

## THE EFFECTS OF COLLABORATION BETWEEN INTERNAL AUDITING AND FINANCIAL AFFAIRS DEPARTMENTS: A SURVEY CONDUCTED THROUGH THE INTERNAL AUDITING AND FINANCIAL AFFAIRS DEPARTMENTS

*All companies have an accounting department, but the internal auditing department is structured when the management of a company is getting more difficult, paralleling to its growing and complexity.*

*It has been studied in this article the function of an internal auditing department, the possible risks, disorders, and collaboration with accounting in order to minimize these points as much as possible. It is clear that the main information source of auditing is accounting records, financial reports, analysis, etc.*

*The closer collaboration needs to be established for the big size companies because controlling the assets would be more complicated for big companies that have multiple complex departments. For these types of large scale businesses, there are clearly so many objects in order to establish a strict collaboration. How the collaboration can be, what they can provide each other, how they should support their works, where they must act together, and other possible questions can be raised. The answers to these questions should establish all necessary procedures, and strict applications of these procedures would add considerable value to complex organizations.*

*JEL: M40; M41; M42*

### Introduction

The internal auditing department has an independent and objective activity that gives trustees to the shareholders of a company regarding the operations of the company. Internal auditing also provides advice, including systems and procedures on how to improve the efficiency of the assets of the company and to receive more values. It contributes the organization to achieve its targets through systematic and methodical approaches, its risk management (Felix, et al., 2001). Additionally, it tries to find measurements in order to stop possible frauds and to decrease or eliminate the risk factors.

Of course, all companies have in the way of internal controlling systems. Sometimes it is considered as a part of the duties of accounting or financial affairs departments by

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establishing and processing strict standards and rules in a company. The achievement by constructing an internal auditing department instead of running an internal control system as a part of the financial affairs department can be suggested that achieving the mission of the objectives of internal control cannot be a side duty of an executive department. In an organization, there are lots of objectives to be achieved, such as operational efficiency and effectiveness, reliability of financial reporting, and compliance with relevant laws and regulations (COSO, 1992).

The risks that an internal control system can identify and establish measurements are mainly the case of the treatments done by individuals and whose activities are audited just by themselves. The previously entered accounting entries and all accounting database, including financial statements, are fully made accessible to internal auditing to enable it to reach its targets. This also allows an internal auditing department to perform the validation and posting of the accounting entries.

A strong connection between internal auditing and accounting is essential, and both of them are very useful for each other. The assistance of general accounting, cost accounting, and financial accounting is vital for the performance of internal auditing.

This survey research was based on collecting information from a group of employees by asking them set of questions through electronic mails and analyzing the returned responses. The following steps were involved to perform an effective survey:

- Determining the persons who will be a part of the survey;
- Deciding the type of the survey as mail;
- Designing the form and questions to ask to the participants;
- Distributing the form of the survey to the participants;
- Analyzing the returned responses;
- Transmitting the results of the analysis into the paper.

### **The Purpose of the Study**

This paper aimed to get a conclusion on “The Effects of Collaboration between Internal Auditing and Financial Affairs Departments: A Survey Conducted through the Internal Auditing and Financial Affairs Departments the Financial Parameters of Companies” by conducting a survey analysis. Through the survey, the thoughts and perceptions of the representatives of internal auditing and financial affairs departments were gathered. The Likert Scale was utilized to measure the responses from the participants and the collected data was analyzed by involving the qualitative data analysis techniques such as Descriptive Statistics and Chi-Square Analysis.

The findings are presented in the further chapters and the results are summarized in the conclusion.

## **1. The Usefulness of Accounting Department for the Operations of Internal Audit**

Information is an essential determinant factor for an internal auditing department to reach its engaged targets, more precisely the success of an entity. Even, Dunn (1996) says that to define or limit the working field of internal auditors. Information based on particular scientific criteria is not only an important thing but also a vital indicator for the fairness of the financial performance of a company for shareholders and other interest groups. The vital information must be relevant to the activities of the company, that is, match the audited object or respond to all questions on the way to the financial performance of the company. It must also be verifiable for the interest groups and shareholders; hence, the importance and trustiness of the auditing process so that the audit condition is respected by the readers. In addition to these facts, the information which is processed by the auditors must be neutral so that the auditing process can treat it objectively (Richiute, 2002). The internal audit team will also appreciate because of using this information that the information data is easily exploitable to optimize its intervention times. Another very important point is that, in order to reach an undisputable result, the essential attribute for information to be satisfactory is the accuracy of information (Ljubisavljević, Jovanovi, 2011). Any error at the end of the auditing process erases the previously stated qualities and increases the complaints.

