

Internal Auditor Human Resources Development Strategy in the Era of Disruption

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Abstract

The development of digital technology has brought significant changes in business paradigms and audit practices in companies. This research aims to explore and analyze internal auditors' human resource (HR) development strategies in facing the challenges of the era of disruption. This research uses a qualitative approach with descriptive methods. The research results highlight that internal auditor competency is very important in facing the challenges of the era of digital disruption and transformation. It was found that strong communication skills, critical thinking abilities, and a broad business view are the keys to auditors' success in conveying audit findings effectively and providing strategic insights. In addition, emotional intelligence has been shown to have a significant role in managing conflict and maintaining a balance between objectivity and sensitivity to other people's feelings. Professional skepticism has proven to be a key foundation for a thorough and prudent audit approach. Human resource development strategies, through continuous training, technology empowerment, improving critical and analytical skills, developing soft skills, as well as implementing reward systems, were identified as crucial steps to ensure that auditors not only have superior technical skills, but also become strategic partners who can support the company's long-term growth.

Keywords: Strategy; Development; Human Resources; Auditor; Disruption

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Introduction

Dynamic changes in the global business environment pose significant challenges to the role and competence of internal auditors (Sumartono et al., 2023). In facing the era of strategic transformation, internal auditors must have the ability to adapt quickly to be able to respond to ongoing changes (Rahayu, 2021). Technological advances, regulatory changes, and evolving market dynamics encourage internal auditors to not only understand, but also take advantage of new innovations. Their role is not only limited to supervision and compliance, but also includes a role as a strategic partner in supporting the effectiveness and efficiency of the organization's business processes (Ekananda et al, 2021). Disruption is not something we can avoid, especially in the context of changing global conditions and increasingly complex environmental dynamics, which are exacerbated by events such as the Covid-19 pandemic.

Disruption can be considered a direct result of innovation, triggering radical changes in various industries (Rahmasari et al, 2021). The importance of viewing disruption as something positive lies in our ability to adapt and create creative solutions in dealing with these changes. For example, the Covid-19 pandemic forced many organizations to respond quickly and adopt digital technology to maintain business continuity. Innovations made during this period may not only help organizations survive, but also increase overall efficiency and productivity (Tedjasuksmana, 2021).

Virtualization of business processes is a significant form of disruption in the contemporary business era. In today's reality, almost all aspects of company operations are undergoing a transformation towards a virtual environment. This change involves moving traditional business processes into the digital realm, which requires high readiness and adaptability from business players, including internal auditors (Rochmawati et al, 2023). As business processes become virtualized, the role of internal auditors becomes increasingly important in ensuring that internal controls and regulatory compliance are maintained. Internal auditors need to understand and follow the latest technological developments that support virtualization, such as cloud technology, artificial intelligence, and big data analysis (Salma, 2022). Additionally, they must also update their audit methodology to be able to audit aspects related to the virtual business environment. The success of internal auditors in facing the disruption of virtualization of business processes lies in their ability to utilize technology optimally (Yustiani, 2022). This includes mastery of digital tools and platforms that support the collection, analysis and interpretation of data generated by virtual business processes. Internal auditors can provide significant added value by providing insight into the effectiveness, efficiency and security of virtual business processes that are increasingly dominant in the modern business arena (Anthony et al, 2023).

Internal auditors are faced with the important task of identifying, evaluating, and managing a number of critical risks, including but not limited to public service resilience, potential fraud and corruption, public complaints via social media, third party risk management in the supply chain, as well as cybersecurity and data security. (Fadilah et al, 2021). By adopting a proactive and comprehensive approach to these risks, internal auditors can play a strategic role in helping organizations overcome the challenges of disruption, build operational resilience, and strengthen the foundation of stakeholder trust amidst dynamic change (Situmeang & Sulasmiyati, 2016). To manage various rampant disruptions, becoming an agile auditor is the main imperative. Agility in this context includes the ability to move nimbly, nimbly and nimbly in the face of rapid change. An agile auditor must have the ability to think quickly and intelligently, and be agile in making strategic decisions (Joshi, 2021). The main focus must remain on strong governance, effective risk management, implementation of strict controls, and ensuring compliance with applicable regulations. In facing an era of disruption, transformation towards collaboration is key, where cooperation between departments and related parties becomes more critical in understanding and overcoming risks holistically (Catlin & Watkins, 2021).

