E-ISSN: 2997-934X

American Journal of Business Practice
https://semantjournals.org/index.php/AJBP

| Research Article

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The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance

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Abstract: This research seeks to analyze and evaluate the role of internal oversight and auditing in enhancing the efficiency of institutional performance within the Basra Oil Company in Iraq, a vital institution requiring high levels of administrative and financial discipline. The research relied on a descriptive analytical approach, in addition to a quantitative approach through a questionnaire distributed to a sample of 300 employees from various departments.

The results revealed a tangible impact of oversight and auditing in reducing excess expenditures, limiting the recurrence of operational errors, and achieving the efficient use of resources. They also demonstrated the effectiveness of oversight in early detection of deviations and weaknesses in administrative systems, reflecting a growing organizational awareness of the importance of the oversight function.

Despite senior management's interest in oversight reports, the research results indicated that recommendations are not always implemented as required due to weak follow-up mechanisms or a lack of linkage between recommendations and administrative performance plans. The research also demonstrated that the whistleblowing system needs to enhance confidence and job protection for whistleblowers. The study recommends developing the efficiency of audit teams, establishing executive follow-up committees, and improving the regulatory environment that supports the implementation of recommendations. It also emphasizes the importance of integrating oversight and auditing within a broader corporate governance framework to ensure continuity and efficiency.

Key words: Internal control - Internal audit - Operational efficiency - Corporate performance.

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Introduction:

This theme reflects the importance of the internal audit function as an independent oversight tool that emerged in the last years of the last century. This function aims to achieve the objectives of the organization effectively and efficiently by evaluating and improving financial and administrative performance at all levels. Internal audit is based on analyzing institutional processes and making appropriate recommendations by following internal control evaluation methods.

In light of the rapid economic and organizational changes, the efficiency of institutional performance has become a key factor for the success of government and private institutions. Organizations face multiple challenges that require effective control systems to ensure efficient achievement of objectives, improve the quality of services, and ensure optimal use of resources without irregularities or waste.

Control and internal audit are essential tools to enhance this efficiency. Oversight follows administrative and financial processes to ensure compliance with policies and procedures, while internal audit assesses the effectiveness of these processes, detects weaknesses, and suggests improvements.

With recent developments and digital technologies, the need to update control and internal audit mechanisms to address new challenges such as cybersecurity, cyber fraud and regulatory complexities has increased.

First: The research problem:

The problem of this research is that there is a gap between what is stipulated in the laws and regulations of control and auditing and the reality of their practical application in institutions, which negatively affects the efficiency of institutional performance, despite the clarity of the theoretical and regulatory frameworks for the functions of control and internal audit, but there is a deficiency in activating them in a way that ensures the achievement of institutional objectives efficiently, andThe gap is clearly evident in the absence of effective control mechanisms within some institutions, or the weak response of management to internal audit recommendations, which weakens the ability of these tools to reduce administrative and financial corruption, and improve the quality of operations, and thus the research problem boils down to the main question: What is the role of control and internal audit in enhancing the efficiency of institutional performance?

Second: Research Questions:

Main question:

What is the role of control and internal audit in enhancing the efficiency of institutional performance?

Sub-questions:

1. To what extent does the internal control system contribute to improving administrative performance within your organization?
2. Are there clear mechanisms to follow up on the implementation of internal audit recommendations?
3. Does senior management respond to internal auditors' reports and recommendations?
4. To what extent does internal control and audit help in the early detection of deviations within the organization?

5. Do you think that having an effective control system reduces financial and administrative waste in the organization?

Third: The importance of research:

The importance of this research stems from two main aspects:

1. **Theoretical and scientific significance**

- Contributes to enriching the scientific literature related to the role of control and internal audit in improving the efficiency of institutional performance.
- It provides a modern analytical vision that combines theoretical concepts with international standards on auditing, supporting researchers and those interested in the fields of management and accounting.
- Helps to understand the relationship between internal control and auditing and between the concepts of governance and organizational efficiency, through systematic and systematic analysis.

2. **Practical and applied importance**

- Sheds light on the reality of the application of control and internal audit within institutions, and identifies strengths and weaknesses in practice.
- Provides actionable results and recommendations that can help officials and decision-makers develop control and auditing systems that will reflect positively on performance.
- Serves organizations in the public and private sectors by providing realistic assessment tools for the role of internal control and its direct impact on reducing waste and improving efficiency.

Fourth: Research Objectives:

This research seeks to achieve the following objectives:

1. Clarify the role of control and internal audit in improving the efficiency of institutional performance.
2. Measuring the extent to which the internal control system contributes to raising the quality of administrative performance within institutions.
3. Determine the effectiveness of mechanisms to follow up the implementation of internal auditors' recommendations.
4. Evaluate the degree of commitment of senior management to implement the outputs of control and internal audit.
5. Statement of the impact of control and internal audit in the early detection of deviations and violations.
6. Analyze the relationship between the effectiveness of the regulatory system and the reduction of financial and administrative waste within institutions.

Fifth: Research hypotheses:

1. The effectiveness of internal control leads to improved administrative performance within the organization.
2. The existence of mechanisms to follow up the implementation of internal audit recommendations contributes to raising the efficiency of institutional work.

3. The commitment of senior management to implement internal auditor reports enhances the effectiveness of the control system.
4. Control and internal audit contribute to the early detection of deviations and irregularities.
5. An effective regulatory system reduces financial and administrative waste rates in institutions.

Sixth: Research Methodology:

This research is based on the descriptive analytical approach, where data is collected from theoretical and field sources, and then analyzed in order to interpret the reality of control and internal audit and its impact on the efficiency of institutional performance.

The researcher also employs the quantitative approach by designing a questionnaire directed to a sample of employees in institutions, with the aim of measuring their opinions about the effectiveness of control and internal audit systems, and analyzing the results statistically to test the hypotheses of the study.

Seventh: Research Limits:

Objective limits:

The study deals with the role of control and internal audit in improving the efficiency of institutional performance, without addressing other forms of control such as external or judicial control, and focuses only on internal control and auditing as administrative tools within the institution.

