



**INFLUENCE OF PERFORMANCE IN ACCORDANCE WITH
INTERNATIONAL STANDARDS OF INTERNAL AUDIT PROFESSION
AFFECTING THE ACHIEVEMENT OF ORGANIZATIONAL GOAL**

**CASE STUDY: INTERNAL AUDITORS UNDER THE UNIVERSITY OF THE PUBLIC HIGHER
EDUCATION INSTITUTIONS IN THAILAND**

Ms Pattrajirt Sangsawang, Mr Nantaphong Boonpong and Ms. Wararat Boonfang

Accountant, Finance and Investment, Business Administration Program in Hotel and Service Innovation
Management, Faculty of Management Science, Ubonratchatani University, Thailand

ABSTRACT

Even though the world is facing the problem of Covid-19 But governments of many countries still need to focus on the problem of corruption. Good organizational management in terms of internal control system Risk management will help reduce the corruption gap. Therefore, the internal audit unit is an important mechanism of the internal control system of the organization. When internal auditors had knowledge of international standards Performing an internal audit profession will made process perform an internal audit efficiently and reliably. Resulting help the organization achieve it was objectives and goals.

This paper to studied the relationship between the knowledge of the internal auditors and operational process the internal auditors in accordance with international standards and the factors related to the internal audit process that influence the efficiency of operations. For the purpose of analysis the data was collected of 210 internal auditors under the higher government institutions of 65 universities (Association of University Council (Thailand)). The results Internal auditors with knowledge of professional performance standards may be no satisfaction with the specified internal audit process. That is, if the internal auditor had more knowledge will be less satisfaction in performing the duties. Or the internal auditors with little knowledge may be highly satisfied with their work. Which is a result of many other factors related to the internal auditor's work process. The internal audit process had a positive influence on operational efficiency. That is, if the internal audit process is effective, the organization can achieve its goals.

Keywords: Efficiency, Internal Audit, Corruption

INTRODUCTION

Even though the world is facing the problem of Covid-19 But governments of many countries still need to focus on the problem of corruption. In 2021 the Organization for Transparency International Index Transparency International (TI) has released its Corruption Perceptions Index (CPI) scores for 180 countries around the world. Thailand is ranked 110th in the world and is ranked 6th among ASEAN countries. There are corruption related to solving the COVID-19 problem, such as transparency in procurement and budget spending. The problem of bribery with government officials Benefiting some entrepreneurs Abuse of the position of authority Therefore, various government agencies are at risk of corruption. Good organizational management in terms of internal control system Risk management will help reduce the corruption gap. It reduces the risk that will lead to corruption from both internal and external parties. Therefore, the internal audit unit is an important mechanism of the internal control system of the organization. Internal control was a value-added assurance and consulting service. and improve the operations of the organization help the organization achieve its objectives and goals. The qualifications of the internal auditors must be those who had knowledge and understanding of the operations of that organization. Academic expertise Techniques necessary to perform the duties Able to communicate information for decision-making by executives. And had Knowledge of international standards for professional

practice of internal auditing as a guideline for international practice. When internal auditors had knowledge of international standards Performing an internal audit profession will made process perform an internal audit efficiently and reliably. Resulting help the organization achieve it was objectives and goals. Therefore, the knowledge of internal auditors was a factor that affects the operating process. And the work processes of internal auditors will affect the efficiency of the organization's operations. This research therefore wants to study whether. The knowledge of internal auditors affects the operational process. and affecting the impact on the efficiency of the operation of government universities under the Office of the Higher Education Commission

REVIEW OF LITERATURE

Jittawimol (2010) conducted research on Factors that affect the satisfaction of the work of internal auditor from the perspective of Bangkok Bank Public Company Limited's inspectors. Factors Affecting Internal Auditor's Satisfaction from the perspective of the Auditee. It shows that the factors affecting the satisfaction of the auditors include the qualifications of the internal auditors, the performance of the internal auditors, educational knowledge Method for checking Reporting and Monitoring of Audit Results. For differences between groups of factors affecting the satisfaction of the Auditee. Found that the educational level of the inspector and the experience of different internal auditors not a major influencing factor in differentiating satisfaction.

