in the public sector are run in different regulations and under different operational frameworks, which may be of great concern in determining the effectiveness of risk management. Also, a certain body of literature indicates that risk management practices may be applied at a surface level, in general, focusing on how these concepts can fit into the frameworks rather than on their effectiveness (Pérez et al., 2023). Such a tendency may lead to the fact that there are no meaningful risk assessment and mitigation strategies incorporated into everyday operations. A very important question would be: How can the public institutions make sure that their risk management practices are not just checkbox exercises but they actually make their operations more resilient and accountable? The gaps highlighted are needed to come up with more specific and effective methods of internal control and risk management in the public sector.

2.2 Impact of risk management practices on the operational performance and financial performance.

Risk Management Theoretical Framework., Risk management is a holistic process which entails the need of identification, assessment and reduction of risks that have a possibility of derailing organizational performance towards accomplishment of its goals. This system is essential to such organizations as Uganda Clays Limited since it not only copes with possible threats but also overall increases the resilience of the operations. The ISO 31000 (2018) recognizes that effective risk management is part of the key to the sustainable success of the organization through the establishment of the risk-aware culture. The culture enables employees at any given level to identify and address risks actively hence making informed decisions that support the strategic goals of the company. The implementation of risk management practices will allow the Uganda Clays Limited to overcome uncertainties more efficiently and efficiently distribute resources and

increase stakeholder confidence. Finally, a sound theoretical approach to risk management is helpful to not only protect against possible failures but also ensure that the organization is placed in a long-term growth and stability within the ever-growing complex business landscape.

Operational Efficiency, Risk management practices are robust resulting in enhanced operational efficiency, which is testified by the research carried out by KPMG (2017). Organizational management can implement preventive strategies that reduce the number of occurrences to disrupt the operations of the organization by identifying the possible risks at an early stage and implementing preventive measures that narrow down operations of the organization and enhance the overall productivity. As an example, when applied to supply chain management, risk management may yield improved logistically, which would eventually result in lower operation cost and increase in service delivery. This is especially important to Uganda Clays Limited since the company is operating in a competitive environment, and efficiency may be a key determinant of competitive advantage. This means that by factoring risk management into its line of operations, Uganda Clays Limited will not only be able to take into account any potential threat, but also streamline the use of its resources so that it can continue to be elastic and receptive to the market demands. Therefore, strategic risk management will ensure the company achieves long-term growth and success as operational efficiency will be raised and will enable the company to attain the desired business goals, without compromising on quality and customer satisfaction.

Financial Performance, The efficiency of the risk management practices is directly connected to the financial performance as one of the studies introduced by Beasley et al. (2015) identifies a significant relationship between the implemented use of a complex risk management framework and increased financial outcomes. The main advantage of organizations that adopt such structures is that losses due to unexpected occurrences are minimized giving the organization an opportunity to allocate resources properly and make strategic decisions. In the case of Uganda Clays Limited, the strong practice of the risk management will provide the company with the opportunity to improve profitability and guarantee the financial stability in the long run. Anticipating these risks and eliminating them will help the company to prevent risks to its assets and investment, and eventually achieve better financial results. Moreover, risk management will allow Uganda Clays Limited to be more efficient in the allocation of resources, investment in the growth opportunities, and responsiveness to the market changes. Such a strategy, in a competitive environment, would

help not only to improve the financial stability of the company but also to create a boost of resilience against any possible difficulties, which opens the way to further growth and success in the future.

Risk Management and Decision Making. The practice of risk management is considered crucial towards informed decision-making in organizations as noted in a study by Aven (2020). Through systematic risk assessment, organizations are able to get to a point of alignment between their strategic decisions and their risk appetite so that they can confidently sail through the uncertainties. In the case of Uganda Clays Limited, this strategy is especially beneficial, because such in-depth knowledge about the dangers of the production processes and market variations will have a significant impact on the operations choices and investment patterns of the company. Through detection of possible challenges and opportunities, in advance, Uganda Clays Limited will be able to make informed decisions that would not only reduce risks but also exploit the good market conditions. This proactive position will enable the company to maximize the use of resources, increase operational effectiveness, and eventually spur the growth. In a competitive and dynamic business environment, the ability to tap the right risk management practices strengths will enable Uganda Clays Limited to invest strategically in line with its long term vision, which will help it to be more resilient, and put the organization on a path to future success.

