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## THE EFFICIENCY EXTENT OF THE INTERNAL CONTROL ENVIRONMENT IN THE PALESTINIAN HIGHER EDUCATIONAL INSTITUTIONS IN GAZA STRIP

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**Abstract-**The purpose of this research is to identify the extent of the efficiency of the internal control environment in the Palestinian higher educational institutions in Gaza Strip from the perspective of employees in the Palestinian universities in Gaza Strip, where researchers used in the study five universities.

The researchers adopted in their study the descriptive and analytical approach. The research community consists of administrative employees and academic employees with administrative duties. Senior management or the University Council was excluded. The study population comprises of (392) employees. A stratified random sample was chosen and (197) questionnaires were distributed. (160) questionnaires were received back with a return rate of (81.2%). The researchers used a questionnaire to collect that which then was analyzed using (SPSS) to get the results.

**The research found the following results:** the absence of a fundamental difference between the responses of males and females. The lack of significant difference between the responses of the respondents attributed

to the variable age. The lack of significant difference between the responses of the respondents attributed to the variable of years of service. And the existence of a fundamental difference between the responses of the respondents attributed to the university variable. The existence of a fundamental difference between the responses of the respondents attributed to the Qualification variable. The existence of a fundamental difference between the responses of the respondents attributed to the administrative level variable.

**The research found a group of recommendations including:** the need to raise awareness of censorship as the basis for the protection of employees in all administrative levels from making mistake. Updating the systems and instructions of control periodically and parallel with the scientific progress and technology. Benefit from regional and international experiences in the application of internal control standards which commensurate with the administrative system of the institution.

**IndexTerms-:** Internal control environment, Palestinian higher educational institutions, Palestinian universities, Gaza Strip.

### I. INTRODUCTION

Control is one of the most important topics of concern to the men of accounting, financial and economic thinking also of interest to men of law and administration as it works to protect the money and calls for the use of the best available economic resources to achieve growth and stability and to ensure the achievement of financial activity of its objectives [13]. Internal Control has witnessed continuous development in its concepts, starting from the look at its importance in protecting assets from theft, misuse, make sure the information is correct, detect irregularities, and wastage, passing through the broader concept, which includes raising the operational efficiency, commitment to implement laws and policies in place, as well as the credibility of the financial reporting and improving the quality of financial reporting and reduce audit, and lost time to reduce costs and minimize losses.

Internal censorship is the regulatory plan and means of coordination used in the project in order to protect its assets adjust the review of accounting data, to ensure its accuracy, to what extent it is reliable, increase sufficient productivity and encourage employees to adhere to the administrative policy laid down [4]. It is also an organized plan and all roads for coordinated action which is used by the legislator management with intent of the protection of the owned asset to ensure the accuracy and integrity of data, information, and increase the degree of reliability, and also to increase operational efficiency, as well as ensuring compliance with established administrative policies[3].

The function of oversight in monitoring the performance of the organization and

activities to ensure the achievement of targeted results, take preventive measures to avoid the appearance of any deviations between the indication of the actual performance and desired performance, and perform corrective actions in case of the emergence of distractions [2].

### II. RESEARCH PROBLEM

In terms of strengthening the principle of preventive censorship and predicted errors before they occur and prevent them, the work to reduce costs and time-bound to the process of correction, and the oversight to be a partner for administrative transparency and supportive of it, number of researchers indicated these points, including - for example - the report issued by the Coalition for Fairness and accountability- Amman[12] in January 2012 about the integrity, transparency and accountability in the Palestinian higher education sector in the Gaza Strip, the environment, as demonstrated findings and recommendations of the existence of shortcomings in the legislation relating to the promotion of integrity and transparency in institutions of higher education number values (11) for the year 1998 where it lacked the law of the list of executive describes the responsibility of universities toward the ministry as well as the responsibility of the ministry to the higher education institutions of the Palestinian national authority, which weakens the system of accountability at the universities. The law is limited to the jurisdiction of the ministry to issue decisions and regulations, which form a lack of legislation regulating the work of higher educational institutions in the Palestinian National Authority. There are no codes of staff of the Palestinian universities in Gaza Strip despite the fact that some universities include bulletins set of standards and values to be observed during the performance of employees' functions and duties. Harb

[17]recommended the activation of the role of the senior leadership in the Palestinian universities to support the principle of transparency by opening the door to the participation of staff and encourage entrepreneurship and innovation[20,21,24].

### III. RESEARCH QUESTIONS

1. What is the extent of efficiency of the internal control environment in the Palestinian universities - Gaza Strip?
2. Are there statistically significant differences in the views of the sample in question about the extent of efficiency of the internal control environment, depending on the demographic variables (gender, age, university, educational qualification, the administrative level, and years of service)?

