INTERNAL CONTROL AND ORGANIZATIONAL PERFORMANCE OF DALDHIS
CONSTRUCTION COMPANY, SOMALIA

BY

ABDIRAHMAN MOHAMED AHMED

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ABSTRACT

This study carried out an investigation on the role of internal control in influencing organizational performance of Daldhis Construction Company of Mogadishu, Somalia. The objectives of the study were 1) to examine the internal control procedures at Daldhis Construction Company, Mogadishu, Somalia, 2) to determine the organizational performance levels in at Daldhis Construction Company, Mogadishu, Somalia and 3) to establish whether there is a significant relationship between internal control and organizational performance in at Daldhis Construction Company, Mogadishu, Somalia. The design of the study was descriptive correlational. In data collection the researcher used questionnaires which were divided into three. Section A dealt with profile of respondents, B dealt with internal control and C dealt with organizational performance of the company. The population of the company was 140 and a sample of 104 was arrived at by use of the Slovenes formula. In identifying this sample within the population, simple random sampling, stratified sampling and purposive sampling procedures were applied. Analysis entailed frequencies, percentages, means, standard deviation, t statistic, ranks, charts and interpretations. From the findings, it was clear that the internal control employed in the company were not effective. Additionally, the organizational performance of the company was found to be low and at unacceptable levels. It was also established that there was a relationship between internal control and organizational performance and this was calculated at a value of 0.837 on the Pearson Correlation scale and this denoted a strong and positive relationship. Internal control were also found to significantly influence organizational performance of the company at an R Squared coefficient of 0.701. The study recommended confirmation of transactions, job rotation and training of employees.