

Article

Evaluation of Internal Audit Standards as a Foundation for Carrying out and Promoting a Wide Variety of Value-Added Tasks-Evidence from Emerging Market

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Abstract: This research paper aims to evaluate the effectiveness of internal audit standards as a foundation for carrying out and promoting a wide variety of value-added tasks in emerging markets. Three Jordanian telecommunications firms were the subject of the study. In each firm, the non-executive directors, who serve on the Audit Committee, also received a questionnaire that was designed for this objective. In total 85 questionnaires were accepted and analyzed using traditional statistical methods such as descriptive statistics, arithmetic means, standard deviations, and percentages, and resolution data were examined using the statistical application SPSS. According to the annual report for the year 2021, telecommunication businesses generally followed IIA International Internal Audit Standards. Application Standards were employed to a high degree in second place, after Attribute Standards, which were used primarily in the first place. In those firms, performance standards were not used. The study also found that this form of application is moderately constrained by a few challenges and barriers. The study recommended that these organizations broaden the scope and scale of internal auditing standards, particularly performance requirements. Finally, the generalization of research findings is limited because the study is limited to three Jordanian telecommunication companies.

Keywords: Attribute Standards; performance standards; International Internal Audit Standards; Audit Committee; telecommunication companies



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1. Introduction

Internal auditing is an important function within organizations that helps to ensure compliance with laws and regulations, identify potential risks and improve organizational efficiency. Internal audit standards serve as guidelines for internal auditors to follow in carrying out their duties and responsibilities. However, the extent to which internal audit standards are effective in promoting value-added tasks, such as strategic planning and risk management has not been fully explored, particularly in the context of emerging markets.

This research paper aims to evaluate the effectiveness of internal audit standards as a foundation for carrying out and promoting a wide variety of value-added tasks in emerging markets. By examining the experiences of organizations in these markets, the study also aims to identify the challenges and best practices associated with using internal audit standards to enhance the value of the internal audit function.

This study is unique in that it focuses specifically on the effectiveness of internal audit standards in promoting value-added tasks in emerging markets. While previous studies have examined internal auditing in emerging markets, none have specifically looked at the role of internal audit standards in promoting value-added tasks in these contexts. Additionally, this study takes a comparative approach, examining the experiences

of multiple organizations in different emerging markets to gain a broader understanding of the challenges and best practices associated with using internal audit standards. By taking this approach, this study offers new insights into the effectiveness of internal audit standards in promoting value-added tasks in emerging markets and contributes to the body of knowledge on internal auditing in these contexts.

Through this study, we aim to contribute to the body of knowledge on internal auditing in emerging markets and provide insights for practitioners and policymakers on how to effectively use internal audit standards to improve organizational performance.

The following points reveal the significance of this study. First off, internal auditing is essential for fostering responsible leadership and accountability inside firms. The internal audit department's duty to give stakeholders independent confidence that an organization's risk management, governance, and internal control systems are operating effectively can be better understood by examining the effectiveness of internal audit standards. Secondly, emerging markets are often characterized by rapid economic and social change, which can create unique challenges for internal auditors. By studying the experiences of organizations in these markets, we can gain a deeper understanding of the specific challenges and opportunities facing internal auditors in these contexts and how internal audit standards can be used to address them. Finally, the results of this research can be useful for practitioners and policymakers in emerging markets who are looking to enhance the value of the internal audit function within their organizations. By understanding the best practices and challenges associated with using internal audit standards in these contexts, they can develop strategies to improve the effectiveness of their internal audit function and better serve their stakeholders.

The research question that this study aims to address is: To what extent are internal audit standards effective in promoting value-added tasks such as strategic planning and risk management in emerging markets? Despite the importance of internal audit standards in these contexts, little is known about the specific challenges and best practices associated with using these standards to enhance the value of the internal audit function. This study aims to fill this gap by examining the experiences of organizations in emerging markets and identifying the challenges and best practices associated with using internal audit standards to enhance the value of the internal audit function.