### IV. RESEARCH HYPOTHESES

**H1:** There were no statistically significant differences at the significance level of  $(0.05 \geq \alpha)$  between the mean response of respondents about extent of efficiency of the internal control environment due to demographic variables (gender, age, university, educational qualification, the administrative level, years of service).

### V. RESEARCH OBJECTIVES

1. Put forward proposals contributing to the increased application of the concept of internal control in the Palestinian universities in Gaza Strip.
2. Identify the concepts and applications of internal controls, and its importance for universities.
3. Identify the extent to which the Palestinian universities have the components of internal control.

4. Detect features which must be available in universities to achieve internal control.
5. Highlight the differences, if any, from the viewpoint of the respondents about the extent of efficiency of the internal control environment in the Palestinian universities in Gaza Strip depending on demographic variables (gender, age, university, educational qualification, the administrative level, and years of service).

### VI. PREVIOUS STUDIES

The study of Al-Qahtani [10] aimed to recognize the reality of management control within the sports clubs. It followed the descriptive method survey manner which included 334 members representing all the members of the boards of directors, managers and administrators of 22 sports clubs. The most important findings of study was that the activation of the internal control methods applied in achieving sports clubs internal control systems got a medium degree of approval for each one. The creation of specialized units to measure the level of achievement for clubs employees and the development of regulatory standards for clubs on a regular basis, and the establishment of a special department to follow up the decisions of the Board with the use of modern techniques in the evaluation of the club level performance, and strengthening the specialized management of internal administrative control sports clubs.

The study of Badawi [13] which aimed to identify the impact of the internal control elements according to the COSO framework to achieve the control objectives in the civil organizations in the Gaza Strip, and then to identify the extent of the evolution of building the internal control systems in the structures of these organizations. The study

has shown a great interest by the civil society organizations operating in Gaza Strip with internal control systems. It turns out that the NGOs consider positively with varying degrees the importance of internal control elements in achieving control objectives, achieving effectiveness, operational efficiency, credibility of the financial reporting activities, promoting compliance with laws and regulations. The control environment variable was the most significant and has the highest impact in achieving those goals, followed by risk assessment variable, regulatory activities variable, information and communication variable, and follow-up variable is ranked last but in general there is a significant effect of the control elements combined to achieve control objectives.

The study of Hollis [18] which aimed to recognize the extent of the benefit to the companies from the obligation to methods for internal control, according to the provisions of the "Oxley" law; as it works to reduce audit risks of both internal and external to maintain the structural composition of capital money, shareholders' equity, and the pursuit of the company's shares are not subjected to vibration in the financial market. Also it focused on assessing the internal control methods applied under this law for the detection of weaknesses. The study concluded that the structural methods of internal control in accordance with the law of "Oxley" affect the strength of the company's shares positively, and reduce the risk of the cost of capital.

The study of Abu Karim and Tnach [5] which aimed to identify the degree of administrative effectiveness contact of the academic leaders in the Jordanian public universities for the academic year 2004/2005 and to identify whether there is a difference in the degree of effectiveness of the administrative contact depending on the

variables: (gender, college, administrative level, university). The author of the study used a questionnaire a population of 306 members, including 18 presidents/ vice presidents, 73 dean, 215 head of an academic department. The research has come to the presence of a medium degree of effectiveness of the administrative contact in the academic leaders in the Jordanian public universities.

The study of Shaheen [19] which aimed to highlight the importance of internal controls and to clarify the role they play in achieving the goals of the civil organizations through its functions and powers analysis, factors affecting internal control such as: organizational structure, methods of regulations, performance evaluation, communication, in addition to measuring the extent to which controlling regimes applied within the NGO to achieve its objectives and the extent of their contributions to the reduction of the negative phenomena inside. The sample is composed of 120 civil organizations in Gaza Strip working in different areas of social and development. The study concluded that the most important results of a positive relationship between the availability of the elements of internal control and achieving their goals, and that the internal control systems applied in the civil organizations in Gaza Strip achieve its objectives. One of the main recommendations of the study: Training elements capable of carrying out compliance performance according to scientific bases and sound process, the development of certified work of subordinates guide to achieve the control objectives with much accuracy, flexibility and proficiency. It also recommended the continuous updating of the ways methods of regulations used in the implementation of oversight functions, including the required by the nature of the work.