Spatial boundaries:

The study is applied to the Basra Oil Company in the Republic of Iraq, as one of the largest and most important Iraqi institutions in the public sector, reflecting a complex administrative and financial regulatory environment.

Time limits:

The study period extends in 2025.

Human limits:

The study included a sample of Basra Oil Company employees working in the control, financial and administrative departments, who are directly related to the applications of control and internal audit.

Eighth: Research Community and Sample:

The research community consists of all employees working in the Basra Oil Company, who are directly involved in the control, auditing and management work, such as:

- Internal Audit Section
- Administrative and Financial Control Section
- Human Resource Management
- Financial Management
- Legal and Regulatory Affairs Units

As for the **research sample**, it was selected in a **stratified random manner** from among the employees of these departments to ensure the representation of the various administrative levels, by 300 individual employees.

Ninth: Theoretical Framework:

The first topic: the nature of internal audit

Internal audit is a control activity within the organization that aims to examine and evaluate operations to ensure compliance with policies and procedures, andis carried out by an employee within the organization, and has independence in submitting his reports to senior management and following up the implementation of recommendations, andthis independence differs from external audit that works outside the institution and does not have to follow up the implementation of recommendations, andinternal audit focuses on the validity of financial statements and the extent to which employees adhere to approved standards and policies.

The first requirement: the concept of internal audit and its importance:

First: The concept of internal audit:

Internal audit is meant as an independent purposeful activity that gives the organization insurance on the degree of effectiveness and efficiency of the operations in which it takes place, as well as gives advice in order to improve this effectiveness and efficiency and contributes to the production of added value, which helps the organization to achieve its objectives and evaluate them through an organized and systematic process.

[i] Internal audit is also meant as the process of analyzing and evaluating the effectiveness and efficiency of the rest of the organization's operations, as it covers all the functions of the organization from marketing, financial production, accounting and human resources. [ii]

He received several definitions, each according to his point of view, including the following:

The Institute of Internal Auditors (IIA) (1999) is one of the most important contributors to the interest in the internal audit function, and the definition it provided for internal audit is internationally relied upon as the most accurate and comprehensive, which is as follows: Internal audit is an independent and objective activity, which gives the company assurance and assurance on its operations, and provides tips to improve them and help create added value, and helps this institution to achieve its objectives through an organized and systematic evaluation of risk management, control, corporate governance processes in addition to providing suggestions to enhance Efficiency. [iii]

The Arab Society of Accountants defined internal audit as an internal function of the management of the economic unit to express an independent internal activity to establish administrative control, including the accountant to assess the extent to which the system is in line with what the management requires or work on the best use of its resources in order to achieve the productive efficiency of the facility.[iv]

Second: Advantages of Internal Audit:

Internal audit has the following characteristics:[v]

1. Independent evaluation function: means that the internal auditor is independent of the activities he or she reviews;
2. A consulting function that gives the management and board of directors of the institution appropriate studies and consultations to make appropriate decisions at the right time
3. Assurance function: evaluates the adequacy and effectiveness of the internal control system based on the results of the risk assessment to reassure management that these risks are understandable and can be dealt with in a timely manner
4. Objective function: It means that the auditor performs his work without bias and practices impartiality and justice in collecting and evaluating evidence and results, and objectivity is a

basic property as it allows the auditor to provide assurance and consultation services to the Board of Directors and all interested parties in the institution.

Third: Internal Audit Objectives:

The growing interest in internal audit is due to the importance it achieves for the company on the one hand, and the goals it pursues on the other.

Internal Audit pursues the following objectives:[vi]

1. Ensure the accuracy of the accounting statements recorded in the books and records so that they are relied upon as a sound basis for policymaking ;

2. Preserving the Foundation's funds and property from any loss, embezzlement, manipulation or misuse;

3. Inform the responsible bodies of the institution about the extent to which the practical application of the scheme and policies set to achieve the desired goals is in line with the practical application

4. Ensure the reliability and integrity of financial and operational information, as well as the means used to identify, classify and measure such information

5. Review the systems in place in the organization to ensure compliance with policies, plans, procedures, laws and regulations that have a material impact on processes and reports;

Second Requirement Types and Standards of Internal Audit

First: Types of Internal Audit

Internal audit is divided into three types: financial audit, operational audit and compliance audit:[vii]

Financial Auditing: Financial auditing is the oldest type of audit provided by internal audit, as internal audit was previously defined as: regular examination of financial operations and related accounting statements and records to determine the extent of compliance with generally accepted accounting principles, management policies and any other requirements set in advance.

Operational auditing is a performance measurement of a specific unit of the facility after studying it is done by evaluating the effectiveness of the unit, i.e. its ability to reach its set objectives and carry out its responsibilities and efficiency, which is the success of the unit in making optimal use of the available materials.

This type is considered an unconventional field of internal audit and is called administrative review or performance audit, and this type aims to achieve the efficiency and effectiveness of the exploitation of available resources, provide reports to various administrative levels, identify problems and try to reach a solution, so it is a comprehensive examination of the facility.

In light of the above, we find that internal audit plays a vital and important role in all the activities of the facility from financial activities, as it evaluates information systems, financial reports and the extent of reliance on them, and operational activities, where it evaluates the efficiency and effectiveness of functions and other methods used to ensure the achievement of the objectives of the facility in addition to auditing the extent of compliance with the controls and systems set.[viii]

Second: Internal Audit Standards

Internal audit activities take place in different cultural and legal environments and within companies with different objectives, sizes and organizational structures, and from the defect of people inside and outside the organization and these differences may affect the practice of internal audit activities in different environments, however, compliance with the International Standards

on Internal Auditing is necessary through which internal auditors fulfill their functional obligations towards the organization, as the IIA standards aim to achieve the following: [ix]

- Identify the basic principles that should be the practice of internal audit;
- Develop a general framework for the performance and strengthening of internal audit activities;
- Establish a basis for evaluating the performance of internal audit activities;
- Strengthen and improve organizational processes within the organization.