Lin et al. (2011) support that without any arguing and doubt, internal audit is one of the most information processing tools in a company. To evaluate internal auditing processes, the auditors must rely on the written procedures (Uzun, 2009), which describe the steps and wideness of the auditing process, on the way in which these written procedures are actually used, on the results produced at the end of the audit, on the controls implemented for the control of the internal auditing operations. On each of these steps, the information is essential from the procedures; therefore, but also job descriptions of auditing steps and auditing reports (Felix, et al., 2005). For these reasons, the internal auditing operation collects data in order to obtain the necessary documentation, calculation, system, methods, etc. for the evaluation of the audited processes and finally to create the financial performance of a company to present to the shareholders. Chambers (2010) states that internal control systems enable companies to focus on other activities, which can be riskier for others that do not have internal control systems.

The results of the accounting department can be exploited by the internal auditor at different stages of the internal auditing assignment according to the level of its reliability. First of all, as Coram, Ferguson, and Moreney (2006) state, the information delivered by the accounting department is certainly valuable for reaching the objects of auditing activity with approaching subjects to be audited. With the assistance of accounting data, an auditor can, among other things, know the volume of the operations and their evolutions, as well as the certainly proven risks by analyzing their provisions. Because of this, accounting records and reports can be useful for an audit process as a certain tool during the execution of the audit activities. It is also the duty of an internal auditor to monitor internal control forms (Effok, 2003). It is the nature of the accounting department to centralize all economic transactions at one hand, and this is an incomparable database in terms of completeness for auditing. The accounting systems make it possible for auditing activity to extract information to process according to more and more refined selection criteria that auditing would define according to the necessities. Accounting is based on control points that can inform the internal audit

department regarding accounting records (Al-Matari, et al., 2014). Bank reconciliations performed by the accounting department can be a very easy example as a function of the accounting department to provide key information about cash flow in terms of account openness and operation.

It is clear that the quality of information for auditing is essential (Jensen, 1993). It is easy to understand the reason of this that one of the challenges of an audit mission is to find the correct and trustable sources of this highly qualitative and trustable information. The main point or address to obtain the information matching the required conditions is the information producing department, which is accounting (Whittington, Pany 2004). Indeed, accounting is the only department that has to register all types of operation of an entity to the books in time and correct manner. It is the mission of accounting to register all economic operations of a company. As a next point, in the accounting department, each registration must be justified clearly by an accounting document tracing the path of the operation to the financial statements (Goodwin, Yeo, 2001). Accounting is an information centre of a company and should be governed with strict rules and clear standards that can be observed, understood and applied by all dedicated accounting employees. The availability of accounting data must be presented to the interest groups and the internal auditing department (Ho, Hutchinson, 2010). The accuracy of the accounting data is the purpose of which is to ensure the regularity, the fairness of the operations of a company.

The accounting department allows the internal auditors to know what is the current situation of the company or, and what has happened previously regarding the topic being audited. Robertson (1976) states that one thing is admitted and understood that accounting entries and statements respect a legal framework, and for this reason, the pictures of these tables are sometimes far removed from economic realities. Of course, management may estimate these differences, and its control can compensate these differences in the presentation of financial statements with the attachment of the internal auditing reports (Endaya, 2014). It would just help for the accomplishment of its missions and expected qualities, and it is expected that the internal audit department uses the values of accounting as much as possible.

## **2. The Function of the Internal Auditing Department for the Operations of the Accounting Department**

Behind the term of internal audit, there are, actually, several different types of approaches for substantive auditing works conducted by an internal auditing department for the analysis of a company. Nevertheless, all these audit procedures, applications, and activities meet the same requirements and have the same overall objectives when they apply their activities (Guredin, 1996). An auditing department focuses on measuring risks, controlling weaknesses, and predicts possible results. Risks and weaknesses are also depending on the type, dimension, and geographical location of companies. Brewer and List (2004) underline that these factors oblige companies for establishing internal control systems.

