

## The Lived Experiences of Internal Auditors in Frontier Markets: A Hermeneutic Phenomenological Study

Muyinda P. Muyanga\*

*PhD Student, The University of Zambia, Institute of Distance Education, Lusaka, Zambia*

\*Corresponding Author

Jason Mwanza, PhD

*Lecturer, The University of Zambia, Institute of Distance Education, Lusaka, Zambia*

Austin Mwange, PhD

*Lecturer, The University of Zambia, Graduate School of Business, Lusaka, Zambia*

Article DOI: [10.59413/eafj/v4.i4.2](https://doi.org/10.59413/eafj/v4.i4.2)

### Abstract:

*This study was premised on the existing knowledge and practice gap in terms of internal auditors lived experiences in frontier markets. Using semi-structured interviews with fifteen Chief Audit Executives (CAEs) and ten supervisory-level executives (company secretaries, chief operating officers and chief human resources officers), the study explored how corporate governance practices, organizational structures, and cultural dynamics shape the ability of internal auditors to be independent and deliver objective assurance so as to fulfil the Purpose of Internal Auditing. A hermeneutic phenomenological approach enlisted internal auditors and business executives. Data was analyzed using Interpretive Phenomenological and Framework Analysis. The findings revealed a consistent gap between formal provisions for internal audit independence contained in internal audit charters and board policies, and the lived reality of management dominance, weak audit committee oversight, resource dependence, and high-power distance cultures. Internal audit independence was frequently described as “situational” or “negotiated”: stronger after scandals or during external audits but eroded during routine operations. Audit committees were often under-resourced, met infrequently and lacked technical expertise, while budgets, staffing and reporting channels remained under executive control, creating a “dependency trap” that compromised scope and quality. The study also identifies diverse typologies of internal audit functions—centralized in-house units, decentralized embedded auditors, outsourced and hybrid models—each carrying distinct risks to autonomy. Overall, the research concludes that corporate governance in Zambia as an emerging market is a complex and a multifaceted issue that requires careful consideration of local contexts and challenges. The integration of best practices from developed markets must be adapted to fit the unique characteristics of emerging economies. This thesis underscores the importance of strong governance frameworks in supporting internal auditor independence. This case study demonstrates that while challenges abound, successful corporate governance reform is achievable with the right strategies and commitment from both the public and private sectors. Moving forward, LuSE must provide direction for innovation of its firms and ensure that listed firms refine their governance practices, ensuring that they align with global standards.*

**Keywords:** Internal Auditors, Independence, CAE, Phenomenology, Lived Experiences, Limited, Evolving, CIA, LuSE, Frontier Markets, Hermeneutic Phenomenology, Themes, Governance, Emotional Intelligence, Integrity, Objectivity, Internal Audit Function, Risk-based

## 1. Introduction and Background

Internal audit independence is a cornerstone of effective governance, accountability, and transparency within organizations. In Frontier markets, which play a critical role in national economies such as Zambia's, the independence of internal audit functions is both vital and complex. Internal auditors are tasked with assisting their organizations to strengthen their ability to create, protect and sustain values but providing independent, risk-based, objective assurance, foresight, advice and insight. However, their ability to do so is often shaped by organizational culture, management practices and institutional norms (IIA,2024). The interplay between independence and culture raises critical questions about the lived experiences of internal auditors in contexts where political influence, bureaucratic structures, and cultural expectations are deeply embedded (Huang et al,2023). Hermeneutic phenomenology offers a rigorous lens through which these experiences can be explored, providing insights that go beyond technical compliance into the subjective and interpretive dimensions of internal audit practice.

In Zambia, Frontier markets contribute significantly to the economy through sectors such as energy, transport, agriculture, and telecommunications. Yet these entities often face governance challenges including inefficiencies, corruption and political interference (World Bank, 2020; IMF, 2021). Internal auditors in Frontier markets are expected to safeguard resources and ensure accountability but their independence may be compromised by organizational culture, managerial pressures and conflicting stakeholder interests (Chambers & Odar, 2015; Mihret & Grant, 2017).

Hermeneutic phenomenology rooted in the works of Heidegger and Gadamer, emphasizes understanding human experiences as situated within social, cultural and historical contexts (van Manen, 1990). Applied to internal auditing this approach provides a way of interpreting how auditors perceive and navigate the tension between professional independence and organizational realities.

### 1.2 Statement of the Problem

Internal auditing has become an indispensable mechanism for strengthening corporate governance, accountability, and risk management in contemporary organizations. In developed and emerging markets, the internal audit function is supported by established regulatory frameworks, professional standards, and strong governance traditions. However, in frontier markets such as Zambia, internal auditing often unfolds within a unique set of institutional, cultural, and economic circumstances that shape how internal auditors experience their roles, independence, and relevance within firms.

