



**THE ROLE OF ROBUST COMMUNICATION
IN INCREASING
THE EFFECTIVENESS OF INTERNAL AUDIT
IN THE DIGITAL ERA:
THE CASE OF UGANDA**

Doctorate Thesis

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Eskişehir

Anadolu Üniversitesi

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ÖZET

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İşletme Bilim Dalı (İngilizce) (Doktora)

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Dijital çağ perspektifinden sağlam iletişimin iç denetimin etkinliği üzerinde oynadığı rolün araştırılmasını amaçlayan bu çalışmada, Uganda örneğinde veri toplama yöntemi olarak Delphi tekniği uygulanmış ve denetim firmalarındaki iç denetim uzmanlarından ve Uganda'daki yüksek öğrenim kurumlarından veri toplanmıştır. Çalışma, iç denetim mesleğindeki uzmanlar için varsayımlarda bulunarak, dijital çağda iç denetim faaliyetlerini etkileyen iletişim faktörlerini dikkatle gözlemlemeyi amaçlamaktadır. Tezin ilk bölümünde güçlü iletişim, iç kontrol, iç denetim ve dijitalleşmenin temel kavramlarının kavramsal çerçeve olarak açıklanması yer almaktadır. Bu tez çalışmasının ikinci bölümünde güçlü iletişim, iç denetim, iç kontrol ve dijitalleşme arasındaki ilişki araştırılmıştır. Araştırma metodolojisini kapsayan üçüncü bölüm, karma araştırma yöntemiyle keşfedici bir çalışmayı içermektedir; Delphi yönteminin ilk bölümünde, yarı yapılandırılmış görüşmeler ve anketteki açık uçlu sorularla nitel çalışma kullanılmaktadır. Çalışmanın gözlemleri, iç denetçilerin yönetime iki danışmanlık ve güvence hizmeti sunduğundan, sürdürülebilirliğin sağlanması için güçlü iletişimin büyük bir dikkatle ele alınması gerektiğini göstermektedir. Araştırma, iç denetçilerin iletişim kurarken duygusal zekayı uygulamalarını önermektedir. Ayrıca, şeffaflık açısından iç denetçilerin verileri etkili bir şekilde analiz edip yorumlayabilmeleri için veri analitiğinin kullanılması önerilmektedir.

Anahtar Sözcükler: Güçlü iletişim, İç kontrol, İç denetim, Dijitalleşme, Uganda

ABSTRACT

THE ROLE OF ROBUST COMMUNICATION IN INCREASING THE EFFECTIVENESS OF INTERNAL AUDIT IN THE DIGITAL ERA: THE CASE OF UGANDA

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This study aimed at investigating the role played by robust communication on the internal audit effectiveness in the perspective of the digital era, using the case of Uganda, Delphi technique as a data collection method was applied, and Data was collected from internal audit experts from auditing firms and higher learning institutions in Uganda. The aim of the study is to carefully observe the communication factors in the digital era that impact internal audit activities by making assumptions for the experts in the internal audit profession. The first part of the thesis involves explanation of the key terms of robust communication, internal control, internal auditing, and digitalization as the conceptual framework. The second section in this thesis study investigated the relationship between robust communication, internal audit, internal control, and digitalization. The third section which covers the research methodology involves an exploratory study, with a mixed research method, whereby the first part of the Delphi method uses qualitative study with semi-structured interviews and open-ended question in the questionnaire. Please write it more clearly and divide the long sentence and get it translated again. NVivo software is used to analyze qualitative data, and SPSS is incorporated for quantitative data analysis. The study observations indicate that as internal auditors offer two services of consulting and assurance to management, robust communication must be handled with great care to attain sustainability. The study recommends internal auditors to apply emotional intelligence as they communicate. Moreover, use of data analytics is recommended for internal auditors to effectively analyze and interpret data for open and transparent communication.

Keywords: Robust communication, Internal control, Internal auditing, Digitalization, Uganda.

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ETİK İLKE VE KURALLARA UYGUNLUK BEYANNAMESİ

Bu tezin bana ait, özgün bir çalışma olduğu; çalışmamın hazırlık, veri toplama, analizi ve bilgilerin sunumu olmak üzere tüm aşamalardan bilimsel etik ilk eve kurallara uygun davrandığımı; bu çalışma kapsamında elde edilmeyen tüm veri ve bilgiler için kaynak gösterdiğimi ve bu kaynakçada yer verdiğimi; bu çalışmanın Anadolu Üniversitesi tarafından kullanılan bilimsel intihar tespit programıyla tarandığını ve hiçbir şekilde intihar icermediğini beyan ederim. Herhangi bir zamanda, çalışmamla ilgili yaptığım bu beyana aykırı bir durumun saptanması durumunda, ortaya çıkacak tüm ahlaki ve hukuki sonuçlara razı olduğumu bildiririm.

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LIST OF ABBREVIATIONS AND DEFINITIONS

90%	: Ninety percent
ACCA	: The Association of Chartered Accountants
AI	: Artificial Intelligence
AICPA	: American Institute of Certified public Accountants
CAAU	: Computer-Assisted Audit Techniques
CAEs	: Chief Audit Executives
CEO	: Chief Executive Officers
CFO	: Chief Financial Officers
CIPFA	: The Chartered institute of public Finance and Accountancy
COSO	: The Committee of Sponsoring Organization of Treadway
CPA	: Certified Public Accountant.
ERM	: Enterprise Risk Management
ERP	: Enterprise Resource Planning
IA	: Internal Audit
IAASB	: The International Auditing and Assurance standards Board
IAF	: Internal Audit Function
IASB	: The International Accounting standards of Boards
IFRS	: International Financial Reporting standards
IIA	: Institute of Internal Auditors
IIOT	: Industrial Internet of Things
IMA	: Institute of Management Accounting
INTOSAI	: The international Organization of supreme Audit Institutions
IPPF	: International Professional practices Framework
ISO	: International Organization for standardization
PWC	: Price Water Coopers
SCQM	: Strategic collaborative management Model
SOX	: The Sarbanes-Oxley Act
WHO	: World Health Organization

1. INTRODUCTION

There has been currently increasing attention on the topic of internal audit and its exceptional role played in improving good corporate governance in the modern global digital economy thus this has brought a strong connection to better communication skills, internal audit, and technology. It should be noted that internal auditors must play their vital role independently and in a very open way in the process of conveying data concerning either financial or non-financial information. Internal auditors are a highly qualified professional group, possessing both knowledge and skills which were acquired throughout their professional life and used when performing their professional duties.

The skills which are most useful in the work of an internal auditor include technical skills such as the ability to think critically, analytical skills, the ability to conduct risk analysis, define and solve problems, organizational skills, but also soft skills, among which communication skills are mostly mentioned.

Since the beginning of the 21st century, there has been a noticeable increase interest in the second of the above-mentioned groups of competencies, and research conducted by organizations associating internal auditors often indicates communication skills are key in the work of an internal auditor.

Therefore, the internal auditors must achieve success through excellent communication skills to prosper in their daily tasks and as professionals at large, for example, Listening, interpersonal, written, and oral communication skills would be of help for auditors to know better their audit results successfully. Because the global economy is ever evolving, this means that the tasks of auditors are dynamic, they must retain highly advanced speaking and writing skills to effectively pass their communication to both management and auditees. Internal auditors must own communication skills because they are very vital for the progressive amendment in the organization. From the review, the most important and core competencies for improvement of internal audit work, are communication skills, which involves oral, written, report and presentation, secondly, problem identification and solution skills (conceptual and analytical), and keeping up to date with industry and regulatory changes and professional standards. But communication is seen to be rated highly given its great value to the success of internal auditing, Auditors require exceptional communication skills to do well in their profession.

However, the biggest fear in cooperative governance is the skill Gap that still exists especially with the Chief Audit Executives (CAEs), for example, application of analytics and robust communication, a very limited number of CAEs can use visualization tools to pass their communication to their organizations. So, to be effective, internal audit functions (IAF) must encounter a big challenge in embracing the rapid technological advancements with the help of a robust communication role. This Ph.D. thesis will scrutinize the Role of robust communication in increasing the effectiveness of internal audits in the digital era, the Uganda case, and the Delphi technique will be employed as a thesis design considering the expertise of the internal auditors and the CAEs, using both qualitative and quantitative research methods, to find out insights and statistical data analysis respectively.

1.1. Conceptual Framework and The Definitions of The Key Terms in The Research

The internal audit profession has faced dramatic changes with the organizational system of operation in demand to improve its effectiveness to align it with the world business standards. Therefore, this research will first present the theoretical and fundamental pattern of the subject in question by defining the key terms of communication, robust communication, internal audit, and digitalization, as will be applied in this thesis study.

1.1.1. Communication

Globally businesses would register no success if at all no communication is taking place in the execution of their tasks. The success of every business nevertheless which method is used to manage will depend on the communication. It is the basis of both personal and professional development. (Tysiac, K. 2018, pg. 1-3). This simply means that the managers and auditors will not know what is happening within an organization without effectively communicating with each other. This is a skill that is acquired through some training, though some people are naturally good communicators.

In other words, conveying ideas, thoughts, feelings, and emotions, using spoken or written means from one person to another, in such a manner that sense is created, is what is termed as ‘communication’. Hoben, J. B. (1954).

There is formal and informal Communication, whereby, formal involves an official type of communication, such as official speeches, official letters, application letters, or writing minutes of a meeting. While on the other hand, an informal type of communication involves that between colleagues, employees, or students of the same level. Writing an audit report is different from writing a friendly letter, since the context in them will be different. According to Shannon's generic communication system model, is the process where information is transmitted from the source using the transmitter through the channel, to the receiver and then the final user. The communication process is composed of some elements including; the sender, who initiates the interaction, the encoding which involves the listening or understanding of the content by the sender before sending it, the message (content created by the sender), the channel (means through which the sender will pass their message), the receiver who is intended to receive the communication, the decoding (as the receiver tries to click the real meaning of the message), then feedback. This final stage is done based on how the receiver understood the content of the message. Communication can be verbal (speaking) or written/ use of sign language and symbols.

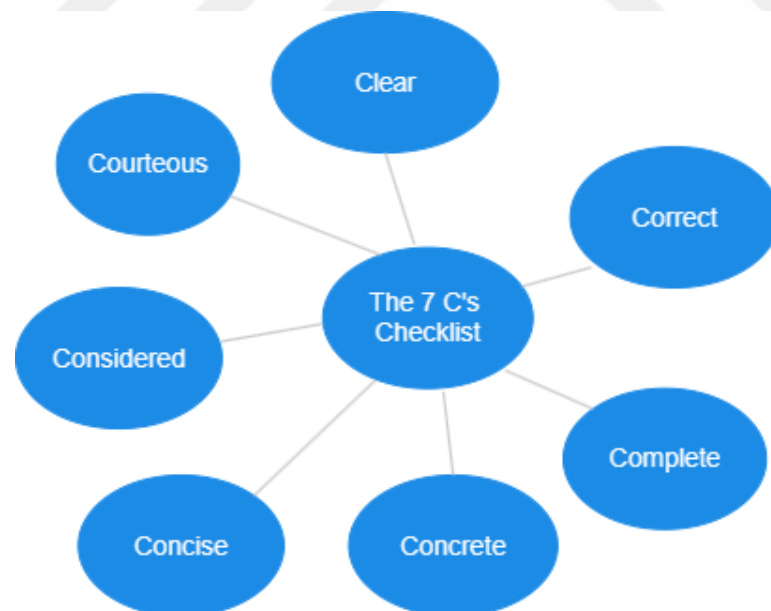


Figure 1.1. *The 7 Cs of communication*

People should consider that in their lives they cannot do without passing messages to anyone they are connected to, the means they use to communicate, and in what context, this process will be supported with the guideline of the 7 C's of communication, these are

also believed to be the principles that enable the success and effectiveness of professional, social or business communication system. These include completeness, conciseness, consideration, clarity, concreteness, courtesy, and correctness.

Completeness

This is about communicating all the pertinent facts that you want to convey to your receiver or the audience, do not send incomplete information, you must have the knowledge already about your receiver's mind-set and his reasoning, complete messages are very crucial in many ways.

- Complete communication helps to build a good image of an individual, group, or organization that communicates.
- If the communication is complete, it does not incur any other costs of sending more information, unless otherwise. For example, for the case of internal auditors, as they report their audit findings, their communication must be complete for management to approve evaluations without any hurdles.
- The audience or intended receiver will always not have any doubt to ask a lot of questions about information being conveyed.
- It simplifies decision-making of any issue discussed with colleagues, business partners or any individual, since everyone will understand what resolution, they have come to.

Conciseness

Make it simple and short, in other words, your communication should in the first place grab the attention of your receiver. Secondly, people respect and value the element of time, it is better to always go straight to the point of the message you intend to communicate, do not talk or write too much especially if the information does not match your intended meaning, because it will make your audience bored. For example, these days organizations work with in a technological environment, so having a webinar of like 40 minutes, should not exceed to something like 45 or so minutes. Concise messages bear the following attributes.

- It is cost and timesaving, people here do not have to drag speaking, or writing. Your audience has other important agendas to attend to.
- If the communication is concise, the information helps the receiver to mark key messages included. For example, the auditors are always very brief in presenting their audit findings to management.

Consideration

Always make sure you communicate in the most effective way where possible, so that your audience is not left out without understanding. Try to arrange your communication in a logical way to be considered effective, consistency of communication is also important when delivering some messages to an audience.

Clarity

Clear messages will not distort the understanding of the receiver. If in any way, the employees receive confusing information from their bosses, they are most likely to make errors in their tasks.

Concreteness

Concreteness of communication means that the communication should at least be logical and straight to the issue because most people do not prefer general messages, but rather particular ones.

Courteous

Courteous show some respect by the speaker to His audience one has to be open-minded, honest, and try to be polite in their expression, consider your communication from the viewpoints of the audience.

Correctness

Consider that when communicating to the audience, errors must be omitted, such as spelling errors, grammatical, punctuation, and writing proper names of people, ensure to put all facts in your communication to maintain the trust that your audience has in you. (Ramakrishnan, G. 2018, pg. 91-92).

1.1.2.Key communication skills

They include listening, interpersonal, written, and oral communication skills. Listening skills are so important to connect with the public in relations, businesses, and other ways., however, active listening is very important because it makes one feel they were understood by the communicator. Taking notes by the internal auditors while performing their tasks can be of great advantageous. Kuriad reported the importance of taking notes by primary students while in class, however, inability to focus, and misinterpretation can cause problems of not listening effectively. Proper listening helps to form a basis for speaking performance. However, writing, and speaking are crucial in improvement of language proficiency, listening takes more credit since it is the first

acquired skill in communication. It provides meaningful response in communication by improving the vocabulary, syntax and word stressing through which information is conveyed. It is evidenced that good listening not only improves communication, but also leads to very healthy working relations among workers in organizations. (Agarwal, 2005, pg.2-5). Once someone understands the differences in different languages, then listening becomes easy, and this helps them gain confidence in expressing themselves using other communication skills. Listening skills can play a role in oral production by creating a communication foundation. Meanwhile, (Kul, 2010), in his study, suggests that listening is an essential skill to those other communication skills such as writing, speaking, reading, and it should be a primary skill acquired in learning any new language. This means that, before you put any language in practice, it must be well articulated and understood properly.

1.1.3. Interpersonal communication

Interpersonal communication is the spoken and non-spoken form of communication that occurs between two or more than two interdependent people. This implies there is unique connections between persons who share meanings of messages being communicated. Interpersonal communication involves the following characteristics.

It includes interdependent persons. It should be noted that, as the definition suggests, interpersonal communication involves two or more individuals, who know each other or are connected to each other in one way or the other. For example, the employers and employees, the auditors and auditees, the professor with students. Interdependent may also mean that one person's actions or deeds may have an impact on the other party. For example, in some instances where the auditing goes wrong in the entity as the result of communication, may badly affect the company. Secondly, the relational nature also defines interpersonal communication because already the interdependence does exist, and so, these impacts, creates and defines the relationships among parties. The way you communicate to someone defines the kind of relationship you have with them. It also involves both verbal and nonverbal communication, whereby there is use of spoken words or speech, sign language, which involves facial expression, touch, dressing, and many other. And it is on record that, about 90% of the communication is nonverbal. We use more body language than we utter words. Of course communication in both instances ie, verbal and nonverbal communication varies how we talk to or to whom we deliver

messages to. For instance, writing an internal audit report is totally different from writing a friendly letter to a colleague at work.

1.1.3.1. Elements of interpersonal communication

Elements of interpersonal communication are presented in a model which describes how circular the nature of the communication process is, where both involved people send messages all together. The elements include, sender, encoding-decoding, messages, channels, noise, contexts, receiver. Sender-Receiver element according to (Lau et al., 2001) pg. 350–371

is when Interpersonal communication includes two individuals that at least correspond with each other, and each party plays the sender-receiver role. They both must generate messages and send to each other depending on how they understand the communication context. You have in the first place to know who you are, what you believe, what you value. Encoding- Decoding. When a person Encodes, they are forming a message, in other words, they are either speaking or writing. And when a person Decodes, they are listening or reading some information. Both encoding and decoding happen when both parties in interpersonal communication create and understand a message. Speakers and writers are called encoders, and listeners and readers are called decoders. Messages is yet another interpersonal communication element that, serves as stimuli that are received by the receiver by any of the senses, such as the sense of touching, smelling, hearing, and seeing, and it is important to note that these messages tell everything about you to another person. For instance, the hairstyle we wear, the way we walk, touch, the facial expression we show someone, all explain what message you are trying to deliver to the recipient. Feedback messages show the impact the sender of the message has on the receiver. After the recipient gets the message, they will respond based on how you communicated to them in their feedback.so, you the original sender, will figure out where to make changes, how to adjust, and correct where you went wrong. However, with verbal communication, something said in most cases is not reversible. A feed word is usually some signal you send to indicate there is a new message coming, this is sent before your primary message to your receiver or the audience. For example, the Institute of Internal Auditors team posted that they were to have a webinar about the IPPF Evolution (International professional practices Framework), in other words, they were going to provide some highlights on the key changes in this framework which is the

guideline for the internal auditors. So, this clearly states the time and date of this webinar. The channel means ways through which messages pass from the source to the receiver, and this does not mean that it is only one channel, they are different means that is, it could be through face to face where feedback is given instantly, social media like Twitter where one shares some important information together with the link they can follow to access it, Facebook, emails. However, some channels like the email have some restrictions where one must think and compose what to write. Therefore, in personal communication the channel is very paramount since it connects the two or more people communicating. Noise is a barrier that may stop messages from reaching the sender to the receiver and vice versa. These may be in different forms as reported by **(Davito)**, there are physical noise which externally affects both the sender and the receiver and may include, sunglasses, blurred handwriting that someone can hardly read a text, pop up advertisements, passing cars, and many others that one can mention. Secondly, noise is also categorized as physiological which is as a result of the problems within the sender and receiver themselves. For example, having a challenge of hearing or seeing. Psychological noise is also another challenge that can distort messages from successfully reaching the receiver, a case in point is the absent mindedness of the listener, biasness' about the information being communicated to you. Another form of noise is the semantic noise which involves the situation where both parties in communication process interpret meanings of messages differently simply may be because of differences in language, or use of unfamiliar jargons. For instance, when internal auditors are reporting about their findings, may be on the available risks in the entity, they must use simple and clearly explained accounting terminologies to explain to management everything.

Finally, another element of interpersonal communication is the context within which communication takes place. Such as the noise of a crying child in the background, this sometimes can dominate the way messages are sent or received, a formal stadium, and many others. (Devito, 2013, pg. 34- 43).

The figure below shows a summarized Model of interpersonal communication, including all the elements that have been discussed in the process.

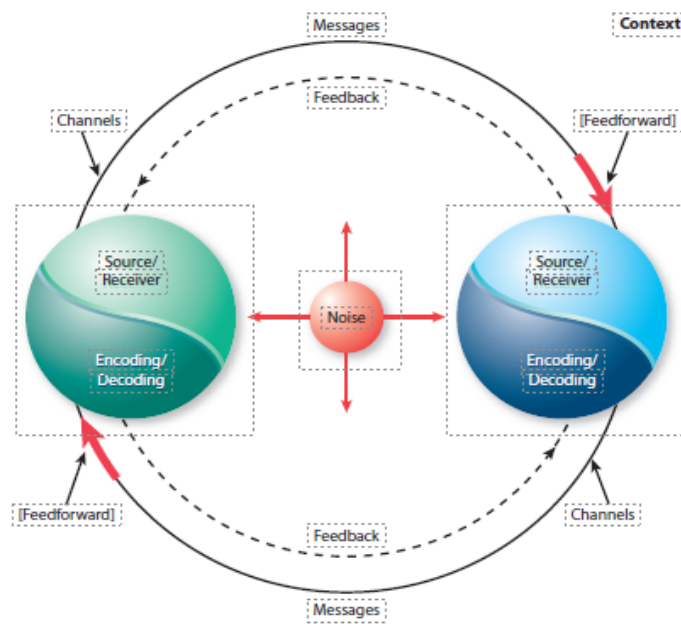


Figure 1.1. The communication model: source, (Devito, 2013)

1.1.3.2. Communication barriers

Communication is necessary all the time in our daily lives and in all kinds of business practices. However, there are obstacles that may make it ineffectively accomplished. Noise is one of the communication elements at the same time a barrier, this brings about misunderstanding or confusion between both parties (sender and receiver). The sender's mistrust may also be referred to as noise since they may lack credibility. Secondly, workers in an organization may have different knowledge based on their different backgrounds, this may bring about different perceptions on certain things, a case in point is when an employee is positively criticized by His managers as a way to encourage him improve, nevertheless, this may be misunderstood as a negative criticism. Additionally, language barriers may also distort effective communication, an auditor may want to use a word to replace internal control and to his knowledge, he may think this is the best way to do it, however according to some writers, this may be a confusion to the audience in a different field, it is advisable to use commonly known words to ease the communication. Controlling emotions is another complex communication problem which must be taken care of by the sender of the message, in some instances, the manager may think negative recommendations made by an auditor are attacking their operational systems or ways of their work. Organizational change is always viewed as a threat to the employees. This is a situation when an organization

thinks of making some operational, technological, organizational, and overall structural change due to both the internal and external environmental push. This can be a problem to the communicator who is trying to deliver a change message, since trust for him from the workers may be very little, and therefore his communication may be resistant. (Cascarino, 2015, pg. 107-108)

1.1.4. Robustness

The Cambridge Dictionary describes robustness as the quality of being strong, and healthy or unlikely to break or fail. In other words, something that is non-resistant of a given condition. It also means to tolerate to harm from unexpected loads or happenings. (Baker et, al. 2007). While the Institute of electrical and Electronics Engineers defines robustness as, 'the degree to which a system has the capability of functioning correctly in the presence of stressful environmental conditions.' The 2011 March Great East Japan Earthquake that is recorded to have been the 5th great Earthquake in History, leaving 100s killed and a huge destruction of buildings and many other things in that part of Japan, led to service disconnection of phone texting and calls caused due to congestion. However, the existence of social networks such as Twitter and skype played a great role in swift communication about the disaster victims, locating and evacuating them to safest locations that were not affected by the Tsunami. With the help of mass media like television broadcasts, information was also robustly conveyed to the masses warning them about the then disaster. Unfortunately, the television could not cover a wide area because the disaster was spread already. Nevertheless, social networks like Twitter (that applied an external cloud service) and skype (that used a technology called super node), did not only prove the internet swiftness, but its robustness. <http://core.ac.uk>

1.1.4.1. Robust communication

The English Dictionary explains the meaning of Robust as something strong and healthy or vigorous. Robust communication is the kind of strong or vigorous communication that can withstand planned or unplanned disturbances of any nature. For example, natural disasters, cyber security issues, etc. The Application of strong communication using channels other than horizontal and vertical approaches for example use of video conferencing, Skype, Twitter, and many other information systems is highly

viewed to be of great importance to improve the effectiveness of internal auditing activities. (Gurama et.al., 2019, pg. 103-113). Robust communication is important in times of crisis, for example, the pandemic. In other words, it is the communication that can resist both planned and unplanned disturbances, like cyber threats etc. (Mark A. et al. 2020), Since the internal auditors are now operating online, they may carry out internal control activities such as informing, communicating, and reporting using electronic messaging, for example, emails, social media platforms, and many others. Consistent communication between internal auditors themselves, auditees and organization members are needed to strengthen the internal audit effectiveness. (Endaya & Hanefah,2013).

Robust communication can also be achieved by use of crisis communication in managing disasters.it helps businesses land of the current events and preparation of future disasters through the available active social media, such as Facebook and Twitter as some authors attest to this role. Social medial is reported to have great importance in communication by providing information that would reach billion active users who would then share it to other users. Apparently, majority of the population is actively utilizing social media in acquiring news and other related important information. (Brand Watch). A robust social media element can be involved when planning for crisis communication of any kind in an organization, to prevent that tough upcoming system failures. Furthermore, (Fragkiadakis, A. G, et al, 2011, pg. 1-16) addressed the issue of applying robust communication for emergency response using multi-operator heterogeneous networks. Citing examples of the previous deadly disasters like the 9/11 terrorist attack, the 2005 London bombings and the Tsunami in Asia, Fragkiadakis pointed out key reasons for the failure to manage such disasters, due to uncoordinated and poor communication networks between different officials and police, concerned to support the decrease in loss of lives, as they were rapidly increasing. A wireless mesh network was proposed as the main and helpful network for robust communications in case there happens any emergencies, because this very technology would be fundamental to run backup for such emergencies. Also, a description of the forthcoming emergency responses was described as,

Video footage of the scene where the incident occurred, must be recorded instantly to be shared to management concerned, application of audio could be probably activated to inform the management and other stakeholders and the disaster or threat. Thirdly, provision of best technologies which are robust enough to solve the problem like 5g

networks. Use of Broadcasting and multicasting technologies can be helpful during the times of emergencies. With broadcasting, communication is being conveyed to a wider audience, while multicasting, communication is delivered to selected officials once an attack was suspected. (Fragkiadakis, A. G. et al, 2011, pg.1-16)

(Catherine Cote, (2022). reports that one of accounting skills that is always overlooked is communication, and therefore goes ahead to explain the communication skills needed for finance professionals as follows.

Explaining very complex topics by the finance speaker. This means that, as an accountant, you already have full knowledge about financial statements in your mind. Therefore, these terms should be broken down in an easy way for the people to know those difficult terms.

Secondly, understanding your audience as an accountant is also another good communication skill, which involves having a clue on their knowledge of the subject matter, knowing what is necessary to communicate, and how to deliver the message.

Thirdly, proving context to your audience is important too, especially if they are not financial professionals. For example, knowing what it means by the decline in returns on assets.

Finally, (Cote, 2001), pg.1). Also adds that, data story telling is a good tool for effective communication, this can be done by taking raw numbers and communicating insights through narratives and visualization.

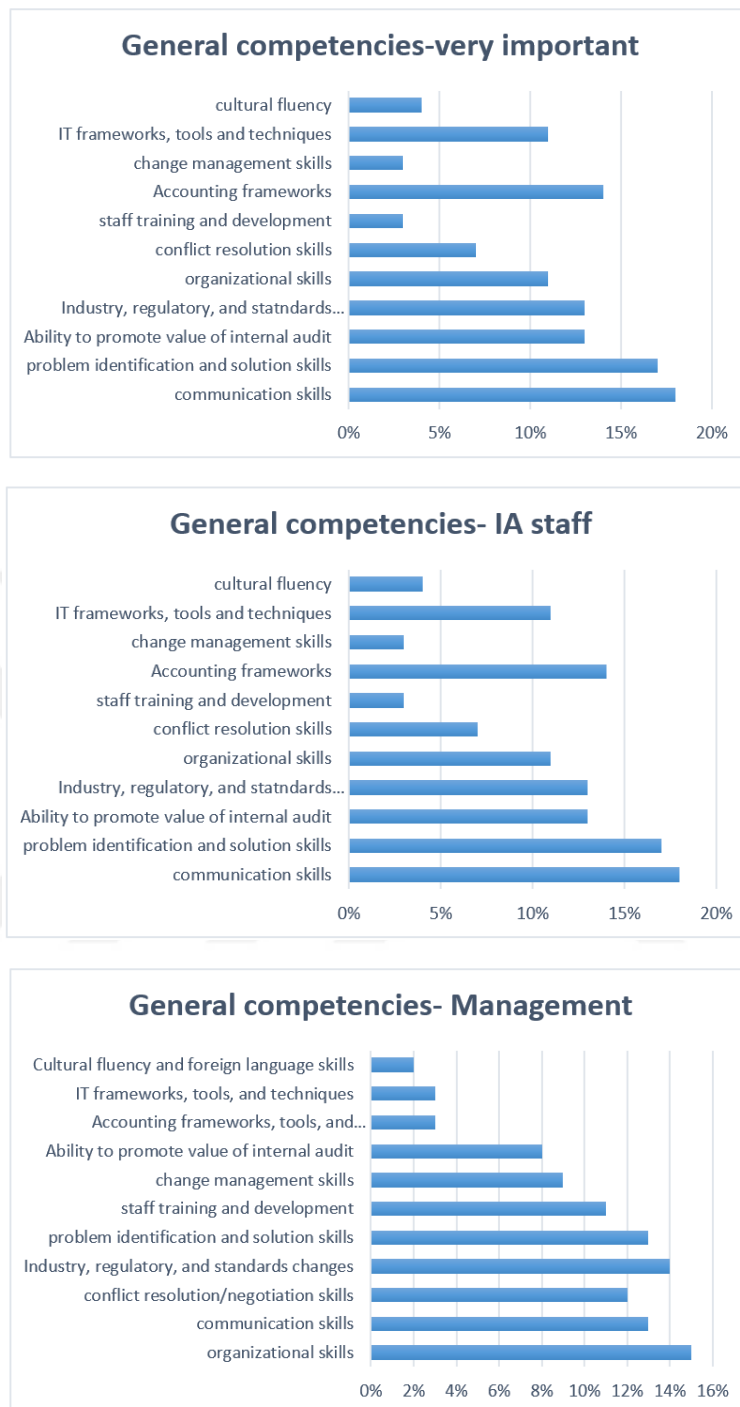


Figure 1.2. General competences of internal auditors (Source: The Global IA Survey, Report 11)

From the above Figures, the Global Internal Audit Survey illustrates general competencies which consist of skills that are very important to accomplish certain tasks, they include IA staff, Management and CAEs respectively. as it indicates, the common core competencies are ranked as one of the top five. Communication skills are ranked as the general topmost of all the competencies in the three charts, this, without doubt, proves

that internal auditors cannot succeed without communication skills. (Bailey,). The Deloitte insight reports that communication is the continual, iterative process of providing, sharing and obtaining necessary information, that enables personnel to receive a clear message from senior organizational management that control responsibilities must be taken seriously.

Internal auditors must always accept the fact that in their daily activities at all levels of their profession, the systems are subject to change and must ensure that the current systems reviewed in the organizations are robust enough to survive in this continuous change. (Pickett,2010). Much as improving the entity governance practices and development of human capital are important in auditing, it should be considered that investing in Communication quality is a crucial element that helps improve the internal audit excellent operations, whereby creating a concrete oral presentation is believed to not only increase the trust the internal auditors will gain from the companies they audit, but also will improve their fairness in reporting their audit findings objectively. Thus, emphasis on strong or robust communication, while applying the communication skills effectively, helps improves the internal audit role. (Stephane, 2020). There is a misconception among most entities who think that an internal audit's role is like that of a police officer, by detecting all the deficiencies and violations to take legal action against the victims involved. However, this perception can only be changed if the internal auditors dedicate their quality time to the communication skills that will help them not be misunderstood. Thus, freely interacting with their clients can be more advantageous in achieving the following.

- The audit role will clearly be understood by the audited client.
- They will have an opportunity to get more insights, and reliable information about their clients.
- High chances of the audited company to implement the recommendations reported by the auditor.

There will be a very good assessment of the internal auditor's work. (CAAU, 2021, pg.2). These benefits can only be achieved if communication by the internal auditors is robust enough to achieve the effectiveness of the profession. While, maintaining healthy relationships with stakeholders especially as they serve the public sector auditing is a good indicator, because it shows the application of effective and strong communication by internal auditors. It is thus proven that internal auditors are more effective and reliable

when they apply strong (robust) communication skills which are far better than technical skills. Robust communication helps the audited entity to be updated about what is going on as far as new developments are concerned; this factor improves more reliance and trust for audit work and leads to efficiency.

(Bucăța, G., & Rizescu, A. M. (2017, pg. 49-57) report that the success or collapse of an entity is determined by proper use of communication, here the emphasis is put on management to act upon the clarity of the objectives to their employees, or if it's the auditors, it is very good to first be briefed about the system so that they have full grounded knowledge of what they are auditing, efficient resource utilization will also be possible with the support of strong communication, this will help the entity not to encounter any losses.

A robust communication study about communication problems in conducting rural Agricultural management process was carried out, and the issues tackled were concerning insufficient cellular network coverage yet with the evolving modern agriculture, advanced management methods are a prerequisite in completing success corn harvest, potatoes, and more. A mixture communication platform was introduced so that this could quickly exchange information with the application of trusted apparatuses. Using projects such as KOMOBAR and ISOCOM, the researchers hosted a platform known as a delay tolerant platform, together with a cellular communication network to robustly boost communication in cellular networking. The figure below shows a description of various parts of the communication platform.

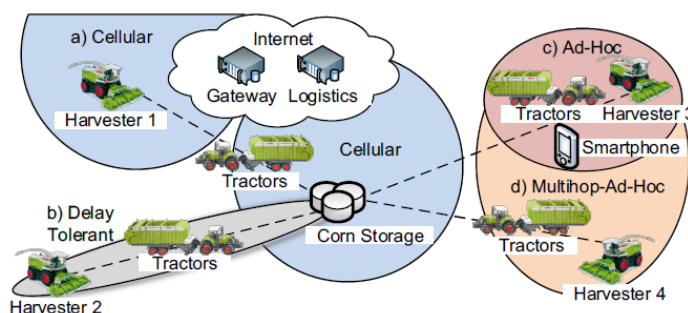


Fig. 1: Robust communication in a harvest scenario

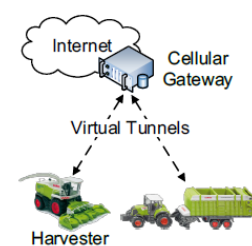


Fig. 2: Cellular Gateway

Figure 1.3. Various parts of communication platform (Nordemann, F. et, al. 2015)

Cellular communication gateway was hosted by the two projects, KOMOBAR and ISOCOM to help improve communication with mobile routes in cellular networks, it also

helps to increase some delay tolerant information, it does this by keeping information for the routes which do not function. The virtual private network or most of the mobile routes is also applied to facilitate robust communication. Ad-hoc communication is also applied in instances where routers meet at one point, delay tolerant communication has the capacity to transmit information even in circumstances where an absent constant way between the sender and receiver exists (Nordemann et al., 2015), pg. 2

Thus, robust communication is handy in critical situations that require quick and clear network connections.

A study conducted on effective government communication strategies in the era of the covid-19 pandemic argued that to consider strong communication for any public disaster, it should be a two-way thing in the sense that every member in the community including the government and other stakeholders should share ideas concerning problem-solving of the issue, this will be done through active participation and opinion sharing between them. (Hyland-Wood, B. et al, 2021) It has become a major concern of the threats of new innovations and ways in which these threats are being enlightened to the general community, risk communication becomes very paramount when regulations on dangers of deadly diseases, cyber security issues, or any other pandemic are clearly described to the full knowledge of the audience. (National Research Council, 1989). Conceptually, risk communication is that communication where experts, people, and other personnel simultaneously have a dialogue, while sharing different individual points of view about the threats that come along, and it is reported that this kind of communication supports individuals or entities to prepare how best to handle these threats before they attack them. (WHO, 2022). Sound communication is paramount to controlling any kind of crisis in this dynamic social-economic setting, more importantly, when communication plans are set properly, one can easily win public trust, confidence, and adherence to characters expected by the audience (Carter S M et al., 2011)

Hyland-wood, B. et al, (2021) provide a number of advices concerning successful and effective communication, more so, in times of crisis or any disasters, these involve all life aspects ranging from social, economic

During times of crisis, reporting clear information is paramount especially for effective information and persuasion, ensure to involve knowledgeable personnel or stakeholders that can help to back strong evidence. (Hyland-Wood B. et al., 2021). Secondly, ensure maximum trust from people because this is a crucial factor in the strong

communication, additionally, one can involve stakeholders relevant and knowledgeable in this communication campaign with the intent of emphasizing facts from reliable sources (Brinol, P., & Petty, R. E. 2009).

