

-RESEARCH ARTICLE-

THE ROLE OF AUDITORS' COMPETENCIES AND AGILE INTERNAL AUDITING ON THE EFFECTIVE FINANCIAL REPORTING: MODERATING ROLE OF FINANCIAL REPORTING STANDARDS

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—Abstract—

International standards for effective financial reporting demand high requirements for auditor abilities, agile internal audits, and effective financial reporting standards. The

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current study examines the effects of auditors' abilities and agile internal auditing on the successful financial reporting of the German Volkswagen group of companies to highlight this phenomenon in recent literature. The essay also looks into how effective financial reporting, agile internal auditing, and auditors' competencies are affected by financial reporting standards. The study used primary data gathering methods, including questionnaires, to collect preliminary data from the internal auditors of the German Volkswagen group of enterprises. The PLS-SEM was also used in this paper to examine the variables' consistency, accuracy, and connection. The results showed a strong correlation between the German Volkswagen group of companies' effective financial reporting and the auditors' competencies and rapid internal audits. The results also showed that the financial reporting standards significantly influenced successful financial reporting, agile internal auditing, and auditors' competencies. According to the study, policymakers should use agile internal auditing and auditors' competencies to build policies for effective financial reporting.

Keywords: Auditors' competencies, agile internal auditing, financial reporting standards, effective financial reporting, German Volkswagen group of companies.

1. INTRODUCTION

There are numerous internal and external stakeholders connected to firms. They closely monitored its performance to make any decisions about the firm's future. Making decisions is essential to the success of any company. The firm's financial data presentation provides stakeholders with the information they can use to make decisions. Making decisions will be simpler the more the shareholder understands the company through its financials. Companies throughout the world give their financial reporting considerable consideration. The business favors accurate financial reporting (Roychowdhury et al., 2019; Weygandt et al., 2018). The company comprises several divisions: finance, marketing, audit, and human resources. Although each section has its protocol, every section is involved in the audit. Financial reporting is the only thing that makes it simple for the audit section to comprehend and look into applying the firm's planned policies and procedures. Large businesses prefer to follow new financial reporting standards to safeguard and simplify their financial reporting system. Consequently, the firm financial reporting system becomes more transparent with the adoption of globally recognized reporting standards (Biddle et al., 2009; Simpson et al., 2020). Volkswagen is a German automaker and retailer in the international auto market. The group's primary objectives are developing manufacturing and global distribution of automobiles and other vehicles. The Automobile and Financial services divisions are responsible for carrying out the group's operations. The automobile division encompasses the development of vehicles and engines and the production and sale of trucks, buses, commercial vehicles, and passenger automobiles. Financial services include car rentals, fleet management services, banking, and insurance activities, and leasing and financing programs for clients and dealers (Copeland et al., 2021; Shang,

2022). The group's financial performance is pretty remarkable. While sales revenue increased by EUR 16.8 billion to EUR 252.6 billion, operating profit before special items increased to EUR 19.3 (17.1) billion. At 7.6 (7.3)%), the operational return on sales, excluding special items for 2019, is slightly higher than the expected range. Operating profit also increased, reaching EUR 17.0 (13.9) billion. Negative special items relating to diesel decreased to EUR 2.3 (3.2) billion. The Automotive Division's net cash flow significantly increased to EUR 10.8 (-0.3) billion as net liquidity increased to EUR 21.3 (19.4) billion. The dividend is proposed to be increased to EUR 6.50 (4.80) per common share and EUR 6.56 (4.86) per preferred share by the Supervisory Board and the Board of Management. As a result, the payout ratio would rise to 24.5 (20.4)%. (Copeland et al., 2021). Figure 1 displays Volkswagen's revenue and profitability.

