

The role of internal auditing in enhancing corporate governance in economic enterprises

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Abstract---This study aims to provide a summary of the literature on corporate governance as well as to present and introduce recent trends in internal auditing. In the first stage, it highlights the role of internal auditing in activating corporate governance through a number of its key components. In the second stage, based on this, the study is divided into three main sections: the first section addresses the theoretical framework of corporate governance; the second section reviews the general framework of internal auditing; and finally, the third section deals with the contributions of internal auditing in this context. Through the presented study, a number of findings can be highlighted, the most important of which include the role of internal auditing in activating corporate governance through its function as a mechanism to limit creative accounting; its role in improving the quality of financial reports; and finally, internal auditing as a link between various governance mechanisms.

Keywords---Corporate governance, Internal audit, Governance mechanisms.

Introduction

Despite the significant attention that governance has received since the beginning of the twenty-first century, its theoretical foundations were not born out of the crises and financial scandals that affected a number of major companies (Enron in 2001, WorldCom in 2002, Parmalat, etc.) during this period. Governance, in essence, represents a set of mechanisms and methods aimed at organizing relationships and protecting both shareholders and managers as a result of the separation of ownership from management, commonly referred to as the agency problem. Looking back at the theoretical

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foundations, we find that agency theory goes back to 1932 through the works presented by Berle and Means, and it deals with what is known as governance from the shareholders' perspective (la Vision Actionnariale de la gouvernance).

On the other hand, considering governance as a set of mechanisms and methods to organize relationships and protect both managers and other stakeholders in the organization is primarily linked to Freeman's stakeholder theory which dates back to 1984, and this is referred to as the stakeholder perspective (la Vision Partenariale de la gouvernance).

The growing interest in corporate governance mechanisms stems from the aforementioned financial collapses and scandals, which had a significant impact on developing and activating governance mechanisms, in addition to creating and strengthening new mechanisms (such as internal audit, the role of the board of directors, audit committees...). All of this was consolidated through the issuance of several regulatory laws, such as the Sarbanes-Oxley Act (SOX) in 2002 in the United States, and the Financial Security Act (LSF) in France in 2003.

In this context, internal audit is considered one of the most important governance mechanisms, serving as a link between the various other mechanisms, while also serving parties that play a crucial role in improving the course of corporate governance.

1- Study Problem

On this basis, we will attempt through this study to answer the following problem:

How does internal auditing contribute to enhancing governance in economic institutions?

2- Study Hypotheses

In order to answer the main problem of this research, we have formulated a set of hypotheses as follows:

- Internal auditing contributes to enhancing corporate governance by ensuring the credibility and fairness of financial statements;
- The presence of internal auditing within the institution increases investors' confidence in its ability to achieve its goals;
- Internal auditing contributes to the accountability process of the board of directors.

3- Study Objectives

Through this study, we will attempt to achieve the following objectives:

- Provide a summary of the literature on corporate governance;
- Present and explain the recent trends in internal auditing;
- Highlight the role of internal auditing in enhancing corporate governance through a number of its key elements.

4- Previous Studies

Among the most important previous studies in this field are:

• **Study by Zahra Abbas and Nadjoua Ben Ouaida (2022):** "Internal Auditing as One of the Most Important Internal Mechanisms for Embodying Corporate Governance Principles." This study aimed to clarify the contribution of internal auditing as a mechanism in the effective and proper implementation of corporate governance, considering it an important tool for embodying governance in companies. Through auditing, especially internal auditing, companies seek to ensure effective control over their activities and detect fraudulent practices. The study concluded that the role and mission of internal auditing do not end here; rather, the development of standards has made internal auditing also a tool for providing advisory services, solutions to problems facing companies, and an effective element in monitoring their performance.

• **Study by Mohamed Al-Saleh Fromm (2019):** "The Role of Internal Auditing in Activating the Governance of Public Economic Institutions in Skikda Province." This study aimed to identify the role played by internal auditing in activating the governance of public economic institutions in Skikda Province. The study (a survey-based study) concluded several key findings, the most important of which is that internal auditing plays a crucial role in the governance of public economic institutions in Skikda Province. This is based on the characteristics possessed by both the internal auditor and the internal audit department, as well as the tasks of the latter.

