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The impact of internal auditing on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange

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Abstract: The study was meant to find out how internal auditing activities in insurance companies listed on the Palestine Exchange affected information technology governance. 93 randomly chosen individuals from the Finance departments of the insurance companies on the Palestine exchange made up the study sample. To meet the objectives of the study, a descriptive approach has been used. A questionnaire that was created specifically for the study's objectives was also used and following data analysis, the results indicated a high impact for each of the (Internal audit independence, due Professional care, nature of internal audit work) on the effectiveness of information technology governance. Consequently, the study recommended that there is a need to increase Supporting Capital Market Authority to the internal audit departments in adopting a unified methodology and adhering to appropriate standards to upgrade the role of internal auditing in Palestinian insurance companies.

Keywords: Internal audit, Information technology governance, Insurance sector, Internal audit independence, Due professional care, Nature of internal audit work

1. Introduction

In order to add value to businesses and guarantee that the desired alignment of the IT and business objectives is taking place, this governance mechanism for IT systems deals with the performance and risk management of certain IT systems. Since the organization's interests and those of those managing the IT systems can conflict, there is a need for IT governance. As a result, IT governance deals with the identification, establishment, and linking of the mechanisms of the IT systems to manage risks and simultaneously ensure that their performance is in line with the stated objectives, as a result, IT governance is necessary to make sure that the IT systems are performing as they are supposed to and that the CEO's and CIO's goals are aligned. [1].

While it is true that IT governance affects all of the organization's major players, from the executive management and boards to the staff and customers to the regulators and investors, it is important to note that corporate governance and IT governance should not be viewed in isolation but rather work together. Indeed, many experts point out that corporate governance and information technology governance are related and that both must be articulated in a way that considers their interdependence. [2].

So, in order to achieve confidence and credibility in the information contained in the financial statements, a set of ethical and professional controls and principles are required. The function of audit plays a crucial role in all institutions because it gives the senior management the information, they need to make decisions and provides data on the effectiveness and efficiency of the organization. Internal audit offers unbiased confidence regarding how successfully the company manages risks, seizes opportunities quickly, and determines whether corporate governance procedures are working as intended [3].

Therefore, it is clear that internal auditing plays a crucial role in According to international standards, internal auditing is defined as "an independent, objective assurance and consulting activity designed to add value and improve an organization's operations" (with an emphasis on the effective application of corporate governance rules and processes), by applying a structured, methodical approach to assessing and enhancing the efficacy of risk management, control, and governance procedures, it aids a company in achieving its goals, strengthens In accordance with standard 21 10, it also has an impact when its analyses reveal fresh perspectives on the strategic and long-term operations of the company. A2 The internal audit exercise must determine whether the organization's information technology governance supports the aims and objectives of the organization, therefore, by offering a neutral and unbiased evaluation of an organization's operations, processes, and controls, internal audit plays a significant role in the governance system, it aids in making sure the company is abiding by the law, rules, and policies, and that its financial reporting is accurate and trustworthy [4].

Currently, organizations are facing many challenges because of accelerated developments in the field of information and its technologies. However, there are many risks related to these technologies, which may cause negative effects on the work of organizations and threaten their stability, which requires control over them through their governance, and since insurance companies have become mainly depends on using information technology to achieve most of its activities, it is considered the most in need of information technology governance Focusing on some areas or strategic fields, and certainly, the boards of directors in

these companies need an independent mechanism that provides reasonable assurance about the effectiveness of information technology governance through the internal audit department, there is a need for this study to answer the main study question:

What is the impact of internal auditing on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange?

Wherefore, this study aims to determine the level of the impact of internal auditing on the effectiveness of information technology governance, measure the impact of independent variables (Internal audit independence, Due professional care, Nature of internal audit work) on the effectiveness of information technology governance, and identify the degree of effectiveness of information technology governance in insurance companies listed on the Palestine Exchange, and determining the degree of effectiveness of information technology governance in the insurance companies listed on the Palestine Exchange.