1.1.4.2. Internal control

Information and communication are one of the Committee of Sponsoring Organization of Treadway commission (COSO) framework elements of internal control procedures in the organizations. Internal control is a process in which the company management, board of directors and other related officials create to issue a reliable assurance that with no doubt will help an entity's goal achievement of financial reporting, towards achieving effectiveness and efficiency of the entity's operations, reliability of financial reporting, and compliance of laws and regulations. (Tarantino, 2006, p.g 41). Their service towards organization's objective achieving of financial reporting may not entirely be complete, but some sound assurance is delivered. (Graham, L. (2015). Years back, there was no dependable definition of what is referred to as, effective internal controls, but due to several scandals in the 1990's, financial officials, including the American Institute of certified public accountants (AICPA), created the current known as the committee of sponsoring Organizations (COSO) to create a reliable framework that would define the concept of internal controls.

1.1.4.3. The Committee of Sponsoring Organizations of Treadway (COSO)

The Committee of Sponsoring Organizations of Treadway (COSO) is believed to be a voluntary private-sector organization dedicated to improving the quality of financial reporting through business ethics, effective internal controls, and corporate governance. It is also one of the global internal control Frameworks that is recognized by Management, independent outside accountants, and internal auditors of both public and private entities. (Anderson, et, al, 2017). Importantly, COSO is committed to continue offering sound leadership through creation of frameworks such as the internal control framework, on enterprise risk management, internal controls plus fraud limitations. This however does not guarantee COSO to give orders pertaining the standards of entity operations, such as those given by government, but rather advises on best practices that can be adhered to. In other parts, they have become a foundation for standard-setting avenue, because SOx would prefer an entity's internal control systems to operate with the COSO internal

control guidelines, which most would think about using the old 1992 COSO, when, this was updated due to some environmental and many other changes. (Moeller, 2009, pg. 44).

The 1992 COSO Framework would still not be very compatible with the evolving technological changes, processes, and decision, and increasing higher expectations of stakeholder concerning governance, risk management and prevention of fraud. so, it was regarded as outdated, and thus, the need to release the 2013 COSO Framework as a guide to implement and further explain on effective enterprise internal controls. (Moeller, 2014, pg. 11), (Roberta Provasi, & Patrizia Riva. 2015). Globally, all private and public entities have had hard times in complying with corporate standards, which require robust internal control systems to improve their efficiency and effectiveness, but good enough is that the approved COSO standards have had some promising and positive feedback of global compliance, by delivering support in defining business processes with an aim of mitigating risks that would hinder business progress. (Tarantino, 2006, pg. 16). It is on record that, SOX made some changes in the internal controls, whereby the Chief Executive Officers (CEO) and The Chief Financial Officers (CFO) were given the responsibility of ensuring the functionality of the internal control systems, and also go ahead by proving it to the general public such as, the shareholders and all other stakeholders indicating how these systems are reliable for proper and accurate financial reports. (Tarantino, 2006, pg. 47)

1.1.4.4. The Sarbanes-Oxley Act (SOX)

The Sarbanes-Oxley Act (SOX) Of 2002, is believed to be an Act that was passed by the United States Congress in bid to safeguard the public from any fraudulent related scandals caused by any kind of entity. Importantly, the aim of SOX was to shield the investors and other shareholders through refining the corporate financial reliability of internal controls. SOX therefore provides auditor independence, good corporate governance, internal controls, and improved quality financial disclosures in the entity. (Tunggal, (2022).

Important to note, is that the internal controls have contributed much to adding entity's value and achieving their objectives through effectively mitigating the risks. If businesses are being threatened to fail, they have a strong supporting pillar through internal control systems.

1.1.4.5. The Internal Control Roles and responsibilities

Anderson et al. (2017) reports that, all staff in the entity at least play some role in the internal control, for instance; management, board of directors, and the internal auditors.

Managements' role

Here, the CEO is responsible for the foundation of the internal control system, this is the ‘‘Tone at the Top’’, where management monitors how ethical an organization is, then their role is to delegate tasks in the entire organization depending on the type and size of the organization. For example, if it is a small organization, the CEO will have a direct impact, while if the entity is large, it means his impact will be robust (strong), because he directs the management and they in turn delegate to other subordinates that help in the fulfilment and achieving of the internal control objectives.

Board of directors' role

These oversee management by giving guidelines concerning internal control, and overseeing the entire internal control system, these members are entrusted by COSO, as being objective, capable and inquisitive, elements that describes them as having full knowledge of all the organization environment and activities.

Internal Auditors' role

As management is working under the directives of the CEO, they have total responsibility to serve on behalf of the CEO in the organizational strategically designing the internal control operations, it should be noted that the internal auditors come in to thoroughly check whether management is performing its designated roles as per the CEO orders. The internal audit therefore provides assurance that enables excellent design of the internal control system that will help objective attainment of the organization. The COSO Framework meanwhile, describes the internal audit role that, ‘‘ Internal provides assurance and advisory support to management on internal control, by evaluating the competence and effectiveness of controls in responding to Risks within the organization’s operational systems.’’ (Anderson, et, al, 2017, pg. 216- 218)

According to the Committee of Sponsoring Organizations of the Trade way Commission (COSO), the internal controls are created to offer equitable assurance regarding the entity’s goal achievement so that to improve effectiveness and efficiency of the internal audit responsibility of objective financial reporting, and compliance of

laws. Thus, the COSO five components include control environment, Risk Assessment, Control activities, Information and Communication, and Monitoring activities as demonstrated below.

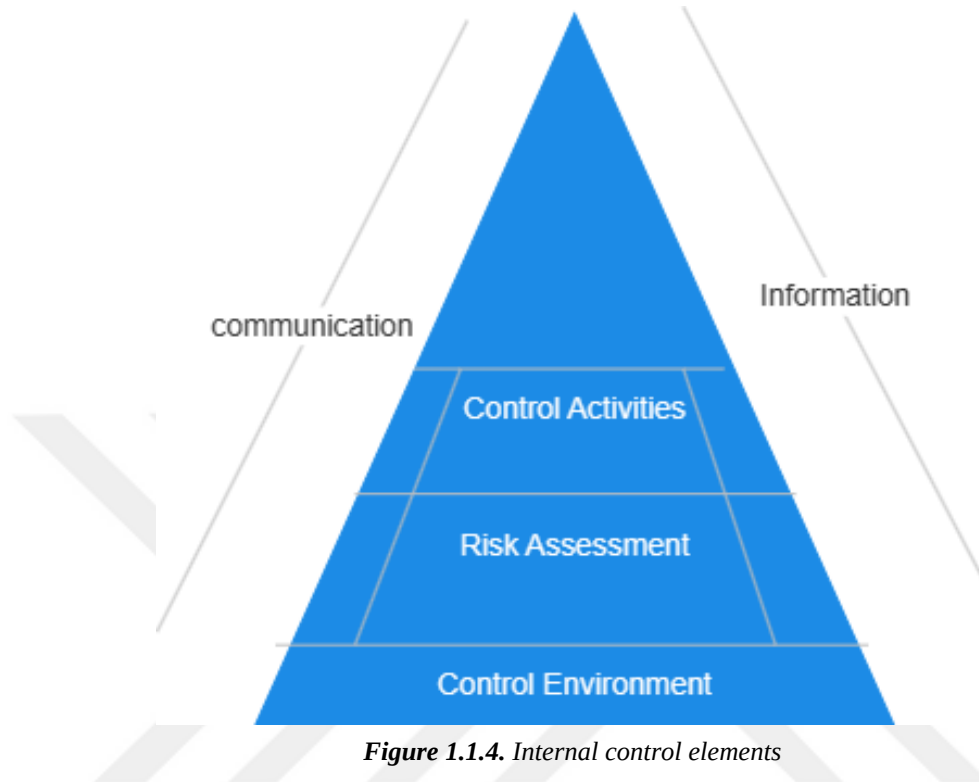


Figure 1.1.4. Internal control elements

The above figure illustrates the COSO Framework components of the internal controls, which include.

Control Environment: This component, first all, is a guide to all other internal control components, whereby it creates a structure and the discipline as a guide, it includes good morals, honesty, and competence of the employees in each organization, and the management above all benefits because they learn suitable leadership styles.

Risk Assessment: Risks are the threats that may negatively hinder the progress of the entity's objective achievement. Therefore, all organizations irrespective of their nature, size or status must try to get rid of any threats by assessing the risks and find possible ways to handle such incidences immediately after discovering their presence.

Control Activities: They help firm the already established policies and procedures set by management at different stages in an entity, by applying these procedures to curb any risks that would arise, such that the intended objectives are achieved for the smooth entity operations. These may include reviews, authorizations, reconciliations, and ensure these orders from top management are being respected by the employees.

Information and Communication: Information and communication basically, deal with both the internal and external produced data that involves crucial information dealing with operational, financial, and issues to deal with following standards. This means that, the information systems already in the entity ensures this message is passed over to different levels of the entity about their responsibilities, which is of great importance in making informed decisions about the control system handling by the employees in any organization. Clear information should also be given to the other external stakeholders who have the interest in the entity, such as the Government, the regulators, the customers, suppliers.

Monitoring: it involves continuous evaluations of the control systems and how they are responding. If the control systems are created, then checking their performance is very paramount. The top management here, keep an eye on everyday basis of the entity of operation as per the systems are concerned. However, this will depend on the magnitude of those risks occurring, therefore this will give a direction on how frequent their evaluations should be (Pickett, 2011, pg. 119-122).

The objectives, Components, and principles of internal control

Anderson et al. (2017, pg. 2016-2018) report that, The Committee of Sponsoring Organization of Treadway (2013) provides an explanation of the relationship that does exist between the objectives, an organization tries hard to reach, the components and principles that represent what is needed to reach the objectives, and the entity structure with the different functional units, the lawful entities, name it. This relationship is shown in form of a cube as seen below.

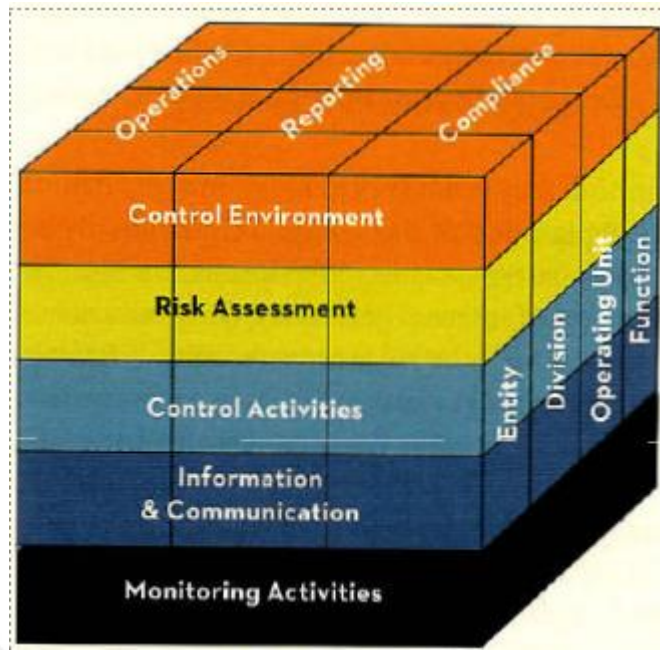


Figure 1.1.5. Components and principles (COSO, 2013)

It should be noted that the Committee of Sponsoring Organization of Treadway (COSO) set three main categories of objectives of which the organization would put much emphasis on various facets of the internal control. These include operations objectives, reporting objectives, and compliance objectives which will be explained separately.

Operations objectives, aim at improving the effectiveness and efficiency of the operations in the organization, which include protecting of entity assets, operational and financial performance goals. In other words, once these objectives are worked upon, internal control will be effective.

Reporting objectives are concerned about the internal and external, financial and non-financial reporting, which comprise of timeliness, reliability, and transparency terms set by the organization's rules and regulations.

Compliance objectives are concerned with devotion to laws and regulations that are subject to the entity.

Internal Control components and the 17 principles as of COSO, 2013 Framework

Control environment principles include:

- Shows obligation inform of integrity and ethical values as prerequisites in the entity.

- The board of directors demonstrates as a competent workforce through taking over the management role of internal control.
- Management, together with the board of directors' inspection develops a charter, the communication channels, suitable authorities, and influence in trying to attain the goals.
- The organization takes charge in attracting, imparting skills, and retaining the knowledgeable staff who have skills that match with the objectives.
- The individuals are taking charge of the internal control activities in bid to achieve the goals.

Risk assessment principles include.

- The entity offers clear and enough information specifying the intended objectives to be met to understand and assess the threats relevant to these objectives.
- Tackling of risks in the organization must be based on the kind of risks detected.
- Evaluation of the would-be fraud risks must be implemented by organizations in attaining the objectives.
- Any strange elements that would be a threat to the internal control system must be assessed by the organization.
- Control activities principles include.
- The organization chooses and creates control activities that can be handy in fighting the risks that would cease the attainment of objectives.
- Major control activities should be advanced by the technology to realize the intended organizational objectives.
- Positioning of control activities by the organization through the established policies, and what is expected to be realized through these policies.
- Information and communication principles include.
- The organization acquires or creates and utilizes pertinent information that robustly supports all other internal control components.
- The information is disseminated internally by the entity, which includes the goals and tasks within the internal control.

- The organization discusses with the external parties about issues impacting proper functionality of internal control.

Monitoring principles include.

- Ensuring that the ongoing or periodic evaluations are on the go to monitor the effectiveness of internal control.
- The organization ensures appropriate and timely communication of information concerning the shortages of internal control, to the involved parties such as the management and board of directors (Anderson, et, al. 2017, pg. 207-217)

1.1.5. Auditing

First, an audit is known to be an independent examination of financial information of any organization. The organization can either be profit oriented or not, irrespective of its size or legal form.

Tandon et al., report that ‘‘Audit’’ is derived from the Latin word ‘‘audire’’ which means ‘‘to hear’’. Back in the past, whenever the business owners suspected fraud in their business operations, they hired some people to check in the books of accounts, and therefore, reports from those specific individuals were made in relation to their accounts. Tandon et al. (2006). It is also defined as a systematic, independent, and accepted process for attaining audit evidence and evaluating its objectivity to determine the extent to which the audit standards are achieved. (Brancato & Luzi, 2014)., explains an audit as an instrument of financial control, which works as a safeguard on behalf of the business owner, in the proper utilization of money and many other company assets, and makes sure all facts are presented very objectively. (Brancato & Luzi, 2014) reported that audits according to the ISO 19011:2011, are both internal and external, whereby the former are piloted with the aim of looking over systems quality control objectives. While the latter are the external audits that are conducted by an organization or external auditor who ensure that the quality or environmental systems are in line with the requirements according to the standards of the ISO 9001 and ISO 14001, correspondingly. But according to ISO 19011: 2018, this does not necessarily mean that the first party (internal audit) is about a company meeting its processes only according to standards, but also according to the company procedures itself. By design, the internal audits are usually operating in a more profound method than the other type of audits since this is a great

opportunity for an organization to quickly detect weak areas for improvement. While second party audits (external audits), according to ISO 19011: 2018 records, are performed by individuals with interest in the organization, such as the government agencies, customers, and other parties. The third-party audits are directed by independent organizations, and mainly apply international standards as audit criteria. (ISO 19011: 2018). The main objective of auditing is to provide reliable report regarding improper financial misstatements that can lead to a lot of questions by the shareholders, and this has to be in line with the provided audit operating standards. (Kesimli, I. 2019). The differences in the objectives of external and internal auditors is that, the external auditors simply check the transactions of financial statements of the company, and decide if really these transactions are correct, Nevertheless in cases where the systems are well grounded, the testing may not be required since good results will be expected, while the internal auditors provide an advice to the management about how its operational systems are reliable and that if they are capable of managing risks with their internal control systems. Basically, the main aim is to help the organization achieve the intended goals. Notably, the external audit applies those systems in verification of the financial statement, while the internal auditor on the other hand more interested in the internal controls that help the organization achieve its objectives. (Pickett, 2011).

1.1.5.1. Auditing principles

For auditing to be an effective and reliable tool in the management systems, should ensure to provide information that an organization can count on, so that they progress their performance. The following principles therefore characterize the audit as explained. Audits should be carried out ethically and , with maximum professionalism, and (Gita Sulistya Ningrum, L. K. W. 2017),explain that Integrity can be measured on what is already known to be right or fair, and that when auditors are in an environment where rules and standards are not applicable or imposed on their activities, they should judge themselves through their decisions to find out whether they do have conflicting view and opinions, ideally audit compliance of the set standards and rules among other factors like, audit continuous improvement and training programs, leads to audit quality. Auditors are also obliged to fair presentation, which means reporting fairly and accurately their findings. Due professional care should be exercised too by the auditors as they practice such that, they gain trust from their clients and any other individuals or organizations that

would be interested in their works, and their points of view must be backed by strong and supportive evidenced provided from insights. (ISO 19011:2018), and this can be improved through training, experience and having acquired both technical and soft skills, and knowledge regarding proper control systems. Hosseinniakani et al., (2014). Another important principle of auditing is the confidentiality and security of information. With due respect, auditors just like any other professionals must make sure that the audit pertinent information is protected to avoid breach of data by the attackers, they should therefore be careful who to access it, what information, when to access it and how to. Also, security of information can be assured through application of good internal control systems in the organization, the internal controls are procedures, protocols, and activities that are meant to protect the organizations' assets so that they are not surprised with unprepared for attacks. These help in optimizing the effectiveness of risk management strategies. Additionally, audit independence is yet another principle as noted by ISO 19011: 2018, there should not be any bias or conflict of interest, and the findings should be based on evidence. In addition, independence simply means to be free from distortions that can hinder both the internal auditors and chief Audit Executives from successfully accomplishing the audit work in unbiased manner. Therefore, because of this reason, the chief Audit executives have got total access to the premises of senior management and the board respectively. (Pickett,2010 pg. 450). Finally, audit has a principle of evidence-based approach. Notably, the internal controls cannot be successful themselves, but rather, risks have to be detected, then a decision of suitable internal control systems to curb these risks should be made.

1.1.6. Internal auditing

The pressure for both external and internal auditing was raised as a result of having ways for independent and objective verification in bid to decrease record-keeping errors, asset misuse and fraud within the business and other world organizations. "Internal auditing was essentially a clerical function because more of the record keeping work was done manually. It is on record that, auditors then were on demand in instances where there was need to check the accounting records in case of any errors. History has it that, railroad companies are credited for being the very first modern employers of internal auditors, with a role of determining that all money was well accounted for throughout the railroad agents. (Pickett, 2010. pg.28)

Globally in the business environment and the fact that internal auditors accept that all systems in organizations are subject to change, it is paramount that they try all possible ways robust enough to manage issues in systems that are happening now, plus those that will come in future. (Pickett, 2010. pg. 312). This means that they should have access to the necessary information and know-how to go about it as they accomplish their auditing role. Because of this reason, therefore, first defining the term internal auditing to give a highlight to the subject matter.

According to the Institute of Internal Auditors (IIA), Internal auditing is defined as 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 evaluating and improving the effectiveness of risk management, control & governance processes. In addition to their personality traits, internal auditors have skills linked to tasks performed, such as soft skills like communication skills. Here, they can obtain, gather, verify and elaborate on specific information. (Przybylska, J. et al, 2021)

Internal auditors are believed to offer services in Banks, hospitals, academic institutions, government firms, or CPA firms. They offer what is referred to as operational auditing, which means that, they have full knowledge of the firm and devise better means to provide advice on effective and efficient resource utilization, company policy obedience, and effective ways of objective accomplishment.

Operational auditing plays a key role in supporting managers in properly performing their duties and earning company benefits. Internal auditors too discharge financial reporting obligations and make recommendations on internal control systems. (Lowers, T. J et al., 2018, pg. 57-58), and their responsibility must match with the current evolving business setting. This means that, they are in a clear position to redefine and apply their knowledge on every kind of internal controls. Nevertheless, this does not give them full responsibility to various tasks in the firm since this is management's work. High need for suitable corporate governance has increasingly led to the surfacing of internal audit work, this is evidenced by the fact that they are handy in providing insights about threat prediction, thereby bringing about good governance since management will be cautious at each departmental level in the organization upon making informed decisions. Management is the process where companies continuously adapt to the new business setting through maximum utilization of resources by forecasting, organizing, leading, and

monitoring of the workers (Cascarino. 2015, pg. 28). Internal audit concepts in the definition are explained.

Independence

Independence of internal auditors; internal auditors are independent and objective, the concept independence means that an internal audit must have sufficient status and can stand back on its own in terms of organizational review tasks. This means that, after they have got knowledge about the organization, the rest they must apply using their skills, and when there is freedom for the chief Audit Executive to easily access the premises of management and the board without limitations, then the element of independence will be achieved and the internal audit job will be easy to perform and can be attained through good understandings between them and management.

Objectivity

Objectivity meanwhile Objectivity is when the internal auditors work with confidence without any kind of subjectivity as they serve. In other words, they should base on facts without compromising their job. Audit work has to be taken very seriously, in case there are a lot of pressures against objectivity, then this can always be handled at individual organizational department level. Additionally, (Anderson, et, al. 2017) report that objectivity is when the auditors should not by all means take sides or make any inclined decisions. And to escape such situations, internal auditors should not engage themselves in the day to day or get to instances of conflict of interest. For example, standard 1130. A1-1 states that in case someone has been changed to a new department in a new organization, he is not allowed to offer assurance services not until a period of one-year elapses, and the logic behind this is that this internal auditor will be auditing his/her own work, something that would be unfair.

Assurance and Consulting Services

Assurance and consulting element means that internal audit may deliver their audit services depending on each manager's needs. The evidence here is normally relevant to the subject matter of interest for auditing process, and the conclusions are given on the same subject. Here, the internal auditor has a role in determining the nature and magnitude of the issue in question and find ways to engage properly in providing the services. This basically involves three parties, that is, the auditee, who is directly impacted by the subject, the internal auditor, who oversees assessment, and finally, the user, who highly

relies on the internal auditor's Assessment. The chart below illustrates more on both the assurance and consulting services that the internal audit offer.

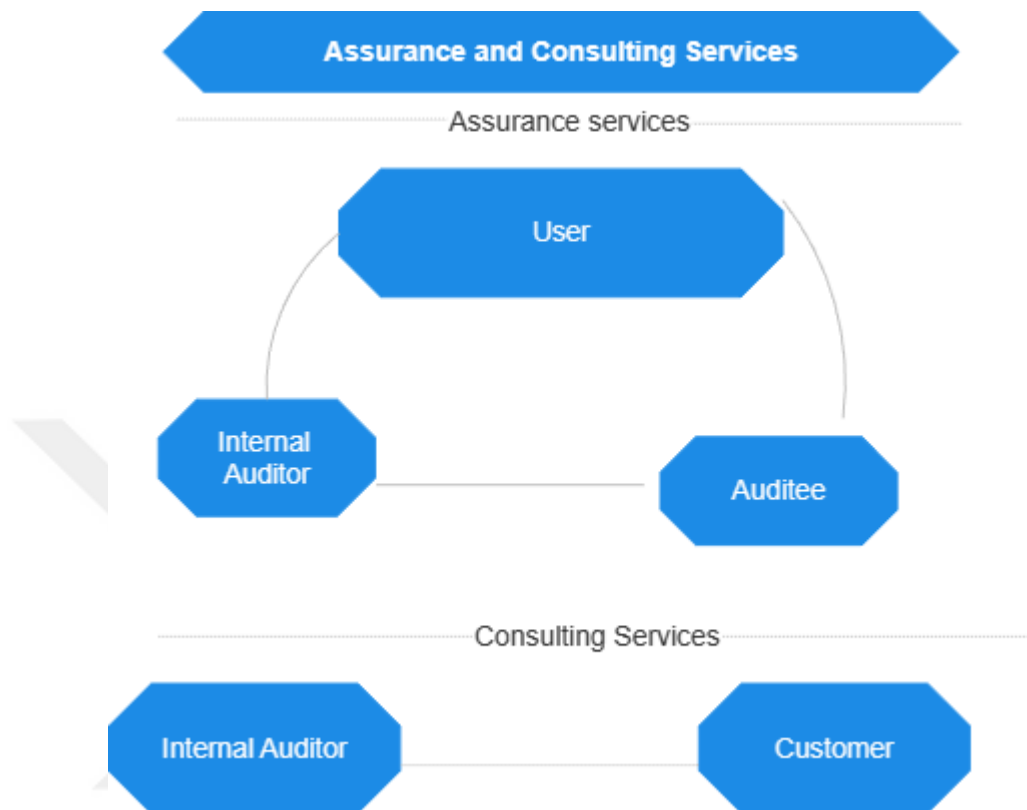


Figure 1.1.6. Illustrating assurance & consulting services (Anderson et al. 2017)

The two services of assurance and consulting are different in such a way that, assurance services aim to offer independent assessments, while consulting services are performed to offer some advice, training, and facilitation services, in other words, these include two parties, that is the first party and the second party, the first party receives advice (customer), and the second party gives advice (internal audit function). (Anderson et, al, 2017, pg. 69-70)

It is designed to add value through the supporting hand of the chief audit executives (CAEs). An internal audit improves an organization's operations by continuous improvement, which factor must be demonstrated by the CAEs.

Fundamentally, it should be known that the chief Audit Executive aids the flow of information between the internal audit, the management and the external audit concerning the Securities and Exchange Commission (SEC) rules and regulations of the prerequisites of the external auditor independence.

The Chartered Institute of Public Finance and Accountancy (CIPFA) defines internal auditing as, an independent and objective appraisal service within an organization. It is an assurance function that primarily provides an independent and objective opinion to the organization on the degree to which the internal control environment supports the achievement of the organization's objectives. The internal control environment comprises the policies, procedures and operations established to ensure the achievement of objectives, the appropriate assessment of risk, the reliability of internal and external reporting and accountability processes, compliance with applicable laws and regulations (Pickett, 2010).

Internal auditors help an organization achieve its objectives. Objectives are very paramount in managing successful business management of all types, without clear objectives, an entity can easily fail. The objectives of an entity describe what the business wishes to accomplish, they are reflected in both the mission and vision statements of an organization, whereby the former stresses what an organization aims to achieve in a short period, while the latter describes what an entity wants to achieve in future (Anderson, et al., 2017, pg. 30-31) describe the categorizations of business objectives as follows.

Strategic objectives: these are objectives that management intends to achieve to satisfy the stakeholders' interest.

Operational objectives involve financial and performance goals, and they are connected to the effectiveness and efficiency of the organization's operations.

Reporting objectives intend to report both financial and non-financial information that is based on relevance, credibility, with the set standards by the external regulators.

Compliance objectives aim at achieving the goals of obedience of the rules and regulations that are subject to the organization.

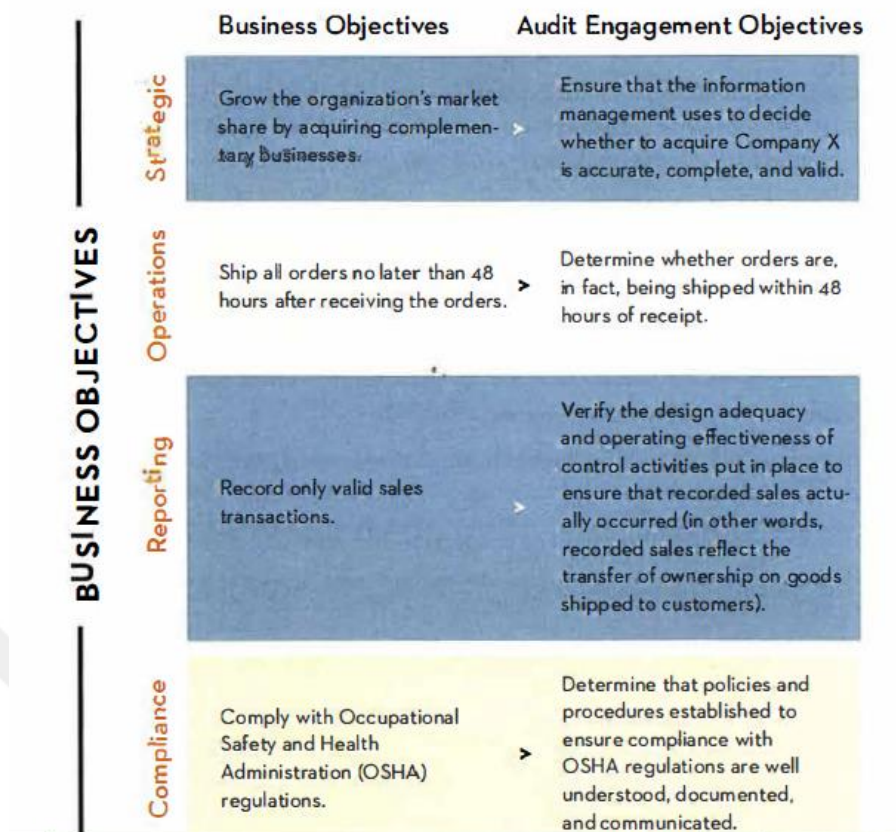


Figure 1.1.7. Business and Audit Engagement objectives (Anderson, et al., 2017, pg. 30-31)

1.1.6.1. The Institute of Internal Auditors

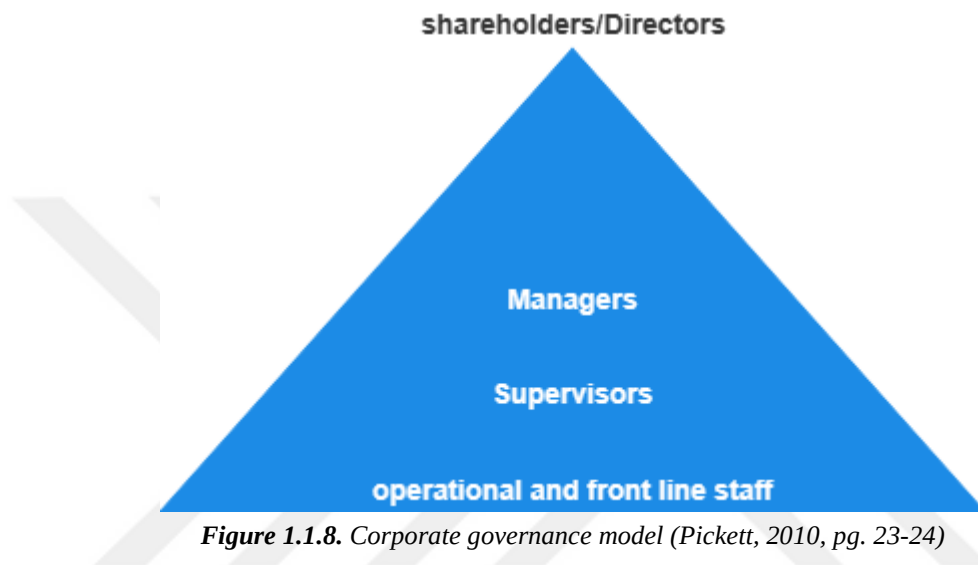
The Institute of Internal Auditors (IIA) is a worldwide professional link with universal headquarters in lake Mary, Florida, the United States of America that is believed to have been formed in the year 1941. It is reported that the Institute of Internal Auditors (IIA) is the Internal Audit profession's front-runner in principles, certification, education, research, and other practical-related guidance in the entire globe, and that has approximately more than 218,000 members worldwide. The main task of the institute of internal auditors was to deliver strong leadership the worldwide internal audit profession. And the following were actions in support of this assignment. They included among them, to robustly encourage the value that was provided by the internal audit profession to their entities, delivering of broad skilled and educational prospects, principles, technical guidance, and authorization programs, additionally, investigating and sending data related to internal audit duties of risk management, control, and governance processes to their companies, finally, time-time connecting internal auditors across the world so that, they would simply share knowledge as well individual experiences. (IIA, 2018). The

internal audit profession has dramatically enhanced the quality of internal audit activities through the Institute of Internal Auditors standards. (Marais, M. 2004). Also, standard 1300 (IIA), indicates that the chief audit executive must advance and uphold quality assurance and development program that has to do with everything in the internal audit activity, and regular check-up is done to monitor their effectiveness in adding value to the entity's operations (IIA, 2001). Importantly, different individuals from both inside and outside the organization practice internal audit tasks in various legal and cultural settings each with a different aim, size, and framework, but these variances in the settings may in one way or the other affect the smooth running of internal audit tasks. Thus, it is paramount to have in place the International professional practice of internal audit to fulfil the auditing obligation for objective attainment.

The International professional practices of internal auditing are principles that the Institute of Internal Auditors (IIA) authorizes to be abided by the internal auditors and thus according to these standards internal audit tasks ought to be in line with the definition of internal Auditing. The Institute of Internal Auditors (IIA) provision of performance standard-2020 on communication and approval, describes the responsibility of the chief audit executive of providing information regarding future activity plans of the internal auditors, details of the resources that are needed, and the effect of resource limitations to management and the board for endorsement. Emphasis is added on the IIA performance standard -2060, on the chief audit executives' regular reporting to senior management and the board as per the demand and prominence of the information. It is provided that this report should involve matters of the internal audit's purpose, ability, and responsibility, by reporting substantial exposures to threats, control problems, fraud, and any other matters as per the demand of management and the board in general. Additionally, IIA standard 2110 description on governance, gives a provision that the Internal audit activity must ensure suitable evaluation and recommendation is done in order to enhance activities in governance to achieve the following goals; promoting good morals in the organization, making sure that the organization operates well a transparent environment and accountability, providing information on risk and control of the right departments in the organization, and finally organizing different tasks and disseminating information to management, the board, internal auditors, and external auditors that leads to good corporate governance system (IIA, 2012).

Corporate Governance

Internal audit function is known to be a fundamental component of the corporate governance. Corporate governance is when the directors are given the responsibility by the entity owners to run the business, and in turn, the directors will set the business strategies, by also appointing managers who will help them to run other day to day activities of the company. Pickett demonstrates this in the model below.



They will improve the overall quality and reliability of corporate governance of a business, by boosting the company's reputation in the world and public image which will help influence the customers and other stakeholders' decisions and partnerships, and they empower businesses to work upon their various financial and operational problems and advices, it is constructed in recognition of the need to encourage business performance, to show that this performance is really earned and to encourage more openness in reporting results. (Pickett, 2011, pg. 47-48). Agency Theory is handy in describing the effectiveness of the internal auditors by explaining their responsibilities or duties in the firm, it also helps in anticipating how internal auditors will be impacted by the entity's reforming and reshuffling (Adams, 1994, pg. 8-12), this assumes that the organization in usually has an interconnection between the owners (shareholders) and the Directors (agents). The shareholders are the owners of the company and expect some good report from the directors who oversee taking care and control of the assets.