The study of (Dahmash, and Abu-Zer, 2005), which aimed to stand on the importance of controls and internal audit, especially in the IT environment because the modern world is characterized by a high degree of complexity and interdependency specially the change in the economic, financial, and accounting matters auditing, as a result of rapid and successive technological developments methods and tools of production, the methods and means of communication, information systems and its transfer, as well as the emergence of new organizational forms, multinational companies, which increased competition and gravity necessitating to take quick and effective decisions, so that the organization can continue to compete and maintain advantages in the market, which requires the availability of current and accurate information to assist in making rational economic decisions. This requires building an information system designed to identify the type and volume of data, and how it was collected, processed, and analyzed, also the presence of effective control, and auditing their output when the raw data is converted into useful and reliable information for decision-making and performance evaluation.

## VII. RESEARCH IMPORTANCE

The importance of research in the importance of its subject, it is of interest to researchers and scholars, as there is an urgent need to push for an internal control system according to a scientific and practical and clear methodology. It can highlight the importance of research through:

1. The study of the efficiency extent of the internal control environment in the Palestinian universities in Gaza Strip.
2. This research is the first research, which studied the internal control environment at universities.

3. This study is important as the subject matter that is characterized by modernity, scientific, and practical excellence.
4. This study provides data to help researchers and scholars in this field.
5. Drew the attention of Palestinian university management to the importance of the practice of internal control because of its role in the institutional development of the academic performance and the raise of the profile of the university at the local and regional level.
6. Provided scientific and practical recommendations for Palestinian universities to help in achieving internal control.

### A. Research limits

**Place Limitations:** the study was conducted on the Palestinian universities in Gaza Strip, two of which is public, two private, and one is governmental university.

**Human limit:** The study was conducted on the administrative and academic with administrative post of Palestinian universities in Gaza Strip.

**Time limitation:** The study, data collection, and statistical analysis were done during the year (2017).

**Subject (Academic) Limitation:** Study the efficiency extent of the internal control environment in the Palestinian higher educational institutions in Gaza Strip from the perspective of employees in the Palestinian universities in Gaza Strip.

### B. Research Content

The study is divided into theoretical and practical frameworks. Theoretical framework includes the research variable, internal control, and the practical framework is a survey of the views translated into a questionnaire targeted to employees in universities in Gaza Strip, with the analysis

of the collected data to produce useful results that can be indeed applicable.

### VIII. THEORETICAL FRAMEWORK

#### A. *Internal Control*

The construction of the internal control systems is essential for the purpose of achieving management specific control objectives, efficiency of operational activities, reliability of financial reporting, and compliance with laws and regulations [11]. The system of internal control is a set of processes, functions, activities, subsystems, and the people who came together or were dismissed in order to ensure the achievement of the purposes and objectives [15, 22, 23].

It is defined procedurally for this study as systems operating within the administrative unit, whether this unit is service-or product oriented where management adopt these systems as a means of protection and prevention and treatment for each error or deviation cases and provide administrative and reliable financial information as they provide a high degree of reliability, which would contribute to the promotion of administrative transparency and the ability to make proper administrative decisions in a timely manner.

Since the concept of control is a management tool that can be relied upon to regulate the conduct of matters movement in the organization, according to the tracks that define them to achieve the desired goals and to ensure this, the concept of internal control institutions has emerged, which cares mainly in the extent of the commitment of the processes involved in the implementation mechanism. On the basis of faith in the modern management of the importance of the services performed by the internal control, organizations have accorded great importance in it [1, 25, 26].

As these collapses and crises followed by many raised questions on the part of the beneficiaries on the role of internal control in the reduction of these collapses, which has led many companies to create separate departments of internal control while working to support qualified talented human to enable them to achieve the objectives with the required efficiency [9].

Dahmash [16] and Al-Azmi [6] point that effective internal control process must contain the following elements:

1. Clear and logical plan for regulatory functions that represent the obvious outline of the responsibilities of each organizational unit and its staff, with the need to separate the different functions (authorization, financing, operation and registration and retention of assets and money).
2. Adequate financial system for the operations and activities to identify financial relations with a clear and reasonable procedures to record the results of these transactions and activities.
3. The existence of sound administrative practices which enable performing tasks, functions and duties of each administrative unit and every person inside it effectively.
4. The existence of clear criteria for quality performance to the work of staff in different levels.
5. Having the right person in the right place who is equipped with the ability, competence, experience, and adequate training to do the work entrusted to him satisfactorily.
6. The existence of a good internal audit system based on effective professional foundation and independent of the functions subject of auditing.

The internal control systems is the safety valve to ensure that the economic unit in accordance with the laws, policies, and procedures adopted to provide products and services with high quality and high degree of efficiency, effectiveness, and asset protection from abuse or use by adopting information systems (accounting and administrative) from which to provide correct, certified, and reliable financial and administrative information [8].