The significance of the study comes in that it is the first study that sheds light on the issue of information technology governance in insurance companies listed on the Palestine Exchange, and provides the boards of directors of these companies with a degree of the impact of internal auditing on information technology governance, and providing the Palestine Exchange and the Ministry of National Economy the degree of companies' commitment to governance systems, especially information technology governance in supports companies' strategies and objectives, so that Internal audit can add value to the organization by evaluating the efficiency of IT governance components and guaranteeing to stakeholders that rules and practices are being followed and functioning as intended, this study may help internal audits of IT governance to focus on more than just the implementation of governance practices.

Little study has been done on the impact of internal audits on the effectiveness of IT governance in Palestine, even though the internal audit mission has grown to be a crucial corporate governance mechanism. The study, therefore, attempts to fill this knowledge gap by analyzing the effects of internal audit on the efficiency of information technology governance in the context of the State of Palestine as a developing country.

2. Literature Review:

When analyzing the previous studies, it became clearer that a few studies had approached the subject of this study from a different angle as follows:

It seeks study [5] to analyze how internal audit affects efficient corporate governance in commercial banks listed on the Muscat Securities Market (MSM) in Oman, it has been found that there is a strong positive correlation between internal audit and efficient corporate governance. The internal audit function, however, was shown to play a significant influence in corporate governance in study [6]. Additionally, an excellent internal audit function can have an impact on the efficacy and efficiency of the execution of external audits as well as the setting of external auditor fees, while it has been found in the study [7] that internal audit significantly affects the efficacy of corporate governance, more specifically, internal audit effectiveness is statistically strongly correlated with internal audit quality and internal audit senior management support, but not with audit committee independence, which is not statistically significant., and a study [8] demonstrates that an independent internal audit function serves as a monitoring function, helping to advance strong corporate governance standards, additionally, study [9] advised that management and the board audit committee continuously support the IAF in terms of proper staffing, training, and compensation for effectiveness. Additionally, regulatory authorities in Nigeria should always enforce rigorous adherence to corporate governance norms and principles given the position banks hold in the economy, even though governance has a big impact on it and its growth, study [10] revealed that internal audit is regarded as the most crucial part of applying governance, it is evident that there is a mutual and not a unilateral link between the two variables, a study [11] concluded that internal audit has a corporate governance role and plays an irreplaceable role in corporate governance. And according to the study's [12] findings, internal auditors' work is effective and promotes strong corporate governance because of their competency, management's backing, independence, risk assessment, and control, while study [13] assessed how the internal audit function affected the standards of corporate governance in the context of multinational companies operating in Lebanon, the findings indicated that upholding a high level of independence and expertise in the audit department can have a significant impact on the overall standard of corporate governance, while research [14] sought to Investigate the effectiveness of internal audit in improving corporate governance in Iraq. The results demonstrate that the corporate governance mechanism is the central component of the contemporary enterprise system, and the success or failure of this mechanism has a significant impact on the performance of the company.

What distinguishes the study?

The current study is distinguished by its focus on information technology governance in particular, its examination of insurance companies listed on the Palestine Exchange, its inclusion of independent variables not previously considered in studies, its implementation following the Covid-19 pandemic, and its consideration of the perspectives of employees in the financial affairs departments of insurance companies, In addition, this study is characterized by the comprehensiveness and practical orientation of the research, as it helps the Capital Market Authority, official regulators, investors, and society in general to improve their performance and achieve their goals related to governance, integrity, and transparency, and Overall, the study of the impact of internal auditing on the governance of information technology is an important field of research that seeks to improve the

effectiveness of IT governance and ensure that organizations are able to effectively manage the risks associated with their IT operations.

