

Louvain School of Management

The impact of organizational culture on internal audit effectiveness

Author : Jérémie Vander Veken
Supervisor(s) : Gerrit Sarens
Academic year 2019-2020



LOUVAIN

School of Management

Université catholique de Louvain

Louvain School of Management

The impact of organizational culture on internal
audit effectiveness.

Supervisor

Gerrit Sarens

Master's thesis presented in
partial fulfilment of the
requirements for the degree of
Master of Business Engineering

By **Jérémie Vander Veken**

Academic year 2019 – 2020

Acknowledgements

As a foreword to this master's thesis, I would like to express my thanks to the people who helped and supported me during the completion of this thesis, and more specifically :

Mister Sarens, supervisor of this thesis, for his help and guidance.

The ten internal auditors interviewed, for their valuable time and essential input for the empirical analysis.

My parents and my sister, for their support throughout my studies.

My girlfriend Clara, for her help and support during the writing of this thesis.

Table of contents

Introduction	1
Part 1 – Literature review	3
1. Internal audit: definition, key elements, and processes.....	3
1.1. Definition and mission.....	3
1.2. Independence and objectivity.....	4
1.3. Internal audit process: the steps.....	5
2. Internal audit effectiveness	7
2.1. Effectiveness: concepts and definitions.....	7
2.2. Effectiveness of the internal audit function	7
2.3. Measuring the internal audit effectiveness.....	9
3. Organizational culture: key concepts, models, and research questions.....	11
3.1. Definitions and key concepts.....	11
3.2. Models of organizational culture	11
3.3. Organizational culture: the GLOBE model	13
3.3.1. Power distance	13
3.3.2. Uncertainty avoidance	13
3.3.3. Assertiveness	14
3.3.4. Future Orientation	15
3.3.5. Performance Orientation.....	16
3.3.6. Humane Orientation.....	16
3.3.7. Gender Egalitarianism	17
3.3.8. Institutional Collectivism.....	18
3.3.9. In-Group Collectivism	18
3.4. Other factors impacting the effectiveness	19
3.4.1. Organizational independence	19
3.4.2. Top management support	20
Part 2 – Empirical Analysis	22
1. Research methodology	22
2. Data collection method.....	22
3. Questionnaire and interviewees presentation	23
3.1. Questionnaire and conduct of the interviews	23

3.2. Presentation of the interviewees.....	24
4. Interview Analysis.....	27
4.1. Transcription and coding of the interviews.....	27
4.2. Presentation of the results.....	28
4.2.1. Internal audit effectiveness.....	29
4.2.2. Organizational culture.....	34
4.2.3. Other factors linked to internal audit effectiveness.....	43
4.2.4. Conceptualisation : links between the results and the theory.....	45
4.2.5. Summary Table.....	50
Limitations.....	52
Conclusion.....	54
Bibliography.....	57
Annexes.....	63
Annexe 1 : Interview guide.....	63
Annexe 2 : Interview no. 1.....	66
Annexe 3 : Interview no. 2.....	81
Annexe 4 : Interview no. 3.....	91
Annexe 5 : Interview no. 4.....	99
Annexe 6 : Interview no. 5.....	111
Annexe 7 : Interview no. 6.....	118
Annexe 8 : Interview no. 7.....	130
Annexe 9 : Interview no. 8.....	139
Annexe 10 : Interview no. 9.....	151
Annexe 11 : Interview no. 10.....	161

Introduction

Nowadays, organizations are growing in a more and more complex environment and become themselves more complex. Therefore, the internal audit function becomes increasingly essential for any kind of organization. By giving an independent, unbiased and insightful assurance that the organization is correctly managing its risks, governance, and internal processes, the internal audit function directly adds value to the organization and provides advice to help improving its effectiveness in terms of management and governance. Thus, we can see why it is important to research how to have a more effective internal audit.

Furthermore, the internal audit function has considerably changed over the years. Years ago, the function was a tool to ensure everything was working as it should, but only checked what had been done without really looking to the future. Today, the function is focused on the notion of added value it can give to the organization. To do so, the internal audit function bases its work on mitigating the potential risks that could be encountered in the future, in order to improve the processes of an organization, as well as how it is governed. Thus, one could wonder how the internal audit function can be more effective, which characteristics improve that effectiveness and which do not.

The main question here is to know how the organization culture affects the internal audit effectiveness. The organizational culture is a very common term we can hear quite frequently but without knowing exactly its meaning because it encompasses many notions. The culture of an organization defines the way people reacts to change, competition, cooperation and more globally the way they react to everyday issues. Thus, it is possible that the culture has an impact on the internal audit, how the auditors work and how the auditees react to the audit. The underlying question and main objective of this thesis becomes what elements of the organizational culture affects the internal audit effectiveness and how.

This topic is of the utmost importance and has already been the subject of several studies and scientific research. However, there is still a lot to be said and many questions to answer. Understanding precisely what has an impact on the internal audit effectiveness

would allow the organizations to take the necessary measures to improve their audit function and hence, to improve their performance and governance.

Since the objective of this thesis is to reach a better understanding of the phenomenon, we will conduct a qualitative research on this specific subject, which is more relevant in order to understand what is not yet fully understood. This research will be based on relevant and well-known models to determine the culture of an organization and its internal audit effectiveness.

This thesis is composed of two parts. The first one focuses on the literature review and gathers the useful knowledge necessary to define and understand the concepts of internal audit, effectiveness, and organizational culture. From this literature review, we will also determine our research questions that will be analysed in the second part. This second part, the empirical analysis, addresses the methods we used to collect and analyse the data necessary to find the potential relations between the organizational culture and the internal audit effectiveness. We will then present our results before discussing the limitations of our research.

Part 1 – Literature review

1. Internal audit: definition, key elements, and processes

This first section lays the foundation of the thesis and covers the concept of internal auditing. First, we will detail and define precisely what internal auditing (IA) is and the audit function within an organization, as well as its purpose and missions. Then, we will cover the objectivity and independence of the internal audit function (IAF), which are two central concepts and without which internal auditing would be irrelevant for the organizations. Finally, we will detail the four main steps that compose any audit process.

1.1. Definition and mission

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

In order to perfectly understand the purpose of internal auditing, it is also important to know its mission and activities. First, the IIA defines the mission of internal audit as « To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight » (IIA, n.d.-b).

Such a mission englobes many different activities, the main ones being (IIA, n.d.-c) : «

- Assessing the management of risk
- Assisting management in the improvement of internal controls
- Reporting risks to the executive management
- Evaluating controls and advising managers at all levels
- Evaluating risks
- Analysing operations and confirm information
- Working with other assurance providers »

Through those missions and activities, what is wanted from the internal audit function is to add value to the organization by improving the identification, monitoring, and management of the risks incurred by it, as well as improving the processes within the company to reach efficient governance and control mechanisms (Hermanson & Rittenberg, 2003).

It is also useful to note that any activity within the organization could be subject to the audit process. Therefore, auditors are allowed to have access to any piece of information available in order to reach their objectives (Commission Bancaire et Financière, 2002).

1.2. Independence and objectivity

The independence and objectivity of the internal audit are two key points of the IIA Guidance. These criteria are indeed essential to ensure that the outcome of an audit is truly relevant and useful to the organization and adds value to it.

According to the IIA, independence is « the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the chief audit executive has direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship. Threats to independence must be managed at the individual auditor, engagement, functional, and organizational levels » (IIA, 2017, pp.3-4).

On the other hand, objectivity is defined as « an unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. Objectivity requires that internal auditors do not subordinate their judgment on audit matters to others. Threats to objectivity must be managed at the individual auditor, engagement, functional, and organizational levels » (IIA, 2017, p. 4).

Thus, independence and objectivity are both needed by auditors to allow them to correctly carry out their missions. Therefore, the organization has to ensure the status of the internal audit function through a charter defined by the IAF and approved by the executive committee and the board of directors. This document itemizes the function,

objectives, and competencies of the IAF within the organization (Commission Bancaire et Financière, 2002).

To ensure the auditors' objectivity, they should be clear of any conflict of interest related to their position and mission in the organization, which risks altering their judgment and which will diminish the trust between them and other members of the organization (Commission Bancaire et Financière, 2002).

1.3. Internal audit process: the steps

Now that the roles and missions of internal audit have been covered, as well as the importance of its objectivity and independence, what is also important to understand is the process followed by auditors during an internal audit. Typically, the process mainly consists of four steps or phases, but they are frequently more steps, which differs from audit to audit.

I. Planning phase

The first step consists in identifying what exactly is to be audited and in which organization and department; to set goals to be achieved by the end of the internal audit and how to reach them (e.g. how many auditors and budget needed or which processes to use). This first phase is important for the next steps and relies on the relevant background information gathered by the auditors (Fédération Wallonie-Bruxelles, n.d.).

II. Execution phase

During the execution phase, the auditors are testing every goal that was set during the planning phase and they gather the data relevant to measure whether those goals are achieved, in order to assess to which extent the organization or department runs correctly or what can be done to improve their processes. Auditors determines whether or not the processes are well functioning by analysing databases, interviewing employees, through observations, etc (Hammar, n.d.).

III. Reporting phase

During and after the execution phase, auditors write down the findings and bring them together in a report intended for the audited departments and their management. The report summarizes the observations and conclusions of the internal audit concerning the effectiveness of processes and risk management as well as the comments and recommendations addressed to the managers to help them implementing an action plan and improving what can be improved (Commission Bancaire et Financière, 2002).

Independence and objectivity of the internal audit function are particularly important during this phase since the comments and recommendations given in the report could be misjudged or ignored by the concerned parties if the auditors are believed to have conflicts of interest.

Furthermore, auditors should be mindful of how they address the recommendations to minimize the negative impact they could have on audited people. To do so, it is necessary that the report is reviewed and accepted by an experienced internal auditor (e.g. senior employee) and that the recommendations follow several key criteria. Indeed, the recommendations should be organized from the bigger risks for the organization to the smaller ones and be attached to an action plan and the schedule needed to run it, in order to help the company to focus on the most important first (Australian National Audit Office, 2012).

They should also be « action-oriented, practical and cost-effective to implement and address the underlying issue identified by the audit » (Australian National Audit Office, 2012, p. 40).

IV. Follow-up phase

The follow-up phase takes place immediately after the submission of the report to concerned parties and is as relevant as the other phases for the audited organization. Auditors make sure that the actions taken following their recommendations are correctly handled and check if the internal audit has been useful for the company (Fédération Wallonie-Bruxelles, n.d.).

2. Internal audit effectiveness

Now that the concept of internal audit has been explained in detail, this second section covers the concept of effectiveness. Firstly, we will define what it is and how it differs from the concept of efficiency. Secondly, we will see how it is important for internal auditing and more relevant than efficiency. Finally, we will explore some ways of measuring internal audit effectiveness.

2.1. Effectiveness: concepts and definitions

Before going any further, it is essential to deepen the concept of effectiveness, and to emphasize the differences between effectiveness and efficiency.

Efficiency is defined as « the extent to which resources have to be deployed to achieve a certain objective » (The Institute of Internal Auditors Netherlands, 2016, p. 11), which means that the concept of efficiency is therefore linked to the concept of productivity or performance. Something is efficient if it brings much more value than what was needed in order to achieve it.

In contrary, effectiveness is defined as « the extent to which the set objectives are achieved » (The Institute of Internal Auditors Netherlands, 2016, p. 11). Then, the concept of effectiveness relies more on the objectives which were stated even before starting the activity and whether they are reached, rather than on how efficient was that activity.

2.2. Effectiveness of the internal audit function

Speaking of internal audit, we might ask ourselves why we should use the concept of effectiveness rather than efficiency since both are relevant and important to organizations. However, efficiency is not as essential as effectiveness is. If the organization is not effective, it simply does not reach its objectives and then is failing to fulfil its purpose. Efficiency is useless if the company fails to be effective (Dittenhofer, 2001).

Therefore, it is important to link the internal audit function and the concept of effectiveness. Lenz (2013, p. 257) speaks of internal audit effectiveness as a « risk-based

concept that helps the organization achieve its objectives by positively influencing the quality of corporate governance ». From this definition, we can better understand the internal audit effectiveness concept and its importance for the organization. As in the first definition of effectiveness, this one mentions the degree of achievement of the company's goals. But beyond that, it brings the concept of risk which is inherent in the internal audit.

According to Eden and Moriah (1996), understanding internal auditing effectiveness is also important to allow the organization to improve its processes. They identified four of them that are improved by an effective audit: (1) learning process which improves the skills and competencies of workers; (2) motivation induced by the need to explain deficiencies; (3) deterrence as an audit is coming; and (4) process improvements.

