



EFFECTIVENESS OF INTERNAL AUDITING IN MANUFACTURING INDUSTRIES

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Abstract

The purpose of this study is to find out how well internal auditing works in industrial sectors to improve performance and reduce risks. This study examines many aspects of internal auditing, such as its function in financial control, operational effectiveness, and regulatory compliance, by undertaking an extensive analysis of the literature. Important elements including competency, independence, and quality of internal auditing are looked at to see how they affect the performance of the organization.

Also, this study evaluates how well internal audit procedures—risk assessment, audit planning, execution, and reporting—are implemented in order to ascertain how well they work to handle new opportunities and problems in industrial contexts. It also discusses how technology and data analytics can improve internal audit capabilities, highlighting how important they are for spotting fraud, identifying abnormalities, and strengthening decision-making procedures.

Keywords: Financial integrity, operational efficiency, risk minimization, organizational success, internal audits, manufacturing industries, and regulatory compliance.

CHAPTER- 1: INTRODUCTION

1. Background of the topic

The significance of internal auditing in guaranteeing operational efficiency, risk mitigation, and compliance has led to a growing interest in manufacturing businesses. Manufacturing companies have always had particular difficulties with inventory control, intricate supplier chains, and regulatory compliance. Strong internal audit procedures are required to protect resources, streamline operations, and improve overall performance in light of these obstacles.

The dynamic contexts in which manufacturing industries work are defined by globalization, technical breakthroughs, and changing market demands. As a result, internal auditing's function has expanded beyond traditional financial controls to include more areas including sustainability, operational effectiveness, and strategic risk management. Gaining knowledge of the past helps one better understand how internal auditing has changed throughout time and how important it is to manufacturing companies.

2. Need/importance of the topic

- To gain knowledge on operational efficiency
- To gain an understanding of technological advancements in auditing
- To understand effective uses of technology in identifying errors minimize waste, and boost market competitiveness by promoting a continuous improvement culture.

3. Theoretical implication of the topic.

Theoretically, corporate governance, risk management, and organizational behavior principles are all in line with the efficiency of internal auditing in the manufacturing sector. According to the agency theory, internal auditing acts as a means of bringing management, employees, and shareholders' interests into line. Internal audits reduce agency conflicts and strengthen organizational trust by offering independent assurance and encouraging transparency.

Manufacturing companies' whole risk management strategy benefits from internal auditing. The framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) emphasizes the significance of internal control systems in the efficient management of risks. By evaluating the efficacy and sufficiency of internal controls, internal auditors help management recognize, evaluate, and proactively address risks.

4. Recent trends related to the topic

Advancements in technology, data analytics, and stakeholder expectations are reflected in recent changes in internal auditing within industrial industries. Real-time monitoring, predictive analytics, and anomaly identification are now possible thanks to the automated auditing technologies that have been made easier to implement by the digitalization of manufacturing processes. The transition to data-driven auditing improves internal audit operations' efficacy and efficiency while freeing auditors to concentrate on high-risk areas and strategic goals.

Furthermore, corporate social responsibility (CSR) and sustainability are becoming more and more important in the industrial sector. When it comes to evaluating supply chain sustainability, ethical behavior, and environmental standards, internal auditors are indispensable. Manufacturing companies show their dedication to ethical business practices and stakeholder value generations

CHAPTER- 2: LITERATURE REVIEW

CHAPTER- 3: RESEARCH DESIGN

1. Statement of the problem

Effectiveness of internal auditing in manufacturing industries

2. Research gap

Technology Challenges: The rapid advancement of technology in auditing arises new risks and complexities that internal auditors must address. However, outdated audit tools and methodologies may not adequately assess these emerging risks, leading to gaps in effectiveness

3. Hypothesis of the study

Ho1: There is a significant impact of technological advancements on internal auditing in manufacturing industries.

H11: There is no significant impact of technological advancements on internal auditing in manufacturing industries.

Ho2: Technological advancements will have a positive impact on internal auditor/ auditing.


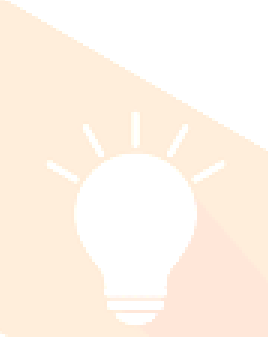

H12: Technological advancements will have a negative impact on internal auditor/ auditing.

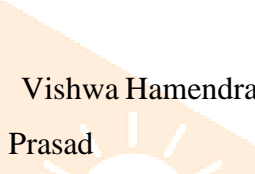


4. Objectives of study

- To Ensure operational efficiency
- Explore the impact of technological advancements
- To Investigate role in risk identification

5. Scope of the study

Sl. No	Title of the paper	Author	Brief of the paper (60 to 80 words)
1	Impact of Internal Control Systems on the Growth of Manufacturing Industries	Jacqueline Chamadenga	A study in Lilongwe looked at how internal control systems affect Manufacturing Industries. They used questionnaires to find out the good and bad influences of internal control. The study found that internal control helps with accountability, stops fraud, and makes financial reporting more accurate and timely. But, it also showed that implementing internal control systems can be expensive, even though they're good for preventing mistakes and reducing waste.
2	Business Internal Auditing – An Effective Approach in Developing Sustainable Management Systems	Suzana	The paper aims about the Sustainability extends beyond economic, environmental, and social challenges in business operations, encompassing ethical dimensions. Boards and stakeholders now view sustainable development as integral to corporate governance, valuing social consciousness alongside monetary profitability. Modern businesses adapt internal systems for a competitive edge, offering opportunities for internal auditing to enhance sustainable value. This study explores the crucial role of sustainable internal audit in developing effective and performance-driven sustainable management systems
3	The Implications of Industry 4.0 for the Auditing Profession	V Prasad, N Sharma	This study, conducted through fieldwork, explores the real-world impact of Industry 4.0 technologies on auditing. Findings reveal that, although digital transformation aids both management and auditors, it doesn't replace the human element. Social, sentimental, and cognitive aspects remain crucial for the auditing profession, emphasizing the enduring importance of human involvement despite technological advancements.

