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Evaluation of the Effectiveness of Internal Control Procedures on the Performance of Microfinance Providers: A Case study of Centenary Rural Development Bank

This study evaluated the effectiveness of internal control procedures on the performance of microfinance service providers. Data used for the study were collected from Centenary Rural Development Bank. Eighty respondents who included branch managers and loan officers (30 branch managers and 50 loan officers) were conveniently selected and interviewed using structured and unstructured questionnaires. Data collected were analysed using both quantitative and qualitative approaches. The results suggest that the effectiveness of internal control procedures has significant positive effects on the performance of microfinance service providers. Based on the findings, the researcher recommends that effective monitoring of the bank internal control procedures should be adequately executed and enforced by senior management to ensure compliance and effectiveness of internal control procedures on the bank's performance.

Key Words: Evaluation, Effectiveness, Internal Control Procedures, Performance, microfinance, Rural, Bank