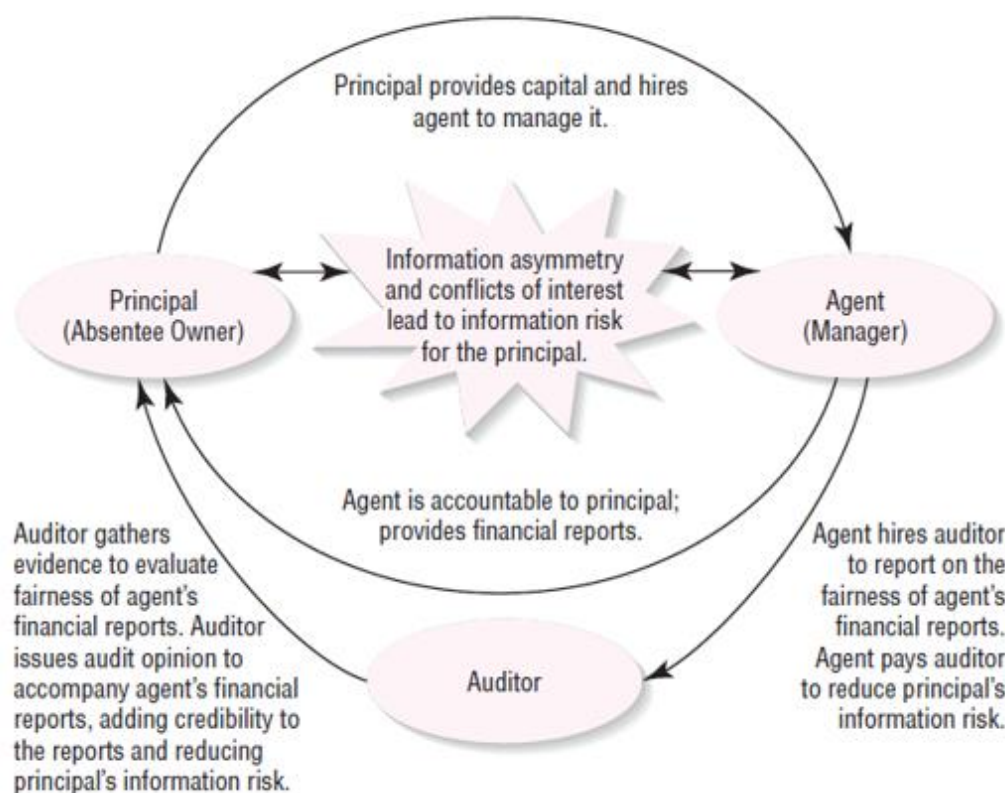


Figure 1.1.9. *Principal-Agent Relationship that leads to the Auditing demand (Messier, W. F., et al, 2008)*

Predominantly, it may sound naïve when one would be confused whether companies employ huge sums of money hiring auditors to audit their financial systems is done due to the regulations imposed on them. However, according to research, auditors were essential way back in Greece around 500 BC.², and the raise of the world corporate business necessitated the push for provision of accountability and assurance services from the auditors. In 1926 before the auditing laws were enacted, about 82 percent of the organizations on the New York stock exchange had to be audited independently, this gives an explanation that auditing can be present even without laws.

Primarily, the need for auditing was well known for the reasons of proper transparent data at the times when owners hired other individuals to run their business, and this is also evidenced when businesses found the great demand to expand their businesses to more branches, finance the research and development process, and technology that auditors were needed. Also, the birth of modern firms leads to the development of many clutches of people who owned businesses that they could not

directly take charge other than employing someone knowledgeable to take care of the daily operations.

Remarkably, the connection between the company owner and manager falls out into what is known as ‘‘ information asymmetry’’, here the manager is known to be the right person to clearly explain the exact picture of the current financial position, since he or she takes full responsibility. Secondly, these two have different goals, whereby the owner wants to gain profits, while the manager has his own other personal interests. According to research, the former CFO of Enron one of the companies that faced financial scandals, was found guilty because he controlled the reported earnings of Enron for the reasons of inflating the company’s stock since he was on a mission to earn huge bonuses. Nevertheless, a transparent and honest manager would for this case hire an auditor to help him on the financial report (Messier, W. F. et al, 2008, pg. 38-41).

1.1.6.2. Internal audit types

Compliance audits are held to evaluate whether an organization is following certain procedural rules, policies, and regulations that are set by external authorities, such an audit may check if the entity is in line with employee minimum wages.

Financial audits aim to collect sufficient evidence to render an opinion about the financial statements, they ensure correct information is provided and if such audits are conducted by internal auditors, the information is then used by management for their decision-making purposes.

Performance and Operational audits. Here, performance audits oversee defining organizational objectives, and whether the current organizational control systems help in achieving effectiveness and efficiency. The auditor will check whether there are key performance indicators, whether the ones present are suitable, and if the internal control systems are achieved. The operational audit is done where there is an evaluation of the efficiency or effectiveness of any part of an organization, it could be checking the production department, whether it is effective or efficient (done at a low cost), the auditors check if Generally Accepted Accounting principles are followed , the payroll system is checked if there are any errors too. Operational audits are believed to shelter audit types, they fulfil the appraisal of some of the following such as, suitable internal controls, proper resource usage, respecting of the laws, regulations, and credibility of financial information. The International Organization of Supreme Audit Institutions

(INTOSAI) also defines operational auditing as an independent assessment of public sector institutions' effectiveness and efficiency of operations, and adherence to economic standards, with the aim of continuous growth. (INTOSAI, 2010).

1.1.6.3. Duties of an internal auditor

What the internal auditors do is that they offer strategic and operational value to the entity by checking the information security, they give highlights to the entity about whether the departments have enough knowledge and the importance of these information security systems, and whether proper procedures are being followed. They also ensure that the information systems are fixed well, and if they match the current emerging organization threats both internally and externally. They provide this service by comparing the current organizational practices with the emerging industrial demands plus the operational guidelines.

Pickett (2010) reports that, Andy Wynne of ACCA, described the internal audit role in terms of the scope to help management cope with complicated systems that change and evolve over time. These vary from one organization to another, and internal auditor to another, but generally, they perform the following duties.

Objectively assessing a company's IT or business processes.

An internal audit has got three stages in which management has a vital role it plays: planning, testing, and reporting. **The internal audit planning stage** contributes to the overall effectiveness of the internal audit function and the other stages of the internal audit. In the planning stage, senior management should in the first place study the audit plan, its focus and approach. There must be free interaction between the top management and the involved audit team about the way forward as far as auditing process is concerned, the management should be open to discuss what they consider to be risks to the auditors, which will help the success of the auditing, and the auditing criteria should be discussed by the management to the auditors. During the testing phase, usually the management should allow the auditing team have access to the entity facilities including the systems and the different officials, plus the departments, they should ensure they give a clear picture to the auditors concerning the current issues to be audited, the audit team must meet regularly at least once in every meeting or in a week concerning the audit progress, and any disputes that may arise during the process. This phase will help both the management and auditing team understand what must be done. Lastly, the reporting phase

is when the auditing team now presents and communicates the analysis and findings to the management about the discovered risks, then management here, has the role to receive and evaluate these findings, and make recommendations where possible, if there are enough resources available. But these recommendations must be handled realistically, because in cases where the resources are insufficient, then this may be somehow impossible to make any changes as per the internal audit findings. (Pickett, 2010)

Furthermore, the internal audit quality could be related to its effects on corporate governance, by connecting the types of internal audit findings to specific corporate governance areas for improvement to be finally made by the senior management. (Abdullah & Smith. 2018, pg. 285-403). According to Grammling et al. (2004), an internal audit by considering the oversight governance means trying to moderate the agency's difficulties by profiting from the shareholder interest and proving audit committee assurance, especially in financial reporting.

Internal Audit Report

An Internal Audit Report is a recognized document which includes an Audit report where internal auditors demonstrate their findings, emphasizing the positive and negative results separately, this report helps management and other stake holders in the organization to draw a clear picture of what is on happening, whether they are making losses or profits, or whether their internal control systems are functioning well.

The essentials of a good Internal Audit Report

Accurate	Objective	Clear	Concise	Constructive	Complete	Timely
Free from errors and distortions and faithful to the underlying facts	Fair, impartial, and unbiased and is a result of a fair-minded and balanced assessment of all relevant facts and circumstances	Easily understood and logical, avoiding unnecessary technical language and providing all significant and relevant information	To the point, avoid unnecessary elaboration, superfluous detail, redundancy, repetitiveness and wordiness	Helpful to the auditee /client and the organization and leads to improvements where needed	Lacking nothing that is essential to the target audience and includes all significant and relevant information and observations to support recommendations and	Opportune and expedient depending on the significance of the issue, allowing management to take appropriate corrective action

Figure 1.1.10. A good internal audit report (MacDonald, 2020, pg. 85-107)

The figure above illustrates different elements that help make a good Internal Audit Report and each will be explained further independently.

Accuracy is when the audit report should be checked thoroughly to avoid including any misstates, and it should contain only facts. This will improve audit trust among clients.

Objectivity is another important element that a good internal audit report should bear, for example, the report should not in any case be biased due to some conflict of interest.

The clarity of an internal audit report is also exceptional, because the information provided must be correct, written in a very reasonable and logical way, and most importantly it should not contain complicated language that will not easily be interpreted.

The conciseness of an audit report is also considered very paramount. When preparing an audit report, one has to be careful about using too many words that may make no sense at all. Always go straight to the point concerning the issues you want to include in your report and make it simple for the management to understand.

The constructiveness means that the audit report should be useful enough to help the auditee and management generally to make necessary changes as per the findings.

The Completeness of an internal audit report is yet another ingredient if it bears the most important information. If this information is lacking nothing and is delivered to the target audience, then it will help support perfect recommendations and conclusions.

The audit report should also be issued on a timely basis. This should depend on the nature and magnitude of an issue that will give management ample time to do needful measures. (<https://www.ui.edu.ng>, 2020)

Compliance with laws and standards.

Ensuring that the organization is complying with relevant laws and standards is yet another duty played by internal auditors, but recently, some African countries faced some challenges that were due to the collapse and closure of some corporations, these were, Uchumi markets in Tanzania and Uganda, crane bank, National Bank of Commerce, Trust Bank (Uganda), then Sainsbury in Egypt. These paused a lot of questions as to whether the internal audit failed their responsibility to ensure compliance. Additionally, they ensure the presence of integrity, so that they maintain proper accounting systems, including financial control and compliance with the standards of operation. (Mihaela, D., & Iulian, S. 2012, pg. 1529-1529).

Ensuring promotion of ethics in an entity.

Promote ethics and help identify improper conduct within an organization. Perceived learning from an audit is a key to improving both unit efficiency and promoting ethical behaviour. (Ma'ayan, Y., & Carmeli, A. (2016, 347-363). Also, the internal audit function promotion of ethics would mean that they are in line with the rules and regulations that govern their profession. (Sambo & Webb, 2017), and finally the more times the audit committee and Chief Audit Executive (CAEs) meet, it will indicate that there is a positive implication that is linked to moral courage. (Khelil, I., 2016, pg. 403-433).

Communicate the findings and recommendations.

The audit findings and recommendations would not serve a big purpose as required unless the management is committed to supporting and implementing them. The ability of internal auditors to provide beneficial audit results and recommendations would aid in increasing management's attention in its advice concerning findings. Also, the availability of sufficient resources combined with the support from management, the organizational setting, and the organizational status, all together would lead to internal audit effectiveness. The figure below illustrates the organizational setting in which the internal audit operates and evidence that shows the strong support given to internal auditors by management in executing the presentation of their findings and recommendations.

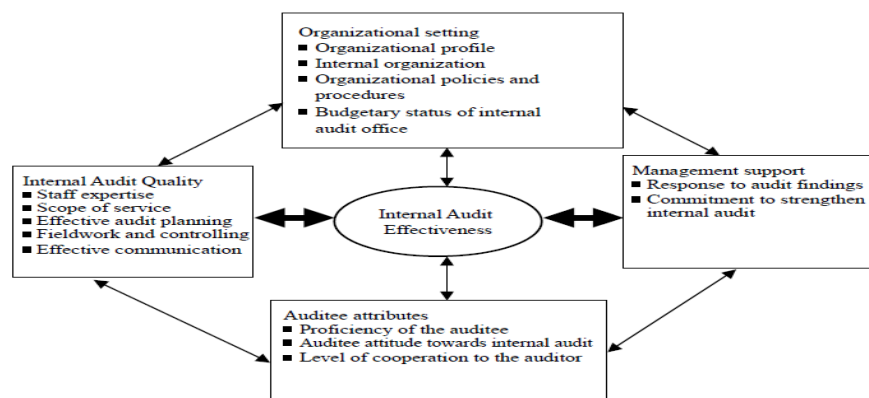


Figure 1.1.11. Factors influencing internal audit effectiveness. (Mihret, D. G., & Yismaw, A. W. 2007)

Notably, data for decision- making should be available by information systems, this will allow internal auditors to evaluate whether these systems can give accurate, reliable,

timely, complete, or useful information. (Fadzil, F. H., 2005, pg. 844-866) where necessary, the internal auditors' final engagements results must bear his viewpoints and final remarks and must ensure they have knowledge of anticipations of management, the board, and other stakeholders, these results must be significant and reliable. (IIA, 2012)

Importantly, internal auditors must not only stick to discovering deficiencies in the entity's system, but the reports and recommendations have to be grounded on suitable communication, more so, achieving audit excellent results from audit work such as planning, scoping, and testing, will be supported by robust communication to the clients, thus these recommendations will be well articulated by the audited entity, and therefore corrective measures for the issues will be handled. (Jenkins, J.J, 2016, pg. 65). This means that to create organizational value, internal auditors have to take care of some soft skills for success in their recommendations. Also,

(Mayhew, 2016), adds the ways to improve audit communications such as; it is important to have dialogues with the auditee because this group of people is well informed about all the happenings in the entity, but internal auditors must in the first place have a good understanding of the auditee and this will help them approach them for any organizational insights, good communication skills must not be ignored, such as listening skills, interpersonal communication, and will be a good start on finding the issue, causes, and the possible solutions. He adds that, internal auditors should only present facts that are relevant to the issues in the evidence provided through the auditing process, phrases such as, 'it seems that', there appears to be', should all be avoided because they will indicate your subjectivity. Writing your audit recommendations has to be provided with only facts and information that you properly understand. Writing very complex words is not advisable since this will confuse the auditee. (Guijarro, 2019).

Assessing the company's risks and efficacy of risk management efforts.

Internal auditors also carefully study the company's profile and detect weak areas by improving its effectiveness. (Umaralievich, M. S., & Jurayevna, T. M. 2020, pg. 2-6). In other words, they are well-trained professionals that can easily predict any defects threatening the internal control systems. Also, (Petraşcu, D., & Ticianu, A. 2014, pg. 489-497), examining the role of internal audit in fraud prevention, explain that the internal audit establishes a tool for the audit committee, to independently assess fraud risks and anti-fraud measures implemented by the executive board. It should be noted that due to the internal auditor's main focus on the internal operations of the entity, it happened to

be that they were not aware of the would-be potential risks caused by the external environment of which was not paid attention to. This therefore posed a big risk challenge to the internal auditors. Risk was derived from the early Italian ‘riscare’ which means ‘to dare’. Thus, explained as a choice rather than a fate. These risks were classified as; people behaviour, change of environment, management quality and many others.

Risks are hindrances that take people or organizations to different directions, and thus stopping them from succeeding and achieving their intended goals. This can be illustrated below.

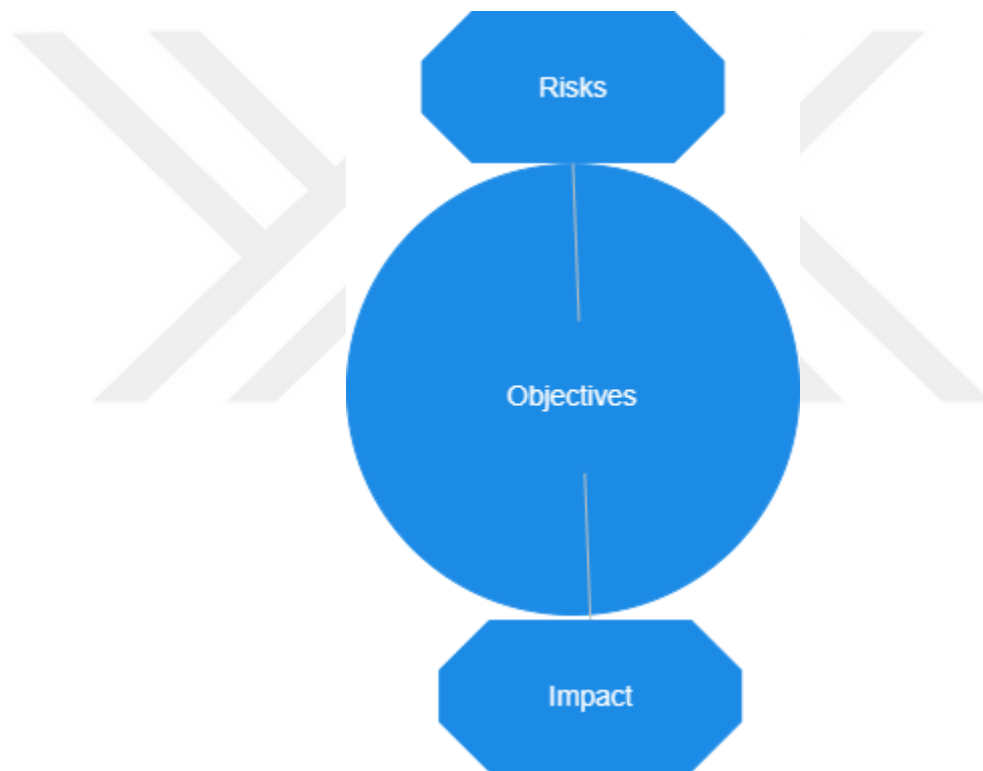


Figure 1.1.12. *Impacts of Risks on objectives Pickett, 2010)*

The above figure illustrates the impacts to be the consequences that the risks have got on achieving the objectives. However, it is tricky to predict the future, and how the objectives will be attained as set, because there are uncertainties in the due course due to continuous and dynamic business environment. Therefore, it is very paramount to set objectives while expecting a change caused by the organizational environment. This can be illustrated below.



Figure 1.1.13. Threats and opportunities in achieving objectives

It should be noted that from the above demonstration, the risks in achieving certain objectives have got both upside and downside. This in simple terms refers to threats and opportunities. As they plan to attain some goal, they should have it in mind that there are also potential threats, therefore they can find solutions to mitigate or manage them.

From the above explanation, it is important to consider that Risk management is about moving out of the areas that we have got used to, and trying to when, how and where to take risks.

Important to note, is that the internal controls have contributed much to adding entity's value and achieving their objectives through effectively mitigating the risks. If businesses are being threatened to fail, they have a strong supporting pillar through internal control systems.

Risk Management

Risk management is a process that changes every time, given the changing environment, and therefore it is a way of getting rid of threats using the available resources in any way possible. According to COSO, Risk Management is a process, affected by an entity's board of directors, management, and other personnel, applied in strategy setting and across the enterprise, which is designed to identify potential events

that may be a threat to the entity, and therefore, manage risk to be within its risk appetite, to provide sound assertion concerning the achievement of the company's goals. (Tarantino, 2006).

Organizations are managed, but risks are difficult to manage because anticipating them may be complex. Working with the Board, the Audit committee, it is only the internal auditor that seems to have got more knowledge and experience of managing risks and controls. (Pickett, 2010).

The Enterprise Risk Management (ERM)

The 2004 Enterprise Risk Management Integrated Framework is known to be one of the commonly applied risk management frames works by all entities irrespective of the type, size or industry. Worldwide, companies have gained their trust in the ERM which is believed to help them achieve their objectives, however, as there were higher transparency demands by the stakeholders, the change in technology, it seemed to have called for an updated ERM to match these complex business environments, where risk issues are being handled in a slightly broader manner. Some sources describe ERM as a more innovative way of curbing organizational risk, having the full knowledge about their entities, internal auditors can find whether there are risks threatening the organization. Fundamentally, the availability of resources in an entity will be a factor that will help simplify the internal audit consulting roles such as governance, risk management, and control activities. Internal auditors introduce some methods of how risks are identified and analyzed to management's knowledge, a factor that makes them known to have full information about ERM, management applies consulting serving on ERM which is assured by the internal auditors. However, this does not imply that internal auditors have full autonomy in managing risks rather, they coordinate management and other personnel in an organization, by training and offering some advice pertaining to mitigating entity risk, thus management of risks is the job of management. Everything concerning the internal auditor's roles has to be written as per the provision of the internal audit charter and signed by the audit committee. (Odoyo et al., 2014, pg 169-176)

Profoundly, COSO explains that any entity that engages itself with ERM will gain a lot of paybacks, and these may include among them.

Attaining data that is robust will be important for management because it will make it possible to select which resources will be applied, and for what use, ERM supports management to allocate more resources for this purpose. New opportunities will easily be

identified, and the current problems that the entity is facing will easily be identified with the assistance of ERM. Secondly, organization wide risks will be detected and managed, these are said to be the threats that usually may attack one organizational department but continues to spread and affect other parts, such risks are handled in the presence of ERM. Additionally, organizations will enjoy more happy days of their operation, the Enterprise Risk Management (ERM) does the great job to ensure they are able to quickly detect threats, and also finding possible solutions to deter the would-be negative surprises. ERM helps in decreasing inconsistency performance of an organization because some entities operate without the knowledge of predicting the future. So, it does this by providing what is likely to happen as a barrier during the process, hence increasing opportunities.

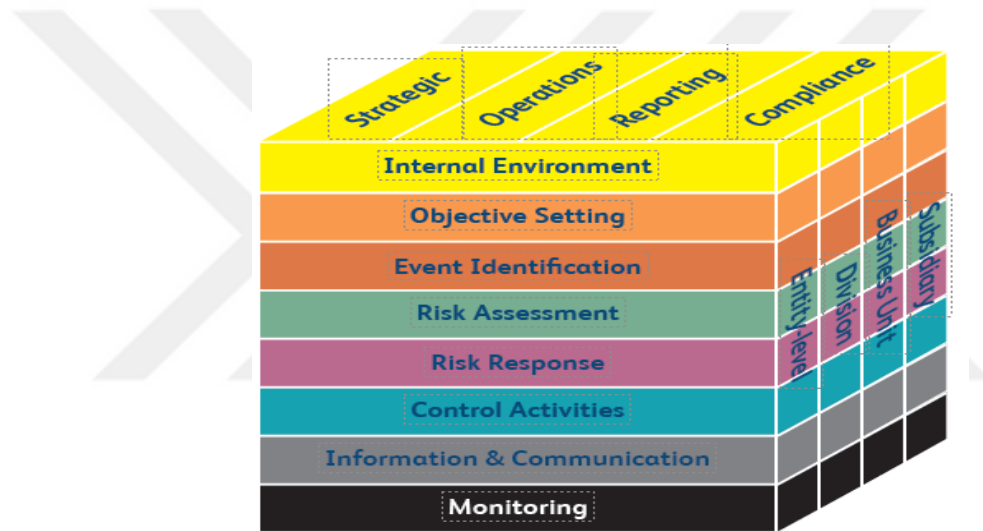


Figure 1.1.14. ERM- Integrated Framework 2004 (COSO ERM cube)

The cube is applied by the committee of sponsoring organization (COSO) to show the connection that appears between the entity goals on the topmost of the cube and its components, which are shown on the front. It should be noted that these goals are the same of the threats that attack organizations.

Different entity departments are shown on the third side of the cube, which shows that the ERM has got to be on all departments and in every task of the entity.

The ERM (Enterprise Risk Management) components and their principles are explained below.

Internal environment.

The tone of the organization is launched, that helps in encouraging ways of approaching risk management, risk appetite, and morals. This is said to be a push related

to the current competitive environment, the stakeholders such as, the government and other policymakers regarding risk appetite and culture.

Objective setting.

Goals in line with the organization's mission and consistent with its risk appetite should be set by the board. However, if different goals are followed, the management should get ready for risks.

Event identification.

Entities should be alert to any external intruders that may negatively affect their goal attainment, this gives a direction to properly know both desirable and undesirable actions that may cause risks.

Risk Assessment.

Evaluation of risk possibility and effect determines how best these risks are handled, it is a similar scenario when predicting the possibility of human danger.

Risk Response.

Risk appetite and tolerance are being supported by the selected activities which are in form of four reactions such as reducing, accepting, transferring, or avoiding. The advice here, therefore, is that all risks should be handled as a whole and not individually. Risk appetite is the quantity of risk that an organization has anticipated and is willing to take, thus the entity's awareness of what kind of risks to expect, helps it know actions to put in place that are related to those threats. On the other hand, Risk tolerance.

Control activities.

The internal control integrated framework (2013) is believed to improve the control activities in organizations that are already being run by the regulations put in place.

Information and communication.

Here, relevant and suitable data should be acknowledged, apprehended, and passed on to the management and the entire staff for proper guidance on who, what to do, and when to do it in a timely manner.

Monitoring.

The management system should at least be checked on a timely basis, a piece of similar advice as recommended by the COSO ERM (2013), COSO explains how each component is vital in the cube, and can have an impact on all other components, thus strategic objectives should be launched and be in line with the already set entity goals.

1.1.6.4. The COSO ERM framework (COSO, 2017).

This COSO ERM framework provides a proper distinction of ERM and internal control and improves the positions to risk appetite and tolerance. The major aim behind this structure was to uplift the strategy dialogue that highlights the cultural benefit. It is described in the figure below.



Figure 1.1.15. COSO ERM integrated-framework components (Hirth Jr. & Chesley, (2017)

Firstly, the entity's tone is set, and the overall accountabilities are launched, while culture sets moral conduct that must be followed as per the entity policies that will help to understand possible threats. Strategy and objective setting go hand in hand in the entire development of planning, and these should meanwhile be associated with risk appetite. Performance is when there should be strict regular checking of threats that can hinder strategy and goal attainment of the entity, they need to be covered early and evaluated from the perspective of risk appetite. Additionally, review and revision suggest that management has a task to review how best the ERM is doing as far as risk curbing is concerned, and thus adjust where need be. Finally, information, communication, and reporting are where Enterprise Risk Management (ERM) assists in frequently acquiring and disseminating pertinent information from both sides of the internal and external reliable sources from all corners of the organization.

Accordingly, internal auditors have the role to measure the design and implementation of amended internal controls, which are because of the changing work environment. The figure below shows the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ERM framework that was updated in 2017, in which the

structural components are supplemented by a group of principles in which every organization, irrespective of its nature, size, profit-oriented, and non-profit, benefit from its (ERM) actions; (Hirth Jr. & Chesley, 2017).



Figure 1.1.16. COSO ERM components and their principles (Hirth Jr. & Chesley, (2017)

(Farhan, 2017) examined Enterprise Risk Management and its effect on the Firm value in Turkey. According to Results of panel data analysis, it seemed that only 12 firms which accounts for 9.2% of the firms analyzed, are implementing ERM. This conclusion is based on the lack of evidence indicating that the rest of the firms are engaging in ERM practices. They added that, the implementation of enterprise Risk management can lead to improved company performance through several benefits such as decreasing the cost of capital, increasing the trust of investors, and enhancing the firm's rating.

1.1.7. Internal audit effectiveness

Internal audit is effective when it can add value and improve an organization's operations and control structure. it also leads to proper stewardship. (Onatuyeh, E. a., & Aniefor, S. J. 2013, pg. 91-103).



Figure 1.1.17. Value proposition (Anderson et, al., 2017).

The above figure illustrates the three components of the value proposition as offered by internal auditors.

Assurance involves Governance, risk, and control, this portrays that internal auditors offer to their entity's services of governance, risk management, and control processes that help these entities obtain their intended goals. Insight element gives a description of the internal auditor as, a substance that assists an organization in improving its efficiency and effectiveness, while proving reports and recommendations throughout their audit engagements. While objectivity is when an internal auditor gives services by taking charge of trustworthiness independently to management and the board of directors. In other words, credibility is one of the attributes of internal auditors, and thus this must be consistent as they serve their stakeholders. (Anderson, et al., 2017, pg. 29)

It is also an important part of the corporate governance structure in an entity because it covers the oversight activities conducted by the board of directors and audit committees to ensure credible financial reports. (Mohammed Al-Matari, E.et al., 2014). Here, The Board must discharge its duties excellently by proving any information about operation and other planning in the organization. Thus, they are obliged to appoint committees such as, the Audit Committee which is one of the important committees that assists the Board to review and assess the appropriateness of internal accounting controls and financial reporting controls. Since it is a sub-set of the board of directors, it is known to be one of the major foundations of corporate governance of an entity. (Pickett, 2010 pg. 140-142)

The audit committee plays a significant role in the effectiveness of the internal audit function, and this is easily achieved only if there is an open line of communication between internal auditors and the committee. (KPMG,2016). Internal auditors must bear in mind that their responsibility is not only to investigate, but also should possess soft skills like listening skills, and interpersonal skills, and should take care of their mannerisms as they interact with their auditees, this is because everyone comes from a different background, and they perceive certain communication differently, and it is very crucial for internal auditors to have excellent and sufficient information so they can easily communicate confidently to the auditees, and this will help their competence be assessed. (Smith, G. 2005, pg513-519). According to 1PPF, (2017), internal auditors must possess other knowledge and skills to enable them to perform better their tasks, such skills include, oral and written skills, conveying their communication clearly and most

effective, and practicing maturity, with no obsession with technical jargon. (Narkchai, S., & Fadzil, F. H. B. 2017, pg. 1-5) in line with the previously stated 7cs of effective communication, IPPF,2017) recommends that internal auditors, emphasize accuracy, objectivity, correctness and constructive to be effective in their communication as they accomplish their duties. Internal audit effectiveness requires an environment in which auditors can peruse their activities to add value to the business and improving company profitability and performance by increasing relationship between both internal and external stakeholders. Auditors cover an organization's corporate structure, risk management, operational effectiveness, and general legal compliance. They help corporate governance to oversee the overall activities of the entity and supporting the audit committee in accomplishing this task. Strengthening of corporate governance can improve the internal audit performance which results to its effectiveness, and high reliance rate of external auditors on internal audit good job, especially if they are making progress towards achieving company objectives. In addition, the robust corporate governance in entities is fundamentally crucial in boosting the internal audit quality financial reporting, thereby leading to effectiveness of the internal audit profession. (Mihret, D. G., & Admassu, M. A. (2011, pg. 470-484) An effective internal audit plays a great role in thorough checking and predicting all risks that would hinder effective company compliance of rules and regulations, day to day operations and protection of an entity's assets. (Pickett, 2011, 47-48). The internal auditors provide reliable, valid, and credible information that basically, entities highly depend on, and they also ensure a stable relationship between organization and its stakeholders, employees, managers, and debt holders. Internal audit is a facilitator to the effectiveness and efficiency of an entity through providing the insights objectively with an assurance of maximum integrity and accountability, therefore, the senior management benefits a lot from the services offered from the internal auditors.

1.1.7.1. Characteristics for the success of internal auditors

Organizations will have trust for the internal auditors' services only if they possess the five Cs of which describe their features and traits. For the smooth running of their profession tasks of auditing. These among them are competency, credibility, connectivity, communication and courage.

- Competence. This means that as internal auditors serve, they should already be having some knowledge and skills related to their profession, this will prove them as true and experienced auditors by their customers.
- Credibility is yet another characteristic that internal auditors must bear, this feature will base on the competence and integrity that internal auditor's practice that in the long run will contribute to their success in their profession.
- Connectivity is when internal auditors must have the capacity to at least have knowledge of each stakeholder's requirements, because they have different demands to achieve different interests.
- Communication is the key concept in this research study, and yet another important element of the internal auditor competencies. Importantly, is that the concept gives true full description of a successful internal auditor, in a sense that they should be able to have good communication skills, that enable them to provide reliable information to their clients. These involve oral or speaking skills, written, listening, and reading skills. (Anderson, et al, 2017, pg 44).
- According to the IIA, the IIA Global Internal Audit Competency Framework (the Framework), is believed to be a tool that describes competencies required to meet the prerequisites of the International Professional Practices Framework (IPPF), for internal audit success in their audit profession. A competency on other hand, is when an individual can accomplish a certain engagement well, it involves having knowledge, skills, and certain behaviors. Thus, the structure offers a full guide that allows the identification, evaluation, and development of those competencies in each individual audits. These among them are Professional ethics, the internal audit management, IPPF, Governance, Risk, and control, Business acumen, communication, persuasion and collaboration, critical thinking, internal audit delivery, improvement, and innovation. These competencies are therefore demonstrated in the chart below.

1.1.7.2. The Global Internal Audit Competency Framework Structure



Figure 1.1.18. Global Internal Audit Competency Framework (IIA, 2013, pg. 6)

The competence of professional ethics intends to promote the application of professional ethics in the internal audit profession, the internal audit management competence aims to create and control the internal audit function, IPPF ensures that the internal audit acts professionally by demonstrating quality and controls improvement of the internal audit activity, governance, risk and control aim at controlling frameworks in audit activities that help the organization achieve their goals through its culture, and way of leadership, communication competence has a reflection on the effect that the communication of internal auditors has on the organization. It should be noted that, the skills that are needed to have the core competence of communication are everywhere at all levels of the staff as compared to any other competence. Nevertheless, the communication becomes more complex as data sources increase, and the audience becomes more diverse. Persuasion and collaboration competence encourage the internal auditors to collaborate and corporate with their clients and other individuals they work with, critical thinking considers issues of problem-solving techniques, business intelligence and many more. The internal audit delivery considers highest internal audit engagements, improvement and innovation considers welcoming and embracing any change that would come in the internal audit profession. (IIA, 2014. pg. 6-7).

1.1.8. Digitalization

The Digital era is seen as the development of an evolutionary system in which knowledge turnover is not only very high but also increasingly out of human control. J Shepherd- (2004). It also refers to the use of most innovative information &

communication technologies, especially web-based internet applications. (Fang, 2002). A company's digital capability is fundamental to remaining competitive in today's marketplace. Digital technologies are rapidly changing and evolving, which in turn increases competition and the need for companies to innovate quickly. For businesses, neglecting the importance of digital technologies has never been more dangerous. Bolstad (2016), viewed digital technologies as “a way of the future” because the learners in schools would right away apply it both in schools and outside the school environment, as it would be a supportive practice weapon in their career. Digital technology refers to a collection and paradigm of diverse intelligent and innovative technologies in business environments such as the Internet of Things, Big Data, data analytics, artificial intelligence, and cloud computing (Ritter & Pedersen, 2020, pg.180-190). (Sabbagh, k., et al. 2012), Believe that the extent of a country's digitization can be measured across six key attributes.

- Ubiquity, the extent to which consumers and enterprises have universal access to digital services and applications.
- Affordability, the extent to which digital services are priced in a range that makes them available to as many people as possible.
- Reliability, the quality of available digital services
- Speed, the extent to which digital services can be accessed in real time, in other words, they are instant.
- Usability, the ease of use of digital services and ability of local ecosystems to boost adoption of these services, and
- Skill, the ability of users to incorporate digital services into their lives and businesses. (Sabbagh, K., et al,2012, pg. 121=133)

It is evident that in this new world, technology is not a choice, but a fundamental business strategy that must be incorporated into every part of an organization. Transformation can enable better collaboration within and across organizations, more personalized ways of engaging with customers, greater employee innovation and productivity, and more accurate insights from data that help a business grow and give it a better chance of success.

Organizations in various domains of operation are confronted with rising problems that force them to pursue continual improvement to achieve higher levels of efficiency, effectiveness, and competitiveness. The most recent rapid technological innovations,

particularly in the sphere of information and communication technologies, are among the most significant difficulties confronting corporate organizations, resulting in a variety of changes in their positions, relationships, and situations. As a result, the shift to digital regulation in today's world has become a pressing necessity, forced by the challenges of globalization and open market economies, for companies to bridge the digitization gap in technology use and convert to a digital organizational model.

Digitization focuses on making information available to users and contributes to the development of new practices to make faster and more accurate decisions, increasing the volume of accomplishment, a reduction in the intensity of routine, and an increase in the volume of information exchanged.

Internal auditing is seen as an important job in businesses. Internal audit is defined as an independent role that examines financial and accounting policies and systems regularly and monitors and verifies the extent to which controls, and instructions connected to the government unit's activity are being followed. The internal audit identifies and corrects errors and manipulations, as well as reviews control systems and assures management that they are operating per stated plans. Therefore, internal audit is not immune to the rapid changes that the world has seen in recent years, particularly the information revolution that has impacted all aspects of life, necessitating the adoption of new methods that rely on modern technology and advanced analytical methods to efficiently implement the review process rather than the traditional methods used previously. Internal audit departments and units have the chance to change their auditing procedures and raise the added value of organizations as a result of the digitalization of the institutional and organizational environment, as well as develop their practices in an information technological setting.