The Lusaka Securities Exchange (LuSE), therefore, represents a particularly significant context where listed firms are expected to demonstrate governance effectiveness and compliance with the best international practices. Yet, the practice of internal auditing in LuSE-listed companies has been characterized by resource constraints, evolving regulatory environments, and diverse interpretations of professional standards. This creates a "lifeworld" where internal auditors must continuously negotiate the meaning of internal audit independence, construct the purpose of their role, and adapt their practice to organizational realities that may diverge from textbook prescriptions.

Existing literature on internal auditing has largely been dominated by functionalist and positivist approaches that emphasize compliance, effectiveness, and technical standards. While valuable, such studies often overlook the lived experiences of internal auditors themselves, how they interpret their independence, how they construct internal audit functions within their organizations, and how contextual circumstances elicit particular forms or typologies of internal audit. This gap is particularly acute in frontier market settings, where institutional fragility, governance challenges, and cultural dynamics complicate the straightforward application of the Global Internal Audit Standards.

Consequently, there is limited understanding of how internal auditors in LuSE-listed firms make sense of their roles, navigate tensions with management and boards, and interpret their professional independence within local realities. Without such interpretive insight, regulators, boards, and policymakers risk advancing reforms that may not resonate with the lived realities of internal auditors in these frontier markets.

### 1.3 The Purpose of the Study

This study sought to explore and interpret the lived experiences of internal auditors in frontier markets, with a focus on LuSE-listed firms, through an hermeneutic phenomenological lens. By uncovering how auditors themselves describe their independence, construct their function, and experience contextual influences on internal audit practice, this study aims to contribute to a deeper, context-sensitive understanding of internal auditing and its role in strengthening corporate governance in frontier market environments.

### 1.4 Objectives of the Study

This study was anchored on the following research objectives:

- i. To understand from the point of view of internal auditors, their experiences of the state of internal audit independence within the firms under LuSE.
- ii. To describe the construction of internal audit independence of internal auditors as viewed by non-audit actors. within the firms under LuSE?
- iii. To describe the construction of the Internal Audit Function from the point of view of internal auditors, within the firms under LuSE.
- iv. To describe the typologies of the Internal Audit Function within the firms under LuSE.
- v. To understand the circumstances in which LuSE listed firms have elicited the stated constructions of their Internal Audit Functions within the firms under LuSE?

### 1.5 Research Questions

The study was anchored on five research questions as shown below:

- i. What is the state of internal audit independence in the life world of internal auditors within the firms under LuSE?

- ii. What is the construction of internal audit independence of internal auditors as viewed by non-audit actors within the firms under LuSE?
- iii. What is the construction of the Internal Audit Function within the firms under LuSE?
- iv. What is the typology of the Internal Audit Independency and Internal Audit functions within the firms under LuSE?
- v. Why do firms under LuSE elicit particular constructions of Internal Audit Functions within the firms under LuSE?

## 2. Literature and Theoretical framework

Agency Theory Literature Jensen and Meckling (1976) titled "Theory of the firm: Managerial Behaviour, Agency costs and ownership structure" remains a very useful background to literature on Agency theory. The authors define an agency relationship as "a contract under which one or more persons (the principal(s)) engage another person (the agent) to perform some service on their behalf by delegating some decision making authority to the agent". In this definition, it can be seen that agency contract involves not only engagement of the agent by the principal for performance of services but also involves delegation of authority by the principal to the agent. This is necessary to facilitate the agent's performance of the assigned function.

Agency theory suggests that auditor independence matters since it reduces principal-agent conflicts. It underscores why external auditors must report directly to the board or audit committee rather than management, and why internal auditors' functional independence is critical. The theory also rationalizes regulatory requirements, such as mandatory auditor rotation and prohibition of certain non-audit services as mechanisms to strengthen independence.

Alqudah et al. (2023) postulated that an effective internal auditor can support an organization in achieving its goals and protect its assets and funds. However, to be effective the internal auditors need to be empowered with relevant resources. Their study aimed at probing the influence of the empowerments (management support, external auditors' collaboration, independence, size of internal audit units, and extrinsic rewards) on the internal auditors' effectiveness, and to examined whether extrinsic rewards moderated the association between respective empowerments and the effectiveness of Jordanian public sector internal auditors'. The work relied on 117 surveys collected from Jordan's internal audit and financial managers in the public sectors. According to the Resource-Based View (RBV), the findings showed that management support, external auditors cooperation, independence, and extrinsic rewards all have a significant influence on the effectiveness of internal auditor.