The control environment is set of standards, processes, and structures which are mainly for the application of internal control within the organization, where the Board of Directors establish the general framework on the importance of internal controls, including the performance of the expected behavior standards, strengthen governance of expectations at all levels within the organization and include the control, integrity, and ethical values of the organization environment which the barometer of the Governing Council towards governance, the distribution of powers and responsibilities in the organizational structure as well as the process of attracting and developing qualified personnel and determining performance incentives, bonuses standards to strengthen accountability in the performance, resulting in a broad and comprehensive impact on all internal control systems environment[14].

In a sign of how important this component is (O'leary et al, 2006) conducted a study on four fake companies. He put a strong control system in one of them and the other three system he put less reliable control systems, in assessing the item that the external auditor see as the most important elements when assessing internal control system among the three components (control environment, information systems, and control procedures). The study showed that the control environment was the most important element. Furthermore the study

concluded that the lack of effectiveness of the internal control environment leads to a non-effective internal control system, even if the other four components have good quality[11].

## IX. RESEARCH METHODOLOGY

In order to achieve the objectives of the study, the researchers used the descriptive and analytical approach through which the phenomenon, the subject of research, was described, its data was analyzed, the relationship between its components, the views about it, the processes it include, and its effects. The necessary primary data was collected using stratified random sample. The calculated sample size was (160) employees.

Population and study sample: The study population consists of all administrative employees and academic employees with administrative duties. The senior management or the University Council was excluded. The targeted employees are the ones who have supervising positions with numerous administrative titles depending on the type of university. The researchers has an inventory of (392) position names.

The selection of this sample was because it easy to reach them and they are aware of what the concept of internal control. It is evaluated by top level management in addition to the ones they are evaluating those who are under their command and they are required to provide the necessary information to those that under their command.

The following table shows the administrative titles according to the universities and the number of members of the community, divided into universities:

**Table 1:** census of workers in the universities

University	Total
Palestine university	42
Islamic university	127
Al-Azhar university	95
Al-Aqsa university	113
Gaza university	15
<b>Total</b>	<b>392</b>

**Source:** administrative affairs at universities in question, 2017.

## X. RESULTS OF STATISTICAL ANALYSIS

The study presents the analysis of data and hypotheses test, by answering the study questions and review of the most important results of the questionnaire, which was reached through analysis of the paragraphs, stand on the demographic variables. So statistical treatment of the data collected from the questionnaire was conducted. The Statistical Package of Social Studies (SPSS) was used get the study results that were presented and analyzed.

The following statistical tests were used:

1. Frequencies & Percentages: to describe the study sample.
2. SMA and relative SMA.
3. Cronbach's Alpha Test to determine the stability of the paragraphs of the questionnaire.
4. Kolmogorov-Smirnov Test to examine whether the data follow a normal distribution or not.
5. Pearson Correlation Coefficient test to measure the degree of correlation: This test is based on the study of the relationship between two variables. Researchers have used it to calculate the internal consistency and structural validity of the questionnaire as well as to study the relationship between the fields.
6. T-test in the case of one sample to see whether the average of the response has reached 5.5, more, or

less. The researchers used it to make sure the average significance of each paragraph of the questionnaire. It has also been used Mann-Whitney Test for the same purpose in the case of data that do not meet parametric condition.

7. Kruskal-Wallis Test was used.

### A. Examining the reliability and validity of the tool

Reliability of the tool means that the tool gives the same result if it was redistributed again under the same circumstances and conditions, or in other words: stability in the results of the tool and the results do not change significantly if was re-distributed to the sample a few times during certain periods of time.

**Table2:** the results of Cronbach's alpha testing which measure the stability of the overall questionnaire



Paragraph	Cronbach's Alpha if Item Deleted
Internal control system provides a description and functionally defines the powers, duties, the degree of knowledge, and skill to perform the work efficiently and effectively in the university	0.777
Internal control check compliance with laws, regulations, instructions, policies and regulations that encourage employees at the university to adhere to moral values in the performance of the tasks assigned to them.	0.777
Internal controls contribute to the commitment that each employee works under the direct supervision responsibly.	0.801
University demonstrates its commitment to attract, develop distinctive and qualifying elements in line with targets.	0.816
Impose strict and deterrent penalties by the management responsible for the university when the discovery of irregularities indicates manipulation of business performance.	0.835

The results indicated by (SPSS) program that the Cronbach's alpha coefficient was 0.835, which indicates a high reliability as the accepted ratio between statisticians is 0.60.

Values under the column (Cronbach's Alpha if Item Deleted) in table 2 if any paragraph is deleted would not lead to an increased in the stability of study tool (all values less

than 0.835), indicating that the paragraphs are appropriate in the tool.