Sangsawang (2011) This research aims to study. Satisfaction in working according to the draft International Standards for Professional Practice of Internal Auditing of Internal Auditors: A Case Study of Commercial Banks Listed in the Stock Exchange of Thailand. The results of this research had found individual factors include gender, educational level. Different working age and position have different job satisfaction according to Draft International Standards for Professional Practice of Internal Auditing. For testing the correlation found that the cognition and satisfaction with the job performance were in the same direction but at a low level. Only 2% of operational changes were explained, while the other 98% were due to other factors. point out that Operations in accordance with the operational guidelines There are many other factors affecting such performance, such as remuneration for the performance of work. working environment attention of senior management.

Endaya and Hanefah (2016) The purpose of this paper is to investigated the direct relationship between internal auditor's characteristics and internal audit effectiveness, and the moderating effect of senior management. The statistics used to analyze hypothesis was multiple regression analysis support Standard multiple regression and moderated multiple regression are applied, and the data were collected from 114 members of Libyan Association of Accountants and Auditors by using personally administered questionnaire. The finding that internal auditor's characteristics had a significant impact on internal audit effectiveness, and senior management support has a moderating effect. The findings would encourage Libyan organizations to concentrate on the issue of internal audit effectiveness, and will strengthen the capacity of internal auditing in public organizations.

Sikum (2017) This research aims to study. The influence of the internal audit process and risk management on the performance of companies listed on the Stock Exchange of Thailand. The sample of the study was the internal auditor. The company is listed on the Stock Exchange of Thailand 257 people were used to collect data from the statistics used in the test variable is the average and standard deviation. The statistics used to analyze hypothesis is multiple regression analysis. The results of this research have found that the hypothesis testing every hypothesis of the research supported by the analysis of the variables found to process internal audit and risk management, have a positive influence on the efficiency of the operations of the companies listed on the stock exchange of Thailand. Statistically significant at the 0.05 level.

Mbewu and Barac (2017) In 2017 government set out to achieve clean audits for all government entities. Studies on internal audit effectiveness reveal that an effective internal audit function enhances organizational governance and is considered a significant governance mechanism in the public sector. Since a clean audit is a function of clean governance, an effective internal audit function as a governance mechanism contributes thereto. Limited published research is available on internal audit effectiveness at the South African local sphere of government. This study, which adopted the qualitative approach, investigates the four micro factors which affect internal audit effectiveness of municipalities in the Vhembe district, situated in the Limpopo province in South Africa.

The study reveals that there are internal audit resource restrictions, no quality assurance, enhancement programs and no external quality assurance. The participants held mixed perceptions of the effectiveness of internal audit functions. All internal auditors do not have professional qualifications, consequently, a low status. Management does not comprehend the challenges experienced by internal auditors. The study identifies areas for future research taking into account perceptions of internal audit resources, processes, relationships and the organization.

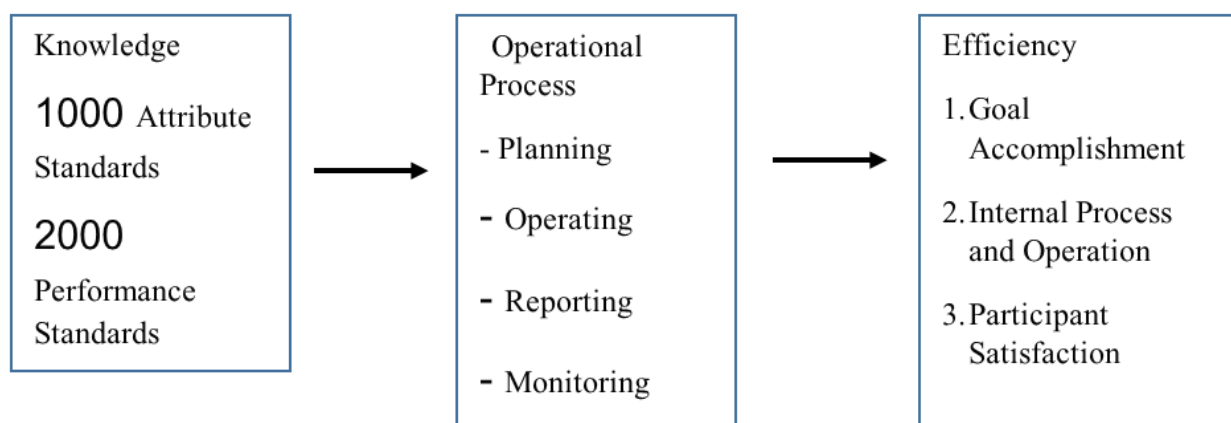
OBJECTIVES OF THE STUDY:

1. To study the relationship between the knowledge of the internal auditors and operational process the internal auditors in accordance with international standards for the practice of internal audit profession.
2. To study the factors related to the internal audit process that influence the efficiency of operations.

HYPOTHESIS OF THE STUDY:

H0 Null hypothesis- There is no significant association between knowledge of the internal auditors and operational process the internal auditors.

H0 Null hypothesis- There is no significant association between internal auditor process of with the efficiency operations of organization.



RESEARCH METHODOLOGY

Primary data was collected of the internal auditors under the higher government institutions of 65 universities (Association of University Council (Thailand), 224 people, divided into 200 females and 24 males.

ANALYSIS

Analysis of research variables which consists of knowledge, internal audit process and operational efficiency. The statistics used in the test were mean and standard deviation. For testing the hypothesis, analyzing multiple regression (Multiple Regression Analysis) and determining the level Statistical significance of 0.05. If the test result obtained the calculated significance level (Sig) less than the defined significance level show that the assumption was accepted.

The sample group who answered the complete questionnaire consisted of 210 people, divided into 194 females, representing 92.4%, 16 males, representing 7.6%, and the level of knowledge related to international standards for professional practice of internal auditing as follows:

Table 1 shows the internal auditor's knowledge score range.

Score range	Level	Unit (person)	Percentage
under 13 points	Low	32	15.2
13-16 points	Moderate	124	59.1
17-20 points	High	54	25.7
		210	100.00

From Table 1, it was found that the average scores of the sample of internal auditors who answered the questionnaire Regarding the international standards of professional practice, most of the internal auditing was in the range of 13-16 points, of which 124 people were considered moderately knowledgeable. Accounting for 59.1% in the score range of 17-20 points of 54 people are considered to have a high level of knowledge. accounted for 25.7% and in the score range of less than 13, 32 people were considered to have low level knowledge, representing 15.2%.

Table 2 The opinion level of the sample group about the internal audit process, classified by aspects

Variables/ Indicators	Mean	Std.	Level
Operational Process total	4.28	0.58	High
- Planning	4.48	0.54	High
- Operating	4.36	0.55	High
- Reporting	4.11	0.72	High
- Monitoring	4.15	0.65	High

The results of the analysis of the opinion level of the sample Have an opinion on the overall internal audit process has a mean of 4.28, which means at a high level when considering each aspect in descending order of averages. It was found that the audit process within the operational planning aspect, the mean was 4.48 interpreting it as a high level. Followed by the operational internal audit process. With a mean of 4.36, meaning that it was at a high level. The internal audit process in terms of monitoring results had an average of 4.15 and reporting performance with a mean of 4.11 interpreted as a high level.

Table 3 The sample's opinion level on operational efficiency

Variables/ Indicators	Mean	Std.	Level
Efficiency	4.22	0.61	High
- Goal Accomplishment	4.25	0.64	High
- Internal Process and Operation	4.33	0.58	High
- Participant Satisfaction	4.09	0.75	High

The results of the analysis of the opinion level of the sample. There was an opinion about overall operational efficiency with a mean of 4.22 interpreted as being at a high level. Operational process efficiency an average of 4.33 was interpreted as high. Followed by operational efficiency in achieving achievement goals with an average of 4.25 and the efficiency of performance in terms of satisfaction of all parties with an average of 4.09 meaning that it is at a high level.