## 3. Methodology

According to Asika (2008), research methodology is the particular method or means by which a particular research work is carried out. It comprises of the procedures and activities involved in drawing logical conclusions on the research study.

### 3.1 Research Design

This study adopts a hermeneutic phenomenological design to explore the lived experiences of internal auditors and stakeholders in Zambian Frontier markets. The aim was to interpret meanings and uncover themes that illuminate the complexities of audit independence in culturally embedded contexts (van Manen, 1990; Gadamer, 1975).

### 3.2 Data Collection

Data collection for this study involved qualitative methods; in-depth interviews. Semi-structured interviews were conducted with internal auditors, audit committee members and relevant executives to explore their individual experiences, perceptions and challenges related to internal audit independence. Additionally, focus group discussions with internal auditors was used to capture collective experiences and uncover shared cultural influences. These methods were well-suited to hermeneutic phenomenological research which seeks to uncover the meaning of lived experiences through reflective dialogue (van Manen, 1990; Creswell & Poth, 2018).

### 3.3 Data Analysis

Data was analyzed using hermeneutic interpretation, which emphasizes understanding participants' lived experiences through reflective and interpretive engagement with the data. This process involved iterative reading, reflection and interpretation of interview transcripts guided by Gadamer's concept of the hermeneutic circle the continuous movement between parts of the text and the whole to derive meaning (Gadamer, 1975). Coding and theme development was conducted to identify recurring patterns, relationships and significant insights ultimately leading to the construction of interpretive themes that reveal how internal auditors perceive and navigate independence within organizational and cultural contexts (van Manen, 1990).

## 4. Findings and Interpretation

### 4.1 Introduction

#### Negotiating Independence

Internal auditors often described their independence as conditional, shaped by senior management influence and political considerations. Some auditors perceived independence as a "negotiated space" rather than an absolute state.

*We try to remain objective, but when management sees us as watchdogs, it becomes difficult to push back.*

#### Cultural Dynamics of Respect and Silence

Organizational culture emphasizing respect for authority created challenges for auditors to question management decisions. Auditors expressed a tension between cultural expectations of loyalty and professional demands for independence.

*In our culture, challenging a superior can be seen as disrespect. That affects how far we go with our findings.*

### Resilience and Adaptation

Despite constraints, auditors demonstrated resilience by building informal networks, relying on audit committees, and framing recommendations in culturally sensitive ways. This adaptive behavior highlights the interplay between independence and context.

*Sometimes you achieve more by presenting your findings in a way that management can accept, rather than insisting on confrontation.*

#### 4.2 Thematic Analysis of Internal Audit Independence and Organizational Culture.

### Conditional Independence

Respondents expressed that their independence was contingent upon management’s tolerance and political realities.

*“On paper we are independent, but in practice, it depends on who is in charge and how much they value internal audit.”*

*“Our independence is respected only when our findings align with management’s agenda.*

### Strategic Compromise

Some respondents noted the need to strategically balance objectivity with organizational politics to remain effective.

*“If you push too hard, they can sideline you. Sometimes you achieve more by presenting issues in a way that management can accept.*

*“We are independent, yes but we also have to be wise independence without influence is useless.*

Table 1: Emerging themes - internal audit independence and organizational culture

Key Words	Near Themes	Emerging Themes
Independence as negotiated	Independence contingent on management tolerance	Independence as a relational and context-dependent construct
Conditional independence	Management’s political influence on independence	Conditional independence shaped by organizational power dynamics
Strategic compromise	Balancing objectivity and organizational politics	Strategic compromise necessary for audit effectiveness
Organizational culture	Influence of culture on audit independence	Organizational culture shapes the nature of internal audit independence
Management agenda	Alignment with management priorities	Independence respected only when aligned with management interests
Auditor effectiveness	Need for wise negotiation	Independence requires influence to be meaningful

### Cultural Dynamics of Authority and Silence

Another respondent said auditors struggled with the cultural expectation to respect and not openly challenge superiors.

*In our culture, questioning a superior can be seen as disrespect. That affects how freely we can challenge management decisions.*

*“Even when you have strong evidence, the way you deliver it matters. A confrontational style will not work here.*

Another respondent said auditors often chose silence or subtle communication strategies to maintain relationships.