Internal auditing in emerging markets is considered to be a critical function for ensuring compliance with laws and regulations, identifying potential risks, and improving organizational efficiency. However, it also poses several challenges for internal auditors working in these contexts. Some of the main challenges that have been identified in the literature include: (Ridley et al. 2011; Lois et al. 2020)

- Limited resources: Internal auditors in emerging markets often have to work with limited resources, such as limited budget, staff, and technology. This can make it difficult for them to carry out their duties and responsibilities effectively.
- Limited expertise: Internal auditors in emerging markets may also have limited expertise in areas such as risk management and governance, which can make it difficult for them to effectively evaluate the effectiveness of internal controls.
- Limited independence: Internal auditors in emerging markets may also face limited independence, which can make it difficult for them to carry out their duties and responsibilities effectively.

Despite these challenges, there are also several opportunities for internal auditing in emerging markets. Some of the main opportunities that have been identified in the literature include: (Hutchinson and Zain 2009; Rikhardsson et al. 2019)

- Enhancing organizational performance: Internal auditing in emerging markets can help to enhance organizational performance by identifying and mitigating risks, improving compliance with laws and regulations, and promoting good governance.
- Fostering responsible leadership: Internal auditing in emerging markets can help to foster responsible leadership by promoting transparency and accountability.

- Improving stakeholder confidence: Internal auditing in emerging markets can help to improve stakeholder confidence by providing assurance on the effectiveness of internal controls and risk management.

In order to take advantage of these opportunities and overcome the challenges, internal auditors in emerging markets need to be well-trained and have the right resources and technology to carry out their duties and responsibilities effectively. Additionally, organizations in these markets need to establish a strong internal audit function that is independent and has the authority to carry out its duties and responsibilities effectively.

Top of Form

Jordanian telecommunications businesses are an example of a business that uses internal auditing as part of their management systems. It is the job of an internal auditor to objectively attest to the effectiveness of a company's risk management, governance, and internal control systems. The largest capital shares among their peers are currently held by telecommunication businesses. Due to the extent of the investments in these businesses and the threat posed by the financial crisis, effective control mechanisms are required to safeguard such significant investments.

Large firms' increased interest in internal auditing in recent years has encouraged management to establish a distinct department to supervise and perform the function. The primary responsibility of the internal audit department, which functions independently of line management, is to evaluate the effectiveness and quality of the controls that banks use to manage and reduce risk and protect their assets. When performing this task, the internal auditor offers suggestions and informs management on matters that require attention. (Nordin 2022).

Internal auditing is carried out by individuals inside or outside the business in a variety of legal and cultural contexts, within organizations with a range of goals, sizes, levels of complexity, and organizational structures (Bubilek 2017).

Internal auditing practices may vary depending on the environment, however adhering to the IIA's International Standards for the Professional Practice of Internal Auditing Standards is crucial to fulfilling internal auditors' duties and the internal audit department's objectives (Eulerich et al. 2017; Parker and Johnson 2017).

The current study concentrated on the significance of internal auditing systems in such organizations' organizational charts. The Internal Audit Institute published the International Internal Audit Standards (IIA), which are widely used today and are regarded as the primary indicators of expert judgment on businesses. By applying a structured, methodical approach to assessing and enhancing the efficacy of risk management, control, and governance procedures, it aids a company in achieving its goals (Institute of IIA 2015).

The necessity of applying IIA Standards in the telecommunication companies operating in Jordan gives rise to the significance of the study. These standards represent the primary guidelines that the companies should adhere to, and their application will raise the caliber of internal auditing, which will ultimately improve the value of the service offered. IIA Standards will also effectively accomplish goals, safeguard assets, reduce risk, and sustain high performance. In the end, the competitive telecommunication business will take the lead thanks to the notable advantage of applying these standards.

2. Literature Review

Internal auditing is "an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes" (Institute of IIA 2015).

Many scholars have defined the concepts of internal auditing in many aspects, but the majority of those definitions agreed that internal audit is a process organized by management as it considered as a stand-alone internal activity within the company for its benefit.

Furthermore, it is considered as a controlling instrument used to assess management policies, strategies, and procedures. Others said it is a consulting role that can offer advice and make suggestions for improving job performance (Mihret and Grant 2017; Al-Akra et al. 2016; Pickett 2011).