As a result of the adoption of the principles of governance by the majority of companies, the Institute of Internal Auditors had to develop a modern framework for the internal audit profession to be in line with the objectives, principles and pillars of governance because the internal audit function is an important and essential pillar of its pillars and in order to perform its work under this change, the internal audit standards were issued in 2001 and were amended in December 2003 and reissued in December 2004, the standards have defined the modern set of services performed by the internal audit function represented in Assurance and advisory services and developed in two sets of standards:[x]

Attribute criteria represented by the characteristics or characteristics of the parties performing internal audit activities.

Performance Standards: Describes the nature of internal audit activities and sets the metrics by which the performance of those activities is evaluated. Both groups included secondary standards represented by implementation standards, which applied to certain types of work.

The performance of these standards is related to the management of internal audit activities , the nature of work, obligations, planning, performance, communication results, and control procedures. These standards have been developed in major groups, including: independence, work efficiency, field of work, performance of the audit process, management of the internal audit apparatus, and the following is a summary of each group: [xi]

Independence: Auditors must be independent of the units whose transactions are subject to the audit process by them in order to achieve the performance of the work freely, objectively and without being subjected to any restrictions.

- The position in the organizational structure of the internal audit department and the entity to which it is associated in order to stay away from pressure and to freely fulfill its responsibilities in conducting the audit process.
- Objectivity: The audit body must be objective in its work and use impartiality and impartiality in the performance of its tasks.
- Work efficiency: Audit staff must have an acceptable level of technical skill, scientific qualification, decent appearance, persuasive manner, ability to understand others, and the need to continue the continuous education of auditors and improve their professional level;
- Area of work: The internal audit process should include, in addition to the financial audit and audit of operational processes, by conducting an assessment of the efficiency and effectiveness of the unit using the approved allocations and collecting the resources achieved for it, and the audit shall also bear the comparison of the scheme with the executor, and the identification and treatment of deviations;
- Performance of the audit process, which requires that a prior plan for the audit process be determined, followed up on its implementation, submits an objective report of the results to the competent authorities, and follows up on the results of the implementation of the observations received and the actions taken in this regard;

Professional competence: It is sometimes agreed that internal auditors have professional competence, experience, knowledge and skill to the extent that they can follow and evaluate internal control systems and the extent of compliance with the procedures of the systems, in addition to the ability to understand accounting, auditing and financial management matters and to have sufficient knowledge of financial reporting and the nature of the organization's activity or the field in which it operates, The complexity of financial instruments, the complexity of the capital structures of organizations, the emergence of new industries and the creative application of accounting standards together illustrate the importance of having qualified auditors to work in the field of auditing, and that the experience of auditors is one of the important pillars since many of the accounting problems that auditors must solve depend on personal judgment, which is undoubtedly influenced by the level of experience available to the auditor in the field of accounting and auditing.[xii]

The second topic: control and its relationship to the efficiency of institutional performance

Control is one of the basic administrative functions that are indispensable to ensure the effectiveness of institutions and achieve their goals efficiently, as control is not just a tracking of activities, but a tool to evaluate performance, correct deviations and achieve a balance between goals and results, and the importance of control is reflected in its ability to enhance transparency, improve the use of resources, and raise the level of organizational commitment, which is directly reflected in the efficiency of institutional performance.

The first requirement: the nature of censorship:

First: The concept of control

Idiomatic definition of censorship:

The definitions of control differed and varied between researchers and scholars of management, as each of them defined it from the angle of his specialization, some of them knew it from the perspective of performance control, some of them knew it from the perspective of accounting and financial control, and some of them knew it from the perspective of business management, and despite the different definitions, they unanimously agreed on the general principles of control, and agreed that control is an administrative tool that ensures the conduct of business in the proper and pre-planned direction.

Definition of control: It is an administrative process aimed at protecting the principle of legality and good conduct using both administrative and legal means.[xiii]

Second: The importance of administrative control

Control is one of the important administrative functions, because it contributes to ensuring the effectiveness of other administrative functions, and its importance can be summarized in the following points[xiv]:

1. Control and the functions of the administrative process interact and are mutually affected Oversight provides a framework for control and control, while the functions of the administrative process provide the information and data necessary to carry out control and make the right decisions.
2. Control is of great importance in the management of businesses and institutions, as it is considered a mechanism to measure the efficiency of the applied plans and methods of implementation and works to follow up the implementation of tasks and functions in accordance with predetermined standards.
3. and stimulate business sustainability.[xv]

Third: Objectives of Administrative Control:

Administrative control has multiple objectives that we will try to summarize in the following elements:[xvi]

1- Identify problems and obstacles and identify the main causes of those problems, and then provide innovative solutions to overcome them.

2- Detect and address errors as soon as they occur and before they escalate to correct them immediately

3- Monitoring decisions and optimizing the use of human resources[xvii]

The second requirement: the efficiency of institutional performance:

First: The concept of institutional performance:

It is the result of both individual performance and the performance of organizational units, in addition to the effects of the social, economic and cultural environment on them; the performance of individuals in the organization is measured by a certain set of measures, through which their performance is evaluated, in order to ensure that the work systems and means of implementation in each department achieve the largest possible amount of production at the lowest cost, and in the least time[xviii].

Second: The importance of institutional performance

The concept of strategic performance is of crucial importance to all organizations, because the stability, growth and survival of the system depends on its performance. It is one of the basic concepts of importance in management thought in general, and in business organizations in particular, because it is one of the requirements that the organization always tries to measure as long as it exists, which leads to its survival, decline or collapse.