Investment in the development of human resources (HR) for auditors is a strategic step, where new skills relevant to technology and innovation are needed. The application of information technology in carrying out supervisory duties and functions not only increases efficiency, but also allows auditors to dig deeper insights from available data (Kirana et al,

2023). Building an agile audit team, capable of adapting quickly and evolving with change, is a must. Apart from that, being a disruptive leader, who is able to lead change and encourage innovation, is a key element in facing the challenges of disruption with a proactive and future-oriented strategy (Kristiyanti, 2012) Human Resource Development (HR) forms a crucial pillar in the success of an organization, playing a central role in determining progress and achieving company goals (Suhariadi, 2013). Internal auditors, as an integral element of the company's human resources, carry special responsibilities as the "motor" for carrying out supervision within the company. In an effort to achieve this goal, careful human resource planning and developing auditor competency are essential steps. By having an HR development plan that is structured and oriented to organizational needs, internal auditors can ensure that they have the skills and knowledge necessary to face the ever-changing business dynamics (Sinambela, 2021).

The importance of developing good quality auditor competency, both through formal training programs and independent initiatives, creates a strong foundation for increasing effectiveness and efficiency in carrying out supervisory duties. By integrating a deep understanding of regulations, the latest technology and industry best practices, internal auditors can become proactive agents of change and provide significant added value to the organization (Ibrahim et al, 2022). In addition, an emphasis on competency development can also increase the agility and adaptability of internal auditors in facing rapidly developing challenges. By strengthening human resources through developing relevant skills and knowledge, internal auditors become better able to respond to rapid business dynamics and ensure that the supervisory function remains relevant and effective in supporting the achievement of organizational goals (Zamzami & Faiz, 2018).

The development of internal auditor human resources in the era of disruption has become imperative, requiring the development of special skills that include business skills, human resource management (HR) skills, change management, and especially, technology skills (Lasmara & Rahayu, 2016). According to Jastika (2018), technology skills are a key component in increasing the capabilities of internal auditors amidst changes in the business landscape driven by technology. Technology skills are not only limited to the ability to interact with computer hardware and software, but also include a deep understanding of information technology that supports the audit process (Kamal, 2022). This includes the ability to implement data analysis tools, understand information security, and adapt to the latest technological tools. As a hard skill, technological skills can be acquired through training, repetition and continuous practice (Perdana, 2020).

The importance of technology skills lies in their universal application across various modern industries and professions. These skills become more strategic as they respond to the demands of the digital era, where adaptation to the latest technology is the key to increasing productivity and efficiency. Therefore, human resource transformation has become a necessity, and internal auditors need to update their skills in order to excel and be productive in this ever-changing business environment. Through developing business skills, HR management, change management, and especially technology skills, internal auditors can become effective change agents in supporting organizations to face disruption and take advantage of opportunities that arise in the digital era. Highly skilled and competent human resources (HR) form the fundamental basis for a robust firm's ongoing sustainability and achievement.