One thing to emphasize when speaking of effectiveness in the context of internal audit is the plurality of points of view concerning the IAF. The internal audit effectiveness as assessed by the customers might differ from the one as assessed by the internal auditors themselves. These respectively represents the « demand-side » and « supply-side » perspective. However, it can be argued that whatever amount of time or effort the audit team puts in does not really matter compared to the benefits the customers got from it. Indeed, the sole purpose of internal audit is to add value to the organization, as stated in its definition above. And who better than the customers themselves could tell whether it did (Lenz & Hahn, 2015) ?

That being said, the added value still comes from the IAF and therefore, it is important to take its point of view into consideration as well. Internal auditors are the most capable of determining which components can improve or worsen their effectiveness. Moreover, focusing on customer satisfaction regarding the effectiveness of the IAF has its downside since that satisfaction directly depends on their expectations, which can vary tremendously. Therefore, other parties' expectations should be of importance as well, such as the audit committee and the board of directors (Lenz, Sarens & Hoos, 2017).

To correctly assess internal audit effectiveness, it is also important to know exactly what are the IAF roles. While its possible missions were mentioned above, different roles can be highlighted depending on whose point of view is considered (e.g. audit committee, chief audit executive). Thus, the difference in focus can also impact the results, and

effectiveness, of the internal audit. Moreover, the roles assigned to the IAF have changed and evolved over time, due to changes in the culture, regulations, or quality of key individuals in the audit function. But this evolution in the function roles were not always matched by the evaluation systems of those roles, leading to asymmetries between IAF roles and evaluation (Soh & Martinov-bennie, 2011).

2.3. Measuring the internal audit effectiveness

Internal audit effectiveness depends on many components, but according to Dittenhofer (2001), the most important steps are: (1) the goals of auditees, which should be clearly identified by the auditors; (2) the criteria that will be used in order to assess whether the goals were reached; and (3) determining the extent to which the auditees took part in the achievement of these goals for each criterion, through measures and examinations.

However, measuring the impact of an internal audit is far from an easy thing to do. First of all, the success and effectiveness of internal audit might be very different depending on which stakeholder is considered (Lenz, Sarens, & D'Silva, 2014). Indeed, whether we talk to the management, the audit committee, or the employees themselves, each one will probably have a different view on how useful the internal audit was.

Furthermore, audit by itself adds another difficulty to the measure of its impact on the organization. Auditing is what is called a credence good which means that auditor's clients are not able to experience and measure the quality of the service, not even after consuming it (Causholli, 2009). Therefore, internal audit effectiveness is hardly measurable, unless it was a failure which is then clearly noticeable (Bender, 2006).

Arena and Azzone (2009) conclude that the internal audit effectiveness depends on three organizational dimensions that are the internal audit team, processes and activities of internal audit, and organizational links. Moreover, internal audit effectiveness, measured by the percentage of implemented recommendations, is directly linked to four components. This percentage is higher if: «

- the ratio between the number of internal auditors and the employees is higher
- the Chief Audit Executive is affiliated to the IIA

- the company adopts control risk self-assessment techniques
- the audit committee is involved in the activities of the internal auditors. » (Arena & Azzone, 2009, p. 55)

As mentioned before, there are a lot of elements affecting the internal audit effectiveness. Lenz, Sarens and D'Silva (2014) identified four categories of characteristics impacting IA effectiveness: resources, process, relationship, and organizational characteristics. Those categories include many different components which are linked together. Among the four categories, an emphasis is made on the importance of processes and resources which account the most for the IA effectiveness.

Concerning the latest - resources -, characteristics such as auditors' experience, size of the IAF or time availability are positively correlated with internal auditors' contribution to the audit (Zain, Subramaniam, & Stewart, 2006). The internal audit team itself, its members' competencies, training, and professional proficiency are all the more relevant to IA effectiveness (Drogalas, Karagiorgos, & Arampatzis, 2015). The communication between auditors within the audit team is also among the most relevant components to IA effectiveness (Turley & Zaman, 2007; Van Peursem, 2005).

Among process characteristics can be identified planning methods and scheduling, budgeting, etc. It is relevant to emphasize that both resources and processes characteristics are in the immediate control of the Chief Audit Executive and consequently their attention to those characteristics has the best potential to increase IA effectiveness (Lenz, Sarens, & D'Silva, 2014). The organization characteristics englobe firm size, industry sector, type of governance, etc.

Finally, the relationship characteristics include clients' satisfaction, interactions between the Chief Audit Executive and the board, etc. Considering relational characteristics, the importance that the senior management has on effectiveness must be highlighted. Indeed, their support to auditors during the internal audit is among the most important factors impacting the effectiveness (Drogalas, Karagiorgos, & Arampatzis, 2015; Lenz & Hahn, 2015).

Considering this top management support, Lenz, Sarens, and Hoos (2017) also show that the relation between the chief audit executive and the senior management is of key importance and deeply impacts the internal audit effectiveness. In their report, they

emphasize the positive correlation effect between a supportive or unsupportive management on the IAF and its effectiveness.

3. Organizational culture: key concepts, models, and research questions

This third section covers the concept of organizational culture, the other main theme of the thesis, and its relationship with internal audit. First, we will explore and define what is the culture of an organization. Secondly, we will cover some of the many existing models of organizational culture before choosing one to pursue our research. Finally, we will see in detail its components and the hypotheses we make and will analyse later.

3.1. Definitions and key concepts

The organizational culture is an important concept in understanding organizations, how they work and how they change over time. However, this concept can vary according to the definition used; and there are quite a few of them. More specifically, it is the definition of culture that is at stake here. Alvesson (2013, p. 4) gathered many definitions and refers to organizational culture as an « umbrella concept » including symbols, rituals and stories but also values and meanings of social reality.

In a more understandable way, the BusinessDictionary (n.d.) defines organizational culture as « The values and behaviors that contribute to the unique social and psychological environment of an organization. » Thus, any component affecting the way an organization works can be considered as part of the culture of that organization. History, ethics, customer service, values, beliefs, and many more are all impacting the organizational culture (Boisvert, n.d.).

3.2. Models of organizational culture

When it comes to talking about organizational cultures, or at least when it comes to defining it, it is also needed to develop a model detailing clearly what should be

included in that very model and what should not. As mentioned above, the organizational culture concept can be seen in many different ways and therefore many models have been developed, that are sometimes very far from one another.

One of the most known models in this area was elaborated by Denison and Mishra (1995) which is composed of four traits that are involvement, consistency, adaptability, and mission. This model, however, seems to be outdated and does not really consider many relevant components. Among other models can be mentioned the ones developed by Sagiv and Schwartz (2007) or Arena and Azzone (2009) considering different dimensions for the organizational culture.

Although these models have their own interesting approach to organizational culture, it is the model developed by Hofstede (1980) and its extension proposed by House et al. (2004) that will be used in this paper. The work of Hofstede (1980) is widely recognised as a major model of cultural dimensions and was updated several times since then and in particular with Hofstede et al. (1990) and Hofstede (2001). This model is still used in many papers today in a form or another (Venaik & Brewer, 2010).

In its first model, Hofstede (1980) identified five cultural dimensions: Power distance, Uncertainty avoidance, Individualism, Masculinity, and Long-term orientation. However, this model is now 40 years old and if not obsolete, at least incomplete. As mentioned above, Hofstede's model was extended by House et al. (2004) who included additional dimensions to reach a total of nine. Power distance and Uncertainty avoidance are the same as in Hofstede's model. Individualism was reworked and is represented by both Institutional and In-Group collectivism. Masculinity is represented by both Gender egalitarianism and Assertiveness. Finally, Long-term orientation became Future orientation, to which were added Performance and Humane orientation (Venaik & Brewer, 2010).

This GLOBE model and its nine dimensions, developed by House et al. (2004) from Hofstede's model, will be chosen to characterise the organizational culture, as we find the analysed traits more relevant to this thesis, which will be discussed in detail in the next section.

3.3. Organizational culture: the GLOBE model

3.3.1. *Power distance*

The first dimension of this model, power distance, can be defined as the level of acceptance of power inequality in a society by its members. While it is widely accepted that power inequality differs from a culture to another, it is not that obvious that the acceptance of this inequality differs as well. In larger power distance culture, the hierarchical structure tends to be very vertical. This is the traditional scheme with a powerful boss who is not argued with and who is the main actor of decision. In a smaller power distance culture on the other hand, the relations of power are less binary, and the authority has to demonstrate and justify the reasons behind the power distance. The decision-making process is less concentrated as well, or at least more inclusive of other members (Gray, 1988; MacNab & Worthley, 2007).

Considered at an organization level, the level of power distance is an important parameter that plays indeed a major role in its culture. Hence, it is interesting to address the potential link between this cultural dimension and the IAF. An organization with a small power distance is often characterised by qualified and educated workers that are involved in the decisions taken. The use of power in such organizations is then expected to be more adequate or justified and is linked with higher integrity. Thus, internal audit effectiveness in smaller power distance cultures is expected to be better (Alzeban, 2015; Gray, 1988; Hofstede, 2001).

Sarens and Abdolmohammadi (2009) found a similar relation between power distance and uniformity of the application of internal audit practices and standards. Alzeban (2015) concluded that there is indeed a negative relation between power distance and IA effectiveness. It should be interesting to confirm whether we find such a relation as well.

Research Question 1: there is a negative relation between power distance and the internal audit effectiveness.

3.3.2. *Uncertainty avoidance*

Uncertainty avoidance relates to the way an organization deals with uncertainty (or ambiguity) and how it is viewed and accepted. Some cultures are more accustomed

with uncertainty than others; and are therefore more able to cope with the unforeseen events that can occur. Uncertainty avoidance describes the extent to which an organization tolerates that uncertainty (Gray, 1988; MacNab & Worthley, 2007).

If an organization has a high uncertainty avoidance, it will be seeking to minimize the uncertainty. To this end, this type of organization strongly relies on its system of formalized rules and procedures to resolve unusual situations and reduce the threat it represents. On the other hand, organizations with low uncertainty avoidance are less dependent on formal procedures and relies more on their abilities (Alzeban, 2015; Gray, 1988; MacNab & Worthley, 2007).

Sarens and Abdolmohammadi (2009) conclude that uncertainty avoidance is negatively related to internal auditing professionalism. By affecting professionalism, uncertainty avoidance could also have a negative relation with IA effectiveness, which was found by Alzeban (2015). However, in a study by Abdolmohammadi and Sarens (2011), it is argued whether uncertainty avoidance would have a positive or negative effect on the use of standards, which is arguably leading to better effectiveness (Christensen, Glover, Omer, & Shelley, 2016; Ridley & D'Silva, 1997).

In the current economic state, uncertainty is ubiquitous and organizations have to be aware of that and have to be able to cope with that in order to survive. Thus, this specific relation needs to be explored further.

Research Question 2: there is a negative relation between uncertainty avoidance and internal audit effectiveness.

3.3.3. Assertiveness

Assertiveness is based on Hofstede's « Masculinity versus Femininity » dimension. It is defined as « the degree to which individuals are assertive, confrontational, and aggressive in their relationships with others » (House et al., 2004, p. 30). However, while many could interpret assertiveness negatively through this definition, it should be understood as the extent to which a person is able to be proactive and confident in order to solve their issues and to succeed.

Assertive individuals are expected to seek confrontation and to be competitive. They favour direct communication over ambiguous questions and answers; they are seeking the control of their environment (Grove, 2005). According to Abdolmohammadi and Sarens (2011) and the IIA Standards, internal auditors should have this characteristic. Indeed, being assertive is often essential to perform an audit with full independence and objectivity. Although essential for auditors and managers, assertiveness should be reasonable. Being too – or too little – assertive is not desirable; the difficulty is to precisely judge in which situation to be assertive and in which not to (Santora, 2007).

As with the previous dimension, the relation between assertiveness and internal audit effectiveness has not really been addressed before. As mentioned, this criterion is said to be highly beneficial in the work environment, even more for internal auditors according to the IIA Standards since their work is based on such assertiveness. Thus, it is interesting to shed light on this eventual relation.

Research Question 3: there is a positive relation between assertiveness and the internal audit effectiveness.

3.3.4. Future Orientation

The next three dimensions in GLOBE's model are not based on Hofstede's model, but on other sources. The concept of future orientation is defined as « the degree to which a collectivity encourages and rewards future-oriented behaviors such as planning and delaying gratification » (House et al., 2004, p. 282). According to Grove (2005), a group with a high level of future orientation tends to give importance to the long-term success and to reduce its current spending in order to save for the future. Furthermore, a future oriented organization tends to be more flexible and to adapt more easily to changes than one which is not.