When the auditing process starts and is on-going, its primary purpose is to measure, control, and predict possible risks, procedures to be updated, renewed, or cancelled. The internal auditing of accounting is also an essential subject in order to determine and take measures

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for possible frauds or misuses on revenues, expenditures, expense, etc. (Goodwin, Kent, 2003). The activity of internal auditing provides an overview and, most importantly, dashboards that will enable the managers of the company, more specifically the accounting manager, to anticipate, and set sensitive alarming points to warn them at the right time. In addition to accounting, actually more widely than that, setting up procedures for other departments, such as sales and marketing and cost management to ensure the sustainability of the business for its shareholders. Shareholders have realized that an on-going basis (Chambers, 2010) effective control system is an essential tool for better financial indicators in an organization.

### **3. Harmonizing the Procedures of a Company**

As it is known that there are lots of procedures in a company to run it in a way, which enables the employees what to do in case of a specific subject (Prawitt, et al., 2009). An internal auditing department also serves to harmonize the procedures of a company. Whether data flows or methods of accounting, an internal auditing department determines the problematic and/or inefficient milestones and to propose more efficient alternatives in order to decrease or stop the irregularities and allows the management also to identify these points and takes a decision regarding the application of these proposals. The existence of an internal auditing department is a vital operation for a profit-based private company. On the other hand, Brewer and List (2004) put their opinions that the function of the internal auditing department is not so essential in public companies.

It is indeed extremely crucial, as an example, that the necessary proofs of expenditure, very essential for the accounting department of the company (Goodwin, 2003), go back in time and be checked almost daily, to avoid possible accounting errors which, ultimately, can be very costly at the end of that transaction or near or far future for the companies, that means for shareholders and other interest groups.

### **4. Ensuring the Duties of Financial Affairs**

Even though ensuring legal accountability is a field of external financial auditors (IAA, 2018), there are a lot of examples that internal auditing takes a part of legal accountability. The duty of internal auditing is not, of course, on the points of the pure calculation of taxes or the preparation of tax declarations or forms (Burns, Nordstrom, 2015). Instead, internal auditing departments have contributions to formal points of the taxation such as preparation of invoices, bill of lading, checks, and timing of these types of activities.

Accounting, finance, and financial affairs are professional services run by the employees, called accountants and financiers. On the other hand, Sawyer (2004) states that there are standards, systems, methods, rules, procedures, and other legal frameworks to be run this department properly as it is regulated. In case of not applying the defined conditions or not acting accordingly by ignorance of the rules of taxation and accounting, unintentionally, it is not called a fraud or such.

One of the important roles of the auditing process, it doesn't matter whether accounting activity is performed by a chartered accountant from outside of a company, an outside consultant, or an in-house accountant, is also to provide and ensure that the accounting applications comply fully with the rules of taxation to avoid a possible recovery.

## 5. Analysis of Data and Variable Factors

To determine if there is any effect from the collaboration between internal auditing and accounting departments, a survey was utilized to accumulate related data to generate outcomes in order to present the results of this research study. The survey was conducted on 21 companies in Turkey. The research methodology had been arranged according to qualitative data collections from the companies surveyed. The participants of the survey are the employees who work in the companies located in Istanbul. These companies are specifically chosen for the study because they have established their internal auditing departments for long years, and these well-function departments have strong collaborations with financial affairs departments (accounting and finance) while performing their duties.

The dimension of the sampling of this study is good enough, and the representatives of participant companies were the managers and the chiefs of the internal auditing, accounting, finance, and financial affairs departments. The judgment sampling method was used in order to get the answers of the participants. I can underline that it has been observed in these population that there are strong and well-designed collaborations have been constructed between internal auditing and financial affairs departments. Generally speaking, financial affairs departments were in the position of protective and supportive approach to internal auditing departments. On the other hand, the internal auditing departments were in the position of observing the activities of the financial affairs departments.

### 5.1. The research methodology

The answers of the participants were supportive, clear enough for categorizing them in order to present a conclusion of this research. During the analysis of the questioner, the simple random sampling technique was utilized by selecting each individual sample from the entire population by providing equal chances to each individual, and the following data has been collected.

For analyzing the provided answers below, qualitative data analysis techniques have been used:

**a) Descriptive Statistics has been utilized to determine** the level of the agreement or disagreement of the participants and the answers have been prepared, tabulated and summarized on the base of percentages, mean, median, mode, and standard deviation.