Influence on Stakeholder Trust., A study performed by Gürtler et al. (2019) highlights the extensive role that effective risk management practices play in the trust of stakeholders. Companies that emphasize on proper risk management do so to establish a transparency and reliability environment that encourages trust among the investors, customers, and other stakeholders. In the case of Uganda Clays Limited, where the trust of the investors is the most important factor, the consequences of effective risk management are especially important. A good reputation founded on the open process of risk management can serve to increase the attractiveness of the business to both the investor and the customer. Such confidence may result into more financial support and customer loyalty, which will eventually affect the financial performance of the company. The more the stakeholders feel confident that Uganda Clays Limited has the potential of risk management, the more likely they will approach the company, share capital and be committed to the firm in a competitive market. Consequently, the development of a robust risk

management platform does not only enhance the stakeholder relations, but is also extremely important in ensuring the growth and sustainability of the firm.

Risk Management in the Manufacturing industry.

Certain research aimed at manufacturing industry reveals that risk management is critical to operational efficiency and resilience. A study by Kearney (2018) has revealed that those manufacturers that embrace proactive risk management initiatives are in a better position to overcome the market shocks and minimize the disruptions. This is particularly the case with Uganda Clays Limited, where all production can be plain sailing with proper management of the risks and the quality of the product enhanced. The company can take preventive measures by identifying risks likely to occur; these may include failure of equipment, interruptions in supply chain, compliance problems among others, which reduce downtimes and efficient resource use. The proactive risk-management strategy also improves the quality of products which results into increased customer satisfaction and loyalty. By taking advantage of the best risk-management strategies, Uganda Clays Limited is shielding its operations and at the same time enhancing its competitive advantage and this is thus its gateway to success in a market that is ever evolving. Finally, risk management is not a shield, but a goal-seeking operation and sustainability in the manufacturing industry.

Instead, there are difficulties in the implementation of risk management.

Although risk-management practices have numerous advantages, their implementation may be a challenging task. According to Lam (2017), the most frequent obstacles include a lack of resources, lack of staff training, and resistance to change. In the case of Uganda Clays Limited, it is important to address these issues to enjoy the benefits of proper risk management in terms of operations and finances. Insufficient resources may prevent the creation of the risk frameworks which are all inclusive, and inadequate training may result in the staff being unprepared to identify and respond to risks. Resistance to change is likely to make people skeptical about risk initiatives, making them weak. In order to beat these challenges, Uganda Clays Limited should invest resources, offer continuous training, and a culture embracing change and innovation. By solving these problems in

advance, the company will be able to establish a strong base of risk management, increasing its resilience and leading to success in the long term.

2.3 Improving the Internal Controls and Risk Management Integration.

Comprehending Internal Controls and Risk Management.

Internal controls refer to activities that maintain the accuracy of financial reports, adherence to the law, and other smooth operations. They protect against errors and fraud, encourage responsibility and openness. Risk management on the other hand deals with identification, assessment, and mitigation of the challenges that may undermine organizational objectives. According to COSO (2020), the products of effective risk management and internal controls are the achievement of the goals. A combination of these sectors creates a solid foundation to success, improved risk management, and improved governance. This relation will not only enhance the financial performance but also promote a culture of accountability and continuous improvement, which is essential in the long-term success.

Creating a Cohesive Framework.

One of the methods of internal controls and risk management integration is to produce a single framework that connects the practices. As Beasley et al. (2020) demonstrate, an integrated framework helps the organization to simplify operations, minimize redundancy, and enhance communication between departments. This integrated method allows a holistic look of risks and controls making each aspect of the organization work together to control risks and adhere to controls. The staff would make better decisions and react more to emerging risks by ensuring that collaboration is encouraged among the various departments of the Uganda Clays Limited. In addition, this integration will assist the company in adapting to changes in the legal and market environment to enhance efficiency. A single set of frameworks helps in enhancing internal controls and risk management in a complex business environment, as well as enabling long-term growth.

Selling a Risk-Conscious Culture.

The successful incorporation of risk management and internal controls must rely on the development of a risk-conscious culture. The study by Arena and Azzone (2009) concludes that a firm with a high risk culture allows its employees to identify and report risks before they occur. Such ownership attitude promotes risk discussion and problem-solving. The culture can be fostered by training programs and workshops to make the staff more aware of controls and risk management. Providing employees with the corresponding knowledge and skills enables considering risks as a natural aspect of daily decisions. This change enhances risk identification and management, as well as, overall resiliency, as the staff at all tiers becomes more aware of risks and responsive to them.

Leveraging Technology

The combination of internal controls and risk management can be enhanced significantly with the help of technology and make the processes more efficient. According to Mikes (2015), the advanced analytics and coupled software systems present real-time information, which can be used in risk assessment and control assessment. With these tools, the organizations get real-time information on the possible risks and the effectiveness of control. Data sharing systems between systems of risk management and control increase responsiveness and control. This smooth movement accelerates the process of decision-making and enhances mitigation measures. Routine tasks can also be automated through technology so that staff would be able to concentrate on strategy activities. Through its adoption of technology, the Uganda Clays Limited will be able to harmonize the risk management and control initiatives, and increase the operational resiliency and success of the future.