Efficient HR management is crucial in attaining organizational objectives within a dynamic business landscape (Bairiski, 2020). Consequently, it is imperative to expedite the progress of HR development to guarantee that employees possess the requisite skills and knowledge that align with job requirements and the ability to navigate the constantly changing obstacles in the business realm effectively. HR development is an investment in individual skills and a strategic measure to ensure that each team member can effectively fulfill their allocated tasks and responsibilities within the firm (Subyantoro & Suwanto, 2020). According to Kadarisman (2013), HR development is an essential undertaking for firms to ensure that their knowledge, abilities, and skills align with their work requirements. This development activity aims to enhance our job performance by addressing and rectifying any deficiencies, aligning with the advancement of business's needs in science and technology employment, according to Malayu SP Hasibuan (2008), development refers to enhancing the technical, theoretical, conceptual, and moral competencies of employees in alignment with the demands of their job or position, achieved through education and training. Typically, HR development is consistently accompanied by workforce training. A significant number of individuals consider the two to be equivalent. According to Ambar Teguh Sulistiyani Rosidah (2009), training focuses on enhancing employees' performance in their current roles, whereas development involves investing in their potential. Training has a relatively limited scope and imparts skills rapidly, whereas development is a prolonged commitment.

Expressing appreciation is crucial to establishing a fruitful work atmosphere and inspiring people to attain exceptional performance. Companies can demonstrate gratitude by offering rewards, such as monetary incentives, tangible presents, or other acknowledgment forms, to recognize employees' accomplishments and commitment. This expression of gratitude not only has a beneficial effect on the employee's monetary situation but also acts as a powerful catalyst for drive. By implementing recognition and rewards, employees are anticipated to experience a sense of appreciation and be incentivized to enhance their work performance and make more impactful contributions. This heightened motivation might manifest in daily routines, such as delivering presentations to clients with incredible intricacies and persuasiveness. The company's provision of appreciation serves as both a reward and a catalyst for cultivating elevated morale, enhancing employee loyalty, and fostering strong relationships among all team members. Therefore, a perpetual recognition cycle can serve as the foundation for establishing a vibrant, motivating, and goal-driven work environment.

One approach to developing human resources (HR) is by implementing periodic training programs conducted by the organization. The training programs encompass a range of subjects, including creative writing, design systems, creativity training, and team training. These programs are designed to enhance employees' proficiency and ingenuity, adapting to the requirements of transformation and intricacy in the constantly shifting corporate landscape. Engaging in creative training programs, such as creative writing and design systems, can bolster employees' capacity for innovation. Similarly, creativity training fosters the cultivation of novel ideas and unconventional solutions. Team training is essential for developing a cohesive workforce, enhancing communication, and fostering productive collaboration. By implementing comprehensive training programs, firms improve individual competencies and establish a solid basis for achieving synergy and optimal team performance. This project has

an enduring effect by establishing a work atmosphere that is dynamic, adaptable, and innovative.

Encouraging employee creativity and innovation is crucial for our organization as a forward-thinking business entity. Facilitating employees to suggest ideas through brainstorming sessions fosters an inclusive and responsive atmosphere that values individual contributions. This activity demonstrates the company's dedication to actively listening to and embracing various views from various hierarchical levels inside the business. During the selection process, the company can identify ideas with the capacity to be executed, resulting in the creation of novel products or services that can significantly contribute to the company's expansion and prosperity. This effort fosters employee ownership and involvement while also promoting the development of creative solutions that can confer a competitive edge in the market. By placing importance on employees' contributions and facilitating ideas, the organization establishes a culture that fosters and promotes good change.

Research Design and Method

This study employs bibliographic research or literature review, specifically a collection of studies investigating library or research data collection methods. The research subjects are examined through various library resources, such as books, encyclopedias, scholarly journals, newspapers, magazines, and documents (Sukmadinata, 2009). The author employs the library research method because it is well-suited for the specific problem, which involves examining and uncovering a range of theories, laws, postulates, principles, or ideas found within academic literature. This method is utilized to analyze and address inquiries. The research focuses on developing a human resource development strategy for internal auditors in the era of disruption. The author employed a descriptive-analytic methodology to examine the research findings. Descriptive research is a type of research that aims to provide a detailed account of current symptoms, events, and occurrences. The author endeavors to capture prominent events and circumstances through photography and then depict them in their true essence. The author opted for the descriptive analysis methodology due to its methodical examination and presentation of data, facilitating comprehension and the formulation of conclusions regarding present events and conditions.