Among the importance is also that it represents the central axis for predicting the success or failure of decisions, institutional strategic plans and planning, and represents the central axis for predicting the success or failure of decisions and institutional strategic plans, and represents the lack of consensus on standards that can represent all aspects of institutional performance, and the study and measurement of performance, especially in strategic matters, faces many challenges that reveal the difference in concepts and standards according to the different objectives and nature of the institution and the different parties involved in the institution, This requires identifying appropriate measures that can be used to measure performance, the sources of information used for measurement, how to integrate different measures to provide a realistic picture of the organization, and mentions the following benefits of applying institutional performance improvement:[xix]

- ✓ Determines how efficiently the organization uses its available resources.
- ✓ It is an important link in the integrated management process.
- ✓ Helps management make decisions.
- ✓ It helps to verify the ability of the organization to achieve its goals.
- ✓ Work on developing and improving performance by identifying obstacles, explaining their causes and proposing solutions
- ✓ The process helps to make the best use of the talent and superior energies available to perform the functions of the organization

Third: Institutional performance objectives.

The objectives of improving institutional performance include the following:[xx]

1. Provide decision-makers in the organization with information about the employee's satisfactory or unsatisfactory performance.
2. Identify the employee's competencies and potential for promotion or appointment to a leadership position.
3. Assist in determining the extent to which the employee contributes to achieving the goals of the organization or may take the form of a number of training courses inside or outside the organization, andfeedback is an indicator of the extent to which the desired goals have been achieved and the efforts made to improve them.
4. It is also a tool for reviewing workforce qualifications and proposing replacement with another workforce, helping the organization plan its workforce.

Tenth: Practical framework of research:

A- Stability of the questionnaire tool

To confirm the validity of the questionnaire tool and test its reliability, internal consistency was measured using Cronbach's alpha coefficient, which is one of the most common statistical methods for measuring stability, and is used to ensure that all listed statements measure the same dimension or concept coherently.

This test was applied to all 20 statements of the questionnaire, and the results of the stability coefficient were as shown in the following table:

Table 1 Explain Stability coefficient for testing the internal consistency of the questionnaire tool

Cronbach alpha coefficient	Number of ferries
0.909	20

The high value of the Cronbach alpha coefficient (0.909) indicates that the questionnaire tool has a high degree of internal consistency and stability, which enhances the reliability of its results.

B- Responses to personal data related to the search:

This paragraph aims to present and analyze the demographic data of the study sample, which was collected through the first section of the questionnaire, andthis data helps to understand the general characteristics of the participants, such as gender, age, educational qualification, years of experience, and career section, which are basic variables that can affect the nature of their responses and attitudes towards the subject of study.

These variables are also an important reference when analyzing the results and linking them to the independent variables, to ensure a more accurate and realistic interpretation of the extent to which respondents are aware of the role of control and internal audit in enhancing the efficiency of institutional performance.

Table 2 shows the distribution of the sex variable

Classification	Duplicate	Percentage
Female	102	34.0
Male	198	66.0
Total	100	100.0

Table (2) shows the distribution of the members of the research sample in the study "The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance" by gender variable, where the number of male participants reached (198) by (66.0%) of the total sample, while the number of female participants was (102) by (34.0%).

These results indicate that the majority of the participants in the study are male, which may reflect the nature of the job distribution in the administrative and financial departments within an institution such as the Basra Oil Company, which is predominantly male in many of its technical and administrative departments.andThis distribution can affect the quality of responses and response trends, especially in issues related to oversight, auditing and decision-making, which must be taken into account when analyzing and interpreting final results.

illustration 1 Gender variable distribution

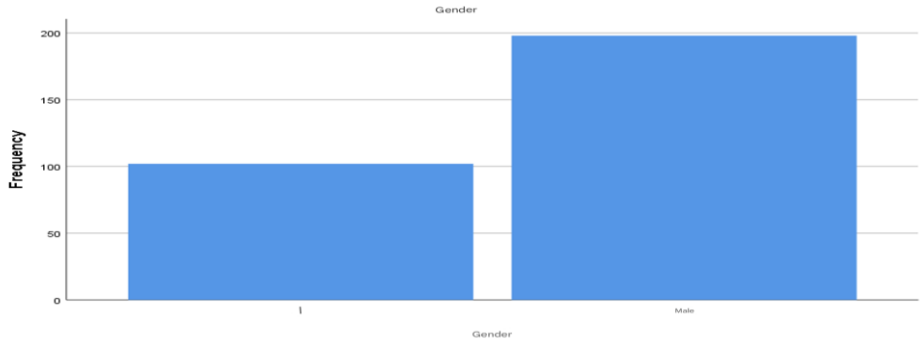


Table 3 Shows the distribution of the age variable

Percentage	Duplicate	Classification
18.0	54	less than 30 years old
50.0	150	From 30 to 40 years
18.0	54	From 41 to 50 years
14.0	42	More than 50 years
100.0	100	**Total**

Table (3) shows the age distribution of the members of the research sample In the study "The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance", it is clear that the age group from 30 to 40 years represents the largest percentage of the sample, reaching 50.0% of the total participants, which reflects that most of the employees in positions related to control and auditing within this professionally active category.

It was followed by the categories under 30 years old and from 41 to 50 years old, in an equal proportion (18.0%) each, indicating a relatively balanced representation of young and moderately experienced people، As for the category that exceeds 50 years accounted for the lowest participation rate (14.0%), which is expected in work institutions witnessing a gradual retirement of senior cadres.

illustration 2 Age variable distribution

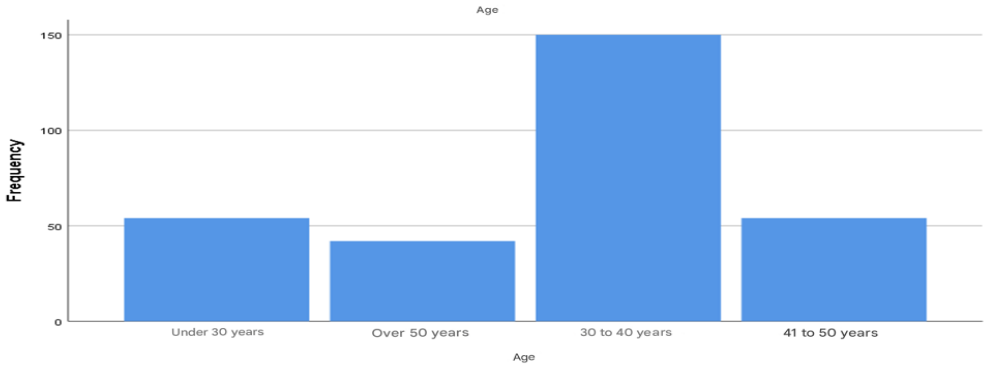


Table 4 Shows the distribution of the qualification variable

Percentage	Duplicate	Classification
15.0	45	**Diploma**
66.0	198	**Bachelor**
9.0	27	**Master**
10.0	30	**Doctorate**
100.0	100	**Total**

Table (4) shows the distribution of the research sample in the study "The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance" according to the variable of academic qualification, andthe results indicate that the majority of participants hold a bachelor's degree by 66.0% of the total sample, which indicates that this degree is the most common qualification among employees within the target institution.