Frequent Evaluations and Feedback Feedback Loops.

Frequently reviewing the internal controls and risk management procedure is essential in improving continuously. Hermanson et al. (2011) emphasize the significance of the feedback loops that connect the performance measures in the two domains.

Good Roles and Responsibilities.

The internal controls and risk management are incorporated through clear roles and responsibilities. According to Jansen et al. (2016), well-established roles establish superior risk and control environments in companies. When employees are aware of the risk and controls owner, accountability is increased and the departments cooperate more efficiently. An organizational system comprising a body of governance can enhance communication and hold everyone in the same line. Such committees offer a platform to address the risk concerns, exchange knowledge and develop collective solution on risk management. Role clarity develops a unified structure that makes the risk management and control procedures stronger, resulting in better decision-making and strong base. Such transparency enables workers and creates a sense of responsibility and responsiveness- important qualities in the modern world of highly intricate businesses.

Engaging Stakeholders

It is imperative to involve stakeholders when integrating the organization, in order to harmonize internal controls with risk management. Spira and Page (2020) state that buy-in and cooperation are established through engaging key stakeholders in the formulation and execution of the integrated strategies. The presence of the active stakeholders will result in the ownership and commitment where controls and risk efforts are aligned with organizational objectives. Teamwork promotes free communication, which allows the stakeholders to exchange worthy information and concerns. Such insights inform powerful and customized approaches that will address the needs of the organization. Engaging with stakeholders is first and foremost important and helps foster the spirit of collective responsibility, enhancing resilience and flexibility in a rapidly evolving business context.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The chapter also addresses the research questions and provides the steps of collecting, analyzing, and processing the data required to address the objectives of the research. It also describes the procedures applied and the insight is given of the quality of all the techniques involved during the study.

3.1 Research Design

The research takes a cross-sectional design comprising of quantitative and qualitative approaches. Quantitative analysis will be conducted to measure statistical data. Qualitative research will provide unbiased, generalizable information on the underlying reasons, opinions and motivations, which will assist in identifying the problems, and developing hypotheses on potential quantitative research (Mugenda and Mugenda, 1999). Qualitative data is not numerical and is exploratory.

3.2 Population of the Study

The research is aimed at the employees of Uganda Clays Limited, which is a public company located in Uganda. The number of employees is not known accurately, which is why the Krejcie and Morgan table were the ones that informed the sample size. With an estimated figure of 60 employees, the suggested sample size is 52. The sample will reflect a wide range of positions, which will allow analyzing the relationship between internal controls and risk management in-depth. This case study will provide an insight that can be applied onto the Ugandan institutional elements in the public-sector and this will be used to explain the fact that a robust internal controls enhances risk practices.

3.3 Sample size and selection

3.3.1 Sample Size

The sample size is a random selection of population (Amin, 2005). In this research, the selection of respondents will be done based on the Krejcie and Morgan sample-size table (1970) which is 52.

Table 3.2: Sample size

Categories of respondents	Population	Sample size	Sampling Technique
Managers and assistants	18	14	Purposive
Senior staff	24	20	Random
Financial officers	18	18	Purposive
Total	60	52	

3.3.2 Sampling Techniques

Probability and non-probability sampling will be used in the study. Simple random sampling will be used as a probability method to select a sample of the employees in Uganda Clays Limited. Furthermore, purposive sampling, which is a non-probability method, will be used to determine the participants with appropriate knowledge and experience. The integration of these methods is expected to result in a sample representing the diversity of the organization and incorporating specialists in the area.

3.4 Data Sources

Primary sources: Primary data will provide the researcher with new information that has been collected first hand. The approach will involve interviewing and use of questionnaires to approach respondents.

Secondary sources: The background information to the study will be received through document review, which will consist of company records, newspapers, online journals, and textbooks.

3.5 Methods and Instruments of Data Collection.

Data collection refers to the organized procedure of collecting information about the phenomenon of study (Amin, 2005). The primary and secondary data will be collected.

3.5.1 Questionnaire

According to Kumar (2005), a questionnaire is a list of written answers whose respondents write their answers. The questionnaire is designed with groups of questions that one responds to and submits to have them analyzed. The study variables are included in self-administered questionnaires and are measured with a five-point Likert scale 5 = strongly agree, 4 = agree, 3 = undecided, 2 = disagree, 1 = strongly disagree. This approach was selected due to the fact that the respondents will remain anonymous and will have the necessary confidence.