Results and Discussion

Internal Auditor Competencies Required in the Era of Disruption

The auditor profession necessitates persons possessing diverse specialized talents essential for carrying out crucial audit procedures for a corporation. In addition, auditors are now confronted with the potential hazard of financial loss in the digital age, as financial records are maintained in firm databases rather than traditional paper reports. Numerous companies have foreseen this potentiality by employing diverse auditing tools. Nevertheless, the efficacy of an auditor is perceived to surpass that of the machine's performance. The auditor must possess greater authority and expertise than the company's auditing technologies and cybersecurity systems. Below is a compilation of essential competencies that auditors must have to maintain their competitiveness in the digital age:

Communication Skills

An auditor is supposed to possess strong communication skills, which are considered a crucial attribute. Based on a poll by Forbes, which included 200 participants, including CFOs and business board directors, communication skills were identified as the topmost essential qualities for an auditor. This skill encompasses a range of factors that aid the auditor in effectively delivering information and meeting communication requirements in diverse corporate environments. An auditor is required to possess the capacity to effectively and accurately communicate thoughts, ideas, and suggestions. It is crucial to convey audit results or analysis in a manner that is readily understandable to individuals with extensive finance or accounting knowledge. During meetings or written reports, an auditor must possess strong language abilities to effectively articulate and elaborate on information without compromising its fundamental meaning. Additionally, the capacity to effectively conduct presentations, interviews, and negotiations is a crucial component of an auditor's communication abilities. During a presentation, an auditor should be able to effectively structure and deliver audit findings or outcomes in a captivating and enlightening manner. During interviews, it is crucial to possess strong listening skills and the capacity to design pertinent questions to acquire the required information. Furthermore, the ability to negotiate is essential when there are divergent viewpoints or a necessity to come to a consensus on audit discoveries. Likewise, proficient communication skills encompass the aptitude to express oneself straightforwardly and succinctly through writing. An auditor frequently needs to generate reports that are comprehensible to diverse stakeholders, including external entities that may need accounting experience. Proficiency in information organization and practical written communication is a highly valuable aptitude for an auditor. An auditor is expected to possess proficient communication abilities, encompassing the capacity to articulate thoughts clearly, provide impactful presentations, conduct interviews adeptly, negotiate diplomatically, and produce reports meticulously. Through professional communication abilities, an auditor can conduct thorough research on data and numbers, effectively communicate audit findings, and deliver additional benefits to the firm.

Critical thinking skills and broad business perspective

Critical thinking and a comprehensive understanding of the corporate landscape are vital competencies for auditors. Within the framework of an audit, using essential thinking abilities empowers auditors to meticulously study information and facts, considering the profound implications and consequences. Auditors must be able to assess evidence, detect concealed patterns or trends, and render well-informed decisions through meticulous analysis. Additionally, critical thinking abilities encompass the capacity to identify potential hazards and challenges that may emerge during business operations. Auditors must possess a keen analytical understanding to delve deeper and identify areas requiring additional scrutiny. Thus, auditors serve as examiners and risk assessors, offering valuable insights for enhancing processes and managing organizational risks.

Concurrently, auditors must comprehensively understand the business landscape to grasp the external and internal factors that impact corporate operations. Auditors can offer a valuable viewpoint in assessing a company's performance by profoundly comprehending the industry, market, and business trends. This comprehensive perspective also aids auditors in

assessing audit results within the framework of pertinent macroeconomic and industry contexts. Proficiency in critical thinking and a sophisticated business perspective enhance the audit process by fostering a comprehensive comprehension of the client's business circumstances. Additionally, this enables strategic reasoning that can facilitate decision-making at the executive and board levels. Auditors possessing this capability cannot only perceive discrete facts but also integrate this knowledge into a comprehensive and significant framework for the long-term viability and advancement of the organization. Hence, the amalgamation of adept critical thinking abilities and a broad business perspective render auditors' indispensable strategic collaborators for firms in executing enduring operations and growth.