4	<p>Internal Control and Audit System Adopted in Manufacturing Industries – An Analysis</p>	<p>J.M.JAGADEESH</p>	<p>This paper aims to investigate internal control mechanisms employed in Karnataka's manufacturing industries. The findings offer insights for companies to enhance their internal control systems, with broader relevance for organizations in Karnataka. The study identifies general weaknesses and specific features crucial for an effective internal control mechanism, providing a foundation for future research in the realms of internal control and risk management</p>
5	 <p>Internal audit functions and sustainability audits: Insights from manufacturing firms</p>	  <p>Gilbert K. Amoako</p>	<p>This research explores the correlation between internal audit functions (IAF) and sustainability audits in manufacturing firms. Examining risk management practices, sustainability sensitivity, internal audit effectiveness, and enactments, the study tested four hypotheses with a sample of 1340 SME managers. Results, analyzed through PLS-SEM, reveal positive relationships between internal audit effectiveness, risk management, sustainability sensitivity, and sustainability audits. Recommendations include establishing an audit department, hiring a permanent internal auditor, providing suitable logistics, training personnel, and adhering to internal auditing standards for enhanced sustainability audits.</p>
6	<p>Internal Audit and Financial Performance of Selected Manufacturing Industries in the Consumer-Goods Sector Listed on the Nigerian Stock Exchange</p>	<p>James Dairo</p>	<p>The study addresses the economic instability affecting Nigeria's manufacturing sector, emphasizing the importance of internal audit in managing shocks. It investigates the impact of internal audit indicators, including independence and professional competency of auditors, and the internal control system on the financial performance of consumer-goods manufacturing industries listed on the Nigerian Stock Exchange. The findings underscore the significant influence of internal audit on financial performance,</p>

			recommending continuous training for auditors to enhance professional competence and advocating for effective internal audit systems in management practices.
7	<p>Implications of internal audit effectiveness on corporate governance: research agenda</p> 	Vishwa Hamendra Prasad	This paper utilizes institutional theory and Marx's industrial capital circuit to propose theoretical insights on the influence of internal audit (IA) on corporate governance (CG). It identifies key variables, addresses operationalization issues, and suggests a research agenda. The study highlights the absence of norms for IA effectiveness, proposing a positive relationship between IA compliance and CG. It advocates considering IA as a board service and emphasizes the need for IA independence from top management, encouraging research in diverse contexts like Fiji
8	<p>The role of internal audit in improving supply chain management in shipping companies</p>  	Baker Akram Falaha Jaraha	The study tells about the Amid recent accounting crises, internal auditing emerges as crucial for effective controls and risk management. This study investigates the impact of internal audit on supply chain management in shipping companies, involving 167 participants. Findings reveal a statistically significant relationship between internal audit factors (independence, objectivity, efficiency, and quality) and improved supply chain management, providing a means to reduce operational costs and gain competitive advantages during economic crises.
9	<p>A Critical Analysis of the Impact of Internal Auditing on Fraud Detection in the Cement Manufacturing Industry of Zimbabwe. Impact of Internal Auditing on Fraud Detection.</p>	Mutambirwa, Patience R.	This study critically analyzed the impact of internal auditing on fraud detection in Zimbabwe's cement manufacturing industry. Employing epistemology and pragmatism, it utilized a quantitative approach, employing questionnaires for data collection from a sample of 357 out of 5,000 staff. Findings revealed shortcomings in internal audit effectiveness, particularly in addressing major forms of fraud. Recommendations included adopting additional

			audit principles, formulating consistent policies, and increasing financial auditing frequency.
10	Internal auditing in the manufacturing sector.	Edwards, Don	This research compares internal audit functions in the manufacturing sector of the US economy with other industries. It investigates reporting structures, work types, staff sizes, turnover rates, compensation levels, and implementation of COSO recommendations. Findings show most internal audit directors report to audit committees or boards. Operational audits gain focus. Turnover rates and compensation align with other industries, but COSO suggestion implementation is low. Sarbanes-Oxley Act reinforces internal audit importance
11	A study of internal audit practiced In modern business enterprises	Dr.Shailaja.S.M	An important turning point was the corporations Act 2009, which required internal auditors for listed corporations in India as well as some other companies. It gives auditors the authority to deepen their relationship with the board's audit committee. This necessitates providing the services required for efficient corporate governance in line with modern standards. The dynamic field of internal audit helps firms achieve their goals by improving governance, control, and risk management. Internal auditors are under increased pressure to reduce corporate fraud, and if anti-fraud measures aren't given priority, they could jeopardize their job security. Businesses are now moving away from compliance and toward proactive fraud protection because they understand the high financial implications involved.
12	Internal Auditing as a Main Tool for Efficient Risk Assessment	Theofanis Karagiorgos	Internal auditing began in the 15th century and became more important as a technique for risk assessment in the 20th century. The relationship between risk assessment, efficient management, and the ever-changing corporate environment is examined in this study. It looks at how risks are

