


**THE IMPACT OF THE IMPLEMENTATION OF INTERNAL AUDIT TASKS ACCORDING TO STANDARD 2300 ON THE EFFICIENCY OF THE PERFORMANCE OF INDUSTRIAL COMPANIES LISTED ON AMMAN STOCK EXCHANGE**

**Haider Mohammad Ali Bani Atta<sup>A</sup>, Islam Muhammad Mahmoud Abu Shaqra<sup>B</sup>**



ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 05 June 2023</p> <p><b>Accepted</b> 29 August 2023</p>	<p><b>Purpose:</b> To determine the impact of the implementation of internal audit tasks in according to standard 2300 ,with its dimensions (identifying information, analysis and evaluation, documenting information ,supervising the task) on the efficiency of the performance of industrial companies listed on the Amman Stock Exchange ,and to achieve the objectives of the study.</p>
<p><b>Keywords:</b></p> <p>Implementation of Tasks; Internal Audit; Standard 2300; Performance Efficiency; Industrial Companies.</p> <div data-bbox="172 1021 480 1267" style="text-align: center;">  </div>	<p><b>Methodology:</b> The descriptive approach was used Analytical. The study population consisted of internal auditors in industrial companies listed on the Amman Stock Exchange, which numbered (56) companies, and the study sample consisted of (160) questionnaires distributed to workers in the job of (internal auditor, director of internal audit and head of the internal audit department) in the Jordanian industrial companies listed on the Amman Stock Exchange, from which (124) questionnaires were retrieved. In addition to (2) an incomplete questionnaire, all the information contained therein. Thus, the study sample consisted of 122 individuals. To test the hypotheses of the study, the researcher used the SPSS program through the simple regression test and the Three-way Anova test. The study reached results there is a statistically significant relationship to determine the information, analysis and evaluation on the performance efficiency of the industrial companies listed on the Amman Stock Exchange.</p> <p><b>Findings:</b> While showed ,there is no statistically significant relationship to document information and supervise the task on the performance efficiency of industrial companies listed on the Amman Stock Exchange.</p> <p><b>Further research:</b> In view of the results, the study recommended the need to support the internal audit department in Jordanian industrial companies.and More studies are needed.</p> <p>Doi: <a href="https://doi.org/10.26668/businessreview/2023.v8i9.3694">https://doi.org/10.26668/businessreview/2023.v8i9.3694</a></p>

**O IMPACTO DA EXECUÇÃO DAS TAREFAS DE AUDITORIA INTERNA DE ACORDO COM A NORMA 2300 NA EFICIÊNCIA DO DESEMPENHO DAS EMPRESAS INDUSTRIAIS COTADAS NA BOLSA DE AMÃ**

**RESUMO**

**Objetivo:** Determinar o impacto da execução das tarefas de auditoria interna de acordo com a norma 2300, com as suas dimensões (identificação de informações, análise e avaliação, documentação de informações, supervisão da tarefa) na eficiência do desempenho das empresas industriais listadas na Bolsa de Amã, e alcançar os objetivos do estudo.

**Metodologia:** A abordagem descritiva foi utilizada Analítica. A população do estudo consistia em auditores internos em empresas industriais listadas na Bolsa de Valores de Amã, que contavam com (56) empresas, e a amostra do estudo consistia em (160) questionários distribuídos aos trabalhadores no cargo de (auditor interno,

<sup>A</sup> Associate Professor. Accounting Department, Jadara University. Jordan. E-mail: [baniata@jadara.edu.jo](mailto:baniata@jadara.edu.jo)

Orcid: <https://orcid.org/0000-0002-2724-3921>

<sup>B</sup> Associate Professor. Accounting Department, Jadara University. Jordan. E-mail: [haiderbaniata@gmail.com](mailto:haiderbaniata@gmail.com)

Orcid: <https://orcid.org/0000-0001-8040-4344>

diretor de auditoria interna e chefe do departamento de auditoria interna) nas empresas industriais jordanianas listadas na Bolsa de Valores de Amã, dos quais (124) questionários foram recuperados. Para além de (2) um questionário incompleto, todas as informações nele contidas. Assim, a amostra do estudo foi composta por 122 indivíduos. Para testar as hipóteses do estudo, o pesquisador usou o programa SPSS ‘ pelo teste de regressão simples e pelo teste Anova de três vias. O estudo chegou a resultados em que há uma relação estatisticamente significativa para determinar as informações, análises e avaliações de eficiência de desempenho das empresas industriais listadas na Bolsa de Amã.