IT applications have proven their value in supporting the process of internal audit analysis and automation in recent years, resulting in the birth of digitalized internal audit, which allows large-scale operations to be completed in minutes rather than days using error-prone traditional methods for the same amount of data. Modern technologies can sometimes execute multiple procedures and activities in a single step.

Since it is woven integrally into a dynamic business environment typified by rapid globalization, industry convergence, and changing customer behaviors and demands, technology is by far the most prevalent of today's main business drivers. Companies are paying a lot of money to get the data, software, and technology they need to connect with

customers all over the world and gain the insights and efficiency they need to outperform their competition. However, having the right technology isn't enough. Businesses need to ensure that their IT investments are delivering on their promises and generating actual value in the business in the face of rising Information Technology (IT) infrastructure demands, market pressure for constant technology advancement, and persistent IT security risks.

Internal Audit is thrust into the limelight under such circumstances. Boards of Directors, Executives, and Audit Committees expect the function to go beyond its spreadsheet columns of financial and IT general controls and into the three-dimensional chessboard of today's IT systems, networks, dangers, and opportunities. Internal Audit is being asked by those Boards, Executives, and Audit Committees to become more proactive by abandoning its IT audit checklists and what it thinks it should do in favor of looking further and seeing deeper by engaging with stakeholders across the organization to learn exactly what it needs to do to support the company and its business objectives.

Internal Audit can gain a big picture understanding of the strategic, operational, reporting, and compliance objectives driving any company's IT expenditures through this type of interaction, and use that information to drive IT evaluations, audit plans, and allocating resources.

"Internal auditing is an impartial, objective assurance and consulting activity aimed to provide value and improve an organization's operations," according to the Institute of Internal Auditors' definition. It assists a company in achieving its goals by implementing a systematic, disciplined approach to evaluating and improving the efficacy of risk management, control, and governance systems" (The Institute of Internal Auditors, 2020). Internal auditors can increase the efficacy of their role and provide value to the business by taking this systematic approach to digitalization.

In 'Risk in Focus 2021,' the Institute of Internal Auditors specifies two goals for digitization in the context of the IAF's commercial setting: "To enable a company's strategy and improve its operations." Automation, machine learning, and Artificial Intelligence, for example, speed up operations, boost efficiency, and save costs in the long run (once investment expenses have been recovered) while eliminating the need for manual processing. By inventing digital and physical new technologies, companies can disrupt existing industries or create new ones, ensuring their strategic relevance and insuring their survival." (The Netherlands Institute of Internal Auditors, 2020).

Cloud computing, or the process of keeping, storing, managing, processing, analyzing, and safeguarding data by harnessing a network of Internet servers, aids in cost reduction. Data is stored in the cloud rather than on physical devices, allowing businesses to better manage administration, streamline operations, increase productivity, reduce expenses, and improve the digital customer experience. IDC is an acronym for International Data Corporation (2018).

According to the researchers, digitization will help audit firms optimize operational flow by reducing the timing of data collection and providing advanced prognosis solutions, optimizing, and automating processes, improving productivity and efficiency, and digitization will still save auditors time on routine and tedious tasks, which is consistent with prior studies on robotic process automation. Researchers also believe that digitization will help audit firms optimize operational flow by reducing the timing of data collection and providing advanced prognosis solutions, optimizing, and automating processes, improving productivity and furthermore, digitization will change current auditing procedures from a sampling (risk) strategy to a data completeness one. A digitized business environment affects the effectiveness of internal audits in three aspects. First, it affects its scope. The agility of internal audit planning and the necessary awareness is expected to increase, and information technology (IT) risks are expected to gain prominence, especially cybersecurity threats. Secondly, the demand for consulting activities carried out by internal auditors is greater and, thirdly, digitization modifies the work practices of internal auditors in their daily tasks. (Betti. et al., 2021). According to research, digitalization also involves information, computing, communication and connectivity technologies and has in the past years witnessed the great importance to entities of different sizes, sectors, profit, and non-profit organizations in many ways such as manufacturing products and services.

1.1.8.1. Steps to starting a digitalization process

For some years, research has it that rapid technological changes have changed many working ways of people in the organization. Thus, to embrace this fourth revolution period, business decision-makers and other related stake holders must appreciate this ever-changing technology that has drastically changed markets and industries, which in the process has increased the competitive advantage of the entities. However, to begin all

this, an ERP system should be installed to fully support this digitalization process in the organization in the future. The steps for Digitalization process include the following.

What does Digitalization mean for your organization?

First, check the current technologies and what it is that should be considered in terms of competitive pressures with other industries, what long term or short-term consequences will these technologies have on you? Also, consider if you need any of the following listed technologies such as Artificial Intelligence (AI), Machine learning, Cloud Computing, Industrial Internet of Things (IIOT), or Chatbots. These will be explained separately.

Artificial Intelligence

According to Copeland, (2022, pg.1), Artificial Intelligence is the capability of a digital computer to do jobs that are like those of an intelligent human being. It is believed to be commonly used for the processes which are closely associated with human intelligence and behavior. After the development of digital computers, it should be noted that many viewed computers reasoning, thinking, and discovering meaning just like humans. Research has it that since the introduction of digital computers back in the 1940s, it was proved that these computers had the capacity to run very hard responsibilities such as finding evidence of mathematical theorems with excessive ability. However, in spite of all these developments, computer capability could not still compete with human flexibility in terms of accomplishing everyday knowledge.

How Artificial Intelligence works?

First, an Artificial Intelligence system will allow information input that will represent text, speech, or images, then this data will be processed in the system using the already installed system procedures, algorithms, inferring or foreseeing data. The results will be produced, these can be positive or negative results, the system will assess the results, and possible changes will be made as the same process will be done repeatedly until desired goals are achieved. This process is demonstrated in the figure below.

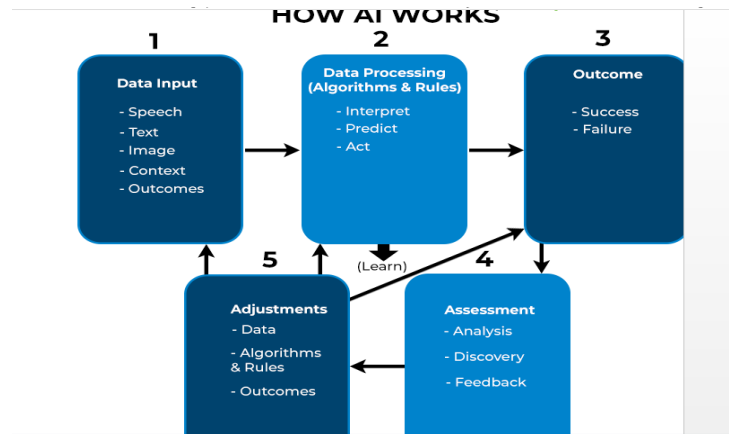


Figure 1.1.19. How Artificial Intelligence works (Kanade, 2022)

Components of Artificial Intelligence

For this technology to be considered true Artificial Intelligence, it should have components that must work together collaboratively. These include the following, as shown in the figure below with.

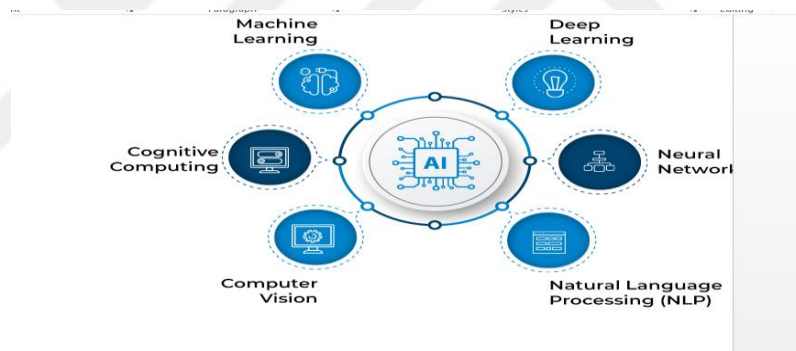


Figure 1.1.20. Artificial intelligence components (Source: Kanade, 2022)

Machine Learning: this component of Artificial Intelligence is believed to robotically learn and improve from many past experiences without the need for any software.

Deep Learning is a subgroup of machine learning that acquires data through the support of artificial neural networks.

Neural networks are computer arrangements that are roughly separated from human brain acquaintances and are believed to facilitate deep learning.

Cognitive computing meanwhile is a component that is believed to reproduce human progression into a computer program. It also strives to begin the connection

between people and machines and does this by understanding the meaning of human language, text and images.

Natural language processing is yet another Artificial Intelligence component, and it should be noted that this instrument makes it possible for computers to spot, understand and produce human language.

Computer vision, this is a tool that applies deep learning and pattern arrangements to infer image content such as graphs, tables, or PDF photos. Kanade, (2022, pg. 1-7)

Machine Learning

As already defined, machine learning is part of Artificial Intelligence whereby computers learn as they continue to make estimations that are grounded on data, make changes where needed, and do this themselves without first being programmed.

Advantages of Machine Learning Technology

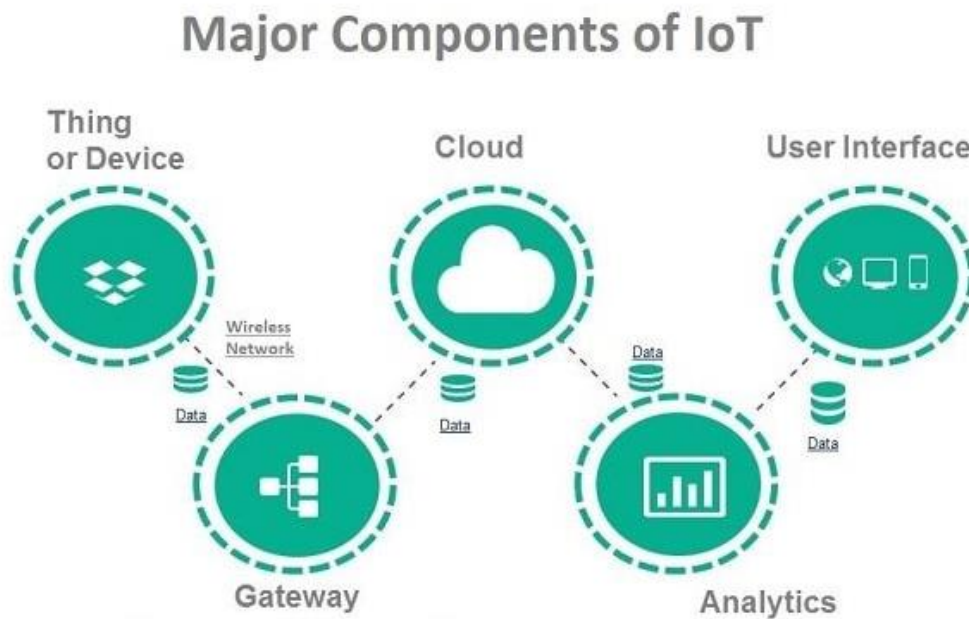
High-speed data is enabled as more information is created which enables humans and other forces corporate with machine learning technology. Additionally, machine learning helps with smart devices. This is done through increasing data, whereby the Internet of things will support the development of self-drive cars, smart towns which are well equipped with great roads, and any other infrastructure. Finally, machine learning technology will help customize consumer results through updated search engines, thus, this will quickly learn consumer tastes and preferences without wasting any time. Enterprise Glossary, (2022)

Internet of Things

According to research, the concept Internet of Things was started in 1999 and was named by one, British entrepreneur Kevin Ashton who defined it as the link between global objectives that are connected to Radiofrequency Identification. It should be noted that the internet offers an open-ended connection between different devices around the globe, while the internet of things on the other side, seems more advanced by offering this connection between computers, and their competencies implanted between them.

Thus, this technology enables things, animals, humans, and any other thing that is physical. They, therefore, use WI-FI, Bluetooth, and many others. Maiman, 2021.

Figure 1.1.21. Components of Internet of Things



Smart devices and sensors; the information is said to be gathered and disseminated from the environment to the next level by these smart devices.

Gate way: is the component that helps in controlling the bidirectional information traffic that exists between different connections and protocols, they are said to also support in preparation of data that is collected from various sensors, and this is done before transmitting it to the next step.

Cloud; is another Internet of Thing's component. It is noted that, as Internet of Things develops too much data from applications, the users, or devices, then cloud helps in gathering, processing, and managing this big data in real time. Thus, entities will be able to access this information for quick decision-making, and high-speed amounts of data from millions of devices.

Analytics: Here, analogue information is changed from various smart devices and sensors into deep understandings and interpreted for further investigation

User interface is yet another Internet of Thing's component where visible and tangible parts of Internet of Things can easily be accessed by users, this will help the user

to make their selection on appliances, or devices that they most desire and user-friendly. (Rajiv, 2022)

How ready is your entity?

It is very paramount to consider whether an entity in the first place can adopt the new technology very quickly. You must have knowledge about what system you are applying, and whether it is compatible to this technology, check if you are well equipped with updated tools to support the new technology because it is very unbearable for some machines to transmit digitalized data, consider too if all your departments 'systems are well updated, and check how employees are collecting this data. Are they doing this manually or not? Having employees with some skills on how to maneuver this kind of technology can also help a company adopt quickly to digitalization.

What information do you need?

An entity needs to integrate information from various machines, people and related organizational processes. For example, if you want your devices to apply IOT, then it is important to invest and install cloud manufacture such as, the Microsoft Azure IOT Hub. The connection will be a guarantee once this technology is available in the system. This makes the role of the already installed Enterprise Resource Planning (ERM).

How will you use this digitalized information?

What assurance do you have on being effective and efficient in irrespective of the big data that you are producing? In this case, the ERP here will be handy in collecting, processing and analyzing data which will help people to make informed decisions as the great role provided by the IOT technology, because it helps predict the future about strategic sourcing, supplier risk monitoring, to name but a few. Here, social media like Twitter can be supportive by generating and proving information to the audience, which will not require them to go searching.

Governance and Compliance must not be left out when starting Digitalization.

Digitalization process must be carefully and well operated. Otherwise, there will be information and process problems. Information must be cleaned up or updated in the system because failure to do so, may cause negative results. Again, with process problem, how and where data is routed may cause issues if not done well, governance should consider security and integrity since more data is flowing around the departments' systems. Thus, the already installed Enterprise Resource Planning (ERP) should bear rules of access authorization, not everyone should have complete access to the system,

because this ERP system is there to overcome these mentioned problems, with the exception of a few personnel.

Start Small always.

Always projects that want to try out to digitalize, should do it with great attention. Nevertheless, research records that fully digitalized entities gain more profits, but this can only be achieved if you have enough to facilitate the technology, check out if your system will accommodate it before you completely digitalize the whole project. Make great use of the Enterprise Resource Planning (ERP) to give you proper direction on how to succeed in the digital transformation. Dherman, (2020, pg. 1-6).

1.1.8.2.Digitization, digitalization and digital transformation

Digitization is when analogy technology is transformed to digital form. For example, changing Identity cards, Health records into the digital form, this can further be used in the computer system for other multiple purposes. The figure below demonstrates the three mentioned terms.

Digitalization is the process where businesses leverage their models by developing their functionality using the new digital technologies plus the bigger digitized data. In other words, business models, communications, are changed in the digital ones in which many organizations have had benefits for the past years irrespective of their size, sector, and geographical location.

Digital Transformation is whereby new business designs are created by applying digital technologies, this does not mean putting new automation in the already existing system by boosting the present value chain, but making some changes in the business model, changing new product line and services. Thus, all these processes need to be modernized, simplified, and rationalized. Here, the existing business is strongly influenced by digital transformation technology, whereby the organization system drastically changes such as the change in the organizational culture, the leadership style, management strategy, and day to day operational set up.

These concepts are defined differently and interchangeably, but usually with some confusion. However, research indicates that, this confusion is mostly found in the meaning, scope, and use of the terms. Thus, each concept's definition is briefly shown and explained properly with goal, focus, activities, tools and challenges as explained in the Figure below.

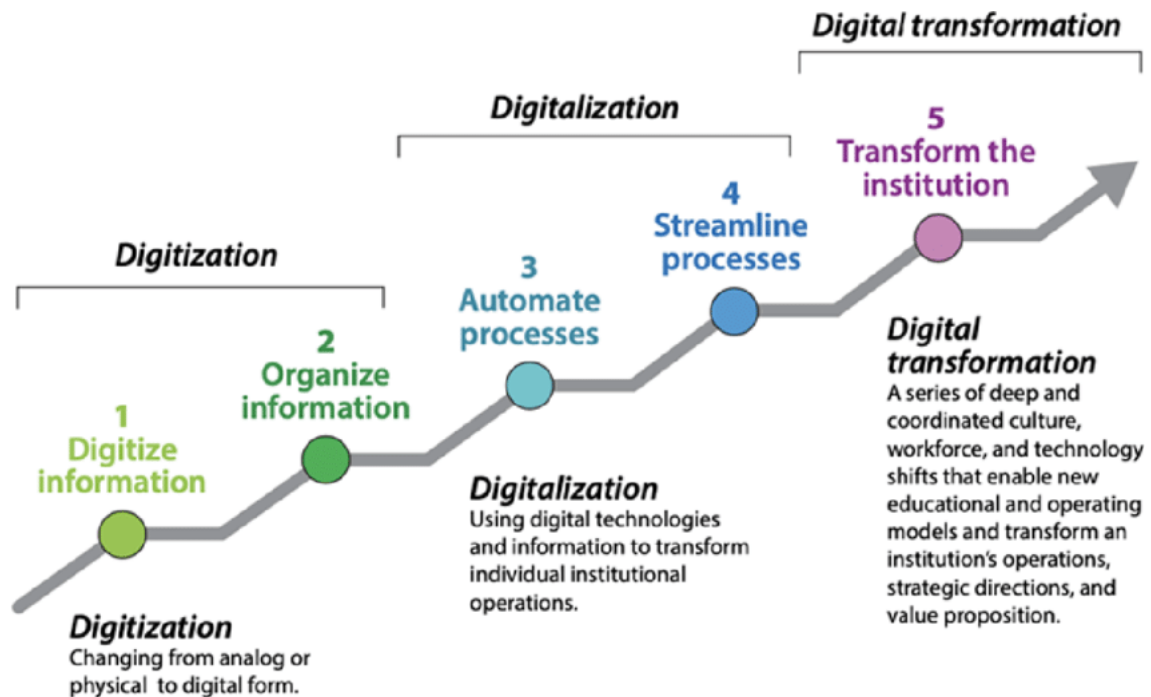


Figure 1.1.22. Meaning, and use of terms described with focus, goal, activity, tools, and challenges
(Source: Dobrica Savic. (2019, pg. 1-4), Bharadwaj et al., 2013)

1.1.8.3. Digitalization in Developing Countries

The World Economic Forum's Executive Chairman, Klaus Schwab redefined the digital transformation as a "technical revolution that essentially will change our character in terms of social life at work, life and associations to one another. And describes this as a fusion of technologies that is blurring the lines between physical, digital, and biological spheres." Nevertheless, this definition still focuses on technology-centric, and further explains how it has created totally new methods of consuming goods and services.

Creating a digital industrial policy in developing countries means that an environment that favors technology is present in political, economic, and social business and life aspects, and not forgetting how to facilitate it in terms of capital needs. Legally, the digital strategy is said to start by empowering legal and regulatory structures that help to ease communications and shielding the interests of people involved in the process. (Singh, P. J. (2017, pg. 1-84)

Digitalization is not a one-day thing, but rather a continuous journey that is pushed by innovations, learning, sand vision, among others in the government's world over. It requires societies to have a concrete managerial, technical skills, proper leadership,

procedures that govern a digital economy, a good communication system, and Information communication Technology (ICT). Learning institutions are alerted to impart themselves skills that are supportive of the digital age, to march the global market, and to have good control systems, governance, and cyber security systems. Thus, governments, organizations, individuals, and other stakeholders have drawn their maximum attention to such innovations whose aim is to meet their social-economic needs and development.

While scheming the strategies for the policies that properly suit their own demands, emerging countries have had a chance to learn from the developed economies that already adapted to digitalized systems. For instance, Singapore had the ability to quickly learn and thus became known as Asia's leading tech hub, the country has a lot to give to conglomerates other than competitive corporate taxes, it has a stable political system, rigorous guidelines, and robust cyber information security competencies. The country relies heavily on a 5-point innovation framework that truly describes it as a smart digital country, these elements include among others; a robust innovation ecosystem, well equipped for a digital world. This has helped Singapore to stand strong even after the covid-19 world impact with its sophisticated innovation ecosystem almost in all sectors, especially the foreign exchange that deals with financial services. Secondly, it is known to be the most highly connected in the region, this makes it a digital structure that is supported by connectivity. Known for its attribute as a fast learner, the country is also well equipped with a modern digital infrastructure and a 5G network connection, and according to research, it recently made an announcement of planning to roll out 5G network connection by 2025. Finally, the country has joint and digital partnerships and contracts that robustly help her build her blossoming innovation ecosystems. (Paper & Interconnection, 2017, pg. 1-8)

2. THE RELATIONSHIP BETWEEN ROBUST COMMUNICATION, INTERNAL AUDIT, INTERNAL CONTROL, AND DIGITALIZATION

Essentially, the organizational management, control, and monitoring worldwide should be in line with the growing digitalization system since operations change every other day due to this technological advancement. Similarly, this also works with internal audit activities in reporting organizational results on internal control weaknesses, therefore the internal auditors will be advantageous in providing information robustly that is based on valid evidence. (Kupiec & Coderre, 2017), also,

Given the extraordinary and advanced services offered by the internal auditors currently enable them to give strong leadership support to the organizational administration, which makes them a contemporary consulting service and activity. (Phillips, 2009), Thus the internal auditors can smoothly utilize the already present organizational digitalized structure.

Some scholars describe the concept of internal auditing as that one that adds efforts in improving the organizational governance and predicting the company requirements for the future.

2.1. The Research phenomenon

What is the impact of robust communication in effectiveness of internal audit? What communication skills can improve the internal audit effectiveness? How does Digitalization impact the internal audit effectiveness? What communication challenges do internal audit managers face in promoting internal audit effectiveness?

To answer the above questions in the current study, and to have knowledge about the role robust communication plays on the effectiveness of internal audit, this study must encompass the reasons why and in what ways internal audit is linked to robust communication and digitalization to improve its effectiveness.

2.1.1. The Relationship between Robust Communication and Internal Audit

Studies and a lot of recommendations have been made by scholars and internal audit bodies for many years concerning the great usefulness of strong communication on internal audit and management in the organizations, this can be supported by the emphasis that was made by both the 2002 and 2013 information and communication elements of the integrated COSO internal control framework.

The Internal audit function was reported to be an important element within corporate governance, this was proved from the study whose aim was to attest by comparing activities of the companies who used internal audit function vs those who didn't, and the results indicated that, the ones who made use of Internal auditing activity were able to capture more data concerning fraud as compared to those entities that just used outside consultancy of auditing. (Coram et al., 2008, pg. 543-559), in support of the previous studies, internal audit value would also be seen in many ways including, management assistance, internal audit activities, and its other skills such as soft skills, like communication. (Lenz & Hahn, 2015, pg. 5-33)

According to research, the previous financial scandals made organizations to be pushed by Sarbanes-Oxley Act 2002 to robustly ensure they provide information concerning the effectiveness and efficiency of internal controls on financial communication process, this was in bid to mitigate any threats in the entity. (Ferreira & Morais, 2020, pg. 262-274)

. Financial communication/reporting is when an entity communicates all information about its financial activities to a group of stakeholders that directly impact the entity's decision-making in buying, selling, or issuing loans, these include creditors, investors, and government. (Kieso et al., 2020). Communicating to stakeholders excellently helps them make informed decisions and gives them a clear image of the company's health and progress , and smoothly allocating capital finances appropriately, they are not only interested in financial, but also operational data. (Jankowski, 2009, pg.1-4), more so communication that involves financial details must be of great help if it must contain significant data that it intends to provide. (Nobes & Stadler, 2015)

According to the International Accounting Standards of Boards (IASB), any financial information that is regarded beneficial should be pertinent and authentic. IASB further provides in its qualitative attributes structure of such important information in the following ways; first, the topic should be economic and at least should impact the lives of the stakeholders who have a direct interest in that reporting company. Secondly, all information may not be useful, therefore selection of pertinent content is paramount, thirdly, and checking if that information is accessible and is based on economic proof should also be put under consideration. (Collis et al., 2012, pg. 112-128). Thus, this indicates the importance that corporate governance has in striving to provide reasonable financial reporting through its factors such as, the board of directors and audit committee.

(Cohen et al., 2002, pg.573-594). Corporate governance mainly has a role in assisting the company owners or shareholders to have maximum freedom in protecting their assets and long term operational sustainability. (Ingley & Walt, 2004, pg. 534-551). The components that are very crucial in corporate governance framework are said to include, Management, internal audit function, external audit, audit committee. (ALBAWWAT et al., 2021)

Currently, too much competitive advantage and the global market pressure has increased the companies to devise more ways of controlling and leading their operational and financial activities, this has increased the use of internal auditing function as strong support in corporate governance. Just like any other field, internal audit is undergoing new changes that match the current digitalization system of operation. Thus, the modern internal audit applies soft skills in controlling activities unlike in the past. (Kupec & Coderre, 2017,pg. 28-44).

Accordingly, The entities' internal audit added benefits are as a result of strong communication between internal auditors and their senior management, and this mostly is vital within big entities that have different departmental levels, in which information systems are hard to put together and monitor, which may result to too much information overload among parties involved. (Fama & Jensen, 1983), (Schramm, 2019).

Precisely, devising ways of communication from the senior management or the board concerning the available internal control systems in an entity, how risks are handled, and alerting about the capable big threats that would deter the goal attainment of the organization is what was referred to as the downward communication. Nevertheless, there is also another crucial upward communication which comes from the internal auditors and its purpose is to educate the senior management and the board about how beneficial risk management is to reduce threats hence increasing achievement of goals in an entity. (Schramm, 2019), meanwhile a study that investigated on the communication processes in workplace meetings, described upwards communication as that one that is passed from the subordinates to their seniors in an organization, while downwards communication takes place from upper officials to lower level workers. (Bergman et al., 2016, pg. 533-541) , and this kind of communication is viewed as very paramount to senior management or the board, since they get informed of what transpires, and in cases of high risks, this helps them make very rapid informed decisions to solving problems, and other researchers suggest that there are a lot of good outcome as a result of upward communication, and these among them may include the following; it encourages

division of leadership between managers and employees, there is free sharing of ideas, there will be no negative comments on managers by their employees, different dialogues concerning information acquiring will be handled as a team. (Tourish & Robson, 2004), also in an organization, it is believed that the communication that is provided by the internal audit department is more needed and beneficial to the board, since the senior management according to research and The Three Lines of Defense Model, receive first hand communication alerting them about risks and any other threat related data. (Schramm, 2019)

The three Lines of Defense is a structure reported to have had its inception from the UK, and was made as an endorsement by different policy makers to support the management of risks and any other related organizational threats. (The Three Lines of Defense Framework, n.d.), this can be illustrated in the figure below.

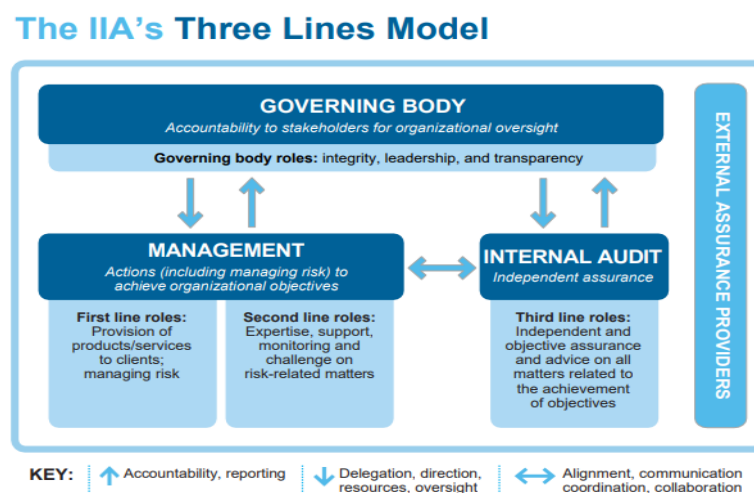


Figure 2.1. The three lines of Defense (IIA, 2020, pg.1)

Importantly, if the organizational board have a very good understanding and communication with their employees as regards to all tasks and operations within the organization, they will have strong and well-grounded monitoring responsibility since all employees will know they have to take charge of fighting any intruders inform of threats, and this will help them attain their intended goals. (Ruud et al., 2001, pg. 521-534), the Chief Executive Officers (CEO) and the Chief Financial Officers are the ones that take charge of most of the work of which in turn report to the board. Nevertheless, for all these interactions, coordination, and communication to be smooth, there must be strong support from the Three Lines of Defense, as a guide, which was created for the purpose of acting

as a guidance on the 8th EU company directive in which senior management would now be able to handle issues of internal audit and management of any threats. (Luzzi & Dittmeier, 2011, pg. 1-20).

2.1.2. Description of the three lines of defense

Generally, the internal audit's function as the third line of defense has got to be embraced by all governance rules and principles, so that risk management techniques are maintained. Though this varies from entity to entity, where internal audit is integrated with two first lines of defense. The three lines of defense are explained in detail below.

The first Line of Defense are basically created by management that has adequate information, relevant skills, and techniques that will discover, gauge, and help diminish risks. These will play a big role in the objective attainment of an entity. The second line of Defense are mainly activities that take charge in compliance and risk management issues in an organization. They take part in offering all necessary requirements, devices, in support of the first line of defense, so that all risk management related rules are abided with, and a continuous follow-up is done to ensure there is effectiveness in the process. The third line of Defense is where the internal audit falls where they provide an independent assurance service to an organization. The internal audit reporting information directly to the board, the audit committee, has a task of ensuring the first two lines are effectively working to the compliance level of governance, and where need be, some recommendations are made in case change is required as far as governance, risk management, and internal control systems are concerned. (Chartered Institute of Internal Auditors, 2015)

A study conducted by the Institute of Internal Auditors' annual North American pulse about the internal audit professional progress, and questions were asked on which tasks internal auditors engaged in to improve their innovation, on this, about 40% of the Chief Audit Executives strongly agreed that internal auditors were trying to find better means of passing on communication of their results and findings engagements, 36% of the Chief Audit Executives (CAEs) added that, their internal auditors aimed at collecting more evidence as per communication of their results in order to stick to factual and trusted information, and finally 13% also strongly agreed that their internal auditors strived hard to adopt to the emerging technologies to help them improve their reporting skills and

process. All these explain how strong communication can impact the effectiveness of internal auditors. This is explained in the figure below.

Innovation activities in the internal audit Function.

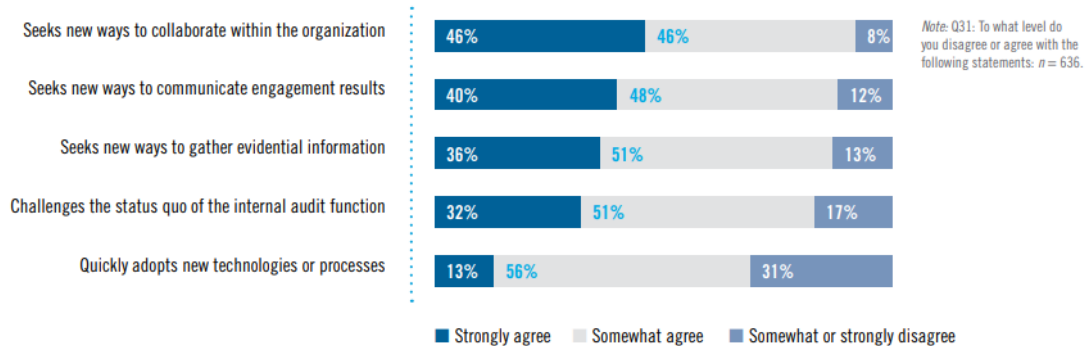


Figure 1.1 2 Responses from the CAEs about internal auditor's innovative tasks. Adapted from (Institute of Internal Auditors, 2018, pg. 1-2)

In addition to the above, more attention about the importance of Strong and effective communication skills has raised much attention for academicians and other bodies, for instance, A survey carried out by KPMG, (2016), aimed at investigating the value provided by the internal auditors, and this study had more than 400 respondents including the audit committee and the chief Financial Officers, where the majority supported the fact that there was more need for communication skills in the profession, this is proved by comparing communication skills with other mentioned skills in which communication was ranked highly to be with more demand in instances of internal audit employment and education with 67 percent, technological skills 62%, critical skills and judgment skills with 52%, understanding and global markets with 48%, and then understanding and command of data analytics with 39% respectively. (KPMG International, 2016, pg 1-3)

The Top 5 skills needed for IA professionals

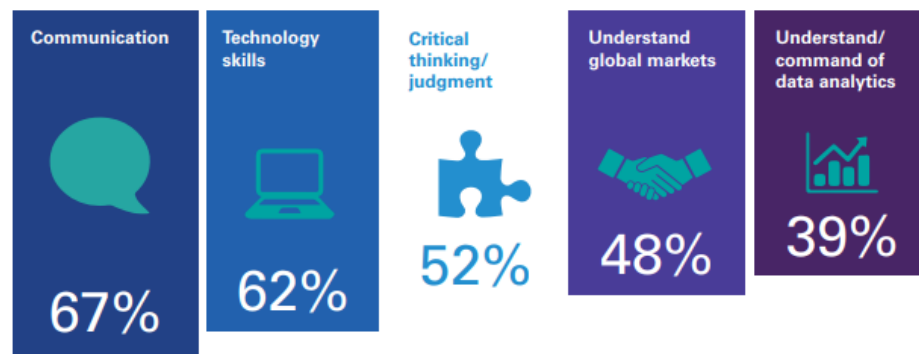


Figure 1.1. Top skills needed for Internal Audit profession.(Source: KPMG International, 2016)

2.1.3. Internal audit communication requirements

In corporate governance, upward communication which involves that communication done by internal auditors is seemingly very crucial compared to that done by the senior management and the board generally, this is because this communication has too much inputs as far as management of risks and internal control activities are concerned, hence aiming at achieving the organizational objectives. (Lurati & Eppler, 2007, pg. 75-98)

According to the IIA's international professional practices framework of internal auditors, there are some guidelines, attributes and performance standards that the Chief audit executives ought to apply especially in the field of delivering their engagement results to the management and other stakeholders generally. These can be explained in a subsequent section below.

IIA standard 111- Direct interaction with the Board.

This standard requires the Chief Audit Executives (CAE) to have communication straight away with the board, and this means that there should not be any kind of restrictions to see the board, the communication can at a later stage be shifted to physical meetings between the CAEs and their stakeholders before anything formal takes place.

1320 IIA standard- Reporting on the quality Assurance and improvement program.

Importantly, standard 1320 of IIA stipulates that the CAE has got to give updates to the board and management concerning quality assurance and any other kind of developments, should report about action plans, and about any corrective steps to take, this will help the

internal auditors to continue providing good services that will enhance organizational value, hence the effectiveness of internal auditors.

2020 IIA standard-communication and Approval

It is the responsibility of the Chief Audit Executive to ensure the communication of any internal audit work to the senior management, or the board, and clear explanation about the consequences of insufficient tools to use should be made.

2060 IIA standard- reporting to senior management and the board

The internal audit's aim, responsibility, and performance that are in line with its stated aim must be communicated to either of the mentioned stakeholders (senior management & the board. These responsibilities may include risk management, control activities, or governance processes, all in line with management interest.

2110 IIA standard- Governance

Suitable recommendations about proper governance such as governance compliance, improvement in entity performance, control systems, working to add values, risk management, total clear communication should be done among both the internal and external auditors, together with the board.

2120 IIA standard- Risk Management

Relevant risk related issues must be reported by the internal auditors to the staff, management as early as possible so that precautions can be taken to avoid huge damage. In an organization, every employee has got a responsibility to mitigate risks through many ways as per early warnings and task distribution, therefore this can be achieved through early communication by the internal auditors.

2400 IIA Standard- Communicating Results

Like ordinary researchers, the activities of internal auditors must by all means be known by the management, so that after making their investigations, it is better to communicate their findings to the board, a factor that will enable them to make informed decisions and approval as per the risk management issues are concerned.