We could think that the future orientation dimension is somewhat similar to the 'long-term orientation' dimension in Hofstede's model, due to the fact that the definition of future orientation is based on long-term view. However, these two dimensions are quite different and do not refer to the same thing. While Hofstede's long-term orientation compares traditions and the future, GLOBE's future orientation is focused on the values and practices – both in the past and the future (Venaik, Zhu, & Brewer, 2013).

Considering the long-term is important for everyone and it does not differ for internal auditors. However, it is not easy to determine whether future orientation would be linked to IA effectiveness. We will then consider the absence of relation between the two.

Research Question 4: there is no relation between future orientation and the internal audit effectiveness.

3.3.5. Performance Orientation

Performance orientation is defined as « the extent to which a community encourages and rewards innovation, high standards, excellence, and performance improvement » (House et al., 2004, p. 239). According to Grove (2005), this dimension is one of the most important in GLOBE's model and is characterized by what is valued within the organization. A performance-oriented one emphasizes training, competitiveness, and achievements while an organization which is not performance-oriented values relationships, well-being, and the individuals themselves more.

When considering the role of the IAF and its potential impact on the organization, a performance orientation appears to be wanted in order to have a more effective internal audit. Characteristics of a performance-oriented organization described by Grove (2005) are also relevant characteristics for an IAF, some of which have already been mentioned here (training, competitiveness, the importance of feedback and direct communication).

It is then assumed that performance orientation and internal audit effectiveness are positively associated. However, it is yet to assess whether this link exists and to which extent.

Research Question 5: there is a positive relation between performance orientation and the internal audit effectiveness.

3.3.6. Humane Orientation

Humane orientation is defined as « the degree to which an organization or society encourages and rewards individuals for being fair, altruistic, friendly, generous, caring, and kind to others » (House et al., 2004, p. 569). It is basically associated with how an

individual is seen and the concept of altruism, i.e. whether the other is put before oneself. A high level of humane orientation within an organization relates to focusing on other individuals' interests rather than on its own, the motivation of belonging to a group and the sensitivity to discriminations (Grove, 2005).

As for the future and performance orientations, the humane orientation dimension has not been deeply studied so far, and even less considering its relation to internal audit. It can be hypothesized that high levels of humane orientation are beneficial to organizations as it can establish a better working environment and less pressure on workers. In the same idea, Burnaby, Abdolmohammadi and Hass (2007) concludes that relationships between internal auditors and their altruism is more and more important. Hence, we will consider a possible relation between humane orientation and IA effectiveness.

Research Question 6: there is a positive relation between humane orientation and the internal audit effectiveness.

3.3.7. Gender Egalitarianism

Gender egalitarianism is defined as « the degree to which a collective minimizes gender inequality » (House et al., 2004, p. 30) and, according to Grove (2005), can be characterized by the number of women in positions of authority or with decision-making roles, the level of educational attainment of women and the occupational sex segregation. The topic of gender equality occupies an important place in today's society and brings many questions related to the work environment (e.g. wage gap and gender distribution in managerial positions).

A gender egalitarian organization has more women in positions of authority and give them more decision-making opportunities. It also has a fairly equal level of education between men and women and has less occupational sex segregation (Grove, 2005). Thus, it would be interesting to see if these criteria are related to the effectiveness of the internal audit. However, such relation has not been confirmed before and, while it might be interesting, it is harder to evaluate. Therefore, gender egalitarianism will not be considered in this model in order to simplify the model.

3.3.8. Institutional Collectivism

GLOBE's Institutional collectivism (and the next dimension, In-Group collectivism) is based on Hofstede's Individualism versus Collectivism. It relates to « the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action » (House et al., 2004, p. 30). In other words, this criterion reflects to which extent the organization (or the state if the focus is made on the whole country) has institutionalized interconnections between individuals.

Grove (2005) characterized a high institutional collectivist organization as encouraging loyalty and the interests of the group over individuals needs and interests. Furthermore, decision-making is collectivized and rewards are given based on criteria such as needs and equity rather than success.

In their study, Sarens and Abdolmohammadi (2009) found a negative relation between collectivism and professionalism of the internal audit, which suggest that auditors pursuing individual goals would better accomplish their work. However, Seleim and Bontis (2009) concluded that institutional collectivism practices reduce the level of corruption within the organization. By essence, low level of corruption in the IAF contributes to its effectiveness by safeguarding its objectivity and independence. However, this dimension (as well as the next one, In-Group collectivism) will not be considered in this thesis as it seems less important and in order to simplify the model.

3.3.9. In-Group Collectivism

Just as institutional collectivism, the GLOBE's in-group collectivism dimension is based on Hofstede's Individualism versus Collectivism. It is defined as « the degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families » (House et al., 2004, p. 30). A high level of in-group collectivism is characterized by the importance of duties, the distinction between in-group and out-group individuals and an emphasis on relations within the group (Grove, 2005).

According to Abdolmohammadi and Sarens (2011), this in-group collectivism could benefit the IAF by increasing compliance with Standards and bringing internal auditors together. However, several arguments in favour of individualism within the

audit function makes the situation unclear and the relation between in-group collectivism and internal audit effectiveness might be difficult to assess.

As mentioned above, this dimension will not be considered as it appears to be less relevant and in order to simplify the model.

3.4. Other factors impacting the effectiveness

Two additional factors impacting the internal audit effectiveness will be addressed later, during the empirical analysis. Those are the organizational independence, which we have already talked about above, and the top management support. Hence, we will briefly discuss how they could affect the IA effectiveness.

3.4.1. *Organizational independence*

We already defined internal audit independence in the first section of this paper, as this concept is deeply connected to internal audit and its definition. However, there are still several things that can be covered on that particular topic. According to Chambers, Selim and Vinten (1988) and many authors, independence can be split into two factors that are organizational independence and individual independence. Many also agree that the latter is less meaningful than the first one which, if respected, allows the audit department to be free of any pressure or interference and, hence, gives auditors a positive environment to work (Chapman, 2001; Cohen & Sayag, 2010; Montondon, 1995).

Therefore, this variable is indeed focused on organizational independence rather than individual independence. Abbot et al. (2016) conclude that the internal audit function needs both independence and competence in order to be effective. However, their research analysed both factors at the same time, it is then impossible to say if one is more important than the other. Still, we then know that independence is indeed essential to the IAF. This idea is supported by Ebaid (2011) who linked the lack of organizational independence in Egyptian listed firms with poor effectiveness in the IAF in this country. Again, in this case, the author highlights the fact that the IAF in Egypt has lots of factors affecting the audit function. Hence, we can question the real impact of organizational independence on audit effectiveness.

Chevers et al. (2016) found a positive correlation between effectiveness and independence of the IA during their study of Jamaican banks which supports the findings of Cohen and Sayag (2010) concerning Israeli organizations. Since these two recent papers come to the same conclusion, we can naturally think that our findings will support theirs. Nevertheless, we saw here above that we could have some doubts about that relation in the findings of Ebaid (2011) and Abbot et al. (2016). One thing is sure, organizational independence is a very important criteria according to many authors.

3.4.2. Top management support

The last factor discussed is the top management support to the IAF and auditors. This is the most researched component concerning IA effectiveness and has been widely studied. The top management is composed of the most senior executives of the organization such as the CEO or the managing directors. As seen in the first section, the IA department is essential to the organization and hence, to the top management. For the audit function on the other hand, top management is responsible for giving the adequate resources to the IAF for it to fulfil its mission and plays a role in its independence and objectivity (Soh & Martinov-bennie, 2011).

In their research paper, Drogalas et al. (2015) found a significant positive relation between the top management support and the IA effectiveness. This idea supports previous studies such as found by Mihret and Yismaw (2007) and Arena and Azzone (2009). However, several authors went a step further concerning this relation. Endaya and Hanefah (2016) highlighted the importance of top management regarding the professional proficiency of the IAF. The idea is that internal auditors' competencies rely on the management as it is responsible for their recruitment and training, mainly through the way the IA department is funded. A well-funded IAF will have the needed resources to ensure workers and work of quality (Cohen and Sayag, 2010).

Furthermore, support of top management is considered a key factor for the organizational independence and objectivity of the internal auditors, and hence, is essential to the IAF. Therefore, it can be argued that top management support is the most important determinant of internal audit effectiveness, since without that support, the audit function would be ineffective (Alzeban and Gwilliam, 2014; Dellai and Omri, 2016).

Support from the top management can even be linked to every other components of IA effectiveness. Indeed, top management influence is so important that it naturally affects IAF in many indirect ways. In other words, top management is responsible for the competencies of auditors through how much resourced the department is, for career opportunities depending on whether it considers the audit function as a training ground for future management positions or as a dead-end job, independence and objectivity. Therefore, top management support is said to be the most crucial determinant for internal audit effectiveness as all other factors depends directly or indirectly on its decisions (Alzeban and Gwilliam, 2014; Baharud-din, Shokiyah & Ibrahim, 2014; Musah, Gapketor & Anokye, 2018).

Part 2 – Empirical Analysis

1. Research methodology

In order to get answers to our research questions, we have decided to follow a qualitative methodology which is the most adequate to assess our assumptions. Since the subject of this thesis has not yet been deeply researched, we still have to better understand the phenomenon and the qualitative methodology is better suited for earlier stages of the research than its counterpart which is usually used when we have a better understanding of the subject and want to measure it precisely.

Qualitative research has several advantages. The first one is that it is exploratory as well as descriptive. The objective is to explore and describe the phenomenon to the best of our ability to genuinely understand it. It is also possible because of its close proximity to the studied phenomenon, that will be seen through the informant's perspective. While this perspective is indeed subjective, it allows the researcher to learn and comprehend subtle information and messages that could not be acquired in quantitative research.

Therefore, we preferred the qualitative over the quantitative methodology to research and test our assumptions.

2. Data collection method

Collecting data needed for a qualitative research can be done in various ways. There are mainly four data collection methods that are interviews, observations, document analysis, and focus group discussions; each method has its own advantages and disadvantages.

Concerning this thesis, we have decided to conduct interviews as data collection method. This method will allow us to get distinct experiences, opinions, and perspectives from the interviewees and compare them to each other. There are three kinds of interviews : it can be structured, semi-structured, or opened. We have chosen semi-structured interviews since it is well balanced between the two others, and allows the

interviewees to give a lot of information on the subject without being too restricted by how the questions are asked, while guiding them in order to stay within the themes we are exploring. It is also the best way to get information we did not expect or anticipate. Semi-directed interviews are also a good way of understanding the interviewee and more subtle speech inflections such as the intonation or the modulation used, or the speed at which they answer when they are talking.

In order to answer my questions linking organizational culture and internal audit effectiveness, the interviewees obviously had to be internal auditors. To ensure they had the opportunity to observe potential impacts of their organizational culture on effectiveness, we chose to interview auditors who worked as internal auditors or for their current organization for at least several years.

Around 65 internal auditors were contacted on LinkedIn and were presented the subject of the research. Among them, twelve people were interested by the subject and answered positively to the request of an interview. However, two out of the twelve auditors cancelled their interview due to unexpected events. Hence, the sample is composed of ten internal auditors, working in various organizations and sectors, both in the public and private sectors, and on various level of seniority to ensure a good sampling with relevant and various data.

3. Questionnaire and interviewees presentation

3.1. Questionnaire and conduct of the interviews

Out of the ten interviews, five were conducted at the place of work of the auditor, three were conducted via Skype, and the last two were conducted in a private place. They were all very happy to share their experience and knowledge and reserved the time required to answer the questions in detail, with interviews taking between 40 minutes and 2 hours. Once it was made clear that all the information obtained during the interviews would be anonymised, all ten interviewees agreed to let the meeting be recorded which allowed us to retrieve all relevant information given during the interviews.

The questionnaire used during those semi-directive interviews is divided into three sections (see annexe 1) and was written in French since all interviews were conducted in French. The interviews always started by the presentation and explanation of the master's thesis, its subject, and how would be conducted the meeting. The first part of the questionnaire allows the interviewee to present themselves, their career and current job, their organization and sector, and finally their internal audit department and how it works. This first part is very useful to ensure the person understands exactly what the interview is about and to allow them to introduce their audit department broadly speaking.