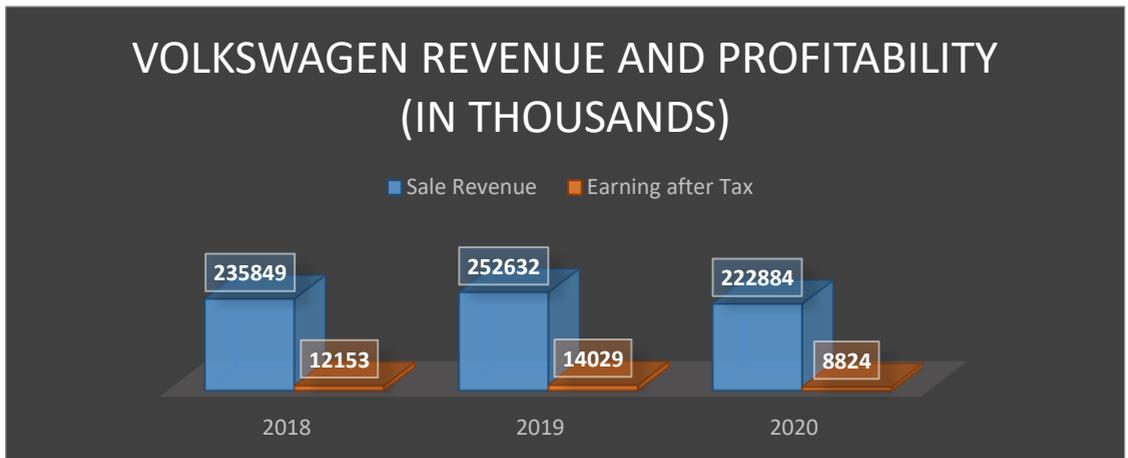


Figure 1. The Revenue and Profitability of Volkswagen

1) Financial reporting is important for the organization since its stakeholders assess it before making business decisions. This study will fill in some previous literature gaps in this area. To improve the effectiveness of its reporting, the company periodically updates its accounting system. Auditing and auditors are regarded as of utmost importance in financial reporting literature. Although financial reporting effectiveness has been extensively studied from various angles over several years, it has not yet achieved its zenith because many of its components still need to be investigated. 2) Gamayuni (2018) focused solely on the abilities of auditors and the quality of financial reporting; however, the current study will additionally examine this relationship with the addition of the moderating impact, i.e., financial reporting standards in German Volkswagen Company (GVC), using new data. 3) The approach, which includes adaptable internal auditing, auditor competencies, financial reporting standards, and efficient financial reporting, particularly for GVC, has not recently been tested. 4) While Setiyawati et al. (2018) focused on the competency of accountants in financial reporting, the current study will examine the efficacy of financial reporting from an auditing and auditors perspective, particularly in GVC. 5) Mkoba et al. (2020) used the Agile

Auditing framework; however, the current study will also examine it from the standpoint of financial reporting effectiveness, using financial reporting standards as a moderating variable and evaluating the model in GVC using a new data sample. 6) The present study will examine accounting standards from the standpoint of GVC, in contrast to [Mnif Sellami et al. \(2019\)](#), who worked on them from the perspective of governments. 1) The present study is significant because it will not only highlight the relevance of good financial reporting but also attempt to explain how agile auditing, auditor competencies, and financial reporting standards can improve GVL; and 2) 2) To improve the company's financial reporting standards, the present study will also offer guidance to GVL finance-related personnel on how to review and update their financial reporting policies and procedures. 3) even though financial reporting has been extensively studied from many angles up to this point, many of its elements are still unknown. As a result, the current study will give future researchers the knowledge they need to evaluate and explore new areas of efficient financial reporting. The study organization is divided up into various chapters. The introduction to the overall study, including the study gap and significance, is covered in the first chapter. The second chapter of the study will discuss the data about flexible internal auditing, auditor competencies, financial reporting requirements, and efficient financial reporting from prior studies. The technique, i.e., the data collection on agile internal auditing, auditor competencies, financial reporting standards, and efficient financial reporting, will be covered in the third chapter. The validity of the data will then be examined. The outcomes of the data analysis are presented in the fourth chapter. The study's conclusion and any ramifications and suggestions will be introduced last.

2. LITERATURE REVIEW

Internal auditors struggle to adapt their audit strategies and work schedules to the complex and often changing business conditions. As auditors, it is our primary duty to add value to the organization by assuring governance, risk, and controls; yet, we cannot effectively carry out this duty if we cannot shift our focus when it is called for. Although many auditors are unsure of where to start, internal auditors are hoping for an increase in the usage of agile concepts. More than 1,000 internal auditors participated in a recent Audit Board study, and 82% believed that agile auditing could be more valuable to their job than the traditional project approach. However, 45% of respondents stated that a lack of resources or knowledge was the largest obstacle to implementing agile ([Herath et al., 2017](#); [Yousaf et al., 2020](#)). Auditing is essential in both situations, whether the company is working on short-term or long-term projects. Any auditing technique impacts and benefits the accuracy of financial reporting. In this regard, [Abdullah et al. \(2017\)](#) looked into the possibility of a connection between financial reporting and audit quality. Indonesia was the location of the investigation. Data from several companies listed on the Indonesian Stock Exchange in 2015 were used in the study. The data collected was examined using a regression model. The investigation's findings suggested that a firm's size, age, and public ownership substantially impacted financial reporting, suggesting