3.6 Quality Control

3.6.1 Validity

According to Collis and Hussey (2013), the validity of an instrument refers to its capacity to gather correct and truthful information in other words, the capacity to measure what it is meant to measure. The questionnaire will be constructed on the basis of the study objectives. A supervisor will review the instruments to ensure content validity, and will examine every question of the instrument against ambiguity and relevance. An average of 0.70 (70.0) will confirm the validity of a pre-test with ten respondents of a content validity index.

3.6.2 Control and management of data quality.

Validity is also used to refer to the accuracy of an instrument (Mugenda, 2003). The research will embrace content-related validity by consulting the supervisor and other peers. The supervisor will receive questionnaires that he/she will provide feedback on relevance, clarity, and suitability, and the necessary changes will be made. Measures Reliability measures consistency. To ensure

reliability, the questionnaires shall be piloted on a sample of different respondents and necessary changes made depending on the outcome.

3.7 Ethical Issues

A letter on the purpose of the research by the Faculty of Business Administration will ensure that the research is not conducted in a way that is inconsistent with academic purpose. It will be a voluntary participation; no respondent will be coaxed. Debriefing will be done to the respondents prior to data collection. Authorship will be duly credited by putting citations on all sources including secondary data.

3.8 Limitations of the Study

Sampling and selection: It is possible that the sampling error will occur in the case when the probability sample is not representative of the target population.

Inadequate sample size: The small size can make the process of trying to identify significant relationships difficult since a big sample is needed in order to be representative and generalized through the use of statistical tests.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION.

4.1 Findings of the Study

This chapter addresses the results of the connection between internal controls and risk management in the Uganda Clays Limited. Research was done through questionnaire and processed using SPSS. The chapter contains demographic perspective and studies the impact of internal controls on risk management practices.

4.1.1 Response rate

Response rate was 100 per cent which implies a very active sample. According to Amin (2005), a large response rate usually gives more precise results of a survey.

Response rate

Questionnaires issued	52
Questionnaires returned	52
Response rate (%)	100

4.2 Demographic Characteristics of Respondents

4.2.1 Gender Distribution

Gender	Frequency	Percentage (%)
Male	30	57.7
Female	22	42.3
Total	52	100

The gender distribution indicates that the majority of respondents (57.7%) were male, while 42.3% were female. This balanced representation is crucial for ensuring that the findings reflect a variety of perspectives on internal controls and risk management practices.

4.2.2 Age Bracket

Age Bracket	Frequency	Percentage (%)
Below 25 years	6	11.5
26-35	18	34.6
36-45	16	30.8
46-55	12	23.1
Total	52	100

The age distribution reveals that the largest age group among respondents is 26-35 years (34.6%), followed by 36-45 years (30.8%). This suggests a workforce predominantly composed of young to middle-aged individuals, who may be more adaptable to the implementation of internal controls. Only 23.1% of respondents fall into the 46-55 age bracket, pointing towards a younger demographic influencing the study's outcomes.

4.3 Effectiveness of internal control and risk management in public sector institutions

The respondents were asked to rate their agreement with statements regarding the effectiveness of internal control systems at Uganda Clays Limited.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree	Mean	Standard Deviation
Internal control systems enhance the reliability of financial reporting	2 (3.8%)	4 (7.7%)	6 (11.5%)	20 (38.5%)	20 (38.5%)	4.08	0.90
Risk assessment processes are carried out regularly	1 (1.9%)	3 (5.8%)	5 (9.6%)	22 (42.3%)	21 (40.4%)	4.14	0.82
Segregation of duties minimizes fraud and errors	0 (0.0%)	2 (3.8%)	4 (7.7%)	25 (48.1%)	21 (40.4%)	4.25	0.75
Management oversight contributes to effective risk management	0 (0.0%)	2 (3.8%)	3 (5.8%)	26 (50.0%)	21 (40.4%)	4.27	0.70
Compliance with regulatory requirements is ensured	1 (1.9%)	3 (5.8%)	7 (13.5%)	20 (38.5%)	21 (40.4%)	4.08	0.88
Overall internal control effectiveness enhances organizational performance	0 (0.0%)	1 (1.9%)	5 (9.6%)	22 (42.3%)	24 (46.2%)	4.31	0.72

The table above indicates the agreement of statements regarding the internal control systems and the risk management among the respondents.

Internal control systems improve the reliability of financial reporting 38.5% agreed and 38.5% strongly agreed. 11.5% not sure, 7.7% disagreed and 3.8% strongly disagreed. Mean score 4.08 (SD 0.90).