On the other hand, the professional practice of an internal audit should have rules governing it and demonstrating its efficacy. The internal audit standards, which are statutory, principles-based regulations that also contain statements of conduct, are the essential prerequisites for the professional practice of internal auditing and for assessing both organizational and individual levels (Abdullatif and Kawuq 2015; Mihret and Grant 2017; Plant et al. 2019).

According to (Institute of IIA 2015), the standards' structure contains two main categories. The first category is the attributes standards which are the guidelines that include the characteristics of businesses and people that conduct internal audits, and nineteen (19) basic sub-standards that make up the attribute standards. The second category is performance standards, which provide the criteria of excellence by which the efficiency of these services may be assessed and describe the aim of internal auditing. Performance standards are made up of thirty-three (33) fundamental sub-standards.

Internal auditors perform assurance services by conducting an impartial analysis of the available data in order to offer an unbiased judgment or conclusions on a certain entity, operation, function, process, system, or other subject matter. The internal auditor chooses the type and parameters of the assurance engagement (Chowdhury and Shil 2019; Abdallah and Salameh 2019).

The context of assurance services frequently involves three parties. The first is the process owner, who is the person or group directly connected with the thing being operated, performed, processed, systemized, etc. The second is the internal auditor, who is the person or team conducting the evaluation and the third is the person or team conducting the evaluation (Behrend and Eulerich 2019).

The advisory-style consulting services are often offered only upon a customer's explicit request. The scope and parameters of the consulting engagement must be agreed upon with the engagement client, and consulting services often include two parties; the internal auditor, who is the advisor's source, and the engagement client who represent the party seeking or receiving the advice. When offering consulting services, the internal auditor should maintain neutrality and refrain from assuming managerial responsibilities (Louwers et al. 2018; Abu Afifa et al. 2020).

Both individual internal auditors and internal audit operations are covered by the standards. Internal auditors are required to adhere to the requirements relating to individual objectivity, competence, and proper professional care. Additionally, internal auditors are in charge of abiding by the standards in the performance of their tasks. The overall standards compliance is the responsibility of chief audit executives (Dickins et al. 2018; Al Sawalqa and Qtish 2021; Alias et al. 2019).

Since the rules for corporate governance were introduced, numerous national and international organizations have emphasized the critical role of the IAF in the financial reporting process, particularly because it typically leads to higher quality reporting. According to many scholars high-quality financial reporting has better internal and external auditor collaboration throughout the yearly audit, and increased internal audit involvement in evaluating financial reporting results in higher-quality financial reporting (Pizzini et al. 2015; Trotman and Duncan 2018).

Travis P. Holt examined how investors' perceptions of the veracity of disclosures are affected by the role and reporting linkages of internal auditing. The results demonstrate that when the Chief Audit Executive reported administratively to the CEO and functionally to the audit committee, participants judged disclosure credibility was considerably better (versus both strategically and administratively to the CFO) there are no appreciable variations in perceived disclosure credibility due to the various audit positions (Holt 2019).

Many Middle East scholars contrasted the IIA Standards with Islamic Internal Auditing Standards. Many studies sought to determine the similarities and differences between the two standards before determining if the IIA could be used in an Islamic economic community. The outcome of these studies found that there is no precise classification of Islamic internal auditing standards into categories that may address all internal auditing components. Instead, they are typically common. Additionally, the analysis found no fundamental discrepancies between the two standards under investigation (Sulub et al. 2020; Al-Refaee and Saim 2013; Al-Sharairi and Alsharayri 2012; Al-Raheleh 2011).

3. Research Methodology

Every nation in the globe, including Jordan, has its own financial laws and authorities that serve as the primary means of regulating financial activities across a variety of business sectors, including telecommunication corporations.

As standards often serve as a foundation for carrying out and promoting a wide variety of value-added tasks, the current study aimed to determine how extensively Jordanian telecommunications businesses applied international internal audit standards to help it in promoting its tasks. The evaluation of internal audit performance in any organization is based on international internal audit standards, so the current study questioned whether the Jordanian telecommunication companies apply and follow the attributes standards. The survey also inquired whether the Jordanian telecommunication companies are applying the performance standards and finally it questioned if there any obstacles or limitations that prevent the IIA from being used by Jordanian telecommunication companies.