**Constatações:** Embora demonstrada, não há relação estatisticamente significativa para documentar informações e supervisionar a tarefa de eficiência de desempenho das empresas industriais listadas na Bolsa de Valores de Amã.

**Mais pesquisas:** Em vista dos resultados, o estudo recomendou a necessidade de apoiar o departamento de auditoria interna em empresas industriais jordanianas. E Mais estudos são necessários.

**Palavras-chave:** Implementação de Tarefas, Auditoria Interna, Standard 2300, Eficiência de Desempenho, Empresas Industriais.

## EL IMPACTO DE LA IMPLEMENTACIÓN DE TAREAS DE AUDITORÍA INTERNA DE ACUERDO CON LA NORMA 2300 EN LA EFICIENCIA DEL DESEMPEÑO DE LAS EMPRESAS INDUSTRIALES QUE COTIZAN EN LA BOLSA DE AMMÁN

### RESUMEN

**Objetivo:** Determinar el impacto de la implementación de las tareas de auditoría interna de acuerdo con la norma 2300, con sus dimensiones (identificación de información, análisis y evaluación, documentación de información, supervisión de la tarea) en la eficiencia del desempeño de las empresas industriales que cotizan en la Bolsa de Valores de Ammán, y alcanzar los objetivos del estudio.

**Metodología:** Se utilizó el enfoque descriptivo Analítico. La población de estudio estaba compuesta por auditores internos de empresas industriales que cotizaban en la Bolsa de Valores de Ammán, que sumaban 56 empresas, y la muestra del estudio consistía en 160 cuestionarios distribuidos a los trabajadores en el puesto de trabajo de (auditor interno, director de auditoría interna y jefe del departamento de auditoría interna) en las empresas industriales jordanas que cotizaban en la Bolsa de Valores de Ammán, de los cuales se obtuvieron 124 cuestionarios. Además de (2) un cuestionario incompleto, toda la información contenida en el mismo. Así, la muestra de estudio estuvo conformada por 122 individuos. Para probar las hipótesis del estudio, el investigador utilizó el programa SPSS ‘ a través de la prueba de regresión simple y la prueba Anova de tres vías. El estudio obtenido muestra que existe una relación estadísticamente significativa para determinar la información, análisis y evaluación sobre la eficiencia en el desempeño de las empresas industriales que cotizan en la Bolsa de Valores de Ammán.

**Hallazgos:** Si bien se mostraron, no existe una relación estadísticamente significativa para documentar la información y supervisar la tarea sobre la eficiencia de desempeño de las empresas industriales que cotizan en la Bolsa de Valores de Ammán.

**Investigación adicional:** En vista de los resultados, el estudio recomendó la necesidad de apoyar al departamento de auditoría interna en las empresas industriales jordanas.

**Palabras clave:** Implementación de Tareas, Auditoría Interna, Norma 2300, Eficiencia de Desempeño, Empresas Industriales.

### INTRODUCTION

Internal auditing is considered the main pillar in the structure of control over financial data and assets, in addition to tracking the policies carried out by the establishments to spend their financial and administrative matters, as the existence of a good control system is considered a legal obligation on the establishment, and the source of this commitment is the establishment’s legal duty to keep regular accounts, As it is unimaginable to have regular

accounts without it, in addition to the practical necessity of this system for the establishment to carry out its work in the correct manner and with a high degree of efficiency (Bshayreh et al, 2019).