They are followed by diploma holders by 15.0%, then doctoral holders by 10.0%, and finally master's degree holders by 9.0%, which reflects the scientific diversity in the sample despite the clear predominance of bachelor's holders.

This diversity of educational levels adds value to the results of the study, as it allows understanding how scientific background affects the perception and evaluation of the role of control and internal audit within the organization..

illustration 3 Distribution of the academic qualification variable

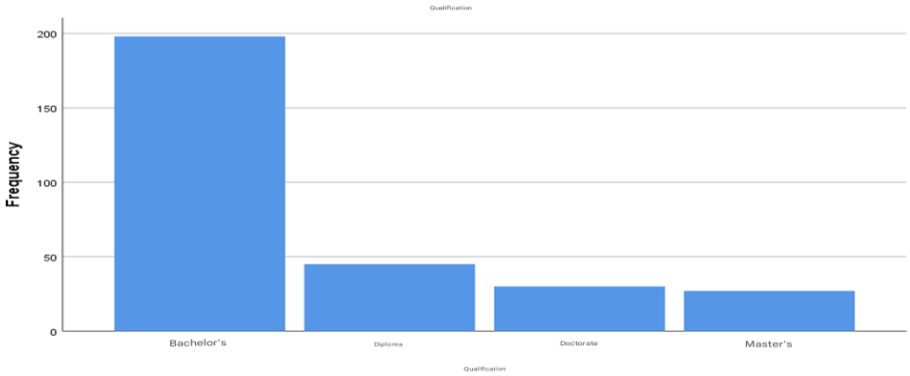


Table 5 Shows the distribution of the work experience variable

Percentage	Duplicate	Classification
33.0	99	Less than 5 years
20.0	60	5-10 years
25.0	75	11-15 years old
22.0	66	More than 15 years
100.0	100	**Total**

Table (5) shows the distribution of respondents according to years of work experience, and the results indicate that the highest percentage of participants (33.0%) have less than 5 years of experience, which indicates that there is a large percentage of relatively new employees within the sample.

This is followed by the 11-15 years old category at 25.0%, which represents an experienced segment with advanced work experience, followed by the category over 15 years old at 22.0%, reflecting a clear presence of long experience, and the 5-10 years category at 20.0%.

This distribution reflects a diversity of experience among the respondents, allowing a more comprehensive assessment of the subject of control and internal audit from perspectives that combine recent experience with long experience in the institutional work environment.

illustration 1 Variable distribution of work experience

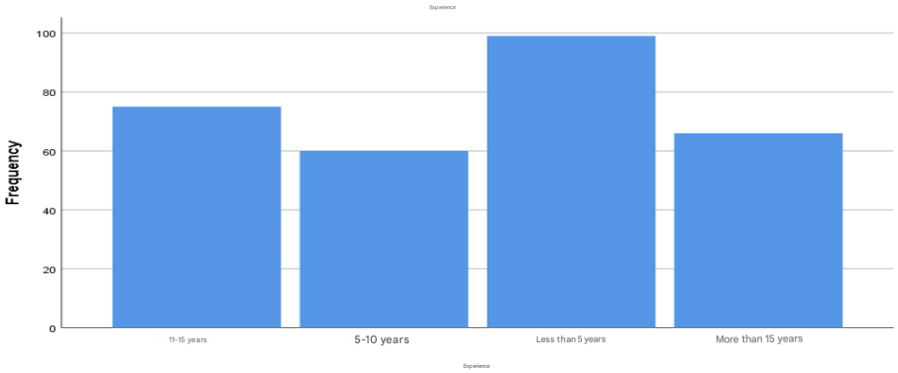


Table 6 Shows the distribution of the partition variable

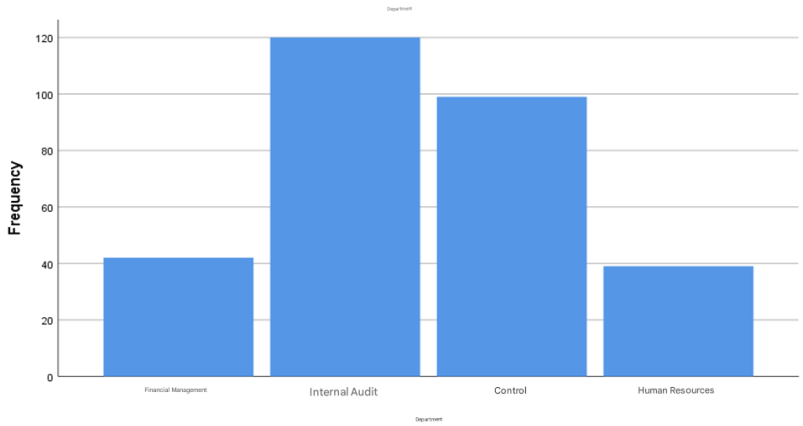
Percentage	Duplicate	Classification
14.0	42	Financial Management
40.0	120	Internal Audit
33.0	99	Censorship
13.0	39	Human Resources
100.0	100	**Total**

Table (6) presents the distribution of the sample according to the functional sections of the participants in the study "The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance", it is found that the largest percentage of the sample works in the internal audit department by 40.0%, which reflects the study's focus on the group that is most in direct contact with audit and control practices.