2410 IIA Standard- Criteria for communicating.

This kind of communication according to the IIA international professional practice framework (IPPF), should at least involve the engagement's purpose, the scope, and findings.

2410. A1- 2410. C1, stipulates that action plans must be included in the internal audit communication, and the results must contain opinions at least in line with the

stakeholders' interest and expectations, and the information should make sense based on evidence and reliable sources, nevertheless, all communication will be upon different engagement situations and client's requirements.

2421 IIA Standard- Errors and omissions

Upon communication, the information that contains mistakes should quickly be changed by the chief Audit Executives, and correct information must resent to relevant stakeholders, this will strengthen the trust element between internal auditors and management, hence their effectiveness.

2440 IIA Standard- Disseminating results.

The chief Audit executive must ensure the engagement results are communicated to the relevant people, in order not to be misinterpreted, they must first ensure who is going to use this information.

2440.A.1- parties who receive communication from the Chief Audit Executives must be the ones to ensure results are mainly considered and important to the organization, for example, 2440.C2 standard describes that the results must not do with content other than that about governance, risk management, and internal control systems, when these particular issues are crucial, they should be reported to relevant parties such as, senior management, board or other stakeholders.

2450 IIA Standard- Overall opinions

Risks, strategies, aims of an organization should be included while making overall conclusions and viewpoints to the board, senior management, or other stakeholders.

2600 IIA Standard- Communicating the Acceptance of Risks

The conclusion about the acceptance of unaccepted risks and threats must be concluded by management, after the whole issue has been fully discussed by the chief Audit Executive and the senior management. Follow-up should be done in case action is not taken inform of implementation by the board concerning these discussions. (Internal et al., 2009, pg. 1-2)

Fundamentally, management should heavily relay on the internal audit consulting services so that the organization receives high financial communication standards, and less internal control weaknesses, though this has to be done with consistence by internal auditors in trying to regularly update the internal control systems. (Bell & Carcello, 2000), this means that internal control weaknesses are lessened in situations where internal auditors communicate directly their findings to the audit committee, since the audit

committee rate of providing feedback is higher compared to that of the management thereby improving the internal audit effectiveness. (Alzeban, 2019, pg. 341-362). Additionally, researchers have agreed upon the robust role the Audit committee has played as a tool in corporate governance such as, systematically examining the financial data in an organization, trying to ensure there is effectiveness in the internal audit function (IAF), and ensuring it provides means for internal auditors to accomplish its activities and providing audit recommendations on its behalf. (Alzeban & Sawan, 2015, pg. 61-71). In his other study (Alzeban, 2018), ‘‘the association between internal audit department characteristics and International Financial Reporting Standards (IFRS) compliance, the study asserts that the internal audit function is more effective as its connection and corporation with the audit committee increases in terms of its direct communication to the audit committee as compared to when they do so to the management, the study explored about the IFRS acceptance by some listed Saudi Arabian companies, the internal audit in this case was viewed as a useful tool because they apply all necessary communication skills to convince the companies that would not buy the idea of using the IFRS. The study looked at some internal audit attributes as an assumption which would help in the implementation of the adoption of the International Financial Reporting Standards (IFRS), the attributes among them include, the internal audit size, Internal Audit training of its workers, and its reporting line. (Alzeban, 2018). For the purpose of the current study that intends to investigate the role of robust communication on the internal audit effectiveness, the reporting line attribute of internal audit would help in its effectiveness through robustly communicating with its stakeholders.

In corporate governance, apart from the independence requirement, the internal audit function currently has to value working together with its stakeholders by continuously and robustly dissemination information and frequent interaction so that the element of objectivity is maintained and internal audit function remains effective. (Jung & Cho, 2022,pg. 486-518), this is in line with the COSO internal control framework principles 13, 14, 15, and 17, in which the organization is mandated to create and utilize pertinent information that strongly supports all other internal control components, information disseminated both internally and externally should include goals and a clear description of tasks, the organization with the support of internal auditors discuss with external parties issues that distort functionality of internal controls, and finally principle 17. Describes how within an organization, there should be appropriate and timely

communication concerning internal control shortages to the relevant parties such as management and the board. (Roberta Provasi & Patrizia Riva, 2015)

2.2. The Impact of Robust Communication on the effectiveness of Internal Auditing

The current study aims to investigate the role of robust communication on the internal audit effectiveness; therefore, this section provides insights from different studies about internal audit effectiveness and how its impacted by robust communication as a contributing factor. But first, a reminder of the internal audit definition for proper guidance of the study flow and understanding of this section. According to the Institute of Internal Auditors, ‘‘ Internal auditing is an independent, objective, assurance, and consulting activity designed to add value and improve an organization’s operations. It helps an organization an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. (IIA), while according to Sawyer, (2003, pg.5), internal auditing means an organized, unbiased activity executed in various organizational activities and departments to examine whether.

- Financial reports and communication are factual.
- Organizational threats are discovered, assessed, and reduced.
- Both internal and external laws and standards are being followed
- Sufficient operating needs are fulfilled.
- Resources are allocated sparingly and not wasted.
- The intended organizational goals are met.

Accordingly, while enhancing corporate governance, internal audit ought to make suitable recommendations to add value and to enable goal achievement or organizations. This must be through.

- Moral encouragement within an organization
- Making sure the organization maintains proper management.
- Ensuring that risk related communication is passed on to the right officials in an organization.
- Participating in different tasks and ensuring communication is made to the stakeholders.

Conceptually, the notion internal audit effectiveness is grounded in support that, it helps an organization to attain its goals by promoting good corporate governance and helps in providing what is crucial concerning suspected risks through alerting senior managers, the board, and other stakeholders. other studies show how the effectiveness of internal audit has continued to grow, and this is seen from (COSO ERM,2004) for example, it makes an important reminder to the managers as their job, to be keen to any kind of threats and control mechanisms in the organization. The framework provides these guidelines by the help of its five internal control components. Basing on the dynamics of the internal audit worldwide, majority of the studies are increasingly picking the interest in bringing up insights about the factors that enhance the internal audit effectiveness in fulfilling the achievement of organizations and stakeholders. From the literature, research, titled ‘‘Identifying organizational drivers of internal audit effectiveness’’ ‘pointed out some of the key factors which included among them; resources and competencies of an internal audit team, processes and activities (involvement of internal audit in risk management), and organizational role: level of interaction between internal audit and the audit committee. These are demonstrated in the figure below;

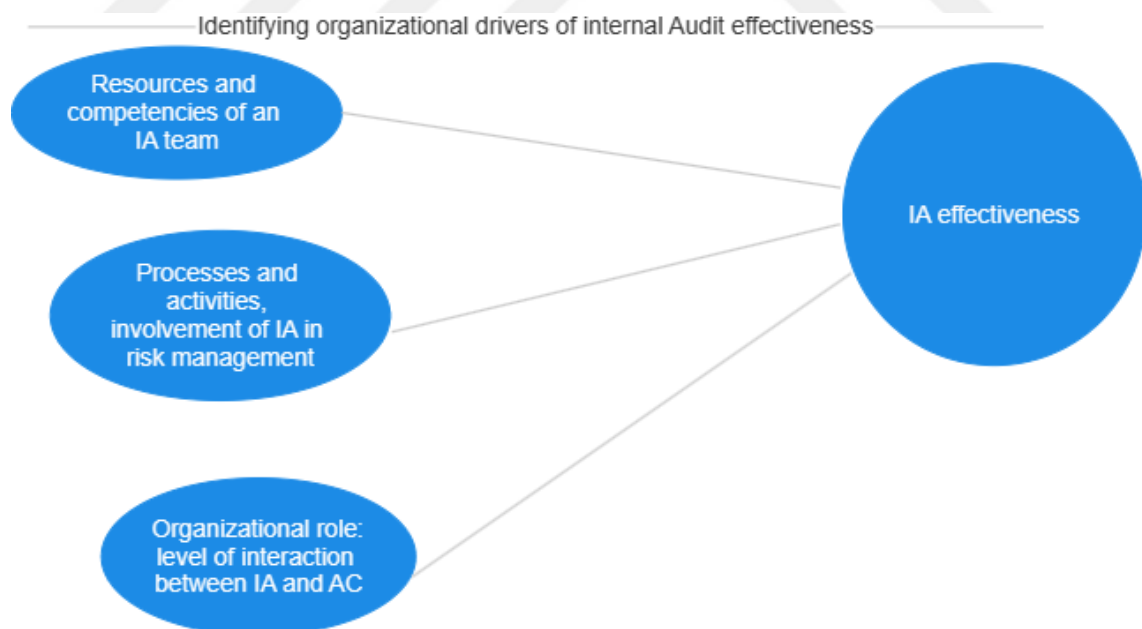


Figure 2.4. organizational drivers for internal audit effectiveness: source, (Arena & Azzone, 2009)

- Accordingly, resources and competencies of the internal audit team, require when all organizational workers have some knowledge about the organizational internal

control systems and other operations at large since at some point they will all be in charge to make accountability, however, this will be possible if they are well acquainted with sufficient information that will enable them establish communication means to the stakeholders. Kendrick, M. (2000, pg.65-69).

- Processes and activities: involvement of Internal Audit in Risk management; the internal audit participates in many tasks and other ERM activities such as organizing mechanism of how to manage risks. However, this high involvement of internal auditors in these activities comes along with issues of impairing their trait of independence and they end up being biased in their report presentation, hence damaging its effectiveness in fulfilling the organizational goals. (de Zwaan et al., 2011, pg. 586-604)
- Organizational role: level of interaction between internal audit and audit committee. This is yet another driver for internal audit effectiveness as presented by (Arena & Azzone, 2009, pg.43-60), as an activity in an organization that ought to own liberty so that it fully exercises its independence. Relating to the current study, the continuous communication that happens between the internal audit and the audit committee leads to fast disseminating and sharing of information that is sufficient as required in trying to promote shareholders' value, and errors will be detected, and change will be made where possible through regular communication.

Similarly, in a study whose aim was to "investigate the association between the audit committee composition and its interaction with the internal auditing", the results of their study from the chief internal auditors of 114 public companies whom they surveyed, showed that the committees that involved officers with accounting knowledge had higher chances of; communicating at length with the chief internal auditor, examined ideas from the chief internal auditors, and would properly evaluate the internal audit ideas and findings. Raghunandan, K., Rama, D.V., & Read, W.J. (2001, pg. 105-118).

Another study was conducted on "internal audit effectiveness: An approach proposition to develop the theoretical Framework", their literature on internal auditing majorly focused on the discussion of the three theories ie. Agency theory, the Institutional theory, and the communication theory, that they thought could be handy in constructing theoretical structure for the effectiveness of internal auditing.

Findings of that study found that the internal audit effectiveness is achieved through its attributes, department performance, and management support. Communication is one

of the attributes of internal auditors, something that leads to its effectiveness. (Ali et al., 2013, pg. 92-102). Though the study did not provide specific internal audit attributes for internal audit effectiveness

Similarly, a study was done to examine “the role of individual internal control elements and their relationship between internal control effectiveness, and financial performance”, this mainly focused on different banking sectors including public banks, private banks, and Islamic banks. The results of the study found that, all five components (control environment, Risk assessment, control activities, information & communication, and monitoring) of internal control were very useful for the effectiveness of the internal control system in the private banks. While in public banks, only three components of the control environment, Risk assessment, and information & communication were found to contribute to the internal control systems and financial performance. Finally, the Islamic banks were found not to be totally caring much about the importance of these components, apart from only one (monitoring) that was used. This would lead to poor banking systems hence inefficient internal control system.

From the literature point of view, a study was done to examine “the role of individual internal control elements and their relationship between internal control effectiveness, and financial performance”, this mainly focused on different banking sectors including public banks, private banks, and Islamic banks. The results of the study found that, all five components (control environment, Risk assessment, control activities, information & communication, and monitoring) of internal control were very useful for the effectiveness of the internal control system. While in public banks, only three components of the control environment, Risk assessment, and information & communication were found to contribute to the internal control systems and financial performance. Finally, the Islamic banks were found not to be totally not caring much about the importance of these components, apart from only one (monitoring) that was used. This would lead to poor banking systems hence inefficient internal control system. (Channar, 2015, pg. 92-107). The current study aims to examine the “role of robust communication on the internal audit effectiveness”. This study (Channar, 2015), however did not show deep insight of how crucial the element of communication was in the effectiveness of the internal control systems of those two banking sectors (private & public), since communication must not only be ordinary delivering of messages to stakeholders or other management officers, it must be robust enough to handle anything

that comes up inform of risks or any other operational related information irrespective of whether the organization is aware or not. In other words, uncertainties must always be prepared for before things get worse for management. This information and communication importance was also stressed as advantageous to all organizations irrespective of their ownership or sector, as it provides clear messages to all parties within the organization, highlighting their specific responsibilities for proper operation and risk, and control mechanism related information, they asserted that, for effective delivery and internal control systems, this communication must go all round corners of the organization. However, their findings indicated that, there was a very weak significant effect of information and communication on bank performance, the strong recommendation to these banks therefore, was to think more on investing enough in the area of information and communication for smooth running of such sectors. (Mbilla et al., 2020, pg. 58-71). Relevant to the current study, this information must be robust enough to manage any unprepared for happenings in the organization's operations, such as fraud, or any other threats.

Essentially, the Institute of Internal Auditors (IIA) provided guidelines and standards as a clear guidance for the internal auditors, these were professional qualifications, competencies, and personal skills such as; communicating effectively especially clear messages to their stakeholders, a factor that would improve the effectiveness of internal audit activities. However, proper usage of suitable communication types must be taken into consideration, communication is essential to the internal auditors to act well with their colleagues and their clients to the best of their demands, such as being reliable, protecting their privacy where need be as per the agreement.

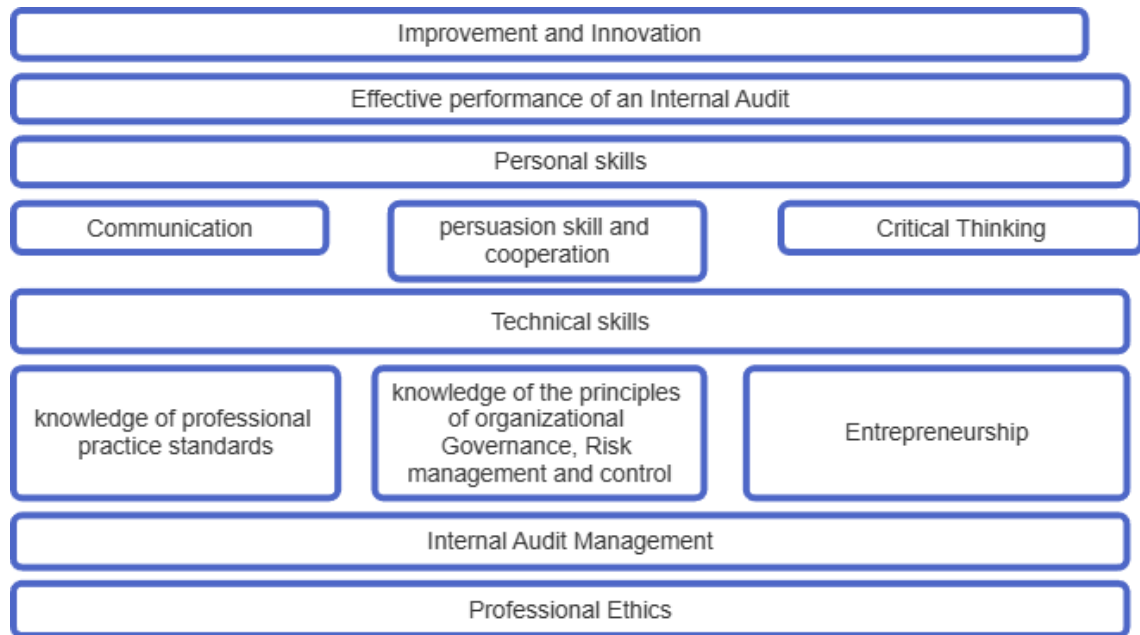
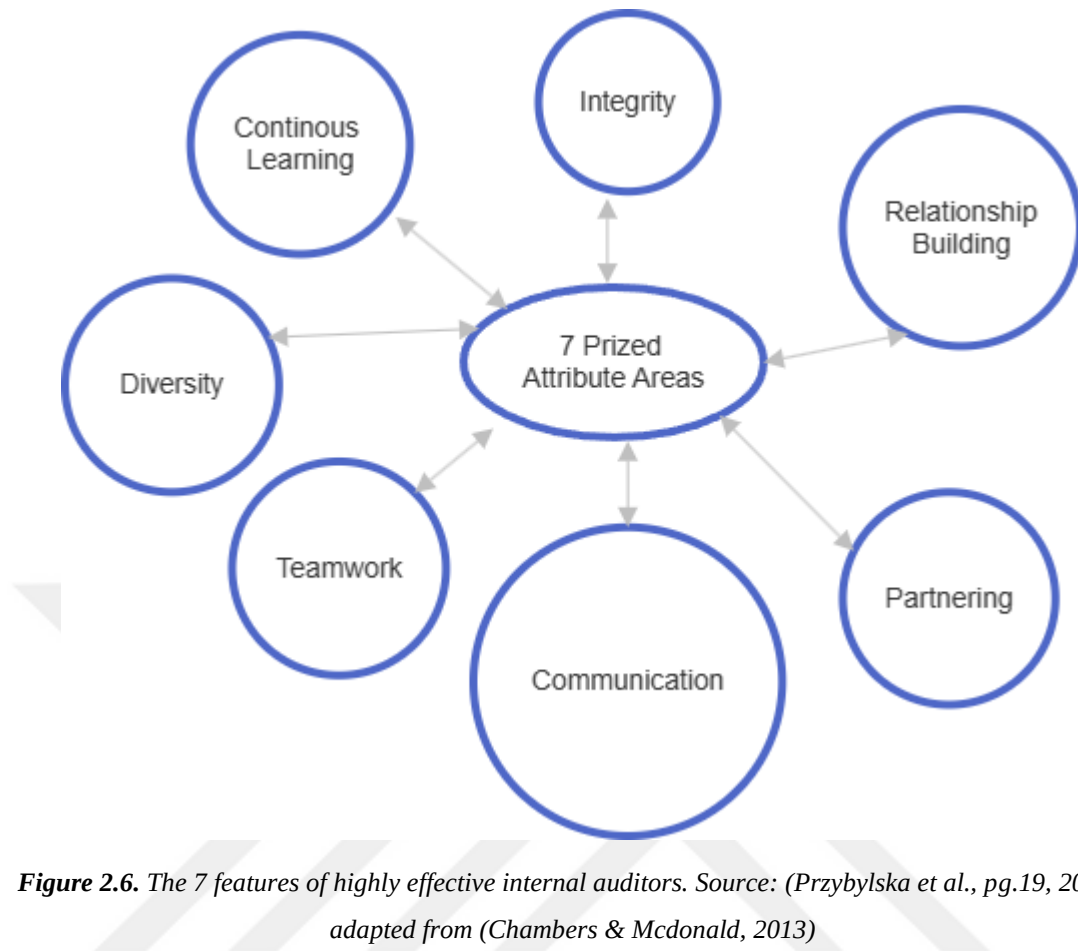


Figure 2.5. Internal audit professional qualifications and competencies. Source: (Przybylska et al.,2021, pg.16-17), as adapted from (IIA, 2013).

One of the most important roles played by communication is when an internal auditor becomes a good listener. For effective execution of their tasks, internal auditors have got to deeply understand the content when before and during communication, this role can be proved when they are inquisitive to their clients and fellow auditors, as they are responded to, they gauge how effective their communication was. Also, (Chambers & McDonald, 2013), in their study'' 7 attributes of highly effective internal auditors'', asserted the value of technical skills as paramount to the internal audit profession, however they stressed that these can be supplemented with other skills such as; communication skills, teamwork, relationship building, and more to be more effective. They therefore provided in their research what they thought to be the best features for a proper description of effective internal auditors of which communication was inclusive. These among them are demonstrated in the subsequent figure below.



During their (chambers & McDonald, 2013), insights, the survey from the CAEs gave them more knowledge about the communication positive impact if it is accomplished by both parties (sender and receiver). This is one of the important qualities of an effective communication process, because for instance, an internal auditor cannot communicate alone, there has to be the person to whom the message is intended, hence being a “Two-way-process”, though for the purpose of this research, this kind of communication has to be robust to boost the capabilities of an internal audit effectiveness by combatting the uncertainties in an organization.

Accordingly, organizations have two major kinds of communication, these are vertical and horizontal communication. Vertical also known as upwards communication is that one that occurs from subordinates to the seniors. It involves three elements: conveying, getting, and relationship management. Usually, it is an official form of communication among workers and management, whereby the subordinates get instructions from their bosses. However, to effectively use this kind of communication,

active listening skill can be of great help, a factor that indicates directions were properly understood.

Horizontal communication on the other hand occurs between individuals of the same rank in an organization, it depends, it may be official or not official. Sharing ideas, discussing opinions, and devising means to handle some hurdles is a strong key to this communication. However, the author stressed that, assertiveness is an important skill to have in order to use this communication type effectively. The following figure illustrates both vertical and horizontal forms of communication.

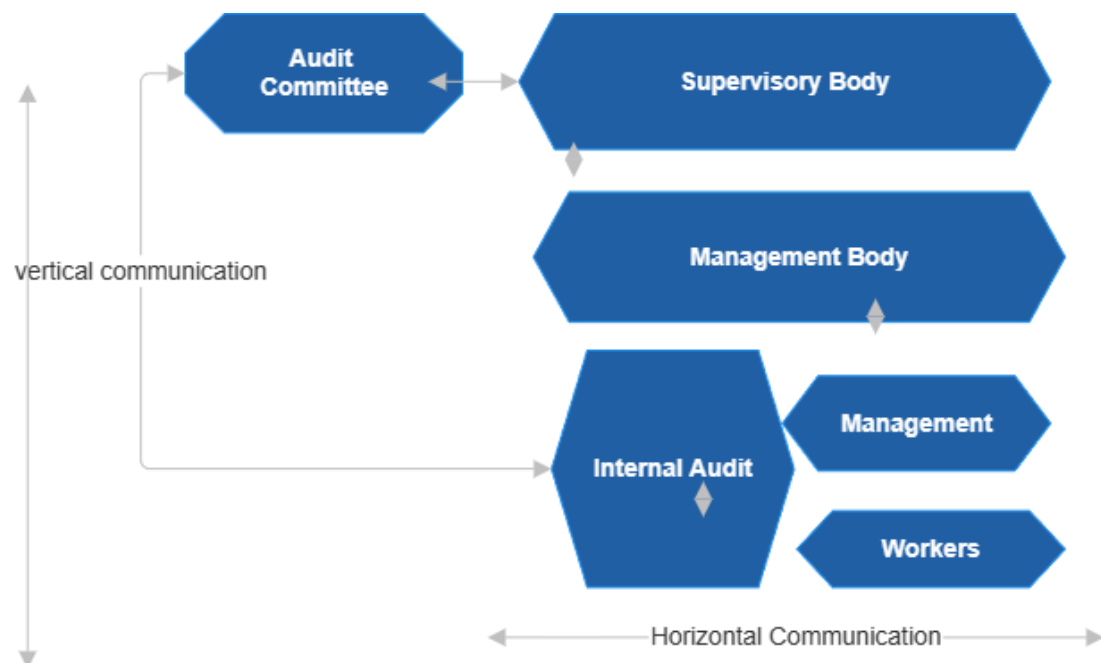


Figure 2. 7. Vertical and Horizontal communication. Source: (Przybylska et al., pg.29, 2021)

According to the authors, internal auditors can perform their different activities using either official or non-official form of communication, as they need basic knowledge of which kind to apply, to who, and when, for instance, when communicating their findings to the board, vertical communication can be used since it is from the subordinate to the senior, they add that the internal auditors should ensure they are strong and consider the element of providing clear information since they are talking to their seniors.

Horizontal communication is another form of communication that happens in an entity according to the authors, for this case, its main purpose is to build friendship among the internal auditors and their client's companies or individuals, since they must provide good services to these organizations with the intention of helping them have their objectives attained, therefore this friendship must be grounded on reliable sources

(internal auditors). Internal auditors were advised to be careful while using this kind of communication since it involves use of sign language. And excellent presentation of internal auditor's findings greatly leads to effective communication and trust by senior managers. (Fadzil et al., 2005, pg. 844-866).

2.2.1. Communication skills needed for effectiveness of internal auditing

Generally, communication skills are very helpful in the communication process among friends, family, colleagues at work and in any other context. These aid the communication of any kind to be conveyed smoothly. They include verbal and non-verbal communication, listening skills, and interpersonal skills. a good internal audit report for instance will be successful depending on how best it was written or presented.

Accordingly, the final product of internal audit task is to increase the attainment of organization objectives at the end of the day. An audit report will always be the most important result of the audit task. These reports are in two forms that is the interim and final reports whereby, the former involves either verbal presentation or non-verbal/ written reports, in which management has to act promptly in case of an issue that requires urgent attention. While as the latter involves the audits final report, this is presented at the completion of the audit process and, internal auditors must be conscious because this report must contain the 7cs rule of effective communication which include items like, completeness, clarity, concise, facts, considerate, precise, and concreteness.

The interim are those reports provided during the audit process, and they give updates to the audited on the current situation. These also include items that need urgent action for the audited to act upon. According to research, quick response means a quick solution of the problem in question by the audited.

2.2.2. Verbal communication

Accordingly, internal auditors should be aware that their entire professional life in any circumstances, communication is needed, be it informal as they try to converse with workmates or their other colleagues, or formal where auditors need to present their audit findings.

First, organization operations run smoothly with the presence of information exchange between the seniors and their subordinates, and so it is a prerequisite for the internal auditors as well. Despite having access to sufficient information, the internal

auditors must first consider doing background check of the audience they will report findings to, this will support them in packaging well their content for effective and strong communication.

The research about your clients should be a guide to the medium that you will use in case you want to do some presentations. As an internal auditor, you should learn their knowledge level, their rank in the organization, what their interests are which all combined will led to effective communication for an internal auditor. Additionally, the internal auditor or speaker must make sure they are familiar with the medium they will use so that they avoid a “Red flag” in the due course of the presentation. For instance, try using gadgets that are user friendly or if possible, practice as early as possible, and to be on the safe side, you should be at the scene before your audience so that all your gadgets are ready and intact. Most importantly, one is advised to be well-prepared so that even if a gadget fails to operate, you can still deliver something.

Use of illustrations is preferable for it attracts the audiences’ attention from the beginning to the end even if the presentation was boring, the use of these images will grab their attention and they will focus hence effective auditing will be achieved.

Finally, be ready to attend and react to some provocative questions amidst the presentation. To handle this scenario, handover the hard questions to seniors if you are not sure about them or tell your audience that you will respond to the question after the presentation is done.

2.2.3. Nonverbal communication

According to research, nonverbal communication covers a bigger percentage compared to verbal communication in the entire communication process. It involves use of symbols, body language such as gestures, nodding, dressing, use of hand, movement, proximity from someone one you are presenting to. To avoid being uncomfortable, a distance that is 2 meters away from your audience is more recommended during the speech.

Paralinguistic is yet another element not to be neglected when using nonverbal communication. This may involve tone of our voice such as, “ums”, pauses, intonation, and many others. Mark you, this will explain whether you are sure or not sure of what an auditor is trying to convey, therefore proper use of this should be put under consideration. (Cascarino, 2015, pg.28-203).

The American Institute of certified public accountants (2004), provided factors that are linked to communication skills and these include; having well prepared content that is relevant and makes meaning to your clients, explaining clearly your concepts while presenting any information, putting the data in a suitable context as you listen, read, write, and finally making sure choosing a right medium where to convey from your presentation.

Smith (2005, pg. 513-519), conducted a study on critical communication skills for internal auditors, using a review from 2000 to 2005, and his study found that.

- It is crucial for internal auditors to bear in mind communication skills in today's dynamic global market environment.
- To fully utilize communication skills such as listening and interpersonal communication skills
- Being considerate while talking to people of different status in the organizations and,
- Trying as much as possible to avoid mannerism while conducting their audits.

2.2.4. Listening skill and internal auditing

While listening involves understanding the content properly, it requires much focus by both the parties in the communication process. Repeatedly, the 7cs rule of effective communication should not be forgotten. A good presentation by an internal auditor is a well understood one, and this is what (Islam et al., 2015, pg. 678-708) referred to as "Active listening". Active listening helps people get to know that they were heard and understood. Internal auditors listen actively to report little but meaningful presentations by being clear, having empathy, and making it simple. He provided some crucial active listening rules.

- Keeping quiet as the speaker is delivering his/her message so that they do not feel interrupted.
- Trying to follow the speaker's body language which helps them feel comfortable.
- If you need more insights about the issue, you are talking or reporting about, prompt them to say more.
- First listen or understand properly what you will write or present to your clients, initially this is the main objective of the communicator, and it makes the whole sense of communication.

- It is advisable for the speaker not to be judgmental, one has to be careful what they say, to who, why, when and how (5ws & H)
- Keeping eye contact to your audience indicates the importance of your communication and provides nonverbal communication language signal whether what you are saying makes sense to people or clients. Nevertheless, another study that was conducted on'' communication skills needed by entry-level accountants'', surveyed members of the institute of management accounting (IMA) and the American institute of certified public accountants. their results indicated respondents pointed out English skills that involved grammar, punctuation, and spelling than oral and writing skills. In other words, English skills to them would first be considered for proper communication. (Christensen & Rees, 2002, pg. 1-11)

The Relationship between Robust Communication, Internal audit, internal control, and Digitalization

The current study aims to investigate the role of robust communication on the effectiveness of internal audit during this digital age. According to research, robust communication is that kind that can endure intentional or unintentional disturbances of any nature, for example, poor signals, technical faults, natural disasters.

According to the Institute of Internal Auditors (IIA), internal auditing is defined as 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 evaluating and improving the effectiveness of risk management, control & governance processes. (Pickett, 2010, pg. 47-48).

The Digital technological era refers to a collection and paradigm of diverse intelligent and innovative technologies in business environments such as the Internet of Things, Big Data, data analytics, artificial intelligence and cloud computing. (Ritter & Pedersen, 2020, pg. 180-190).

Management in organizations are on the run to quickly utilize the chance of the new digital technologies because it is where they easily leverage more competitive advantage to acquire better internal auditing techniques.

(Burrow et al., 2008, pg.723), Moeller, 2011, pg. 20) reports how important internal audit is to management by offering a variety of tasks and examine company processes,

by assessing internal control systems, and providing advisory services regarding risks to management. (Moeller, 2011). Organizations are striving tirelessly by applying their business plans to ensure their activities match with the current digital corporate environment, by creating new goods and services, and for internal auditors to be successful in their audit mission, they ought to go by the new innovations in order to be in line with their stakeholders' demands, and currently, the reasons as to why most entities opt for a dynamic environment is due to the need to mitigate risks that threaten their progress. These may involve data security risks and privacy risks. (Betti & Sarens, 2021), & (North, 2015)

Accordance to the dynamics in the entity's risks, controls, or procedures and processes, the institute of internal audit standard 2010 provision, states that the internal auditors, having full knowledge of the business strategies, objectives and the involved risks, should try to improve the internal audit plan. (Internal Audit Standards - IIA Australia, 2017), and according to PWC, (2018), Internal auditors should check whether the ways being applied in conducting their audit are in line with the upcoming threats and technologies, in other words, they must be able to manage and cope with the tasks and risks involved that come along with the current digitalization system. Some of the emerging technologies according to PWC, (2018) are illustrated in the figure below.

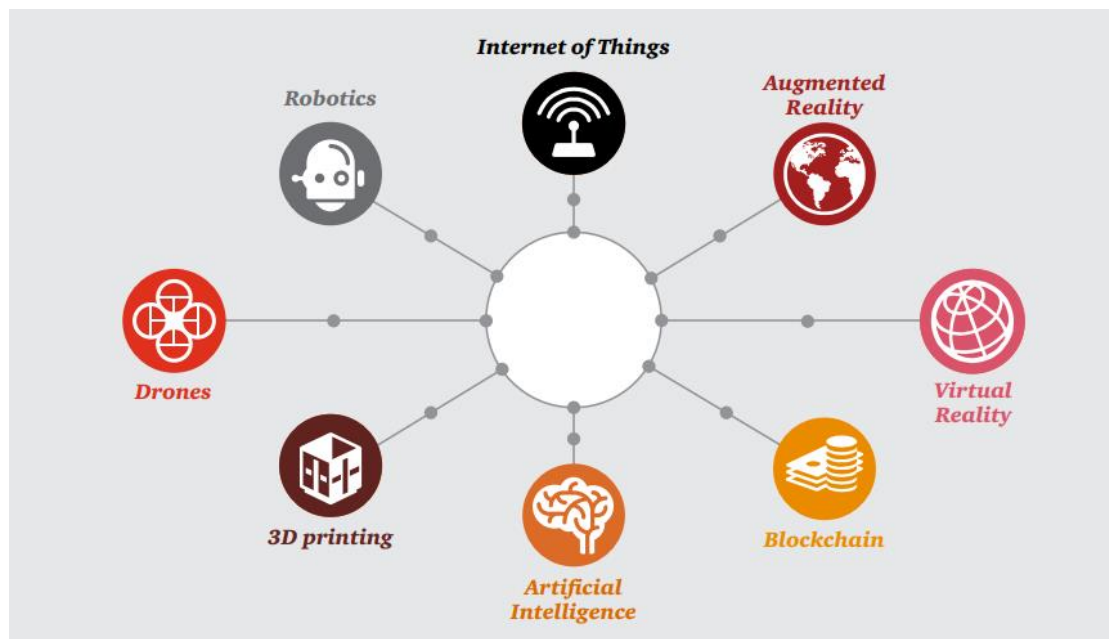


Figure 2.8. Emerging technologies PWC, (2018)

Essentially, as the eight crucial emerging technologies have been shown, PWC describes it as ‘a technology inflection’ in which the internal auditors, irrespective of being aware of some technologies such as the cloud, big data, analytics, and Enterprise Resource Planning (ERP), PWC puts the emphasis that new technologies should as well be applied with right skills and tools to curb the future risks. (PwC, 2018, pg. 2), also research shows that as the rules and policies were formed by Sarbanes Oxley, it changed the way internal auditors operated who mainly focused on finance and accounting, but later increased their roles in internal controls of entities. (Jones et al., 2017, 450-470), and the awareness of increased moral practices in company corporate governance and culture also realized a very big impact. (Soh & Martinov-Bennie, 2015, pg. 80-111)

Initially, a study conducted on the changing role of internal auditing because of the digital era, found out two ways which they thought could help internal audit function by coping with the new digital environment in managing the audit tasks. The ways included agility and the digital knowledge, whereby agility is that device that is handy to increase the value created by the internal audit function. Bitti & Sarens provide more description of two agile stages. First is time- saving that occurs between risk assessment and the start of audit tasks, secondly, digitalization brings about various ways of audit operation, therefore this is where agility shows power in including robust tasks for unprepared for strategic changes. These are believed to help the internal audit to remain with great performance that helps organizations achieve their intended goals. (Betti & Sarens, 2021, 872-888)

2.3. The Impact of Digitalization on Internal Audit Effectiveness

This section will discuss the impact of Digitalization on the internal audit effectiveness, and relevant studies will be examined in view of their different perspectives on this digitalization phenomenon in subsequent paragraphs.

The past decades have witnessed a drastic change in the business world, customer dynamic needs, continuous demand for transparency by the shareholders, and increasing organizational cyber security demands by organizational regulators and other stakeholder. Thus, the internal audit role must not remain to its traditional way of operation but rather adapt to the digitalized environment so that more value is added to the organizations and the intended goals attained.

First, the concept digitalization is the process where businesses leverage their models by developing their functionality using the new digital technologies plus the bigger digitized data. In other words, business models, communications, are changed in the digital ones in which many organizations have had benefits for the past years irrespective of their size, sector, and geographical location. Dobrica Savic. (2019, pg. 2).