## **THE STUDY PROBLEM**

The activities of industrial companies are among the vital activities that affect all sectors of the national economy, and the departments in these companies often rely when making decisions - whether investment, operational or even financing - on reports issued by internal audit, and undoubtedly the correct tracking of audit standards It contributes to raising the performance and efficiency of internal auditing, and increasing management confidence in the accuracy of the reports and recommendations issued by internal auditing, which consequently leads to improving the performance of those companies (Muhammad, 2017, Manati, 2015, American Institute of Auditors, 2017

The lack of a clear understanding of the 2300 standard, as well as the failure to fully implement what it contains, has a significant impact on the correct implementation of the tasks assigned to the auditor properly, and accordingly the problem of the study lies in trying to demonstrate the impact of the implementation of internal audit tasks in accordance with the 2300 standard in its dimensions (identifying information, analysis and evaluation, Information documentation, task supervision) on the efficiency of corporate performance.

## **OBJECTIVES OF THE STUDY**

Through the study problem and its questions, we see that this study seeks the following:

- 1- Identifying the effect of implementing internal audit tasks according to Standard 2300 on the efficiency of the performance of industrial companies listed on the Amman Stock Exchange?
- 2- Identifying the impact of identifying information on the efficiency of the performance of industrial companies listed on the Stock Exchange
- 3- Identifying the impact of analysis and evaluation on the efficiency of the performance of the industrial companies listed on the Amman Stock Exchange.
- 4- Identifying the impact of documenting information on the efficiency of the performance of industrial companies listed on the Amman Stock Exchange.
- 5- Identifying the effect of task supervision on the efficiency of the performance of the industrial companies listed on the Amman Stock Exchange.

6- Identifying the impact of the variables (educational qualification, job description and years of experience) of the internal auditor in carrying out internal audit tasks according to Standard 2300 on the efficiency of the performance of the industrial companies listed on the Amman Stock Exchange.

## STUDY HYPOTHESES

To achieve the objectives of the study; The following hypotheses have been formulated:

### First Major Hypotheses

H01: There is no statistically significant relationship at the level ( $0.05 \geq \alpha$ ) for the implementation of internal audit tasks according to the 2300 standard with its dimensions (identifying information, analysis and evaluation, documenting information, supervising the task) on the performance efficiency of the industrial companies listed on the Amman Stock Exchange.

The following sub-hypotheses are derived from it:

H0.1.1: There is no statistically significant relationship at the level ( $0.05 \geq \alpha$ ) to determine the internal information on the performance efficiency of the industrial companies listed on the ASE

.H0.1.2: There is no statistically significant relationship at the level ( $0.05 \geq \alpha$ ) for analysis and evaluation on the performance efficiency of the industrial companies listed on the Amman Stock Exchange.

H0.1.3: There is no statistically significant relationship at the level ( $0.05 \geq \alpha$ ) to document the information on the performance efficiency of the industrial companies listed on the Amman Stock Exchange.

H0.1.4: There is no statistically significant relationship at the level of ( $0.05 \geq \alpha$ ) to supervise the task, on the performance efficiency of the industrial companies listed on the ASE.

### The Second Main Hypothesis

H02: There is no statistically significant relationship for the implementation of internal audit tasks according to Standard 2300 with its dimensions (identifying information, analyzing and evaluating, documenting information, supervising the task), on the performance efficiency of the industrial companies listed on the Amman Stock

Exchange, attributed to the variables (educational qualification, job description, years of experience) for the internal auditor

## **INTERNAL AUDIT**

Auditing mainly means examining the financial statements by persons who are impartial and independent of any institution, whatever its objective, size, and legal form. Given its importance, it is the essence of the work of auditors and the starting point for all operations carried out by the institution (Al-Dahabi and Bin Bayyah, 2017), as the American Accounting Association recognized Auditing is: “a regular process to obtain clues related to the elements indicating certain economic events to study and evaluate them in an objective manner for the purpose of ascertaining the degree of compliance of these elements with objective standards, and then communicating the results of that to the concerned parties” (Boubaker, 2011).

## **PERFORMANCE EFFICIENCY**

Efficiency is generally defined as the ratio of outputs to inputs, on the basis that the higher the ratio resulting from the division process, the higher the efficiency, and vice versa. It should also be compared over different periods if it is within one company or one economic unit, and compared accordingly. One period of time between several companies or economic units, to be able to realize the extent of the rise or fall of this ratio (Al-Haddad and Ali, 2005).

