

# **Strategic Internal Auditing As A Tool For Ensuring Financial Performance Stability In Commercial Banks: An Applied Study**

**Assist. Prof. Raid Hassan Ali**

*Department Of Accounting, College Of Administration And Economics, Al-Muthanna University, Iraq*

---

## **Abstract:**

*This paper aims to present a theoretical framework for the study variables: audit and governance strategies, and financial performance and highlights the nature of the necessary audit and governance strategies and how to employ such variables in the financial performance of commercial banks. The deductive approach was used to shift from the general aspect related to identifying the nature of audit and good governance strategies to the specific aspect of activating and achieving the financial performance of commercial banks. The inductive approach was also used to shift from the specific aspect related to observing the research problem and then shifting to the general aspect by generalizing recommendations for commercial banks to develop important strategies regarding examining non-performing loans, loans, and deposits, as well as focusing on economic growth, deposit rates, and credit risks. The most important conclusions obtained by this article is that commercial banks face numerous crises that vary in degree of risk as well as leaving a significant impact on all aspects of their operations. This, in turn, negatively impacts the sources and uses of funds. One of the most important recommendations is the need for commercial banks to develop audit and governance strategies to formulate and periodically review plans to achieve their overall objectives and improve financial performance in particular.*

**Keywords:** *Internal audit strategies, financial performance.*

---

Date of Submission: 15-05-2025

Date of Acceptance: 25-05-2025

---

## **I. Introduction**

The success or failure of commercial banks depends on their ability to achieve their objectives and programs, which they developed according to a specific strategy, and the extent of their contribution or commitment to implementing what was planned to mitigate the risks, conditions, and variables that commercial banks will face, whether internal or external.

One of the most important means and methods for commercial banks is developing audit strategies to review and modify their plans to address the variables facing commercial banks. This depends on the ability of senior management to make decisions related to improving financial performance and how to deal with banking risks, especially in recent times, due to the development in the scope of work methods in the banking sector and to mitigate its negative effects. This has prompted specialized international organizations to establish standards and take several measures, including the Basel I Accord of 1988, which set the minimum capital adequacy ratio. This was followed by the Basel II Accord of 2007, which aimed to achieve a balance between assets and capital. This was followed by the Basel III Accord of 2010, which established a set of regulations for a safer banking system.

## **II. Research Methodology**

Internal audit strategies have not received much attention from commercial banks, which has impacted their financial performance and negatively impacted their revenues and the services provided to customers. This is because most commercial banks suffer from a failure to implement the strategies they developed to identify their strengths and weaknesses, diagnose problems and obstacles during their implementation, and monitor these strategies by the relevant authorities in commercial banks. The research problem lies in the following:

***Is strategic internal auditing a tool to ensure financial stability in commercial banks?***

### **Importance of the Research**

The importance of the research stems from the extent of interest and commitment of economic units, especially commercial banks, in internal audit strategies, as they are an effective method for improving banks'

financial performance and enhancing their reputation in the business market, leading to customer and investor satisfaction.

### **Research Objectives**

The research aims to:

- a-Identify internal audit strategies and how to employ them to improve the financial performance of commercial banks.
- b-Shed light on financial performance and the role of internal audit strategies in reducing financial distress in commercial banks.

### **Research Methods**

The deductive approach was used to shift from the general aspect related to understanding the nature of auditing and governance, and the nature of financial performance and its elements, to the specific aspect of activating internal audit strategies to improve the financial performance of commercial banks.

### **Research Hypothesis**

The research is based on the hypothesis that (strategic internal auditing is a tool to ensure the stability of financial performance in commercial banks).

## **III. Theoretical Framework**

### **The Nature of Audit Strategies**

As a result of the increased risks and intense competition facing the business environment in economic units, competent authorities have turned to searching for new methods and more advanced strategies to confront challenges and achieve their objectives. This involves examining, studying, and evaluating the entire operations of economic units to ensure that the strategies they have implemented have achieved the desired objectives (Sabah and Al-Hassan, 2024). Some believe that an audit strategy is an integrated future strategy that not only sets objectives and policies, but also extends to how they are implemented and reviewed for evaluation (Marc Ackerman, 2009: 41). Audit strategies also focus on scrutinizing decisions related to the economic unit's relationship with the external environment by adapting to environmental variables (Renard, 2007: 28). These strategies play a significant role in reducing financial distress and evaluating short- and long-term plans and decisions based on information about future impacts, as well as internal and external factors and the extent to which commercial banks adapt to their environment (Amin, 2022: 6). Therefore, the internal audit strategy is one of the modern methods that has found an urgent need as a result of the accumulation of strategic knowledge, making it an important element of oversight, upon which it is relied upon to conduct the most appropriate analysis. Therefore, senior management in economic units striving for excellence should implement these strategies to reduce financial distress (Abd, W.H. & at el, 2023: 4).