The second part of the questionnaire focuses on the effectiveness of the internal audit function within the organization and is composed of seven questions. Finally, the third part of the questionnaire focuses on the organizational culture and is composed of 16 questions covering the six organizational dimensions we selected in the literature review. At the end of each meeting, interviewees were asked if they had anything to add that we did not think of, and if they had any remark or question about what they were asked, which was usually used to come back to a specific point they wanted to deepen or correct.

3.2. Presentation of the interviewees

Before analysing the content of the interviews, it seems interesting to present the ten internal auditors and get to know their background. As said before, we have assured them a complete anonymity. We will then avoid giving any sensitive information about them.

- **Interview no. 1 :**

The first interviewee (hereafter referred to as « no. 1 ») has been group manager in the internal audit department in a big multinational corporation for 3 years, which operates on the food industry. While she is based in Belgium, she travels each month to another country to audit one of the subsidiaries and has an insight of several cultures within the same organization, the internal audit department is composed of five auditors.

- **Interview no. 2 :**

The second interviewee (hereafter referred to as « no. 2 ») has been working as an internal auditor in a public administration for 15 years and is now senior internal auditor. Thus, he has a lot of experience in this field and brings the perspective of the public sector in our analysis.

- **Interview no. 3 :**

The third interviewee (hereafter referred to as « no. 3 ») has been working in an insurance company for 3 years as a senior internal auditor and has an experience of 8 years as an internal auditor in this sector. The internal audit department in which he is working has around 20 auditors, 10 of them work in the operational audit.

- **Interview no. 4 :**

The fourth interviewee (hereafter referred to as « no. 4 ») has been working as the head of internal audit in a company from the banking sector for 3 years. Prior to that, she worked in other organizations in the banking and insurance sector and has a total 13 years of experience in this sector. Her internal audit department is composed of 5 experienced auditors.

- **Interview no. 5 :**

The fifth interviewee (hereafter referred to as « no. 5 ») has been working as a senior internal auditor for more than 6 years in a multinational corporation active in the market of electric equipment distribution. He has been working for this company for the last 12 years insuring a good knowledge of his organization. The internal audit department is composed of 16 or 17 people working on internal audit, IT audit, or financial audit.

- **Interview no. 6 :**

The sixth interviewee (hereafter referred to as « no. 6 ») has been working for about one year in the Belgian subsidiary of a multinational corporation operating in the aeronautics industry. He is the head of both controlling and internal audit which is composed of 2 auditors. Prior to that, he has worked as an auditor for a Big Four for more than 20 years.

- **Interview no. 7 :**

The seventh interviewee (hereafter referred to as « no. 7 ») has been working as an internal auditor in a public organization operating in the healthcare sector for 8 years, for which he was the head for more than 6 years. So, he has a good understanding of the public sector, the organization and its internal audit department which is composed of 2 people.

- **Interview no. 8 :**

The eighth interviewee (hereafter referred to as « no. 8 ») has been working as a senior internal auditor in a public organization for a year now. She has worked for 7 years as an internal auditor for various organizations including the IFACI (French branch of the IIA) and the IIA itself, of which she is a board member. She is also a researcher and conducted several analyses on internal audit services during her PhD research. Her experiences brought interesting insight and different perspectives that are relevant and useful for this thesis. The internal audit department where she works is composed of about 15 people.

- **Interview no. 9 :**

The ninth interviewee (hereafter referred to as « no. 9 ») has been working as an internal auditor in a public administration for about a year. The internal audit department is still young and not very mature. Therefore, this interviewee brings another perspective to this thesis and the assumptions we have made. He is one of the 34 people working in the audit department.

- **Interview no. 10 :**

The tenth interviewee (hereafter referred to as « no. 10 ») has been working all his career as an internal auditor. He has been the head of the internal audit department for 18 years now, in a public organization which is a distribution network operator. He and his service have regular interactions with the IIA and other organizations' internal audit teams to compare and improve their methodology. The internal audit department is composed of 5 people.

It is clearly seen that the sample of internal auditors we interviewed represents a variety of people, whether in terms of seniority, positions, industries, and sectors. To summarize, the sample is composed of 10 people, 4 of whom are heads of the department, 5 are managers or seniors and 1 is new to the function. 5 internal auditors work in the private sector and 5 in the public sectors (2 administrations and 3 public enterprises). We also have the interviewee no. 8 who has a strong background in this domain, being both an internal auditor and a researcher.

4. Interview Analysis

4.1. Transcription and coding of the interviews

Once the interviews were conducted, the first step of the analysis was to transcribe them with the help of the recordings and then to anonymize them, i.e. removing any information that could help identify the organization or interviewee. The second step of the analysis was to code the interviews. It means we had to organize every verbatim (i.e. the quotes) by themes, sub-themes, and codes. A code can be understood as a specific criterion of interest. A theme is composed of sub-themes which is itself composed of codes.

In order to code the interviews, we have established three themes. The first one is named « Effectiveness » and covers the first part of the questionnaire about the internal audit effectiveness. This theme is made up of two sub-themes called (1) « Processes » that is composed of four codes which covers the four processes improved by internal audit, as identified by Eden and Moriah (1996) ; and (2) « IA steps » which covers the main steps necessary to measure the effectiveness, as identified by Dittenhofer (2001). This sub-theme is composed of only two codes and not three since many answers combined the second and third steps (see the internal audit effectiveness section of the literature review).

The second theme is named « Organizational culture » and covers the second part of the questionnaire about the specific culture of the organization and is made up of six sub-themes which corresponds to each of the six dimensions of the GLOBE's model we want to analyse. There are 13 codes split between the six sub-themes. Those codes refers to important characteristics linked to the 6 dimensions, according to Grove (2005) and

House et al. (2004). We did not represent all of the characteristics and only picked the ones we thought were most relevant. The 6 sub-themes and 13 codes are listed here below :

- (1) Power distance, composed of two codes that are « Hierarchical structure » and « Decision making »
- (2) Uncertainty avoidance, composed of three codes that are « Unexpected events », « resistance to change » and « Rules and norms »
- (3) Assertiveness, composed of the two codes « Confrontation » and « Competition »
- (4) Future orientation, composed of only one code « Work planification and flexibility »
- (5) Performance orientation, composed of three codes that are « Innovation and performance », « Training and skills development », and « Feedbacks »
- (6) Humane Orientation, composed of two codes that are « Team spirit » and « Source of motivation »

The third and final theme is named « Emerging » and brings together other factors that could affect the internal audit effectiveness, and that were raised by several interviewees. It is comprised of only one sub-theme called « Internal audit effectiveness » which is composed of two codes called « Independence » and « Top management support ».

4.2. Presentation of the results

The presentation of the results consists of five sub-sections. The first, second, and third ones present the results concerning the internal audit effectiveness, the organizational culture, and other factors, respectively. The results are detailed for each code used during the interview analysis, as mentioned above. The fourth sub-section is called the conceptualisation and aims at linking our results with the theory we have seen in the literature review. Finally, the fifth sub-section presents the overall results in a summary table. In order to give the reader an easier understanding, the corresponding line of the summary table has been added at the end of each criterion in sub-sections 1, 2 and 3 (see section 4.2.5. for details).

4.2.1. *Internal audit effectiveness*

This first section focuses on the internal audit effectiveness part of the questionnaire. It is divided in two parts focusing on processes on one hand, and internal audit steps on the other. The « processes » part is composed from the first four questions of the interviews and aims to learn more about the processes of the organization and whether they are improved by internal auditing. The four codes refer to the behavioural processes affected by internal auditing and are called learning (did the interviewees observe any learning among the auditees), motivation (did they observe motivation or demotivation among auditees regarding the IAF), deterrence (did they observe any change in auditees' behaviour due to internal audits) and process improvement (did they observe improvements in the organization's processes due to internal audits).

The « internal audit steps » aims at assessing the involvement of auditees in their objectives' achievement. It is made up of two codes used to determine if the interviewees consider these steps as important. The first code addresses whether the interviewees find it important to identify the objectives of the auditees. The second code intends to determine to which extent the criteria used to assess if the objectives were met are important, and to which extent the auditees took part in their achievement.

In order to have an overview of each interviewee's situation, we have depicted a simplified summary for each criterion. It is important to keep in mind that those lines do not represent the interviewees or their organization in their entirety, as they are a compact view of what we have interpreted through our analysis.

The « ✓ » symbol indicates that the topic is globally considered and effective. The « × » indicates it is either not considered or not effective. Finally, the « ~ » indicates an in-between situation. Regarding the cultural dimensions, the letters « L », « M », and « H » means the organization is either low, medium, or high on that dimension.

Processes

Concerning the relation between the internal audit function and the worker's learning processes, all interviewees observe a positive impact of the IAF on the learning processes within the organization, which adds value through the implementation of recommendations. The exception is no. 9 who is more doubtful regarding this relation in

his own organization, due to the relatively new and immature internal audit department. He also emphasized the variety of possible impact of the IAF on learning processes depending on which section or person of the organization is considered, which was also pointed out by no. 4 saying the auditees have to be willing to question themselves in order for the audit to be effective. No. 7 highlighted the fact that an audit helps workers questioning themselves, which is even more important in the public sector where some employees have been doing the same thing for decades and who are no longer looking for improvements.

The « helicopter view » or global overview of the company and its departments is also something pointed out as really important to allow the audit to be effective regarding the learning process. According to no. 2, no. 3, no. 7 and no. 8, this « helicopter view » is what allows the auditors to improve the synergies between the many teams, services and departments of the organization, by sharing the best practices of some people to all others or to avoid the exact same work to be done twice by two separate teams that need the same information. No. 6 adds that this is also very useful to new workers or workers whose position changed recently by raising awareness regarding the procedures and knowledge sharing.

Regarding the internal audit function and the motivation of workers, most interviewees acknowledged a positive impact of the former on the latter. However, no. 4 and no. 7 do not see this positive relation, and think the audit function is more seen as a strong controlling process rather than something that can help them to improve. No. 4 and no. 9 pointed out the IAF's maturity as the main characteristic behind the presence or absence of impact, saying a new or immature IAF might be taken less seriously or not seen as adding value to the organization than older or more mature audit functions. Furthermore, and according to no. 1 and no. 9, the impact of IAF on motivation depends a lot on the person and its own personality, some being motivated by the IAF while others can be demotivated.

In order to improve how auditees consider the IAF, it is essential for internal auditors to communicate on the objectives of the IAF and how they are partners and not controllers. Interviewees no. 4, no. 5, no. 7, and no. 10 emphasized the importance of communication towards auditees regarding the motivation. No. 1 and no. 8 also pointed out how important is communication regarding the learning processes or the behaviour

towards auditors. It helps auditees to understand the role of an internal audit and how it will help them, rather than being seen as a way to control and punish employees.

Concerning the possible impact of an internal audit on auditees' behaviour and skills, all interviewees acknowledged there was a change in auditees' behaviour during an audit. However, no. 7 and no. 9 mentioned several events where auditees did not care about the audit and have done the minimum. They both linked it to the follow-up of the audit, i.e. if the auditees do not see any result or impact of the previous audits, they will not cooperate anymore during the next audits. Interviewees no. 2, no. 3, no. 4, and no. 9 pointed out the willingness of individuals to take part in the audit as the major determinant of how they will behave. Then, some people will do their best to cooperate while others will poke sticks in the wheels for different reasons (several interviewees mentioned personal experiences where the reason behind that negative behaviour was that they did not recognize the role of the auditor, saying it is their boss's role to say what is not working or should be changed).

Moreover, five out of ten interviewees emphasized the importance of the auditor's own behaviour on the auditees. No. 2 and no. 4 talked about finding the balance between imposing themselves and their role for one thing and on the other hand they have to be able to smooth out the relation with the auditees. To do so, no. 5 and no. 8 highlight again the importance of communication skills for auditors vis-à-vis auditees. No. 10 also point out the necessary communication between auditors and auditees and said that this communication was and is still essential to allow auditees to be familiarized with the audit function. According to him, auditees in his organization are now very positively responding to internal audits and are even proactive and do not wait for the end of the audit to take actions.

Finally, regarding the impact of an internal audit on process improvement, not all interviewees acknowledged the same impact. While most of them see a positive impact and an added value to the organization and its processes, no. 1, no. 7, and no. 9 have expressed reservations about the depth of that impact. No. 1, along with no. 8, pointed out the maturity of their organization as a cause for an audit to be less impacting. More mature organizations have fewer really big issues that an internal auditor could help fix, while a more immature one will have various things to work on. While no. 8 mentioned this, it was from previous experience and not the state of her current organization.