*B. Validity scale:*

**Internal Validity**

Internal Validity means: the consistency of each paragraph of the tool with the axis it belongs to this paragraph, calculated by finding the correlation coefficients between each paragraph of the field of the tool, and the total score of that field.

**Table3:** the correlation coefficient between each paragraph and total score of axis

Paragraph	Pearson Correlation	Sig.
Internal control system provides a description and functionally defines the powers, duties, the degree of knowledge, and skill to perform the work efficiently and effectively in the university	0.869**	0.000
Internal control check compliance with laws, regulations, instructions, policies and regulations that encourage employees at the university to adhere to moral values in the performance of the tasks assigned to them.	0.859**	0.000
Internal controls contribute to the commitment that each employee works under the direct supervision responsibly.	0.806**	0.000
University demonstrates its commitment to attract,	0.748**	0.000

develop distinctive and qualifying elements in line with targets.		
Impose strict and deterrent penalties by the management responsible for the university when the discovery of irregularities indicates manipulation of business performance.	0.512**	0.000

\*\* Correlation is significant at the 0.01 level (2-tailed).

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**Structural Validity**

Construct validity is the extent to which a test measures the concept or construct that it is intended to measure and shows the relevance of each field of study with the overall degree of the tool paragraphs [7,27,30,31].

**Table4:** the correlation coefficient between each degree of questionnaire axes

Pivot	Pearson Correlation	Sig.
Internal Environment	.912**	0.000

\*\* Correlation is significant at the 0.01 level (2-tailed).

Table (4) shows the correlation between the degree of each axis of the tool axes and it shows that the correlation coefficient is significant at the level ( $0.05 \geq \alpha$ ). That assures the structural validity.

**Reliability of the tool**

Reliability of the tool means that the tool gives the same result if it was redistributed again under the same circumstances and conditions, or in other words: stability in the results of the tool and the results do not change significantly if was re-distributed to the sample a few times during certain periods of time[7,28,29].

**Table5:** Cronbach's alpha testing results which measure the stability of the overall questionnaire

Paragraph	Cronbach's Alpha if Item Deleted
Internal control system provides a description and functionally defines the powers, duties, the degree of knowledge, and skill to perform the work efficiently and effectively in the university	.934
Internal control check compliance with laws, regulations, instructions, policies and regulations that encourage employees at the university to adhere to moral values in the performance of the tasks assigned to them.	.934
Internal controls contribute to the commitment that each employee works under the direct supervision responsibly.	.934
University demonstrates its commitment to attract, develop distinctive and qualifying elements in line with targets.	.934
Impose strict and deterrent penalties by the management responsible for the university when the discovery of irregularities indicates manipulation of business performance.	.939
Internal controls provide information to individuals in time to	.930

enable them to pursue their responsibilities efficiently and effectively.	
Internal control provides communication channels efficiently and effectively to the process of the transfer of information and data.	.931
Management provides the best administrative contact methods.	.931
Internal controls provide the necessary administrative information for the process of decision-making.	.926

The results indicated by (SPSS) program that the Cronbach's alpha coefficient was 0.938, which indicates a high reliability as the accepted ratio between statisticians is 0.60.

Values under the column (Cronbach's Alpha if Item Deleted) in table 5 if any paragraph is deleted would not lead to an increased in the stability of study tool (all values less than 0.938), indicating that the paragraphs are appropriate in the tool[32,33].

*C. Analysis of the sample properties*

**First, demographic data analysis**

Demographic variables (gender, age, job classification... etc.) was analyzed using (SPSS) program and the results are described in the following tables:

**Table 6:** Statistical description of the sample according to demographic variables (n = 160)

Characteristics and personality traits		Administrators and academics with administrative position	
		Frequency	Percent
Gender	Male	126	78.8
	Female	34	21.3
Age	Less than 30 Years	20	12.5
	30-40 Years	71	44.4
	41-50 Years	41	25.6
	Greater than 50 Years	28	17.5
University	Al-Azhar university	41	25.6
	Islamic university	48	30.0
	Al-Aqsa university	44	27.5
	Palestine university	20	12.5
	Gaza university	7	4.4
Education	Diploma	14	8.8
	Bachelor	78	48.8
	Master	44	27.5
	PhD	24	15.0
Managerial Class	Associate Dean	6	3.8
	H.Acad	16	10.0
	Coordinator	14	8.8
	Director	54	33.8

