



**INTERNAL AUDIT EXCELLENCE CAPABILITY AND FIRM
GOAL ACHIEVEMENT: EMPIRICAL EVIDENCE FROM
HOTEL BUSINESSES IN THAILAND**

WANVIPA KHAMMONGKOL

**A dissertation submitted in partial fulfillment of the requirements for
the degree of Doctor of Philosophy in Accounting
at Mahasarakham University**

June 2017

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The examining committee has unanimously approved this dissertation, submitted by Miss Wanvipa Khammongkol, as a partial fulfillment of the requirements for the degree of Doctor of Philosophy in Accounting at Mahasarakham University.

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ABSTRACT

Over the recent years, organizations have taken more of an interest in the belief of corporate governance and have specified the great advantage exhibited by many research and studies on the role of internal audit in the development and improvement of firms and risk reduction efficiency of financial corruption. For that reason, many organizations are seeking it as a part of a wider strategy for enhancing operation practices and the assurance of an annual program preparing for a new global business environment. Therefore, internal audit excellence capability is the first order for internal audit quality management needs because it can fulfill the cautious and guarantee information for executive confidence. The main purpose of this research is to investigate the relationships among five dimensions of internal audit excellence capability and its consequences of hotel businesses in Thailand. The consequences of internal audit excellence capability comprise organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement.

The conceptual model is proposed by drawing on the knowledge-based theory and the contingency theory, within the internal audit excellence capability stream. The model is empirically tested by using the collected data of mail surveys from hotel businesses in Thailand. Internal auditors or the chief directors of the internal audit managers are the key informants. There are 290 returned questionnaires that are used in this analysis. The effective response rate was approximately 20.54%. The Ordinary Least Squares (OLS) regression is the method used for testing the hypotheses.



The results reveal that each dimension of internal audit excellence capability has positively influenced its consequences which are organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, and business value, and stakeholder reliability. Similarly, business value has positive relationships with stakeholder reliability. Likewise, business value and stakeholder reliability have positive relationships with firm goal achievement. For the influences of the antecedents, this research found that sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity positively affect each dimension of internal audit excellence capability. For the moderating effects, environmental munificence is the important factor to encourage the relationships between internal audit governance and risk reduction efficiency, internal audit transparency and organizational compliance effectiveness, risk reduction efficiency and management quality increase, internal audit integration and fraud detection enhancement. Moreover, business experience is the important factor to encourage the relationships between internal audit well-roundedness and internal audit transparency, innovative culture and internal audit transparency, and technology complementarity and internal audit proficiency.

Finally, this research provides a comprehension and understanding of the relationships among internal audit excellence capability, its antecedents and consequents, by investigating the applicability to and reality of true phenomena. It is the first empirical model to demonstrate causal relationships between internal audit excellence capability and its antecedents and consequences of hotel businesses in Thailand. It also provides a unique theoretical contribution in expanding the previous knowledge and literature review of the causal model of internal audit excellence capability in Thailand. The theoretical contribution provides an important extension of previous knowledge and the relevant literature of internal audit excellence capability. In particular, the results indicate that internal audit excellence capability is important to the proficiency of the internal audit, resulting in both accounting information benefit and organizational advantage views.



TABLE OF CONTENTS

Chapter	Page
I INTRODUCTION	1
Overview	1
Purposes of the Research	6
Research Questions	7
Scope of the Research	8
Organization of the Dissertation	11
II LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK	13
Theoretical Foundations	13
Relevant Literature Review and Research Hypotheses	18
Internal Audit Excellence Capability Background	21
Internal Audit Excellence Capability and Its Consequences	32
The Effect of Antecedent Variables on Internal Audit Excellence Capability	58
The Moderating Effect of Environmental Munificence on the Relationships among Internal Audit Excellence and Capability and Its Consequences	69
The Moderating Effect of Business Experience on the Relationships among Antecedents and Internal Audit Excellence Capability	74
Summary	79
III RESEARCH METHODS	90
Sample Selection and Data Collection Procedure	90
Measurements	97
Methods	103
Statistical Techniques	107
Summary	114