3. Study framework & Development hypotheses:

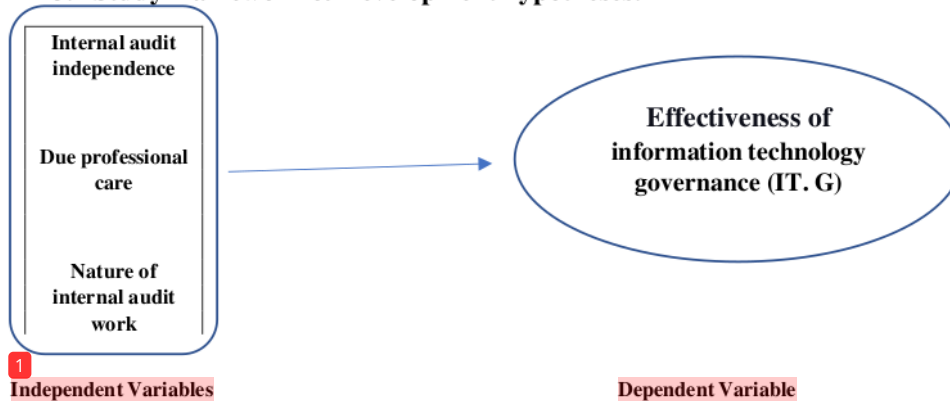


Fig. 1. The study Framework

Independent variables: It was built according to the Corporate Governance Code in Palestine issued by the National Governance Committee (2009), and international standards issued by the Institute of Internal Auditors (2017), and the researcher's suggestion that he works in this field.

3.1: Development hypotheses:

Hypotheses developed based on the previous literature and related theories:

H: Internal auditing has an influence on the effectiveness of information technology governance insurance companies listed on the Palestine Exchange.

The main hypothesis ramifies the following hypotheses:

1. For Internal audit independence an influence on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange.
2. For due professional care an influence on the effectiveness of information technology governance insurance companies listed on the Palestine Exchange.
3. For nature of internal audit work has an influence on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange.

3.2: Theoretical framework:

3.2.1: Internal auditing: An organization's operations can be enhanced and added value through the impartial, unbiased assurance and consulting activity of internal auditing. It assists businesses in achieving their goals by introducing a methodical, disciplined approach to assess and enhance the efficacy of risk management, control, and governance procedures. [15].

The objectives of internal auditing include: [16], [17]

- Ensuring that the organization's risks are identified, evaluated, and managed appropriately.
- Assessing the effectiveness and efficiency of the organization's operations, including the reliability and integrity of financial and operational information.
- Evaluating the adequacy and effectiveness of the organization's internal controls.
- Identifying areas for improvement and providing recommendations to management to enhance the organization's operations.
- Ensuring compliance with applicable laws, regulations, and internal policies and procedures.

The significance of internal auditing lies in the value it adds to the organization. Internal auditors provide an independent assessment of the organization's risk management, control, and governance processes, which can help management make informed decisions and improve operations. Through the evaluation of internal controls, internal auditors can identify weaknesses and recommend improvements to prevent fraud, waste, and abuse. Internal auditing also provides assurance to external stakeholders, such as investors and regulators, that the organization's operations are being conducted in a responsible and ethical manner [18].

Overview of the International Standards internal auditing:

The International Standards for the Professional Practice of Internal Auditing (Standards) are a set of guidelines and best practices developed by the Institute of Internal Auditors (IIA) for the practice of internal auditing. The Standards consist of a framework of principles and expectations for the conduct of internal auditors and the performance of internal audit engagements.

The Standards are organized into two categories: [15]

- **Attribute Standards:** These Standards address the attributes of internal auditors and define the characteristics of organizations and individuals that are essential to the effective practice of internal auditing. The Attribute Standards include:
 - Purpose, Authority, and Responsibility
 - Independence and Objectivity
 - Proficiency and Due Professional Care
 - Quality Assurance and Improvement Program
- **Performance Standards:** These Standards describe the nature of internal auditing and provide criteria against which the performance of these services can be measured. The Performance Standards include:
 - Managing the Internal Audit Activity
 - Nature of Work
 - Engagement Planning
 - Performing the Engagement
 - Communicating Results
 - Monitoring Progress

The Standards provide a framework for the effective practice of internal auditing and are designed to help internal auditors meet their responsibilities to their organizations, stakeholders, and the public. They are recognized worldwide as the authoritative source of guidance for internal auditing and are used by internal auditors, audit committees, and management to guide their work and assess the effectiveness of internal audit processes and controls [19].

Adherence to the Standards helps internal auditors maintain the highest level of quality and consistency in their work and provides assurance to stakeholders that internal auditing is being conducted in accordance with recognized best practices.