## **FINANCIAL PERFORMANCE**

Financial performance is considered the basic foundation for the continuity and growth of companies, and in order for the company's management to make the right decisions, it must set goals that define the company's activities, and direct employees to achieve these goals.

Financial performance is a mirror that reflects the performance of institutions, where the focus is on using financial indicators to measure the level of achieving the goal, as it represents the basic support for all the work carried out by institutions, and it also contributes to providing financial resources for the institution, and providing it with investment opportunities in various fields of performance (Al-Khatib, 2010) .

## **Financial Performance Indicators**

There are many indicators that can be used to measure financial performance, the most important of which are profitability measures, which measure the organization's ability to make

profits, as departments use profits as a measure of the company's performance, and profitability ratios indicate the efficiency in using resources by management to achieve profits, in addition to the extent Its ability to develop and grow (Awad, 2020).

### **Indicators of Profitability**

Profitability is defined as “the relationship between the profits achieved by the organization on the one hand, and the economic resources and available funds that contributed to achieving these profits on the other hand, which makes it a measure, which in turn becomes a measure for judging the degree of financial performance efficiency and the efficiency of the company’s management.” Therefore, profitability is the financial ratios related to profits, which are disclosed in financial reports. However, there is no consensus in the accounting literature on the number of indicators and financial ratios that can be used in evaluating the performance of companies. The use of these indicators remains linked to their ability to provide certain readings that benefit officials with regard to Analyzing business performance and identifying the negative and positive aspects related to the company's activity (Al-Hallaq and Al-Ajlouni, 2010).

### **AMONG THESE RATIOS, WE MENTION**

#### **First: Return on Assets: (ROA)**

Return on assets is based on an evaluation of the efficiency in the use of funds; It also helps companies make sound management decisions, especially in borrowing operations; It is a good indicator of the company's profitability ratios derived from a group of investments, in addition to that it measures the management's ability to generate a return on the company's available assets regardless of their source, through a calculation represented in the following formula (Thunaibat , 2011):

- Return on assets = net profit/ average total assets

#### **Second: Return on Equity (ROE)**

It expresses the return achieved by the owners on investing their money in the company, and based on this percentage the owners decide to invest, or transfer their money in other investments through which they can reap high profits. To the bank's efficiency in using these resources to achieve profits.

The higher this ratio, the more positive the indicator of the company's performance. The greater the efficiency by ensuring a greater return and vice versa (Thneibat, 2011). The rate of return on equity is calculated by the following formula:

- Return on Equity (ROE) = net profit after tax / Total shareholders' equity

### **Third: Earnings Per Share (EPS)**

It represents the share of the ordinary share of the company's profit achieved during the financial period, so it is known as the percentage of the share of the ordinary share of profits, and given the importance of this indicator, especially for current and potential investors, international accounting standards stipulated the need for comparative disclosure in the income statement published at the end of the year (Ibdah, 2020 ). It is calculated as follows:

- Net Income - Preferred Stock Dividend Earnings per Share / average number of common shares

### **Fourth: Net Profit Margin**

It is a measure of the amount of net profit that is achieved after interest and tax on each dinar of net revenues and sales, and shows the highest percentage in the most profitable company that has the best control over costs when compared to other competing companies (Al-Sheikh, 2008).

## **PREVIOUS STUDIES**

- A study by Amqran (2021) entitled "The Contribution of Internal Auditing to Improving Financial Performance in the Economic Enterprise - A Case Study of the Port Corporation of Skikda State -".

This study aimed to know the tasks of the contribution of internal audit in improving the financial performance in the economic institution. The relationship between the variables of the study was highlighted through a field study of the Port Corporation (Skikda), which has an independent internal audit department that monitors the progress of the Corporation's operations. The study sample consisted of (34) respondents from the Audit Department and the Finance and Accounting Department employees. The questionnaire was the data collection tool for the study, and the analytical descriptive approach was adopted. The results of the study showed that there is a direct relationship between internal audit and financial performance, as internal audit is a management tool that helps in making decisions and improving financial

performance. The study recommended the need to follow the recommendations made by the internal audit, in addition to the need to establish a risk management committee within the port corporation of the state of Skikda.