A study was conducted on ‘‘effects of digitalization of organizations on the internal audit activities and practices’’. Applying a survey on the CAEs and members of the institute of internal auditors in the USA, the research findings indicated that, the organisation level of digitalization strongly had a positive relationship with the use of Data analytics, therefore improved the internal auditors activities effectively. However, in relation to the current study that intends to examine the role of robust communication on the effectiveness of internal audit focusing on Uganda as a developing country, their study mainly focused in the USA, a developed country context.

Innovations and competitive advantage are believed to have changed the demands and expectations of consumers in terms of goods and services, and thus organizations are forced to act by those new changes of digital technologies. (Verhoef et al., 2021, pg. 889-901), and currently an estimation of 40% of organizations are putting their keen eye on the value of data analytics as internal audit requirements in years to come, because it seems to be a solution for organizational important threats and internal audit up-coming risks. (PwC, 2018,).

Data Analytics is the application of information technologies, quantitative skills and methods, testing and analyzing, and simplifying the hard tasks that help guide the managers to make right decisions. (Watt et al.); Davenport, 2004, pg. 543-551). It is necessary to be selective of well knowledgeable workers during recruiting, so that they can be able to demonstrate some technological skills such as mathematical models, and quantitative methods. Relevant to the current research topic, internal auditors must achieve the effectiveness only if they work hard to demonstrate their technological skills to the managers so that they are guided when making hard company decisions. Additionally, Cao, M.H., Chychyla, R., & Stewart, T.R. (2015, pg. 423-429), also described Data Analytics as a process of examining, demonstrating, releasing pertinent information to propose remarks that are helpful during the decision-making process.

Other researchers conducted a study on ‘‘Big Data analytics in internal auditing’’, they described how a big number of organizations have adapted use of Big Data, some

implemented it, though others have not yet succeeded its implementation for easy operations.

The study managed to provide an overview of Data Analytics in auditing, benefits of Data Analytics to internal auditing were described, some new changes of Data Analytics in internal auditing were also explained, and some loopholes distorting the incorporating of Big Data analytics in internal auditing. They concluded that incorporating successfully Big Data in organization systems requires more efforts and investment since there is still a lot to address. (Shabani et al., 2022, pg. 362-374)

According to research, Big Data Analytics is a piece of information that is featured by 5 V's where velocity is fast rate at which new information is developed by current technology and the demand responding to this data is assessed in real-time, for instance when there is new information, this must be communicated to the clients following the new technology. Volume means that the Data is big as the name suggests and this is why is measured in volume, Big volume and velocity means there is a variety of Data, variability describes how information received differs from time to time, and value measures the importance of Big Data. (Gillis, 2013, pg. 38).

2.3.1. Application of data analytics in internal auditing

Accordingly, both the internal and external auditors have been viewed to be using Data Analytics especially where they must choose and find information which is already known from their client's data base that is useful during their auditing stages of planning, field work, and finally issuing a report in their findings. (Byrnes, P.E., & Pawlicki, A.R. 2014). Also, big data checks the already existing information and helps the auditors how this information is linked to each other. (Brown-Liburd et al., 2015, pg. 451-468), while Byrnes et al., confirm that data analytics is not only a science but also an art that helps the auditors in selection of pertinent and useful information only that is also relevant to their subject matter when they try to present their final findings to managers. (Byrnes, P., Criste, T., Stewart, T., & Vasarhelyi, M. (2014, pg. 11).

The following figure shows how big data analytics reduces expectation gap.

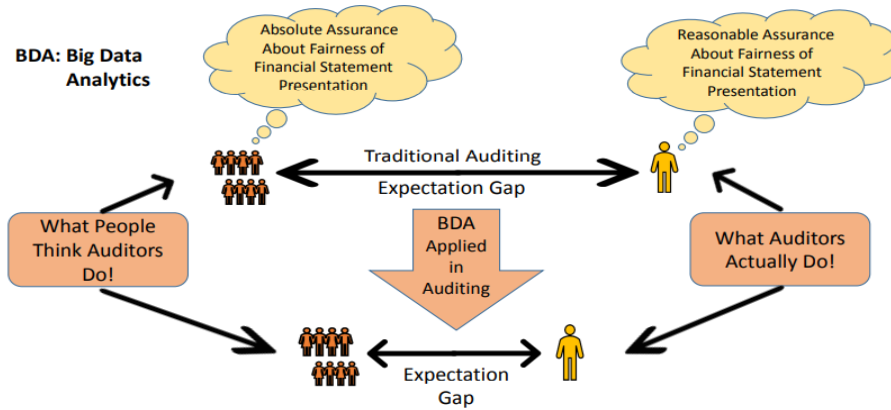


Figure 2.9. Importance of big data analytics in reducing expectation gap. source, (Shabani et al., 2022, pg. 362-374)

Accordingly, the effectiveness of auditing is viewed as a result of the assistance given to them (internal auditors) concerning the deep information through use of new technologies, and this information has to be more related to the topic that the internal audit is presenting in the findings. (Earley, 2015, pg. 493-500)

Similarly, the International Auditing and Assurance standards Board (IAASB), with the theme "exploring the growing use of technology in the Audit with a focus on data analytics", believe that big data analytics is both a science and art that examines different forms of information, monitors if the data sets are in line with the audit work, by carefully analyzing, modelling and visualization with the intent of planning and practicing the audit. Thus, they provide the benefits of using data analytics technologies for auditors in increasing their effectiveness. These include amongst them.

- Auditors present their audit work with confidence and trustworthiness, these are performing through the IAASB guidelines, therefore, they will provide valuable financial or any other reports with trust from their clients.
- Due to technological changes such as use of data analytics, auditors have also changed how they operate depending on the organization in which they are situated, for instance, before the present risk-based audit approach, (IAASB) reported that organizations worked under very tiring conditions with use of manual operations which is not the case today.
- Technology is growing at a very high speed, where every now and then something new is invented, new ways of doing things are emerging, and so the auditors'

activities. Auditors can now convey their communication instantly with instant feedback by the power of the emerging technologies such as data analytics.

- Continuous advancement of technology changes many forms of audit report, recording, storing, and analyzing information; thus, it all awakens the stakeholders who now have pressure of ensuring all the audit tasks must suit the current technology due to the knowledge they have about the importance of data analytics and its risk-based approach use, they therefore have high expectations from internal auditors.
- All financial and non-financial reports are said to improve through audit use of data analytics.
- Possessing robust knowledge by the internal auditors about their organization, helps them make professional recommendations based on data analytics approach.
- Chances of collecting proof of information concerning the big population increase through using data analytics by internal auditors.

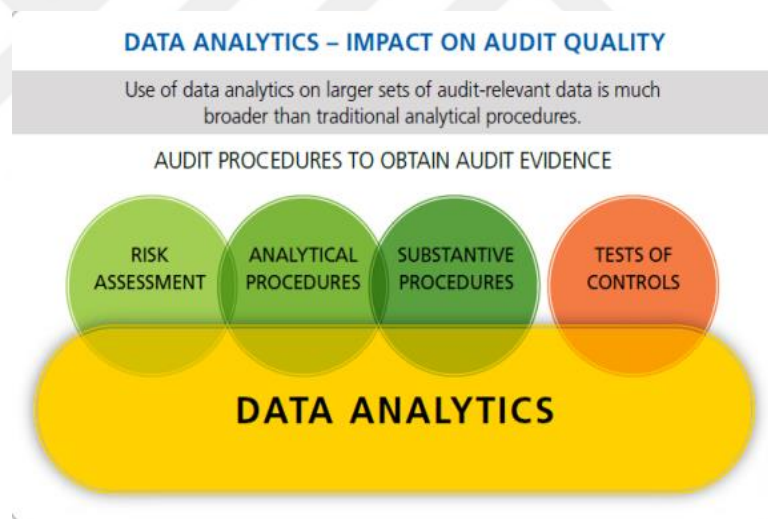


Figure 2.10. Use of data analytics on audit quality, source: (IAASB, 2016)

Nevertheless, the (IAASB) cautions the auditors while applying data analytics, for instance, having full knowledge of information they are examining, the internal auditors must trust the source from which this information has been generated, this must in other words be a credible source since it will provide what the auditors want to know in accomplishment of their mission. Secondly, over reliance of technology results by both the auditors and stakeholders can lead to errors, the belief that technology is 100% correct

should be avoided. These are devices invented by man, and therefore their capability to be perfect in all solutions may not be supported. (IAASB, 2016)

In connection to the study under investigation, internal auditors cannot only complete their mission successfully with technical skills, but with the support of soft skills such as communication, since the data analytics is applied through information systems for good results of organization objective attainment.

The internal auditors started realizing the great value the consulting activities had, despite of the assurance services they provided earlier on, this is because they discovered that the organization would easily achieve their objectives with those two combined roles. Hermanson, D. R. (2002, pg. 43-44).

Notably, the internal audit practices and tasks are believed to have changed post the US financial Scandals that occurred in the early 2000s. Their role became significant especially after decreeing the regulations (Sarbanes Oxley Act) in protection against organizational risks, and therefore had to revise its activities by now sticking to assurance activities more than consulting role, this was because the assurance activities were viewed to have a potential of strengthening the internal control performance in bid to mitigate risks. (Betti et al., 2021, pg. 872-888)

The Sarbanes Oxley Act (SOX)

This act is known as a US law that was introduced in the year 2004 to ensure efficient financial and audit activities were in good shape, it was also a requirement to reshape many boards of directors, public accounting activities and many more in organizations. This law has had a great milestone for many organizations since it led to improvements in better internal control systems.

Accordingly, Sox rules provide a clear guideline for public companies on how to present their financial reports, and to attest that this communication has been provided with objectivity, this Law trains organizations to be transparent in any way possible. The policy of Sarbanes Oxley was made mandatory for every senior manager in an organization to have knowledge about its rules and how best to act upon it. Public Accounting Reform and Investor Protection Act' was its official name, though it is believed that companies opted to use Sarbanes Oxley act, which still applies to-date. Thus SOX Act has been a guide to good corporate governance, risk management, and internal controls of organizations worldwide. (Moeller, 2011, pg. 11-27).

Nevertheless, a great concern was getting on the loop on which means management would make it to achieve positive results in goal achievement through the help of consulting services provided by the internal auditors. (Chambers & Odar, 2015, pg. 34-55)

Deloitte's 2018 Global chief Audit Executive research survey titled "the innovation imperative forging internal Audit's path to greater impact and influence", according to their report, some crucial aspects regarding the present internal audit situation worldwide were pointed out and these were.

- Embracing current and emerging analytics and technologies
- Widening their services in things like culture evaluation
- Pointing out different requirements by applying various theories
- And generally innovating.

Their survey therefore indicated that only half of the internal auditors managed to assess cyber risks, secondly, though some of them embraced the analytics technological skills, not every internal auditor had full skills about this emerging sophisticated technology. (Deloitte, 2018).

In connection to the current study, these approaches can be achieved when there are trainings and strong communication skills that would continue to engage the internal auditors in their tasks as they deliver to the organizations, this all goes back to regulatory body's revision of regulations, hence emphasizing the strong role of the digital era.

In another study that examined "the role of digitalization in developing internal audit practices in an IT environment". This study with the help of a descriptive and analytical approach, with the survey from the internal auditors based in Iraq, found out that Digitalization had a positive impact on the development of internal audit practices in an IT environment, as new skills would be acquired about the proper use of these modern technologies, and thus the internal audit effectiveness.

Basing on the tested hypothesis on activating digitalization mechanisms in an IT environment, the study was concluded with the following recommendations that.

- Digitalization contributes to the creation of internal audit activities in the context of information technology in local organizations.
- Creating more projects improves the internal audit competencies. Come of the competencies is information and communication, which are in line with technology and digitalization.

- Sufficient and clear laws that are concerning modern usage of digital systems, which would help the internal audit practice.
- Construction of a suitable internal audit department for the execution of their duties smoothly.
- Finally, possession of knowledge of new technologies would do a great impact to the internal audit profession in an IT environment.
- Considering whether application of these technologies is of the capability of the organization. This would be in terms of resources, skilled labour, or level of technology available.
- Finally, and most relevant to the current study, is the frequent communication between the audit with their stakeholders, which helps learning something new in adapting to the use of such technologies. (Al-Mohammed, 2020)

Linking the above to the current study, training of internal auditors on some specific technological skills is paramount and effective in their profession especially in this digital era, such as use of modern digital technologies. For instance, a study conducted on ‘‘modern digital technologies and internal audit in agricultural enterprises’’ Done in Russia, the study applied induction and deduction approach, and included some important technological skills that could be of help during the current internal audit role, and these technologies included Robotic systems, Drones and Internet of Things (IOTs). These according to the study would help in the following ways.

- GPS included the trackers that particularly helped track number of hours that drivers worked on the firm, where that machine is placed and in what condition it was, and most important the thorough internal control was done on how much was spent in the process.
- The study also discovered mobile readers that were linked to some unique program that helps show what time someone signed and out for work, the break, i.e. lunch and other leisure time while at work.
- Notably, the authors realized the great value of applying modern technologies to the internal audit effectiveness.
- Helps in real time assessment and checking of the business processes and risks,
- cloud computing importance in having a link between accounting department and other departments within an organization, and finally,

- the use of cameras of video surveillance that assists in device connection in real time. (Vardanyan et al., 2022).

This study was done in the context of a developed country, and basing on the current study that intends to investigate the role of robust communication in the effectiveness of internal audit in the digital era, is in Uganda, a developing country context, where such modern technologies are still in their infancy due to many factors like; government regulations, lack of resources to apply such skills, little skills on the internal audit professional as per modern digital technologies are concerned. Thus, this study will examine how the effectiveness of such digital technologies will improve the internal auditing effectiveness.

Using an online survey on the internal audit departments, another study (Lois et al., 2020), was conducted on “ internal audits in the digital era: opportunities, risks, and challenges”, and the results indicated some positive impacts such as.

Technology was thought to have an impact on digital auditing system with software such as data protection, which is used to measure against cyber criminals, skills of workers were found vital too, building online auditing teams which was emphasized.

The authors found some limitations of not generalizing the results because that study was done in Greece and not in a wide scope, secondly, the researchers were unable to explain solutions to adopting to the new technologies. They mentioned some of the challenges to this issue such as lack of modern skills to apply virtual teams in Greece, unclear legal framework, bureaucracy and delays or lack of investment in technology and training of staff. The study concluded that, it is necessary to redefine the aims of the auditor and the market. (Lois et al., 2020, pg. 205-217)

2.3.2. Communication challenges to internal audit managers

This section will discuss the various communication challenges that internal audit face as they present their findings to the board or management such as the audit committee, chief financial officials (CFO), and many more.

Fundamentally, it is necessary for internal auditors to communicate both verbally and non-verbally to different stakeholders in an organization just as it is important to any other field.

Accordingly, there are some hurdles that arise because of lack of internal audit expression, this comes because of lack of communication skills which are required for the success of any profession despite of which sector they belong to.

Conceptually, communication as provided by research, is the process of conveying messages, ideas, thoughts, feelings, consultation or connecting with people to make a common understanding individually or as a group. To avoid issues in the communication process, it must be complete and effective. In other words, the sender's messages must be delivered clearly to make the receiver understand, and especially with interpersonal communication where one must interact with other people, and so the internal auditors must ensure their communication is passed on well to their auditees.

Notably, Richard Chambers (IIA), reported about the attributes of highly successful chief audit executives (CAEs), in which 'dynamic communication skills' were included. Basing on this research, Richard reported about a lot of communication challenges which internal auditors face, and this was due to recurring objections audit stakeholders had such as the audit committee, that internal auditors did not deliver well to their expectations due to the main communication problem such as.

- The reports presented by the internal auditors were found to be very huge and, in most cases, written in a bad way.
- They provided a lot of reports to the audit committee, this may cause a lot of confusions to the stakeholder.
- Reports made by the internal auditors are not well combined in an orderly way to allow the stakeholders to link the points.
- Informal communications are not considered vital to the internal auditors since they seem a little shy.
- The CAEs presentation skills are very boring, and finally.
- The CAEs do not give attention to whether their views are paramount or not.

Richard concludes that, much as the internal auditors have the capacity to create, investigate, and provide the acquired information, they still lack better ways to present this communication effectively. (Chambers, 2010). The attributes and communication challenges are demonstrated in the figures below.

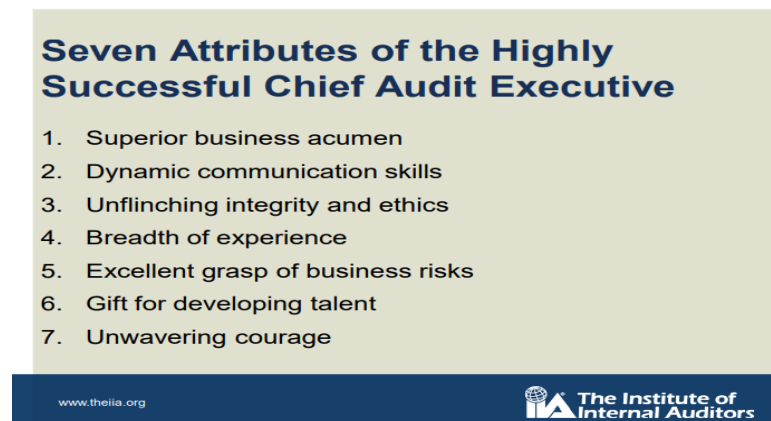


Figure 2.11. The seven attributes of a successful CAEs

For emphasis and connection to the current study, we mainly focus the attribute of communication and its challenges to the CAEs. These are explained in the figures below.

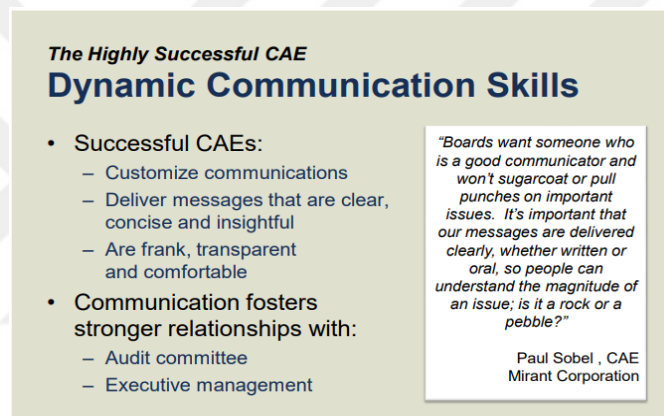


Figure 2.12. success of CAEs under the communication attribute. Source: (Chambers, By Richard, (2013), pg. 1-12)

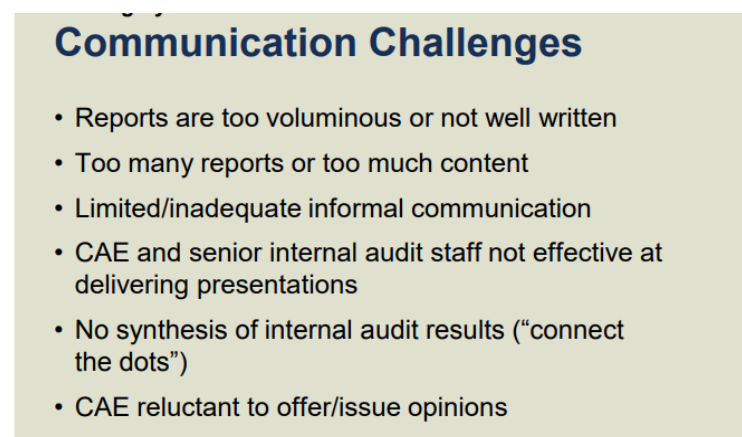


Figure 2.13. Possible communication challenges the CAEs face. Source: (Chambers, By Richard, (2013), pg. 1-12)

Similarly, other study provides their insights about the communication challenges or barriers that internal auditors may face while executing their duties. These may be explained in the subsequent section.

- Notably, noise is one of the communication issues that was pointed out and it may be physical noise or may be someone delivering a message has many issues to attend to but is in a dilemma to make a choice which activity to start with, this communication can be distorting to the receiver of the message.
- Secondly, Different backgrounds and experiences of workers in an organization could possibly cause communication problem in a sense that each one has a unique way of perceiving a certain message conveyed to them. For instance, an auditor proving findings may give a positive critique in form of encouraging, but this may be perceived as a negative criticism.
- An auditor's view will be misunderstood as if he is criticizing the manager's actions simply because of different ways of understanding certain communication. For instance, if there are any errors that an employee has made, they will feel happy only if they are corrected in private informally. However, if such a report is made to management, it will lead to criticism or dislike from workers.
- Language barrier can distort communication between people in an organization. if this has occurred in the fields where terms may confuse the receiver, then this will block the auditor's effective communication. In Finance and accounting some words may not be necessary while making a report, such as internal control systems, compliance, if they are used in a different way, this may be a problem for the auditors yet when following the 7cs of communication as mentioned before, the element of clarity must be included in any communication, be it formal or informal.
- Not respecting the element of confidentiality by the internal auditors will make their audited company lose trust in them, if information must be confidential, then keep that promise otherwise, your reports will credibility.
- Additionally, it is well known that there exit people with different status, therefore if the internal auditors are not sure on how to communicate with someone above them, then they may request their senior auditor to do the presentation, because any message conveyed among the seniors themselves, this will not be regarded as undermining the seniors than it is done by the junior auditor.

- Due to dynamics on market and required changes in organizations, this forces managers to invite their subordinates for change, first changes of any kind in an organization are always seen as a threat to the workers who in most cases are hesitant in accepting it. Internal auditors must see how well to package the messages to convince people to believe. Nevertheless, if this communication is not made right. Then it distorts communication effectiveness.
- Emotions cause communication problems during reporting audit findings, the auditors must ensure they prepare the client for the presentation, and should take care of any kind of irritation, or provocative content, for it blocks communication process.
- Improper usage of sign language is yet another barrier to effective communication by the auditors. Knowing your audience is good so that you understand how to communicate with them by either words or nonverbal communication. Using sign language to a culture that seems offended, may distort communication.

Given the above literature, the following Hypotheses will be developed

H1: Robust communication has a significant positive impact on the internal audit effectiveness in the digital era.

H2: Robust communication enhances the positive collaboration between internal auditors and auditees.

H3: There is a positive significant relationship between robust communication and digitalization on the internal audit effectiveness.

H4: Digital communication skills significantly improve the internal audit effectiveness.

H5: Robust communication and Data analytics have a significant impact on the internal audit effectiveness.

H6: Robust communication and Listening skills have a significant impact on the internal audit effectiveness.

3. RESEARCH DESIGN

The aim of this chapter is to examine the research methodology for the current study. Numerous studies have emphasized the importance of communication for internal audit effectiveness within organizations. However, researchers have not reached a unanimous agreement on either the factors that affect the effectiveness of internal auditing or the most effective method to achieve this effectiveness. Thus, insufficient focus on data collection methods used may be one of the reasons for this. The Delphi technique which is originally designed as a method for systematic and interactive forecasting, is a structured communication approach that involves a panel of experts, which involves a series of iterative rounds.

In the early 1950s, the Rand corporation conducted a study sponsored by the Air force which was referred to as the Delphi concept, and it explored the utilization of expert opinion. Like the present research, the main goal of the original investigation was to gather the most dependable agreement among a panel of specialists by utilizing a series of thorough questionnaires and regulated feedback on opinions. (v. Mahajan, H. Linstone, M. Turoff, 1976, pg. 317),

Broadly speaking, Delphi is a research approach that can be applied to make predictions about certain situations in cases where traditional quantitative methods may not be sufficient due to limited data and insufficient evidence to determine probabilities.

Research indicates that open ended questions are utilized in the initial phase of the Delphi technique. This is necessary for the researcher to comprehend and convey the intricate, profound, and specific aspects and substance of the research inquiry being examined. In addition, Delphi is a method of distant communication that gathers the collective views of a panel of experts through the use of open-ended questions and surveys that are sent out through mail.

3.1. Explanation of the Delphi Process

Generally, the usual practice in Delphi method involves employing a single panel and conducting multiple rounds especially due to the complexity of the research questions in a study, and so does apply to the current study.

Van De Ven, A. H., & Delbecq, A. L. (1974, pg. 605-621) posits that, Delphi technique method can be utilized to accomplish the subsequent goals such as; to identify or create a variety of potential program options, to investigate implicit assumptions of

information that may result in divergent opinions, to search for information that could lead to a general agreement among the group of participants, and to establish a connection of knowledgeable opinions on subject that encompasses various fields of the study. Some researchers report that with delphi, in most cases gathering the required information and coming to an agreement can be achieved with just three rounds of iterations. Custer, R. L., Scarcella, J. A., & Stewart, B. R. (1999, pg. 3).

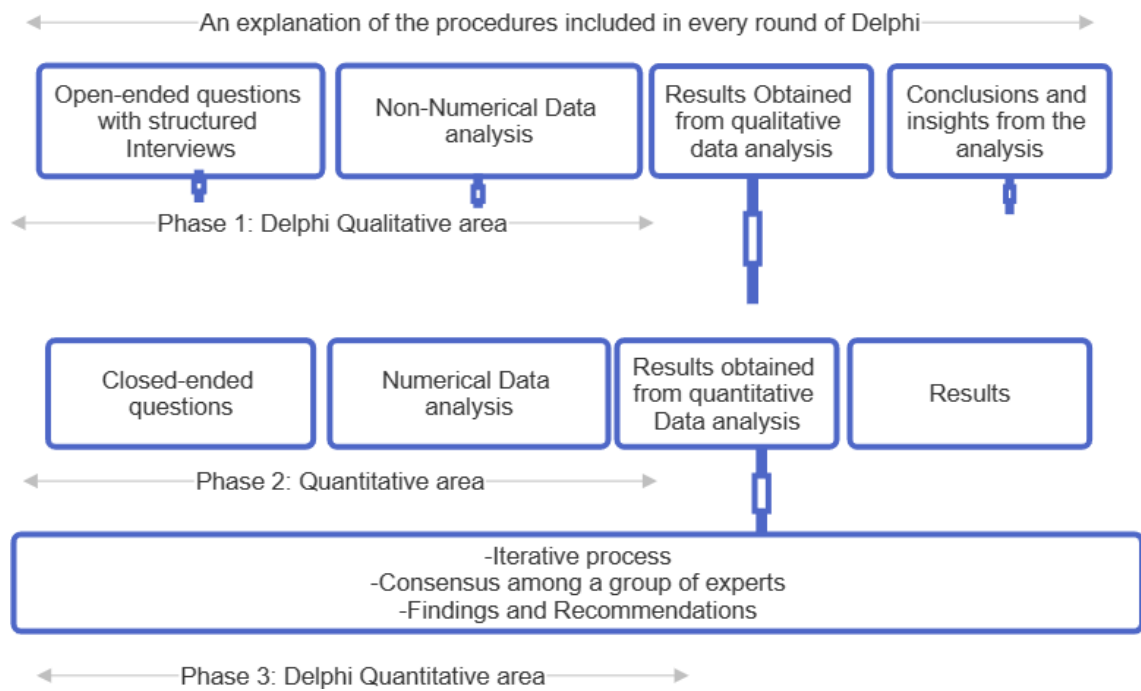


Figure 3.1. Approach designed to conduct the research for the thesis study

Round one- one person, engaging in unrestricted and spontaneous idea generation related to a particular subject using electronic methods. The technique of open coding is employed to assign labels. Strauss, A. L. (1987, pg.1). This stage involves sorting the data initially by giving descriptive labels to sort sections of text.

- It also involves the utilization of axial coding to examine and categorize statements. As the researcher makes judgements about how the descriptive codes interrelate to create significance, this stage becomes more analytical.
- Creation of a statement inventory employing the categories produced by the axial coding procedure. This stage necessitates some modification of individual statements to produce a combined group response. At this point, researchers should exercise caution not to coerce statements into categories

solely for the purpose of reducing data. The distinctiveness of individual statements should not be compromised.

Round Two- providing the panel of experts with a list of statements during the presentation.

- A compilation of personal accounts or stories provided by individuals involved. Utilize digital means to transmit the assembled set of statements to all the contributors involved. It should be acknowledged that all participants have access to all the statements, despite not every individual having provided input on each specific topic. Individuals are requested to leave the statement unchanged if it does not pertain to their area of expertise or if they do not possess any additional insights to contribute. It is crucial to set deadlines for this procedure and to be ready to issue reminders to participants to submit by the specified deadline.
- The process of compiling changes made by the researcher involves working with statements and adjusting them to create a statement that is both clear and comprehensive, while preserving the original meaning or making minor modifications to it.
- The researcher (s) generate updated or fresh statements when necessary. In situations where participants suggest changes that significantly deviate from the original statement's meaning, the researchers produce an additional statement that reflects the new idea while also preserving the original statement.

Round three- the final statements are submitted to the panel for approval.

- Utilize electronic methods to transmit the final statements to the panelists for their approval and ensure that the deadlines are communicated effectively.
- The panelists would enclose the statements and categorize them as either strongly, moderately, or minimally endorsed, with each category having a descriptive narrative to ensure consistency in the rankings' interpretation.

Round Four- the act of showcasing the results.

- The concluding edition of research findings would consist of a compilation of statements that have been designated as moderately and \or strongly endorsed by the panelists.
- Setting criteria for the research findings, can be achieved in two ways. The first approach involves determining a minimum percentage of endorsement required for a statement to be included in Round 4. For instance, if 75% of the participants

moderately or strongly endorse a statement, it will be considered a finding of the research. The second method is to present only the statements that all participants have strongly endorsed in round 4.

The final report would have a distinct part, such as an appendix , which would present net worthy discoveries that were moderate or strong agreement. (Sekayi & Kennedy, 2017, pg. 2755-2763)

Additionally, the Delphi technique is further explained with its elements as follows.

- The experts are selected by the researcher, and they do not know each other, they are contacted and interviewed separately, therefore this is referred to anonymity.
- It involves many rounds until the researcher gets the expert agreement regarding the subject of the study.

Controlled response element is done whereby the researcher himself decides how to reset the questions from the data previously analyzed and resends them to a group of experts participating in the study. (Fathullah et al., 2023, pg. 1-7)

3.2. Expression of Thesis Proposal and Topic

In recent years, there has been a growing recognition of the significance of soft skills in the field of internal auditing. This shift is largely driven by changing expectations of the role of internal auditors, with senior management now seeking professionals who cannot only carryout regular audit tasks but also act as strategic advisors for their organization. (Zalata et al., 2018, pg. 170-183). The Digital era has brought about significant changes in the way organizations operate, and this has a significant impact on the internal audit function. One of the critical factors that affect the effectiveness of internal audit is communication, which Is even more critical in the Digital era. Effective communication is essential in ensuring that the internal audit team understands the organizations operations, risks, and objectives.

In Uganda, like many other developing countries, organizations are grappling with the challenge of ensuring strong communication in the digital era, and this has led to questions about the effectiveness of internal audit function. According to (Smith, 2005), to excel in their profession, internal auditors must possess exceptional communication abilities which encompass listening, interpersonal, written, and verbal skills. These skills are necessary for auditors to effectively carryout their responsibilities and promote comprehension of audit findings. As auditors are continuously collecting, categorizing,

evaluating, and elucidating information to both auditees and management, these communication skills are crucial.

This thesis aims to investigate and gain insight into how robust communication can impact internal auditors, focusing on Uganda as the case study. The research will employ the Delphi technique as the primary method for data collection, using online survey.

3.3. Research Problem Structure of The Thesis Study

Researchers have not reached a consensus on the factors that influence internal auditing nor the most effective structure for assessing internal audit effectiveness. One possible reason for this lack of consensus could be the insufficient attention given to the role played by strong communication in enhancing the effectiveness of internal audit in the digital era.

Correspondingly, Research has indicated that the auditing industry has faced numerous difficulties, including adapting to fresh guidelines regarding the duties of internal auditors. It has been expressed that the internal audit sector confronts various significant obstacles, affecting both internal audit departments and the profession in its entirety and enhancing the utilization of the skills such as robust communication during its operation. Within the internal audit team can lead to greater efficiency, allowing for more valuable and advanced responsibilities to be undertaken this, in turn, can enhance the internal audit's standing within the organization.

The traits and adherence to standards of internal auditors can vary based on their educational and professional experiences from different nations. It is important for them to handle these variations skillfully. Additionally, efficient communication is essential at all levels of an organization, but it is not innate ability for everyone and requires practice to master, and More so in the digital era. (Narkchai & Fadzil, 2017, pg. 1-5).

Crucial competencies and qualities required in the internal audit division encompass analytical capabilities, comprehension of business, and strong communication, which help to thrive and progress in the dynamic and intricate global business environment, internal auditors must possess excellent communication abilities. Smith, G. (2005, pg. 513-519).

Hence, the primary issue addressed in the thesis can be elucidated through qualitative observations and analyses utilizing the Delphi technique. This will involve

obtaining comprehensive insights from internal audit experts and academicians who possess profound knowledge on the subject matter.

3.4. The Aim and Significancy of The Thesis Study

The analysis of scientific literature pertaining to communication among the internal auditors and their interaction with the internal and the external environment reveals a cognitive gap. Despite industry organizations recognizing the importance of communication in the work of auditors and conducting their own descriptive research in the first two decades of the 21st century, the growth of scientific publications in this field has not been significant. In fact, it can be argued that there has been a neglect of the topic of communication among internal auditors in the context of increasing interest in the subject especially in the digital era.

Similarly, the researcher aims to gain insight into the development and assessment of effective communication strategies and abilities among the internal auditors in the digital era.

In this manner, the survey forms will be disseminated through online channels and will include open-ended inquiries . these inquiries will be delivered by the designated panelists involved in the research study as outlined in the provided list;

- What role does robust communication play on the effectiveness of internal audit?
- What communication skills do you think can enhance the internal audit effectiveness in the digital era?
- How has digitalization improved the internal audit effectiveness in Uganda?
- What communication challenges do internal audit managers face in organizations as they present their audit findings?

- Summary of written works
- Selecting the individuals who will be included in the study.
- Setting parameters for how many participants will be needed.
- Determining the project duration
- Approval from the ethics committee

Generally, the researcher intends to provide fresh, innovative, and valuable insights to the field of literature by conducting thorough investigations of internal audit field, which encompasses various aspects of human life and activities. This involves conducting

detailed research that is well documented and comprehensive, with the aim of bringing a unique and valuable perspective to the topic of robust communication and its role in the internal audit effectiveness. Essentially, the researcher is striving to contribute original and significant knowledge to the field of literature through a thorough examination of robust communication in the digital era. this research is focused on two areas- robust communication and internal audit, and aims to provide valuable insights from both academic and industry experts. Essentially, this research is unique in that it brings together different types of knowledge and expertise to address a complex issue, and has the potential to contribute significantly to these two fields.

3.5. Relevant Studies Related to The Subject of The Study

The investigation of the thesis subject involves examining various research studies that focus on robust communication, internal audit, internal audit effectiveness, digitalization, internal control, and the Delphi technique as a data collection method. The purpose of the examination is to comprehend the research title and the methodology utilized. Initially, the conceptual framework and fundamental aspects of the thesis title, which include robust communication, internal audit, internal audit effectiveness, digitalization, internal control, communication skills, and communication challenges, are analyzed in relation to previous research studies.

Przybylska, J., Rydzak, W., & Trębecki, J. (2021, pg.9-17) examined the role of communication in the internal audit process, by ensuring internal audit useful reports, relevant, and actionable. The authors argue that for this to be achieved, internal auditors must be knowledgeable of the audit context, have access to relevant information, and report recommendations that are realistic. In a nut shell, the study proposes that communication of the internal audit is a very critical process

Correspondingly, Smith, (2005, pg. 513-519) ‘communication skills are critical for internal audit’, the study aimed at reviewing communication skills that are essential for a successful internal audit profession, literature from 2000-2004 was reviewed and this communication value was emphasised. The findings of this study indicated that internal auditors must possess robust communication skills in order to thrive in the rapidly changing and complex global environment

In (Lenz's, 2014, pg. 5-33) study various perspectives were gathered, including those of internal auditors, chief audit executives, and external stakeholders, to gain a

comprehensive understanding of how internal audit can improve organizational performance. The study also aimed at identifying the factors that contribute to the effectiveness of internal audit through a combination of multiple methods.