	Acting Director	7	4.4
	Assitant Director	20	12.5
	H.Admin	43	26.9
Experience	Less than 3 Years	9	5.6
	3-9 Years	34	21.3
	10-14 Years	55	34.4
	15-19 Years	43	26.9
	Greater than 20 Years	19	11.9

The previous table shows that 78.8% of the sample is males, while the remaining 21.2% is the females. The researchers attribute the rise in the number of males over females between the university staff that the Palestinian labor market is the masculine market primarily; where jobs tend to favor male, and this was confirmed by the results of the Palestinian Central Bureau of Statistics to the low percentage of women in the labor market in its annual report entitled: women's and men's statistics in Palestine: issues and statistics, that the participation of men in the labor force increased by more than four times the participation of women during the period 2001 - 2010 (Palestinian Statistic Center, 2011, p. 53).

12.5% of the sample aged less than 30 years, 44.4% in age from 30 to less than 40 years, 25.6% aged from 40 to less than 50 years, while 17.5% of respondents over the age of 50 years. The researchers attribute this result to the Palestinian universities in the orientation to take advantage of the young energetic persons in the Palestinian society, which carries with it the ability for development, the ability to receive training, and refinement in various fields.

25.68% of the sample is employees of the Al-Azhar University, 30.0% are employed at the Islamic University, 27.5% are employed in the Al-Aqsa University, 12.5% are employees in the University of Palestine, and 4.4% are employed in Gaza University. That reflects the reality of the size of

Palestinian universities through the workers in these universities.

8.8% of the sample has a diploma, 48.8% has a Bachelor's degree, 27.5% has Master's degree, while 15.0% has doctoral degree and this is a reality that the Palestinian universities seek to attract and appoint people with high degrees which are reflected on university scientific excellence.

3.8% of the studysampleis of class (deputy or assistant) Dean, 10.0% is the heads of academic departments, 8.8% has name of coordinator, 33.8% are working under the name of director, 4.4% under the named acting Director, 12.5% are carrying the name of assistant director, while the name of the head of the administrative department by 26.9%. The researchers attribute this increase in managers and department heads relative to the large administrative burden, in addition to the administrative work is an important pillar of the quality of the output of universities where this result agreed with the study ofHarb [17] in terms of the distribution of administrative terminology.

5.6% of the sample has at least 3 years of practical experience, 21.3% is ranging from 3 to 9 years of practical experience, 34.4% is ranging from 10 to 14 years of practical experience, 26.9% is ranging from 15-19 years of practical experience, and 11.9% has more than 20 years of of practical experience. The researchers attribute the low percentage of the category of less than 3 years of experience in the slow process of recruitment and absorbing new workers.

**Second- analysis of the paragraphs of the questionnaire**

**1. Normal distribution test of data:**

Kolmogorov-Smirnov Test was used to examine the extent of matching data to normal distribution, and the results are as shown in Table 7.

**Table7:** the results of the normal distribution of the data test (KolmujrovSamaranov)

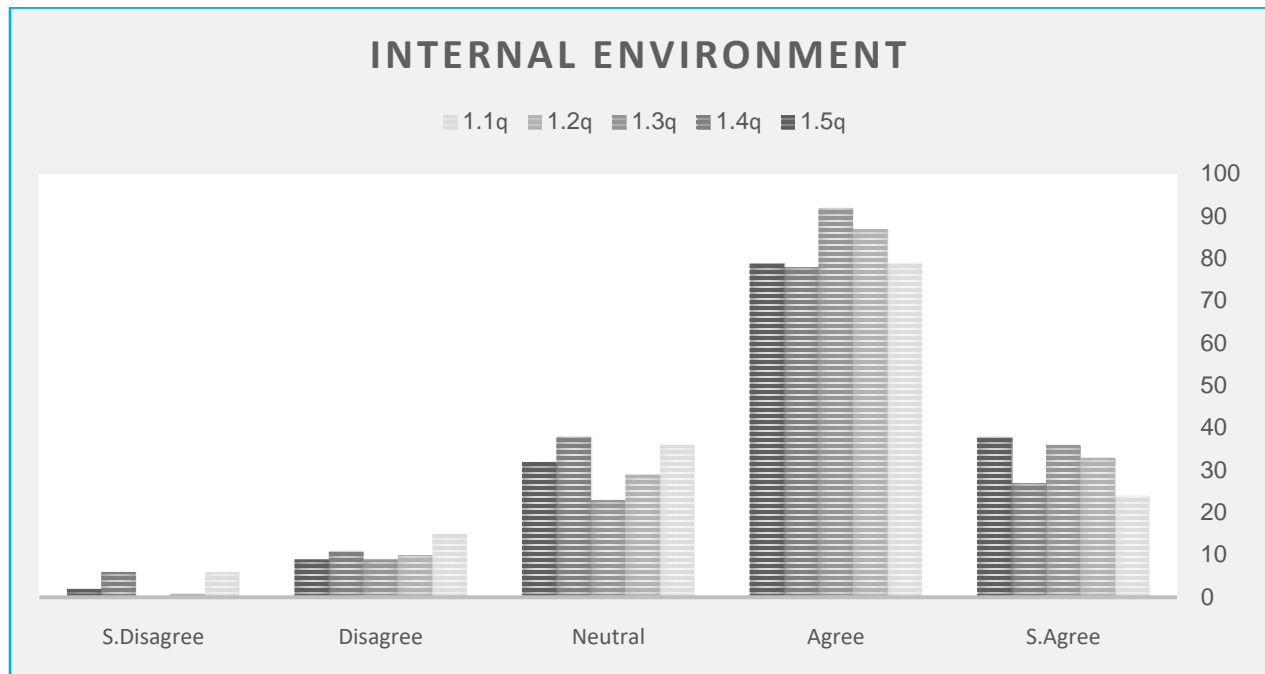
Pivot	Mean	St. Dev.	K-S	Sig.
Internal Environment	7.0359	1.40804	1.848	.002