3.2.2: Information technology (IT) governance: Information technology (IT) governance is a framework that provides structure, policies, procedures, and controls to manage an organization's IT operations and resources. IT governance helps ensure that IT investments are aligned with business objectives, that IT risks are managed effectively, and that IT operations are following legal and regulatory requirements [20].

The objectives of IT governance include: [21]

- **Aligning IT with business objectives:** Ensuring that IT investments and initiatives are aligned with the organization's overall business objectives, and that IT supports the achievement of those objectives.
- **Managing IT risks:** Identifying and managing IT risks, including cybersecurity risks, to ensure the confidentiality, integrity, and availability of information.
- **Maximizing the value of IT investments:** Ensuring that IT investments are used effectively and efficiently, and that they provide value to the organization.
- **Ensuring compliance:** Ensuring that IT operations and investments comply with legal and regulatory requirements, as well as internal policies and procedures.
- **Enhancing IT performance:** Improving the performance of IT operations, including the availability, reliability, and responsiveness of IT systems.

The significance of IT governance lies in the value it adds to the organization. Effective IT governance ensures that IT investments and initiatives are aligned with business objectives and that they provide value to the organization. It helps manage IT risks, such as cybersecurity risks, and ensures compliance with legal and regulatory requirements. IT governance can also enhance IT performance by improving the availability, reliability, and responsiveness of IT systems. Additionally, IT governance provides assurance to stakeholders, including customers, investors, and regulators, that the organization's IT operations are being managed effectively and responsibly [22].

3.2.3: Relation between Internal auditing and Information technology (IT) governance:

Internal auditing and Information technology (IT) governance are closely related, as internal auditors play a critical role in assessing the effectiveness of IT governance processes and controls. Internal auditors evaluate the design and implementation of IT governance processes and controls to ensure that they are effective in achieving the organization's objectives. This includes assessing the organization's IT risk management processes, IT security controls, IT operations and management, and IT compliance with

laws and regulations, internal auditors also help ensure that IT governance processes are aligned with the organization's overall business objectives and that IT investments and initiatives are providing value to the organization, in addition, internal auditors help identify areas where IT governance processes and controls can be improved and provide recommendations to management on how to enhance the effectiveness of IT governance processes [21].

Overall, the relationship between internal auditing and IT governance is one of collaboration and support. Internal auditors provide independent and objective assurance and advice to management on the effectiveness of IT governance processes and controls, which helps the organization achieve its objectives and manage IT risks effectively [23].

4. Methodology:

4.1: The study approach:

To address the subject, answer the questions posed, and accept and reject the hypotheses adopted for the study, the descriptive analytical approach was relied upon, descriptive in the theoretical aspect and analytical in the applied aspect.

4.2: The study population:

(120) Employees from the department ¹⁰ finance in insurance companies listed on the Palestine Exchange made up the study population, which consist of (National insurance company, Trust International Insurance Group, Palestine insurance, Tamkeen insurance, Al-takaful insurance, Global United Insurance, Al- Mashreq insurance, AL- Ahlia insurance).

4.3: The sample selected for the study and its individual's demographics:

(93) Employees working in the departments of finance were randomly selected as a sample for the study, at a rate of 77.5% of the total study population.

¹ After analyzing the demographic data of the study sample using descriptive statistics methods, the results appeared as shown in Table (1). ⁴

Table 1. The study sample's demographic traits in general.

Variables	Categories	Frequency	% Percentage
Job title	Departmental Director	6	8
	The department's head	10	10
	Administrative employee, accountant	77	82
	Total	93	100
Educational background	Master's degree or higher	28	30
	Bachelor	65	70
	Total	93	100
Years of Experience in insurance sector	less than 5 years	18	19
	5 – 15 years old	50	53
	More than 15 years	25	28
	Total	93	100

It is apparent from Table (1) all the sample is workers in the departments of finance with different job titles, they hold specialized educational certificates in the field of finance and accounting, and they have experience in the insurance sector, Therefore, they are able to answer the study tool and its fields.