Chapter	Page
IV RESULTS AND DISCUSSION	125
Respondent Characteristics and Descriptive Statistics	125
Hypotheses Testing and Results	130
Summary	174
V CONCLUSION	186
Theoretical and Managerial Contributions	193
Limitations and Future Research Directions	196
BIBLIOGRAPHY	198
APPENDICES	225
APPENDIX A The Original Items	226
APPENDIX B Item Factor Loadings and Cronbach's Alpha Analyses	233
APPENDIX C Non-Response Bias Tests	237
APPENDIX D The Results of Basic Assumptions Testing	239
APPENDIX E Respondent Characteristics	253
APPENDIX F Cover Letter and Questionnaire: English Version	257
APPENDIX G Cover Letters and Questionnaire: Thai Version	274
APPENDIX H Letters to the Experts	291
VITA	294



LIST OF TABLES

Table	Page
1 The Summary of Definitions and Dimensions of Internal Audit Excellence Capability	24
2 Summary of the Key Literature Reviews on Internal Audit Excellence Capability	26
3 The Summary of Hypothesized Relationships	80
4 Details of Questionnaire Mailing	95
5 Measure Validation of Pilot Test Sample	106
6 The Definitions and Operational Variables of Constructs	115
7 Descriptive Statistics and Correlation Matrix of All Constructs	129
8 Descriptive Statistics and Correlation Matrix of Internal Audit Excellence Capability on Its Consequence	133
9 The Results of the Regression Analysis for Effects of Each Dimension of Internal Audit Excellence Capability on Its Consequences	140
10 Descriptive Statistics and Correlation Matrix of Relationships between Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value and Stakeholder Reliability	143
11 The Results of Regression Analysis for Relationships between Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value, Stakeholder Reliability and Firm Goal Achievement	146
12 Descriptive Statistics and Correlation Matrix of Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement	148
13 The Results of the Regression Analysis for Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement	150



Table**Page**

14	Descriptive Statistics and Correlation Matrix of Effects of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability	154
15	The Results of the Regression Analysis for Effects of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability	159
16	Descriptive Statistics and Correlation Matrix of Effect of Five Dimensions of Internal Audit Excellence Capability on Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase and Moderating Role of Environmental Munificence	162
17	The Results of the Regression Analysis for the Effect of Five Dimensions of Internal Audit Excellence Capability on Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase and Moderating Role of Environmental Munificence	165
18	Descriptive Statistics and Correlation Matrix of Effect of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience	169
19	The Results of the Regression Analysis for Effect of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience	172
20	The Summary of Hypothesized Relationships	176
21	Summary of Results in All Hypotheses Testing	191



LIST OF FIGURES

Figure	Page
1 Conceptual Model of Internal Audit Excellence Capability and the Antecedents and Consequences	20
2 The Effects of Internal Audit Excellence Capability on Its Consequences	33
3 The Effects of Internal Audit Excellence Capability Consequences on Business Value and Stakeholder Reliability	46
4 The Effects of Internal Audit Excellence Capability Consequences on Firm Goal Achievement	53
5 Effects of the Antecedents on Internal Audit Excellence Capability	59
6 The Moderating Effects of Environmental Munificence	69
7 The Moderating Effects of Business Experience	74
8 The Relationships Between Internal Audit Excellence Capability and Its Consequences	131
9 The Relationships between Organizational Compliance Effectiveness, Risk reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value and Stakeholder Reliability	142
10 The Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement	148
11 The Relationships Between Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability	152
12 The Relationships Between Five Dimension Variables, Each Dimension of Internal Audit Excellence Capability and Moderating Role of Environmental Munificence	161
13 The Relationships Between Five Antecedent Variables, Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience	168
14 Summary of the Results of the Hypotheses Testing	190



CHAPTER I

INTRODUCTION

Overview

Scandals and failures occurred in the world are perceived by management. Especially, there have been well-known failures of internal audit systems of some organizations, including the lack of effectiveness of their internal control processes and management process risk. For example, circumstance to concealment the public financial report of WorldCom, Enron and Tyco, that result in distress about failure in governance of internal audit (Weiss, 2002). A deficiency of internal audit appropriate and timeliness in fraud detection and notification are failure of corporate governance, and a major determinant of collapse underneath the management's notorious behaviors (Messier, Kozloski, and Kochetova-Kozloski, 2010). This happens despite the fact that businesses commit for accepting laws and regulations. Moreover, the globalization and fierce competition from the global economic crisis is intensified increasingly, owing to the many factors have an impact on the internal audit failures causing a loss in the organization. Especially, the technological advancements, competitive complexity of business and indictment of fraudulent financial reporting have sharpened the ever-increasing awareness to internal auditing recently (Karagiorgos, Dogalas, and Dimou, 2010).