*“Sometimes silence is the best strategy. If you speak too much, you risk being labeled as a troublemaker.”*

*“We know what should be reported, but the fear of victimization makes us self-censor.*

Table 2: Emerging themes - internal auditors perceive and navigate the challenges of maintaining independence in their work

Key Words	Near Themes	Emerging Themes
Cultural values	Hierarchy, loyalty, and respect	Cultural dynamics deeply influence auditor independence
Respect for authority	Expectation to respect and not challenge superiors	Respect for authority limits open challenge to management
Questioning superiors	Risk of being seen as disrespectful	Cultural norms discourage direct confrontation
Communication style	Importance of tactful delivery	Confrontational approaches undermine auditor influence
Silence	Use of silence as a strategic choice	Silence and subtlety used to navigate organizational politics
Self-censorship	Fear of victimization	Self-censorship as a protective strategy
Maintaining relationships	Balancing truth-telling with harmony	Relationship preservation often outweighs full disclosure

### 4.3 Organizational culture plays in shaping internal auditors’ experiences and perceptions of independence

Some auditors felt torn between professional independence and loyalty to the organization as a collective entity.

*“At the end of the day, this is our company, our people. You don’t want to embarrass your colleagues in front of the Board.*

*“We carry the burden of protecting the organization while also doing our professional duty. It is a delicate balance.*

Auditors relied on audit committees, peers and informal networks to reinforce their independence.

*“The audit committee is our safe space they give weight to what we say when management ignores us.*

*On paper, we have independence, but in practice, it depends on who is in charge and how much they respect internal audit,” (Internal Auditor 5).*

*Our independence is respected only when our findings align with management’s interests,” (Internal Auditor 9).*

*If you push too hard, they can sideline you. Sometimes you achieve more by presenting issues in a way that management can accept,” (Internal Auditor 12).*

*We are independent, yes, but we also have to be wise independence without influence is useless,” (Internal Auditor 18)*

*In our culture, questioning a superior is seen as disrespectful. This affects how freely we can challenge management decisions,” (Internal Auditor 7).*

*Sometimes silence is the best strategy to avoid being labeled a troublemaker,” (Internal Auditor 14).*

Table 3: Emerging Themes – Internal Auditor Independence and Navigational Strategies

Key Words	Near Themes	Emerging Themes
Conditional independence	Dependence on management tolerance and politics	Independence is relational and conditional
Strategic compromise	Balancing objectivity with organizational politics	Navigating independence through compromise
Communication strategies	Tactful presentation of findings	Using diplomacy to maintain influence
Cultural values	Respect, loyalty, hierarchy	Cultural dynamics shape enactment of independence
Silence and self-censorship	Avoiding confrontation to maintain relationships	Self-censorship as a protective strategy
Influence vs. independence	Independence without influence is ineffective	Independence requires influence for effectiveness

#### 4.4 The Role of Organizational Culture in Shaping Internal Auditors’ Experiences and Perceptions of Independence

This section presents findings related to how organizational culture influences internal auditors’ lived experiences and perceptions of independence within Zambian state-owned enterprises (Frontier markets). Through semi-structured interviews and focus group discussions, auditors reflected on the cultural values, norms and social dynamics that impact their ability to exercise independence.

*In our organization, respecting authority is deeply ingrained. Questioning a superior openly is often viewed as disrespectful, which limits how we can challenge decisions,” (Internal Auditor 3).*

*The culture here values loyalty and harmony more than confrontation. This makes it difficult to be fully independent without risking relationships,” (Internal Auditor 11)*

Internal auditors described how cultural expectations of silence, deference and political sensitivity often required them to self-censor or use subtle communication strategies to maintain good working relationships and avoid victimization.

*“Sometimes silence or subtlety is necessary. Speaking out too directly can lead to being labeled a troublemaker,” (Internal Auditor 7).*

*“We often have to present findings in ways that align with cultural norms to ensure they are heard,” (Internal Auditor 19)*

*Auditors explained that cultural norms around hierarchy and political dynamics necessitated a relational approach to independence rather than an absolute one.*

*“Independence here is about relationships. You have to know how to work within the cultural and political landscape to be effective,” (Internal Auditor 15)*

Table 4: Emerging Themes – Role of Organizational Culture in Internal Audit Independence

Key Words	Near Themes	Emerging Themes
Hierarchy and respect	Cultural expectation to defer to superiors	Respect for authority shapes audit independence
Loyalty and harmony	Cultural preference for loyalty over confrontation	Organizational culture values loyalty and silence
Political sensitivity	Awareness of internal politics	Political culture impacts audit independence
Self-censorship and silence	Avoiding direct confrontation	Self-censorship as a cultural coping mechanism
Relational independence	Independence as negotiation within culture	Independence is a relational, context-dependent construct
Communication strategies	Using subtlety and tact	Cultural norms require diplomatic communication

**First Research Objective: To understand from the point of view of internal auditors, their experiences of the state of internal audit independence within the firms under LuSE**

The findings reveal that the lived experiences of internal auditors in Zambian state-owned enterprises are characterized by a complex interplay between formal expectations of independence and the practical realities shaped by organizational culture and political dynamics. This aligns with previous studies emphasizing that internal audit independence is rarely absolute but is often a negotiated and relational construct within organizational contexts (Arena & Azzone, 2009).