- Proportion=  $f/N$  and  $\%=f/N*100$
- Mean  $>4.0$  as the minimum and minimum expected value for mode and median is 4.0

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**b) The Chi-Square Analysis** was utilized for testing the hypotheses according to the answers of the participants. The rejection condition of the hypothesis is 95 confidence of alpha with -  $\alpha$  0.05.

### 5.2. Implications of Likert Scale

The research hypothesis was “*The effects of collaboration between internal auditing and financial affairs departments have positive effects in the performance, or neutral effects (no effect) or negative effects in the financial performance of a company*”. Likert scale was utilized for measuring the variables of *positive effects*, *neutral effects (no effect)*, and *negative effects*. The Likert values were 1 = not at all, 2 = no, 3 = not really, 4 = neutral, 5 = a little bit, 6 = yes, 7 = absolutely.

- 1) **Positive effect:** A measure of participants’ thoughts about the collaboration of internal auditing and financial affairs has positive effects on the financial statements: **with 1 = not at all; 2 = no; 3 = not really; 4 = neutral; 5 = a little bit; 6 = yes; 7 = absolutely**
- 2) **Neutral effect:** A measure of participants’ thoughts about the collaboration of internal auditing and financial affairs has neutral effects on the financial statements: **with 1 = not at all; 2 = no; 3 = not really; 4 = neutral; 5 = a little bit; 6 = yes; 7 = absolutely**
- 3) **Negative effect:** A measure of participants’ thoughts about the collaboration of internal auditing and financial affairs has neutral effects on the financial statements: **with 1 = not at all; 2 = no; 3 = not really; 4 = neutral; 5 = a little bit; 6 = yes; 7 = absolutely**

## 6. Empirical Results and Descriptive Statistics

There were 27 companies in the study; each was assigned a number from 1 to 27.

While analyzing the outcomes, it was tried to determine whether the collaboration between internal auditing and the financial affairs department has a positive effect on company performance or not at present and in the future. Various tests have been utilized by using an independent samples t-test method.

Below results have been reached:

- 1) **Mean for “the thoughts of positive effect”** was considerably higher ( $M = 5.50$ ,  $s = 1.556$ ) among the participants of internal auditing departments than those of financial affairs departments’ participants ( $M = 3.78$ ,  $s = 1.577$ ). The difference is essential ( $p = .001$ ). Chi-square analysis was utilized for further analysis to observe the difference of the positive effect between the participants of internal auditing department and financial affairs department and the chi-square analysis supported these results that “the thoughts of positive effect” were unevenly scattered among the participants of the internal auditing departments ( $p = .004$ ).

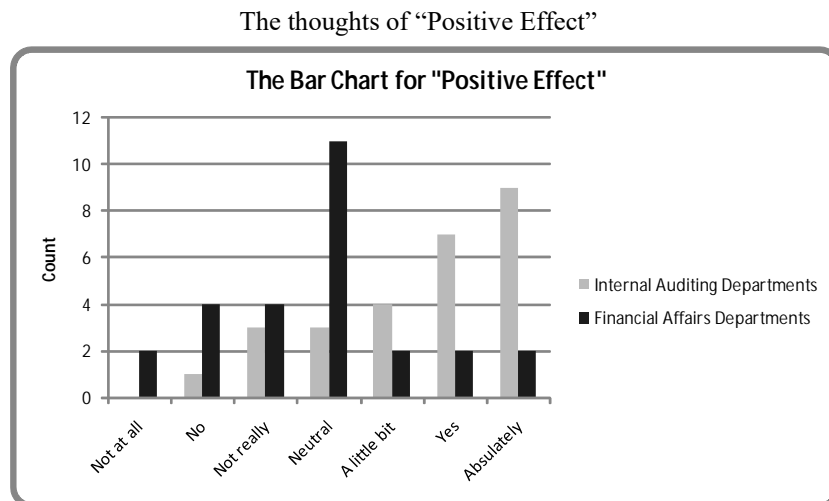
- 2) **Mean for “the thoughts of neutral-no effect”** were higher ( $M=4.85$ ,  $s=1.199$ ) among the participants of financial departments than those of internal auditing departments’ participants ( $M=4.35$ ,  $s=1.198$ ). Chi-square analysis supported these results that “the thoughts of neutral-no effect” were unequally scattered among the participants of the internal auditing departments ( $p=.004$ ).
- 3) As far as the **Mean of “the thoughts of negative effect”** is concerned, ( $M=1.88$ ,  $s=0.816$ ) among the participants of internal auditing departments and ( $M=1.89$ ,  $s=0.801$ ) among the participants of financial affairs departments, as it is seen there was no statistically considerable difference between the two departments ( $p=.194$ ).