4.4: Tool of the study:

To achieve the objectives of the study, the data are acquired using a designed English-Arabic questionnaire that was produced using Google Online. Participants were invited to respond to questions about the study and evaluate its hypotheses in the questionnaire. The questionnaire, which was used as the prime tool for gathering data for the study, featured several paragraphs that indicated the goals of the investigation and the inquiries that respondents were expected to respond to. Additionally, a five-dimensional Likert Scaling Method was employed to rank the relative relevance of each response. The tool was developed to be based on theoretical literature and previous studies.

The questionnaire, the primary study tool, occupied three sections:

The first section: include information on the demographics of the study sample's participants based on four criteria (job title, academic background, years of experience), which are used to describe the study sample's characteristics.

The second section: The measure of the impact of each (Internal audit independence, Due Professional Care, Nature of internal audit work) on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange (13) paragraphs gauge.

Third section: The gauge of the grade of the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange included (5) items to represent the gauge.

The response between from (1-5) according to the Five Likert Scale, as follows:

1. Robustly believe: grade (5).
2. Accept: grade (4).
3. Balanced: grade (3).
4. Oppose: grade (2).
5. Robustly oppose: grade (1).

So, in its final form, the questionnaire (the study tool) included 22 items on a five-point Likert scale.

4.5: Data examinations:

4.5.1: according to the Descriptive statistical results: the following table will be used to interpret the result:

1. Greater than 4.2: very highly.
2. Greater than 3.4 & fewer than 4.2: Highly.
3. Greater than 2.6 & fewer than 3.4: Middle.
4. Greater than 1.8 and fewer than 2.6: Low.
5. Fewer than 1.8: Very low

4.5.2: based on the results of the inferential description, The hypothesis is accepted if the p-value comprises barely 5% and it is statistically significant; it is rejected if the p-value is greater than 5% and it is not statistically significant.

4.6: The Reliability of the questionnaire:

The validity of the tool was tested by applying the stability test on the questionnaire by calculating Cronbach's Alpha coefficient.. The tool's reliability was 94.7%. According to [24], this indicates the study tool has a high stability coefficient and can accomplish the study objective.

4.7: Statistical treatments: The Statistical Package for Social Sciences (SPSS) program was mainly relied upon in statistical treatments, as after applying the tool and collecting data and coding it with appropriate statistical methods using the SPSS program, the researchers used frequencies, arithmetic averages, standard deviations, and Cronbach's equation Alpha, and simple and multiple linear regression analysis test, to produce results and make recommendations.

4.8: Findings and Discussion:

4.8.1 Descriptive Analyses:

1. The most important internal auditing activity operations that had an impact on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange, illustrated in the table (2) following:

The operations	Mean	Std. Deviation	Significance
Functionally, the director of the internal audit department in the company reports to the board of directors or the audit committee	4.54	.50	1
The director of the internal audit department communicates directly with the board of directors	4.48	.38	2
The board of directors or the audit committee chooses the direction of the audit department and evaluates its performance	4.27	.65	3
The internal audit department in the company enjoys functional independence from the executive management	4.22	.71	4

2. The degrees of impact of the independent variables (Internal audit independence, Due Professional care, Nature of internal audit work) on the dependent variable, and the degree of the dependent variable (effectiveness of information technology governance) in insurance companies listed on the Palestine Exchange, which were as follows:

Table 3. Analysis of data (Descriptive):

Study Variables	Mean	Std. Deviation
Internal audit independence	4.30	.46
Due professional care	3.98	.42
Nature of internal audit work	3.95	.37
Internal auditing	4.08	.35
Effectiveness of information technology governance	4.17	.45

Table (3) illustrates that:

1. The Internal audit independence have a very highly impact on the Effectiveness of information technology governance.
2. The due professional care and nature of internal audit work, have a high impact on the effectiveness of information technology governance.
3. The degree of impact of the internal audit, the effectiveness of information technology governance is high.
4. Information technology governance in insurance companies listed on the Palestine Exchange is highly effective.
5. When reviewing the standard deviation ratios, it indicated that there was complete consistency between the opinions of the study sample in a strikingly, where the study sample's percentage of agreement ranged from 90% to 92%.

4.8.2: Hypothesis testing:

H: Internal auditing has an influence on the effectiveness of information technology governance insurance companies listed on the Palestine Exchange.