(Setyaningrum Dyah & Kuntadi Cris, 2019, pg.39-47), used a survey method to collect data from internal auditors working in various organizations in Indonesia by employing descriptive statistics, correlations, and multiple regression analysis to determine the effect of competence, independence, audit work, and communication on internal audit effectiveness. As a result, the study suggests that open and honest communication between internal auditors and auditees is very critical to ensure that audit findings are adequately addressed.

Poltak et al., (2019, pg.33) used partial least squares in their study to explain the determinants of the effectiveness of internal audits at the ministry of Marine Affairs and Fisheries (KKP), the study findings indicated that the relationship between internal auditors and external auditors, organizational independence, and auditees perceptions had a positive effect on the Internal audit effectiveness. The authors provided valuable insights for KKP leaders and interested parties to consider policies that can enhance this effectiveness and in turn, improve organizational goals and performance.

Meanwhile, other studies reviewed the existing literature on internal audit and identified the factors that contribute to its effectiveness such as the independence of auditors, the quality of their work, and management support. A framework was developed that included four main components: internal audit function characteristics, organizational factors, audit process factors, and the audit outcome factors. They argued that these components can be applied to assess the effectiveness of internal audit, and to identify areas for development.

Another study examined the factors associated with data analytics application by the Internal audit function in the setting of the big data era. The authors used a global approach to collect evidence, and results indicate that a big percentage of internal audit function that use data analytics report directly to the audit committee, while others provide assurance to risk management. Additionally, the results also suggest that the majority of IAFs not utilizing DA tools also do not bear the responsibility of fraud detection (73.1%). (Rakipi et al., 2021, pg.1)

3.6. The Research Investigations That Utilized The Delphi Technique Approach Include The Following.

A study titled “Ranking of corporate Governance Dimensions: A Delphi study” was conducted to identify significant dimensions for corporate governance in Malaysia. The researchers employed a two-round Delphi technique and invited a group of forty highly knowledgeable experts, each with a minimum of 8 years of governance experience, to participate. The results indicated that the study assessed the consistency of rankings for these dimensions using Kendall’s coefficient of concordance. Thus, the authors suggested that future researchers should collaborate with experts from diverse countries and utilize similar instruments for conducting studies in this field. (Mohd Noor et al., 2022, 1-17)

(Al Omari et al., 2013, pg. 100357), aimed to investigate the practical difficulties faced during IT governance (ITG) Audits in the public sector. While drawing from existing literature and Delphi method, the paper offered valuable insights into the effects of these challenges and the necessary actions to overcome them. Additionally, the authors outline the ten primary ITG audit challenges currently encountered by Australian public sector organizations.

(Skinner et al., 2015, pg.31-63), conducted a study that focused on the nature and application of the Delphi methodology in the field of information systems. Their research explored the practical aspects of using the Delphi method and provided insights into its potential uses and benefits.

Additionally, the study titled “The Delphi method in information systems (2004-2017) provides a summary of the application and usage of the Delphi method in the field of information systems research over a period of thirteen years. The authors analyze these articles to identify the purpose, research context, research design, data analysis techniques. The results revealed that the Delphi method is predominantly used for technology-related topics such as decision support systems, e-learning, and information technology management. (Alarabiat & Ramos, 2019, pg. 86-99)

Mosadeghrad, (2013, pg. 251-271) Created a strategic collaborative quality management (SCQM) model by combining information from a literature review on quality management, a survey on quality management in healthcare organizations, interviews with stakeholders, and a Delphi study involving experts in healthcare quality management was conducted.

(Humphrey-Murto & de Wit, 2019) conducted research with the intension of aiding researchers in making informed choices during the implementation of Delphi studies.

Another study whose primary objective was to determine, classify, and priotize the future areas of research and requirements, whereby the Delphi study served as a valuable means of facilitating constructive communication among a panel of experts. (Delphi, n.d.)

(Ab Wahid & Grigg, 2022, pg. 1320-1340) , in their paper that aimed to outline the creation of a comprehensive educational framework for external quality auditors (EQAs). The study was conducted on behalf of the accreditation body JAS-ANZ, with the aim of enhancing the performance of external quality auditors. This in turn, would lead to more impactful audits to the client organizations. The research employed the Delphi technique including top management, quality practitioners, academicians, quality auditors, and consultants.

(Chiarini et al., 2021, pg. 15-16), conducted an exploratory study to examine the internal auditing of quality management in small and medium-sized companies. The focus was on identifying factors that contribute to a significant improvement in quality performance. Italian SMEs were involved in the study, and the Delphi method, and a 95% confidence interval was used for data analysis.

Also, the purpose of the study named ‘ ‘ The Delphi method as a Research Tool: An example, Design considerations and applications’’ was meant to offer comprehensive instructions on how to choose suitable exerts for the research and provide specific principles to make informed design decisions throughout the process, ensuring the validity of the study. (Okoli & Pawlowski, 2004, pg. 15-29)

Gülsün Kurubacak, (2007, pg.1-31), established a research paper whose primary objective was to determine classify, and priotize the future research priorities and requirements concerning mobile learning technologies. To address the aim of this research, the key research questions included 1) what are the major research issues and challenges identified by the online workers for mobile learning technologies over the next ten years? 2) What are the major research categories identified by the online workers for mobile learning technologies over the next ten years? 3) what are the major research priorities identified by the online workers for mobile learning technologies over the next ten years? 4) what are the major research needs identified by the online workers for the mobile learning technologies over the next ten years?

The Delphi study served as an effective communication tool for a panel of experts to engage in constructive discussions.

3.6.1. Organizing the research variables and sample

Theoretical and empirical research studies have highlighted the significant role that communication plays in the field of auditing, such as enhancing audit quality, in which communication within the audit team and with auditees, promoting professional skepticism, ie communication skills are very crucial in this case. More so, the effectiveness of internal audit within organizations has been enhanced due to the positive influence of strong digitalization impact on the implementation of sound internal control systems. The IIA's guiding principle for corporate governance, emphasizes the transparency, accountability, fairness, and responsibility in corporate practices such as effective leadership, ensuring ethical behavior, and promoting risk management, this can be through proper digital systems. The establishment of transparent communication structures and principles by the board and management will improve the efficiency of internal audit procedures in organizations. The theoretical portion of this thesis study has presented comprehensive knowledge on communication and its significance within internal control systems.

This study will employ purposeful sampling, since it can offer the researchers a deliberate and strategic approach to participant selection, enabling them to gather in-depth and meaningful data that aligns with their research goals, which helps to maximize the relevance of the research findings. (Palinkas et al., 2015, pg. 533-544)

Moreover, the theoretical aspect of this research sufficiently reinforces the fact that, to achieve internal audit effectiveness, there must be some communication-related factors which include the following: the role of robust communication, significance of communication skills, the Digitalization impact, and the challenges faced in the communication process while presenting audit findings as the key variables. These factors can serve as strategic approach in formulating the research model, and consequently, the sample of participants' feedback in the Delphi, will be organized based on these factors, which have a direct influence on the internal audit effectiveness in the digital era, using the Uganda context.

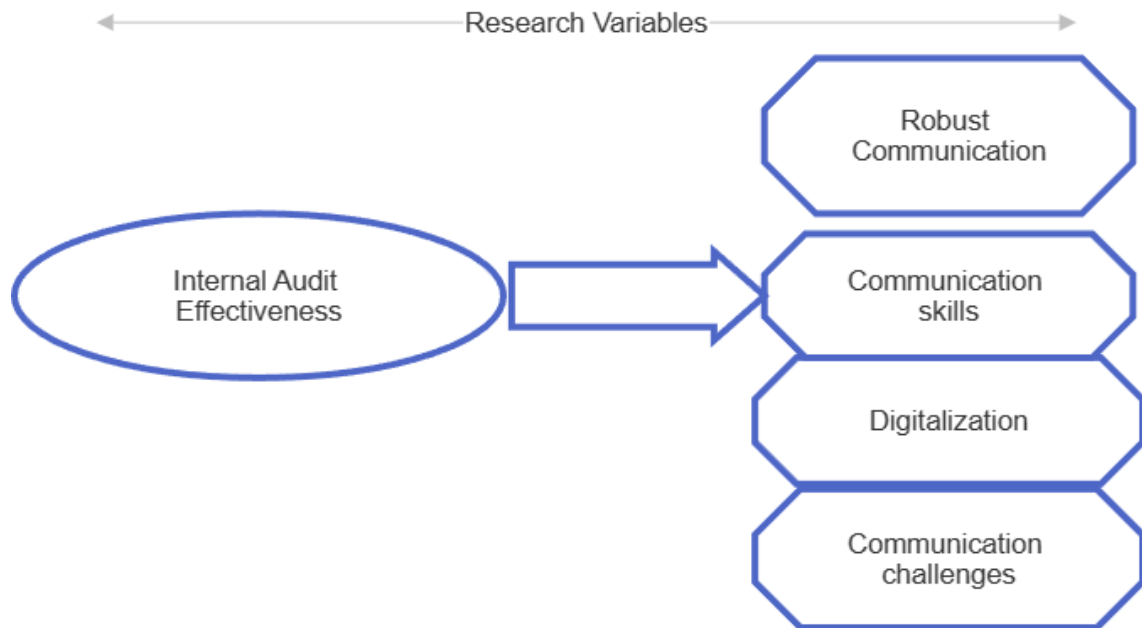


Figure 3.2. The variables within the Research Framework

The factors that lead to the effectiveness of internal audit include the following.

- Robust communication
- Communication skills
- Digitalization effect
- Communication challenges

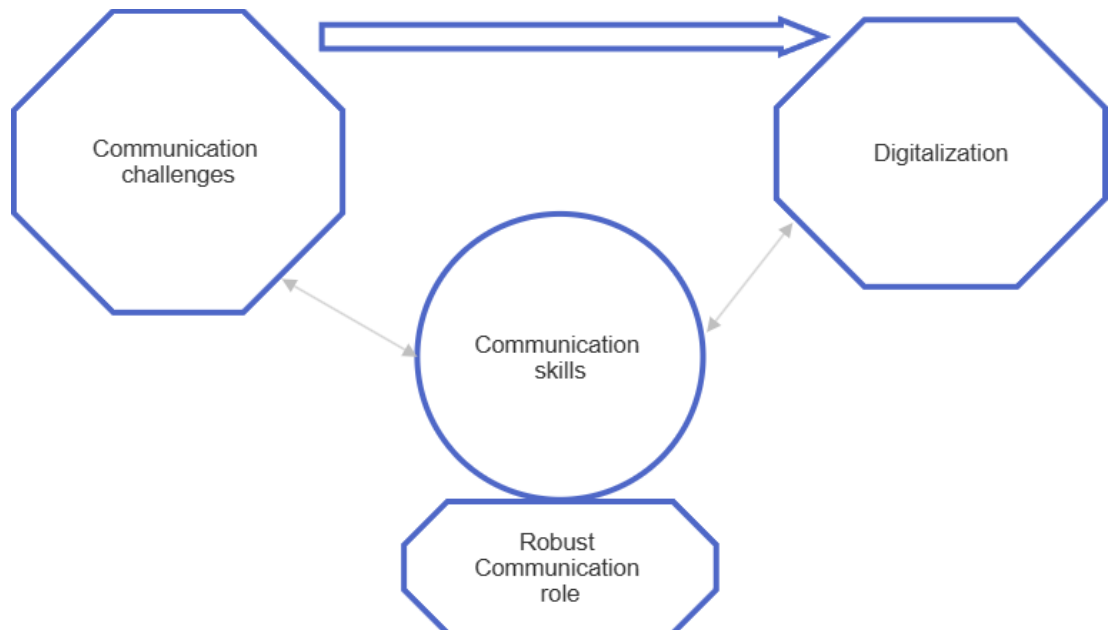


Figure 3.3. Relational illustration of Research variables

According to the communication standards titled 2020 IIA standard-communication and approval, as provided in the International professional practices' framework, communication skills are selected as the control variables to robust communication in achieving the internal audit effectiveness.

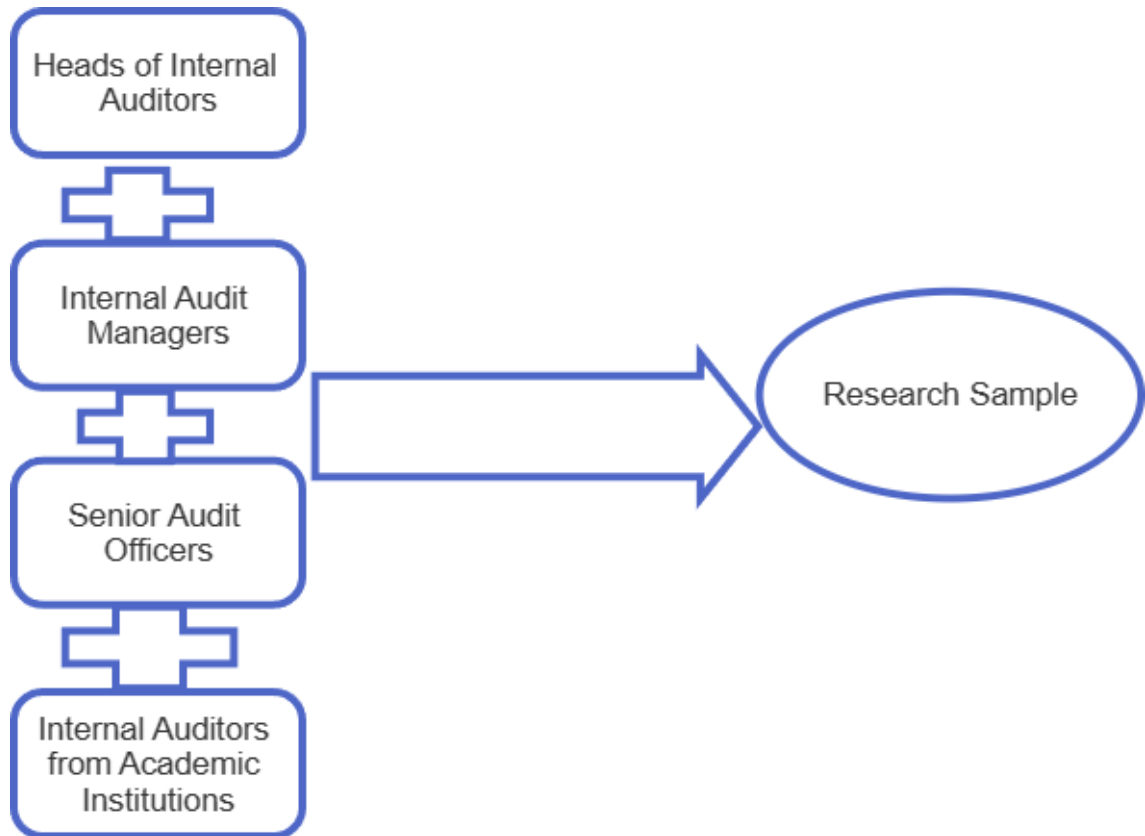


Figure 3.4. Illustration of the research sample

For this research study, six internal audit experts will be involved to take part in providing data insights about the subject, because Delphi techniques applies iterative rounds to reach a consensus. And according to research, the number of participating experts can begin from as little as four and onwards experts.

3.6.2. Assumptions and Limitations

- There is expertise assumption. The participants selected for the Delphi panel are assumed to possess relevant knowledge and expertise in the research which is under investigation.
- There is an element of consensus, where the participants will converge towards a group agreement.

- The researcher assumes that the Delphi method provides a valid means of collecting and synthesizing expert opinions which leads to findings and recommendations which are valuable and reliable.
- There is an impartial manner, of participating in the Delphi study, where no biasness is conducted.
- The information collected through the Delphi method encompasses the research variables and control that answer the research question.
- The panelists who agreed to take part in this study as internal auditors from auditing firms such as KPMG, have the professional knowledge and skills in risk management and internal control weakness reporting.
- The experts who accepted to participate as internal auditors from academic institutions are believed to have internal audit professional knowledge of both financial and non-financial reporting.
- The Delphi technique incorporates the individual perspectives and opinions of the panel.
- All the participants in the study have prior experience in the internal auditing as the subject matter of the thesis study.
- The data were collected between 1 March 2023 to December 2023

3.7. Data Collection and Analysis

Essentially, the prevailing attitudes and perceptions of researchers in social and behavioral fields can be categorized as follows.

- The positivist mindset, this consists of researchers with a positivist mindset, and they usually adopt a scientific approach, that stick to objectivity and empirical evidence. They often rely on quantitative methods and experiments. Accordingly, the positivists tend to simplify hard phenomenon into measurable variables and emphasize the value of replicability.
- Interpretive mindset believes that social and behavioral phenomena are socially constructed and influenced by subjective meanings and interpretations. They therefore understand and interpret the subjective experiences, meanings, and contexts of individual groups. These often use qualitative methods, such as observations, interviews, textual analysis to get deep insights about the subject.

- The critical mindset: these researchers usually engage in interdisciplinary approaches, and hence, they employ mixed methods (Qualitative and Quantitative) research.

In line with the current study, the use of exploratory sequential mixed research helps in gathering appropriate Data from the experts who are knowledgeable and professional about the subject in question, this helps to reaffirm the earlier constructed hypotheses. (Gogo & Musonda, 2022, pg. 1-3)

For the current study, qualitative research is done first where structured interviews are conducted and questionnaires are set with open-ended questions, this aims to derive experts' opinions about the subject. Data from the first Delphi stage is analysed qualitatively with the help of thematic analysis which is helpful in creating meaningful information out of the themes developed by the researcher.

Research reports how important the thematic is to qualitative data analysis, as it is largely used by researchers, (Jugder, 2016, pg. 1-7), and it provides to the researcher deep knowledge about the subject in question. (Braun & Clarke, 2008, pg. 77-101).

3.7.1. Delphi Stage One

In this phase, we distribute a set of open-ended questions in a questionnaire with the objective of eliciting the perspectives and deep thoughts of the participants who possess relevant expertise on the study's subject matter.

The First Stage Delphi analyses

The Delphi technique was used as a data collection method, where expert opinions were gathered basing on their knowledge and experience, they had on the subject. Delphi has been widely applied across many fields including business field. (Powell, 2003, pg. 376-382). Nvivo version 14 is used in the analysis of this qualitative data to have the question to the study answered, it is one of the popular computer software that are more paramount in the analysis of qualitative data, with its extra-ordinary features that are handy in the analysis process. (Wong, 2008, pg. 14-20), and in the current thesis study, the software was applied to develop codes from the responses, from which different themes were created by the researcher to make meaning out of the research questions for survey one. The primary purpose of the initial Delphi technique involves conducting qualitative data analysis is to gain a deeper understanding of the research phenomenon by eliciting perspectives and insights from individuals with firsthand experience and knowledge in the same field in question. Thematic analysis is proven to be a crucial

approach for dissecting qualitative data through identifying, making thorough examination, and reporting themes extracted from the coded information, which eventually leads to meaningful dataset. (Castleberry & Nolen, 2018, pg. 807-815)

Correspondingly, thematic analysis is employed in this qualitative data to establish to the credibility of the data presented by the researcher. (Nowell et al., 2017, pg. 1-2), Hierarchy charts are used by Nvivo software to help in identifying and examining diverse data relationships which are presented in the already coded data. (Goyal & Deshwal, 2022, pg.9-10)

Findings of phase one Delphi results

RQ1 results.

(Theme) Making known of internal audit tasks	Conveys the audit strategy
Creating awareness about internal audit	
Having knowledge about internal audit tasks	

Table 3.1. The hierarchy chart showing responses to the first research question of the first Delphi

Through the viewpoints from the respondents, there are several factors that the study features in which robust communication enhances the effectiveness of the internal audit, and the most emphasized factors under the theme; “ making known of internal audit tasks include the following such as; having knowledge of internal audit tasks, creating awareness about internal audit, conveys the audit strategy, and these are based on the raw data that was extracted from the respondents:

(Theme) Creating awareness about internal audit is explained as follows.

Reference 1 - 0.89% Coverage

- It helps the client /manager audited understand the role of internal audit.

Reference 2 - 1.07% Coverage

- Robust communications entail the fact that the IA is aware & equipped with robust information.

(Theme) having knowledge of internal audit tasks, from the respondents is explained as,

Reference 1 - 4.17% Coverage

- Very important for teams to understand the tasks and for reporting to the board.

(Theme) conveys the audit strategy:

Reference 1 - 1.04% Coverage

- Helps communicate the audit plan.

RQ2 results:

(Theme) Maintaining simplicity during communication	Being alert to conveying messages
Maintaining simplicity	
Ensuring clarity of messages	

Table 3.2. The hierarchy chart showing responses to the second research question of the first Delphi

The above hierarchy chart displays the communication skills that will lead to the internal audit effectiveness as been provided from the survey panelists, these include:

(Theme) Maintaining simplicity during communication, this theme means that when internal auditors pass audit recommendations, they must use simple language, this can further be seen from raw data provided,

Reference 1 - 0.23% Coverage

- Expressive skills - being less ambiguous.

Reference 2 - 0.39% Coverage

- Remove audit jargon for common terms, be concise and get to the point.
- Ensuring clarity of messages.

Reference 3 - 4.17% Coverage

- writing, a clear message, speaking and presentation.

Reference 1 - 0.29% Coverage

Being alerted to conveying messages.

- Active listening.

RQ3 results:

(Theme) being able to inform management about future risks and giving advisory services	Able to enhance control systems
Enables internal audit to provide relevant advice	Able to alert management of the future risks
Enables Internal audit to provide relevant advice	

Table 3.3. The hierarchy chart showing responses to the third research question of the first Delphi

The hierarchy chart under the role of digitalization to the internal audit effectiveness, is described by the theme emphasized by the research respondents as.

(Theme): Being able to inform management about future risks by giving advisory services. This theme means that the audited company prepares to protect its assets through prior internal audit role of informing managers and technically devising protection means of their assets, from the raw data it is described.

Reference 1 - 1.47% Coverage

- It has increased the use of harmonized and standardized systems which has enabled auditors achieve efficiency in system control processes.

Reference 2 - 0.95% Coverage

- It has eased identification of potential control failures through interlinking of data.

Reference 3 - 0.89% Coverage

- Allows focus on tasks that require human judgement, deepening insights & enables IA to provide better advise on business processes.

Reference 4 - 0.50% Coverage

- Failures in processes & controls are remediated before the impact is felt.

Reference 5 - 1.57% Coverage

- It has helped audit to audit live data and warn management in real time before loses are made.

RQ4 results: communication challenges to the internal audit effectiveness

(Them) Nature of audit tasks may be hard to address productive audit tasks	In ability to defend audit findings
Embarrassing audit reports seem unproductive	
Nature of the audit task may be hard in resolving issues	

Table 3.4. The hierarchy chart showing responses to the fourth research question of the first Delphi.

(Theme): Nature of audit tasks may be hard to address productive audit tasks. This theme explains how internal audit tasks, like any other field may be complex to the successful of its planned goals and objectives, and therefore this is extracted from different responses.

Reference 1 - 0.52% Coverage

- Audit reports that are full of shame/ blame are demeaning & unproductive.

Reference 2 - 0.22% Coverage

- When audit findings go ignored

Reference 3 - 4.17% Coverage

- Conflict resolution mainly due to nature of internal audit work

Reference 4 - 4.17% Coverage

- Non receptive/ defensive management teams deflecting genuine findings.
Expectation gap, with stakeholders do not clear on the role of internal audit.

Insufficient evidence due to the defensive nature of management, making it difficult to probe findings. The connection of different data elements in the research project is done by the help of project maps as visualizing tools, they are demonstrated below.

Project Maps for the four research questions:

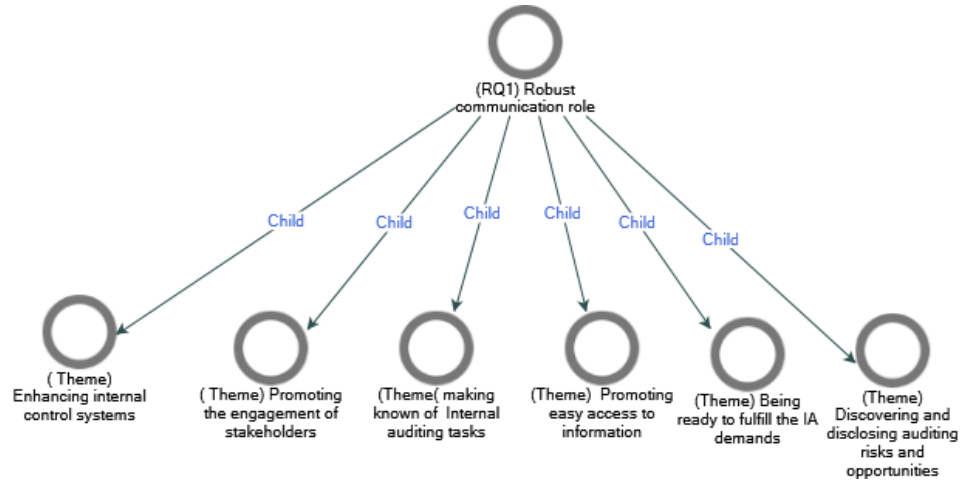


Figure 3.5. Project map for the themes of research question one

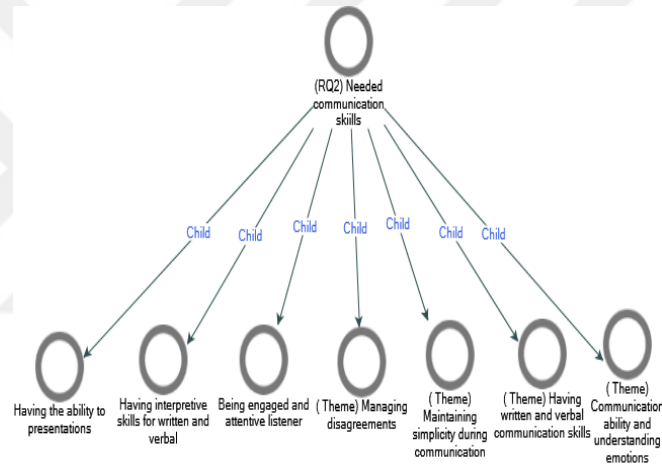


Figure 3.6. Project map for the themes of research question Two

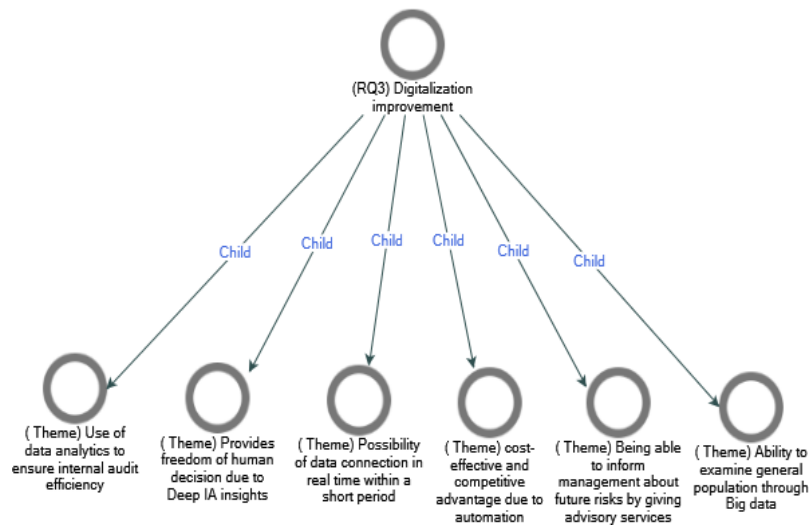


Figure 3.7. Project map for the themes of research question Three

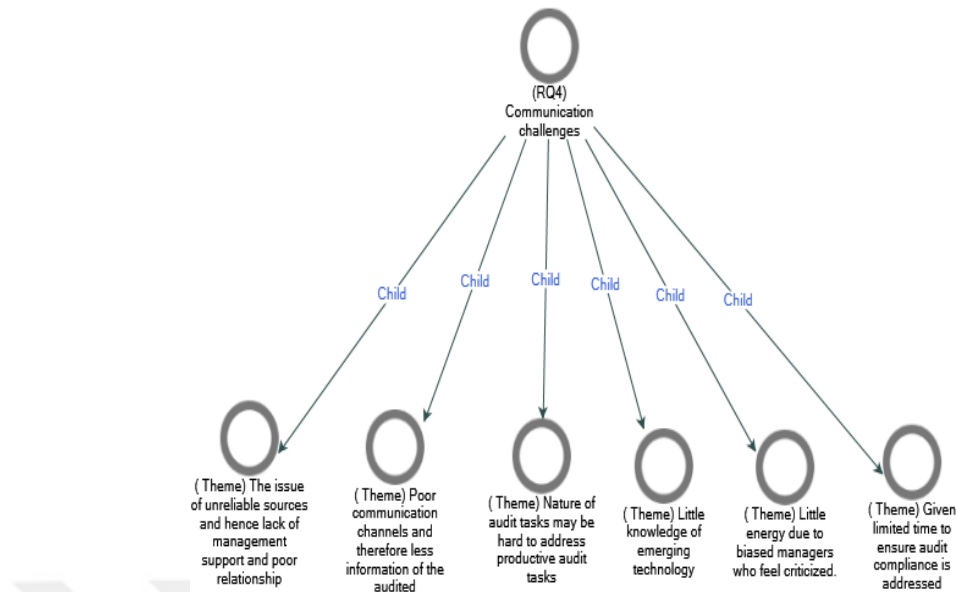


Figure 3.8. Project map for the themes of research question Four

3.7.2. Delphi Stage Two

Accordingly, the second Delphi stage involves a survey that is created according to the inferences of the data that is initially gathered and analyzed in the first stage of Delphi. Also, the second analysis of this study is based on quantitate analysis in which a survey is designed according to the previously open-ended questions. Four sets of questions were designed and analyzed by the Nvivo software, with the support of visualizing tools such as hierarchy charts, and project maps, Therefore, a set of 24 questions are designed for the survey according to the five-point Likert scale as strongly disagree (1), disagree (1), neutral (3), agree (4), and strongly agree (5).

The Second Stage Delphi analysis

In this Second stage of the Delphi process, a survey is distributed among the respondents, containing closed-ended questions designed for quantitative data analysis by SPSS software, since it only deals with numbers. These statements use Numerical measures for the variables and employ a 5-point Likert scale (1-strongly disagree to 5-strongly agree). The criteria for inclusion in the analysis require responses to fall within the 1st percentile or at 75 or more percentage respondent agreement to reach the agreement or consensus accordingly.

For all the provided statements from 1 to 6, the respondents had a common agreement with either agree or strongly agree scale about robust communication impact.

Table 3.5. The statistical findings for the role of robust communication on internal audit effectiveness.
(Continued)

Statements for Robust communication role on the effectiveness of internal audit	Mean	Median	Standard Deviation	Interquartile range	Frequency			Consensus
					(4-5)	3	(1-2)	
1	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
2	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
3	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
4	4.3333	4.5000	.81650	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	Reached
5	4.1667	4.0000	.75277	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	Reached
6	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached

Table 3.6. The statistical findings for communication skills effectiveness. (Continued)

Statements for communication skills on internal audit effectiveness	Mean	Median	Standard Deviation	Interquartile range	Frequency			Consensus
					(4-5)	3	(1-2)	
7	4.3333	4.5000	.81650	1.25	5 (88.3%)	1 (16.7%)	0 (0%)	Reached
8	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
9	4.3333	4.5000	.81650	1.25	5 (88.3%)	1 (16.7%)	0 (0%)	Reached
10	4.5000	5.0000	.83666	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	Reached
11	4.1667	5.0000	1.60208	1.75	5 (88.3%)	0 (0%)	1 (16.7%)	Not reached
12	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached

Therefore, these findings demonstrate the credibility of the participants' views regarding the significant impact that robust communication plays on the internal audit effectiveness.

The above table concerning communication skills-related role on the internal audit effectiveness indicates that respondents shared some common views to the subject, therefore given a bigger percentage show that, internal auditors must make great use of communication skills while executing their duties, the statements included the following.

- The communication ability and understanding emotions enhances the internal audit effectiveness.
- Good verbal and non-verbal communication skills help improve the internal audit effectiveness.
- Internal audit effectiveness is improved through maintaining simplicity during communication.

- Managing disagreements is a communication skill that improves internal audit effectiveness.
- Being engaged and attentive listener is part of communication skill that will enable internal audit improvement.

The digitalization effect on internal audit effectiveness shows that respondents are clearly not in common agreement with statements 14, 16, and 17, these include.

- Informing management about future risks by giving advisory services using a digitalized system improves the internal audit effectiveness.
- There is a possibility of data connection in real time during internal auditing process.
- Digitalization provides freedom of human decision due to deep internal audit insights.

The communication challenges faced by internal auditors that were distributed among respondents also indicate that they did not come to common agreement, since they had different opinions whereby, they either strongly agreed, agreed, were neutral, strongly disagreed or disagreed. Statements where a consensus was not reached involved. These results indicate diversity in views, which is shown from the different percentages of less than 75%.

- Internal auditors have little energy especially due to biased managers who feel criticized.
- The nature of audit tasks may be hard to address productive audit work, is regarded as a communication problem.
- Unreliable sources that lead to lack of management support for internal auditors would be a communication challenge.

3.7.3. The Third Stage Delphi

Based on the expert feedback that was obtained in Delphi stage two, it was evident that there were differing opinions among the experts on some matters affecting internal audit effectiveness from the survey that was sent to them. As a result, the researcher found it necessary to reissue statements 11, 14, 16, 17, 20, 21, 23, and 24 to ensure a consensus was reached and reaffirmation of their views.

The third stage Delphi analyses

Apparently, the experts' responses to the statement 11 about communication skill that had diverse views and opinions in Delphi stage two, came to a consensus in the third Delphi stage. These results clearly indicate that the experts now agreed that being engaged and attentive listener is part of communication skill that enables and improves internal auditing.

In the second stage of the Delphi process, there was no consensus reached among experts regarding the digitalization factors expected to enhance internal audit effectiveness as outlined in statements 14, 16, and 17. Nevertheless, in the third stage of the Delphi process, all experts ultimately came to an agreement to these factors.

According to the communication challenges-related factors to internal auditors, results find that statements 20, 21, 23, and 24 that did not reach the expert's consensus in the second Delphi stage, now indicate that only statement 20 was still not agreed upon in this third Delphi stage, this was as follows, 'Internal auditors have little energy especially due to biased managers who feel criticized'. Therefore, experts consistently did not accept to this factor as a barrier to the internal auditors.

Table 3.7. The statistical findings for digitalization impact on internal audit effectiveness. (Continued)

Statements for Digitalization effect on Internal Audit	Mean	Median	Standard Deviation	Interquartile range	Frequency			Consensus
					(4-5)	3	(1-2)	
13	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
14	4.1667	4.5000	.98319	2	4 (66.7%)	2 (33.3%)	0 (0%)	Not reached
15	4.1667	4.0000	.75277	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	Reached
16	3.8333	3.5000	.98319	2	3 (50%)	3 (50%)	0 (0%)	Not reached
17	3.5000	4.0000	1.37840	1.75	4 (66.7%)	1 (16.7%)	1 (16.7%)	Not reached
18	4.3333	4.5000	.81650	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	Reached

Table 3.8. *The statistical findings for communication challenges on internal audit effectiveness*

Statements for challenges of communication on Internal Audit	Mean	Median	Standard Deviation	Interquartile range	Frequency			Consensus
					(4-5)	3	(1-2)	
19	4.3333	4.5000	.81650	1.25	5 (83.3%)	1 (16.7%)	0 (0%)	reached
20	3.1667	3.0000	1.72240	3.25	3 (50%)	0 (0%)	3 (50%)	Not reached
21	3.0000	3.0000	1.54919	2.5	3 (50%)	0 (0%)	3 (50%)	Not reached
22	4.6667	5.0000	.51640	1	6 (100%)	0 (0%)	0 (0%)	Reached
23	3.8333	4.0000	1.16905	2.25	4 (66.6%)	1 (16.7%)	1 (16.7%)	Not reached
24	3.3333	3.5000	1.21106	2.25	3 (50%)	1 (16.7%)	2 (33.3%)	Not reached

Table 3.9. The statistical findings for communication skills effectiveness. (Continued)

Statements about communication skills	Mean	Median	Standard deviation	Interquartile range	Frequency			Consensus
					(4-5)	(3)	(1-2)	
S 11	5.0000	5.0000	.00000	0	6 (100%)	0 (0%)	0 (0%)	Reached

Table 3.10. The statistical findings for digitalization impact on internal audit effectiveness. (continued)

Statements about digitalization Impact	Mean	Median	Standard deviation	Interquartile range	Frequency			Consensus
					(4-5)	(3)	(1-2)	
S14	3.6667	4.0000	1.36626	1	5 (83.3%)	0 (0%)	1 (16.7%)	Reached
S16	4.1667	4.0000	.40825	0.25	6 (100%)	0 (0%)	0 (0%)	Reached
S17	4.6667	5.0000	.81650	0.5	5 (83.3%)	1 (16.7%)	0 (0%)	Reached

Table 3.11. The statistical findings for communication challenges on internal audit effectiveness.