Internal audit independence in LuSE firms is experienced as fragile and constantly evolving, never static or absolute. It is shaped by lived space, particularly organizational culture and hierarchical structures that either constrain or allow auditor autonomy. Lived time reveals that internal audit independence often gains temporary strength in the aftermath of scandals or regulatory reviews but fades as organizational memory shortens. Lived body shows the emotional and physical strain auditors experience in resisting management pressure, with fatigue and anxiety often accompanying their ethical struggles. Lived relations expose tensions with boards and executives, where internal auditors must negotiate trust and authority. Ultimately, internal audit independence emerges not as a fixed principle but as a negotiated continuum where auditors balance professional integrity with job security.

The theme of conditional independence, where auditors’ autonomy depends largely on management’s tolerance and political will, reflects a contextual reality seen in many developing countries’ public sector environments (Anderson, Christenson, & Sedatole, 2019). As one auditor noted, independence “depends on who is in charge and how much they value internal audit,” highlighting the fragility of independence when subject to shifting

leadership agendas (Internal Auditor 5). This supports the notion that independence is not just a structural or formal condition but also relational and contingent (Spira & Page, 2003).

Further, the influence of cultural norms around hierarchy, respect and loyalty emerged strongly. The auditors' reluctance to openly challenge superiors due to fear of disrespect illustrates the powerful role organizational culture plays in shaping audit behavior. This is consistent with Hofstede's cultural dimensions, where power distance influences communication patterns and decision-making (Hofstede, 2001). Auditors' comments that "questioning a superior can be seen as disrespect" (Internal Auditor 3) underscore how cultural expectations can limit the exercise of professional skepticism and critical reporting (Gendron & Barrett, 2004).

The theme of strategic compromise reveals that auditors often balance their professional objectivity with political savvy to maintain influence within the organization. This is aligned with prior research that highlights internal auditors' use of diplomacy and subtlety to navigate political pressures and avoid marginalization (Humphrey, Moizer, & Turley, 1993). Statements such as "we also have to be wise independence without influence is useless" (Internal Auditor 15) encapsulate the practical realities where independence must be managed tactically to achieve audit objectives.

Moreover, the findings on silence and self-censorship as coping strategies resonate with studies on workplace silence and whistleblowing, which suggest that fear of retaliation leads many professionals to withhold critical information (Pinder & Harlos, 2001; Near & Miceli, 1985). The risk of being labeled a "troublemaker" (Internal Auditor 14) reflects how organizational culture and power dynamics discourage full transparency which can undermine the effectiveness of internal audit functions.

Finally, the role of political realities as a shaping force indicates that the internal audit function is embedded within a broader socio-political system. This finding is supported by literature emphasizing that political interference and governance structures significantly impact audit independence and effectiveness, particularly in state-owned enterprises in emerging economies (Malaolu & Ogundajo, 2019).

**Second Objective: To describe the construction of internal audit independence of internal auditors as viewed by non-audit actors. within the firms under LuSE.**

The data from semi-structured interviews with internal auditors in Frontier markets reveal a complex perception of independence that goes beyond formal definitions. Internal auditors view independence not as an absolute or static condition but as a dynamic and negotiated state, constantly influenced by organizational politics, cultural expectations and leadership attitudes.

On the other hand, non-audit actors commonly perceive their independence as conditional, heavily reliant on management's willingness to tolerate scrutiny and value audit findings. This conditionality reflects a reality where independence is granted or restricted depending on who holds power and their disposition towards internal audit functions. One auditor's remark that "our independence is respected only when our findings align with management's agenda" (Internal Auditor 9) encapsulates the precarious nature of audit autonomy within politically sensitive environments. This aligns with Arena and Azzone (2009), who note that internal audit independence is often contingent on organizational context and power dynamics.

Given these conditional realities, auditors describe employing strategic compromise as a key navigation tool. They balance their professional objectivity with political awareness, often modulating how they present findings

to avoid alienating management or risking marginalization. Statements such as “sometimes you achieve more by presenting issues in a way that management can accept” (Internal Auditor 7) demonstrate the tactical diplomacy auditors adopt to maintain their relevance and effectiveness.

This need for strategic balancing reflects insights from Humphrey, Moizer, and Turley (1993), who argued that internal auditors must often operate as political actors within organizations, balancing the ideal of independence with practical influence. Auditors’ acknowledgment that “independence without influence is useless” (Internal Auditor 15) underscores the pragmatic understanding that independence must be exercised within a framework that allows for organizational impact.