5- Study Axes

In order to cover all elements of the topic, this study has been divided into three main axes as follows:

- The first axis: The theoretical framework of corporate governance;
- The second axis: The theoretical framework of internal auditing;
- The third axis: The role of internal auditing in activating corporate governance.

First Axis: The Theoretical Framework of Corporate Governance

1- The Nature of Corporate Governance

Various definitions have been offered for the term corporate governance, as there is no globally agreed-upon definition among accountants, managers, lawyers, and financial analysts for corporate governance, and the definitions fall Existing definitions of corporate governance range from narrow to broad in scope, as definitions vary from those that reflect a narrow perspective of one party to those that express broader and more comprehensive viewpoints from another perspective.

➤ **First definition:** According to the International Monetary Fund, governance is the way in which the authority over an organization's economic and social resources is exercised to serve development by using efficient management methods at the lowest cost and achieving the greatest benefits. (Ikken, 2023, p. 389)

➤ **Second definition:** According to the International Arab Society of Certified Accountants (ISSCA), governance is a set of responsibilities and practices followed by the board of directors and executive management, aimed at providing strategic direction, ensuring the achievement of objectives, verifying proper risk management, and utilizing the company effectively and responsibly. (Sennoussaoui, 2016, p. 24)

➤ **Third definition:** In another definition, corporate governance refers to the set of rules and arrangements that govern and organize the rights and responsibilities between the owner, management, and other stakeholders of the organization. (Hassiani, 2015, p. 85)

It is noticeable that this proposed concept of corporate governance focuses on the legal aspect of the institution, by referring to organizing the relationship and defining responsibilities between the owners of the institution and other stakeholders.

2- The theoretical foundations of governance

The most important theories behind the emergence and development of corporate governance can be mentioned as follows:

2-1- Agency Theory

Agency theory emerged as a result of the growth of institutions, the complexity of their operations, and the separation of ownership from management. This led to multiple agency relationships within the organization, including: the agency relationship between owners and management, the agency relationship between shareholders and creditors, and other agency relationships. Since each party seeks to maximize its own benefit even at the expense of others, agency problems and ethical issues may arise.

This theory describes the organization as a set of contractual relationships, asserting that the organization's existence is realized through one or more contractual agreements. An agency contract can be defined as a contract in which one or more persons (the principal or shareholder) obligate

another person (the agent or manager) to perform tasks on their behalf, thereby delegating part of the decision-making authority to the agent. We can also define agency or deputation as "a contract by which one person authorizes another to perform a task on behalf of and in the name of the principal." The agency contract raises the problem of conflicts of interest between managers and shareholders, as the manager seeks to achieve personal goals while the shareholder seeks to maintain the market value of their shares. (Ghlahi, 2019, p. 148)

2-2- Stakeholder Theory

Stakeholder theory is considered one of the most important modern and studied theories in the research field of systems theory, as it is capable of competing with and complementing other theories, such as agency theory, which faces several criticisms.

Intellectually, this theory is attributed to the works of Clark, as well as the works of Dodd. Freeman developed these ideas in 1983 in their well-known study, "The Stakeholder Approach."

Freeman defines stakeholders as the group capable of achieving the company's objectives, and this group consists of all public institutions and agencies, shareholders, competitors, employees, suppliers, customers, unions, and associations. These actors may have either unilateral or bilateral relationships. Clarkson divides stakeholders into two groups (Hamdi, 2024, p. 56)

2-2-1- Primary (core) stakeholders: The life and survival of the organization depend on them, and they have a relationship with the organization's production and financing (workers, shareholders, customers, and suppliers).

2-2-2- Secondary stakeholders: This includes actors who are affected by the organization and affect it without engaging in direct exchanges with the organization and without having a direct impact on its survival, such as society.

2-3- Property Rights Theory: The property rights theory is attributed to both Alchain&Demetz in 1973. The starting point for analyzing this theory was to look at the economic and social interactions between individuals, considering that each interaction represents an exchange of ownership rights to a specific item. This ownership grants the right and authority to consume, earn income from, or transfer a commodity or asset subject to it. This theory is based on the idea that exchanges, and more generally economic and social interactions, are essentially exchanges of property rights over goods and services. Therefore, property rights can be defined as the right of a specific individual that is transferable through exchange for equivalent rights over other assets. According to this approach, the distribution of property rights affects the behavior of individuals and the function and efficiency of the economic system in general, and the company in particular. (Hamdi, 2024, p. 51)

3- Principles (Standards) of Governance

Despite the issuance and proposal of a number of governance principles by various parties, the principles issued by the Organisation for Economic Co-operation and Development (OECD) are considered among the most prominent references in this regard. The OECD issued a set of standards, also referred to as governance principles, in 1999. Amended later in 2004, it can be mentioned as follows: (Sennoussaoui, 2016, pp. 36-42)

✓ Principle One: Availability of an effective corporate governance framework

This principle emphasizes that a corporate governance framework should encourage increased transparency and market efficiency, comply with legal provisions, and clearly define the distribution of responsibilities among various supervisory, regulatory, and executive bodies.