The researchers applied simple linear regression analysis to test the hypothesis:

Table 4. Analyzing the impact of internal auditing on the efficiency of information technology governance using simple linear regression.

Variable	R	R Square	F Value	Sig
internal auditing	62.1%	36.6%	57.141	0.000

Table (4) shows up that the relationship between internal audit and the effectiveness of information technology governance is 62.1%, that the independent variable was able to explain 36.6% of the variation that occurred on the dependent variable while 63.4% of the other variables interpret changes in the dependent factor and that the relationship between the two variables is positively statistically significant.

The researchers attribute this result to Internal audit playing an important role in the governance system by providing an independent and objective assessment of an organization's operations, processes, and controls, it helps to ensure that the organization is following laws, regulations, and policies that its financial reporting is accurate and reliable.

Table 5. Analyzing the relationship between variables using simple linear regression.
Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.907	.434		2.089	.039
Internal auditing	.800	.106	.621	7.559	.000

a. Dependent Variable: IT. G

The regression line equation can be used to summarize the value of the internal auditing activity's regression coefficient, shown in Table (5):

$$IT. G = 0.907 + 0.800 \text{ Internal auditing} + e$$

Accordingly, based on the previous model, an effective relationship appears between the variables and a statistically significant linear regression based on the apparent p-value.

1. For Internal audit independence an influence on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange.

The researchers applied simple linear regression analysis to evaluate the hypothesis:

Table 6. Impact of Internal audit Independence on the efficacy of information technology governance: a linear regression analysis.

Variable	R	R Square	F Value	Sig
Internal audit independence	42.8%	18.3%	20.411	0.000

Table (6) indicates up that the relationship between internal audit independence and the effectiveness of information technology governance comprise 42.8%, that the independent variable was able to explain 18.3% of the variation that occurred on the dependent variable, while 81.7% of the other variables interpret changes in the dependent variable and that the relationship between the two variables is positively statistically significant.

The researchers believe this result is the independence of internal auditing is essential to the effectiveness of the governance of information technology. Independence ensures that internal auditors are free from bias, conflicts of interest, and undue influence from management. This allows them to provide objective and impartial assessments of the organization's internal operations and processes, including those related to information technology.

Table 7. Analyzing variables using simple linear regression to estimate their relationship.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.373	.401		5.910	.000
Internal audit independence	.419	.093	.428	4.518	.000

a. Dependent Variable: IT. G

The regression line equation can be used to summarize Table (7), which shows the value of the assurance audit services' regression coefficient:

$$IT. G = 2.373 + 0.419 \text{ Internal audit Independence} + e$$

Accordingly, based on the previous model, an effective relationship appears between the variables and a statistically significant linear regression based on the apparent p-value.

2. For due professional care an influence on the effectiveness of information technology governance insurance companies listed on the Palestine Exchange.

The researchers applied simple linear regression analysis to evaluate the hypothesis:

Table 8. Impact of due professional care on the efficacy of information technology governance: a linear regression analysis

Variable	R	R Square	F Value	Sig
Due professional care	67.6%	45.7%	76.526	0.000

Table (8) indicates up that the relationship between due professional care and the effectiveness of information technology governance is 67.6%, that the independent variable was able to explain 45.7% of the variation that occurred on the dependent variable, while 54.3% of the other variables interpret changes in the dependent variable and that the relationship between the two variables is positively statistically significant.

The researchers believe that the application of due professional care in internal auditing is essential to the effectiveness of the governance of information technology. It ensures that internal auditors apply a high level of care and skill in their work, leading to high-quality audit engagements that effectively assess the governance of information technology and enhance risk management, compliance, and accountability, and the use of due professional care carefully thoroughly will increase sufficient confidence in auditors to evaluate IT governance processes, independently and objective.

Table 9. Analyzing variables using simple linear regression to estimate their relationship.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.269	.334		3.797	.000
Due professional care	.729	.083	.676	8.748	.000

a. Dependent Variable: IT. G

The regression line equation can be used to summarize Table (9), which shows the value of the consulting audit services regression coefficient:

$$IT. G = 1.269 + 0.729 \text{ Due Professional care} + e$$

Accordingly, based on the previous model, a beneficial relationship appears between the variables and a statistically significant linear regression based on the apparent p-value.