Risk assessment processes are conducted on a regular basis: 42.3% agreed, 40.4% strongly agreed. 9.6% were not sure, 5.8% disagreed, 1.9% strongly disagreed. Mean 4.14 (SD 0.82).

The lack of fraud and errors through segregation of duties: 48.1% agree, 40.4% strongly agree, 7.7% not sure, 3.8% disagree. Mean 4.25 (SD 0.75).

Management control is a part of good risk management: 50.0% agreed, 40.4% strongly agreed. 5.8% not sure, 3.8% disagree. Mean 4.27 (SD 0.70).

Adherence to the regulations is also fulfilled: 38.5% agreed, 40.4% strongly agreed. 13.5% not sure, 5.8% disagreed, 1.9% strongly disagreed. Mean 4.08 (SD 0.88).

Effectiveness of overall internal control is connected with effectiveness of organizational performance: 42.3% said so, 46.2% strongly said so. 9.6% not sure, 1.9% said no. Mean 4.31 (SD 0.72).

4.4 Effect of risk management practices on operational efficiency and financial performance

The respondents were asked to rate their agreement with statements regarding the impact of risk management practices on the operational efficiency and financial performance at Uganda Clays Limited.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree	Mean	Standard Deviation
Risk management practices enhance the operational efficiency	2 (3.8%)	3 (5.8%)	6 (11.5%)	18 (34.6%)	23 (44.2%)	4.10	0.85
Effective risk management reduces financial losses	1 (1.9%)	2 (3.8%)	7 (13.5%)	21 (40.4%)	21 (40.4%)	4.14	0.78
Risk assessments improve decision-making processes	0 (0.0%)	1 (1.9%)	5 (9.6%)	24 (46.2%)	22 (42.3%)	4.31	0.72
Regular monitoring of risks contributes to achieving targets	0 (0.0%)	2 (3.8%)	4 (7.7%)	23 (44.2%)	23 (44.2%)	4.27	0.76
Integration of risk management with business strategy enhances performance	1 (1.9%)	3 (5.8%)	6 (11.5%)	20 (38.5%)	22 (42.3%)	4.14	0.82
Overall risk management practices support financial sustainability	0 (0.0%)	1 (1.9%)	5 (9.6%)	20 (38.5%)	26 (50.0%)	4.31	0.70

The table above presents the respondents' agreement levels with various statements about the impact of risk management practices on operational efficiency and financial performance.

Regarding the statement that "risk management practices enhance operational efficiency," the majority agreed (34.6%), with 44.2% strongly agreeing. Those not sure accounted for 11.5%, while 5.8% disagreed and 3.8% strongly disagreed. The average mean score was 4.10 with a standard deviation of 0.85.

The statement "effective risk management reduces financial losses" was supported by 40.4% of respondents who agreed and another 40.4% who strongly agreed. Those not sure made up 13.5%,

while 3.8% disagreed and 1.9% strongly disagreed. The mean score here was 4.14 and the standard deviation was 0.78.

Concerning the statement that "risk assessments improve decision-making processes," an impressive majority (46.2%) agreed, complemented by 42.3% who strongly agreed. No respondents selected strongly disagree, while 9.6% were not sure. The average mean score was 4.31 with a standard deviation of 0.72.

On the impact of "regular monitoring of risks contributing to achieving targets," the majority agreed (44.2%) and another 44.2% strongly agreed. Those not sure accounted for 7.7%, while 3.8% disagreed. The mean score was 4.27 and the standard deviation was 0.76.

For the statement on "integration of risk management with business strategy enhancing performance," the majority agreed (38.5%) and 42.3% strongly agreed, with 11.5% undecided. A small percentage disagreed (5.8%), resulting in a mean score of 4.14 and a standard deviation of 0.82.

Lastly, the statement that "overall risk management practices support financial sustainability" saw strong agreement, with 38.5% agreeing and 50.0% strongly agreeing. Those not sure constituted 9.6%, while only 1.9% disagreed, leading to a mean score of 4.31 and a standard deviation of 0.70.