- Al-Shrouf Study (2021) "The Impact of Implementing Internal Audit Standards on the Financial Performance of Companies Listed on the Palestine Stock Exchange: The Modifying Role of Company Characteristics."

This study aimed to measure the effect of applying internal auditing standards on the financial performance of companies listed on the Palestine Exchange, and to achieve the objectives of the study; The descriptive analytical method was adopted. The study sample consisted of (43) companies listed on the Palestine Stock Exchange, where (185) questionnaires were distributed to each of (managers, heads of departments, members of audit committees, internal audit managers, financial managers and internal auditors), where a simple linear regression test was used, multiple linear regression, and one-way analysis of variance test to test the hypotheses of the study using the (SPSS) program. The results of the study showed that there is an impact of the application of internal auditing standards on the financial performance, represented by the return on assets, the return on equity and the return on investment. For companies listed on the Palestine Stock Exchange, the study recommended that companies listed on the Palestine Stock Exchange should pay attention to applying auditing standards. The study also recommended that companies should be obligated to apply internal auditing standards.

Ahmeti et. al (2022) "Effect of Internal Audit Quality on the Financial Performance of Insurance Companies: Evidence from Kosovo".

This study aimed to find out the impact of internal audit quality on the financial performance of insurance companies operating in Kosovo, measured by the ratio between net profit and total assets (ROA). The study sample consisted of insurance companies operating in Kosovo, during the period (2015-2021). The independent variables were (internal audit standards, professional competence, auditor independence, and internal audit competence), in addition to three dependent variables (company growth, company size, and company age). The results of the study showed that professional competence has a positive impact on the financial performance, while the effectiveness of internal audits negatively affects the financial performance of insurance companies. With regard to the control variables, the results showed that there is a strong and positive relationship between the size and the age of the company,



which in turn negatively affects the financial performance. The study recommended that the insurance companies should pay attention to the effectiveness, in addition to the independence of the internal auditor, due to their negative impact on the financial performance.

Muslih (2022) "THE EFFECT OF INTERNAL AUDIT AND AUDIT COMMITTEE TO FIRM PERFORMANCE MODERATED BY FIRM AGE".

This study aimed to identify the impact of the audit committee and internal audit on the company's performance with the age of the company as a mediating variable. The study sample consisted of (145) respondents from practitioners, academics and auditors in a number of companies in Indonesia, who were randomly selected, where the questionnaire was distributed to the study sample members through the Google form. The results of the study showed that the internal audit has no effect on the company's performance, while the audit committee has an effect on the company's performance. As for the age of the company, the results showed that it has a role in strengthening the impact of internal audit on the company's performance, while the influence of the audit committee on the performance of the company weakens. company.

Kayode & Oyeshola (2021) "The Impact Of Internal Audit on Financial Performance of Deposit Money Banks in NIGERIA".

This study aimed to investigate the effect of internal audit on the financial performance of money deposit banks in Nigeria. The study sample consisted of (16) commercial banks for depositing funds in Nigeria. Questionnaires were distributed to each bank in the study sample, where 360 questionnaires were distributed and 334 questionnaires were retrieved and found to be usable. Ordinary linear regression (OLS) was used, using IBM software. SPSS Statistics 20, and the results of the study showed that there is a positive relationship between internal audit and the financial performance of money deposit banks in Nigeria, and the impact of internal audit reporting channels on the financial performance of banks in Nigeria was also observed. The study recommended strengthening internal auditing and reporting channels by depository banks in Nigeria, due to its significant impact on the financial performance of banks.

### **What distinguishes the current study from previous studies?**

Most of the previous studies dealt with the variables of the impact of internal audit committees and internal audit standards on the financial performance or profitability of companies in general. task) and its impact on the efficiency of the performance of industrial companies, which - according to the researcher's knowledge - had not previously had any

studies that dealt with the relationship between these two important variables, especially in Jordan.

### Study methodology

To achieve the objectives of the study; The analytical descriptive approach was used, which is the scientific method that achieves the objectives of the research. Because it depends mainly on showing the reality as it is, so it is expressed in qualitative and quantitative formulas, as well as showing the relationship on each of the independent and dependent variables, as well as the previous research related to each variable.