From the failure of internal audit functions to provide assurance and consulting service to add value to the firm, this might recognize the importance of internal controls, including internal audit, a process which started after the economic crisis (Lenz and Sarens, 2012). Therefore, over the recent years, organizations have taken more of an interest in the belief of corporate governance and have specified the great advantage exhibited by many research and studies on the role of internal audit in the development and improvement of firms and efficiency reduction of financial corruption (Abu-Eker et al., 2011). Moreover, adapting and guiding reviews for greater administrative complexity also ensure that the organization is continuing to become effective in processes and competitive advantage (Securities and Exchange Commission (SEC), 2003). For that



reason, many organizations are seeking the best of internal audit capability as a part of a wider strategy for enhancing operational practices and assurances of an annual program in preparing for a new global business environment (Elliott, Dawson, and Edwards, 2007). Particularly, internal audit process is designed to point to deficiencies and blunder in ways that help the organization to adjust or preempt their recurrence.

As mentioned earlier, the responsibility of the organization requires examination and evaluation of the adequacy and effectiveness of the organization's governance, internal process, risk management and legal requirements (Institute of Internal Auditors (IIA), 2009). In particular, for the Public Company Accounting Oversight Board (PCAOB) and the IIA, internal audit function plays an integral role in efficient corporate governance, as they can strengthen the internal control of organization by monitoring the risk and compliance requirements according to the Sarbanes-Oxley Act of 2002 (Alles, Kogan, and Vasarhelyi, 2008; Gramling et al., 2004). Moreover, in the implementation of the Sarbanes-Oxley Act of 2002 and International Standards for the Professional Practice of Internal Auditing, auditing requires the director of internal auditing to establish strategic plans and determine organizational structure to carry out the responsibilities of the internal audit department (Ma'ayan and Carmeli, 2015). The Sarbanes-Oxley Act points to the crucial role played by internal auditors in achieving compliance. While evaluating the accuracy of financial reports by attention to detect irregularities is vital, internal audits are not only concerned with regulation compliance. As a result, the Stock Exchange of Thailand sets conditions for Thai-listed companies as to internal audit functions for an assurance role in governance processes, especially in the area of internal control and risk management, including financial report reliability, stakeholder reliability and firm performance (Asare, Davidson, and Gramling, 2008; Cohen, Krishnamoorthy, and Wright, 2008; [Securities and Exchange Commission \(SEC\)](#), 2003; Weidenmier and Ramamoorti, 2006). Therefore, their broad scope of internal audit works need more than a fundamental audit skill such as an internal audit should provide assurance of its objectivity and independence, in order that the added value of the audit will improve an organization's operations and help organization achieve its goals.

This suggests that internal audit has quality work to enhance report accurately and depict a fair picture of the organizational system and reported malfunctions to rectify with effectiveness. Especially, the internal audit undertakes other audits including



operational audits, information security audits, financial audits, risk management, security and forensic accounting, survivability and disaster recovery audits, and management audits (Ma'ayan and Carmeli, 2015). In addition, past research argues that internal audit capability serve an important role as a tool for effective management. For instance, that can affect the quality of the implementation of the organization such as in quality control, quality of service, response to the needs of customers, the quality of internal audit effectiveness, and firm goal achievement (Amirhossein and Raana, 2011; Fadzil, Haron, and Jantan, 2005; Mihret and Yismaw, 2007; Samuel and Afiah, 2013). A set of skills and knowledge is required to efficiently perform an internal audit task in the shifts in the global business environment (Cooper, Leung, and Wong, 2006). That is why an effective internal audit can protect a company from the internal failures causing loss in the organization.

A review of past research has attempted to investigations for the excellence of the internal audit and found that the specific capability such as about internal audit planning, internal control, internal audit process, operational risk and internal audit review have been studied. However, there are no single study has attempted to look at all capability in the holistic model. Moreover, the strategic objectives for the internal audit excellence capability section are to increase value-added through internal audits for the organization's structures, systems and processes, and improve operational effectiveness. Focusing on examining how internal audit drive improvement to efficiency and effectiveness in organization is necessities, but research in the field of internal auditing is still sparse. There is limitedly research in the field of internal auditing. To fulfill these research gaps this research is to discover the holistic model of the internal audit excellence and its consequences.