			conceptualized, what makes up audit risks, how important audit risk models are, and how materiality relates to them. Emphasizing the crucial function of internal audit, it proposes directions for further investigation.
13	Report On Internal audit practices and process development of Manufacturing Company: Evidence from URMI Group	Kazi Israk Ferdaous	According to the study the Chartered Accountants' process development and URMI Group's expertise with internal auditing are highlighted in the study "Internal Audit Practices and Process Development of Manufacturing Company". It describes my 12-week client engagement, integrating stages and insights from the Audit Practice Manual, stressing process improvement and ERP system integration, and highlighting the advantages of internal auditing in terms of increasing productivity and decreasing errors.
14	Exploring the relationship between audit and technology. A bibliometric analysis	Hassan, N.A., Zailani, S. And Rahman, M.K.	This study explores the effectiveness of integrated audit management and its impact on business sustainability in an emerging economy. Using dynamic capability and contingency theory, 104 Malaysian manufacturing firms were analyzed. Results show that human resource, technological, and quality capabilities significantly influence the importance of internal audit processes, leading to effective integrated audit management and enhanced business sustainability. These findings offer valuable insights for firms aiming to strengthen their audit systems in emerging economies.
15	A Comprehensive Analysis of Technologies for Accounting and Finance in Manufacturing Firms	G. S. Jayesh, Dony Novalindry	This paper explores the impact of emerging technologies like cloud computing, artificial intelligence, big data, and blockchain on financial reporting processes worldwide, enabling efficient data management, cost reduction, and enhanced accuracy. It analyzes how these technologies drive transformation in financial reporting methodologies.

16	The impact of emerging information technology on auditing	Rezaee, Z., & Reinstein, A.	
			The study tells us, As businesses embrace electronic data processing (EDP) for accounting, auditors must efficiently gather critical information. Modern tools like electronic data interchange and the Internet challenge traditional auditing methods. SAS No. 80 provides guidance on gathering evidence for computerized clients, emphasizing the importance of evaluating security controls.
17	Beyond traditional audits: The implications of information technology on auditing	Shaikh, H., Jokhio, M. U., Maher, Z. A., Chandio, S., Manirajah, M., Abdullah, B., ... & Shah, A	The study delves into the prospects of auditing in the future and examines how technology is influencing corporate procedures in both public and private fields. Transparency in financial statements is ensured by legal and regulatory compliance, which is essential for gaining the trust of stakeholders. For audits to be effective, auditors need to be well-versed in automated controls and have access to IT resources.
18	Internal Auditing as a Efficient Risk Assessment	Karthik I N	The article talks about the relationship between risk assessment, efficient management, and the ever-changing corporate environment is examined in this study. It looks at how risks are conceptualized, what makes up audit risks, how important audit risk models are, and how materiality relates to them. Emphasizing the crucial function of internal audit, it proposes directions for further investigation.
19	The role of audit technology and extension of audit procedures in strategic auditing.	Deshmukh, A.	This article employs game-theoretic models to study the impact of noisy audit technology and extended audit procedures on deterring irregularities. Two game scenarios are analyzed: one where auditors sometimes override audit signals, and another where audits are extended. Results suggest that precise audits may paradoxically increase irregularities unless audit technology surpasses critical thresholds.

20	Internal audits in the digital era: opportunities risks and challenges.	Lois, P., Drogalas, G., Karagiorgos, A., & Tsikalakis, K.	This research aims to investigate continuous auditing in the digital era from the viewpoint of audit firm personnel. Additionally, it looks into current issues that impact continuous auditing and possible methods for putting it into practice.
21	The impact of audit technology on audit outcomes: Technology-based audit techniques' impact on internal auditing	Eulerich, M., Masli, A., Pickerd, J. S., & Wood, D. A.	The Surveys and interviews with auditors and chief audit executives reveal positive perceptions of technology-based audit techniques (TBATs). Increased TBAT usage correlates with completing more audits, identifying more risk factors, and providing additional recommendations, while reducing audit duration. However, concerns persist regarding costs and challenges in quantifying benefits and hiring skilled auditors.
22	Information technology and its implications for internal auditing: an empirical study on lebanese organizations	Kassem, A., & Stefan, I. B	The study aims at the Information technology profoundly influences transaction processes in organizations. This study examines its impact on internal auditing in Lebanese organizations, employing a quantitative approach via survey questionnaires distributed among 500 accountants and auditors in Beirut. Findings suggest a need for enhanced computerized information system skills among auditors for improved performance and evaluation.
23	Understanding the internal audit function in a digitalised business environment.	Betti, N., & Sarens, G.	The purpose of this paper is to acquire a thorough grasp of the evolution of the internal audit function in a company environment that is becoming more and more digital.
24). Effectiveness of Internal Audit in Supporting Internal Control and Prevention of Fraud. Bongaya	Sudirman, S., Sasmita, H., Krisnanto, B., & Muchsidin, F. F.	This study assesses how well PT Bank Sulselbar Makassar's internal audit program improves fraud prevention. Results obtained using qualitative techniques like as surveys, interviews, and documentation show that internal audit greatly enhances the internal control framework. It promotes an environment of integrity and managerial accountability by guaranteeing careful observation and successful remedial measures.