### **Types of Audit Strategies**

After studying the results of internal and external audits, senior management in economic units must conduct a study of these results, as well as the events they face, to develop a clear vision for identifying the strengths, weaknesses, opportunities, and threats facing commercial banks (Hohman, 2013: 25). These strategies are:

- 1-Internal Audit Strategy: Here, senior management, after reviewing the audit results or studying the problems and obstacles, must take into account several factors, including avoiding threats and missing available opportunities. They must also identify the unit's strengths and invest all efforts to address weaknesses.
- 2-External Audit Strategy: Senior management must focus on understanding the environment in which commercial banks operate to identify events that impact their financial performance (Sipila & Lehtonen, 2011).

### **Characteristics of Strategic Auditing**

Strategic auditing has the following characteristics (Hunger & Wheelen, 2012:270):

- 1-Comprehensiveness and independence.
- 2-Continuity of work.
- 3-Maintaining sound relationships.

### **Objectives of the Audit Strategy**

The objectives of Audit Strategy can be given as (Al-Shaabani and Jamil, 2012):

- 1-Study the competitive position of commercial banks and identify and develop the best plans.
- 2-Develop new and sound plans aimed at achieving objectives.

3-Eliminate unnecessary activities to reduce costs.

**The Importance of the Audit Strategy and Governance:**

There is great importance for the Audit strategies that are (Grundy, 2007: 227):

- 1-Assist senior management in identifying problems and shortcomings that need to be addressed.
- 2-Avoid unnecessary practices, the elimination of which would lead to reduced costs and increased revenues, which would positively impact the effectiveness and efficiency of economic units.
- 3-Address the weaknesses facing commercial banks and work to reduce them to the lowest possible level.
- 4-Provide timely guidance and advice to senior management at commercial banks.

**The nature of financial distress**

Financial distress is a financial imbalance faced by commercial bank managements due to their inability to meet their obligations due to a lack of resources (Al-Farra, 2017: 748). Others have defined it as a financial imbalance that affects economic units when they face financial crises, rendering them unable to meet their debts when due (Fakhri, 2014: 12).

**The Role of Internal Audit Strategies in Improving Financial Performance and Reducing Failure:**

Strategic auditing is an effective tool for enhancing financial stability in commercial banks, as it contributes to improving financial performance indicators, such as return on assets (ROA), return on equity (ROE), and liquidity, as well as the cash flow coverage ratio (CCR). Each of these measures is measured as follows:

- 1-**Return on Assets:** This indicator measures the bank's efficiency in using its assets to generate profits. Through strategic internal auditing, it is possible to identify shortcomings resulting from the use of assets and direct investments more effectively, which leads to an improvement in the ROA (Abd, W.H. & at el, 2023: 20).
- 2-**Return on the Equity of Shareholder:** This indicator measures the profitability of banks relative to shareholders' equity. Here, strategic internal auditing contributes to improving investment and financing strategies, which in turn increases the value of shareholders' equity. This indicator contributes to analyzing and measuring the internal factors affecting the profitability of commercial banks (Smith & at el, 2021).
- 3-**Cash Liquidity:** This indicator measures the bank's ability to meet its short-term obligations. Strategic auditing contributes to improving cash flow management, meaning it helps ensure sufficient liquidity to meet operational needs (Williams, p. & at el, 2019).
- 4-**Cash Flow Coverage Index:** This indicator is very important as it measures the bank's ability to cover external cash flows with internal cash flows through strategic auditing. This indicator can be improved by enhancing operational efficiency while simultaneously reducing unnecessary expenses (Abd, W.H. & at el, 2019: 4).