This research has applied the knowledge-based theory in order to explain how internal audit excellence capability affects firm goal achievement. The knowledge-based theory (KBT) developed and evolved until the strategic management of knowledge is developed within organizations. The main goal is applied the knowledge and skills of existing resources within the organization that allows organizations to create a competitive advantage and improve the existing processes, or increase efficiency (Grant et al., 2001; Theriou, Aggelidis, and Theriou, 2009). Demonstrating the knowledge-based view of the organization is a key resource in implementing a task that improves the ability of



internal audit excellence capability (Laohamethanee and Ussahawanitchakit, 2012). Thus, the knowledge-based theory has been applied to explain the context of internal auditing. Similarly, the contingency theory states that organizational effectiveness depends on matching the endogenous and exogenous contextual factors. The contingency theory thus explains the focus of management of the situation of the organization (Zeithaml, 1988). The success depends on the right to organize a match between the features of the enterprise's internal organization and the internal and external environment that is consistent (Scott, 1992). Thus, the contingency theory is an appropriate theory that is applied to explain the internal and external environment in which management leads to the creation of strategies to improve the administration or management, and that is consistent and appropriate to the situation.

This leads to the research question, which is, “How does internal audit excellence capability impact on firm goal achievement?” This research applies internal audit excellence from the concepts of ability and an efficiency of internal auditing that can use all aspects of managements, organization, and internal audit processes. To achieve these objectives, firms undertake processing, control, and a management through the internal audit. It is able to demonstrate the firm's ability to improve a performance management enterprise that can define measures for improving processes, practicing, and controlling (Al-Jabali, Abdalmanam and Ziadat, 2011; Henderson, Davis, and Lapke, 2013; Kueket, Janjarasjit, and Raksong, 2014). Internal audit excellence capability is the competency to help certify that engagements run smoothly, identify opportunities for improvements to the internal audit management and control the environment (Rife, 2006). Especially, the main issues in the study are required specialized proficiency skills and knowledge, the use of monitoring, supervision to ensure compliance with professional standards and the rules of regulatory authorities, transparency and reliability, and the ability to integrate the combined knowledge to create new knowledge in the internal audit (Arena and Azzone, 2009; Hurtt, 2010; Mard, 2011; Rossiter, 2011; Santos, Mendes, and Barbosa, 2011). Internal audit excellence is designed to add value and improve the operation of the organization with independence and reliability as well as counseling to support the operations of the organization as a system by using assessment, controlling methods, improving the efficiency of risk reduction, and leading to the achievement of organizational goals (Kueket, Janjarasjit, and Raksong, 2014). As a result,



for the reasons explained previously, internal audit proficiency answers the question of why the firm is valued and has a clear competitive advantage. To gain effectiveness and efficiency of internal audit function, internal audit excellence capability is necessary.

This research develops an internal audit excellence capability construct that consists of five dimensions including internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. The main hypotheses postulate that internal audit excellence capability has a positive impact on internal audit outcomes (organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, and stakeholder reliability), and firm goal achievement. Research assigns the antecedents of internal audit excellence capability as sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity. This research assigns environmental munificence as the moderators of the relationships among internal audit excellence capability, internal audit outcomes and firm goal achievement. Moreover, this research assigns business experience as a moderator of the relationships among internal audit excellence capability and its antecedents. In consequence, firm goal achievement has shown the performance of firms both financial and non-financial. In addition, firm goal achievement arises from an ability of a firm to concentrate on planning and operations that increase steadily in market share, profitability and competitiveness in the long-term. The implementation of the internal audit department in the hotel business has developed to excellent levels, arising from the demand of organizations to improve operational efficiency in order to achieve the cause of excellence in business and contribute to an organization's survival. Especially, the current negotiations to liberalize services sectors, tourism and hotel businesses, and the business services industry, which is a very important role in the economy, is bringing more strengths in finance and technology, and providing comprehensive services with branches in several countries, resulting in more intense competition (Ooncharoen and Ussahawanitchakit, 2009). Therefore, to investigate the relationship between internal audit excellence capability, antecedents and consequences, hotel businesses in Thailand are considered an appropriate sample for this research.