25	Effects of digitalisation of organisations on internal audit activities and practices	Betti, N., Sarens, G., & Poncin, I.	The purpose of this study is to examine the ways in which the organization's digitalization has affected the internal audit function's (IAF) practices and actions. This article focuses on the application of data analytics and internal auditors' consulting operations.
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- Technological Integration: Consideration of how advancements in technology impact the effectiveness of internal auditing in manufacturing industries
- Comparative Analysis: Comparative analysis of internal auditing practices across different types of manufacturing industries, sizes of organizations, and geographical regions to identify variations and best practices.

6. Research methodology and data collection

a. Data Collection Method

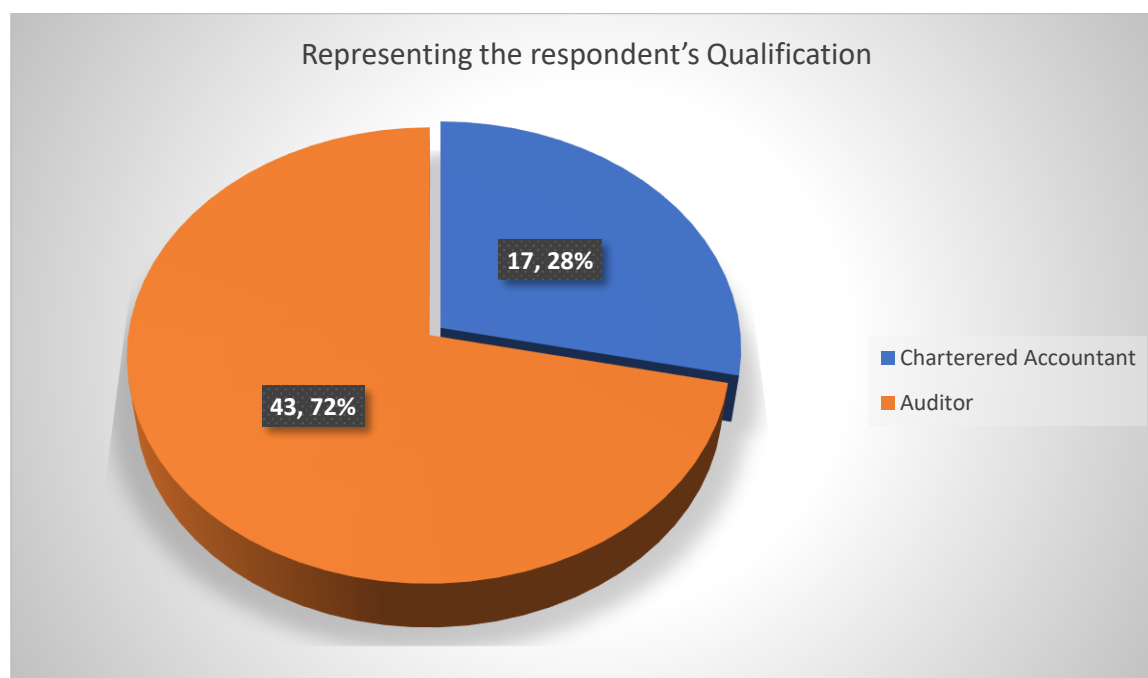
- Primary data – Questionnaires floated through Google forms
- Secondary data - Journals, Articles, research papers, reference books
- Population – 60 respondents
- Sample size – 50+
- Sampling method – Simple Random sampling
- Statistical Tools – Correlation, mean

7. Limitations of the study

- Time constraints: Conducting a comprehensive study within a limited timeframe might restrict the depth of analysis and the ability to explore all relevant aspects of internal auditing effectiveness.
- Access to data: Access to confidential information or internal audit reports from manufacturing companies could be limited, potentially hindering a complete understanding of internal audit practices and their impact.
- Geographical scope: The study's geographical scope might be limited to Bangalore, Karnataka

CHAPTER 4: DATA PROCESSING AND ANALYSIS**Table 5.1- Data Representing the respondent's Qualification**

Category	Frequency of the respondents	Percentage (in %)
Chartered Accountant	17	28
Auditor	43	72
Total	60	100