Concerning the interviewee no. 7, the overall impact seems limited due to the non-mandatory implementation of recommendations. The audits have an impact when recommendations are implemented but nearly 70 to 80% of them are not taken into account by auditees. However, no. 6 is also in an organization where recommendations are not mandatory to implement, and he observes a positive impact nonetheless. Regarding no. 9, the issue is similar. The recommendations are supposed to be mandatorily implemented, but the audit committee is not following or pressuring those who do not, which leads to the same effect being that auditees do not really have to implement them.

Interviewee no. 10 was the only one to emphasize the work behind making a recommendation and how he is always making sure his recommendations are approved by the auditees and reworked in the event they are not. Obviously, he does not delete or simplify recommendations to make life easier for auditees but communicating with them is essential and leads to speed up implementation from auditees who are convinced the recommendations are indeed useful for them.

It is also to be noted that almost all interviewees mentioned they have a scale to determine the importance of their recommendations (i.e. low, medium, and high). But in all 10 organizations, only « high » recommendations are really considered and followed up.

To summarize this section, we believe the most important characteristic of an internal auditor (as the global point of view of the interviewees) is their ability to communicate on the role and objectives of the internal audit department. Nearly all interviewees pointed it out in different questions of this first part. They need it to ensure the IAF has an added value through the cooperation they will have with auditees once they have understood the purpose of auditor's presence, as well as by legitimize their recommendations.

Interviewee	1	2	3	4	5	6	7	8	9	10
Processes	~	✓	✓	x	✓	✓	x	✓	x	✓

Internal audit steps

Concerning the identification of auditee's goals, all interviewees agreed that identifying the objectives of the auditee is essential to the internal auditors and their role in the organization. No. 5, no. 6, and no. 7 have stressed the importance of knowing those objectives in order to correctly assess the risks for the company. Without knowing the goals of a set of processes, it is simply impossible for auditors to say where the risks associated with these processes are.

Also, according to no. 6, the goals identification phase is the first step in adding value to the organization and its processes. Getting to know the people and their operational objectives (without being polluted by their personal objectives) helps internal auditors to understand their needs, their risks and to find the solutions to their problems.

No. 8 and no. 10 both brought up the topic of operational objectives (i.e. at the process level) in relation to strategic objectives (i.e. at the organization level). As seen above, it is essential for internal auditors to identify the auditee's objectives. When they have been identified, auditors then need to compare them to the objectives of the organization and ensure they are correctly connected. Making sure those two sets of goals are well aligned is important to ensure the company runs as it should.

Regarding the criteria used to assess whether the objectives have been met and the auditee's involvement in their attainment, interviewees have more diverse opinions. Four of them do not assess the criteria and auditee's involvement during an audit. No. 4 and no. 7 felt like it is more the job of the management to ensure whether the employees are reaching their objectives (no. 7 takes a look at the past years objectives and if they were attained but nothing more).

The other six agreed that it is important to have criteria and to measure how involved the auditees are in their objectives' completion. No. 2 and no. 5's organizations have a framework to assess the objectives, which is used as a key performance indicator. However, the others do not have pre-determined criteria that change according to the scope of the audit, as mentioned by no. 3, no. 6, and no. 9. They take a look at whether there is a connection between what auditees are doing, their expectations and the strategic objectives. Furthermore, no. 10 added that having relevant criteria and measuring the auditee's involvement regarding their goals is an indicator of how mature

the audited processes are. If they are, no. 10 said he knows he can trust the auditees and their work.

Interviewee	1	2	3	4	5	6	7	8	9	10
IA steps	x	✓	✓	x	✓	✓	~	~	✓	✓

4.2.2. Organizational culture

This second section focuses on the cultural dimensions part of the questionnaire and aims at identifying the main characteristics of the organizational culture of the interviewees. It is divided into six parts, each dealing with a specific cultural dimension, i.e. the power distance, the uncertainty avoidance, the assertiveness, the future orientation, the performance orientation, and the humane orientation. All 13 codes used will be detailed in the corresponding part below.

Power distance

The power distance cultural dimension is made up of two codes. The first code refers to the hierarchical structure of the organization while the second one refers to the decision-making process and more precisely, how the decision-making is shared within the company (e.g. is one person making all decisions or is everybody making decisions).

All interviewees stated that their organization is governed by a more or less vertical hierarchical structure, but we can however divide these organizations into two groups. The first group is composed of strictly vertical structures while the second group is composed of organizations showing some characteristics of a more horizontal structure. Regarding the concentration of decision-making, interviewees' answers show it is directly linked to the hierarchy (i.e. the more vertical is the structure, the fewer people are included in the decision-making process).

According to no. 1, no. 3, no. 6 and no. 10, their respective organizations have a quite vertical hierarchical structure but tend towards a horizontal one to a certain extent. For example, no. 1 works in an organization with a matrix structure, which means that besides the classical vertical structure, there are clusters depending on the business units, the customers, and the markets. Hence, the decision-making process and the responsibilities are spread across employees through these clusters, reducing the power

distance within individuals. However, no. 1 mentioned that the complexity of this matrix structure could sometimes lead to slower decision-making.

As for no. 10, has noticed a clear evolution of the hierarchical structure over the last 5-10 years (corresponding to the entry into office of the new CEO). From a purely vertical structure 10 years ago, the organization now shows some signs of lower power distance with more and more transversality and hierarchical simplifications. For example, the CEO is sometimes directly giving a mission to an internal auditor instead of going through no. 10 who is the head of internal audit and who is supposed to be the intermediary.

On the other hand, the rest of the interviewees described their hierarchical structure as purely vertical with a decision-making process concentrated in the hands of a few people. No. 2, no. 7, no. 8, and no. 9 cited the fact that their respective organizations are state-owned and operating in the public sector as the main reason for these vertical hierarchical structures. Those organizations have been operating for a long time with structures put in place decades ago and which remained in effect until today. No. 7 added, however, that the vertical structure in his organization is justified by how some departments work (i.e. some departments need a very vertical hierarchical structure).

To summarize, the first group, composed of six interviewees (2, 4, 5, 7, 8 and 9) could be characterized as high on power distance while the second group, composed of four interviewees (1, 3, 6 and 10) is a bit lower on power distance.

Interviewee	1	2	3	4	5	6	7	8	9	10
Power distance	L	H	L	H	H	L	H	H	H	L

Uncertainty avoidance

The uncertainty avoidance cultural dimension is made up of three codes. The first one aims at identifying how many unexpected events the interviewees have to face in their work life globally. The second code covers the measures, rules and norms put in place by the organization or the internal audit department, in order to understand how they manage these unexpected events. Finally, the third code addresses the resistance to change within the company.

Concerning the unexpected events, no. 1, no. 5, and no. 6 expressed the feeling of having frequently unexpected events disturbing their pre-existing audit planning. The unexpected events faced by no. 1 and no. 5 are generally occasional missions given by the board of directors and that have to be done quickly. For no. 6 however, the unexpected events faced are more often *ad hoc* requests from certain departments that want support in reviewing certain aspects of their processes. Therefore, no. 6 tries to integrate those *ad hoc* requests in the audit planning and are less urgent than what no. 1 and no. 5 are facing. None of the three have rules or norms to cope with these events and stay flexible to face them as they arise.

As for interviewees no. 2, no. 3, no. 4, no. 7, and no. 9, they very rarely encounter unexpected events or else they are small. No. 3 and no. 9 both mentioned it is often the scope of an audit that was underestimated and was rescaled as it needed more auditors or time to complete. Those five interviewees globally stick to the audit planning apart from some minor changes. They however stay flexible as mentioned by no. 3 and no. 4. No. 7 has implemented processes and guidelines to manage who can request an *ad hoc* mission, how to deal with and integrate it in the audit planning. As for no. 9, they sometimes call upon external organizations if they do not have enough workforce or the expertise and knowledge necessary to correctly conduct the audit.

Finally, no. 8 and no. 10 estimated the share of unexpected events in their audit planning to 20% and 10-20% respectively. Unlike the other interviewees, they prepare their audit plan and leave a 20% margin of time in order to integrate the unexpected events and *ad hoc* missions which helps to deal with them and bring down the potential stress or work overload.

Regarding the resistance to change within their organization, no. 6 and no. 8 are the only two interviewees who stated the resistance to change in their company is low. However, no. 6 mentioned that even though people in his organization are relatively flexible, the change takes time to happen due to the type of industry that is highly regulated, and those regulations make potential changes slower. As for no. 8, she described her organization as constantly changing with a culture evolving continuously. They put up a change department in order to coordinate the change within the company and to ensure it is efficiently communicated to all employees. Interviewees no. 1 and no.

3 stated that their organization is leaning neither way, and that it depends a lot on the person. No. 1 also added it depends on the country in which she audits.

All other interviewees (2, 4, 5, 7, 9 and 10) observe a quite high resistance to change in their organizations. No. 4 added that the recent merger between another company and hers makes it especially difficult. As for no. 7, he added that even though the resistance to change is high in his organization, the last few years have naturally brought change that was not really wanted, and the workers had to gradually adapt.

To summarize, we can divide the interviewees in three groups. The first group, composed of no. 1, no. 3, and no. 6, can be characterized as low on uncertainty avoidance because their organizations have a low resistance to change and rely less on formalized norms and procedures. The second group is composed of no. 7, no. 9 and no. 10 and can be characterized as high in uncertainty because their resistance to change is high and they rely more on formalized norms and procedures. Finally, a third group composed of the rest of interviewees (7, 8, 9 and 10) can be characterized as medium on uncertainty avoidance because their either have a high resistance to change or rely more on formalized norms and procedures.

Interviewee	1	2	3	4	5	6	7	8	9	10
Uncertainty avoidance	L	M	L	M	M	L	H	M	H	H

Assertiveness

The assertiveness cultural dimension is composed of two codes. The first one (named « confrontation ») addresses the confrontational abilities of the workers, to which extent they take initiatives or try to have control over their environment. The second code (named « competition ») addresses how competitive the workers are with each other within the company.

Concerning the characteristics referred to in the « confrontation » code, no. 1, no. 2, no. 5, no. 7, and no. 10 described the workers of their organizations as assertive and trying to have control over their environment. No. 1 added it was encouraged in her company but paradoxically not always well accepted by all. As for no. 7, he mentioned the healthcare sector as a reason behind the assertiveness in the organization (e.g. doctors or nurses have to be somewhat assertive in their work life). On the other hand, the

interviewees no. 6 and no. 9 stated the overall assertiveness was quite low in their respective organizations, but that some departments were doing better than others.

Finally, no. 3, no. 4 and no. 8 said it depends a lot on the person and its personality. However, no. 3 observes a bit more assertive than non-assertive people. As for no. 8, she distinguishes between three categories of people : the statutory (i.e. public servant under a specific status) who are generally less assertive; traditional workers who have profiles linked to the logistic sector and thus are also less assertive; and finally the newcomers who are engaged for skills other than what was traditionally sought after, and who are more assertive (but it is still a minority).

Regarding the competition between workers, four interviewees (2, 3, 4 and 10) observed significant competition within the organization. No. 2 mentioned how politicised the environment was and how it affects the workers. As for no. 3 and no. 4, they both have emphasized their sector, the banking and insurance sector, as a very competitive one which explains the competition they observe between employees.

On the other hand, the other six interviewees (1, 5, 6, 7, 8 and 9) think of the workers in their organization as not very competitive with one another apart from some specific component. For example, no. 5 mentioned the newcomers are often more competitive in an attempt to show their worth. As for no. 7, an exception could be some medical departments competing with each other over numbers of patients or consultations (but it is more at the department level than at the individual level). No. 9 do not observe any competition between workers and justifies it by the promotion system that is very different from the private sector.

To summarize, we can follow the same pattern as in the previous point and divide the interviewees into three groups. The first one, composed of no. 6, no. 8, and no. 9, can be characterized as low on assertiveness since they are both low on confrontation and competition. The second group is composed of no. 2, no. 3, no. 4, and no. 10 and can be characterized as high on assertiveness since they are both high on competition and confrontation. Finally, a third group composed of no. 1, no. 5 and no. 7 can be characterized as medium on assertiveness because they are high on only one of the codes.

Interviewee	1	2	3	4	5	6	7	8	9	10
Assertiveness	M	H	H	H	M	L	M	L	L	H

Future orientation

The future orientation cultural dimension is composed of only one code. It aims to identify the ability of the workers to plan for the long term and to be flexible. We can divide the interviewees into two groups depending on how much planification they do. The first group is composed of six interviewees (2, 5, 6, 7, 8 and 10) and can be characterized as high on future orientation because they are planning most of their work. For example, the organization in which no. 5 works is in the distribution sector which requires a lot of planification. No. 6 is also doing a lot of planning, from the annual planning, he also makes a 6-month planning and then a weekly schedule including a kick-off and a kick-out every week going through what was seen during the previous week and what is yet to be done. As for no. 10, they came from a more day-to-day work management a few years ago to a more long-term planification under the current CEO. They are encouraging the decision-making at lower hierarchical levels in order to be more flexible with emerging problems.