Emotional intelligence

Emotional intelligence abilities are crucial for auditors due to the tension often generated during auditing. Competent auditors possess the proficiency to analyze data, draw conclusions, and recognize the significance of empathizing with the emotions of clients or other stakeholders. This skill entails the capacity to sustain an equilibrium between objectivity and attentiveness toward the feelings of others. When encountering discoveries or information that could potentially harm the client, the auditor must possess the ability to empathize with the circumstances. Emotional intelligence enables auditors to maintain composure and prudence, preventing responses that may exacerbate the problem or hinder professional relationships. By employing empathy, auditors can comprehend customers' viewpoints and collaborate with them to identify optimal strategies for addressing audit results. In addition, emotional intelligence enables auditors to effectively regulate their own emotions, enabling them to set aside any emotional responses that may occur during the audit procedure. Auditors who can handle stress and dynamic pressure can maintain concentration on their tasks, free from the influence of bias or decisions swayed by personal emotions. This enhances audit quality, leading to more impartial and precise assessments. Emotional intelligence cultivates auditors who possess technical proficiency and the ability to engage empathetically with customers. Auditors with this experience can uphold integrity, foster a collaborative work environment, and deliver additional value extending beyond audit findings to encompass the connections formed during the audit process.

Professional skepticism

Professional skepticism is a fundamental prerequisite for auditors. Auditors with proficient skepticism only partially depend on corroborating evidence with a thorough examination, particularly when assessing an organization's financial records. They possess a high level of competence that compels them to thoroughly analyze every review component, paying close attention and being extremely cautious, regardless of the viewpoint or storyline presented in the report they are evaluating. Auditors employ professional skepticism to engage in thorough analysis, question the underlying assumptions of the information presented, and seek compelling evidence to substantiate their findings or conclusions. Doubtful auditors do not simply accept information at its surface level but consistently strive to ascertain its clarity and authenticity. This talent's significance is escalating due to the surging volume of digital data, where auditors must handle sources that may need more validity or verification.

Professional skepticism is crucial for safeguarding the integrity and quality of audit outcomes in our dynamic and intricate world. Auditors with a skeptical mindset can identify possible fraud or mistakes that could go unnoticed. Their capacity to scrutinize the underlying assumptions of information is essential in instilling confidence and delivering additional benefits to the stakeholders of an organization. By incorporating professional skepticism as a fundamental competency, an auditor guarantees that audit findings accurately represent meticulous and dependable critical examination, bolstering transparency and accountability in a dynamic company environment.

Curiosity

Effective auditors prioritize honing their expertise and taking initiative in comprehending, adjusting, and leveraging cutting-edge technologies. In a time characterized by swift technical advancements, the capacity to learn and incorporate technological breakthroughs is crucial for delivering audit services that are both effective and efficient. Forward-thinking auditors do not rely solely on the formal training programs corporations provide but proactively pursue opportunities to enhance their knowledge. Acquiring knowledge of the most recent technologies gives auditors a competitive advantage in improving the audit process and offering more profound insights. They can enhance audit efficiency and precision by utilizing data analysis tools, technology-based audit approaches, and automation platforms. Auditors who can adjust to technological advancements can effectively and promptly address the requirements of a firm, ensuring its relevance and competitiveness in a fast-paced corporate environment. Furthermore, possessing an autonomous mindset toward acquiring knowledge is the foundation for auditors dedicated to enhancing their expertise. They actively pursue resources, engage in self-paced training, and stay updated on the newest advancements in auditing and technology. By adopting this approach, auditors fulfill current requirements and assume a proactive role as catalysts for transformation, assisting firms in their ongoing advancement and growth amidst growing obstacles. In summary, the amalgamation of endeavors to refine abilities and the capacity to embrace cutting-edge technologies results in a competitive and adaptable auditor. This proactive approach enhances auditors' career advancement and delivers substantial additional value to the firm. Through comprehending and employing cutting-edge technologies, auditors transform into proficient financial overseers and strategic collaborators capable of bolstering an organization's enduring prosperity and expansion.