As a further step, t-tests were utilized to determine whether the internal auditing departments were also associated with the thoughts of “positive effects”, “neutral effects”, and “negative effects”.

Based on the independent samples of a t-test, the mean of the thoughts of “*collaboration between internal auditing and financial affairs departments has positive effects in the performance of a company*” was much higher for the participants of the internal auditing departments ( $M=5.48$ ,  $s=1.556$ ) than for the participants of the financial affairs departments ( $M=3.78$ ,  $s=1.577$ ). The difference between these two results was statistically important ( $p=.001$ ).

Chi-square analysis also was utilized as a further analysis for the difference of the thoughts of collaboration between internal auditing departments and financial affairs departments. Chi-square analysis also confirmed that the thoughts of positive effect were unevenly scattered among the participants of internal auditing departments versus the financial affairs departments ( $p=.004$ ). The bar chart (Figure 1) plainly illustrates the same tendency detected in the t-test.

Figure 1



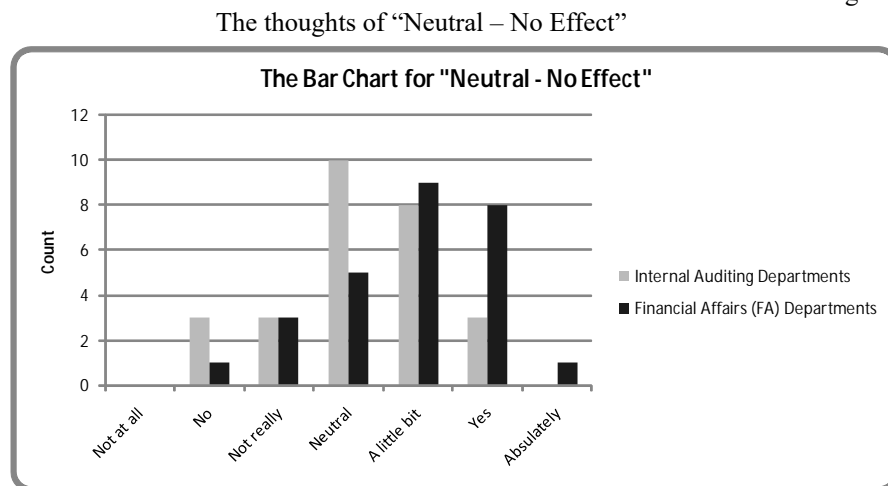


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Based on the independent samples of a t-test, the mean of the thoughts of “*collaboration between internal auditing and financial affairs departments has neutral effects (no effects) in the performance of a company*” was little higher for the participants of the financial affairs departments ( $M = 4.85$ ,  $s = 1.199$ ) than for the participants of the internal auditing departments ( $M = 4.19$ ,  $s = 1.145$ ).

Chi-square analysis also was utilized as a further analysis for the difference of the thoughts of collaboration between internal auditing departments and financial affairs departments. Chi-square analysis also confirmed that the thoughts of positive effect were unevenly scattered among the participants of internal auditing departments versus the financial affairs departments ( $p = .004$ ). The bar chart above (Figure 2) plainly illustrates the same tendency detected in the t-test.