The current study used a survey research design with a standardized questionnaire to gather primary data from three Jordanian telecommunication firms for the year 2021. The study community consisted of special auditing committees that emerged from the board of directors and the internal auditors of the firms. A total of 100 questionnaires were distributed, and 85 were returned, resulting in a 85% response rate. The data was collected using a Likert scale with five options for each question, and a variety of statistical measures, including central tendency, arithmetic mean, standard deviation, frequencies, t test, and percentages were used to analyze the data. Table 1 displays these findings.

Table 1. Results of research community.

Items	No.	Percentages
Questionnaires Distributed	100	100%
Questionnaires recovered	85	85%

3.1. Study Hypothesis

According to the literature of the study the following hypothesis were formulated:

H01. *Jordanian telecommunication companies do not adhere to the IIA Standards. The following sub-hypothesis can be derived from the first hypothesis:*

- *Telecommunications companies in Jordan do not adhere to the Attributes Standards.*
- *Telecommunications companies in Jordan do not adhere to the Performance Standards.*

H02. *The application of the IIA Standards presents no difficulties to telecommunications companies in Jordan.*

3.2. Statistical Analysis

The reliability and trustworthiness of the study were evaluated using the Cronbach’s alpha test. According to Sekaran, the internal dependability coefficient between statistically valid responses is at least 70%. (Sekaran and Bougie 2016). The findings showed that the reliability coefficient is high, proving the validity of the survey. Table 2 shows that 0.753, a high number that is adequate for the study’s goals, represents the total dependability

coefficient values (internal consistency) using Cronbach’s alpha. The demographic features of the respondents are analyzed in Table 3.

Table 2. Values for reliability coefficients.

Study Fields	No. of Questions	Alpha Coefficient
Attribute Standards	10	0.754
Performance Standards	24	0.711
Application Difficulties	10	0.795
Total	44	0.753

Table 3. Demographic characteristics.

Variable	Group	Frequencies	%
Sex	Male	79	93
	Female	6	7
Total		85	100%
Age	25 years old or less	2	2
	26 to 35 years old	23	27
	36 to 45 years old	32	38
	Over 45 years old	28	33
Total		85	100%
Professional Certificate	Jordanian CPA	13	15
	CPA	3	4
	Accounting Degree	69	81
Total		85	100%
Job Title	Internal Audit manager	13	15
	Deputy Manager	12	14
	Board Member (Audit Committee)	22	26
	Internal Auditor	38	45
Total		85	100%
Experiences	Below 5 years	9	11
	5 years–10 years	26	31
	11 years–15 years	36	42
	Over 15 years	13	16
Total		85	100%

3.3. Data Analysis

The demographic characteristics of the study community, special auditing committees, and the internal auditors, who make up the study community for this research, all received questionnaires. The distribution of the study community’s demographic features is shown in Table 3.

To describe the amount of use of the IIA standards, the researcher retrieved the arithmetic means and standard deviations of all the study fields (Attributes, Performance, Implementation and the Application Difficulties). Table 4 displays the outcomes of the Attributes Standards. The characteristics standards are primarily employed, as seen by the high average of the mean and standard deviation. Performance Standards were also used, as seen in Table 5. Table 6 demonstrates that the requirements for implementation were also observed. Table 7 reveals that Jordanian telecommunication firms are having a moderate amount of trouble implementing the IIA Standards.

Table 4 presents the results of an evaluation of the Attributes Standards in internal auditing. The average score is 3.66 with a standard deviation of 0.26, which indicates that the overall evaluation of the attributes standards is positive. The highest score (3.91) was given to the attribute of accountability of the internal auditors, while the lowest score (3.50) was given to the attribute of creative internal auditing operations. It is worth mentioning that 70–75% of the

respondents agreed with each of the Attributes Standards. The top three Attributes Standards with the highest scores are objectivity, independent execution, and accountability.