Followed by the category of employees in the control department by 33.0%, which indicates a strong representation of employees in the control field within the organization, while the financial management department participated by 14.0%, and the human resources department by 13.0%, which enhances the diversity of the sample with a focus on the departments directly related to the subject of study.

This distribution enhances the credibility of the results, as it covers a range of vital sections related to control and internal audit practices, giving the study a more accurate applied dimension.

illustration 2 Partition variable distribution



C- Research Axes Responses:

The responses of the research axes represent the main tool for analyzing the reality of control and internal audit within the institution under study, by measuring the extent to which the participants realize the role of these control functions in enhancing the efficiency of institutional performance, and the questionnaire was designed to cover six main axes, including the effectiveness of internal control, follow-up of the implementation of audit recommendations, the commitment of senior management, detecting deviations and violations, reducing financial waste and improving operational efficiency, in addition to the general characteristics of the respondents.

These axes aim to provide a comprehensive perception of the level of application of control and auditing, and the strengths and shortcomings of daily practice within the institution, and the data extracted from these axes help link the theoretical side of the study with the practical reality, by analyzing the sample answers and interpreting them statistically and systematically.

First Theme: Effectiveness of Internal Control

Table 7 Distribution of research sample responses to the axis of "Internal Control Effectiveness"

Standard deviation	Arithmetic mean	I strongly agree	I agree	neutral	Disagree.	Strongly disagree	Ferry
2.27	0.87921	57 (19.0%)	127 (42.3%)	101 (33.7%)	8 (2.7%)	7 (2.3%)	Internal control in the organization is clear and specific tasks
2.62	1.07367	49 (16.3%)	91 (30.3%)	98 (32.7%)	49 (16.3%)	13 (4.3%)	Internal control helps improve managerial performance
2.23	0.89702	65 (21.7%)	124 (41.3%)	96 (32.0%)	8 (2.7%)	7 (2.3%)	Internal control contributes to compliance with regulatory procedures
2.05	0.81837	67 (22.3%)	170 (56.7%)	51 (17.0%)	5 (1.7%)	7 (2.3%)	Control procedures are reviewed and updated periodically
100 (100%)							Total

The results of this table reflect a significant shift in respondents' attitudes towards positivity compared to previous results for the same theme, indicating a growing awareness of the importance of internal control within the organization. The first statement, "internal control in the organization is clear and task-specific", received a low arithmetic mean (2.27) with a good standard deviation (0.87), and more than 61% of the sample agreed on the clarity of control functions, indicating a clear structural organization of control functions within the organization. The second statement, "Internal control helps in improving administrative performance", it recorded a higher average (2.62) and a greater deviation, which reflects the existence of more

divergent opinions, although 46.6% of the sample supported this effect, which is a relatively positive indicator.

The third statement, "Oversight contributes to compliance with regulatory procedures", came with relatively strong results, with approximately 63% of respondents agreeing with it, and its arithmetic average (2.23) indicates remarkable satisfaction with the organization's commitment to applying regulatory procedures through control, and finally, the fourth statement, "Control procedures are reviewed and updated periodically", was the strongest in this axis in terms of support (79%), and recorded the lowest arithmetic average (2.05)., which indicates widespread satisfaction among participants with the existence of a review and periodic update of control procedures.

In general, these results reflect the relative effectiveness of the internal control system within the organization, especially in terms of structural clarity and regular updating, with more effort needed to activate the impact of control on improving managerial performance and applying procedures more practically.

Second Theme: Follow-up on the implementation of internal audit recommendations

Table 8 Research Sample Responses to the Theme of "Follow-up on the Implementation of Internal Audit Recommendations"

Ferry	Strongly disagree	Disagree.	neutral	I agree	I strongly agree	Arithmetic mean	Standard deviation
There are clear mechanisms to follow up on the implementation of recommendations	3 (1.0%)	5 (1.7%)	65 (21.7%)	119 (39.7%)	108 (36.0%)	0.85403	1.92
Actual action is taken based on audit reports	3 (1.0%)	5 (1.7%)	60 (20.0%)	173 (57.7%)	59 (19.7%)	0.74211	2.07
There is a periodic follow-up of the results of the audit by the management	3 (1.0%)	5 (1.7%)	18 (6.0%)	127 (42.3%)	147 (49.0%)	0.75772	1.63
Auditors' recommendations are documented and implemented according to a time plan	6 (2.0%)	4 (1.3%)	6 (2.0%)	144 (48.0%)	140 (46.7%)	0.76966	1.64
Total	100 (100%)						

The results of this theme reflect a high level of satisfaction and positive agreement by respondents on the reality of following up and implementing internal audit recommendations within the organization, as all four statements showed low arithmetic averages (less than 2.10), a statistical indicator indicating that most respondents chose "strongly agree" or "agree", i.e. on the positive end of the Likert scale.

The first statement, "There are clear mechanisms to follow up on the implementation of recommendations", received a high approval rate of 75.7%, indicating that the institution adopts clear systems and procedures to follow up on the implementation of the audit reports issued,

followedby the second statement, "actual actions are taken based on audit reports", in which 77.4% of the participants received approval, which reflects that management does not only receive reports, but actually takes the initiative to implement the recommendations contained therein..

In the third statement, "there is periodic follow-up of audit results by management", the approval rating was 91.3%, which is one of the highest in this axis, which indicates a regular management commitment to evaluating the audit results and reviewing them periodically,as well as the last phrase, "auditors' recommendations are documented and implemented according to a time plan.", with 94.7% support, with a very low arithmetic average (1.64), reflecting a strong organizational culture towards implementing recommendations within a clear and scheduled plan.

In general, these results reflect the existence of an effective and integrated system to follow up on the implementation of internal audit recommendations, supported by clear procedures, serious management interaction, and a high level of organization within the organization, which contributes to achieving control objectives and continuously improving institutional efficiency.