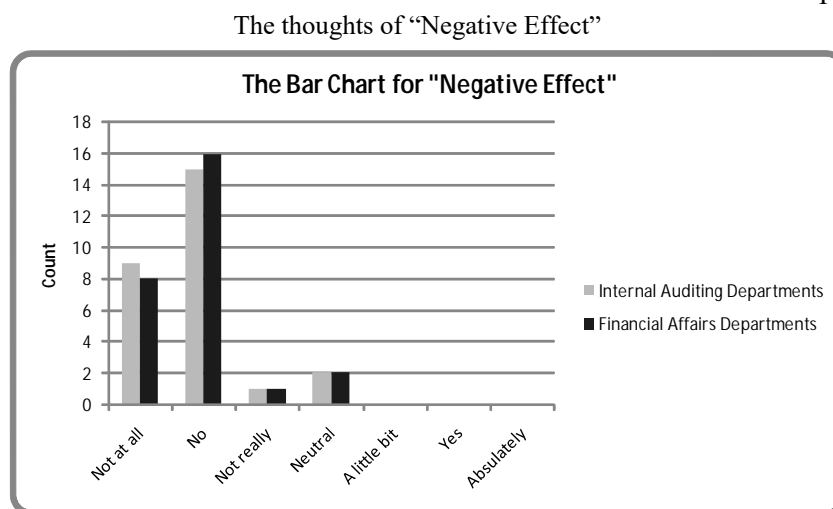
Figure 2



Based on the independent samples of a t-test, the mean of the thoughts of “*collaboration between internal auditing and financial affairs departments has negative effects on the performance of a company*” was very close for the participants of the internal auditing departments ( $M = 1.88$ ,  $s = 0.816$ ) than for the participants of the financial affairs departments ( $M = 1.89$ ,  $s = 0.801$ ).

The result of Chi-square was also confirmed that the thoughts of negative effects were unevenly scattered among the participants of internal auditing departments versus the financial affairs departments ( $p = .194$ ). The bar chart above (Figure 3) apparently shows the same tendency realized in the t-test.

Figure 3



## Conclusion

The relationship between internal audit and accounting as being a source of reliable and relevant information is obviously very important, and it should be supported by the management of the entities. Provided that this quality of information is proven and certified, the reliability of the information would be accepted and appreciated by the shareholders.

Since the Accounting Information System is the first information system in the company, the mission of the internal audit will be more time-efficient. In fact, the information from financial affairs departments, if it is well understood, makes it possible to re-schematize the progress of operations, thus reconstructing the internal audit trail. This collaboration is the approach that is used while performing the activities of internal audit and accounting in a company.

As it is explained in this paper and in the attached tables that internal auditing and financial affairs departments would apply their own assignments while performing their duties. The value or the effect of the collaboration between these two departments is not considered at the same level of importance. The survey participants of the internal auditing department think that collaboration is important, and it may contribute values to the financial performance indicators of a company. On the other hand, the survey participants of financial affairs departments do not think as strong as the survey participants of the internal auditing department that collaboration between internal auditing and financial affairs would add significant values to a company (Table 7 in Annex).

### **Limitations of the study**

The results of the survey analysis are based on subjective assessment. In other words, the answers from respondents were not supported by quantitative studies. Even though, the result of the analysis concluded from the subjective assessments regarding the effects of connection of the internal auditing and financial affairs departments, it would have added considerable values if the study was supported with quantitative parameters.

### **Recommendation for future studies**

Since it was mentioned in the previous paragraph that the study was based on subjective answers, future studies to measure the Effects of Collaboration between Internal Auditing and Financial Affairs Departments should be coordinated and based on quantitative analysis by considering the financial parameters of the companies. The results of quantitative analysis based on the financial statements of the companies will increase the effect of the study.

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## ANNEX

Table 1

The data for *Thoughts of “Positive Effect”*

	Not at all	No	Not really	Neutral	A little bit	Yes	Absolutely	Total Points for the Mean	Total Companies	Mean
The value of the answer	1	2	3	4	5	6	7			
Internal Auditing (IA) Departments	0	1	3	3	4	7	9		27	
Value from the answer of IA	0	2	9	12	20	42	63	148		5.48
Financial Affairs (FA) Departments	2	4	4	11	2	2	2		27	
Value from the answer FA	2	8	12	44	10	12	14	102		3.78

This table presents the returns of comparisons between the thoughts of the internal auditing departments and financial affairs departments. The comparison focuses on the answers to that there is a “*Positive Effect*” on the financial indicators of companies in case of having collaboration when these two departments perform their duties. The table reports that among 27 companies, the survey participants from internal auditing departments believe stronger than those of the financial affairs department that there is a positive result of these departments establish collaborations while rendering their work.

The rows of Table 1 show where the answers of Internal Auditing Departments and Financial Affairs Departments gathered about the *thoughts of “positive effect”*.

It is clear from Table 1 that participants from internal auditing departments made their opinions in favor of “*a collaboration between accounting and auditing departments would create better indicators in the financial statements of a company*”, with a total point of 148.