### Study Sample

The study sample consisted of workers with the position of (internal auditor, internal audit manager and head of the internal audit department), who were chosen randomly. (160) questionnaires were distributed to the categories of the analysis unit, of which (124) were retrieved. After examining the retrieved questionnaires, it was found that there are (2) two questionnaires that do not complete all the information contained in them, and thus they are not valid for the analysis process, and thus the number of questionnaires valid for analysis becomes ( 122) questionnaire at a rate of (0.7625) out of the total number of distributed questionnaires, and the following table shows a description of the study sample.

TABLE. (1) Distribution of demographic characteristics of the study sample

The ratio	Repetition	categories	variants
94.3	115	diploma	Qualification
0.8	1	BA	
4.9	6	Master's	
-	-	Ph.D	
77.0	94	Internal Auditor	Job Description
13.1	16	Head of the Internal Audit Department	
9.8	12	Internal Audit Manager	
8.2	10	5 years and less	Years of Experience
54.1	66	5-9 years old	
37.7	46	10-14 years old	
100.0	122		the total

Source: Prepared by Authors (2023)

As for the job description variable, the percentage of respondents working as an internal auditor was (0.77), followed by the head of the internal audit department, with a percentage of

(0.131). Finally, the percentage of respondents with experience (5-9 years) was (0.541), followed by years of experience (10-14 years) with a rate of (0.377). The researcher developed the questionnaire with the aim of identifying the impact of the implementation of internal audit tasks according to the 2300 standard on the efficiency of the performance of the industrial companies listed on the Amman Stock Exchange, by referring to the theoretical literature related to variables, and previous relevant studies.

The questionnaire consisted of 3 parts: The first part: related to the demographic characteristics of the study sample of internal auditors in the Jordanian industrial companies on the Amman Stock Exchange, represented in (years of experience, educational qualification, and job description). The second section: relates to the implementation of internal audit tasks, and consists of (4) axes distributed as follows: The first axis: defining information, consisting of (8) paragraphs, the second axis: analysis and evaluation, consisting of (8) paragraphs, the third axis: documenting information It consists of (8) paragraphs, the fourth axis: supervising the task, and it consists of (8) paragraphs. And the last section: It relates to the efficiency of corporate performance, and it consists of (18) paragraphs, where a survey was developed using Google Forms and distributed electronically; In line with the study design and data collection objectives.

### **Validity of the Study Tool**

The validity of the study tool was confirmed by presenting it in its initial form to a number of faculty members in Jordanian universities with experience and competence in the field of accounting, consisting of (3) internal arbitrators and (7) external arbitrators, as shown in Appendix No. ( 1); In order to identify the suitability of the paragraphs for the scale, the soundness of their wording and the clarity of their meanings, the paragraphs that were unanimously approved by the arbitrators at a rate of (80%) were retained, and the proposed amendments were made. The questionnaire consisted of (50) items in its final form, and Appendix (2) explains that.

### **Stability of the Tool**

#### **Section One: Implementation of Internal Audit Tasks:**

To verify the stability of the study tool, Cronbach's Alpha internal consistency analysis was performed, and the correlation coefficients between the vertebrae and the axis to which they belong were analyzed. The stability coefficients of the tool were extracted through internal

consistency using the Cronbach alpha equation, to ensure the quality of the items and the extent of consistency in the responses of the study sample to all items of the tool, and Table (2) illustrates this.

TABLE. (2) : Stability coefficients Cronbach`s Alpha

<b>Cronbach`s Alpha</b>	<b>the tool</b>
<b>0.895</b>	<b>The first axis: identifying information</b>
<b>0.755</b>	<b>The second axis: analysis and evaluation</b>
<b>0.977</b>	<b>The third axis: documenting information</b>
<b>.0920</b>	<b>The fourth axis: supervising the task</b>
<b>0.939</b>	<b>Carrying out internal audit tasks</b>

Source: Prepared by Authors (2023)

It is clear from the above table that the values of the internal consistency coefficient "Cronbach alpha" ranged between (0.755-0.977). These values are a function of stability and are sufficient for the purposes of the study. The researcher also used the indications of the validity of the construction through the results of the correlation coefficients between the paragraphs of the domain and the total score of the scale, and the following table shows the results of the analysis.