Third Theme: Senior Management Commitment

Table 9 Research Sample Responses to the Axis of "Senior Management's Commitment to Audit Reports and Recommendations""

Ferry	Strongly disagree	Disagree.	neutral	I agree	I strongly agree	Arithmetic mean	Standard deviation
Senior management pays serious attention to audit reports	6 (2.0%)	2 (0.7%)	27 (9.0%)	142 (47.3%)	123 (41.0%)	0.80497	1.75
Formal meetings are held to discuss the results of internal audit	5 (1.7%)	9 (3.0%)	23 (7.7%)	162 (54.0%)	101 (33.7%)	0.81427	1.85
The Department provides resources for the implementation of recommendations	5 (1.7%)	3 (1.0%)	59 (19.7%)	114 (38.0%)	119 (39.7%)	0.87692	1.87
Management adheres to improvement decisions resulting from audits	3 (1.0%)	4 (1.3%)	39 (13.0%)	138 (46.0%)	116 (38.7%)	0.78872	1.80
Total	100 (100%)						

The results of this pillar reflect a high level of positive agreement among participants about the commitment of senior management within the organization to internal audit reports and recommendations. All the arithmetic averages of the four statements range between (1.75) and (1.87), which is in the strong positive part of the rating scale, which indicates that the overwhelming majority of respondents believe that senior management is performing its oversight role seriously and with a clear response.

The first statement, "Senior management pays serious attention to audit reports", received the highest approval rate (88.3%), with an arithmetic average (1.75), indicating actual management awareness of the importance of control information received from audit units, and the second statement, "Formal meetings are held to discuss the results of internal audit.", supported by 87.7% of respondents, reflecting an institutional environment that encourages dialogue and continuous evaluation of oversight observations within the regulatory framework.

The third statement, "Management provides the necessary resources to implement recommendations", also recorded an approval rating of 77.7%, indicating the actual allocation of resources supporting the implementation of improvement decisions, which is a prerequisite for the success of the oversight role, and finally, the statement "Management is committed to improvement decisions resulting from audits" received approval from 84.7%, reflecting the positive interaction between the audit unit and senior management and the transformation of recommendations into actual implementation.

These results indicate that the studied organization has a senior management system with a high degree of control and executive awareness, where recommendations are taken seriously, followed up with regular meetings and translated into actual decisions supported by resources, which enhances the effectiveness of the audit function and raises the efficiency of institutional performance as a whole.

Fourth Theme: Detection of deviations and irregularities

Table 10 Research sample responses to the axis of "detection of deviations and irregularities"

Ferry	Strongly disagree	Disagree.	neutral	I agree	I strongly agree	Arithmetic mean	Standard deviation
Censorship helps detect errors before they escalate	4 (1.3%)	5 (1.7%)	39 (13.0%)	133 (44.3%)	119 (39.7%)	0.82354	1.81
Distractions are reported quickly and transparently	2 (0.7%)	4 (1.3%)	56 (18.7%)	121 (40.3%)	117 (39.0%)	0.81712	1.84
Internal Audit Reveals Weaknesses in Management Systems	3 (1.0%)	4 (1.3%)	42 (14.0%)	112 (37.3%)	139 (46.3%)	0.82330	1.73
There is a system for whistleblowing without fear or hesitation	5 (1.7%)	4 (1.3%)	80 (26.7%)	133 (44.3%)	78 (26.0%)	0.85175	2.08
Total	100 (100%)						

The results of this axis reflect a high level of conviction among the participants of the effectiveness of internal control and audit units in detecting errors and deviations within the institution, as all arithmetic averages were less than 2.10, which statistically indicates that there is great agreement among the sample members.

The first statement, "oversight helps detect errors before they escalate", received an 84% approval rating, which indicates the existence of control systems that work preventively and are able to

identify defects at early stages, followedby the second statement, "deviations are reported quickly and transparently", with a support rate of 79.3%, reflecting a work environment that supports transparency in dealing with errors and deviations, which is a positive sign of the integrity of the organizational structure.

The third statement, "Internal audit reveals weaknesses in management systems", recorded the highest support in the axis at 83.6%, with a very low arithmetic average (1.73), which highlights the pivotal role of the audit unit in improving the performance of the organization by discovering administrative and organizational gaps.

The fourth statement, "There is a system for whistleblowing without fear or hesitation", and although it came with the highest average relatively in this axis (2.08), the approval rating reached 70.3%, which is a positive indicator that shows a relatively safe environment for reporting, with the need for more effort to enhance employee confidence in the protection of whistleblowers.

The results of this pillar reflect the existence of an effective control environment within the institution, and confirm that control and audit systems are not limited to formal review, but contribute to the early detection of violations, and provide clear and transparent reporting mechanisms, which supports institutional performance and reduces the chances of organizational risks.

Fifth Theme: Reducing Financial and Administrative Waste

Table 11 Research Sample Responses to "Reducing Financial and Administrative Waste and Improving Operational Efficiency"

Standard deviation	Arithmetic mean	I strongly agree	I agree	neutral	Disagree.	Strongly disagree	Ferry
2.13	0.77414	56 (18.7%)	163 (54.3%)	72 (24.0%)	5 (1.7%)	4 (1.3%)	Control system reduces excess expenses
1.97	0.83552	88 (29.3%)	149 (49.7%)	52 (17.3%)	6 (2.0%)	5 (1.7%)	Oversight reduces the frequency of operational errors
1.87	0.83643	111 (37.0%)	128 (42.7%)	52 (17.3%)	6 (2.0%)	3 (1.0%)	Resources are used effectively as a result of an audit
1.91	0.89545	108 (36.0%)	128 (42.7%)	54 (18.0%)	2 (0.7%)	8 (2.7%)	Auditing helps improve an organization's operational efficiency
100 (100%)							Total

The results in this theme reflect a high level of conviction among participants of the role of control and internal audit in raising the efficiency of institutional performance and controlling resources. All four statements scored arithmetic averages below 2.15, which is within the positive limit on the Likert scale, reflecting strong support for the idea that control is not exercised in a formality, but actually affects the reduction of waste and the improvement of the efficient use of resources.