There are several auditing methods, techniques, and strategies that senior management in commercial banks can use to reduce financial distress, improve banking performance, find the necessary solutions, and select the best ones. Among these strategies are (Suleimani, 2016: 30):

- 1-Re-evaluating assets and total debt.
- 2-Debtor-for-equity swap.
- 3-Increase capital (Al-Salem & at el, 2022:20).
- 4-Work to increase cash inflows and reduce cash outflows.
- 5-Re-examine the production and marketing strategy.
- 6-Eliminate unnecessary activities by reducing various costs and increasing sales.
- 7-Follow the necessary legal procedures for the purpose of merging with other economic entities.

**Stages of Financial Distress**

Financial distress goes through several stages, as follows:

- 1-The stage of the emergence of a sudden financial event, where commercial banks face a sudden financial disaster that imposes a heavy burden on their financial balance sheet without prior warning (Coelho, 2012, 73).
- 2-The stage of disregard and indifference to the status quo, i.e., the stage in which senior management in commercial banks overlooks the risks surrounding them as a result of the sudden event that emerged in the previous stage (El Toby, B.H. & at el, 2022: 44).
- 3-The stage in which risks increase as senior management in commercial banks continue to ignore them. This is called the adaptation to the status quo stage, and here losses begin to accumulate.

- 4-The stage of coexistence and harmony with the financial distress, i.e., this process becomes almost natural, which in turn affects the increase in liabilities, and creditors begin to demand their debts.
- 5-The final stage is the declaration of bankruptcy of economic units, the liquidation of their assets, or the merger with other economic units.

From the above, we find that internal strategic auditing plays an effective role in improving the financial performance indicators of commercial banks. This, in turn, enhances the financial stability of banks and increases their ability to adapt to future challenges. Therefore, commercial bank managements are required to strengthen internal strategic auditing practices to ensure stable and sustainable financial performance.

**The Relationship Between Research Variables**

Strategic internal auditing contributes to analyzing the efficient utilization of bank assets, which reduces operational risks and increases resource allocation efficiency. This is achieved by analyzing credit risks and providing recommendations to reduce the volume of non-performing loans, thus improving return on assets. According to a study by DeFond & Zhang (2014), that the effective auditing can improve the quality of financial reporting and enhances operational efficiency, which is reflected in improved ROA (net profit / total assets) x 100). Strategic internal auditing also plays a role in enhancing the quality of investment decisions, helping analyze investment performance and ensure that management decisions are aligned with sustainable growth strategies, enhancing shareholder confidence. According to a study by the Basel Committee on Banking Supervision (2019), strengthening internal control improves bank profitability and, consequently, improves ROE (net profit / shareholders' equity)×100). Internal auditing also contributes to monitoring bank liquidity by assessing the bank's ability to cover short-term obligations. Analyzing a bank's liquidity management policies reduces the risk of liquidity shortages, protecting the bank from sudden crises. According to the OECD (2017), banks that rely on strategic internal auditing are more effective in managing liquidity and avoiding bankruptcy, as measured by the equation ((cash assets / deposits)×100). A strategic internal audit reveals weaknesses in credit risk assessment, which helps reduce the percentage of non-performing loans. According to IFRS 9 (2018), a risk-based audit helps strengthen financial coverage policies, reducing exposure to non-performing loan risks, as measured by the equation ((loan impairment provisions / total non-performing loans)×100). Strategic internal auditing also contributes to assessing the balance between the bank's lending policy and deposit collection, thus reducing liquidity risk. According to Basel III (2019), a good internal audit enhances the sustainability of cash flows and ensures the bank's compliance with capital and liquidity requirements, as measured by the equation ((total deposits /total loans) × 100).

**IV. Practical Framework**

To conduct a practical analysis to measure the financial stability of commercial banks according to audit and governance strategies, we can use actual financial data (for the research sample) and the financial performance indicators chosen by the research, in light of the internal audit and governance strategies discussed in the theoretical framework. The most important indicators are highlighted from its perspective, as follows:

- 1-Return on Assets (ROA) = (Net Profit / Total Assets) ×100.
- 2-Return on Shareholders' Equity (ROE) = (Net Profit / Shareholders' Equity) × 100.
- 3-Liquidity Ratio = (Total Cash Assets / Deposits) × 100.
- 4-Ratio of Coverage of Loan Provisions to Total Non-Performing Loans ×100.
- 5-Ratio of Coverage of Cash Inflows to Cash Outflows (Total Deposits / Total Loans) × 100.