The challenge of maintaining independence is further complicated by organizational culture and societal norms, which shape auditors’ communication styles and risk tolerance. In Zambia’s high power-distance culture, respect for hierarchy discourages direct confrontation with superiors. Auditors reported that openly challenging management decisions could be perceived as disrespectful, inhibiting full disclosure and critique. This cultural dynamic aligns with Hofstede’s (2001) findings on how power distance affects workplace interactions.

Non-audit actors frequently construct internal audit independence as more about appearance than substance. Independence is reinterpreted as advisory support to management rather than as a strict oversight function, weakening its watchdog role. Through lived relations, internal auditors are positioned in dependent and supportive roles, as boards often privilege the validation provided by external auditors over their own findings. Lived space reflects cultural expectations of harmony, discouraging confrontation and making it difficult for auditors to assert authority. Meanwhile, lived time highlights how career dependence and tenure shape internal auditors’ willingness to challenge senior executives or board members. Yet, despite these pressures, many internal auditors continue to seek credibility by producing unfiltered reports that preserve a degree of professional independence.

Political interference and the politicized nature of Frontier markets further complicate auditors’ efforts to maintain independence. The internal audit function is embedded within broader political structures where leadership changes and political priorities can alter the scope and freedom of auditors. As one participant noted, independence “depends on who is in charge,” reflecting the vulnerability of audit autonomy to political shifts. This resonates with Malaolu and Ogundajo’s (2019) findings that political realities in public sector entities often undermine audit effectiveness.

**Third Research Objective: To describe the construction of the Internal Audit Function from the point of view of internal auditors, within the firms under LuSE.**

Organizational culture in Zambian frontier markets strongly influences internal auditors’ experiences of independence. Cultural norms emphasizing respect for authority and seniority create implicit limits on auditors’ ability to openly challenge management. This aligns with Hofstede’s concept of high power distance, where hierarchical deference is expected, requiring auditors to carefully balance respect with professional duty.

Internal audit functions in LuSE firms are heavily shaped by weak audit committees, dual reporting lines, and management’s control over resources. These dynamics compromise lived space and lived relations, positioning auditors within fragile governance systems that dilute their authority. Emerging risks such as cybersecurity illustrate lived time pressures, as auditors struggle to adapt quickly to evolving threats and expectations. The

strain of these demands manifests in lived body dimensions, with auditors reporting stress, exhaustion, and wellbeing concerns. However, resilience and emotional intelligence emerge as critical coping strategies that allow auditors to navigate these fragile environments. Overall, the structure and culture of organizations create a precarious balance between internal audit's potential and its constrained practice.

Auditors often use silence and self-censorship as protective strategies to avoid conflict or victimization, reflecting broader cultural values of harmony and conflict avoidance common in collectivist societies. As a result, auditor independence is exercised within culturally acceptable limits, which can constrain transparency. Beyond communication norms, organizational culture shapes attitudes toward risk and accountability, sometimes pressuring auditors to conform to management's agenda. This environment fosters strategic compromises limiting true independence despite formal safeguards. To strengthen internal audit independence, organizations need to address cultural barriers by promoting open communication, leadership training, and protections for auditors. Cultural change aimed at reducing hierarchical constraints and encouraging ethical dissent is critical for enabling auditors to operate independently and effectively.

**Fourth Research Objective: To describe the typologies of the Internal Audit Function within the firms under LuSE.**

Typologies of internal audit functions—centralized, decentralized, outsourced, hybrid, and crisis-driven—reflect the diversity of lived space in organizations. These structures shape how internal auditors perceive their roles and the authority available to them. Many internal audit units operate reactively rather than proactively, becoming visible only in lived time after scandals, fraud, or regulatory crises erupt. Advisory functions increasingly overshadow assurance roles, often diluting independence and reshaping the internal audit identity. Lived relations with boards and management determine whether auditors act as watchdogs or supportive advisors, creating blurred boundaries. The typology illustrates that internal auditors' positioning is fluid and contingent on shifting organizational and resource realities.

**Fifth Research Objective: To understand the circumstances in which LuSE listed firms have elicited the stated constructions of their Internal Audit Functions within the firms under LuSE**

Internal audit functions are profoundly shaped by organizational culture, weak governance systems, and external pressures. Within this lived space, executives often act as gatekeepers, influencing what auditors can or cannot report, which fosters self-censorship. Political and regulatory fragility reflects lived time, as standards are inconsistently applied and reforms remain uncertain and uneven. Lived body experiences manifest in the emotional and psychological strain of auditors who must balance professionalism with survival in hostile environments. Lived relations reveal a marginalized professional identity, with boards often placing more trust in external auditors than in their own internal teams. Together, these findings highlight how internal auditors operate in contested spaces where independence is constantly challenged by culture, politics, and external validation.