The first statement, "the control system contributes to reducing excess expenses", showed approval by 73%, which is an indicator of employees' awareness of the impact of control on reducing unnecessary expenses, but it came in with the highest average in the axis (2.13), indicating that this aspect still needs to be further strengthened.

The second statement, "Control reduces the frequency of operational errors," was supported by 79% of respondents, a strong percentage that shows the role of oversight in improving processes and avoiding unproductive duplication. The third statement, "resources are used effectively as a result of auditing", reinforces this perception with 79.7% supporting, demonstrating the effectiveness of audit tools in directing resources.

The fourth statement, "Audit helps improve the operational efficiency of the organization", clearly supported this trend, with an approval rate of 78.7%, reflecting confidence in the ability of audit systems to support operations and improve organizational performance in a comprehensive manner.

These results indicate that control and auditing in the organization do not operate in isolation from day-to-day operations, but actually contribute to controlling expenditures, improving resource allocation, reducing redundancy, and enhancing operational efficiency, which is key to achieving sustainable and effective organizational performance.

The end:

This research came within the framework of a scientific attempt to understand and evaluate the extent to which control and internal audit systems contribute to supporting the efficiency of institutional performance, through an applied study on the Basra Oil Company as a model for vital public sector institutions in Iraq, and the research started from the central premise that the existence of an effective control and audit system reflects positively on the quality of administrative performance, the effectiveness of the use of resources, and the achievement of operational efficiency.

Eleventh: Conclusions and Recommendations:

A- Conclusions:

1. The effectiveness of internal control has improved in organizational aspects more than operational

The results of the first axis showed that participants feel clarity in the tasks of control and modernization of procedures, but they are less convinced of their ability to improve administrative performance, and this is in line with studies such as the study (Al-Obaidi, 2020), which confirmed that regulatory control is strong in Iraqi institutions, but its operational effectiveness is still limited.

2. The recommendation follow-up system is effective and in place but is not sufficient for full implementation

A large percentage of respondents confirmed the existence of mechanisms to follow up on recommendations, but the weakness of their full implementation weakens the final impact on performance, andthe result supports the findings of a study (Al-Khatib, 2019) on the gap between the issuance of reports and their actual implementation.

3. Senior management is responsive but needs increased executive response

The data showed that management pays attention to reports and holds meetings but does not always provide sufficient resources and does not adhere to all recommendations systematically, and this is in line with the results of a study (Jabr, 2021) that linked poor implementation to the absence of strategic oversight by senior management.

4. Control and internal audit are effective in detecting administrative deviations

The averages of the fourth axis indicate that employees trust the ability of the audit to detect gaps, especially in the administrative system, with a relative environment for reporting violations, and this intersects with the conclusion of a study (Mansour, 2022) on the effectiveness of control in Iraqi oil institutions.

5. The impact of oversight in reducing financial waste and improving efficiency is tangible but needs to be strengthened

Although most respondents supported a positive effect, the variation in arithmetic averages indicates that this effect is not uniform across all departments, whichmeans that the application of control varies from one department to another, the same result that appeared in a study (Hassan, 2018) on financial control in oil companies.

B- Recommendations:

1. Developing the efficiency of employees in control and audit units by organizing continuous training programs that enhance their technical capabilities and enable them to use more advanced digital tools.
2. Link the implementation of audit recommendations to management's job performance plans so that compliance turns into a management responsibility with tangible results.
3. Establish a committee to follow up the implementation of recommendations within the organization that includes representatives from oversight, auditing, and management to ensure serious interaction with the outputs of reports.
4. Restructuring the whistleblowing system so that it is protected and effective and encourages employees to report without fear, with a rewards system for effective whistleblowers.
5. Adopting international standards of corporate governance and linking them to control and auditing to ensure the effectiveness of the system as a whole, reduce dependence on individuals, and enhance institutional continuity.

Supplements

Questionnaire

"The Role of Control and Internal Audit in Enhancing the Efficiency of Institutional Performance"

(Basra Oil Company – Iraq)

First: Introduction to the questionnaire

Dear Participant,

This questionnaire is conducted as part of an academic study aimed at measuring the role of control and internal audit in improving the efficiency of institutional performance. Please respond accurately and transparently, noting that the data will be used for research purposes only and confidentially.

Second: General Data

Sex:

□ male □ female

Lifetime:

□ under 30 years □ 30 to 40 years □ 41 to 50 years □ over 50 years

Qualification:

□ Diploma □ Bachelor □ Master □ PhD

Years of Experience:

□ Less than 5 years □ 5–10 years □ 11–15 years □ over 15 years

Section:

□ Internal Audit □ Control □ Financial Management □ Human Resources □ another department (please specify) .....

Third: Questionnaire Phrases

Please indicate the degree to which you agree with the following statements according to the following table:

Evaluation	Icon
I strongly agree	1
I agree	2
neutral	3
Disagree.	4
Strongly disagree	5

First Theme: Effectiveness of Internal Control

Internal control in the enterprise is clear and specific tasks.

Internal control helps improve managerial performance.

Internal control contributes to compliance with regulatory procedures.

Control procedures are reviewed and updated periodically.

Second Theme: Follow-up on the implementation of internal audit recommendations

There are clear mechanisms to follow up on the implementation of recommendations.

Actual action is taken based on audit reports.

There is a periodic follow-up of the results of the audit by the management.

Auditors' recommendations are documented and implemented according to a time plan.

Third Theme: Senior Management Commitment

Top management pays serious attention to audit reports.

Formal meetings are held to discuss the results of the internal audit.

The Department provides the necessary resources to implement the recommendations.

Management adheres to improvement decisions resulting from audits.

Fourth Theme: Detection of deviations and irregularities

Censorship helps detect errors before they escalate.

Deviations are reported quickly and transparently.

Internal audit reveals weaknesses in management systems.

There is a system for whistleblowing without fear or hesitation.

Fifth Theme: Reducing Financial and Administrative Waste

The control system contributes to the reduction of excess expenses.

Censorship limits the frequency of operational errors.

Resources are used effectively as a result of an audit.

Auditing helps improve the operational efficiency of the organization.

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