On the other side, even though they also have a supportive opinion, the opinions of the participants from the internal auditing departments are not as strong as those of the participants of the internal auditing department. The total point of the participants of the financial affairs departments is just 102.

Table 2

Raw Scatter of the *Thoughts of “Positive Effect”*

	<b>Internal Auditing Departments</b>	<b>Financial Affairs Departments</b>
<b>1</b>	3	2
<b>2</b>	6	4
<b>3</b>	2	4
<b>4</b>	7	3
<b>5</b>	7	4
<b>6</b>	4	2
<b>7</b>	4	6
<b>8</b>	7	4
<b>9</b>	6	3
<b>10</b>	7	5
<b>11</b>	5	3
<b>12</b>	4	4
<b>13</b>	6	7
<b>14</b>	7	1
<b>15</b>	7	2
<b>16</b>	6	2
<b>17</b>	7	4
<b>18</b>	7	5
<b>19</b>	6	6
<b>20</b>	3	3
<b>21</b>	3	7
<b>22</b>	6	1
<b>23</b>	6	4
<b>24</b>	5	4
<b>25</b>	7	4
<b>26</b>	5	4
<b>27</b>	5	4
<b>Sum</b>	<b>148</b>	<b>102</b>
<b>Mean</b>	<b>5.48</b>	<b>3.78</b>
<b>S</b>	<b>1.556</b>	<b>1.577</b>

Table 2, above, represents the raw data source of table 1. It is possible to see in table 2 the repetitions of the company opinions on the base of the Likert Scale, the sum of the choices, means of the departments and standard deviations of the data for the opinions of both departments.

Table 3

The data for the *Thoughts of “Neutral – No Effect”*

	Not at all	No	Not really	Neutral	A little bit	Yes	Absolutely	Total Points for the Mean	Total Companies	Mean
The value of the answer	1	2	3	4	5	6	7			
Internal Auditing Departments	0	3	3	10	8	3	0		27	
Value from the answer of IA	0	6	9	40	40	18	0	113		4.19
Financial Affairs (FA) Departments	0	1	3	5	9	8	1		27	
Value from the answer FA	0	2	9	20	45	48	7	131		4.85

This table depicts the returns of the comparisons of the answers of that there is a “*Neutral – No Effect*” on the financial indicators of companies even if there is a collaboration between internal auditing and financial affairs departments when these two departments perform their duties. The table shows that among 27 companies, there is no a considerable difference between the survey participants from internal auditing departments and financial affairs departments whether there is a positive or negative effect if these departments establish collaborations while rendering their work.

The rows of table 2.1 show where the answers of Internal Auditing Departments and Financial Affairs Departments gathered about the *thoughts of “Neutral – No effect”*.

It is clear from table 2.1 that participants from both departments made their opinions in favour of “*a collaboration between accounting and auditing departments would not create better or worse indicators in the financial statements of a company*”, with the total points of 113 and 131.

On the other hand, we can identify that the opinions of the participants from financial affairs departments are stronger (4.85 about the “*Neutral – No Effect*” than those of the participants from the internal auditing departments (4.19).

Table 4

Raw Scatter of the *Thoughts of “Neutral – No Effect”*

	<b>Internal Auditing Departments</b>	<b>Financial Affairs Departments</b>
<b>1</b>	3	6
<b>2</b>	5	3
<b>3</b>	6	2
<b>4</b>	5	4
<b>5</b>	5	3
<b>6</b>	6	5
<b>7</b>	4	5
<b>8</b>	4	6
<b>9</b>	4	6
<b>10</b>	4	5
<b>11</b>	4	5
<b>12</b>	4	5
<b>13</b>	5	5
<b>14</b>	5	5
<b>15</b>	4	4
<b>16</b>	4	4
<b>17</b>	3	4
<b>18</b>	2	6
<b>19</b>	5	6
<b>20</b>	5	3
<b>21</b>	6	5
<b>22</b>	3	7
<b>23</b>	4	6
<b>24</b>	4	4
<b>25</b>	5	6
<b>26</b>	2	6
<b>27</b>	2	5
<b>Sum</b>	<b>113</b>	<b>131</b>
<b>Mean</b>	<b>4.19</b>	<b>4.85</b>
<b>S</b>	<b>1.145</b>	<b>1.199</b>

Table 4, above, represents the raw data source of table 3. It is possible to see in table 4 the repetitions of the company opinions on the base of the Likert Scale, the sum of the choices, means of the departments and standard deviations of the data for the opinions of both departments.