Table 5.1- Pie Chart Representing the respondent's Qualification**ANALYSIS:**

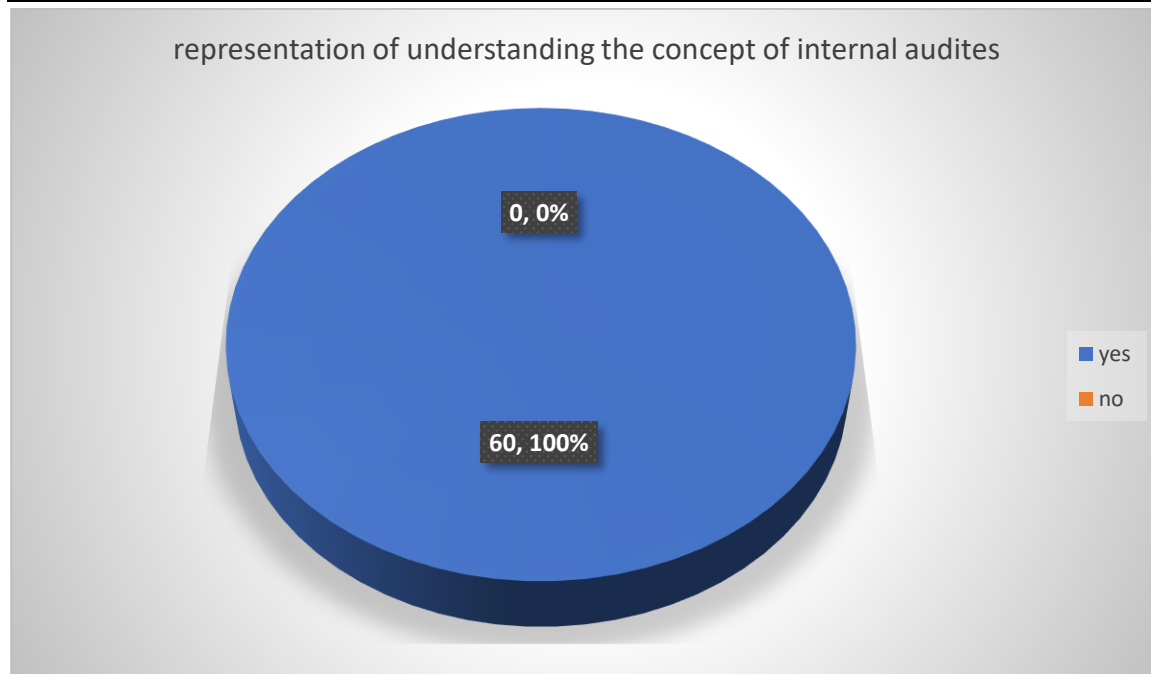
From the above pie chart analysis out of 60 respondents, 17 are Chartered Accountant, and 43 are Auditors. Therefore highest responses are from the Auditors. **INTERPRETATION:**

From the above responses, the mean is 1.71667 which indicates the majority of the responses are auditors.

Table 5.2 – Data representation of understanding the concept of internal audit.

Category	Frequency of the respondents	Percentage (in %)
Yes	60	100
No	0	0
total	60	100

Table 5.2 – Pie chart representation of understanding the concept of internal audit



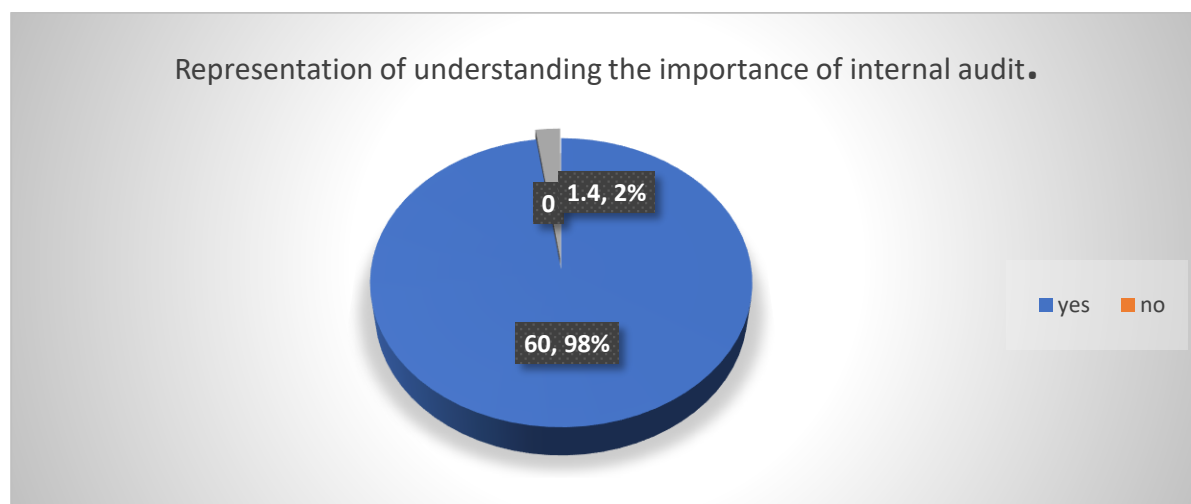
ANALYSIS:

From the above pie chart analysis out of 60 respondents, both Chartered Accountant and Auditor are aware of Internal Audit

Table 5.3 – Data representation of understanding the importance of internal audit.

Category	Frequency of the respondents	Percentage (in %)
Yes	58	98
No	0	0
Maybe	2	2
Total	60	100

Table 5.3 – Pie chart representation of understanding the importance of internal audit



ANALYSIS:

From the above pie chart analysis out of 60 respondents, 58 of them agreed its important and the rest 2 were not sure, Therefore it states that internal auditing is important.

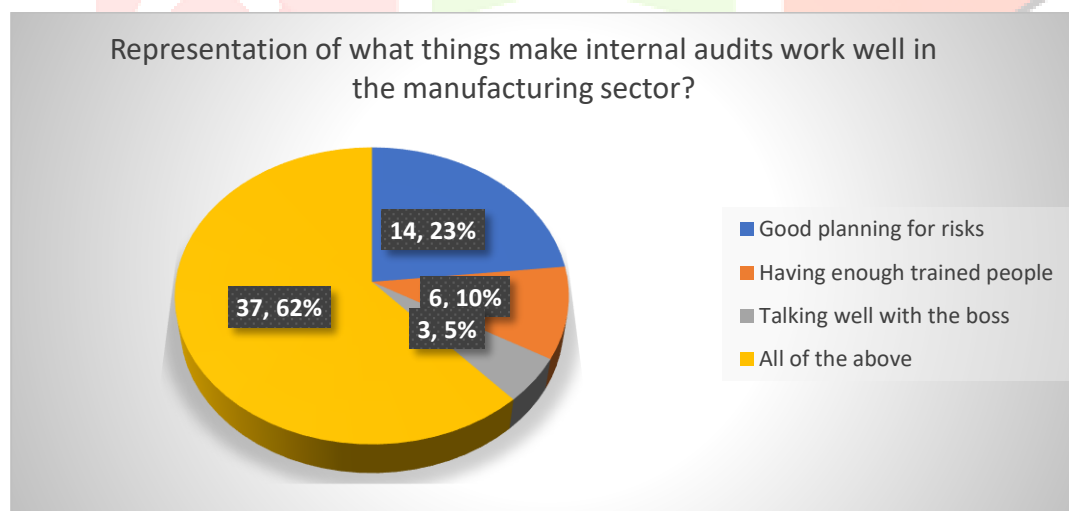
INTERPRETATION:

From the above responses, the mean is 1.033 which indicates the majority of the responses Agree that internal audit is important

Table 5.4 – Data representation of what things make internal audits work well in the manufacturing sector?

Category	Frequency of the respondents	Percentage (in %)
Good planning for risks	14	23
Having enough trained people	6	10
Talking well with the boss	3	5
All of the above	37	62
Total	60	100

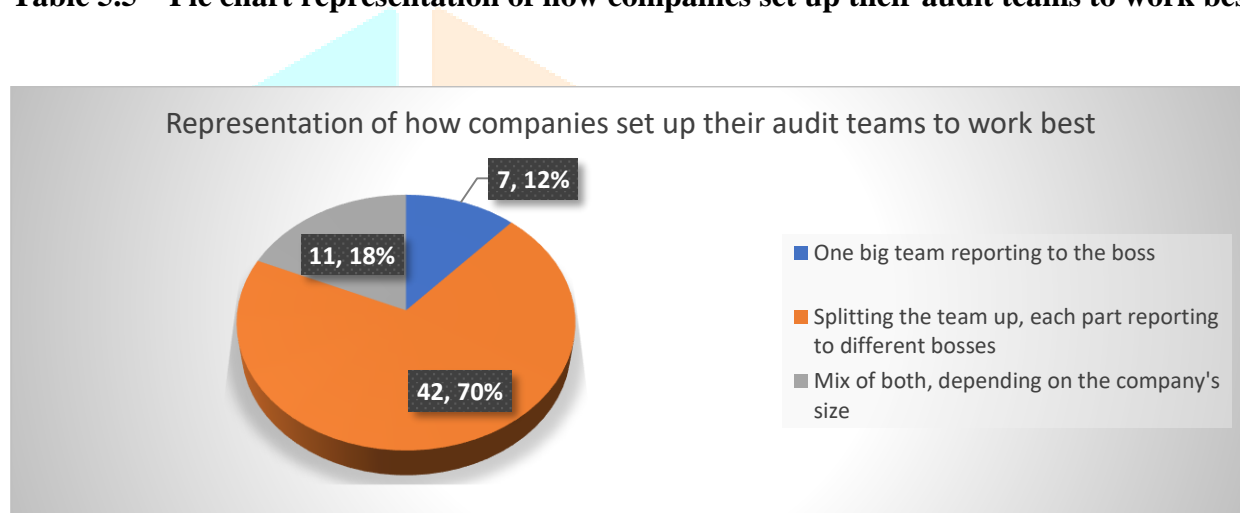
Table 5.4 –Pie Chart representation of what things make internal audits work well in the manufacturing sector?

**ANALYSIS:**

From the above pie chart analysis out of 60 respondents, 14 suggest that good planning helps reduce risk, another 6 suggest having enough trained people, and 3 suggest talking well with the boss but the most responses were for all of the above which is of 37, Therefore it states that having enough trained staff with good planning and having good communication can help internal audit work more efficiently

Table 5.5 – Data representation of how companies set up their audit teams to work best.

Category	Frequency of the respondents	Percentage (in %)
One big team reporting to the boss	7	12
Splitting the team up, each part reporting to different bosses	42	70
Mix of both, depending on the company's size	11	18
Total	60	100

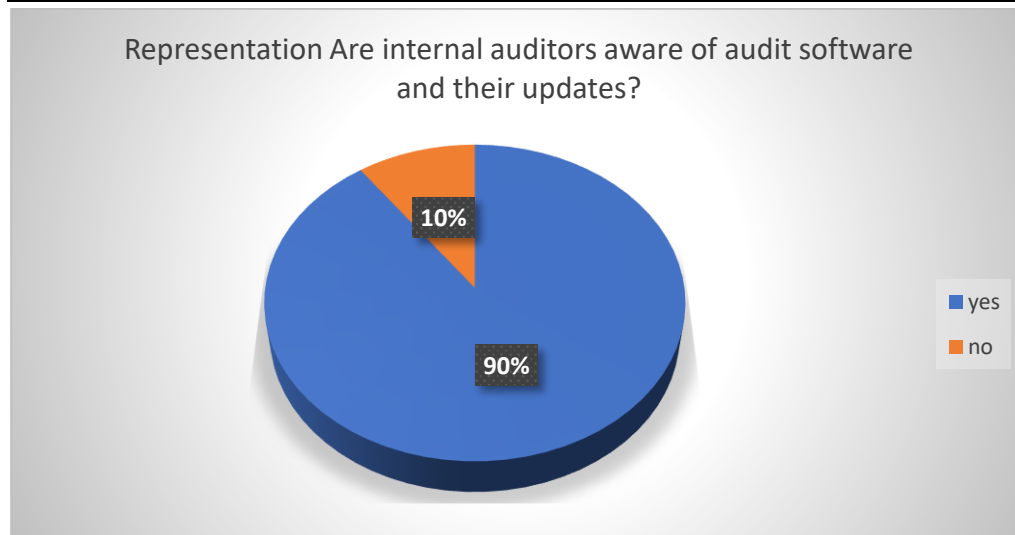
Table 5.5 – Pie chart representation of how companies set up their audit teams to work best.**ANALYSIS:**