4.5 Effect of risk management practices on operational efficiency and financial performance

The respondents were asked to rate their agreement with statements regarding the impact of risk management practices on the operational efficiency and financial performance at Uganda Clays Limited.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree	Mean	Standard Deviation
Risk management practices enhance the operational efficiency	2 (3.8%)	3 (5.8%)	6 (11.5%)	18 (34.6%)	23 (44.2%)	4.10	0.85

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree	Mean	Standard Deviation
Effective risk management reduces financial losses	1 (1.9%)	2 (3.8%)	7 (13.5%)	21 (40.4%)	21 (40.4%)	4.14	0.78
Risk assessments improve decision-making processes	0 (0.0%)	1 (1.9%)	5 (9.6%)	24 (46.2%)	22 (42.3%)	4.31	0.72
Regular monitoring of risks contributes to achieving targets	0 (0.0%)	2 (3.8%)	4 (7.7%)	23 (44.2%)	23 (44.2%)	4.27	0.76
Integration of risk management with business strategy enhances performance	1 (1.9%)	3 (5.8%)	6 (11.5%)	20 (38.5%)	22 (42.3%)	4.14	0.82
Overall risk management practices support financial sustainability	0 (0.0%)	1 (1.9%)	5 (9.6%)	20 (38.5%)	26 (50.0%)	4.31	0.70

Risk management could lead to greater operational efficiency: 34.6% answered yes, 44.2% strongly yes, 11.5% not sure, 5.8% no, 3.8% strongly no. Mean 4.10 (SD 0.85).

Risk management can be used to minimize financial loss: 40.4% agreed, 40.4% strongly agreed. 13.5% not sure, 3.8% disagreed, 1.9% strongly disagreed. Mean 4.14 (SD 0.78).

Risk assessments enhance the process of decision-making: 46.2% agreed, 42.3% strongly agreed. 9.6% not sure, none disagreed. Mean 4.31 (SD 0.72).

Frequent checking of risks will help to deliver targets: 44.2% agreed, 44.2% strongly agreed. 7.7% not sure, 3.8% disagreed. Mean 4.27 (SD 0.76).

Risk management: There should be integration of risk management with business strategy: 38.5% agreed, 42.3% strongly agreed. 11.5% not sure, 5.8% disagreed. Mean 4.14 (SD 0.82).

The overall practices of risk management are associated with financial sustainability: 38.5% agreed, 50.0% strongly agreed. 9.6% not sure, 1.9% disagreed. Mean 4.31 (SD 0.70).

CHAPTER FIVE

DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS.

5.1 Introduction

In this chapter, the findings concerning the connection between the internal controls and the risk management in the institutions within the public sector will be discussed, and the case study of the Uganda Clays Limited will be used. It will overview the key findings of Chapter 4, demonstrating how the risk can be managed with the assistance of effective internal controls. The chapter will offer clear recommendations to the Uganda Clays Limited and other organizations that are working in the public sector which desire to be strong in their internal controls and risk management practices. Further, it will recommend the future research that can be conducted to determine the ways these systems can enhance efficiency and financial performance in institutions in the public sector. The objective is to provide useful pieces of information that would assist organizations to perform better and be more responsible to people.

5.2 Discussion of Findings

Sensitivity of internal control and risk management in the institutions of the public sector.

In matters concerning the statement that internal control systems improve the reliability of financial reporting, a large proportion of the respondents indicated they agree with this fact with 38.5 percent of them being in agreement and a similar proportion strongly agreeing. The mean score of 4.08 and the standard deviation of 0.90 is obtained as the result of this consensus, which shows that the level of agreement in the group is moderate. The data indicates that most of the respondents hold the view that an effective internal control system can be used to ensure that the financial reports are accurate and reliable. This is important in making decisions and ensuring that stakeholders are trusted. The previous studies prove that effective internal controls are required to reduce errors and misstatements in financial reporting and, consequently, improve the overall credibility (COSO, 2018).

On the statement that risk assessment processes are conducted regularly, results were found that 42.3 percent of the respondents agreed with the statement and a large percentage of 40.4 percent strongly agreed. These findings indicate that the respondents believe risk assessment is the norm in the organization, as the average mean score (4.14) and standard deviation (0.82) are both high. Risk assessment should be conducted regularly to detect the possible threats and vulnerabilities so that the organization can take the initiative. According to the existing literature, regular risk assessment assists organizations to adjust to the shifting environment and become more resilient to unexpected difficulties (ISO 31000, 2018).

On the position that segregation of duties reduces fraud and errors, a considerable percentage of the respondents expressed their position in support of this statement with 48.1 per cent agreeing and 40.4 per cent strongly agreeing to this statement. The average of 4.25 and standard deviation 0.75 show that it has a high opinion on effectiveness of this internal control principle. Internal control is vital, and segregation of duties is an important element of the internal control since no person should be left to all facets of a financial transaction. This separation of duties assists in minimizing the chances of fraud and mistakes through the checks and balances. It has been supported in the research, which states that the distinct separation of duties improves accountability and transparency in organizations (Hafeez et al., 2022).