✓ Principle Two: Shareholders' rights

This principle states the necessity for a corporate governance framework to provide protection for shareholders and facilitate their exercise of rights.

✓ Principle Three: Equal treatment of shareholders

Equality in treating all shareholders is considered one of the most important governance controls, including the rights of minorities and foreign shareholders. Shareholders also receive adequate compensation if their rights are at risk.

✓ **Principle Four: Role of Stakeholders**

This principle states the recognition of the rights of stakeholders (workers, employees, suppliers, investors, lenders, governments, and others), which are defined by law or arise from mutual agreements, and encourages effective cooperation between companies and stakeholders to ensure the company's success, create wealth, generate new job opportunities, and ensure the continued strength of the company's financial position.

✓ **Principle Five: Disclosure and Transparency**

This principle states that the corporate governance framework should ensure proper and timely disclosure of all important matters related to the company, including financial position, performance, property rights, and corporate governance.

✓ **Principle Six: Responsibilities of the Board of Directors**

To understand the extent of the responsibilities of the Board of Directors, governance rules require setting a set of guidelines for implementing the tasks these responsibilities entail, which are:

- * Members of the Board of Directors must act based on sufficient information and exercise due diligence to achieve the best interest of the company and its shareholders;
- * The Board of Directors must strive to achieve equal and fair treatment for all shareholders;
- * The Board of Directors must ensure compliance with applicable laws, follow high ethical standards, and consider the interests of those dealing with the company;
- * The Board of Directors must accomplish required tasks such as developing a comprehensive strategic plan, supervising necessary changes, and ensuring the integrity of the company's accounts and the disclosure of all available and accurate information in a timely manner.

With the development of the concept of corporate governance and the expansion of its dimensions, the Organisation for Economic Co-operation and Development (OECD), in cooperation with the G20, has amended and reviewed the governance principles and issued a new version in 2023 which includes the following principles (OECD, 2023, p. 7)

- Ensuring the foundation for an effective corporate governance framework: This involves enforcing transparency and fair treatment of the stakeholders in the company, which allows for the rational use of resources and ensures effective oversight of the company's management.
- Shareholders' rights, key functions, and fair treatment of equity holders: An effective corporate governance framework should protect and facilitate shareholders' access to their rights and ensure their fair treatment, including minority shareholders, while guaranteeing that any shareholder whose rights have been violated receives effective compensation.
- Investors, financial markets, and other intermediaries: The governance framework should provide proper incentives for all participants in the financial investment process to ensure that financial markets contribute to strengthening corporate governance.
- Disclosure and transparency: The governance framework requires companies to disclose their financial information and other important matters that could affect decision-making accurately, transparently, and in a timely manner.
- Responsibilities of the Board of Directors: The board of directors should, within the framework of good governance, provide leadership and strategic guidance for the company, exercise effective oversight over its management, and hold the management accountable to the company and its shareholders.
- Sustainability and Resilience: The governance framework should encourage companies and their shareholders to make decisions that aim to ensure the sustainability and resilience of companies, which contributes to achieving sustainable economic development for countries.

4- Governance Models Worldwide

Determining governance models at the global level depends on identifying and studying the various existing and applied systems to define the nature of corporate governance. These criteria can be summarized as: the legislative or legal framework; Instructions issued by the regulatory authorities of the financial market; the power of shareholders or owners, auditors or the audit committee. Various

models of corporate governance around the world can be summarized as follows (Hassiani, 2015, pp. 104-105)

A. The Anglo-Saxon model: Anglo-Saxon countries are considered countries that prefer to expand financial markets while simultaneously developing banking institutions, especially since corporations have significant relationships with banks. Thus, the financial market represents the heart of the path followed by the corporate governance system in these countries, as this sector works to support economic activity and develop institutions. A very important feature of this model is that the key players are the ones who hold decision-making power and have full independence in this regard, the governance system in this model has three main issues:

- **Risk:** fierce competition drives each manager toward taking risks and seeking bank loans;
- **Monitored market:** the regulatory state performs its role as necessary in the market to maintain market order;
- **Strictness of laws:** laws are applied to anyone who exceeds their limits.