## **FINDINGS AND RECOMMENDATIONS**

In light of the results of the statistical analysis of the study variables and the testing of hypotheses that were conducted in the previous chapter, this chapter presents a summary of the results that were reached in order to answer the questions of the study, and through the results obtained in the current study, the researcher presented a number of recommendations.

The results of the first main hypothesis: which states that "there is no statistically significant relationship at the level ( $0.05 \geq \alpha$ ) for the implementation of internal audit tasks according to the 2300 standard with its dimensions (identifying information, analysis and evaluation, documenting information, supervising the task) on the performance efficiency of the listed industrial companies on the Amman Stock Exchange. The results of the analysis showed that the simple correlation coefficient between the independent variable (the implementation of internal audit tasks) and the dependent variable (the efficiency of corporate performance), in which the value of (R) was (0.509), and the coefficient of determination (R<sup>2</sup>) was (0.259), which means that the variable The independent (execution of internal audit tasks) explained (25.9%) in the percentage of variation in the dependent variable (company performance efficiency). The value of (F. Sig) was (0.00), which is less than (0.05), so the regression model is suitable for measuring the relationship and effect between the independent

variables and the dependent variables. The results of the (Coefficient) analysis also showed that the value of B was (0.640), while the value of (T) was (6.480), with a significance level of (0.00). This indicates the rejection of the null hypothesis and the acceptance of the alternative hypothesis: "There is a statistically significant relationship at the level of  $(0.05 \geq \alpha)$  for the implementation of internal audit tasks according to the 2300 standard with its dimensions (identifying information, analysis and evaluation, documenting information, supervising the task) on the performance efficiency of the listed industrial companies on the Amman Stock Exchange. The results of the first sub-hypothesis: which states that "there is no statistically significant relationship at the level  $(0.05 \geq \alpha)$  to determine the internal information on the performance efficiency of the industrial companies listed on the Amman Stock Exchange."

The results of the analysis showed that the simple correlation coefficient between the independent variable (identifying information) and the dependent variable (company performance efficiency), in which the value of (R) was (0.743), while the coefficient of determination (R<sup>2</sup>) was (0.552), which means that the independent variable (identifying information) explained (55.2%), in the percentage of variation in the dependent variable (company performance efficiency). The value of (B) was (0.697), while the value of (T) was (12.161), with a level of significance (0.00), which indicates that the independent variable (identifying information) has a statistically significant effect on the dependent variable (company performance efficiency). Significant value (Sig) (0.000), which is less than (0.05).

Which means rejecting the null hypothesis and accepting the alternative hypothesis "There is a statistically significant relationship at the level of  $(0.05 \geq \alpha)$  to determine the information on the performance efficiency of the industrial companies listed on the ASE. The results of the second sub-hypothesis: which states that "there is no statistically significant relationship at the level  $(0.05 \geq \alpha)$  of the analysis and evaluation on the performance efficiency of the industrial companies listed on the Amman Stock Exchange." The results of the analysis showed that the simple correlation coefficient between the independent variable (analysis and evaluation) and the dependent variable (company performance efficiency) had a value of (R) in it (0.718), while the value of the determination coefficient was (R<sup>2</sup>). (0.516), and those results indicate that the independent variable (analysis and evaluation) explained (51.6%) in the percentage of variation in the dependent variable (company performance efficiency). The value of (B) was (0.824), while the value of (T) was (11.304), with a level of significance (0.00), which means that analysis and evaluation has an impact on the efficiency of the performance

of industrial companies. listed on the Amman Stock Exchange, where the significant value of Sig was (0.00).

Which means rejecting the null hypothesis and accepting the alternative hypothesis: "There is a statistically significant relationship at the level of  $(0.05 \geq \alpha)$  for analysis and evaluation on the performance efficiency of the industrial companies listed on the Amman Stock Exchange."