On the other hand, interviewees no. 1, no. 3, no. 4, and no. 9 are mostly operating on a day-to-day basis. For example, no. 3 linked this method to new methods of project management such as the « agile » method and mentioned that while it works well for small projects, it is harder for larger projects. No. 4 mentioned the history of her organization to justify this way of working. The organization was a start-up a while ago and, as in many start-ups, everyone was doing a bit of everything to deal with emerging issues. Although the organization grew and is now a big company, they kept this way of working. As for no. 9, he does not work on a day-to-day basis by choice but more out of obligation. According to him, the internal audit department is a bit understaffed which means that the audits have to take many components into account in order to proceed (schedules of auditees, the different auditors that often work on several audit at the same time, with different colleagues, etc.). This second group can be characterized as low on future orientation.

Interviewee	1	2	3	4	5	6	7	8	9	10
Future orientation	L	H	L	L	H	H	H	H	L	H

Performance Orientation

The performance orientation cultural dimension is made up of three codes. The first one addresses the value given to innovation within the organization. The second one focuses on the value given to training and skills development. Finally, the third code focuses on the value given to feedbacks within the organization and how it is perceived by its workers.

Concerning the value given to innovation, six interviewees (1, 3, 4, 5, 6 and 8) stated it was valued and encouraged in their organizations. No. 3 mentioned some innovative projects were put in place frequently on the initiative of workers. If the idea is good, the management gives the opportunity to implement it and see if it works and if not, they would still be encouraged because they tried their best. No. 4 mentioned something similar : the workers can participate and present their ideas in a contest organized once a year, and the winners get to implement their project. As for no. 8, innovation and performance are extremely valued, especially since her organization operates in a sector that has been deeply changing over the last few years.

On the other hand, the interviewees no. 2, no. 7, no. 9, and no. 10 do not think that innovation is a value encouraged in their organizations. According to no. 2 and no. 10, there are barriers to innovation in the public sector because it is highly regulated (e.g. the company of no. 10 can only operate in its own field of work and cannot expand to another). As for no. 7, while he agrees innovation is globally valued at the strategic level since it is encouraged in the healthcare sector, it is not once we look at workers individually.

Regarding the value given to training and skills development, most interviewees (2, 4, 5, 6, 8, 9 and 10) described it as a component valued by their organization, for different reasons. In the organization of no. 6, it is necessary due to its sector of activity. In the organization of no. 4, the trainings are available to all to ensure they have the best skills possible, although no. 6 mentioned that some managers make them more available than others. As for no. 8, the trainings are flexible in order to adapt as best as possible to the constraints that the worker may be subject to (e.g. through skype, online, etc.). As for no. 10, his organization has nearly 6% of worked hours dedicated to trainings while the national objective is 1.9% (Service public fédéral Emploi, Travail et Concertation sociale, n.d.).

On the other hand, interviewees no. 1, no. 3 and no. 7 do not think training and skill development is valued by their organization. The company in which no. 1 works recently conducted a survey in which several questions were asked to all employees about trainings. While they are several tools in place (e.g. an online tool and a 30 minutes gap every Friday to allow workers to develop their skills), the results showed that employees do not have the capacity in terms of time or money to follow the trainings they want. As for no. 3, there is only a limited financial capacity and they do not allow employees to get enough training and skills development. As for no. 7, the internal audit department was the first department with a budget dedicated to trainings just five years ago. He thinks that the very high number of workers makes it difficult for the organization to plan enough trainings for all. However, the continuous training is well developed.

Regarding the value given to feedbacks and how they are globally perceived by the workers, seven out of the ten interviewees (1, 2, 3, 5, 6, 8 and 10) claimed that feedbacks are essential and well perceived in their organizations. According to no. 2, the need to get constructive and relevant feedbacks is increasing among workers. In the organization of no. 1, there are three formalized feedbacks a year (two reviews and one competency assessment) but what is even more preferred are the immediate feedbacks. No. 3 also have the same experience, with one-to-one reviews every month and the will to give the feedback as soon as possible. As for no. 10, feedbacks are encouraged and frequently given in his organization, which he has observed during his internal audits. However, they are not systematized or formalized, which could be done to improve the feedback process.

On the other hand, no. 4, no. 7, and no. 9 do not think that feedbacks are positively seen in their organizations. For example, no. 4 has set up a feedback form for auditees as soon as she became the head of internal audit, in order to see what she could improve. It appeared weird to others and, to this day, she still has not received a single form. As for no. 7, there is no formalized feedback in place, and he does not even think that all workers have been assessed at least once. While, in some departments where they work by projects or objectives, it is well perceived, in the more operational departments, it is not developed or viewed as important. No. 9 has feedbacks but do not see them positively. According to him, some important feedbacks are missing while others are useless and are wasting his time.

To summarize, we could divide the interviewees into two groups. The first one, composed of no. 7 and no. 9, can be characterized as low on performance orientation because they have at most one criterion present. The second group is composed of the other eight interviewees and can be characterized as high on performance orientation because they have two or three criteria present.

Interviewee	1	2	3	4	5	6	7	8	9	10
Performance orientation	H	H	H	H	H	H	L	H	L	H

Humane orientation

The humane orientation cultural dimension is composed of two codes. The first one focuses on the team spirit in the organization and whether it is there or on the contrary if it is lacking. The second code addresses the potential sources of motivation for workers and aims to know whether they are more motivated by their individual interests or by the interests of the group.

Regarding the team spirit, the interviewees no. 1, no. 4, and no. 9 stated that it was not present or not present enough. No. 4 often encounters issues during her audits, there is not a complete collaboration from other workers, so she does not have all the information or documentation she needs when she needs them. As for no. 9, it depends a lot on the subject of the audit. When he audits a subject where the human is not really the focus (e.g. in the IT), there is collaboration and team spirit with the auditors but also between the auditees. But as soon as the human side is relevant, they are getting in the way of one another.

However, the other interviewees (2, 3, 5, 6, 7, 8 and 10) observed team spirit in their organizations. No. 5 is working in a multicultural corporation and states that team spirit is essential and encouraged, as well as openness and equality. As for no. 7, he has no doubt that the team spirit is there and thinks that the healthcare sector is at play since it is essential for many lines of work in that sector. In the organization of no. 10, team spirit is highly encouraged and there are now some objectives that are common to several departments. No. 10 thinks it improves a lot the communication and cooperation within the company.

Concerning the sources of motivation, four interviewees (1, 2, 6 and 7) think workers are more motivated by belonging to the group than by individual interests. According to no. 1, recognition is what drives employees the most. And being part of a multinational corporation where anyone can go to any country and still be warmly welcomed is what makes it special. As for no. 2, the first driver of motivation is the idealism and belonging to the group, workers know they help the society as a whole. No. 6 also mentioned that belonging to the group and knowing they are an important link in their industry is the main motivation.

The other interviewees (3, 4, 5, 8, 9 and 10) think that workers are more motivated by their personal interests than by those of others or their belonging to the group. No. 8 mentioned the very essence of the job done by most workers does not leave much room for creativity or social aspects, although broadly speaking it is something that depends a lot on the person. She also mentioned a high rate of absenteeism which is a sign of how the workers are feeling regarding their organization. As for no. 9 and no. 10, they both mentioned the advantages of being a public servant (e.g. job stability and comfortable work environment).

To summarize, we could divide the interviewees into three groups. The first one, composed of no. 2, no. 6, and no. 7, can be characterized as high on humane orientation because they have both a good team spirit and a motivation other than strictly individual. The second group is composed of no. 4 and no. 9 and can be characterized as low on humane orientation because they have less team spirit and more individual sources of motivation. Finally, a third group, composed of no. 1, no. 3, no. 5, no. 8, and no. 10, can be characterized as medium on humane orientation because they only have one of those deux components.

Interviewee	1	2	3	4	5	6	7	8	9	10
Humane orientation	M	H	M	L	M	H	H	M	L	M

4.2.3. Other factors linked to internal audit effectiveness

In addition to the subjects addressed in the questionnaire, two additional topics emerged from the discussions we had with the interviewees. The first one addresses the independence of the internal audit function and how it affects its effectiveness. The

second topic focuses on how the top management support affects the work of internal auditors and the effectiveness of the IAF.

Independence

The issue of the independence of the internal audit function was spontaneously raised by three out of the ten interviewees. No. 1 felt that she has a lack of independence regarding the board of directors. She mentioned her work sphere to be highly politicized and that what is requested by the board is not up for discussion. She also mentioned the ability of the head of internal audit to stand up to the board as essential regarding the independence. Her current head do not oppose any resistance to the board which means that the rules do not always apply when they are the ones asking. The same issue was mentioned by no. 7 under the direction of the previous CEO. He used the internal auditors to police the organization which was clearly affecting their independence. Fortunately, they regained their independence under the current CEO.

No. 3 also raised concerns regarding his independence and a highly politicized environment. When the recommendations of an audit are not implemented in due time, the management is financially penalized (i.e. their bonuses are reduced or not given) and obviously it deeply annoys them. Hence, the management puts the auditors under pressure so that they close the recommendation, whilst the problem comes from the auditees who did not take the time to implement the recommendations.

Among the rest of the interviewees, none has raised any concern about independence. The interviews we have conducted with them lead us to believe that they considered themselves to be independent enough.

Interviewee	1	2	3	4	5	6	7	8	9	10
Independence	x	✓	x	✓	✓	✓	✓	✓	✓	✓

Top management support

Regarding the top management support, four interviewees expressed concerns about the potential lack of support. No. 3 and no. 8 mentioned how this lack of support from the top management causes issues because the IAF will not be taken seriously and will then be less useful. It can also increase the conflicts and discussion around the

findings of an audit. On the other hand, if the IAF has its support, the recommendations will be implemented and there will be a real added value to the organization. Although no. 3 and no. 8 did raise this issue, they currently have the support from the top management.

On the other hand, no. 7 mentioned a lack of support from the top management. Some managers of his organization are very eager to have an internal audit in their department but overall, this is not the case. Furthermore, and as the recommendations are not mandatorily implemented, the managers only implement what they think are good ideas, so if they feel it does not bring much benefit, it will not be done. As for no. 9, he had similar issues, with some managers eager to be audited but with a majority who does not care about the IAF. He thinks the two main reasons are that their IAF is quite immature, and that the audit committee does not ensure the implementation of the recommendations if the auditees refuse to do so.

Among the rest of the interviewees, none has mentioned any issue regarding this topic. As in the previous section, the interviews we have conducted with them lead us to believe they had the needed support from the top management in their organizations.

Interviewee	1	2	3	4	5	6	7	8	9	10
Top management support	✓	✓	✓	✓	✓	✓	x	✓	x	✓

4.2.4. Conceptualisation : links between the results and the theory

In the three previous sections, we have presented the results of the interviews regarding the internal audit effectiveness, the cultural dimensions, and two other potential characteristics that could affect the effectiveness. In this section, we will summarize the findings of these interviews and we will then proceed by linking the different sections in order to find possible relations between the researched dimensions and the internal audit effectiveness.

First of all, in order to determine the IA effectiveness of an organization, we combined the results from the six first codes focused on the processes and the IA steps. According to the interviews we conducted, as well as their analysis, we can say that six organizations can be considered as effective (no. 2, 3, 5, 6, 8 and 10) while four are less effective (no. 1, 4, 7 and 9).

We consider these four interviewees to have a less effective internal audit for several reasons. All four stated the impact of the IAF on the process improvement is negligible and they also stated the IAF impact on the motivation of workers is globally neutral or negative, among others. Regarding the IA steps, none of the four consider the criteria used nor the involvement of auditees in the achievement of their objectives. No. 1 is also not considering the objectives of the auditees, while all others are.

The six interviewees we consider having an effective internal audit are all observing noticeable impact on the processes and are taking into account the objectives of their auditees, as well as the criteria and their involvement in the achievement of those objectives.

Power distance

As mentioned above, we have divided the interviewees into two groups depending on their power distance. No. 1, no. 3, no. 6, and no. 10 are lower on power distance than the other six. Our first research question (RQ1) assumed the existence of a negative relation between power distance and the internal audit effectiveness. What we can observe from the interviews is that in most cases (3 out of 4), a high power distance is linked with lower IA effectiveness. However, the opposite is not necessarily true since some of the more effective IA have a high power distance (3 out of 6) while others have a lower power distance (3 out of 6).