Table 4 Results of knowledge regression analysis affecting the internal audit process

Variables	b	SEb	Standardized Coefficients	t-value	p
Knowledge	-0.47	0.121	-0.065	-0.774	0.685

n=210, R2 = 0.921, F= 0.662, Sig = 0.685

The results of variable analysis revealed that R 2 was equal to 0.921 it mean usage can be explained set of variables 92.10%. And from the hypothesis testing model. It was found that the resultant rejected the hypothesis. It was statistically significant at the 0.05 level. That was knowledge had no relationship with the internal auditor's work process. And when analyzing the correlation coefficient (r), it was found that the variables on both sides had a negative correlation direction (Beta =- 0.065), meaning that if internal auditors had more knowledge, they would have less satisfaction in performing their duties. Or the internal auditors with little knowledge will be highly satisfied with their work. but was not statistically significant.

Table 5 Results of the multiple regression analysis of the internal audit process Influence on operational efficiency

Variables	b	SEb	Standardized Coefficients	t-value	p
Operational Process	1.245	0.095	0.941	13.061	0.000*

n = 210, R2 = .809 F= 8.381, Sig = 0.000

* significance of 0.05

The results of the variable analysis revealed that R² was equal to 0.809 it mean usage can be explained set of variables 80.90%. And from the hypothesis testing model. It was found that the hypothesis was supported. It was statistically significant at the .05 level. The internal audit process (Beta = .941) was significantly predictive of operational efficiency, so the internal audit process had a positive influence on operational efficiency. That is, if the internal audit process is effective, the organization can achieve its goals.

FINDINGS

From the results of the study on the knowledge of the internal auditors, there is no relationship with the process of performing the duties of the internal auditors. This is consistent with the research of Jittawimol (2010). Factors affecting the satisfaction of internal auditors From the perspective of the auditors, Bangkok Bank Public Company Limited found that the level of internal auditors' education and the experiences of various internal auditors It is not an important factor affecting the satisfaction of the reviewers. which is different from the study of Sangsawang (2011), which found that the knowledge, understanding and Job satisfaction was related in the same direction. However, the level was low, explaining only 2% of the change in performance, while the other 98% was due to other factors. point out that Operations in accordance with the operational guidelines. There are many other factors affecting such performance, such as remuneration for the performance of work or working environment attention of senior management. Which in this study may not be related due to other factors such as working environment motivation to work job advancement, independence in work the attention and support of senior management. And the sample used to test is an internal auditor working under the working structure of each university that is different. There may be insufficient evidence to conclude that knowledge is statistically related to the internal auditor's performance of duties.

And from the hypothesis testing model, it was found that the internal audit process (Beta = 0.941) was able to predict the performance significantly. Therefore, the internal audit process has a positive influence on operational efficiency. That is to say, if the internal audit process is effective, the organization can achieve its goals. Consistent with research by Endaya and Hanefah (2016), the characteristics of internal auditors are: Significant impact on the performance of internal audits and support from senior management was moderate. The findings will encourage Libyan organizations to focus on issues of internal audit efficiency. and will strengthen the capacity of internal audits in public organizations, in line with Sikum (2017) found that internal audit and risk management processes The effect on the performance of companies listed on the Stock Exchange of Thailand was statistically significant at the 0.05 level and consistent with the research of Mbewu and Barac (2017) found that an effective internal audit unit promotes corporate governance and is considered an important regulatory mechanism of the government sector.

CONCLUSION

Internal auditors with knowledge of professional performance standards may be no satisfaction with the specified internal audit process. That is, if the internal auditor had more knowledge will be less satisfaction in performing the duties. Or the internal auditors with little knowledge may be highly satisfied with their work. Which is a result of many other factors related to the internal auditor's work process. The internal audit process had a positive influence on operational efficiency. That is, if the internal audit process is effective, the organization can achieve its goals.

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