**Iraqi Credit Bank**

The Iraqi Credit Bank was established in 1998 with a capital of 200 million Iraqi dinars pursuant to a certificate of incorporation. The establishment numbered WASH/6615 on 7/25/1998 and the license to practice banking on 10/9/1999 under the supervision and control of the Central Bank of Iraq pursuant to its Law No. (56) of 2004 and the Banking Law No. (94) of 2004 and their instructions. The Iraqi Credit Bank consists of three branches (the main branch in Karrada, Basra branch, Erbil branch) and a current capital of 250,000,000 Iraqi dinars. Below is Table (1) to measure the financial performance indicators chosen by the research in light of the internal audit and governance strategies.

**Table 1: The Iraqi Credit Bank (amounts in millions of dinars)**

Return on Assets (ROA) of the Credit Bank of Iraq (amounts in millions of dinars)					
Year	2019	2020	2021	2022	Average
Net Income (1)	5121	3427	4,938	10743	24,230
Total Assets (2)	522536	527045	466848	406788	1,923,218
Return Rate 1/2*100	%0.98	%0.65	%1.05	%2.6	%1.26

Return on Equity (ROE) of the Credit Bank of Iraq					
Year	2019	2020	2021	2022	Average
Net Income (1)	5121	3427	4938	10743	24229
Shareholders' rights (2)	297126	293699	288761	299504	1179090
Return Rate 1/2*100	%1.7	%1.16	%1.7	%3.58	%2.05
Liquidity ratio (cash assets coverage of deposits) of the Iraqi Credit Bank					
Year	2019	2020	2021	2022	Average
Cash Assets (1)	307543	225842	248048	348253	282421.5
Deposits (2)	427200	265803	232934	201579	281879
Liquidity Ratio 1/2	72%	85%	%106	172%	~109%
The loan provision coverage ratio for the total loans granted to the Iraqi Credit Bank					
Year	2019	2020	2021	2022	Average
Loan Provision (1)	5006613	5407950	3170445	3147761	8441003
Non-performing Loans (2)	2122097	2127072	2,149,928	9,690,455	16089552
Coverage Ratio 1/2	%235	%254	%147	%32	%52
The ratio of cash inflows to cash outflows of the Iraqi Credit Bank					
Year	2019	2020	2021	2022	Average
Cash inflows	35781	39006	28695	162015	265497
Cash outflows	21220	21270	21499	96904	160893
Coverage ratio 1/2	%168	%183	%133	%167	%165

**Source: Prepared by the researcher based on the annual reports of the Iraqi Credit Bank.**

It is noted from table (1) the following results:

- 1-The Iraqi Credit Bank recorded the highest increase in the return on assets ratio for the year 2022, reaching 3.58%. The return on assets ratio for the research sample years (2019, 2020, and 2021) gradually increased, reaching 0.98%, 0.65%, and 1.05%, respectively. This indicates a progressive increase in profits to total assets, which contributes to the stability and progress of the Iraqi Credit Bank's financial performance. Furthermore, this is considered a positive indicator of management's performance in attracting investors, as their goal is profit. Therefore, there will be a justification for investing their funds in this bank, which in turn contributes to the stability and continuity of financial performance.
- 2-The Iraqi Credit Bank recorded the highest increase in the return on shareholders' equity ratio for the year 2022, reaching 3.58%, while the return on shareholders' equity ratio for the research sample years (2019, 2020, 2021) remained unchanged, reaching (1.7%), (1.17%), and (1.7%), respectively. Therefore, the increase in the return on equity ratio for the year 2022 indicates a significant increase in profits to total shareholders' equity, which contributes to the stability and progress of the financial performance of the Iraqi Credit Bank. In addition, this is considered a positive indicator of management's performance in attracting investors, as their goal is profit. Therefore, there will be a justification for investing their money in this bank, which in turn contributes to the stability and continuity of financial performance.
- 3-The Iraqi Credit Bank recorded the highest increase in the liquidity ratio, i.e., the coverage of cash assets over deposits, in 2022, reaching 172%. The liquidity ratio increased gradually over the years of the research sample (2019, 2020, and 2021), reaching 72%, 85%, and 106%, respectively. This indicates the possibility of facing potential losses, as well as the possibility of repaying cash deposits and their interest received from customers. This contributes to the stability and progress of the Iraqi Credit Bank's financial performance. This is also a positive indicator of the increase in the number of depositors, as the liquidity ratio is very high. Therefore, there will be security for depositors in investing their money in this bank, which in turn contributes to the stability and continuity of financial performance.
- 4-The Iraqi Credit Bank recorded a decrease in the coverage ratio of the non-performing loan provision for non-performing loans, reaching 32% in 2022, compared to the years (2019, 2020, 2021) which represented ratios of (235%), (254%), and (147%), respectively. Therefore, a decrease in the ratio to less than 100% may indicate that the bank may face a shortage in provisions to address uncollected loans, which increases financial risks and therefore requires increasing these provisions to enhance financial stability.
- 5-The Iraqi Credit Bank recorded a stable ratio of cash inflows to cash outflows coverage during the years of the research sample, as the ratios ranged between (133% - 188%). The high ratio of cash inflows to cash outflows for the bank indicates several positive indicators, including strong liquidity: meaning that the bank has sufficient cash inflows to cover its cash obligations, which reduces liquidity risks. Effective cash management: reflecting the bank's ability to collect loans and deposits and invest funds in a manner that ensures positive cash flows. Ability to meet obligations: Enhances the confidence of depositors and investors in the bank's ability to meet obligations without the need to borrow or quickly liquidate assets. Stable financial performance, evidenced by increased revenue from interest, fees, and other financial services.

### **Middle East Bank**

The Iraqi Middle East Investment Bank was established as a private joint-stock company pursuant to Companies Law No. 36 of 1983, then in force, pursuant to the Certificate of Incorporation issued by the Companies Registration Department, numbered M/5211 and dated 7/1993, with a nominal capital of 400 million Iraqi dinars, of which 100 million dinars were paid up at the time. After the bank obtained a banking license from the Central Bank of Iraq in its letter No. 1/491/4/5 dated 9/28/1993 in accordance with the provisions of the Central Bank of Iraq Law in force at that time No. (64) of 1976, the bank began practicing its business through the main branch first, where it received the public on 8/5/1994. The bank has (18) branches operating inside Iraq, including five branches operating inside the city of Baghdad and thirteen branches outside it. The table (1) below is to measure the financial performance indicators that the research chose in light of the internal audit and governance strategies.

It is noted from table (2) the following results:

1. Middle East Bank did not record an increase in the return on assets ratio during the years of the research sample, as it ranged between 0.04% and 0.4%. The lack of a rise in profits relative to total assets poses a significant challenge to the stability of the bank's financial performance, and it is also a negative indicator of management's ability to attract investors and generate profits.
2. Middle East Bank did not record a significant increase in the return on shareholders' equity ratio during the years of the research sample, as it ranged between 0.79% and 1.2%. Although 2022 was the best year for increasing the return on shareholders' equity ratio, this is insufficient to stabilize the bank's financial performance, requiring significant effort from the bank's management to generate profits.
3. Middle East Bank recorded the highest increase in the liquidity ratio, i.e., the coverage of cash assets over deposits, in 2022, reaching 144%, compared to other years in the research sample, which ranged between 72%, 121%, and 122.7%. Although this increase is beneficial in facing potential losses and contributes to the stability of financial performance, the significant increase in the cash liquidity ratio affected the bank's return rate.
4. Middle East Bank recorded a significant increase in the coverage ratio of non-performing loans provisions, reaching an average of 483%. Although the increase in the ratio to more than 100% indicates that the bank has allocated significant funds to address loans that may be difficult to collect, this created other financial risks that led to lower returns.