From the above pie chart analysis out of 60 respondents, 7 Respondents state that one big team reports to the boss, and the highest of 42 respondents tells us to Split the team up, each part reporting to different bosses and the rest 11 chose Mix of both, depending on the company's size.

Table 5.6 – Data representation Are internal auditors aware of audit software and their updates?

Category	Frequency of the respondents	Percentage (in %)
Yes	54	90
No	6	10
Total	60	100

Table 5.6 – Pie chart representation Are internal auditors aware of audit software and their updates?



ANALYSIS: From the above pie chart analysis out of 60 respondents, 54 of them are aware audit software and its updates, and the rest 6 were not sure about their updates, Therefore almost all the auditors are aware of audit software

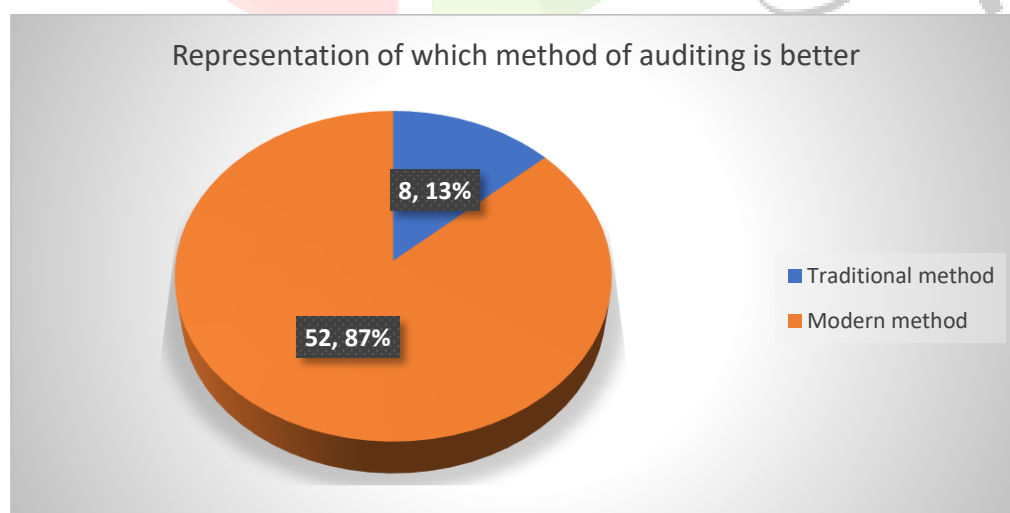
INTERPRETATION:

From the above responses, the mean is 1.111 which indicates the majority of the responses are aware of audit softwares

Table 5.7 – Data representation of which method of auditing is better.

Category	Frequency of the respondents	Percentage (in %)
traditional method	8	13
Modern method	52	87
Total	60	100

Table 5.7 – Pie chart representation of which method of auditing is better.



ANALYSIS:

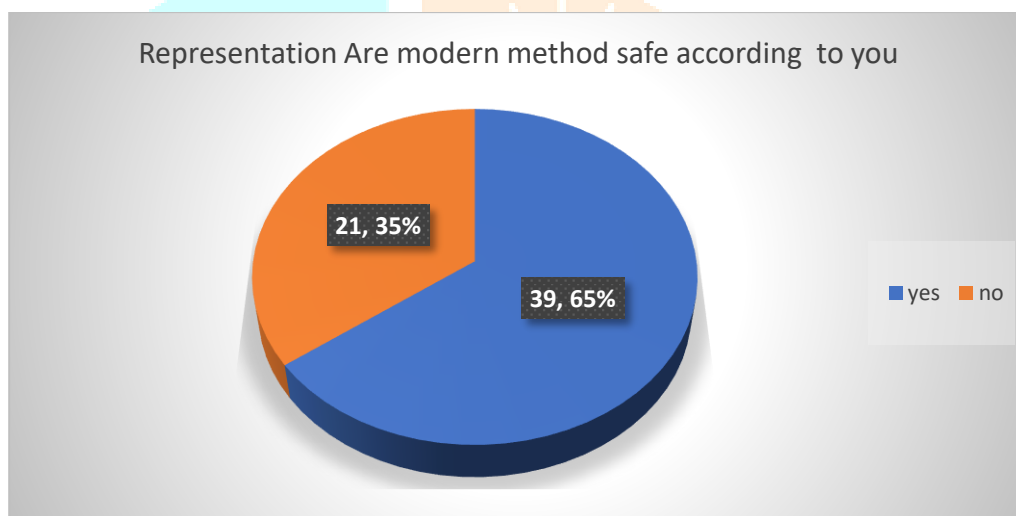
From the above pie chart analysis out of 60 respondents, 52 suggest that the modern method of auditing is faster and better, rest 8 still feel the traditional method is better

INTERPRETATION:

From the above responses, the mean is 1.13 which indicates the majority of the responses Agree that the modern method of auditing is faster and better.