that the likelihood that a company will do financial reporting will rise as these elements rise. Financial reporting is favorable but not significantly affected by audit quality because 12 companies were audited by Big Ten accounting firms but did not perform financial reporting, and 60 were audited by Non-Big Ten accounting firms but did. The four variables affect financial reporting by 67.8%. Similarly, [Reid et al. \(2019\)](#) looked into the impact of the auditor's report on financial reporting. In the UK, the investigation was conducted. The study used information from 1652 listed companies on the UK Stock Exchange. The data collected was examined using a regression model. The investigation's findings suggested that the auditor's report significantly influences the quality of financial reporting. As a result, the following hypotheses are developed from the discussion above:

H1: Agile internal auditing significantly influences effective financial reporting.

Different firm stakeholders employ all types of information flow in marketing, human resources, accounting, or auditing. Financial reporting serves as the final presentation of the company's information flow to the public. The easier it is for all parties involved to understand and make a choice based on financial reporting, the better the presentation of that information is. Auditors are the information's most avid users. The auditor's qualifications significantly influence the efficiency of the financial reporting system. [Gamayuni \(2018\)](#) investigated if the internal auditor's skills could improve the caliber of financial reporting in this environment. Indonesia was the location of the investigation. A sample of 118 cities from 6 provinces was included in the study. SEM was used to examine the collected data. The investigation's findings suggested that the effectiveness of the financial reporting system is strongly influenced by the internal auditors' skills and management's backing. Various factors influence the improvement of financial reporting inside an organization with the goal of giving internal and external stakeholders a clear image of the company. The audit is one of the key participants in this scenario. In this regard, [Albawwat et al. \(2021\)](#) investigated the relationship between the competency of auditors and the caliber of financial reporting and audit effectiveness. Jordan was the location of the investigation. 193 internal auditors from various companies were utilized as a sample in the experiment. SEM was used to examine the collected data. The investigation's findings suggested that personality traits influence the quality of financial reporting indirectly through the effectiveness of the internal audit function. Additionally, internal auditors who scored well on qualities like openness to experience, emotional stability, and conscientiousness may be among the most important contributors to the performance of the internal audit function. A further intangible resource for the internal audit function that increases effectiveness could be noticed in the personality traits of internal auditors. The study's conclusions will give experts pointers on how to improve the caliber of financial reporting. The main objective of financial reporting is to provide information about the firm's financial statements that is useful for making economic decisions. Providing correct financial reporting data is

essential since doing so will assist capital providers and other stakeholders in making lending, investing, and resource allocation decisions, ultimately improving market efficiency (Assad et al., 2020). With this perspective, Dewi et al. (2019) looked at the variables influencing the caliber of financial reporting at the local government level. Indonesia was the location of the investigation. 303 employees from various companies made up the sample used in the analysis. Using SPSS, the acquired data was examined. The investigation's findings suggested that the quality of the information in local government financial reporting statements was influenced by the efficiency of the internal control system and the expertise of human resource auditors. Financial accountability is affected by the informational quality of local government financial accounts directly and indirectly. Additionally, the informative quality of the local government financial accounts has an immediate effect on fiscal responsibility. As a result, the following hypotheses are developed from the discussion above:

H2: Auditors' competencies significantly influence effective financial reporting.

Agency theory offers several managerial behavior predictions. Implementing worldwide financial reporting standards would indicate that companies conduct ethically, increase the standard of financial reporting, and promote investor interests. Highly leveraged businesses can be ready to adopt IFRSs to please lenders, fulfill debt covenant requirements, or avoid political scrutiny and attention. Due to the latitude provided by financial reporting, managers may take advantage of certain opportunities (Abonwara et al., 2021; Moradi et al., 2019). This would imply that managers could alter the reported results to portray a favorable transition to IFRSs or to avoid adverse consequences on their profit margins and ability to pay off debt. As a result, the adoption of financial reporting standards has a favorable impact on the overall financial reporting of the company. In this regard, (Shariza, 2018) looked into how international financial reporting standards impact the quality of financial reporting.