Internal Auditor Human Resource Development Strategy in the Era of Disruption

Xiaofei (2020) asserts that internal auditors need to implement four specific modifications in the evolving field of information technology and corruption. Initially, internal auditors must expedite the use of information technology, including cloud audits, intelligent audit systems, and virtual reality audits. Furthermore, internal auditors must enhance their utilization of big data to bolster predictive analysis. Again, internal auditors should embrace digitalization and transcend the limitations of time and geography. Ultimately, internal auditors must enhance their proficiency. To accomplish the fundamental change advocated by Xiaofei, the critical priority for SPI is to improve collective HR proficiency as a cohesive unit. Here are various techniques that firms can employ to enhance the development of their

internal auditor workforce.

Continuous Training and Development

Implementing frequent training programs is a crucial approach to cultivating human resources (HR) for internal auditors. Primarily, the training can prioritize the enhancement of technical audit skills. This encompasses a comprehensive comprehension of audit standards, audit techniques, and a firm grasp of accounting principles. By cultivating these abilities, auditors can enhance their audit effectiveness, instill trust in financial statements, and discern hazards more precisely. Furthermore, training programs should comprehensively comprehend the most current technologies pertinent to the auditing field. During digital disruption, auditors must possess expertise in deploying advanced technologies like extensive data analysis, artificial intelligence, and audit process automation. Through comprehending and attaining proficiency in these technological instruments, auditors can enhance productivity, identify irregularities or trends that may go unnoticed through manual means, and offer more comprehensive analysis to pertinent stakeholders. Lastly, developing emotional intelligence and communication skills is of utmost importance. Internal auditors engage not only in analyzing data and facts but also in interacting with diverse stakeholders. Enhancing emotional intelligence enables auditors to comprehend and regulate emotions within themselves and others, allowing them to maintain concentration and impartiality while performing their responsibilities. Practical communication skills are crucial for clearly and precisely conveying audit results to key stakeholders, such as executive management and the board of directors.

Technology Empowerment

Incorporating cutting-edge technology into the audit process is a crucial measure for enhancing the efficiency and effectiveness of auditors. Big data analytics plays a vital role in the advancement of audit technologies. By using sophisticated algorithms, auditors can expedite and enhance the analysis of extensive datasets. This enables them to efficiently and precisely spot patterns or irregularities that may not be discernible through manual means. This allows auditors to delve into information more thoroughly and offers strategic discernment for the firm. Moreover, artificial intelligence (AI) also has a significant impact on enhancing audit quality. AI systems can automate monotonous duties, such as gathering and examining documents, allowing auditors to concentrate on intricate analyses that necessitate human intellect. In addition, AI systems can forecast possible hazards and offer prompt alerts to auditors, empowering them to address evolving business circumstances or new concerns promptly. Automation of the audit process is essential for improving operational efficiency. Auditors can employ automated systems to do repetitive tasks such as data gathering, control testing, and report generation. By decreasing their regular workload, auditors can allocate more time to risk assessments and in-depth analysis, contributing substantial value to the firm.

Improved Critical and Analytical Skills

Incorporating cutting-edge technology into the audit process is a crucial measure for enhancing the efficiency and effectiveness of auditors. Big data analytics plays a vital role in the advancement of audit technologies. By using sophisticated algorithms, auditors can

expedite and enhance the analysis of extensive datasets. This enables them to efficiently and precisely spot patterns or irregularities that may not be discernible through manual means. This allows auditors to delve into information more thoroughly and offers strategic discernment for the firm. Moreover, artificial intelligence (AI) also has a significant impact on enhancing audit quality. AI systems can automate monotonous duties, such as gathering and examining documents, allowing auditors to concentrate on intricate analyses that necessitate human intellect. In addition, AI systems can forecast possible hazards and offer prompt alerts to auditors, empowering them to address evolving business circumstances or new concerns promptly. Automation of the audit process is essential for improving operational efficiency. Auditors can employ automated systems to do repetitive tasks such as data gathering, control testing, and report generation. Auditors can allocate more time to risk assessments and in-depth analysis, contributing substantial value to the firm by decreasing their regular workload.