Another characteristic of this model is that it is oriented toward banks and the market; it is a market-banking model (external system).

B. The Japanese Model: This system is characterized by a cross-shareholding network with a partnership dimension between institutions known as Keiretsu, where each institution in the group holds a stake in the institution belonging to the group. This strategy is the result of the thinking of Japanese managers after the crisis that Japan faced following World War II and this model encourages:

- Eliminating stagnant oversight;
- Effective management as there are multiple decision-makers;
- Developing each member of the network;
- Achieving the objectives of the institutions within the network.

C. The German model: In this model, the bank is the center of the corporate governance system and has the authority to monitor institutions, unlike the Anglo-Saxon system. Furthermore, banks often guide the behavior of managers, as the manager has an obligation towards public banks with their institution. The German system is based on a court and a supervisory board instead of a board of directors. It is worth noting in this system that it has a broad scope where the active parties represent the majority (their membership in the supervisory board). For example, we find users contributing to the development of this system (corporate governance system).

D. The French model : This model is known as the Latin model and is in fact a dual 'hybrid' system, positioned between the Anglo-Saxon model oriented toward the market and the outside, and the Japanese system oriented inward.

Second Axis: The Theoretical Framework of Internal Auditing

1- The Concept of Internal Auditing

The Institute of Internal Auditors (IIA) defined internal auditing as a function performed by an entity within the economic unit, whose mission is to judge and evaluate through testing and examining the adequacy of accounting and other operational methods, assessing the efficiency and effectiveness of management levels, and encouraging compliance with established administrative policies.

The French Institute of Auditing and Internal Control (IFACI) also defined it as an independent, objective activity that enables a company to gain a degree of assurance (confirmation about the accuracy of its operations), provides necessary advice to improve them, contributes to creating added value, helps achieve its goals, and evaluates them in a systematic and organized manner in risk management, control, governance, and offers proposals to enhance its efficiency.

2- The Fundamental Components of the Internal Audit Function

According to Jacques Renard, the basic components of internal auditing (or internal control) are as follows : (Houas M. , 2020, pp. 195-217)

2-1- Internal auditing as an assistant to management : Internal auditing, above all, is a function within the organization that focuses on providing advice and guidance, without making decisions. This distinguishes it from the management role within the organization.

2-2-Without judging individuals: There are several factors that make it clear that it is not the responsibility of the internal auditor to judge the individuals being audited. The primary goal of internal auditing is to seek the best control over the organization's activities by aiming for optimal interaction and dynamics for the audited entity within the organization. Moreover, the responsibility for finding solutions to various problems and deficiencies identified through internal auditing rests with the organization's management. It should be noted that this does not mean that the various recommendations provided in this context have no impact on individuals.

2-3- With full independence: In order to achieve the expected objectives of the internal audit mission, it is necessary to ensure the greatest possible independence for the internal auditor in carrying out their task. In other words, efforts should be made to prevent the internal auditor from being subjected to any pressure or influence while performing their duties. Even though achieving this independence can be challenging (since the auditor is, first and foremost, an employee of the organization), it is possible to speak of the internal auditor's independence through the independence of the internal audit unit within the organizational structure of the institution, in addition to the objectivity of the auditor and their non-involvement in any personal conflicts of interest.

3- Objectives of Internal Auditing

Some experts summarize the objectives of internal auditing as follows:

- Help improve management by providing solutions and suggestions.
- Assist in achieving established goals by controlling risks.
- Create added value for the organization by offering practical solutions and suggestions.

Others believe that the development witnessed in internal auditing has led to a change in its objectives, which have become:

- ✓ Improving the organization's processes through senior management, which helps in preparing its strategy.
- ✓ As well as evaluating the implementation of that strategy and the resulting outcomes.
- ✓ Evaluating risk management systems and processes and providing solutions that allow for their improvement.
- ✓ Evaluating internal control systems and ways to enhance them.
- ✓ Contributing to corporate governance processes.