Table 5.8 – Data representation Are modern method safe according to you

Category	Frequency of the respondents	Percentage (in %)
Yes	39	39
No	21	21
Total	60	60

Table 5.8 – Pie chart representation Are modern method safe according to you**ANALYSIS:**

From the above pie chart analysis out of 60 respondents, 39 respondents agree that the modern method of auditing is safe, the rest doesn't feel its safe

INTERPRETATION:

From the above responses, the mean is 1.35 which indicates the majority of the respondents Agree that the modern method of auditing is faster and better and also safe.

CHAPTER 5:**SUMMARY OF FINDINGS**

- Internal audits can pinpoint inefficiencies in manufacturing, leading to optimized operations and cost reductions.
- Regular audits ensure manufacturers comply with regulations and standards, avoiding legal trouble and reputational damage.
- By identifying potential risks like disruptions or fraud, internal audits strengthen a manufacturer's risk management strategies.
- Evaluating the supply chain through audits helps manufacturers identify weaknesses and build resilience against disruptions.
- Internal audits provide valuable data and insights that can be used to continuously improve manufacturing processes.

SUGGESTIONS

In the manufacturing industry, internal auditing procedures are essential to guaranteeing both regulatory compliance and operational excellence. There are a few key components to this:

Investing in the recruitment and education of internal audit teams is crucial. Qualified specialists with experience in risk management, operational efficacy, and financial controls ought to comprise these groups. By building a competent internal audit workforce, manufacturing businesses can enhance their capacity to identify and manage potential risks and inefficiencies.

Modern technology is essential for modernizing internal audit processes. Using automated auditing systems, advanced analytics tools, and data visualization approaches can facilitate real-time monitoring, predictive analysis, and anomaly identification. Using technology, internal audit teams can obtain insightful information that helps them make well-informed judgments and increase efficiency and accuracy.

Increasing the effectiveness of internal auditing requires introducing programs for continual improvement. This means evaluating audit methods on a regular basis, making necessary revisions to procedures, and considering feedback from stakeholders. By fostering a culture of continuous improvement, manufacturing businesses may adapt to shifting risks, legal requirements, and technological advancements while ensuring that internal audit protocols remain robust and applicable..

Collaborating with subject matter experts and external auditors can yield valuable insights and optimal procedures. Through information and experience sharing, manufacturing organizations can gain additional

insight into emerging risks, regulatory requirements, and industry trends. This relationship has the potential to enhance internal auditing effectiveness while strengthening overall governance and compliance frameworks. Internal auditing procedures must be routinely reviewed and evaluated in order to maintain agility in a rapidly changing environment. Periodic reviews and audits enable manufacturing businesses to identify areas for improvement, address deficiencies, and swiftly implement corrective actions. This proactive strategy ensures that internal audit procedures stay in line with evolving business goals and external regulations.

Improving departmental communication and collaboration in manufacturing companies is another important component. By promoting cooperation between internal audit teams and other departments, such as finance, operations, and compliance, businesses can ensure that internal audit goals are closely aligned with overall business goals. Well-established communication channels enable effective risk management, timely issue resolution, and the integration of audit results into decision-making processes.

Prioritizing internal auditing processes in the manufacturing sector calls for a multifaceted approach that incorporates collaboration, clear communication, talent development, technical innovation, and ongoing improvement. By making these kinds of investments, manufacturing organizations can enhance their ability to manage risks, optimize workflows, and attain steady growth in the current fast-paced economic climate.

CONCLUSION

The importance of continuous improvement and the vital function internal auditing plays in bolstering the efficacy of industrial organizations are emphasized in the conclusion.

Simplifying internal auditing processes may be very beneficial for manufacturing organizations as it will lower risks, improve operational efficiency, and ensure regulatory compliance. By implementing internal audit suggestions and using technology-enabled solutions, these companies can improve their risk management frameworks and optimize their operations..

In today's changing business environment, an industrial firm's capacity to successfully conduct internal audits is crucial to its long-term viability. Internal audits provide invaluable insights that drive continuous improvement programs and inform decision-making, making them essential to an organization's overall strategy.

By implementing a proactive internal auditing culture and carefully addressing identified areas for improvement, manufacturing organizations may enhance their resilience, optimize their performance, and steer toward long-term success and sustainability in an increasingly competitive industry. The conclusion highlights the importance of internal auditing in helping industrial organizations successfully navigate the complexities of the modern corporate environment as a result.

APPENDIX**Questionnaires**

1. Name

2. Qualification

- Auditors
- Chartered Accountant

3. Do you know what internal audit is?

- Yes
- No
- Maybe

4. Do you think internal auditing is important?

- Yes
- No
- Maybe

5. What things make internal audits work well in manufacturing sector?

- Good planning for risks
- Having enough trained people
- Talking well with the boss
- All of the above

6. How do companies set up their audit teams to work best?

- One big team reporting to the boss
- Splitting the team up, each part reporting to different bosses
- Mix of both, depending on the company's size
- Depends on how big and complex the company is

7. What are some problems auditors face in manufacturing sectors while internal auditing, and how do they fix them?

8. How does technology help internal auditing?

9. Are internal auditors aware of audit software's and their updates ?

- yes
- no

10. Are technology boon or bane for auditors?

- Boon
- Bane

11. which method of auditing is better?

- Traditional method
- Modern method

12. Are modern method safe according to you?

- Yes
- No
- Maybe

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