Empowerment of Soft Skills

Attending to the cultivation of soft skills is an essential element in the growth of auditors. The primary objective of emphasizing communication skills is to enhance the auditor's capacity to articulate audit findings clearly and effectively to diverse stakeholders. Effectively conveying audit findings enhances stakeholders' comprehension and fosters constructive and reliable rapport between auditors and different tiers of management. Moreover, cultivating negotiation skills is crucial as auditors frequently need to engage with diverse stakeholders with divergent interests. Negotiations may encompass discussions regarding the implementation of audit recommendations, resolution of issues, or consensus on modifications to corporate procedures. Proficient negotiators among auditors may effectively achieve mutually advantageous solutions, prevent superfluous disputes, and guarantee the seamless execution of recommended changes.

Ultimately, providing auditors with conflict management training is crucial in arming them with the capacity to effectively address any conflicts or disagreements that may occur throughout the audit procedure. Conflicts may emerge from various origins, such as divergent interpretations of audit findings, opposition to change, or dissent over suggestions. Auditors who can diplomatically handle disputes can effectively promote productive resolutions and mitigate adverse effects on professional relationships and audit outcomes. Auditors can enhance their reliability as technical experts and partners by cultivating soft skills such as communication, negotiation, and conflict management, which enable effective interaction with diverse stakeholders. These abilities enhance the auditor's capacity to communicate information effectively and foster a collaborative and supportive work atmosphere, thus promoting the audit's success and the business's long-term viability.

Implementation of a Rewards and Recognition System

Introducing a reward and recognition system is crucial to cultivating strong motivation and achieving optimal performance within the auditing team. Within a rigorous audit setting, bestowing accolades is a potent means of acknowledging team members' exceptional achievements and unwavering commitment. Rewards manifest as public acclaim, bestowing performance incentives, or other expressions of gratitude that can enhance an individual's sense of accomplishment in their profession. Furthermore, the availability of promotions or

prospects for career advancement serves as supplementary incentives that can significantly enhance motivation. By providing career routes and development opportunities, the auditing team experiences a sense of acknowledgment in their position and envisions a promising future. This fosters a nice ambiance inside the unit and promotes enduring dedication to shared development and triumph. Organizations can boost optimal performance from team members by creating a well-balanced reward scheme. Awards, promotions, and career development opportunities serve as tangible rewards and symbolic acknowledgments of the contributions made by individuals. Therefore, this strategy promotes exceptional achievement and fosters a constructive work environment in which each team member is esteemed, motivated, and fully participates.

Conclusions

The competency of internal auditors is a critical factor for maintaining firm sustainability and safety in the era of digital disruption and transformation. The significance of competencies must be considered for auditors to adjust and thrive effectively in this perpetually evolving company milieu. The discussion above yields various significant conclusions. Auditors must possess strong communication skills, encompassing oral and written abilities, to successfully convey audit results to diverse stakeholders. Furthermore, having critical thinking enables auditors to examine material and detect any hazards thoroughly. At the same time, a comprehensive understanding of the business allows them to grasp the operational framework of the organization. Moreover, emotional intelligence is crucial for effectively handling conflict and striking a harmonious equilibrium between impartiality and attentiveness toward others' emotions. Professional skepticism, being a fundamental principle, guarantees a meticulous and prudent approach to all aspects of the review. Continuous training, technology empowerment, enhancement of critical and analytical abilities, development of soft skills, and implementation of reward and recognition systems are all crucial elements in the auditor's human resource development strategy. Internal auditors can enhance their value as change agents by integrating technical expertise and interpersonal abilities. This enables them to support the company's growth effectively and navigate the challenges posed by disruptive forces.

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