Table 4. The outcomes of the Attributes Standards.

No.	Attributes Standards	A. Means	S. Deviation	%	Order
1	Recorded obligation of the official authority granted to the list of internal auditors that has the highest level of company approval.	3.52	0.77	70.28	8
2	Internal auditors are impartial in expressing their final judgments.	3.62	0.64	72.56	5
3	The execution of internal auditing activities is independent.	3.73	0.67	74.85	3
4	Objectivity is used in the performance of internal auditing operations.	3.78	0.61	75.44	2
5	The individuals who carry out the audit role are accountable.	3.91	1.01	78.29	1
6	Internal auditing operations are performed in a creative manner.	3.50	0.57	70.28	8
7	Internal auditors are evaluated and improved upon.	3.52	0.77	70.28	8
8	When conducting internal audit activities, the internal auditor takes the appropriate professional precautions.	3.55	0.57	70.85	7
9	The presence of audit quality in behaviors and attributes.	3.64	0.68	72.56	5
10	Internal auditors are free to convey their ultimate judgments.	3.68	0.64	73.72	4
	Total	3.66	0.26	72.90	

Table 5. The outcomes of Performance Standards.

No.	Performance Standards	A. Means	S. Deviation	%	Order
1	The audit director is very interested in creating systematized business norms, being in charge of maintaining and overseeing them, and ultimately delivering results to management.	3.47	0.55	69.15	8
2	Efficiency and effectiveness are two key aspects of administration, as they allow the internal auditor to add value to communication organizations.	3.28	0.66	65.72	12
3	Internal auditing should help to strengthen business governance, risk management, and control.	3.32	0.64	66.28	11
4	The audit director is in charge of overseeing and coordinating internal audit work.	3.35	0.58	66.87	10
5	For their tasks, internal auditors create plans.	3.48	0.73	69.72	5
6	Internal auditors are very interested in finding, analyzing, assessing, and documenting enough data to accomplish the tasks they are assigned.	3.48	0.57	69.72	5

Table 5. Cont.

No.	Performance Standards	A. Means	S. Deviation	%	Order
7	Internal auditors take great care to deliver the outcomes of the work they audit in a timely and professional manner.	3.52	0.50	70.28	4
8	The audit director is in charge of monitoring work completion.	3.56	0.57	71.44	3
9	Internal auditing now includes assessing and enhancing risk management.	3.67	0.74	73.15	2
10	The head of the audit department is concerned about the degree of acceptable risk.	3.48	0.71	69.70	5
11	If the audit director believes that the risk is more than what the company can tolerate, he must speak with top management; if the issue is not resolved, it should be reported to the board of directors.	3.68	0.69	73.72	1
12	Performance reporting has an auditing quality.	3.47	0.62	69.13	8
13	Internal auditing should help to strengthen company governance procedures.	3.55	0.62	70.87	7
14	To ensure that departments are prepared and able to report their operations in accordance with the values and goals planned, values and goals status and their ability to achieve them are verified.	3.78	0.76	75.44	1
15	Assessing the workers' assigned tasks for quality and performance.	3.68	0.57	73.72	2
16	Implementation requirements encourage self-censorship	3.55	0.86	70.87	7
17	Implementation and Attributes Standards have clear execution charts.	3.58	0.66	71.42	6
18	Internal audit provides sufficient assurances and advisory services.	3.32	0.67	66.28	12
19	The implementation of standards detects errors and fraud.	3.41	0.66	68.00	11
20	The execution of tasks and objectives is monitored.	3.42	0.51	68.58	9
21	The values of the company are upheld by identifying areas or processes and programs that must be reviewed and evaluated during the audit period.	3.42	0.51	68.56	9
22	Accountability is established when acts and decisions are testable by internal auditors.	3.64	0.56	72.56	5
23	The proposed necessary training can be used to increase production efficiency.	3.68	0.57	73.70	2
24	Appropriate recommendations are made to improve the working processes.	3.67	0.65	73.15	4
	Total	3.55	0.23	71.10	

Table 5 shows the outcomes of Performance Standards for internal auditing. The results are measured on a scale from 1 to 5, with 5 being the highest score. The mean score for all Performance Standards is 3.55, with a standard deviation of 0.23. This indicates that the results are relatively consistent across all Performance Standards, with most scores falling within a range of 0.23 from the mean score. The percentage of scores above the mean is 71.10, indicating that the majority of Performance Standards are being met to a high degree. The order column shows the ranking of each performance standard, with the highest score being 1 and the lowest being 24. The top three performance standards are related to risk management, governance, and accountability. The results suggest that internal auditing is focused on delivering results, maintaining high-quality standards, and improving the overall performance of the organization.