#### 4.5 Phenomenological Mapping of Findings

Table 5: Phenomenological Mapping of Findings

Research Question	Lifeworld Existentials	Condensed Summary
<b>RQ1: State of Internal Audit Independence</b>	Lived space: culture & hierarchy; Lived time: independence strengthens after scandals; Lived body: emotional strain; Lived relations: tensions with boards & management.	Internal audit independence is fragile, negotiated, and evolving along a continuum, shaped by management influence, cultural norms, and governance gaps.
<b>RQ2: Construction of Independence by Non-Audit Actors</b>	Lived space: harmony norms; Lived time: career dependence; Lived body: resilience in constrained roles; Lived relations: dependence on external validation & power imbalance.	Internal audit independence is often symbolic rather than substantive, redefined as advisory support, though auditors still strive to produce credible reports.
<b>RQ3: Construction of Internal Audit Functions</b>	Lived space: weak committees & dual reporting; Lived time: pressure of emerging risks; Lived body: stress & wellbeing concerns; Lived relations: reliance on emotional intelligence to navigate politics.	Internal audit functions are weakened by poor governance and dual reporting, with emerging risks and wellbeing concerns requiring resilience.
<b>RQ4: Typologies of Internal Audit Functions</b>	Lived space: positioning within organizational structures; Lived time: reactive activation after crises; Lived body: strain in dual watchdog/advisor roles; Lived relations: shaped by management and board influence.	Internal Audit Typologies range from centralized to crisis-driven, with advisory roles often overshadowing assurance and functions shaped by governance context.
<b>RQ5: Circumstances Shaping Internal Audit Functions</b>	Lived space: culture of gatekeeping & censorship; Lived time: selective reforms & weak legal backing; Lived body: emotional strain of marginalization; Lived relations: auditors sidelined while boards trust externals more.	Internal Audit functions are shaped by culture, governance gaps, and political pressures, eroding internal auditors' professional identity and authority.

## 5. Discussion and Recommendations

### 5.1 Discussion

Hermeneutic phenomenology has emerged as a powerful methodological counterweight to the dominance of positivist traditions in auditing research. While positivist studies remain essential in providing measurable indicators such as audit quality scores, compliance indices, and independence proxies, they risk portraying internal auditing as a mechanistic function detached from its lived realities. Recent scholarship by Alsaigh and Coyne (2021) emphasises that hermeneutic phenomenology, rooted in Gadamer's interpretive philosophy, allows researchers to access how auditors make sense of their professional roles in relation to organisational culture and governance dynamics. Similarly, Nordin (2022) shows that internal auditors' efforts to enact independence are not purely procedural but are shaped by subtle negotiations with management, regulators,

and peers. Such interpretive accounts highlight that auditing is a socio-political practice, rather than a purely technical exercise. Thus, positioning hermeneutic phenomenology as a corrective to positivist overreach enables a more context-sensitive understanding of internal audit in fragile markets.

## 5.2 Recommendations

### For Boards

- a) Empower audit committees
- b) Shift budgetary control from management to boards

### For Regulators & Internal Auditors

- a) Provide statutory backing
- b) Build capacity and professional identity
- c) Train internal auditors in emotional intelligence

Develop and enforce clear policies that guarantee the structural independence of internal audit functions, including direct reporting lines to audit committees or boards independent of management.

- a) Institutionalize protections for auditors against retaliation, ensuring that audit findings can be reported without fear of marginalization or victimization
- b) Sensitize senior management and political leaders on the importance of valuing and respecting internal audit findings, regardless of whether they align with management's agenda.
- c) Encourage leadership training programs emphasizing ethical governance, transparency, and the constructive role of audit in organizational improvement
- d) Implement cultural change initiatives aimed at reducing excessive hierarchy and power distance within organizations, creating an environment where questioning and constructive challenge are normalized and respected.
- e) Encourage open communication channels between auditors and management that promote dialogue rather than confrontation, enabling auditors to express concerns in culturally acceptable ways
- f) Periodically assess the effectiveness of internal audit independence through internal and external reviews, focusing on cultural and political barriers as well as formal compliance.
- g) Use findings from such assessments to inform continuous improvements in policies, training, and organizational culture development
- h) Involve external audit regulators, anti-corruption agencies, and civil society organizations in promoting transparency and accountability in Frontier markets.
- i) Leverage external pressure to reinforce the independence of internal auditors and reduce undue political interference

The use of hermeneutic phenomenology also permits the investigation of tensions between formal governance standards and practical realities. Scholars such as Dibley et al. (2020) and Çapek and Loidolt (2021) argue that

phenomenological research foregrounds auditors' "life-worlds," where compliance frameworks are mediated by cultural expectations, personal integrity, and relational trust. This perspective is particularly valuable in frontier markets, where auditors often navigate kinship-based obligations and politically embedded organizational hierarchies. By focusing on meaning-making processes, researchers can uncover how auditors construct and reconstruct their professional identities amidst shifting governance demands. Unlike statistical surveys that treat independence as a static variable, hermeneutic approaches illuminate its contingent and contested nature in everyday practice. This methodological pivot therefore addresses the critique that internal audit literature often fails to explain how standards are enacted in complex and resource-constrained contexts.