KolmugerovSamaranov test results indicate that the total score for the whole questionnaire does not follow a normal distribution. It means that non-parametric tests will be used for in analyzing the results later.

**2. The arithmetic mean test of the paragraphs**

The researchers tested the paragraphs of the study using the (t) test to see if the average degree of the response to the point of neutrality, which is 5.5, or not. It

corresponds to the option (neutral) by decimal gradient. Depending on the (Sig.) value for each paragraph of the questionnaire if it is greater than 0.05 according to the results of (SPSS) program, it would be in this case the average views of respondents about the phenomenon under study does not differ substantially from neutral; but if it is less than 0.05, the average views of respondents fundamentally different from the degree of neutrality.



**Figure 1:** iterations answers to the first axis (the internal control environment)

**Source:** Prepared by researchers based on statistical data

**Table 8:** tested the arithmetic mean of the axis of the internal control environment

Test Value = 5.5					
Paragraph	Mean	St. D.	t-value	Sig.	Order
Internal control system provides a description and functionally defines the powers, duties, the degree of knowledge, and skill to perform the work efficiently and effectively in the university	6.66	1.923	7.648	.000	5
Internal control check compliance with laws, regulations, instructions, policies and regulations that encourage employees at the university to adhere to moral values in the performance of the tasks assigned to them.	7.22	1.612	13.484	.000	3
Internal controls contribute to the commitment that each employee works under the direct supervision responsibly.	7.44	1.524	16.129	.000	1
University demonstrates its commitment to attract, develop distinctive and qualifying elements in line with targets.	6.82	1.801	9.262	.000	4
Impose strict and deterrent penalties by the management responsible for the university when the discovery of irregularities indicates manipulation of business performance.	7.28	1.657	13.601	.000	2

The significance (Sig.) indicates that all average values of the paragraphs differ substantially from the value of neutrality (5.5) in favor of approval and strong approval.

*D. Testing Research Hypothesis*

**Differences tests**

**Table9:** Average respondents responses

Demographic variables		Internal Environment
<b>Gender</b>	Male	6.98
	Female	7.21
<b>Age</b>	Less than 30 Years	6.82
	30-40 Years	6.98
	41-50 Years	7.18
	Greater than 50 Years	7.08
<b>University</b>	Al-Azhar university	6.36
	Islamic university	7.65
	Al-Aqsa university	6.84
	Palestine university	7.28

	Gaza university	7.17
<b>Education</b>	Diploma	7.55
	Bachelor	6.81
	Master	6.89
	PhD	7.70
<b>Managerial Class</b>	Associate Dean	8.45
	H.Acad	6.90
	Coordinator	7.73
	Director	6.88
	Acting Director	7.21
	Assistant Director	7.00
	H.Admin	6.83
<b>Experience</b>	Less than 3 Years	6.88
	3-9 Years	6.95
	10-14 Years	7.31
	15-19 Years	6.84
	Greater than 20 Years	6.86

It previously was concluded that the respondents' responses are not subject to normal distribution, according to KolmejrovSamaranov test results, so nonparametric tests will be applied in the test for the differences.

**Table10:** the difference test (Mann-Whitney Test) attributable to gender

Gender	N	Mean Rank	Sum of Ranks	Mann-Whitney	Sig.
Male	126	78.67	9912.00	1911.00	.334
Female	34	87.29	2968.00		
<b>Total</b>	160				

As the (Sig.) value is greater than the level of significance, we accept the null hypothesis (Ho) and that means there is no substantial difference between the responses of male and female responses[33].