3. For nature of internal audit work has an influence on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange.

The researchers applied simple linear regression analysis to evaluate the hypothesis:

Table 10. Impact of nature of internal audit work on the efficacy of information technology governance: a linear regression analysis

Variable	R	R Square	F Value	Sig.
Nature of internal audit Work	46.8%	21.9%	25.496	0.000

Table (10) indicates up that the relationship between nature of internal audit work and the effectiveness of information technology governance is 46.8%, that the independent variable was able to explain 21.9% of the variation that occurred on the dependent variable, while 78.1% of the other variables interpret changes in the dependent variable and that the relationship between the two variables is positively statistically significant.

The researchers believe that the internal audit process can lead to improved governance of information technology by providing an objective evaluation of the organization's internal operations, identifying areas for improvement, and helping to ensure compliance with regulations and standards.

Table 11. Analyzing variables using simple linear regression to estimate their relationship.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.905	.452		4.219	.000
Nature of internal audit work	.574	.114	.468	5.049	.000

a. Dependent Variable: IT. G

The regression line equation can be used to summarize Table (11), which shows the value of the consulting audit services regression coefficient:

$$IT. G = 1.905 + 0.574 \text{ Nature of internal audit work} + e$$

Accordingly, based on the previous model, a beneficial relationship appears between the variables and a statistically significant linear regression based on the apparent p-value.

5. Conclusion and Recommendations:

The study's findings demonstrated that internal auditing has a significant positive influence on the efficiency of information technology governance in insurance firms listed on the Palestine Exchange, the results of this study are in line with [5], [6], [7], [11], [14], and the Internal audit independence have a very highly impact on the Effectiveness of information technology governance, the results of this study are consistent with [12], [13], at the same time, the due professional care and nature of internal audit work, for internal auditing have a high impact on the effectiveness of information technology governance, this indicates that information technology governance is more effective the more due professional care there is, this result was Similarly the studies [5], [8], [9], [26], which states that due professional care has a significant and positive effect on the effectiveness of information technology governance. Moreover, the information technology governance in insurance companies listed on the Palestine Exchange is highly effective, additionally, it demonstrated that the internal auditing activities that have the greatest impact on the efficiency of information technology governance are (Functionally, the director of the internal audit department in the company reports to the board of directors or the audit committee), followed by the variable, (The Director of the Internal Audit Department communicates directly with the Board of Directors) [25], [27].

The findings are based on a cross-section survey from one country, which means they may have some limitations and should be evaluated with caution. There could also be a choice of influencing variables in the model based on specific stream of literature; other literature may also suggest some other variables for investigation. Although every effort was made to increase the response rate, there could still be a tendency among the respondents to underplay in responding or remain neutral on the survey.

Based on these findings, The following is proposed by the researchers:

1. Emphasizing the importance of the functional and administrative independence of internal audit in insurance companies because of its significant impact on the effectiveness of IT governance.
2. Enhancing the skills of internal auditors and refining their knowledge of information technology issues to keep abreast of changes and developments in this important field.
3. Developing internal audit departments in insurance companies through their commitment to the professional standards issued by the Institute of Internal Auditors.

4. Supporting Capital Market Authority to the internal audit departments in adopting a unified methodology and adhering to appropriate standards to upgrade the role of internal auditing in Palestinian insurance companies.

Contributions/Practical Implications:

The research makes significant theoretical and empirical contributions to literature regarding the impact of internal auditing on the effectiveness of information technology governance in insurance companies listed on the Palestine Exchange and other countries. The research results might help both internal auditors and practitioners in insurance companies to be more ready to understand the components and principles of Internal auditing activity and effectiveness of information technology governance in insurance companies. The management should focus on how to manage resources and wealth; therefore, it should be taken into serious consideration when formulating their strategy. This strategy formulation process can be enhanced by fully integrating and their indicators into management practices.

Insurance companies should coordinate different perspectives and Principles of Internal auditing and effectiveness of information technology governance to improve their performance and should assign scales for each of such perspectives.

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