In conclusion, we observed a negative relation between power distance and the IA effectiveness. However, it does not confirm nor contradict our research question because we only observed that less effective IA are characterized by a higher power distance. But we did not observe that more effective IA are characterized by a lower power distance.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Power distance	L	H	L	H	H	L	H	H	H	L

Uncertainty avoidance

Regarding the uncertainty avoidance, we have chosen to divide the interviewees in three groups because some of them had characteristics of both high and low uncertainty avoidance. Thus, we also have third group considered as medium on that cultural dimension, composed of no. 2, no. 4, no. 5, and no. 8. A second group is composed of no. 1, no. 3 and no. 6 and are considered low, while no. 7, no. 9 and no. 10 are considered high.

Our second research question (RQ2) assumed a negative relation between uncertainty avoidance and IA effectiveness. However, we did not find any relation between the two. Among the more effective IA, 4 out of 6 are medium or high but we find a similar result among the less effective IA (3 out of 4). The same can be observed with those low on uncertainty avoidance. In conclusion, we found no relation between uncertainty avoidance and IA effectiveness.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Uncertainty avoidance	L	M	L	M	M	L	H	M	H	H

Assertiveness

Our third research question (RQ3) assumed a positive relation between assertiveness and IA effectiveness. We have divided the interviewees into three groups depending on their level of assertiveness (low, medium, high). No. 6, no. 8, and no. 9 are low; no. 1, no. 5 and no. 7 are medium; no. 2, no. 3, no. 4, and no. 10 are high.

In a similar way to the previous cultural dimension, we did not find any relation between assertiveness and IA effectiveness. Among the more effective IA, 4 out of 6 are medium or high, but the same result can be found among the less effective IA (3 out of 4). The same pattern can be observed with those low on assertiveness. In conclusion, we found no relation between assertiveness and IA effectiveness.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Assertiveness	M	H	H	H	M	L	M	L	L	H

Future orientation

Our fourth research question (RQ4) assumed there is no relation between future orientation and IA effectiveness. We have divided the interviewees into two groups. No. 1, no. 3, no. 4, and no. 9 are low on future orientation while the others are high. We can observe that in most cases (5 out of 6), a higher IA effectiveness is linked with a higher future orientation, while a lower IA effectiveness is linked with a lower future orientation (3 out of 4 cases).

In conclusion, we observed a positive relation between future orientation and IA effectiveness, which means that the organizations with a high level of planification have a more effective internal audit and inversely.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Future orientation	L	H	L	L	H	H	H	H	L	H

Performance orientation

Our fifth research question (RQ5) assumed there is a positive relation between performance orientation and IA effectiveness. The interviewees were divided into two groups. Most of them are high on performance orientation while no. 7 and no. 9 are low. What we have observe is that a higher IA effectiveness is linked with a higher performance orientation (6 out of 6 cases). However, the opposite is not necessarily true since 2 out of 4 less effective IA are also high on performance orientation.

In conclusion, we observed a positive relation between performance orientation and IA effectiveness. However, it does not confirm our research question because we only observed that more effective IA are characterized by a higher performance orientation, but we did not observe that less effective IA are characterized by a lower performance orientation.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Performance orientation	H	H	H	H	H	H	L	H	L	H

Humane orientation

Our sixth and final research question (RQ6) assumed there is a positive relation between humane orientation and IA effectiveness. The interviewees were divided into three groups. No. 4 and no. 9 are low on humane orientation while no. 2, no. 6 and no. 7 are high. The other five (1, 3, 5, 8 and 10) are medium. We have observed that a higher IA effectiveness is linked with a higher humane orientation (6 out of 6 are medium or high). However, the opposite is not necessarily true since 2 out of 4 less effective IA are also high or medium on humane orientation.

Therefore, we observed a positive relation between humane orientation and IA effectiveness. However, it does not confirm our research question because we only observed that more effective IA are characterized by a higher humane orientation and not the other way around (i.e. that less effective IA are characterized by a lower humane orientation).

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Humane orientation	M	H	M	L	M	H	H	M	L	M

Independence

The potential effect of the independence of the internal audit function on its effectiveness was highlighted by 3 out of 10 interviewees. No. 1 and no. 3 expressed their concerns about their lack of independence and how it affects them. As for no. 7, he also mentioned the issues emerging when there is a lack of independence. However, he is not currently in this situation as he was referring to how it was a few years ago under another CEO. All other interviewees seemed satisfied with their independence and none of them raised this topic.

Since there are only two interviewees in this situation, one whose IA is more effective and the other whose IA is less effective, it is impossible for us to establish a potential relation between independence and the IA effectiveness. However, as it was spontaneously mentioned by 3 out of 10 auditors, it should be considered when researching this topic.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Independence	x	✓	x	✓	✓	✓	✓	✓	✓	✓

Top management support

The potential effect of the top management support on the internal audit effectiveness was highlighted by 4 out of 10 interviewees. No. 3 and no. 8 mentioned the importance of having the support from the top management in order to ensure the recommendations are implemented and hence, that there is a real added value to the organization. Although they mentioned this topic, they both currently have the support from their top management. On the other hand, no. 7 and no. 9 also have mentioned this issue and stated that their lack of support from the top management prevents the recommendations from being implemented. Thus, their added value of the IAF is limited.

As in the previous item, there are only two interviewees in this situation. Both are in organization whose IA is less effective, however, since the other two interviewees with a less effective IA do not have the same issue, it is impossible for us to establish a potential relation between the top management support and the IA effectiveness. It is nonetheless an important criterion, spontaneously raised by 4 out of 10 auditors and thus it should also be considered when researching this topic.

Interviewee	1	2	3	4	5	6	7	8	9	10
Effectiveness	-	+	+	-	+	+	-	+	-	+
Top management support	✓	✓	✓	✓	✓	✓	x	✓	x	✓

4.2.5. Summary Table

In order to have an overview showing the full picture, we have created a summary table composed of the various lines listed above. It shows, for each of the 10 interviewees, the situation of their organization according to the main parts of the interviews. It is important to bear in mind that this table does not represent the interviews in their entirety, but a more compact (and thus, limited in information) view of what we have interpreted through our analysis.

The « processes » and « IA steps » lines refer to the first part of the questionnaire. It is an aggregated view of the codes 1.1.1 to 1.1.4 and 1.2.1 to 1.2.2, respectively. Then, the six following lines refer to the second part of the questionnaire. Each line represents a cultural dimension and is an aggregate of the corresponding codes (2.1.1 and 2.1.2 for power distance, 2.2.1 to 2.2.3 for uncertainty avoidance, etc.). Finally, the two last lines refer to the topic that emerged during the interviews and that we decided to analyse.

Interviewee	1	2	3	4	5	6	7	8	9	10
Processes	~	✓	✓	x	✓	✓	x	✓	x	✓
IA steps	x	✓	✓	x	✓	✓	~	~	✓	✓
Power distance	L	H	L	H	H	L	H	H	H	L
Uncertainty avoidance	L	M	L	M	M	L	H	M	H	H
Assertiveness	M	H	H	H	M	L	M	L	L	H
Future orientation	L	H	L	L	H	H	H	H	L	H
Performance orientation	H	H	H	H	H	H	L	H	L	H
Humane orientation	M	H	M	L	M	H	H	M	L	M
Independence	x	✓	x	✓	✓	✓	✓	✓	✓	✓
Top management support	✓	✓	✓	✓	✓	✓	x	✓	x	✓

Limitations

The goal of this paper is to identify and better understand the potential effects of the organizational culture on the internal audit effectiveness. Even though we have found some relations, there are many limitations and possible improvements.

Firstly, the very essence of a qualitative research is about understanding a phenomenon from the perspective of the researcher. Then, there is inevitably a bias since the information is subjectively interpreted by the researcher. Obviously, we tried to minimize any potential bias by addressing the subject in the most neutral and objective way possible. Nonetheless, that remains a limitation of this paper.

Secondly, the credibility of any research paper is all the better as the methods of data collection are numerous. Using only the interviews as a method for collecting data is limiting the relevance and the credibility of the information we gathered. Besides, we have only managed to interview 10 internal auditors. Obviously, if we had interviewed more people, we would have had more relevant results.

Thirdly, and as we mentioned in the interview analysis, the questions used to assess the organizational culture of the interviewees were based on the GLOBE model and its characteristics, as identified by Grove (2005) and House et al. (2004). However, for reasons of simplicity and time we could not assess all the characteristics. Therefore, we cannot be sure of how well the organizational culture is represented in our analysis. Furthermore, our analysis is based on the principle that each characteristic is as important as the others. However, it is quite possible that some criteria have a bigger impact than others on the IA effectiveness. Similarly, the questions used to assess the effectiveness of the internal audit were based on Dittenhofer (2001) and Eden & Moriah (1996). Therefore, the IA effectiveness of the organizations were assessed following these specific criteria.

Fourthly, we do not know anything about the possible interactions between the different criteria or their independence. Some criteria might prevent other criteria from having an impact on the effectiveness of the internal audit or, on the contrary, there may be synergies.

It is therefore very important to underline the low number of interviewees when considering the results presented above. Although it is understandable that a research conducted as part of a master's thesis is by essence limited, such results have to be confirmed by further studies on larger samples of internal auditors. Quantitative research will also be needed in order to precisely measure the impact of each cultural dimension on the internal audit effectiveness, as well as the potential interactions between them.

Conclusion

The objective of this master's thesis was to find out the potential effects of the organizational culture on the internal audit effectiveness. The relation between the two are not very well known yet which is one of the reasons why we wanted to research it. During the literature review, we have defined the main concepts necessary to our thesis, such as the internal audit, the effectiveness, and the organizational culture. We then mentioned several models of organizational culture before choosing and describing the GLOBE model that we later used to assess the culture of the organizations in which the interviewees work. We have also mentioned some of the characteristics of an effective internal audit and used them to assess the IA effectiveness in their organizations. Then, we issued six research questions for each of the six cultural dimensions we wanted to analyse.

To empirically analyse this subject, and because it has not been fully researched yet, we chose to conduct a qualitative research to explore these potential relations. Then, we interviewed ten internal auditors and analysed the results. During this analysis, we determined their internal audit effectiveness as well as their organizational culture in order to link the two and see if we could find relevant results. We have found several relations.

The results of our qualitative analysis show that the power distance, future orientation, performance orientation, and humane orientation all four have an impact on the internal audit effectiveness, while we could not find any impact linked with the uncertainty avoidance and the assertiveness. It means that some cultural dimensions are linked to the internal audit effectiveness while others are not. In our case, we could not find any link between the effectiveness on the one hand and uncertainty avoidance and assertiveness on the other hand. However, this absence of relation is still interesting because our research questions hypothesized there would be a link.

On the contrary, we have found links regarding the other four dimensions. Concerning the power distance dimension, we found a negative one-way relation. In essence, our findings show that an organization that is high on power distance (i.e. with a very vertical hierarchical structure with the decision-making in the hands of a few people)

has a less effective internal audit, which is consistent with our research question that supposed a negative relation between the two. However, this is only a one-way relation which means that we could not find any link between a low power distance and the internal audit effectiveness. Similarly, we have found a positive one-way relation between the performance orientation, the humane orientation, and the internal audit effectiveness. These findings mean that organizations that are high on performance (i.e. that value innovation, trainings, and feedbacks) or humane orientation (i.e. that value altruism and team spirit) have a more effective internal audit. Once again, we could not find any link with the effectiveness when the organization is low on performance or humane orientation.

Finally, while our fourth research question hypothesized there were no relation between the future orientation and the internal audit effectiveness, we found them positively related. This finding is probably the most interesting because we expected to find no relation between the two of them, and because it is the only two-way relation (i.e. an organization that is high on future orientation has a more effective internal audit, and vice versa). It means that the more an organization values the long-term over the short-term, and the more flexible it is, the more effective its internal audit will be.

Consequently, in order for organizations to be more effective we would recommend them to encourage workers to act on the long-term view and to be flexible in order to cope efficiently with the rising issues. By doing so, the organization is more future-oriented. Characteristics such as team spirit, altruism, and innovation are also very important, as well as skills development and training. This kind of characteristics will allow the organization to be more performance-oriented and humane-oriented. We would also recommend lowering the power distance by sharing the decision-making process and having a more horizontal hierarchical structure.