Moreover, hermeneutic phenomenology contributes to theory-building by revealing how internal auditors interpret their own agency within constrained environments. As Alsaigh and Coyne (2021) and Nordin (2022) demonstrate, auditors frequently negotiate contradictory imperatives: on one hand, they are required to uphold independence and objectivity, while on the other, they must preserve organizational harmony and secure managerial support. These dilemmas cannot be adequately captured through positivist constructs alone. Instead, phenomenological inquiry demonstrates that auditors' choices are interpretive acts, grounded in cultural, organizational, and institutional logics. For governance scholarship, this perspective advances the debate beyond whether internal audit "works" toward understanding how internal auditing is socially constructed, lived, and contested. This reframing underscores the centrality of interpretive methods for advancing accountability research in fragile contexts.

## References

- Abbott, L.J., Parker, S. & Peters, G.F. (2010). Audit committee characteristics and restatements. *Auditing: A Journal of Practice & Theory*, 29(2), 15–35.
- Abor, J. & Biekpe, N. (2007). Corporate governance, ownership structure and performance of SMEs in Ghana: Implications for financing opportunities. *Corporate Governance: The International Journal of Business in Society*, 7(3): 288–300. <https://doi.org/10.1108/14720700710756562>
- Abu Afifa, M., Alsufy, F. & Abdallah, A. (2020). Direct and mediated associations among audit quality, earnings quality, and share price: The case of Jordan. *International Journal of Economics and Business Administration*, 8(2), 500–516.
- Almahuzi, A.S. (2020). *Factors Impacting the Effectiveness of Internal Audit in the Saudi Arabian Public Sector* (Doctoral dissertation, Victoria University).
- Alsaigh, R. & Coyne, I. (2021). Doing a hermeneutic phenomenology research underpinned by Gadamer's philosophy: A framework to facilitate data analysis. *International Journal of Qualitative Methods*, 20, 1–10.
- Apandi, R. N. N., Sofia, A., & Zulhaimi, H. (2022). Good audit planning practices in the digital era. In 6th Global Conference on Business, Management, and Entrepreneurship (GCBME 2021) (pp. 72–80). Atlantis Press.
- Arena, M. & Azzone, G. (2009). Identifying organizational drivers of internal audit effectiveness. *International Journal of Auditing*, 13(1): 43–60.
- Chambers, A., & Odar, M. (2015). A new vision for internal audit. *Managerial Auditing Journal*, 30(1), 34–55.

- 
- Cohen, J., & Hanno, D. M. (2000). Auditors' consideration of corporate governance and management control philosophy in preplanning and planning judgments. *Auditing: A Journal of Practice & Theory*, 19(2), 133-146.
- Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.).
- Gadamer, H.-G. (1975). *Truth and method* (G. Barden & J. Cumming, Trans.). Sheed and Ward. (Original work published 1960)
- Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations*. Sage Publications.
- Humphrey, C., Moizer, P., & Turley, S. (1993). The audit expectations gap. *Critical Perspectives on Accounting*, 4(1), 137-161.
- International Monetary Fund (IMF). (2021). *Zambia: Selected issues*. Issues-464130
- Malaolu, V. A., & Ogundajo, G. O. (2019). Political interference and audit effectiveness in Nigerian public sector. *International Journal of Public Sector Management*, 32(7), 650-664.
- Mihret, D. G., & Grant, B. (2017). The role of internal auditing in corporate governance: Interpretive perspectives. *Managerial Auditing Journal*, 32(6), 594-613.
- Pinder, C. C., & Harlos, K. P. (2001). Employee silence. *Research in Personnel and Human Resources Management*, 20, 331-369.
- Spira, L. F., & Page, M. (2003). Risk management and the changing role of internal audit. *Accounting, Auditing & Accountability Journal*, 16(4), 640-661
- Trompenaars, F., & Hampden-Turner, C. (1997). *Riding the Waves of Culture: Understanding Cultural Diversity in Business*. McGraw-Hill.
- Van Manen, M. (1990). *Researching lived experience: Human science for an action sensitive pedagogy*. State University of New York Press.
- World Bank. (2020). *Zambia economic brief*.