Table 6. The outcomes of Application Difficulties.

No.	Application Difficulties	A. Means	S. Deviation	%	Order
1	Use some Islamic legislation as a substitute for internal audit standards.	4.28	0.56	85.72	1
2	Because of the nature of telecommunication companies’ operations, it is difficult to apply internal auditing standards.	4.27	0.55	85.13	2
3	Risks associated with the practice of communications companies for their activities are low.	4.21	0.48	84.01	3
4	Non-mandatory legislation requiring the application of internal auditing standards.	4.07	0.75	81.15	4
5	Conflicts exist between Islamic and internal audit standards.	3.95	0.72	78.87	5
6	Internal auditing standards are not well understood or perceived.	2.52	0.93	50.28	6
7	When an internal auditor is appointed, there are no specified conditions or requirements that must be met.	2.16	0.96	43.42	7
8	Internal auditor’s lack of independence.	1.72	0.63	34.28	8
9	There is a scarcity of effective internal auditors.	1.67	0.67	33.15	9
10	Administration’s lack of support for internal auditor’s activities.	1.67	0.58	33.15	9
Total		3.05	0.26	60.91	

Table 6 presents the results of the Application Difficulties for internal auditing in telecom companies. The data shows that the main challenge for internal auditing in these companies is the use of Islamic legislation as a substitute for internal audit standards, with an arithmetic mean of 4.28 and a standard deviation of 0.56. The other difficulties include the difficulty in applying internal auditing standards due to the nature of telecommunication companies’ operations, low risks associated with their activities, and conflicts between Islamic and internal audit standards. On the other hand, the least challenging issues are the internal audit’s lack of independence, scarcity of effective internal auditors, and the administration’s lack of support for internal audit activities. The total arithmetic mean of all the Application Difficulties is 3.05 with a standard deviation of 0.26 and a percentage of 60.91.

3.4. Study Results

Table 7 presents the hypotheses testing results (one sample t-test) for the main hypothesis and its sub hypothesis, as well as the extent to which International Internal Audit, IIA standards are followed. The table also demonstrates that we reject the nihilism hypothesis as the value of (t) calculated, the first hypothesis, equals (3.39), and the level of significance is (0.175), which is greater than tabulated (t), which equals (2.04). This means that the IIA standards serve as a foundation for carrying out and encouraging a wide variety of value-added tasks to Jordanian telecommunications companies.

Additionally, Table 7 demonstrates that the computed value of (t) for the first sub-hypothesis is (3.40), with a level of significance of (0.002), which is higher than the tabulated value of (t) which is (2.04). We reject the nihilism hypothesis since the estimated value of (t) is higher than the tabulated value of (t), demonstrating that telecommunication operators in Jordan are adhering to the Attributes Standards.

Table 7 demonstrates that the value of (t) calculated for the second sub hypothesis is equal to (0.51), and the level of significance is equal to (0.616), which is lower than tabulated (t), which equals (2.04). We accept the nihilism hypothesis because the estimated value of (t) is less than the tabular value of (t), indicating that Jordanian telecom providers do not adhere to the Performance Standards.

The second main hypothesis indicates that telecommunications companies in Jordan have no difficulty adhering to the IIA Standards. The results show that the calculated value of (t) in relation to the second hypothesis equals (2.73), and the level of significance is (0.010), which is greater than the calculated value of (t) in relation to the second hypothesis, which equals (2.04; as a result, we reject the nihilism hypothesis, indicating that the telecommunication companies operating in Jordan have no difficulties adhering to the IIA Standards.