Purposes of the Research

The key purpose of this research is to investigate the relationships between internal audit excellence capability and firm goal achievement. The specific objectives are as follows:

1. To investigate the effects of each dimension of internal audit excellence capability (namely, internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, internal audit integration) on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value and stakeholder reliability, and firm goal achievement,
2. To inquire the effects of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase on business value and stakeholder reliability,
3. To examine the effect of business value on stakeholder reliability,
4. To explore the effects of business value and stakeholder reliability on firm goal achievement,
5. To analyze the effects of sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity on each dimension of internal audit excellence capability,
6. To study the moderating effects of environmental munificence on each dimension of internal audit excellence capability, and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relationships, and,
7. To inspect the moderating effects of business experience on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, competitive complexity and each dimension of internal audit excellence capability relationships.



Research Questions

The key research question is how each dimension of internal audit excellence capability enhances firm goal achievement? In addition, the specific research questions are presented as follows:

1. How does each dimension of internal audit excellence capability have effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement?
2. How do organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relate to business value and stakeholder reliability?
3. How does business value have an influence on stakeholder reliability?
4. How do business value and stakeholder reliability have an influence on firm goal achievement?
5. How do sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity have an influence on each dimension of internal audit excellence capability?
6. How do the moderating effects of environmental munificence have an influence on internal audit excellence capability, organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relationships?
7. How do the moderating effects of business experience have an influence on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, competitive complexity and internal audit excellence capability relationships?



Scope of the Research

This research aims to examine the effects of internal audit excellence capability on the firm goal achievement of hotel businesses in Thailand. The hotel industry in Thailand has been experiencing great competition during the past recent years due to tour operators' pressures (Ooncharoen and Ussahawanitchkit, 2009). Despite the aforementioned perspectives of the researchers regarding the crucial role of internal auditing for business success and the growing importance of the hotel sector in Thailand, it is unclear as to the capability and function of the internal audit that may link it to internal audit quality control. Thus, this research concentrates on the internal audit excellence capability of the internal audit of hotel businesses in Thailand that enables them to achieve their internal audit outcomes. Evidently, this research also provides unique theoretical contributions in expanding previous knowledge and a body of academic literature that investigates internal audit excellence capability. Furthermore, the findings may be a useful guideline for regulators and organizations to strengthen their internal audit department by enhancing the excellence capability of internal audit. Moreover, the findings may support the firms to establish effective corporate governance.

With respect to the research objectives and research questions, there are many variables in the research. Internal audit excellence capability is an independent variable. The study adopts five dimensions of internal audit excellence capability from the reviewed prior research: (1) internal audit proficiency, (2) internal audit governance, (3) internal audit skepticism, (4) internal audit transparency, and (5) internal audit integration. These are hypothesized to be positively associated with internal audit outcomes and which consist of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality that increase an effect on business value and stakeholder reliability. The dimensions of internal audit excellence capability are detailed below. Firstly, internal audit proficiency refers to the ability to apply the knowledge to assess the adequacy of techniques, processes, methods, plans and procedures to keenly assess the ongoing review, to outline the internal audit practice, and follow up the implementation of the audit to effectively achieve the audit goals. Secondly, internal audit governance is an important tool for the commission under the responsibility of



governance. Thus, internal audit governance refers to the ability of an organization to define a contract or agreement that is assigned in the implementation of operating principles and realize ethics, honesty, fairness, and adherence to ethical standards in accordance with internal audit. It includes independence from executing any relationship that might cause the loss of an unbiased assessment (Pongpanpattana and Ussahawanitchakit, 2013). Thirdly, internal audit skepticism refers to ways in which inspection and assessment may indicate weaknesses that cover the operation of the organization and assess the situation noted in the inspection, the adequacy in identifying surveillance of factors that threaten, and the potential negative consequences. Fourthly, internal audit transparency refers to that process which is consistent and appropriate to the demonstrate openness the source of the data, fully to promote credibility, integrity, and recognize. The last dimension of internal audit excellence capability is internal audit integration that refers to the ability in identifying the approach to the audit together as a system, technical specifications, procedures, and methods of internal audit, integrating the knowledge of internal audit from various dimensions to create new knowledge and link a set of guidelines on goal objectives. The internal audit outcomes are the mediating variables of the relationships between internal audit excellence capability and firm goal achievement, which are composed of the following six variables: organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, and business value and stakeholder reliability. Firm goal achievement is a dependent variable.

