

The Role of Information Technology in Optimizing the Internal Audit Process and Improving the Quality of Internal Audit

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ABSTRACT

This study describes the influence of the use of information technology on the quality of internal audits in Indonesia using the meta-synthesis method. The results show that the use of information technology has an important role in determining audit quality. It also highlights the importance of auditor competence in mastering various information technology tools and responding to changes that occur, especially in the business world, as well as helping auditors to carry out audit planning by monitoring the lifestyle of suspected fraudsters. This research can contribute to the development of audit practices and adaptation to technology. The implications are to help audit practitioners, regulators and stakeholders in increasing the use of information technology for better audit quality in the future. The digital era also presents challenges for auditors to be able to further improve their performance capabilities in order to adapt to future advances in information technology.

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1. INTRODUCTION

The development of information technology is changing rapidly and advancing rapidly which has an impact on all business activities, so that everything cannot be separated from information technology. As time goes by, all industries are required to master information technology, including in the field of auditing, information technology has a significant impact on audit processes and results. The audit process, which was previously carried out manually, can now empower information technology and create a change from a manual audit system to an electronic audit system. The impact of information technology plays an important role in the success of an audit. The importance

of auditors' understanding of information technology opens up opportunities to design more sophisticated and relevant audit approaches.

Internal audit activities are carried out by an auditor who has several diverse areas of duty. Their work has experienced an increase in the scope of a wider and interconnected task. Here are some examples of internal audit work that may be done by an interrelated auditor:

Finance :

- Performance Audit: Aims to assess the effectiveness, efficiency and economy of the organization's activities in achieving its goals. The impact: improving organizational

performance, optimizing the use of resources and minimizing waste

- Compliance Audit: Aims to ensure the organization's compliance with applicable regulations and legislation. The impact: increasing compliance with the law, minimizing the risk of violating the law and building a strong legal culture.

Operational Field :

- Operational Audit: Aims to assess the effectiveness, efficiency and economy of the organization's business processes. The impact: improving the efficiency and effectiveness of business processes, optimizing the use of resources and increasing customer satisfaction.
- IT Audit: Aims to assess the security, reliability and effectiveness of an organization's information systems. The impact: improving data security, protecting important information from unauthorized access and increasing the effectiveness of information systems.
- Risk Management Audit: Aims to identify, assess and manage the risks faced by the organization. The impact: helping organizations make more measured and informed decisions, minimizing financial losses and increasing organizational resilience.

Other Fields :

- Environmental Audit: Aims to assess the organization's compliance with regulations and regulations related to the environment. The impact: increasing compliance with environmental laws, minimizing negative impacts on the environment and building an environmentally friendly organizational image.
- Social Audit: Aims to assess the social impact of organizational activities. The impact: increasing organizational social responsibility, strengthening relationships with the community and improving a positive organizational image.

2. LITERATURE REVIEW

The definition of technology is a development of hardware and software that helps you work with information quickly and perform tasks related to data processing (Haag and Keen, 1996). A quality audit will have a positive impact on public trust (Bulutoding, 2021) (Majid 2023) (Nugrahanti & Jahja, 2018). The risk of fraud in companies and government institutions is increasing, one way to prevent accounting violations and restore public trust is to conduct an audit (M. Wahyudin Abdullah & Hasma 2017) (Nugrahanti, 2023). In the era of globalization and the development of information technology, the role of information technology has become increasingly important in supporting the operations of an organization (Fadhilatunisa et al., 2020). Audit quality is closely related to the effectiveness of the use of information technology to collect, store and analyze data related to financial statements and internal control of an entity. In this context, questions arise regarding the extent to which audit quality can be affected by the use of information technology in Indonesia. Audits have a crucial role in ensuring the reliability, transparency and compliance of an entity with applicable regulations, SOPs and standards (Wahyudi et al. 2022) (Nugrahanti, 2020). In the context of information system-based audits, audit quality is relevant to how well auditors can use, access and analyze data generated by information technology used by audited entities (Prabowo & Suhartini, 2021). Therefore, tracing the quality of audits in the use of information technology in Indonesia is an issue that needs to be revealed. Several factors can affect the quality of the audit, including the level of sophistication of the information technology used, the auditor's understanding of information technology, and the cooperation between the auditor and the audited party. In addition, audit-related regulations and standards also play an important role in determining audit quality in a business environment.

Information technology audit or IT Audit focuses on aspects of information

systems that exist in an organization that involve the evaluation of the implementation, operation and control of the information system. In essence, IT Audit aims to evaluate the extent to which an entity's information system functions in accordance with its business goals and needs. This audit includes an examination of technological infrastructure, software, and processes that support the operation of information systems (Nusa, 2020). Evaluation of system implementation includes an assessment of the effectiveness of technology application in achieving organizational goals and compliance with applicable standards and policies. Meanwhile, operational audits focus on the day-to-day management of information systems, including operational reliability, data availability, and overall system performance. Information system control is also the main focus of IT Audit, where the auditor evaluates the effectiveness of internal controls implemented to protect the integrity, confidentiality and availability of information. Thus, IT Audit is an important instrument in ensuring that an organization's information system operates optimally, safely and in accordance with existing business needs (Bayu & Melani, 2020).

