

Identification of Factors Affecting the Implementation of Internal Audit Software in Commercial Holding¹

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Research Paper

Purpose

This research is applied and of the survey research type, and its purpose is to investigate the factors affecting the implementation of internal audit software systems for better management of commercial holdings accepted in the Tehran Stock Exchange. Considering the necessity of having an internal control system, to increase the accuracy and efficiency of information systems, improve the quality of reporting, achieve the expected goals, carry out activities well in all fields, use resources and assets properly, Fulfilling the responsibility of accountability and accountability by the laws, designing and establishing and using a new internal audit system, based on information technology, to help internal auditors in the process of planning, implement, controlling, completing and directing audit operations. It seems necessary in all organizations. Why the use of internal audit software is not met with success is a reason for reflection and questioning. The research aims to answer this question and to identify the effective factors in the implementation of internal audit software systems and solutions and proposals to remove the existing obstacles through social research.

Past researchers have investigated the relationship between the internal audit and ethical pressures and problems, independence of auditors, organizational factors, computer audit tools and artificial intelligence techniques in this field,

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and the impact of information technology on the productivity of audit institutions. However, no research has been done regarding the implementation of internal audit software in commercial holdings, so the current research can be useful for internal auditors, especially in commercial holdings.

Method

The cognitive method of the research is quantitative and survey-applied. To collect information, the sandbox method was used, and to test the hypotheses of the research, the information obtained from the questionnaire was used. The statistical population of the research is 50 commercial holdings accepted on the Tehran Stock Exchange. The random sampling method is simple, and all members of the sample have an equal chance to be selected. Using the software, 250 questionnaires were distributed among independent auditors, internal auditors, managers, assistants, and financial experts of the aforementioned holdings. By removing distorted questionnaires, 230 questionnaires were finally approved for data analysis. To test research hypotheses, statistical software and coefficients and statistical tests including Pearson's correlation coefficient, regression test, one-way variance analysis, and other related tests have been used. To investigate the effect of independent variables on the implementation of internal audit software, structural equation modeling has been used. All independent variables were entered into the structural model in the form of first-order factor models. Past researchers have investigated the relationship between the internal audit and ethical pressures and dilemmas, independence of auditors, organizational factors, computer audit tools and artificial intelligence techniques in this field, and the impact of information technology on the productivity of audit institutions.

In this regard, research hypotheses are formulated as follows:

1. Government economy has a significant effect on the implementation of internal audit software in commercial holdings.
2. The attitude of managers of commercial holdings has a significant effect on its satellite companies and the implementation of internal audit software in commercial holdings.
3. The knowledge of human resources inside commercial holdings has a significant effect on the implementation of internal audit software in commercial holdings.
4. There is a significant relationship between corporate governance and the implementation of internal audit software in commercial holdings.

Results

Risk assessment and management are one of the results of the internal audit and help management to prevent possible risks. Ensuring the realization of the decisions of senior managers is one of the most important conceptual and

executive axes in internal auditing, and this is proof of the independence of internal auditors and the connection with the highest management levels of the organization.

The findings show that the components of the state economy in the country, the attitude of the managers of commercial holdings, the knowledge of human resources, and the mechanisms of the corporate governance system are effective in the implementation of internal audit software in commercial holdings.

In the state economy, transparency is not very relevant, and the high turnover rate of state managers and the short management time in holdings make infrastructure measures, not a priority. However, the internal audit is a time-consuming thing, and doing it in a holding company is sometimes more than the life of a government manager in a company.

The view of managers is very effective in using audit software; management needs internal auditors to ensure the correctness, accuracy, and reliability of the information provided to external people with his approval. Executive and non-executive managers can use the test and internal audit reports from the control environment in key decisions related to the organization's risk. The use of new technology and software by the internal audit unit creates added value for the company.

The acquisition of commercial holdings by the government and managers appointed by the government is effective in the development of human resources capabilities, and this effect is different from the non-governmental economic sector and senior managers of private-sector enterprises. The lack of ability to recognize and apply new concepts and methods of internal audit and information technology tools and related technology is not only one of the factors of the impossibility of implementing internal audit software, but it is also a result of previous hypotheses.

Conclusion

Internal auditors, as knowledgeable human resources of the company, should increase their knowledge and information in new technologies such as internal audit software. The greater the knowledge of the human resources of the company's internal audit department, especially in the field of using new software and technologies, the more the possibility of using audit software.

Internal auditors are known as the eyes and ears of the board of directors and one of the pillars of the company's management. Effective monitoring of internal auditors using internal audit software leads to the elimination of weaknesses in the corporate governance system. In fact, as his management knowledge and experience increase, organizational maturity is expected to increase under the shadow of capable and experienced managers. The lack of skill and the scientific load of human resources within the organization is one of the obstacles to the implementation of internal audit software in commercial holdings. Also, the

introduction of information technology in auditing results in improving the efficiency and effectiveness of audit operations and reducing the total cost of the audit process, improving the response time and reducing the level of technical information required to perform the audit work, and less experienced auditors can perform the tasks that are Now it is done by senior auditors, at a higher cost, to do it reasonable government economy is one of the factors affecting the use of internal audit software in the company. Therefore, due to the importance of accountability and the accountability process, as well as preventing fraud, and corruption and increasing efficiency and effectiveness, which leads to the provision of public benefits, in public companies, the need to perform the effective internal audit through software is felt more.

Contribution

Users of internal audit services have newer needs and only by using these technologies can their needs be met, so it is necessary for the internal auditors of companies to keep up with the changes in technology and for companies to provide the implementation of internal audit software. . The knowledge of human resources inside commercial holdings and the skill of internal auditors in using new technologies are effective in implementing internal audit software in holdings. New information technologies have eliminated or reduced the inherent risks of manual systems such as human error. The presence of procedural stability as an advantage, and the absence of incentives for fraud and breach of trust in computerized systems, means that internal auditing will grow in depth rather than in size in the coming years.

Define, maintain and improve their roles, accounting, auditing, and internal auditor's institutions need to acquire new skills and use the latest technologies in this profession. New technologies are effective in implementing internal audit software in holdings.

Keywords: Business Holdings, Computer Auditing, Internal Audit, Software, Traditional Auditing.

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