In Iraq, the investigation was conducted. 193 internal auditors from various companies were utilized as a sample in the experiment. SEM was used to examine the collected data. The investigation's findings suggested that Iraqi banks would improve their financial reporting if they adopted international norms. To improve their financial reporting system, businesses should follow international financial reporting standards, according to the investigation. (Hossain, 2021) also looked into the impact of international financial reporting standards on the banking industries' financial accounting. Bangladesh was the location of the investigation. An analysis sample of 40 banks was employed. Smart PLS was used to analyze the collected data. The investigation's findings suggested that Bangladesh's quality requirements for its accounting system will be raised by adopting international financial reporting standards. The research also indicates that the banking sector adopts global financial reporting norms. This claims that adopting IFRS supports the relationship between financial

reporting and auditing. As a result, the following hypotheses are developed from the discussion above:

H3: Financial reporting standards significantly moderate the relationship between agile internal auditing and effective financial reporting.

Firms all over the world face a variety of problems while trying to improve the quality of financial reporting. The IFRS addresses this issue by enhancing the quality and comparability of financial data worldwide by providing a top-notch, widely accepted set of accounting principles that improve the transparency, accountability, and efficiency of financial markets everywhere. Investors and other market participants can now make sensible financial decisions thanks to the increased openness of IFRS. IFRS increase accountability by bridging the knowledge gap between capital suppliers and the people they have entrusted with their finances. To hold management accountable, information from our Standards is crucial. Regulators throughout the world depend on IFRS as a source of information that is comparable across borders. The enterprises were encouraged to adhere to IFRS by worldwide audits. The adoption of IFRS makes it easier for auditors to identify embezzlement. Additionally, it forces businesses to refrain from manipulating data in any way. Therefore, the adoption of IFRS has an impact on the firm's financial reporting through auditing. As a result, [Keldiyorqizi \(2021\)](#) looked at whether implementing IFRS impacts the audits of oil firms. In Uzbekistan, the investigation was conducted. Twenty businesses were sampled for the inquiry. SEM was used to examine the collected data. According to the investigation's conclusions, IFRS implementation benefits auditors' ability to carry out their duties. Compared to companies that do not use IFRS, the accounting and reporting systems of the firms are sound. The inquiry also suggested that businesses embrace IFRS. Similarly, [Bananuka et al. \(2019\)](#) looked into the possibility of a connection between audit and adopting IFRS. Uganda was the location of the investigation. 67 MFIs were utilized as a sample in the experiment. The KMO test was used to examine the collected data. The investigation's conclusions suggested that implementing IFRS would benefit the audit committee. As a result, the following hypotheses are developed from the discussion above:

H4: Financial reporting standards significantly moderate the relationship between auditors' competencies and effective financial reporting.

3. RESEARCH METHODS

The study examines the moderating effects of financial reporting standards among auditors' competencies, agile internal auditing, and effective financial reporting, as well as the impact of auditors' skills and agile internal auditing on successful financial reporting. The study used primary data gathering methods, including questionnaires, to collect preliminary data from the internal auditors of the German Volkswagen group of enterprises. Items taken from earlier studies are used to measure the variables. For instance, the skills for auditors include seven items obtained from [Akib \(2021\)](#), ten items

taken from [Truong \(2020\)](#), ten items collected from [Caputo et al. \(2019\)](#), and eight items taken from Jan. 2018.

The German Volkswagen Group of Companies' internal auditors and their team were chosen as the study's responders. Email addresses from the databases of the German Volkswagen group of companies were used to send the surveys. The auditors are selected using a straightforward random selection method. Only 290 of the approximately 522 surveys the researchers had sent out were received after a month, representing a response rate of about 55.56 percent. The PLS-SEM was used in the article to examine the variables' validity, association, and reliability. This program efficiently handles little and large amounts of data and produces excellent results ([Hair Jr et al., 2020](#)). The study used the auditors' competencies (AC) and agile internal auditing as predictors (AIA). Additionally, the study included a moderating variable called financial reporting standards and a dependent variable called effective financial reporting (EFR) (FRS). They're seen in [Figure 2](#).