In 2020, the Associated Committed Fraud Examiner (ACFE) conducted research involving the chief internal auditor. Research shows that most chief internal auditors tend to ignore or make major changes to their audit plans. This phenomenon is caused by the attitude of the chief internal auditors who tend to stop or even reduce audit activities that should be carried out. From the polling

data conducted, around 56% of the heads of internal audit stated that they stopped the audit or reduced the scope of the ongoing audit assignment. This attitude may reflect pressure or a change in priorities at the company's management level or may even be caused by unforeseen external conditions, such as crisis situations or organizational strategic changes. Implicitly, this phenomenon highlights significant changes in internal audit practices that need to be further understood and managed wisely to ensure the integrity and effectiveness of the internal audit function in the organization (Citra Mulyandini & Natita 2021).

3. METHODS

The research uses a qualitative approach by conducting a literature review of various sources, such as academic journals, research reports, official publications and news articles related to the auditing profession in Indonesia. The analysis was carried out by identifying the main themes that emerged from the literature, such as the challenges of internal audit facing the digital era and opportunities for the development of the auditor profession in line with the development of information technology.

4. RESULTS AND DISCUSSION

Table.1 describes previous studies that explain that there are studies that discuss the role of information technology in the internal audit process. The following is a map of previous research research:

NO	HEADING	METHOD RESEARCH	RESULT
1	Impact of Utilization Information Technology Against Quality Audit Internal (Fa'iz Zagrotun Nisa, Dewi Nur Azizah, 2023)	Methods that Used Study literature. Technique Data analysis used is the method Descriptive analysis	1) The impact of IT can be used as an internal audit tool, can minimize errors in the audit process and speed up the auditor's work. 2) The use of IT has a significant impact on the quality of internal audits, can improve internal

			control by adding new control procedures carried out by computers instead of manual methods that are prone to human error.
2	The Impact of Information Technology on the Efficiency and Effectiveness of the Audit Process (Dewi Musyaroh Wulandari, Imelda, 2023)	The research uses qualitative descriptive methods	Information technology has a significant impact on the internal audit process.
3	What's wrong with the quality of audits in using information technology in Indonesia (Nabila Fildzah, Nurul Arida, Andy Shahrani, 2023)	Metasynthesis is used by researchers to integrate and synthesize findings from several previous qualitative studies.	The adoption of information technology, especially the e-audit system, proves that auditor competence in mastering IT plays a central role
4	Challenges and Opportunities for the Application of Artificial Intelligence to Support the Audit Process (M. Al-Qafi, Akka Noor Aziza, 2024)	Using a qualitative approach to describe the problem and focus of the research.	1) The application of AI in auditing provides many benefits, including higher efficiency, the ability to process data quickly and accurately, and detect fraud. 2) AI is a tool and a strategic partner for auditors.
5	Utilization of Accounting Information Systems and the Role of Internal Audit in Assessing the Quality of Financial Statements (Intan Dewayani, 2024)	The research uses the literature study method	The use of accounting information systems in financial statements is expected to produce relevant, reliable information for decision-making
6	Beyond the Limits of Human Vision: The Role of AI in Detecting Fraud in the Audit Process of Systematic Literature Review (Hasri Ainun, Anastasia, Amiruddin, 2025)	The research method is systematic Literature Review	The application of AI in financial fraud detection brings significant changes in audit practices.

The opportunities for the audit profession in the future are still very wide

open judging from the increasingly wide and diverse scope of audit work. This

phenomenon occurs due to several factors, including:

Technological Developments: Technological developments such as AI and hardware and software tools including big data analytics can improve the efficiency and effectiveness of audits, but auditors need to develop new competencies to make optimal use of these technologies. In addition, the use of technology also poses new risks, such as cybersecurity and the potential for manipulation of good data, photos, videos, documents, and so on.

Stakeholder expectations: Stakeholders are increasingly demanding transparency, accountability and higher audit quality. Auditors need to improve their information technology, communication and collaboration competencies with stakeholders to meet these expectations

5. CONCLUSION

The internal audit profession in Indonesia has experienced rapid development, driven by increasing awareness of business and regulatory complexities as well as advances in information technology. The internal audit profession is not only limited to financial audits but also includes operational, compliance, information technology, risk management, environmental and social audits.

Technological developments in the current 4.0 era coupled with AI innovations and big data analysis provide opportunities to improve audit efficiency and effectiveness, but also present new challenges related to cybersecurity and internal auditor competence. Changes in regulations and the business environment in a particular country also require auditors to constantly update their knowledge and skills.

In today's ever-evolving era of big data, audit practices are becoming increasingly complex and require innovative approaches to ensure the accuracy and relevance of audit evidence. By leveraging a digital footprint, auditors can open a broader window into a company's operations, provide deep insights, and increase the validity and relevance of audit evidence. The application of digital trail analysis allows auditors to conduct more effective forensic audits, detect potential fraud and respond to changes quickly. Thus, auditors can identify patterns, risks and opportunities more precisely, increasing the validity of the audit evidence produced.

Overall, the internal audit profession in Indonesia has bright prospects, but it also faces complex challenges. To be relevant and meet stakeholder expectations, auditors need to continuously develop their competencies, adapt to information technology developments and comply with regulatory changes.

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