### The Results of the Third Sub-Hypothesis

"There is no statistically significant relationship at the level of  $(0.05 \geq \alpha)$  documenting information on the performance efficiency of the industrial companies listed on the Amman Stock Exchange."

The results of the analysis showed that the simple correlation coefficient between the independent variable (information documentation) and the dependent variable (company performance efficiency) had an R value of (0.071), while the value of the determination coefficient (R<sup>2</sup>) was (0.005). These results indicate that the independent variable (Information Documentation) Explain (0.5%) in the percentage of variation in the dependent variable (company performance efficiency).

The B value was (0.054), while the (T) value was (0.785), and the significance level was (0.434), which is greater than (0.05). Which means accepting the null hypothesis "There is no statistically significant relationship at the level  $(0.05 \geq \alpha)$  to document the information on the performance efficiency of the industrial companies listed on the ASE". **The results of the fourth sub-hypothesis** which states that "there is no statistically significant relationship at the level of  $(0.05 \geq \alpha)$  to supervise the task on the performance efficiency of the industrial companies listed on the Amman Stock Exchange." The results of the analysis showed that the simple correlation coefficient between the independent variable (supervising the task) and the dependent variable (company performance efficiency) had a value of (R) (0.107), while the coefficient of determination (R<sup>2</sup>) was (0.011). The value of B was (0.097), while the value of (T) was (1.176), with a level of significance (0.242), which means that the supervision of the task has no effect on the efficiency of the performance of the industrial companies listed on the ASE. Thus, the null hypothesis was accepted, "There is no statistically significant relationship at the level of  $(0.05 \geq \alpha)$  to supervise the task on the performance efficiency of the industrial companies listed on the Amman Stock Exchange." The results of the second main hypothesis: which states that "there is no statistically significant relationship for the implementation of

internal audit tasks according to Standard 2300 with its dimensions (identifying information, analysis and evaluation, documenting information, supervising the task) on the efficiency of the performance of industrial companies listed on the Amman Stock Exchange, attributable to the variable ( Academic qualification, job description and years of experience) for the internal auditor. The value of P was (0.422) for the effect of the educational qualification, with a statistical significance of (0.657), while the value of P for the effect of the job description amounted to (0.796), with a statistical significance of (0.22), and finally the value of the P value for the effect of years of experience was (0.307) and with a statistical significance of (0.736). Which means accepting the null hypothesis that there is no statistically significant relationship for the implementation of internal audit tasks according to Standard 2300 with its dimensions (identifying information, analysis and evaluation, documenting information, supervising the task) on the efficiency of the performance of industrial companies listed on the Amman Stock Exchange, attributed to the variable (educational qualification, Job description and years of experience) for the internal auditor. The results of the current study are consistent with the results of the studies of both Al-Shrouf (2021) and Amqran (2021), which showed that internal audit is a management tool that helps in making decisions and improving financial performance.

It is also similar to the results of the Al-Lami study (2020), which showed the existence of an effect (compliance with characteristics standards, adherence to performance standards, adherence to application standards) on improving financial performance in the financial department in the Greater Salt Municipality, and is also consistent with the results of Hussein (2015) study, which showed The existence of an impact of the controls for the formation of audit committees on improving the quality of profits in the Jordanian public shareholding industrial companies Listed on the Amman Stock Exchange. In addition to the study of Ahmeti (2022), which showed that professional competence has a positive impact on financial performance, and the study of Kayode (2021) & Oyeshola, which showed a positive relationship between internal audit and the financial performance of money deposit banks in Nigeria.

## RECOMMENDATIONS

In light of the above results, the study recommends the following:

1- Supporting the internal audit department in Jordanian industrial companies with all tools; To keep abreast of the latest methods and standards used in internal control.

- 2- Supporting the independence of the internal audit department in Jordanian industrial companies; To ensure the accuracy of the reports that are prepared.
- 3- Increasing the powers of the internal auditors to examine all the company's activities without any obstacles
- 4- Developing organizational structures within the institution that at least ensure the existence of a special department for internal auditing
- 5- The researcher recommends conducting many similar studies, but on different sectors in the Amman Stock Exchange, or using other performance indicators.

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