Statements about challenges of communication Internal auditors	Mean	Median	Standard deviation	Interquartile range	Frequency			Consensus
					(4-5)	(3)	(1-2)	
S20	3.1667	2.5000	1.47196	3	2 (33.3%)	1 (16.7%)	3 (50.0%)	Not reached
S21	3.8333	4.0000	1.47196	1.75	5 (83.3%)	0 (0%)	1 (16.7%)	Reached
S23	4.1667	4.5000	1.16905	1.5	5 (83.3%)	0 (0%)	1 (16.7%)	Reached
S24	4.1667	4.0000	.40825	0.25	6 (100%)	0 (0%)	0 (0%)	Reached

3.8. Findings and Recommendations

According to the research findings, the following hypotheses were accepted, and these were as follows.

H1: that stated ‘‘ communication has a significant positive impact on the internal audit effectiveness in the digital era’’ this was accepted given the support by the experts of the study, that robust communication enhances internal control systems in organizations, also in literature, it helps in reporting any suspected risks in the organization. (Lenz, 2015, pg. 5-33), and The Committee of Sponsoring Organization of Treadway commission (COSO), provides information and communication as one of its elements in the internal control system, therefore it is very keen on to any kind of control mechanisms in the organization. Internal auditors participate in different risk related tasks together with management, and they ensure robust communication is done properly. Finally, robust communication enhances the internal audit effectiveness through easy access of organizational information to internal auditors, this guides them on how to provide advisory services based on the background information of internal control systems available. However, lack of this information may cause inadequate internal audit results.

H2: that stated ‘‘ Robust communication enhances the positive collaboration between internal auditors and the auditees ‘‘ this hypothesis is accepted since the experts proved that this collaboration between management and internal auditors improves their effectiveness, furthermore, the increasing level of interaction between the internal audit and the audit committee was reported to have a positive impact regarding quick dissemination of information as a result of promoting shareholders’ interest, and therefore easy detecting of any errors that threaten the organization. (Arena & Azzone, 2009, pg. 43-60). However, this can be a success if only this collaboration is related to internal audit tasks and not any other relationship with management to avoid conflict of interest.

H3: that stated ‘‘ there is a positive significant relationship between robust communication and digitalization on internal audit effectiveness’’ was accepted since this was supported by the internal audit experts as provided from raw Data as follows.

- Reference 1 - 1.47% Coverage
- It has increased the use of harmonized and standardized systems which has enabled auditors achieve efficiency in system control processes.

- Reference 2 - 0.95% Coverage
- It has eased identification of potential control failures through interlinking of data.
- Reference 4 - 0.50% Coverage
- Failures in processes & controls are remediated before the impact is felt.

In line with this study, robust communication and digitalization have an impact on the internal audit effectiveness since there is a possibility of real time reporting by using the current technologies such as robotic systems, drones or blockchain that would be of help in real-time assessment and checking the business processes and risks. (Vardanyan et al., 2022, pg.1)

H4: that stated “ Digital communication skills significantly improve the internal audit effectiveness”, was accepted, since the internal auditors agreed to the fact that Data analytics for instance plays a great role on the internal auditors’ tasks as, this technology helps them during the auditing stages of planning, fieldwork, and reporting of their findings. (Byrnes, P.E., & Pawlicki, A.R. 2014, pg.11)

H5: that stated “ Robust communication and data analytics have a significant impact on the internal audit effectiveness”, was accepted, this is based on audio-textual evidence from the internal auditors who were interviewed, as they gave credit to data analytics value to the internal audit role. Big data analytics is very crucial since it reduces expectation gap between the auditors and the internal auditors, since it clearly demonstrates that internal auditors only provide reasonable assurance and not absolute assurance. (Shabani et al., 2022, pg. 362-374).

The international auditing and assurance standards Board (IAASB) also proves the positive role played by big data analytics to internal auditors that.

- Auditors present their work with confidence and trustworthiness.
- Auditors have changed the way they operate according to the organization they are assigned.
- Continuous technological developments change many forms of audit report.
- Chances of collecting proof of information concerning the big population increase through using data analytics technology by internal auditors.

H6: that stated “ Robust communication and listening skills have a significant impact on the internal audit effectiveness” was accepted, based on the evidence gathered from the internal audit experts as.

Reference 3 - 4.17% Coverage

- writing, a clear message, speaking and presentation.

Reference 1 - 0.29% Coverage

Being alerted to conveying messages.

- Active listening.

In communication, listening is the topmost skill that internal auditors and any other professional must acquire, for this will help one master well what they will present to their auditees. Communication of an internal auditor will be robust if it is well processed, not forgetting the 5Ws +H. these mean what you are communicating or what matters, who you communicate to, where you are communicating from, when are you communicating, how are you communicating, and why. If this is put under consideration, then this will indicate the internal auditors understand their communication role since they will be understood by their clients/auditees.

Much as internal auditors have the capacity to create, investigate, and report their findings, they still lack better ways to present this communication, therefore, active listening is being emphasized for their effectiveness.

4. CONCLUSION

Public and private businesses worldwide have gradually witnessed changes in operations as the emerging technologies have enabled the improvement of the entire internal control systems. In this regard, the role of internal audit in strengthening the internal control systems has become dynamic with the rapid evolving technologies. Therefore, the role of robust communication on the effectiveness of internal audit in the digital era is being investigated in this current thesis study, giving the case of Uganda.

Delphi data collection method has been used, where experts who are knowledgeable about the subject matter were engaged with their deep insights. The Delphi technique was applied for both qualitative and quantitative data, whereby qualitative involved semi-structured interviews, and online questionnaires with open-ended questions. Four open ended questions were sent to the panelists, the internal auditors, serving in auditing firms and higher learning institutions from Uganda. Results for the first round were analyzed using a qualitative data analysis software, Nvivo. Hierarchy charts and project maps are used to visualize the results from Delphi stage one as provided by experts that are chosen for the current study. Results of the first round are reset and used to form statements for Delphi round two. Round two involves twenty-four statements which are closed ended, and a five-point Likert scale is used whereby, 1 indicates disagree and 5 strongly agree. Based on the results for the second round, the experts did not agree to some statements which caused the consensus not to be reached. These included statements eleven, fourteen, sixteen, seventeen, twenty, twenty-one, twenty-three, and twenty-fourth. These statements were resent to the experts in the third stage to reaffirm the experts' responses about the statements made for the variables under the study. They included the following.

- Being engaged and attentive listener is part of communication skill that will enable internal audit to improve.
- Informing management about future risks by giving advisory services using a digitalized system improves the internal audit effectiveness.
- There is a possibility of data connection in real time during internal auditing process.
- Digitalization provides freedom of human decision due to deep internal audit insights.
- Internal auditors have little energy especially due to biased managers who feel criticized.

- The nature of internal audit tasks may be hard to address productive audit work, is regarded as a communication problem.
- Unreliable sources that lead to support for internal auditors would be a communication challenge.
- Little knowledge of emerging technology is a communication challenge for internal auditors.
- The results for Delphi round three show that experts almost were in support to all the statements that were resent to them, except statement twenty where they did not agree, and this was ‘‘internal auditors have little energy especially due to biased managers who feel criticized’’.
- The findings of this thesis study indicate that experts largely agreed about the role of robust communication on the internal audit effectiveness. Even though given chance to administer the study using three rounds of Delphi, it was revealed that experts still were not in agreement to a communication challenge-related statement twenty, which was’’ internal auditors have little energy especially due to biased managers who feel criticized’’. Therefore, this means that since the internal auditors mostly engage in risk assessment, this does not mean they are a threat to managers or the firms they audit according to the experts’ feedback. Nevertheless, according to research, in most cases the managers try to downplay the important recommendations made by internal auditors, therefore, this makes it as a point of discussion and one of the key areas on the role of robust communication on the internal audit effectiveness.

Rendering the statistical interpretations of robust communication role statements on the internal audit effectiveness, the following were observed:

- Enhancing internal control systems as a role of robust communication leads to effectiveness of internal audit.
- Robust communication improves the effectiveness of internal audit by promoting the engagement of stakeholders.
- Helping and making known of internal auditing tasks is a factor that enables robust communication to improve effectiveness of the internal audit.
- Robust communication improves internal audit effectiveness through easy access of information to the auditors.

- Robust communication fulfils the internal audit demands that boost the internal audit effectiveness.
- Discovering and disclosing audit risks and opportunities is a task of robust communication to the internal audit effectiveness.
- This states that internal auditors have the significant communication role that promotes the internal audit effectiveness in Uganda through ensuring the presence of internal control systems in organizations. Additionally, engaging the stakeholders in the auditing processes, creating awareness of the internal audit tasks and activities, providing easy access of organization information to internal auditors, and discovering and disclosing audit risks and opportunities as it was reported in research that, in the audit committee, it is only the internal auditors who are well equipped with knowledge and skills of managing risks and controls in organizations.

Based on the statistical findings of communication skills-related statements, internal audit effectiveness is enhanced as follows.

- Having communication ability and understanding emotions enhances the internal audit effectiveness.
- Good verbal and non-verbal communication skills help improve the internal audit effectiveness.
- Internal audit effectiveness is improved through maintaining simplicity during communication.
- Maintaining disagreements is a communication skill that improves the internal audit effectiveness.
- Being engaged and attentive listener is part of communication skill that will enable internal audit to improve.
- Internal audit effectiveness can improve through good presentation skills.

Therefore, to improve in their tasks, they must have good communication skills as provided by the experts, such managing of disagreements and emotions, having good verbal and non-verbal communication skills, trying to be simple in their presentation of recommendations, for example avoiding jargons, being good listener, and having excellent presentation skills to make their clients understand well their recommendations. Notably, the results show that all experts agreed to these statements in support of communication effect on the internal audit effectiveness.

According to the digitalization-related statements, the following can be implied:

- The ability to examine the general population through big data is a digitalization factor that enhances internal audit effectiveness in the digital era.
- Informing management about future risks by giving advisory services using a digitalized system improves the internal audit effectiveness.
- Digitalization can be cost-effective and can lead to a competitive advantage due to its automation nature.
- There is a possibility of data connection in real time during internal audit processes.
- Digitalization provides freedom of human decision due to deep internal audit insights.
- Data analytics use is enabled with the help of digitalization that ensures internal audit effectiveness.

For these reasons, digitalization plays a big role in the effectiveness of the internal audit since new technologies can be applied to ensure the audit tasks and recommendations are being well accomplished. For example, use of data analytics was given credit by respondents in an interview transcript as follows:

- Auditor analytics are continuously available at all stages of the audit hence efficient, timely with risk-based decisions.
- Value is added as the organization stays on top of new and emerging technological risks.
- Failure in processes and controls are remediated before the impact is felt.

Basing on the communication challenges-related statements, the study observations show that internal auditors face some hurdles that hinder their effectiveness, and this is because:

- Limited time is given to ensure audit compliance is addressed, and hence less effective.
- Internal auditors have little energy especially due to biased managers who feel criticized.
- The nature of audit tasks may be hard to address productive audit work, is regarded as a communication problem.
- Poor communication channels can be a barrier for internal audit managers.

- Unreliable sources that lead to lack of management support for internal auditors would be a communication challenge.
- Little knowledge of emerging technology is a communication challenge for internal auditors.
- Therefore, the experts agreed with most communication challenges to the internal audit effectiveness, though in the third and final Delphi round, there was still a disagreement on statement twenty that “internal auditors have little energy especially due to biased managers who feel criticized”.

Basically, internal auditors should bear in mind that, to be effective, there should be trusted sources of the information they base on to make their recommendations, clear communication channels should be in place to avoid any distractions even if auditing is done in real time, technological training to match the current global market operation, and time given for audit task should be allocated well to meet compliance.

Additionally, given the above observations, the Internal auditing policies and procedures manual supports the arguments, for instance, article 260 under the standards for the professional practice of internal audit, human relations and communications provide the following advice:

- It is vital for internal auditors to acquire some skills on how to easily associate and interact with people.
- Internal auditors should ensure they convey both verbal and non-verbal communication to properly deliver, evaluate, and make recommendations.

Article 290 about the use of technology explains the following:

- The specialized audit software will be used to record audit tasks.
- There shall be renewal of audit strategies such as risk assessment tools.
- Data analysis is recommended for internal auditors to effectively analyze and interpret data for audit transparency.

Importantly, as internal auditors offer two major services of ‘consulting and assurance’ to management board and other stakeholders as already mentioned in previous chapters, therefore, robust communication must be handled with great care to attain effectiveness within an organization. Anyone can communicate, but some skills to achieve this are a “must” for internal auditors. Robust communication is like a first aid given to organization, and this is supplemented by the emerging technologies that help internal auditors provide risk management, control, and governance related information.

More advanced communication skills can be taught to the internal auditors to be effective when presenting their audit reports to management or auditees.

Secondly, this study recommends that internal auditors must ensure they apply emotional intelligence to enable them to have a transparent and trusted, open-communication line with their auditees. For example, one must learn how to control their emotions towards others. The study was limited by the online approach of interviews since there was no physical meeting with the internal audit experts.

For future studies, this research study can be improved by employing other research designs to find deeper insights about the subject. Also, more financial experts can be used to provide insights about the internal audit effectiveness. The unit of analysis can be further expanded to the entire east Africa since other nations may have different ways of managing financial or operational matters in their organizations.

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APPENDICES

Appendix 1: *Invitation statement for Research study in English*

The Role of Robust Communication in increasing the effectiveness of Internal Audit in the Digital era: The case of Uganda

Dear Participant,

A research study is being designed to examine the role of Robust Communication in Increasing the effectiveness of Internal Audit in the Digital era, the Uganda case as part of doctorate thesis. This invitation is done as a request for your participation and contribution as a panel member for this thesis study. You have been chosen since you have experience about the field of internal audit, your opinions will be a guide to the results and the recommendations made of this thesis by the defined data collection methods within the context of the research subject. The responses according to your participation status will be through email, this will be as follows.

- I will take part in the study as an interviewee.
- I will not be able to take part in the as an interviewee.

Note: The interviews will be handed through the digital platform/ zoom video conferencing as proof for this thesis review committee and Anadolu University. We assure you that the records will be protected and then eliminated in a defined period in terms of conserving the intellectual property rights of participants.

Best Regards,

Doctorate Student
Swabra Yahya Umutoni

Thesis supervisor
Prof. Dr. Seval Selimoğlu

EKLER

Ek 1: Araştırma çalışması için davet bildirimi Türkçe

Güçlü İletişimin İç Denetimin Etkinliğini Arttırmadaki Rolü: Uganda Örneği

Sayın Katılımcı,

Doktora tezi kapsamında, Uganda örneği üzerinden Güçlü İletişimin İç Denetimin Etkinliğini Arttırma Rolünü inceleyen bir araştırma çalışması tasarlanmaktadır. Bu davetiyeyi, bu tez çalışması için panel üyesi olarak katılımınızı ve katkınızı talep etmek amacıyla yapıyoruz. İç denetim alanında deneyiminizin olması nedeniyle seçildiniz; görüşleriniz, araştırma konusu bağlamında belirlenen veri toplama yöntemleri ile elde edilen sonuçların ve önerilerin bir kılavuzu olacaktır. Katılım durumunuza göre yanıtlarınız e-posta yoluyla olacaktır, bu da aşağıdaki gibi olacaktır:

- ☐ Araştırmaya bir mülakat katılımcısı olarak katılacağım.
- ☐ Bir mülakat katılımcısı olarak katılamayacağım.

Not: Mülakatlar, bu tez inceleme komitesi ve Anadolu Üniversitesi için kanıt olarak dijital platform/zoom video konferans aracılığıyla yapılacaktır. Kayıtların katılımcıların fikri mülkiyet haklarını koruma açısından belirlenen bir süre içinde korunacağını ve daha sonra ortadan kaldırılacağını

Saygılarımla,

Doktora Öğrencisi

Swabra Yahya Umutoni

Tez Danışmanı

Prof. Dr. Seval Selimoğlu

Appendix 2: Research Sample

İç Denetçiler					
	Katılımcı kodu	Gorevi	Gurusme Turu	Calistigi Firma	Gurusme suresi
1	K1	İç Denetçilerin Başkanı	Çevrimiçi	Denetim firması	1 saat 5 saniye
2	K2	İç Denetim Müdürü	Çevrimiçi	Özel denetim firması	40dakika 15saniye
3	K3	İç Denetim Müdürü	Çevrimiçi	Özel denetim firması	1 saat
4	K6	Kıdemli İç Denetim Memuru	Çevrimiçi	Akademik kurum	58dakika 6 saniye
	K4	Baş Denetim Yürütücüsü	Çevrimiçi	Kamu Bankası	58dakika 6 saniye

Internal Auditors					
	Participant code	Organizational Role	Interview type	Enterprise	Interview Length
1	K1	Head of Internal auditors	Online	Auditing firm	1 hour 5 seconds
2	K2	Internal audit Manager	Online	Private auditing firm	40minutes 15 seconds
3	K3	Internal audit Manger	online	Private auditing firm	40minutes 8 seconds
3	K6	Senior Internal audit officer	Online	Academic institution	1 hour
4	K4	Chief Audit executive	Online	Public Bank	58minutes 6 seconds

Appendix 3: *Semi-structured Interview Questions for the First Round of Delphi*

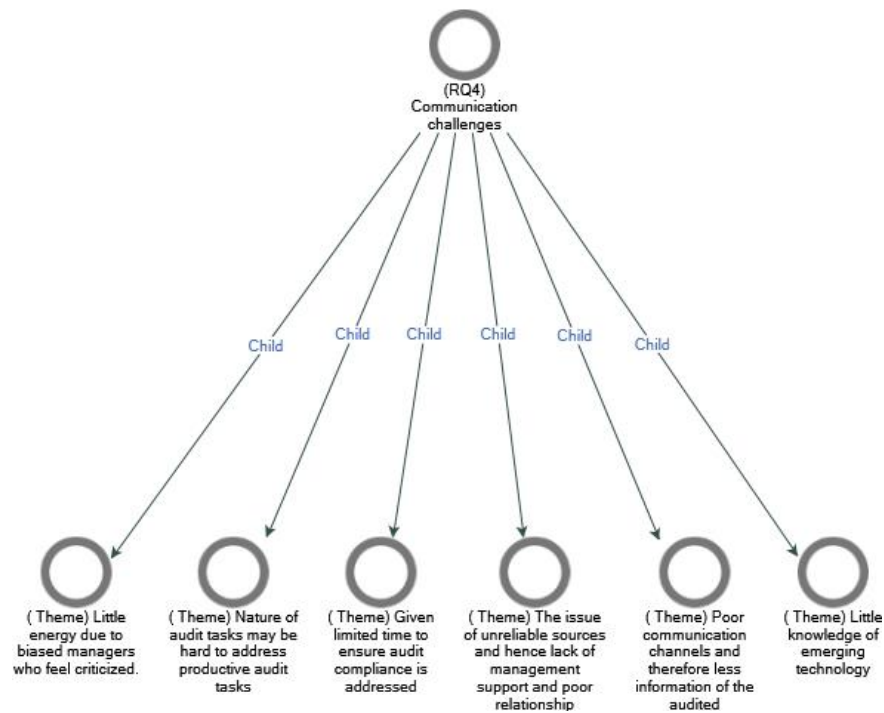
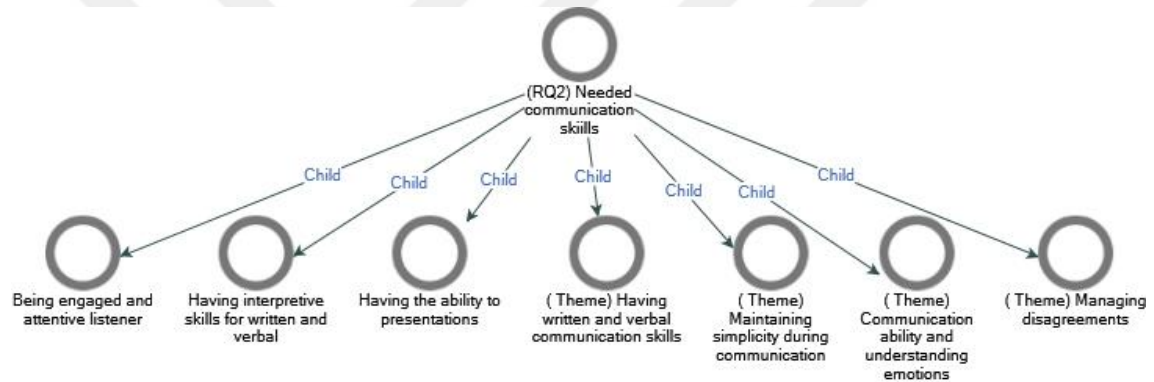
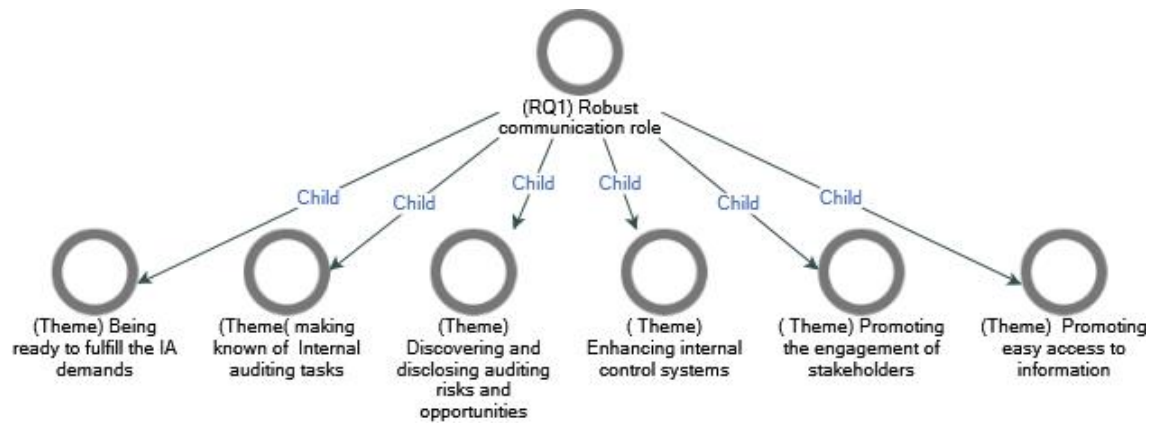
Açık uçlu sorular

- Güçlü iletişimin iç denetimin etkinliği üzerindeki etkisi nedir?
- Hangi iletişim becerileri iç denetimin etkinliğini artırabilir?
- Dijitalleşme iç denetimin etkinliğini nasıl etkiler?
- İç denetim yöneticileri iç denetim etkinliğini artırmada hangi iletişim zorluklarıyla karşılaşır?

Open-Ended Questions

- What is the impact of robust communication in effectiveness of internal audit?
- What communication skills can improve the internal audit effectiveness?
- How does Digitalization impact the internal audit effectiveness?
- What communication challenges do internal audit managers face in promoting internal audit effectiveness?

Appendix 4: Project Maps



Appendix 5: Codebook

Name	Description
(RQ1) Robust communication role	1.What role does Robust communication play on the effectiveness of internal audit?
(Theme) Enhancing internal control systems	
Enhances oversight and Audit quality	
Establishes a robust internal control system	
(Theme) Promoting the engagement of stakeholders	
Gains stakeholders' support for proposed suggestions	
Guarantees collaboration of all stakeholders	
(Theme (making known of Internal auditing tasks	
Conveys the audit strategy	
Creating awareness about IA	
Having knowledge of IA tasks	

Name	Description
(Theme) Promoting easy access to information	
Promoting easy access to information	
Providing advisory services related to risk and opportunities	
(Theme) Being ready to fulfill the IA demands	
Being willing to meet the IA demands	
(Theme) Discovering and disclosing auditing risks and opportunities	
Discovering risk-related issues	
(RQ2) Needed communication skills	2.what communication skills do you think can enhance the internal audit effectiveness in the Digital era?
(Theme) Communication ability and understanding emotions	
Communication ability and understanding emotions	

Name	Description
(Theme) Having written and verbal communication skills	
Ability to write and communicate verbally	
(Theme) Maintaining simplicity during communication	
Being alert to conveying messages	
Ensuring clarity of messages	
Maintaining simplicity during communication	
(Theme) Managing disagreements	
Managing disagreements	
Being engaged and attentive listener	
Having interpretive skills for written and verbal	
Having the ability to presentations	
(RQ3)Digitalization improvement	3. How has Digitalization improved the internal audit effectiveness?

Name	Description
(Theme) Ability to examine general population through big data	
Being able to handle data analytics on big data	
Potential to examine the general population	
(Theme) Being able to inform management about future risks by giving advisory services	
Able to alert management of the future risks	
Able to enhance control systems	
Discovery of weak internal controls	
Enables IA to provide relevant advice	
(Theme) cost-effective and competitive advantage due to automation	
Cost-effective due to automations	

Name	Description
Leads to competitive advantage due to trending technology	
(Theme) Possibility of data connection in real time within a short period	
Interaction with multiple data in a short period	
Possibility of data connection	
Real time information management	
(Theme) Provides freedom of human decision due to Deep IA insights	
Deep internal audit insights provision	
Provides freedom to human decisions	
(Theme) Use of data analytics to ensure internal audit efficiency	
Application of standardized systems	

Name	Description
Efficiency of internal audit tasks	
Manipulation of data analysis	
(RQ4) Communication challenges	4. What communication challenges do internal audit managers face in organizations as they present their audit findings?
(Theme) Given limited time to ensure audit compliance is addressed	
Given short time to ensure audit compliance of rules	
Low audit monitoring procedures	
(Theme) Little energy due to biased managers who feel criticized.	
Being discouraged from managers who feel challenged	
Prejudice towards audit conclusions	
(Theme) Little knowledge of emerging technology	
Little knowledge of emerging technology	

Name	Description
(Theme) Nature of audit tasks may be hard to address productive audit tasks	
Embarrassing audit reports seem unproductive	
Inability to defend audit findings	
Nature of the audit task may be hard in resolving issues	
(Theme) Poor communication channels and therefore less information of the audited	
Less knowledge of the audited business	
Not addressing audit reports in relation to how risks impact organizational goals	
Poor communication channels	
(Theme) The issue of unreliable sources and hence lack of	

Name	Description
management support and poor relationship	
Insufficient management support	
Poor relationship with the top management	
unreliable sources which lead to management refusal of information	

Appendix 6: Word cloud



Appendix 7. Tree Map

audit	management	process	auditor	time	due	failures	helped	impact	important	lack	non
			get	achieve	recommen	writing	able	action	advise	also	analysis
		processes									auditors
											based
	communication				reports	better	defensive	expressiv	fact	help	identify
			helps	analytics							implemen
						cause	document	intelligend	intentional	less	limited
					robust						listening
		etc		audited		clear	easily	made	opportuni	potential	probe
			information								procedure
	skills				role	concise	effective	mature	real	sample	stakehold
internal			board								system
		organization									
			presentation			conflict	enables	message	receptive	teams	understan
				business	tasks						work
						controls	ensures	much	reporting	top	ability
findings	data										active
		report	risks								activiti
				control	verbal						accept
						current	entity	nature	resolution	transactio	added
											alignm
										access	address
											allows

Appendix 8: Hierarchy Chart



Appendix 9: Closed-ended Questions Delphi two

The following statements describe the role of Robust communication on the effectiveness of Internal audit.

- Enhancing internal control systems as a role of robust communication leads to effectiveness of Internal Audit.
- Robust communication improves the effectiveness of internal audit by promoting the engagement of stakeholders.
- Helping and making known of internal auditing tasks is a factor that enables robust communication to improve effectiveness of internal audit.
- Robust communication improves internal audit effectiveness through promoting easy access to information.
- Robust communication fulfils the Internal Audit demands that boosts the internal audit effectiveness.
- Discovering & disclosing audit risks and opportunities is a task for robust communication to the effectiveness of internal audit.

The communication skills role on internal audit statements include.

- The communication ability and understanding emotions enhances the internal audit effectiveness.
- Good verbal and non-verbal communication skills help improve the internal audit effectiveness.
- Internal audit effectiveness is improved through maintaining simplicity during communication.
- Managing disagreements is a communication skill that improves the internal audit effectiveness.
- Being engaged and attentive listener is part of communication skill that will enable internal audit to improve.
- Internal audit effectiveness can improve through good presentations skills.

The following statements in this section indicate the effect of digitalization on the effectiveness of internal audit.

- The ability to examine the general population through big data is a digitalization factor that enhances internal audit effectiveness in the digital era.
- Informing management about future risks by giving advisory services using a digitalized system improves the internal audit effectiveness.
- Digitalization can be cost-effective and can lead to a competitive advantage due to its automation nature.
- There is a possibility of data connection in real time during internal auditing process.
- Digitalization provides freedom of human decision due to deep Internal audit insights.
- Data analytics use is enabled with the help of digitalization that ensures internal

audit efficiency.

The following statements describe communication challenges of internal auditors.

- Limited time is given to ensure audit compliance is addressed, and hence less effective.
- Internal auditors have little energy especially due to biased managers who feel criticized.
- The nature of audit tasks may be hard to address productive audit work, is regarded as a communication problem.
- Poor communication channels can be a challenge for internal audit managers.
- Unreliable sources that lead to lack of management support for internal auditors would be a communication challenge.

"Kapalı uçlu sorular Delphi iki"

Aşağıdaki ifadeler, İç Denetimin etkinliği üzerinde Güçlü iletişimin rolünü tanımlar.

- Güçlü iletişimin bir rolü olarak iç kontrol sistemlerinin geliştirilmesi, İç Denetimin etkinliğine yol açar.
- Güçlü iletişim, paydaşların katılımını teşvik ederek iç denetimin etkinliğini artırır.
- İç denetim görevlerine yardımcı olmak ve bunları tanıtmak, güçlü iletişimin iç denetimin etkinliğini artırmasını sağlayan bir faktördür.
- Güçlü iletişim, bilgiye kolay erişimi teşvik ederek iç denetimin etkinliğini artırır.
- Güçlü iletişim, İç Denetim taleplerini karşılayarak iç denetimin etkinliğini artırır.
- Denetim risklerini ve fırsatlarını keşfetmek ve açıklamak, güçlü iletişimin iç denetimin etkinliğine katkıda bulunduğu bir görevdir.

İç denetim beyanları üzerinde iletişim becerilerinin rolü şunları içerir.

- İletişim becerisi ve duyguları anlama, iç denetimin etkinliğini artırır
- İyi sözlü ve sözsüz iletişim becerileri, iç denetimin etkinliğini artırmaya yardımcı olur.
- İletişim sırasında basitliğin korunması iç denetimin etkinliğini artırır.
- Anlaşmazlıkları yönetmek, iç denetimin etkinliğini artıran bir iletişim becerisidir.

- Katılımcı ve dikkatli bir dinleyici olmak, iç denetimin gelişmesini sağlayacak iletişim becerilerinin bir parçasıdır.
- İyi sunum becerileriyle iç denetimin etkinliği artırılabilir

Bu bölümdeki aşağıdaki ifadeler, dijitalleşmenin iç denetimin etkinliği üzerindeki etkisini göstermektedir.

- Büyük veri aracılığıyla genel nüfusu inceleme yeteneği, dijital çağda iç denetimin etkinliğini artıran bir dijitalleşme faktörüdür.
- Dijitalleştirilmiş bir sistem kullanarak danışmanlık hizmetleri vererek yönetimi gelecekteki riskler hakkında bilgilendirmek, iç denetimin etkinliğini artırır.
- Dijitalleşme maliyet etkin olabilir ve otomasyon doğası nedeniyle rekabet avantajına yol açabilir.
- İç denetim süreci sırasında gerçek zamanlı veri bağlantısı olasılığı bulunmaktadır.
- Dijitalleşme, derin iç denetim bilgileri nedeniyle insan kararına özgürlük sağlar.
- Dijitalleşme yardımıyla veri analitiği kullanımı sağlanır ve bu da iç denetim verimliliğini garanti eder

Aşağıdaki ifadeler, iç denetçilerin iletişim zorluklarını tanımlar.

- Denetim uyumluluğunun ele alınmasını sağlamak için sınırlı zaman verilir ve bu nedenle daha az etkilidir.
- İç denetçiler özellikle eleştirildiklerini düşünen önyargılı yöneticiler nedeniyle az enerjiye sahiptirler.
- Denetim görevlerinin doğası, üretken denetim çalışmalarını ele almayı zorlaştırabilir ve bu, bir iletişim sorunu olarak görülür.
- Zayıf iletişim kanalları, iç denetim yöneticileri için bir zorluk olabilir
- İç denetçiler için yönetim desteğinin eksikliğine yol açan güvenilir kaynaklar, bir iletişim zorluğu olabilir.

Appendix 10: Closed-ended Questions Delphi Three

The following statements were resent in Delphi three to re-affirm the responses

- Being engaged and attentive listener is part of communication skill that will enable internal audit to improve.
- Informing management about future risks by giving advisory services using a digitalized system improves the internal audit effectiveness.
- There is a possibility of data connection in real time during internal auditing process.
- Digitalization provides freedom of human decision due to deep internal audit insights.
- Internal auditors have little energy especially due to biased managers who feel criticized.
- The nature of internal audit tasks may be hard to address productive audit work, is regarded as a communication problem.
- Unreliable sources that lead to support for internal auditors would be a communication challenge.
- Little knowledge of emerging technology is a communication challenge for internal auditors.

Kapalı uçlu sorular Delphi Üç

Delphi üçte yanıtları yeniden doğrulamak için aşağıdaki ifadeler tekrarlandı.

- Katılımcı ve dikkatli bir dinleyici olmak, iç denetimin gelişmesini sağlayacak iletişim becerilerinin bir parçasıdır.
- Dijitalleştirilmiş bir sistem kullanarak danışmanlık hizmetleri vererek yönetimi gelecekteki riskler hakkında bilgilendirmek, iç denetimin etkinliğini artırır.
- İç denetim süreci sırasında gerçek zamanlı veri bağlantısı olasılığı bulunmaktadır.
- Dijitalleşme, derin iç denetim bilgileri nedeniyle insan kararına özgürlük sağlar.
- İç denetçiler özellikle eleştirildiklerini düşünen önyargılı yöneticiler nedeniyle az enerjiye sahiptirler.
- İç denetim görevlerinin doğası, üretken denetim çalışmalarını ele almayı zorlaştırabilir ve bu, bir iletişim sorunu olarak görülür
- İç denetçiler için destek sağlayan güvenilir kaynaklar, bir iletişim zorluğu olabilir.
- Yükselen teknoloji hakkında az bilgi, iç denetçiler için bir iletişim zorluğudur.

Protokol No: 496542

ÇALIŞMANIN TÜRÜ:	Doktora Tez Çalışması
KONU:	Sosyal Bilimler
BAŞLIK:	The Role of Robust Communication on The Effectiveness Of Internal Audit: Uganda Case Dijital Çağda İç Denetimin Etkinliği Üzerinde Güçlü İletişimin Rolü
PROJE/TEZ YÜRÜTÜCÜSÜ:	Prof. Dr. Seval SELİMOĞLU
TEZ YAZARI:	Swabra Yahya UMUTONI
ALT KOMİSYON GÖRÜŞÜ:	-
KARAR:	Olumlu