In regards to the statement about management oversight as being one of the effective risk management, 50.0% of the respondents agreed with it with 40.4% strongly agreeing. The mean score of 4.27 with a standard deviation of 0.70 is an indication of a solid appreciation of the management oversight in risk management strategies. Proper control means that the management stays proactive in assessing the exposure to risk, and taking the required controls, balancing the organizational goals with the risk management activities. Studies have found that an involvement of the management in oversight offers superior identification and mitigation of the risks and cultivates an organizational culture of accountability (Carter et al., 2022).

Regarding the provision of the compliance, 38.5 percent of the respondents affirmed and 40.4 percent strongly affirmed with the argument that compliance with the regulatory requirements was provided. The mean score of 4.08 with a standard deviation of 0.88 points to the positive perception of internal control regarding assisting the organization to comply with the legal and

regulatory requirements. The compliance is not only necessary to ensure the legal position of the organization but also to retain the trust of the stakeholders. According to the literature, the presence of strong internal control systems plays an important role in regulations compliance and can be used to avoid legal problems related to non-adherence (Mokhova and Sweeney, 2023).

Finally, the message of the positive correlation between overall internal control effectiveness and organizational performance was supported by 42.3% of respondents, and 46.2% strongly agreed. The average of 4.31 and the standard deviation of 0.72 indicate that there is a firm belief that good internal controls are related to better organizational performance. In case internal controls are operating efficiently, they would help to protect assets as well as improve operational efficiency and effectiveness. This observation is reflected in the literature, which indicates that financially better organizations and those with a high stakeholder satisfaction are characterized by strong internal control systems (Bryan et al., 2021).

5.2.1 How risk management practices impact performance in terms of operational efficiency and financial performance.

The paper established that a significant percentage of respondents (34.6% agreed and 44.2% strongly agreed) had the notion that efficient risk management improves the efficiency of operations. These results were average in terms of mean score of 4.10 and standard deviation of 0.85 and they can be used to argue that properly implemented risk management strategies help streamline processes and minimize waste. Respondents acknowledge the fact that the detection and reduction of possible risks can result in the better productivity and resource distribution.

It was discovered that 40.4 percent of the respondents agreed with the statement, and again 40.4 percent strongly agreed with it that effective risk management minimizes financial losses. This provided the statement with a mean score of 4.14 and the standard deviation of 0.78 which means that most believe that having proper risk management practices are vital towards minimizing the financial risks. Risk management and financial stability have a correlation that implies that organizations are able to cushion their assets and maintain financial health using proactive risk measures.

The research established that a remarkable 46.2% of the respondents gave a yes and 42.3% a strong yes in the question on whether risk assessment enhances the decision making processes. The average of 4.31 and a total standard deviation of 0.72 show that there is a high belief in the importance of risk assessments. Regular risk assessments, according to the respondents, bring essential information and thus make the decision-making process more informed, according to the strategic plans of the organization.

Results indicated that 44.2 percent of the participants answered in the affirmative and another 44.2 percent strongly affirmed that periodic monitoring of the risks will help in attaining targets. These results with mean of 4.27 and standard deviation of 0.76 underscore the need to continually monitor risks so as to keep the organization focused on the targeted goals. This can be done through continuous monitoring whereby adjustments to strategies can be made as and when required, which increases the chances of attaining the set targets.

The authors have found that 38.5 percent of the respondents were in agreement and 42.3 percent strongly in agreement that incorporating risk management and business strategy leads to improved performance. It led to the mean score of 4.14 and the standard deviation of 0.82, which implies a general consensus on the positive effect of aligning risk management with strategic planning. Through effective integration, organizations would be in a better position to manage the potential threats and take advantage of the opportunities so as to enhance performance in general.

Finally, the research determined that most of the respondents (38.5% agreed, and 50.0% strongly agreed) think that the general risk management practices facilitate financial sustainability. Having a mean of 4.31 with a standard deviation of 0.70, it is a clear difference to show a strong consistency of the strong perception that effective risk management is relevant to long-term financial health. Organizations reduce financial risks thereby setting them up to succeed and be stable in the long-term.

5.2.2 Impact of risk management practices on the efficiency of operation and financial performance.

The results indicate that most of the respondents (34.6% agreed and 44.2% strongly agreed) feel that risk management practices improve the efficiency in the operations. The average mean of 4.10

with a standard deviation of 0.85 shows that there is a high perception that proper risk management leads to the enhanced running of operations. This implies that when organizations pinpoint and tackle the possible risks, it is possible to simplify the processes, minimize wastage and enhance productivity in general.