Due to the remarkable development in this activity, internal auditors in the 21st century are required to be prepared to audit almost anything, including operational processes, control systems and performance, information systems and financial data, fraud and manipulation, environmental reports, and performance and quality reports.

4- Internal Auditing Standards Within the framework of organizing the internal auditing profession, the Institute of Internal Auditors (IIA) issued a set of standards related to this in 1978. These standards have undergone several developments in line with the evolving role of this function and various global financial crises (Dhaif Allah, 2023, pp. 412-432). According to the 2008-2009 amendment, Regarding the attribute standards, accompanying implementation standards, as well as performance standards and accompanying implementation standards, which are part of the international framework for professional practice, in addition to the code of ethics (le code déontologique) and professional practice guidance.

4-1- Attribute Standards (1000 Series): These address the characteristics and qualities of organizations and individuals who carry out internal audit activities. They consist of four main standards, each divided into sub-standards covering objectives, authority and responsibilities (internal audit charter), independence and objectivity, proficiency and due professional care, quality assurance, and improvement programs. (Feroum, 2019, p. 7)

4-2- Performance Standards (The 2000 Series): They describe the nature of internal audit activities and set the qualitative criteria by which internal audit performance is measured. They consist of seven main standards, including managing the internal audit activity (annual plan), nature of work, engagement planning, engagement execution, communicating results, monitoring and tracking progress (work follow-up), and management's acceptance of risk.

To keep pace with developments in the world of finance and business, the Institute of Internal Auditors issued revised global internal audit standards on January 9, 2024, after four years of extensive consultations. They came into effect in January 2025 and represent an advanced step in the development of internal audit practices, aiming to clarify the role of the profession and reflect its constantly evolving nature. This document addresses the new standards and their implications for audit committees in particular. They have been organized into five main areas covering fifteen principles and fifty-four standards, which are as follows: (IIA, 2024)

- Purpose of internal audit
- Ethics and professionalism
- Governance of the internal audit function
- Management of the internal audit function
- Providing Internal Audit Services

GIAS 2024 also represents a pivotal step towards enhancing the level of internal auditing globally by:

- Raising the governance and accountability requirements for the internal audit function;
- Shifting the traditional perspective from 'compliance' to 'added value' and achieving organizational objectives;
- Incorporating new areas and risks that have become influential in the business environment;
- Providing a unified framework that helps organizations evaluate and improve the internal audit unit in line with global practices.

Third Axis: The Role of Internal Audit in Activating Corporate Governance

Internal auditing is considered one of the most important mechanisms of corporate governance, and it also serves as a link between its various other mechanisms. It works to serve parties that play a significant role in improving the governance process. The role of internal auditing in this context can be discussed through:

1- Internal auditing as a mechanism to curb creative accounting: The role of the internal auditor in limiting practices of creative accounting (which management often uses to achieve personal benefit) mainly lies in the procedures carried out during the auditing of financial statements. These include matters related to the institution's results, such as verifying revenue, cost of goods sold, operating expenses, results of non-routine activities, exceptional items, and unusual items (Mergheni, 2022).

Among these procedures are those related to the financial position (balance sheet) of the institution, such as verifying cash, current assets, accounts receivable, inventory, long-term financial investments, fixed assets, intangible assets, current liabilities, long-term liabilities, shareholders' equity, and contingent or conditional assets and liabilities. These include issues related to cash flows, such as classifying operating cash flows as investment or financing flows, manipulating the increase in operating cash flows by deferring the payment of due taxes, manipulating the increase in generated operating cash flows through accounts receivable by manipulating their due dates without actually collecting them, manipulating the increase in operating cash flows paid to suppliers through promissory notes or deferred payment checks, and including operating profit in exceptional or unusual gains (Mergheni, 2022)

2- The Role of Internal Audit in Improving the Quality of Financial Reports

Internal audit is considered one of the internal governance mechanisms as it contributes to improving the quality of financial reports according to several studies (Wilner and Schneider, 1990; Smith and Gordon, 1992; Schwartz and Young, 2005). There is an important and positive correlation between the

quality of internal auditing and the quality of financial reports and corporate performance reports, since the audit function, the internal audit can limit fraudulent practices in financial reports as well as curb fraud related to the misappropriation of company assets. Some studies also find that if internal auditing has the necessary independence, it will improve the control environment and reduce errors in reports. In addition, the likelihood of management manipulating financial reports is minimal if there is greater transparency in disclosure, which internal auditing works to achieve (Sennoussaoui, 2016, p. 100)