**Table 2: The Middle East Bank (amounts in millions of dinars)**

<b>Return on Assets (ROA) of the Credit Bank of Iraq (amounts in millions of dinars)</b>					
<b>Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average</b>
<b>Net Income (1)</b>	2838000	2095830	290173	3217000	8441003
<b>Total Assets (2)</b>	658231494	647868750	640721811	795103959	2741926014
<b>Return Rate 1/2*100</b>	%43	%32	%4	%40	%30
<b>Return on Equity (ROE) of the Credit Middle East Bank</b>					
<b>Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average</b>
<b>Net Income (1)</b>	2838000	2095830	290173	3217000	8441003
<b>Shareholders' rights (2)</b>	284913000	264891189	265181362	262306000	1077291551
<b>Return Rate 1/2*100</b>	%99	%79	%10.9	%12.2	%78
<b>Liquidity ratio (cash assets coverage of deposits) of the Middle East Bank</b>					
<b>Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average</b>
<b>Cash Assets (1)</b>	33024	32238	34222	36506	135990
<b>Deposits (2)</b>	27100	26614	27874	25274	106862
<b>Liquidity Ratio 1/2</b>	%121.8	%121	%122.7	%144	%127
<b>The loan provision coverage ratio for the total loans granted to the Middle East Bank</b>					
<b>Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average</b>
<b>Loan Provision (1)</b>	10724	19252	19016	20114	69106
<b>Non-performing Loans (2)</b>	8940	5358	0	0	14298
<b>Coverage Ratio 1/2</b>	%119	%359	-	-	%483
<b>The ratio of cash inflows to cash outflows of the Middle East Bank</b>					
<b>Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Average</b>
<b>Cash inflows</b>	27100	26614	27874	2527	84115
<b>Cash outflows</b>	83041	91891	76956	8591	260479
<b>Coverage ratio 1/2</b>	%32	29%	36%	%29	%32

**Source: Prepared by the researcher based on the annual reports of the Middle East Bank.**

5. Middle East Bank recorded a decrease in the coverage ratio of cash inflows to cash outflows during the research sample years, with rates ranging between 36% and 48%. 29%) The low coverage ratio of incoming cash flows to outgoing cash flows for the bank indicates several negative factors, including the bank's management's ineffectiveness in increasing revenues from interest, fees, and other financial services.

## **V. Conclusions And Recommendations**

### **Conclusions**

1. Commercial banks' failure to develop audit and governance strategies exacerbates internal and external crises and risks, negatively impacting their financial performance.
2. Adopting audit strategies contributes to creating an important balance between these strategies and governance, helping senior management avoid risks.
3. Commercial banks lack advanced methods to reduce financial distress.
4. Commercial banks' failure to engage their supervisory staff in regular development courses in audit and governance strategies.

### **Recommendations**

1. Commercial banks must develop audit and governance strategies to develop plans and periodically review them, as this provides senior management with information, which leads to achieving their overall objectives and improving financial performance in particular.
2. Audit strategies are among the most important supervisory strategies for measuring the strategic performance of commercial banks.
3. Banks must strive to find modern methods to reduce financial distress.
- 4- Commercial banks must develop the cadres involved in developing audit strategies by involving them in specialized courses on an ongoing basis in order to develop plans accurately and follow up on their implementation.