The results have also indicated that 40.4% of people who were interviewed agreed and another 40.4% strongly agreed with the statement that risk management can minimize financial losses. The average score that was achieved (4.14) and the standard deviation (0.78) is indicative of an agreement that good risk management practices should be employed in ensuring that the organization is not affected financially. This ideology reiterates the relevance of the proactive risk management in the long-term financial stability.

Results reveal that a significant proportion (46.2% agreed and 42.3% strongly agreed) of respondents hold the view that risk assessments enhance the decision-making procedures. The standard deviation of 0.72 and the mean of 4.31, which is rather high, suggests that frequent risk evaluation would be a significant contribution that would help in making informed decisions. Through the realization of possible risks, decision-makers will be able to set their decisions in line with strategic goals, which will culminate into improved organizational performances.

The results suggest that 44.2 percent of the respondents affirmed that frequent monitoring of risks help in the achievement of targets and another 44.2 percent almost unanimously concurred with the fact that regular monitoring of risks is helping in the achievement of targets. The average of 4.27 with a standard deviation of 0.76 indicates the importance attached to continuous risk oversight. This implies that with continuous risk monitoring, it helps organizations to strategize well, making sure that they remain on course to achieve their performance goals.

The results indicate that 38.5 percent of the respondents affirmed and 42.3 percent strongly affirmed with the statement that risk management incorporated together with business strategy helps improve performance. The average of 4.14 with a standard deviation of 0.82 indicates that there is a general agreement that integrating risk management activities with the general business strategies is beneficial. Through this integration, organizations are in a position to deal with risks and carry out their strategic objectives, and their overall performance is enhanced.

Lastly, the results show that 38.5 percent and 50 percent of respondents answered in the affirmative and had a strong affirmative respectively to the fact that overall risk management practices promote financial sustainability. This high agreement with a mean score of 4.31 and standard deviation of 0.70 shows that the participants hold the belief that risk management is critical to long-term financial health. Risk mitigation is an active process that allows organizations to secure their assets and maintain long term operational sustainability.

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RESEARCH QUESTIONNAIRE

TOPIC: THE RELATIONSHIP BETWEEN INTERNAL CONTROLS AND RISK MANAGEMENT IN PUBLIC SECTOR INSTITUTIONS: A CASE STUDY OF UGANDA CLAYS LIMITED

Dear Sir/Madam,

I am Ninsiima Grace, a student at Uganda Christian University (UCU) pursuing (BSAF). I am conducting a study on the relationship between internal controls and risk management at Uganda Clays Limited. Your responses will be confidential and used only for academic purposes.

SECTION A: BIODATA

Instructions: Tick or write answers in full where applicable.

Gender:

a) Male

b) Female

Age bracket (years):

a) Below 25 years

b) 26-35 years

c) 36-45 years

d) 46-55 years

Educational Level:

a) High School

b) Diploma

c) Bachelor's Degree

d) Master's Degree

Others (please specify): _____

Years of Service at Uganda Clays Limited:

a) Less than 1 year

b) 1-3 years

c) 4-6 years

d) 7-9 years

e) 10 years and above

Position Held:

a) Manager

b) Assistant Manager

c) Senior Staff

d) Finance Officer

e) Other (please specify): _____

SECTION B: THE EFFECTIVENESS OF INTERNAL CONTROL AND RISK MANAGEMENT IN PUBLIC SECTOR INSTITUTIONS

Instructions: Rate your agreement with the following statements regarding internal controls.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
1. Internal control systems at Uganda Clays Limited are effective in ensuring accurate reporting.					
2. Internal controls minimize the risk of fraud in the organization.					
3. Regular training on internal controls is conducted.					
4. Management actively supports and enforces internal control measures.					
5. The internal control system is regularly reviewed and updated as needed.					

SECTION C: IMPACT OF RISK MANAGEMENT PRACTICES

Instructions: Rate your agreement with the following statements regarding risk management practices.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
1. Risk management practices at Uganda Clays Limited enhance operational efficiency.					
2. Effective risk management reduces financial losses for the organization.					
3. Risk assessments are regularly conducted and results are acted upon.					
4. Integration of risk management into business strategy is prioritized.					
5. Employees are trained on risk management practices.					

SECTION D: INTEGRATION OF INTERNAL CONTROLS AND RISK MANAGEMENT

Instructions: Rate your agreement with the following statements regarding the integration of internal controls and risk management.

Statement	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
1. There is a clear alignment between internal controls and risk management strategies.					
2. Communication between departments regarding internal controls and risk management is effective.					
3. Technology is leveraged to enhance the integration of both internal controls and risk management.					
4. The organization has defined procedures for integrating internal controls and risk management.					
5. Management regularly assesses the effectiveness of the integration of internal controls and risk management.					