3- Internal auditing as a link between various governance mechanisms: Internal auditing is considered an active participant in governance. Some view the concept of corporate governance as being based on four main pillars: the board of directors, legal auditing, senior management, and internal auditing (Abbas, 2022). Referring back to the role of internal auditing as a link between various governance mechanisms, the modern definition issued by the Institute of Internal Auditors in 1999 indicated that the desired role of internal auditing lies in contributing to providing necessary recommendations to senior management, the board of directors, or the audit committee on whether the institution is on track to achieving its objectives or if there are risks or obstacles facing the institution.

The contribution of the internal audit function in supporting corporate governance is through the recommendations it provides to senior management, which are manifested in the independent evaluation of the internal control system and providing appropriate reports regarding it, contributing to the design of the internal control system, evaluating the efficiency of operations and administrative procedures, analyzing risks and providing assurances regarding their management, and facilitating various parties to perform self-assessments of risks and control systems. Additionally, it provides recommendations to the audit committee, including the basis for assurances regarding the performance of the internal control system in the organization, the objective and independent evaluation of accounting practices and financial reporting methods, objective analysis of risks related to accounting and control processes, and recommendations concerning investigation processes related to manipulation and fraud (Ferroum, 2019).

The importance of the relationship between internal auditing and the external auditor in corporate governance comes from the external auditor's reliance on the work of internal auditing when auditing the financial statements. The extent of reliance on internal audit work is affected by the integrity of management; the higher the integrity of management, the greater the external auditor's reliance on the internal audit department's work. External auditors rely on internal audit work both in testing the internal control system and in substantive testing, as well as relying on it when planning the external audit. The external auditor should review and have access to relevant internal audit reports and be informed of any significant matters that come to the internal auditor's attention which may affect their work. Similarly, the external auditor typically notifies the internal auditor of any significant matters that may impact the internal audit. (Hawas, 2022, p. 267)

Conclusion

We have tried through this study to present the role of internal auditing in activating corporate governance. We have found that the first hypothesis is valid, which states that internal auditing contributes to the implementation of institutional governance by ensuring the credibility and fairness of financial statements. We also confirmed the validity of the second hypothesis, which is based on the idea that the presence of internal auditing within the institution increases investors' confidence in its ability to achieve its objectives. Similarly, the third hypothesis, which states that internal auditing contributes to the accountability process of the board of directors, was validated. The study concluded with the following results:

✓ Internal auditing is no longer merely a traditional oversight function concerned with detecting errors and violations; it has become one of the key drivers of corporate governance and a strategic component within the framework of good management. The effectiveness of governance is closely linked to the strength and independence of the internal audit function, as well as its ability to provide

objective assurance regarding the efficiency of internal control systems, the transparency of financial reporting, and the integrity of organizational behavior.

✓ The presence of an independent and qualified internal audit department contributes to improving the quality of management decisions, strengthening trust between shareholders and executive management, and reducing practices of corruption and misuse of resources. Moreover, when internal auditing is conducted according to international professional standards, it serves as an effective tool for promoting principles of transparency, accountability, fairness, and responsibility, which form the essential pillars of corporate governance.

✓ The success of internal auditing in supporting governance requires a supportive institutional environment reflected in functional and structural independence from executive management, e-Adopting modern global standards for internal auditing, which focus on added value and strategic risk management, contributes to enhancing communication channels between the Audit Committee, the Board of Directors, and the internal audit management to ensure effectiveness and integration in governance tasks.

✓ Recent updates to governance principles, as well as global internal audit standards, have emphasized a shift from the traditional concept of the role of governance and internal auditing to a more comprehensive dimension, focusing on environmental and social governance and emphasizing the necessity of disclosing non-financial performance, particularly relating to corporate social and environmental responsibility.

✓ In light of these factors, it can be said that internal auditing is no longer merely a support function; it has become a strategic partner in corporate governance, contributing to improved organizational performance, the establishment of a culture of accountability, and ensuring sustained trust in the business environment. Therefore, empowering internal audit units and developing their human and technical capabilities is considered one of the most important pillars for building effective and sustainable governance in modern institutions. enabling the internal auditor to perform duties objectively.

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