**Table 11:** the difference test (Kruskal-Wallis) attributable to age

Age	N	Mean Rank	Chi <sup>2</sup>	df	Sig.
<30 Years	20	75.18	.746	3	.862
30-40 Years	71	78.76			
41-50 Years	41	83.17			
>50 Years	28	84.80			
<b>Total</b>	160				

As the (Sig.) value is greater than the level of significance, we accept the null hypothesis (Ho) and that means there is no substantial difference between the responses of the respondents attributed to the variable age[35].

**Table 12:**the difference test (Kruskal-Wallis) attributable to the university

University	N	Mean Rank	Chi <sup>2</sup>	df	Sig.
Al-Azhar University	41	61.85	19.601	4	.001
Islamic University	48	101.09			
Al-Aqsa University	44	69.97			
Palestine University	20	91.15			
Gaza University	7	84.29			
<b>Total</b>	160				

As the (Sig.) value is less than the significance level, we reject the null hypothesis (Ho) and that means that there is a fundamental difference between the responses of the respondents attributed to the university variable[33,34,35].

**Table 13:** the difference Test (Kruskal-Wallis) attributed to the Qualification

Education	N	Mean Rank	Chi <sup>2</sup>	df	Sig.
Diploma	14	98.57	9.013	3	.029
Bachelor	78	74.65			
Master	44	73.93			
PhD	24	101.02			
Total	160				

As the (Sig.) value is less than the significance level, we reject the null hypothesis (Ho) and that means that there is a fundamental difference between the responses of the respondents attributed to the Qualification variable[27,29].

**Table14:**the difference test (Kruskal-Wallis) attributable to the administrative

Managerial Class	N	Mean Rank	Chi <sup>2</sup>	df	Sig.
Associate Dean	6	125.50	13.287	6	.039
H.Acad	16	75.25			
Coordinator	14	108.46			
Director	54	79.22			
Acting Director	7	84.21			
Assitant Director	20	74.03			
H.Admin	43	71.08			
Total	160				

As the (Sig.) value is less than the significance level, we reject the null hypothesis (Ho) and that means that there is a fundamental difference between the responses of the respondents attributed to the administrative level variable[33,34].

**Table15:**the difference test (Kruskal-Wallis) attributable to variable years of service

Experience	N	Mean Rank	Chi <sup>2</sup>	df	Sig.
<3 Years	9	69.00	6.278	4	.179



3-9 Years	34	78.72			
10-14 Years	55	91.88			
15-19 Years	43	69.73			
>=20	19	80.55			
<b>Total</b>	160				

As the (Sig.) value is greater than the level of significance, we accept the null hypothesis (H<sub>0</sub>) and that means there is no substantial difference between the responses of the respondents attributed to the variable years of service[28,29,30,31,32,33,35].

**XI. RESEARCH RESULTS**

1. Control environment is considered the most important function of the administrative process through which the quality of performance are ensured, and processes are improved to provide output with a high standard to stakeholders.
2. The results of the statistical analysis of the internal control environment that we are heading towards approval and strong approval as the Sig. is less than 0.05 and that the arithmetic mean of each paragraph in addition to test for the differences between the SMA and the value of neutrality. It is clear that the fundamental difference between the value of neutrality and the average of each paragraph of the axis at the level of (0.05).
3. As the (Sig.) value is greater than the level of significance, we accept the null hypothesis (H<sub>0</sub>) and that means there is no substantial difference between the responses of male and female responses. The lack of significant difference between the responses of the respondents attributed to the variable age. The lack of significant difference between the responses of the

respondents attributed to the variable of years of service.

4. As the (Sig.) value is less than the significance level, we reject the null hypothesis (H<sub>0</sub>) and that means that there is a fundamental difference between the responses of the respondents attributed to the university variable. The existence of a fundamental difference between the responses of the respondents attributed to the Qualification variable. The existence of a fundamental difference between the responses of the respondents attributed to the administrative level variable.

**XII. RECOMMENDATIONS**

- Spreading awareness as the control environment is the basis for protecting employees in all administrative levels from making a mistake.
- Reload systems and instructions for control periodically and parallel with the progress of technology and science.
- Work on the establishment of a higher council for universities, so the upper policy-making by committee includes people with skills, expertise, and take on the oversight of these policies, in order to regulate the higher education in Palestine.
- Benefit from the regional and international experiences in the application of internal control standards that commensurate with

the administrative system of the institution.

- Conduct training courses for universities employees and spread awareness of the importance of the internal control process and its benefits.

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