

CHAPTER FIVE

CONCLUSION

5.0 INTRODUCTION

This chapter reports the overall conclusions of this study. It begins by highlighting the key results with respect to each of the research objectives. Secondly, it underlines the limitations faced and offers suggestions for further research. Thirdly, the contribution of this study provided. The chapter ends by emphasising the implications of the study.

5.1 CONCLUSION OF THE STUDY

This study has three main objectives: (i) to explore the internal control practices in Al-Rahma International Waqf Institution, (ii) to examine the accountability practices in Al-Rahma International Waqf Institution, (iii) to examine the role of these internal control practices playing in enhancing the accountability in Al-Rahma International Waqf Institution.

This is an exploratory study which embraced a positivistic, deductive approach to the research objectives and assesses the internal control (IC) in AL-Rahma International. It emphasises measurement and observation to collect numerical data and proceed from positivistic assumptions. The quantitative approach was adopted in order to gather more information and knowledge of the internal controls in Al-Rahma International. A total of 152 respondents from the management of Al-Rahma

International completed the survey questionnaire. Data were inspected and then analysed using SPSS.

5.2 SUMMARY OF THE RESULT

Based on the research design, the research results are summarised here. The following sections discussed the findings based on the research questions and objectives.

5.2.1 Discussion of Findings of Research Question 1: What are the practices of the operational internal control practices in Al-Rahma International Waqf Institution?

The results indicate that, overall, the practices of internal controls in Al-Rahma are implemented with high efficiency. The findings show that Al-Rahma's environment has an efficient internal control practices and a significant atmosphere of mutual trust. Al-Rahma awards significant priority to risk assessment when implementing activities which indicates that it is aware of the importance of policies and procedures in conducting its activities. The findings show that there is efficient communication between the Al-Rahma's facilities. The findings also show that the internal control practices are monitored and reviewed regularly by Al-Rahma management and corrective action made to the findings and recommendations.

5.2.2 Discussion of the Findings of Research Question 2: What are the practices of accountability in Al-Rahma international Waqf institution?

The findings indicate that, overall, the practices of the accountability in Al-Rahma are virtuous and implemented with high ethics and efficiency. Accountability in

Al-Rahma has been developed by taking several procedures to enhance the practices of the accountability inside and outside Al-Rahma. The findings illustrate that waqf activities in Al-Rahma have been increasing in the past years as a result of the high implementation of accountability practices.

5.2.3 Discussion of Findings of Research Question 3: What is the role of internal control practices in enhancing the accountability in Al-Rahma international Waqf institution?

This question was measured by five main hypotheses. Overall, these hypotheses supported especially in term of the performance accountability practice. The finding shows that first part of the first hypothesis “*H1a: there is a significant impact at ($\alpha \leq 0.05$) of the control environment on the performance accountability practice in Al-Rahma International*” is supported whereas the second part is not supported “*H1: there is a significant impact at ($\alpha \leq 0.05$) of the control environment on the evaluation accountability practice in Al-Rahma International*”. Where the findings show that the second hypothesis is supported by its two parts “*H2a: there is a significant impact at ($\alpha \leq 0.05$) of the risk assessment on the performance accountability practice in AL-Rahma International*” and “*H2b: there is a significant impact at ($\alpha \leq 0.05$) of the risk assessment on the evaluation accountability practice in Al-Rahma International*”.

The findings show that the two parts of third hypothesis *H3a: there is a significant impact at ($\alpha \leq 0.05$) of the internal control activities on the performance accountability practice in Al-Rahma International*” and “*H3b: there is a significant impact at ($\alpha \leq 0.05$) of the internal control activities on the evaluation accountability practice in AL-Rahma International*” are supported. The finding indicates that the fourth hypothesis part one “*H4a: there is a significant impact at ($\alpha \leq 0.05$) of the*

information and communication on the **performance accountability practice** in Al-Rahma International” is not supported whereas the second part “H4b: there is a significant impact at ($\alpha \leq 0.05$) of the information and communication on the **evaluation accountability practice** in Al-Rahma International” is supported.

The last hypothesis is supported by its first part “H5a: there is a significant impact at ($\alpha \leq 0.05$) of the monitoring on the **performance accountability practice** in Al-Rahma International” and not supported by the second part “H5b: there is a significant impact at ($\alpha \leq 0.05$) of the monitoring on the **evaluation accountability practice** in Al-Rahma International”.

By looking to the accountability theory that stated that the mutawalli (manager) of this charitable organisation has responsibilities and obligations to discharge their responsibility by following the best practices (e.g., internal control practices) and inform and explain the action (performance) to the stakeholders, the findings show that accountability theory does not explain the accountability practices in terms of informing and reporting to Al-Rahma International’s stakeholders (managements and donors). On the other hand, it explains the accountability practices in terms of performance and evaluation, which means that Al-Rahma International’s internal control practices are more focused on physical and financial control practices.

5.3 CONTRIBUTION OF THE STUDY

The main contribution of the study is to provide an overall view of the importance role of internal control practices playing in Al-Rahma International Waqf Institution. These areas were not covered by previous studies. Hence, it provides evidence for a better understanding of the internal control practices in Al-Rahma International and its impact on the accountability practices. Hopefully, the results of this

study benefitted donors who are the main element in any non-profit organisation and Waqf. Similarly, this study is advantageous to Al-Rahma International and its beneficiaries. For the Al-Rahma International as an organization could benefit from the findings of this study in assessing the internal control and accountability practices. Which gives better picture and pointing out the areas of which required improvement. Besides, the beneficiaries benefitted from the findings of this study to know how accountable Al-Rahma to them.

Furthermore, this study used a survey questionnaire. Thus, all mentioned research methodology (i.e., review the related secondary data and primary data from questionnaire survey) worked together to provide the broad of directors a picture of the internal control practices, the accountability practices, and the role of these internal control practices in enhancing the accountability in Al-Rahma International. The results of the present study provided significant input to researchers in this field.

5.4 LIMITATIONS OF THE STUDY AND SUGGESTIONS FOR FURTHER RESEARCH

The coverage of this study is limited by the time and resources available for completion a Master thesis. Despite its limitations, considerable effort was conducted in the study to ensure that the objectives of the study were met, and research questions answered.

Firstly, the study examined the internal control practices in Al-Rahma International only. This sample was enough to meet the research objectives of this study. However, further research could be undertaken to study the internal control practices in several Waqf institutions.

Secondly, this study employed a survey questionnaire comprised of 152 questions based on the internal control component and accountability practices. Future research may consider adding more dimensions on accountability and internal control.

Thirdly, this study applied the quantitative research approach. Future research may consider using qualitative or mixed research approach.