To summarize, our findings are partially consistent with previous research and what we expected. This paper contributes to the literature on the possible impact of the culture of an organization on the effectiveness of its internal audit. However, there are several limitations to our findings. Among others, the scale of this research is by essence limited and expanding it to a larger number of internal auditors and organizations would help confirming or denying our study and its findings. Another important limitation concerns how the different criteria could possibly interact.

Therefore, the subject would benefit from further study in order to better understand the complex relation between the organizational culture and the internal audit effectiveness, especially regarding the link between the future orientation dimension and the effectiveness since we expected to find none and to ensure whether there is a relation. It is also important to research the potential relation with the uncertainty avoidance and the assertiveness, to confirm the absence of link which is one of our findings. Those further studies would also benefit from larger samples as well as from quantitative research to precisely measure the phenomenon.

Bibliography

- Abbot, L. J., Daugherty, B., Parker, S., & Peters, G. F. (2016). Internal Audit Quality and Financial Reporting Quality : The Joint Importance of Independence and Competence. *Journal of Accounting Research*, 54(1), 3–40.
<https://doi.org/10.1111/1475-679X.12099>
- Abdolmohammadi, M. J., & Sarens, G. (2011). An Investigation of the Association between Cultural Dimensions and Variations in Perceived Use of and Compliance with Internal Auditing Standards in 19 Countries. *International Journal of Accounting*, 46(4), 365–389. <https://doi.org/10.1016/j.intacc.2011.09.004>
- Alvesson, M. (2013). *Understanding Organizational Culture* (2nd editio). London: Sage Publications.
- Alzeban, A. (2015). The Impact of Culture on the Quality of Internal Audit: An Empirical Study. *Journal of Accounting, Auditing and Finance*, 30(1), 57–77.
<https://doi.org/10.1177/0148558X14549460>
- Alzeban, A., & Gwilliam, D. (2014). Factors Affecting the Internal Audit Effectiveness: A survey of the Saudi Public Sector. "*Journal of International Accounting, Auditing and Taxation.*" <https://doi.org/10.1016/j.intaccaudtax.2014.06.001>
- Arena, M., & Azzone, G. (2009). *Identifying Organizational Drivers of Internal Audit Effectiveness*. 60, 43–60.
- Australian National Audit Office. (2012). *Public Sector Internal Audit : AN INVESTMENT IN ASSURANCE AND BUSINESS IMPROVEMENT*. Retrieved from <http://nla.gov.au/nla.obj-494730116/view>
- Baharud-din, Z., Shokiyah, A., & Ibrahim, M. S. (2014). Factors that Contribute to the Effectiveness of Internal Audit in Public Sector. *International Proceedings of Economics Development and Research*, 70(9), 126. <https://doi.org/10.7763/IPEDR>.
- Bender, R. (2006). *What is an effective audit and how can you tell?*
- Boisvert, C. (n.d.). Culture organisationnelle: sa définition et ses enjeux. Retrieved

August 8, 2019, from AtmanCo website:

<https://atmanco.com/fr/blog/environnement-travail/culture-organisationnelle-quels-enjeux/>

Burnaby, P. A., Abdolmohammadi, M., & Hass, S. (2007). *A global summary of the common body of knowledge 2006 - Preview edition*. Altamonte Springs Florida: The Institute of Internal Auditors Research Foundation.

BusinessDictionary. (n.d.). Organizational culture. Retrieved August 8, 2019, from <http://www.businessdictionary.com/definition/organizational-culture.html>

Causholli, M. (2009). *Audits as credence goods: what do auditors know and how do they use their information*. University of Florida.

Chambers, A. D., Selim, G. M., & Vinten, G. (1988). *Internal Auditing*. Australia: CCH Australia Limited.

Chapman, C. (2001). Raising the BAR - newly revised standards for the professional practice of internal auditing. *Internal Auditor*, 58(2), 55–61.

Chevers, D., Lawrence, D., Laidlaw, A., & Nicholson, D. (2016). The effectiveness of internal audit in Jamaican commercial banks. *Accounting and Management Information Systems*, 15(3), 522–541.

Christensen, B. E., Glover, S. M., Omer, T. C., & Shelley, M. K. (2016). Understanding Audit Quality : Insights from Audit Professionals and Investors. *Contemporary Accounting Research*, 33(4), 1648–1684. <https://doi.org/10.1111/1911-3846.12212>

Cohen, A., & Sayag, G. (2010). The Effectiveness of Internal Auditing: An Empirical Examination of its Determinants in Israeli Organisations. *Australian Accounting Review*, 20(3), 296–307. <https://doi.org/10.1111/j.1835-2561.2010.00092.x>

Commission Bancaire et Financière. (2002). *ANNEXE 1 A LA CIRCULAIRE D1 / EB / 2002 / 6 « CONTROLE INTERNE ET AUDIT INTERNE »*.

Dellai, H., & Omri, M. A. B. (2016). Factors Affecting the Internal Audit Effectiveness in Tunisian Organizations. *Research Journal of Finance and Accounting*, 7(16), 208–221.

Denison, D. R., & Mishra, A. K. (1995). Toward a Theory of Organizational Culture and

- Effectiveness. *Organization Science*, 6(2), 204–224.
- Dittenhofer, M. (2001). Internal auditing effectiveness : an expansion of present methods. *Managerial Auditing Journal*, 16(8), 443–450.
- Drogalas, G., Karagiorgos, T., & Arampatzis, K. (2015). Factors associated with Internal Audit Effectiveness : Evidence from Greece. *Journal of Accounting and Taxation*, 7(7), 113–122. <https://doi.org/10.5897/JAT2015.0182>
- Ebaid, I. E. (2011). Internal audit function : an exploratory study from Egyptian listed firms. *International Journal of Law and Management*, 53(2), 108–128. <https://doi.org/10.1108/17542431111119397>
- Eden, T., & Moriah, L. (1996). Impact of Internal Auditing on Branch Bank Performance : A Field Experiment. *Organizational Behavior and Human Decision Processes*, 68(3), 262–271.
- Endaya, K. A., & Hanefah, M. M. (2016). Internal auditor characteristics , internal audit effectiveness , and moderating effect of senior management. *Journal of Economic and Administrative Sciences*, 32(2), 160–177. <https://doi.org/10.1108/JEAS-07-2015-0023>
- Fédération Wallonie-Bruxelles. (n.d.). Déroulement d'une mission d'audit. Retrieved from <http://www.audit.cfwb.be/index.php?id=2710>
- Gray, S. J. (1988). Towards a Theory of Cultural Influence on the Development of Accounting Systems Internationally. *Abacus*, 24(1), 1–15.
- Grove, C. N. (2005). *Worldwide Differences in Business Values and Practices : Overview of GLOBE Research Findings*. Retrieved from <http://www.grovewell.com/pub-GLOBE-dimensions.html>
- Hammar, M. (n.d.). Five Main Steps in ISO 9001 Internal Audit. Retrieved August 5, 2019, from <https://advisera.com/9001academy/knowledgebase/five-main-steps-in-iso-9001-internal-audit/>
- Hermanson, D. R., & Rittenberg, L. E. (2003). *CHAPTER 2 INTERNAL AUDIT AND ORGANIZATIONAL GOVERNANCE*. Retrieved from <https://na.theiia.org/iia/PDF/Public Documents/Chapter 2 Internal Audit and Organizational Governance.pdf>

- Hofstede, G. (1980). *Culture's consequences-International differences in work-related values*. London, UK: SAGE.
- Hofstede, G. (2001). *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations* (2nd ed.). Thousand Oaks, CA: Sage Publications.
- Hofstede, G., Neuijen, B., Ohayv, D. D., & Sanders, G. (1990). Measuring Organizational Cultures: A Qualitative and Quantitative Study across Twenty Cases. *Administrative Science Quarterly*, 35, 286–316.
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P., & Gupta, V. (2004). *Culture, leadership and organizations: The GLOBE study of 62 societies*. Thousand Oaks, CA: SAGE.
- IIA. (n.d.-a). Definition of Internal Auditing. Retrieved August 5, 2019, from <https://global.theiia.org/standards-guidance/mandatory-guidance/Pages/Definition-of-Internal-Auditing.aspx>
- IIA. (n.d.-b). Mission of Internal Audit. Retrieved August 5, 2019, from <https://global.theiia.org/standards-guidance/Pages/Mission-of-Internal-Audit.aspx>
- IIA. (n.d.-c). What is internal audit? Retrieved August 5, 2019, from <https://www.ii.org.uk/about-us/what-is-internal-audit/>
- Lenz, R. (2013). *Insights into the effectiveness of internal audit : a multi-method and multi-perspective study* (Université catholique de Louvain). Retrieved from https://dial.uclouvain.be/pr/boreal/object/boreal:124464/datastream/PDF_01/view
- Lenz, R., & Hahn, U. (2015). A synthesis of empirical internal audit effectiveness literature pointing to new research opportunities. *Managerial Auditing Journal*, 30(1), 5–33. <https://doi.org/10.1108/MAJ-08-2014-1072>
- Lenz, R., Sarens, G., & D'Silva, K. (2014). Probing the Discriminatory Power of Characteristics of Internal Audit Functions : Sorting the Wheat from the Chaff. *International Journal of Auditing*, 18, 126–138. <https://doi.org/10.1111/ijau.12017>
- Lenz, R., Sarens, G., & Hoos, F. (2017). Internal Audit Effectiveness: Multiple Case Study Research Involving Chief Audit Executives and Senior Management. *EDPACS*, 55(1),

1-17. <https://doi.org/10.1080/07366981.2017.1278980>

MacNab, B. R., & Worthley, R. (2007). Culture Typing versus Sample Specific Accuracy : An Examination of ... *Multinational Business Review*, 15(3), 1-23.

Mihret, D. G., & Yismaw, A. W. (2007). Internal audit effectiveness : an Ethiopian public sector case study. *Managerial Auditing Journal*, 22(5), 470-484.
<https://doi.org/10.1108/02686900710750757>

Montondon, L. (1995). Accountabilities in Municipalities: The Use of Internal Auditors and Audit Committees. *American Review of Public Administration*, 25, 59-69.

Musah, A., Gapketor, E. D., & Anokye, F. K. (2018). Determinants of Internal Audit Effectiveness in State-Owned Enterprises (SOEs) in Ghana. *Journal of Accounting and Management*, 8(1), 52-69.

Ridley, J., & D'Silva, K. (1997). A Question of Values. *Internal Auditor*, June, 16-19.

Sagiv, L., & Schwartz, S. H. (2007). Cultural values in organisations: Insights for Europe. *European Journal of International Management*, 1, 176-190.

Santora, J. C. (2007). Assertiveness and Effective Leadership: Is There a Tipping Point? *The Academy of Management Perspectives*, 21(3), 84-86.

Sarens, G., & Abdolmohammadi, M. (2009). *Cultural dimension and professionalism and uniformity of internal auditing practice*. 1-39.

Seleim, A., & Bontis, N. (2009). The relationship between culture and corruption : a cross-national study. *Journal of Intellectual Capital*, 10(1), 165-184.
<https://doi.org/10.1108/14691930910922978>

Service public fédéral Emploi Travail et Concertation sociale. (n.d.). Investir dans la formation. Retrieved from <https://emploi.belgique.be/fr/themes/travail-faisable-et-maniable/investir-dans-la-formation>

Soh, D. S. B., & Martinov-bennie, N. (2011). *The internal audit function effectiveness and evaluation*. 26(7), 605-622. <https://doi.org/10.1108/02686901111151332>

The Institute of Internal Auditors Netherlands. (2016). *Measuring the Effectiveness of the Internal Audit Function*.

- Turley, S., & Zaman, M. (2007). Audit Committee effectiveness: Informal processes and behavioral aspects. *Accountability Journal*, 20(5), 1–30.
- Van Peurse, K. A. (2005). Conversations with internal auditors: the power of ambiguity. *Managerial Auditing Journal*, 20(5), 489–512.
- Venaik, S., & Brewer, P. (2010). Avoiding uncertainty in Hofstede and GLOBE. *Journal of International Business Studies*, 41(8), 1294–1315.
<https://doi.org/10.1057/jibs.2009.96>
- Venaik, S., Zhu, Y., & Brewer, P. (2013). Looking into the future: Hofstede long term orientation versus GLOBE future orientation. *Cross Cultural Management: An International Journal*, 20(3), 361–385.
- Zain, M. M., Subramaniam, N., & Stewart, J. (2006). *Internal Auditors' Assessment of their Contribution to Financial Statement Audits: The Relation with Audit Committee and Internal Audit*. 10(1), 1–18.