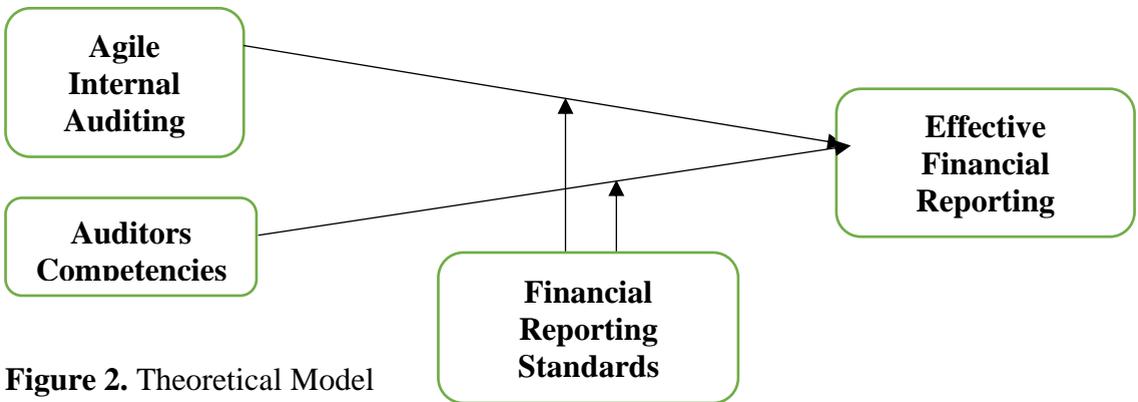


Figure 2. Theoretical Model

4. RESEARCH FINDINGS

The findings of the study demonstrate convergent validity, which demonstrates item correlation. The factor loading and average variance retrieved were utilized to evaluate the convergent validity. The results showed that both tests' scores were greater than 0.50 and supported a significant degree of item correlation. Additionally, the convergent validity was examined using the composite reliability (CR) and Alpha. The findings showed that both tests' scores were greater than 0.70 and supported a significant degree of item correlation. [Table 1](#) presents these outcomes.

The study's findings also display discriminant validity, highlighting the relationship between various variables. Fornell Larcker and cross-loadings were employed to test the discriminant validity. The results of both tests showed that there was little connection between the variables and that the values that revealed links with the variable were larger than those that revealed associations with other variables. [Tables 2](#) and [3](#) present these findings.

Table 1. Convergent Validity

Constructs	Items	Loadings	Alpha	CR	AVE
Auditors Competencies	AC1	0.929	0.975	0.979	0.871
	AC2	0.936			
	AC3	0.939			
	AC4	0.944			
	AC5	0.934			
	AC6	0.947			
	AC7	0.900			
Agile Internal Auditing	AIA1	0.856	0.944	0.952	0.665
	AIA10	0.803			
	AIA2	0.837			
	AIA3	0.838			
	AIA4	0.837			
	AIA5	0.799			
	AIA6	0.839			
	AIA7	0.781			
	AIA8	0.750			
Effective Financial Reporting	EFR1	0.764	0.903	0.924	0.637
	EFR10	0.841			
	EFR2	0.816			
	EFR3	0.639			
	EFR4	0.829			
	EFR6	0.831			
	EFR8	0.843			
Financial Reporting Standards	FRS1	0.829	0.923	0.938	0.655
	FRS2	0.582			
	FRS3	0.858			
	FRS4	0.846			
	FRS5	0.809			
	FRS6	0.868			
	FRS7	0.862			
	FRS8	0.782			

Table 2. Fornell Larcker

	AC	AIA	EFR	FRS
AC	0.933			
AIA	0.494	0.816		
EFR	0.423	0.493	0.798	
FRS	0.431	0.449	0.427	0.809

Table 3. Cross-loadings

	AC	AIA	EFR	FRS
AC1	0.929	0.459	0.379	0.403
AC2	0.936	0.463	0.379	0.428
AC3	0.939	0.467	0.386	0.396
AC4	0.944	0.460	0.409	0.412
AC5	0.934	0.463	0.384	0.394
AC6	0.947	0.462	0.403	0.415
AC7	0.900	0.452	0.421	0.368
AIA1	0.402	0.856	0.452	0.371
AIA10	0.325	0.803	0.301	0.349
AIA2	0.451	0.837	0.456	0.352
AIA3	0.435	0.838	0.455	0.380
AIA4	0.450	0.837	0.428	0.368
AIA5	0.326	0.799	0.297	0.354
AIA6	0.455	0.839	0.423	0.376
AIA7	0.393	0.781	0.373	0.360
AIA8	0.388	0.750	0.387	0.355
AIA9	0.353	0.810	0.381	0.393
EFR1	0.426	0.457	0.764	0.368
EFR10	0.305	0.376	0.841	0.328
EFR2	0.339	0.433	0.816	0.373
EFR3	0.331	0.254	0.639	0.242
EFR4	0.303	0.388	0.829	0.322
EFR6	0.319	0.387	0.831	0.360
EFR8	0.329	0.414	0.843	0.361
FRS1	0.354	0.330	0.342	0.829
FRS2	0.187	0.255	0.251	0.582
FRS3	0.357	0.388	0.344	0.858
FRS4	0.351	0.363	0.332	0.846
FRS5	0.381	0.390	0.303	0.809
FRS6	0.375	0.408	0.382	0.868
FRS7	0.395	0.407	0.420	0.862
FRS8	0.355	0.341	0.353	0.782