## **References**

- [1] Abdul, Sabah Kazim And Al-Hassan, Tamima, Strategic Auditing And Its Role In The Performance Of Non-Profit Units, Department Of Accounting, College Of Business, Al-Jinan University, Published Research, 2024.
- [2] Al-Shaabani, Saleh Ibrahim And Al-Jamil, Waad Hussein, Features Of The Application Of Strategic Auditing In Iraq, Anbar University Journal Of Economic And Administrative Sciences, Volume 4, Issue 2, 2012.
- [3] Amin, Sakar Zahir, The Role Of Strategic Auditing In Reducing Financial Difficulty Of Companies, Journal Of Business Economics, Volume 2, Issue 2, 2022.
- [4] Suleiman, Intisar, Predicting Financial Difficulty In Economic Institutions, Phd Thesis, Faculty Of Economics And Business, University Of Batta, Algeria, 2016.
- [5] Al-Farra, Abdul-Shakoor Abdul-Rahman, The Importance Of Financial Statements In Predicting Financial Difficulty Of Saudi Industrial Joint Stock Companies In The Cement Industry, Journal Of Accounting And Administrative Studies, Issue 7, 2017.
- [6] Fakhri, Marwan Muhammad, Strategic Auditing And Its Role In Audit Quality, Arab Institute Of Certified Public Accountants, Baghdad, 2014.
- [7] Abd, W. H., El Toby, B. H. M., & Kareem, A. D. (2023). Activating Auditing Procedures Over Government Financial Reports Through The Mediating Role Of A Proposed Audit Program. *International Journal Of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(5), 20.
- [8] Abd, W. H., Kareem, A. D., & Kadhim, H. (2019). Audit Program Proposal For Local Accounts Auditors: Applied Research On A Group Of International Auditing Standards. *International Journal Of Innovation, Creativity And Change*, 7(8), 201-222.
- [9] Abd, W. H., Kareem, A. D., & El Toby, B. H. M. (2023). Activating The Elements Of Performance Audit Report (Economic-Efficiency-Effectiveness) In Measuring The Performance Of External Control Agencies. *International Journal Of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(5), 8.
- [10] Al-Salem, F., Al-Mansouri, M., & Rahman, S. (2020). "The Impact Of Strategic Auditing On Financial Performance Of Commercial Banks In The UK." *Journal Of Banking And Finance*, 55(2), 10-20. Retrieved From.
- [11] Asef Committee On Banking Supervision. (2019). Principles For The Sound Management Of Operational Risk. Bank For International Settlements.
- [12] Basel Committee On Banking Supervision. (2019). Basel III: Finalising Post-Crisis Reforms. Bank For International Settlements.
- [13] Coelho, M.Y. (2012). Predicting Corporate Failure: An Application Of Altman's Z Score And Altman's EMS Models To The JSE Alternative Exchange From 2008 To 2012, (Unpublished Doctoral Dissertation), University Of Cape Town, South Africa .
- [14] Defond, M., & Zhang, J. (2014). A Review Of Archival Auditing Research. *Journal Of Accounting And Economics*, 58(2-3), 275-326. <https://doi.org/10.1016/j.jaccoco.2014.09.002>
- [15] El Toby, B. H. M., Abd, W. H., & Kareem, A. D. (2022). Activating The Role Of Judicial Oversight In Iraq To Reduce The Phenomenon Of Tax Evasion Field Research In The Federal Office Of Financial Supervision. *International Journal Of Professional Business Review: Int. J. Prof. Bus. Rev.*, 7(5), 18.
- [16] Heidi Lehtonen & Liisa Sipilä "Competitor Analysis And Strategic Marketing Planning In A Hvac Company - Case Company": Lvi-Kallio Oy·International Business And Marketing Logistics, April 2011.
- [17] Hohmann Carlo "Telenium – Gaining Knowledge In The German It Market: Chances And Risks, A Case Study." Master Thesis For International Master Of Industrial Management Universidad Politécnica De Madrid ,2013.
- [18] IFRS Foundation. (2018). IFRS 9 Financial Instruments. International Accounting Standards Board.
- [19] Institute Of Internal Auditors (IIA). (2020). International Professional Practices Framework (IPPF). The IIA Global.
- [20] Jacques Renard, (2007), *Theorie Et Pratique Do L'audit Interne*, 6th Ed. Editand Organization, Paris.

- [21] Lee, C., & Kim, H. (2020). "Cash Flow Management And Strategic Auditing In South Korean Banks." *Journal Of Financial Planning And Analysis*, 25(4), 70-85. Retrieved From .
- [22] Marc Ackermar, Beth Rucker, Aneciaweus (2009), *Itstra Tegic Audit Plan*, Journal Of Technology Research, April.
- [23] Organization For Economic Co-Operation And Development (OECD). (2017). *G20/OECD Principles Of Corporate Governance*. OECD Publishing.
- [24] Smith, J., & Hargrove, L. (2021). "The Effect Of Internal Auditing On Financial Performance: An Empirical Study On U.S. Banks." *Journal Of Financial Research*, 32(1), 43-60. Retrieved From.
- [25] Tong Grundy, (2007), *Strategic Audit: Why It's Vital To Give Your Strategy Ahealth Chek*", Gengage Learning, Chavtered Institute Of Management Accountants (CIMA).
- [26] Wheelen Thomas L. & Hunger J. David (2012) "Strategic Management And Business Policy , Toward Global Sustainability " 13th Ed. Pearson Prentice-Hall Inc .
- [27] Williams, P., & Brown, D. (2019). "Liquidity Management In European Banks: The Role Of Strategic Auditing." *International Journal Of Financial Studies*, 7(3), 200-220. Retrieved Form.