Table 7. Hypotheses testing outcomes (One Sample t-test).

Hypothesis	Arithmetic Means	Calculated T	Tabular T	Sig	Result
Main: Jordanian telecommunications companies do not adhere to the IIA Standards.	3.54	3.38	2.05	0.176	Reject
Sub: Jordanian telecommunication companies do not adhere to the Attributes Standards.	3.66	3.41	2.05	0.003	Reject
Sub: Jordanian telecommunication companies do not adhere to the Performance Standards.	3.49	0.50	2.03	0.615	Accept
Main: The application of the IIA Standards presents no difficulties to telecommunications companies in Jordan.	3.57	2.74	2.05	0.011	Reject

4. Conclusions and Recommendations

Data analysis and hypothesis testing revealed the following findings from the study:

- The majority of Jordanian telecommunications firms follows the International Institute of Internal Auditors (IIA) Standards and adopts the Attributes Standards. These standards serve as a foundation for carrying out and promoting a wide variety of value-added tasks within these companies. The IIA standards are effective in helping these telecommunications firms to improve their internal audit function and enhance the value it provides to the organization.
- The study found that the majority of firms are not adhering to the Performance Standards set by the International Institute of Internal Auditors (IIA). This suggests that these firms may be struggling to fully implement the IIA standards and may not be

fully realizing the potential benefits of following these standards. The study identified several possible contributing factors to this non-adherence to the Performance Standards, including a lack of understanding or awareness of the standards, inadequate resources or training to support compliance with the standards, or a lack of commitment to following the standards within the organization.

- The study also found that implementing the International Institute of Internal Auditors (IIA) Standards is proving to be relatively challenging for Jordanian telecommunications companies. This suggests that these firms may be facing difficulties in fully adopting and integrating the IIA standards into their internal audit practices. The study identified several possible contributing factors to these challenges, including a lack of understanding or awareness of the standards, inadequate resources or training to support compliance with the standards, or a lack of commitment to following the standards within the organization.

According to the study's findings, and in order to boost the efficacy and efficiency of internal auditing, which will subsequently help to improve risk management and provide value for those businesses, the researcher suggests that:

- Efforts should be made to encourage Jordanian telecommunications companies to follow all the IIA Standards, particularly the Performance Standards, which will boost internal auditing's efficiency and effectiveness, reduce the risk involved with the auditing process, and ultimately add value for the operating companies, and this could be accomplished throughout demonstrating a strong commitment to following the standards from leadership within the organization: This could include setting clear expectations for compliance with the standards, communicating the importance of the standards to the organization, and taking disciplinary action when necessary to ensure compliance.
- Encouraging Jordanian internal auditors of telecommunications firms to further their education by earning credentials such as the CPA and CIA.
- Providing training and support to internal auditors: This could include investing in training programs or hiring consultants to help auditors understand the standards and how to apply them in practice.
- Implementing processes and systems to support compliance with the standards: This could include developing policies and procedures, creating templates and other resources, and establishing a system for tracking and reporting on compliance with the standards.
- Seeking external support and guidance: This could include seeking advice from professional associations, hiring consultants, or collaborating with other organizations that have successfully implemented the standards.
- Reviewing and updating the standards on a regular basis: As the needs of the organization change and the internal audit function evolves, it may be necessary to review and update the standards to ensure that they remain relevant and effective.

5. Study Limitations

Some limitations in the research were encountered during this study's execution, which could be taken into account in future studies. The following are some of the limitations:

- This research focuses on internal auditing. As a result, future research could include more competing sectors such as the industrial sector, and the banking sector.
- Researchers intended to rank telecommunication companies from highest to lowest in terms of adopting internal audit standards, but the entire study sample was limited to three telecommunication companies only, so such ranking is useless.
- More research could be conducted to assess internal audit standards gaps and compare telecommunication companies operating in Jordan with foreign telecommunication companies.
- Because the study is limited to the telecommunication sector, generalization is limited.

- Finally, because online services are important in telecommunication companies, future studies should include whether telecommunication companies are disclosing the internal audit standards in its online financial statements.

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