The study's findings also display discriminant validity, highlighting the relationship between various variables. The discriminant validity was examined using the heterotrait monotrait ratio (HTMT). The results demonstrated values below 0.85 and supported little correlation between variables. [Table 4](#) presents these outcomes.

Table 4. Heterotrait Monotrait Ratio

	AC	AIA	EFR	FRS
AC				
AIA	0.508			
EFR	0.449	0.518		
FRS	0.451	0.479	0.459	

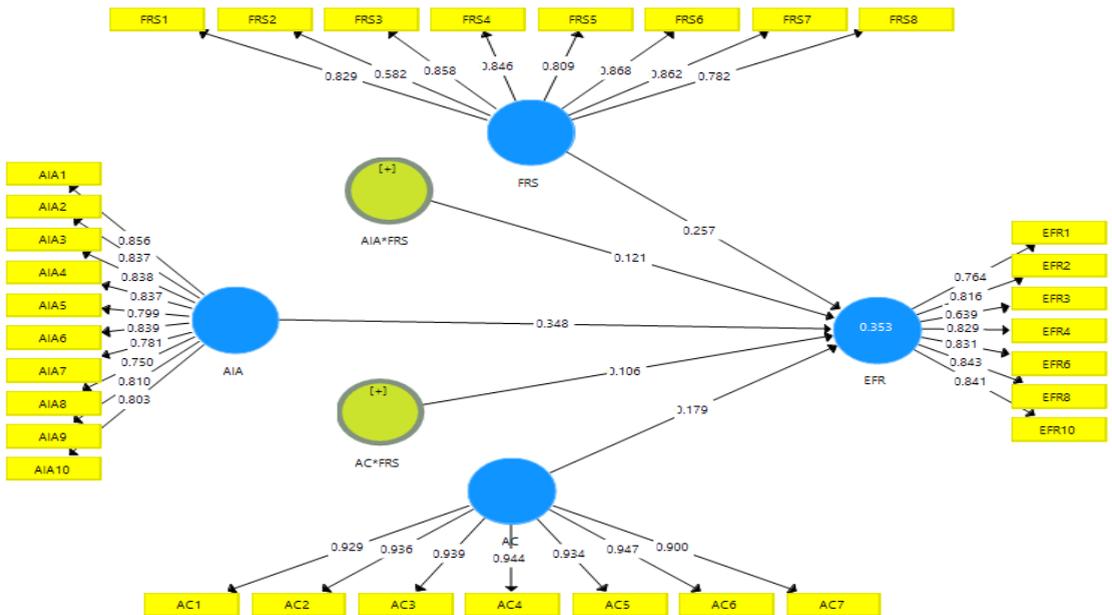


Figure 3. Measurement Model Assessment

The findings exposed that the auditors' competencies and agile internal auditing positively link the effective financial reporting of the German Volkswagen group of companies and accept H1 and H2. The outcomes also revealed that the financial reporting standards significantly moderate among auditors' competencies, agile internal auditing, and effective financial reporting and accept H3 and H4. The study results also show the discriminant validity and correlation among variables. These results are given in Table 5.

Table 5. A Path Analysis

Relationships	Beta	SD.	T Statistics	P Values
AC -> EFR	0.179	0.086	2.081	0.020
AC*FRS -> EFR	0.106	0.057	1.875	0.032
AIA -> EFR	0.348	0.072	4.855	0.000
AIA*FRS -> EFR	0.121	0.059	2.035	0.022
FRS -> EFR	0.257	0.063	4.048	0.000