Table 5

The data for the *Thoughts of “Negative Effect”*

	Not at all	No	Not really	Neutral	A little bit	Yes	Absolutely	Total Points for the Mean	Total Companies	Mean
The value of the answer	1	2	3	4	5	6	7			
Internal Auditing Departments	9	15	1	2					27	
Value from the answer of IA	9	30	3	8	0	0	0	50		1.85
Financial Affairs Departments	8	16	1	2					27	
Value from the answer FA	8	32	3	8	0	0	0	51		1.89

Table 5 represents the outcomes of the comparisons of the answers of that there is a “*Negative Effect*” on the financial ratios of companies if a collaboration is composed between internal auditing and financial affairs departments when these two departments perform their duties. The table reflects that among 27 companies, the thoughts are almost the same between the survey participants from internal auditing departments and financial affairs departments whether there is a negative effect if these departments render their duties with collaboration.

The rows of table 5 show where the answers of Internal Auditing Departments and Financial Affairs Departments gathered about the *thoughts of the “Negative effect”*.

The mean differences of data returns are from deciles 1 to 10 (1.85 to 1.89). It is clear from table 3.1 that participants from both departments made their opinions in favour of “*a collaboration between accounting and auditing departments would not create negative indicators in the financial statements of a company*”, with the total points of 50 and 51.

Table 6

Raw Scatter of the *Thoughts of “Negative Effect”*

	<b>Internal Auditing Departments</b>	<b>Financial Affairs Departments</b>
<b>1</b>	3	2
<b>2</b>	2	2
<b>3</b>	1	2
<b>4</b>	2	2
<b>5</b>	4	4
<b>6</b>	2	2
<b>7</b>	2	2
<b>8</b>	1	1
<b>9</b>	2	2
<b>10</b>	2	2
<b>11</b>	1	4
<b>12</b>	2	1
<b>13</b>	2	2
<b>14</b>	2	2
<b>15</b>	4	1
<b>16</b>	1	1
<b>17</b>	2	1
<b>18</b>	2	2
<b>19</b>	2	3
<b>20</b>	1	1
<b>21</b>	1	2
<b>22</b>	1	2
<b>23</b>	2	1
<b>24</b>	2	2
<b>25</b>	1	2
<b>26</b>	2	2
<b>27</b>	1	1
<b>Sum</b>	<b>50</b>	<b>51</b>
<b>Mean</b>	<b>1.85</b>	<b>1.89</b>
<b>S</b>	<b>0.818</b>	<b>0.801</b>

Table 6, above, represents the raw data source of table 5. It is possible to see in table 6 the repetitions of the company opinions on the base of the Likert Scale, the sum of the choices, means of the departments and standard deviations of the data for the opinions of both departments.

Table 7

The summary of the *thoughts of the survey participants*

	Internal Auditing Departments	Financial Affairs Departments
Thoughts of “Positive Effect”	5.48	3.78
Thoughts of "Neutral - No Effect"	4.19	4.85
Thoughts of “Negative Effect”	1.85	1.89

Table 7 summarizes the thoughts of the survey participants by sorting the three different thoughts and their means in the internal auditing departments and financial affairs departments.

As it was touched in the explanations of previous tables, it can be concluded from table 7 that:

**a) Participants from the Internal Auditing Departments think that:**

- **Positive Effect:** Yes, collaboration with financial affairs departments would support the financial indicators of a company upward.
- **Negative Effect:** No, collaboration with financial affairs departments would affect the financial indicators of a company the downward.
- **Neutral Effect:** It is not clearly established in their minds whether collaboration with financial affairs departments would support the financial indicators of the downward.

**b) Participants from the Financial Affairs Departments think that:**

- **Positive Effect:** It is not clearly established in their minds whether collaboration with financial affairs departments would support the financial indicators of the downward.
- **Negative Effect:** No, collaboration with financial affairs departments would affect the financial indicators of a company downward.
- **Neutral Effect:** It is mildly clear in their minds whether collaboration with financial affairs departments would have any effect on the financial indicators of a company.