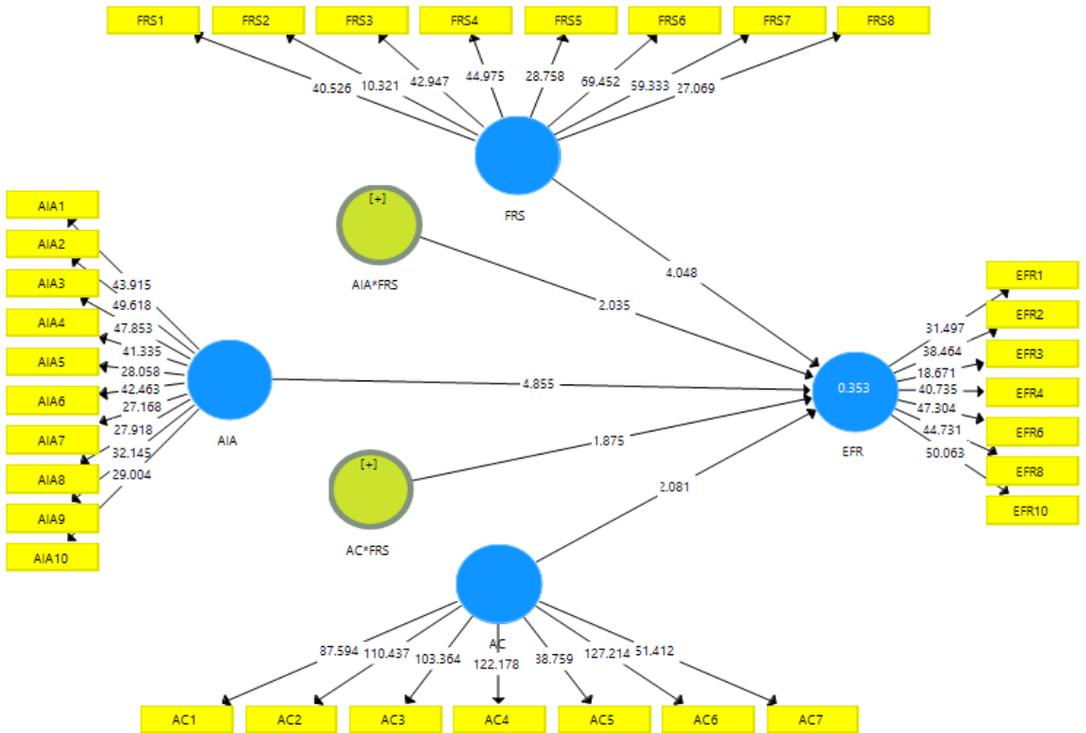


Figure 4. Structural Model Assessment

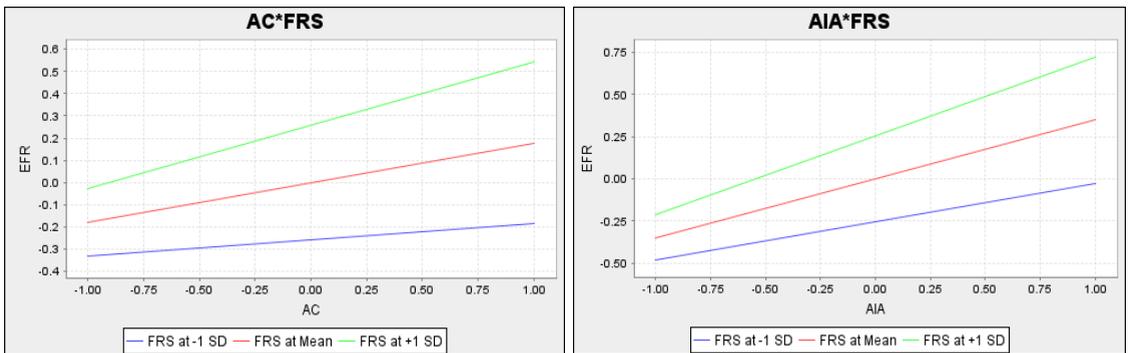


Figure 5. Moderation Analysis

5. DISCUSSIONS

The findings demonstrated a beneficial relationship between agile internal audits and efficient financial reporting. These findings are corroborated by a prior study by (Gebayel et al., 2018), which emphasizes the importance of internal auditing procedures like inspection, observation, analysis, evaluation, inquiry, and confirmation being agile to detect errors, omissions, and fraudulent changes in financial documents and business operations. The effectiveness of financial reporting is increased by a decrease in financial fraud and mistakes. These findings are also consistent with a prior study by

Chang et al. (2019), which explores how internal auditing agility affects financial reporting efficiency. According to a previous study, agile internal auditing purges errors and erroneous records from financial paperwork. As a result, financial reporting that is accurate, accountable, and transparent is achievable.

The findings demonstrated a positive relationship between good financial reporting and auditor competencies. The earlier study by Boskou et al. (2019), which indicates that the auditors' competencies determine the success of their professional work, is consistent with these findings. Independent of internal and external auditing, auditors can better inspect documentation problems if they possess professional auditing competencies. Therefore, through efficient financial reporting, financial transactions and the financial status of the companies are better communicated. These findings are also consistent with the earlier research by Alzeban (2019), which examines the contribution of auditors' skills to financial reporting efficiency. According to the report, auditors must possess various abilities, including knowledge of economics, accounting, analytical thinking, administration, effective communication, motivation, and dedication to be effective. The firms present effective financial reporting when the auditors possess these professional qualities.

The findings demonstrated that financial reporting standards moderate the relationship between efficient financial reporting and flexible internal auditing. These findings are consistent with a prior study by Chang et al. (2019), which found that implementing national or international financial reporting standards decreases issues with internal auditing procedures and speeds up these procedures overall. Internal auditing's flexibility improves the efficiency of financial reporting. As a result, the link between efficient financial reporting and agile internal audits becomes stronger. The prior study by Roussy et al. (2018), which asserts that adopting some common and specified financial reporting standards helps generate agility in the internal auditing method, is consistent with our findings. Effective financial reporting results from agile internal auditing.

The findings demonstrated a relationship between auditors' skills and efficient financial reporting moderated by financial reporting requirements. These findings are corroborated by a prior study by Bajra et al. (2018) that shows how implementing financial reporting standards shortens the auditing cycle by enhancing the auditors' professional competencies and increasing the accuracy of financial reporting. As a result, it strengthens the link between the skills of auditors and efficient financial reporting. These findings are consistent with a previous study by Kaawaase et al. (2021), which found that adopting financial reporting standards can motivate internal auditors to develop auditing skills, and that accurate internal auditing results improve a company's capacity to provide accurate financial reporting. As a result, the relationship between auditors' skills and accurate financial reporting is strengthened by financial reporting standards.

6. IMPLICATIONS

The current research's contribution to literature can teach future writers something new. The study examines the value of flexible internal auditing and the skills of auditors' inefficient financial reporting. By examining the moderating influence of financial reporting standards on the relationship between successful financial reporting, competent auditors, and agile internal auditing, the study adds to the body of literature. Additionally, it is the first time the German Volkswagen Company has considered the value of flexible internal auditing and the skills of auditors' inefficient financial reporting. Because it sheds insight into proper financial reporting, the current study is very important to companies in emerging economies. The study advises firm management to create procedures that will hasten internal auditing's agility to boost the accuracy of financial reporting. The study also contends that for efficient financial reporting by organizations, internal and external auditors must grow as professionals. According to the study, policymakers should use agile internal auditing and auditors' competencies to build policies for effective financial reporting. Similarly, the study contends that internal auditing agility can be encouraged when financial reporting standards are adopted and auditor competencies that guarantee efficient financial reporting can be fostered.

7. CONCLUSION AND LIMITATIONS

The study's goal was to investigate the relationship between agile internal auditing, auditor competencies, and successful financial reporting, as well as the relationship between agile internal auditing, auditor competencies, and financial reporting standards. Quantitative financial information was gathered from the German Volkswagen Company for effective financial reporting, agile internal auditing, auditor competencies, and financial reporting requirements. According to research findings, good financial reporting, competent auditors, and nimble internal auditing are all positively correlated. The results demonstrated that errors, omissions, and frauds might be identified and stopped immediately when internal auditing is agile. This boosts staff productivity in accounting and reporting. As a result, financial reporting is efficient. The findings also showed that when auditors possess professional competencies, regardless of whether they are performing internal or external auditing processes, the objectives of effective auditing can be met, leading to effective financial reporting. The findings also showed that financial reporting standards moderate successful financial reporting, competent auditors, and agile internal auditing.

The study has several restrictions. However, future research could make some adjustments to get beyond these restrictions. Few elements have been discussed as the determinants of financial reporting's efficacy. Because of this, the research's scope is constrained, and it is advised that authors include more aspects in their research to provide more reliable results. Here, the relationship between agile internal auditing,

auditors' competencies, and efficient financial reporting has been examined. For a deeper understanding of the relationship between agile internal auditing, auditors' competencies, and effective financial reporting, the future study must include at least one mediator.

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