The relationships among the variables of this research can be described in two theories, including the knowledge-based theory and contingency theory. The knowledge-based theory (KBT) is used to explain the relationships between each dimension of internal audit excellence capability and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement. The knowledge-based view of the firm suggests that knowledge is a firm's key resource that enhances the capability of the firm. Under the knowledge-based view, the new economics are essential for operational efficiency and the active role of the firm is the integration of unique knowledge of the individual products or new services. Furthermore, to have a sustainable and continued competitive advantage, firm must accumulate and create



relevant knowledge from internal and external sources (Cohen and Levinthal, 1990; Decarolis and Deeds, 1999). Accordingly, the knowledge-based view theory of the firm is applied to clarify the fact that the ability to detect, it is important for the firm to create an advantage over competitors and leads to goal achievement. Meanwhile, the contingency theory is used to explain the antecedents and internal audit excellence capability, including the moderating effects of environmental munificence and business experience. The contingency theory is the concept of research management organization, which explains the performance of the organization with superior capabilities by aligning the appropriate context of factors and managing the situation (Phokha and Ussahawanitchakit, 2011). The success of the firm depends on the right to organize a match between the features of the enterprise's internal organization and the external environment that are consistent.

Based on the aforementioned theories, this research hypothesizes that internal audit excellence capability has positive effects on internal audit outcomes. Internal audit outcomes consist of two levels. The first level contains four functions of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase. The second level consists of business value and stakeholder reliability. Therefore, the proposed hypotheses postulate that internal audit outcome positively influences firm goal achievement. In addition, environmental munificence and business experience usefulness are indicated as the moderators of the internal audit excellence capability - internal audit outcome relationships.

Additionally, the antecedents of internal audit excellence capability consist of internal factors, which are sustainability vision, internal audit well-roundedness, and innovative culture; and of external factors, which are technology complementarity and competitive complexity. Sustainability vision refers to a set of goals or intentions of a good planning in the future, in terms of the fundamental objectives or strategic direction, the benefit of doing business in the long-term reflects the priorities and values of the organization. Internal audit well-roundedness refers to attainments in the knowledge of a wide range of skills, knowledge, prudence, reason, and understanding of the practice standards such as accounting, legality, the regulations, risk and control and information technology. Innovative culture refers to an organization that needs to indoctrination; developing new practices, ideas, or new perspectives; and the application of new forms by creating new ways to build faith. Technology complementarity refers to relying on



the system resources, information technology and networks that are highly stable and complete, to apply and be helpful in providing information that is quick to implement improved coordination. Competitive complexity refers to organizations that are recognized by differences in race, diversity, complexity and uncertainty. Moreover, moderators as environmental munificence and business experience influence the relationship in a conceptualization model.

For the population and sample, the population is the internal audit departments of three to five-star level hotels in Thailand, totaling 1,477 hotels chosen from the website of the Tourism Authority of Thailand, Ministry of Tourism and Sports, Thailand as of June 6, 2016, which are displayed on the website: www.tourismthailand.org/where-to-stay. Internal auditors or the chief directors of the internal audit manager are the key informants. A mailed survey questionnaire has been utilized for data collection. Statistical techniques, which include correlation analysis, variance inflation factors, factor analysis, and regression analysis, were employed to test the postulated hypotheses. In conclusion, the scope of this research consists of four major parts. The first is to examine the relationships of internal audit excellence capability and internal audit outcomes. The second is to examine the influence of internal audit outcomes on firm goal achievement. The third is to examine the influence of internal audit excellence capability, and internal audit outcomes via environmental munificence as a moderator. The fourth examines the relationship between internal audit excellence capability and the antecedents via business experience as a moderator.

Organization of the Dissertation

This research is organized into five chapters. Chapter one presents an overview of the research, the purposes of the research, research questions, the scope of the research, and organization of the dissertation. Chapter 2 reviews the relevant literature on internal audit excellence capability, theoretical foundations, the relationships among the different variables, and develops the related hypotheses for testing. Chapter 3 explains the research methods, including the sample selection in addition, the data collection procedure, the variable measurements of each construct, the instrumental verification, the statistics' equations to test the hypotheses, the table of definitions, and the operational variables of



the constructs. Chapter four exhibits the empirical results and the discussion, explains previous studies, the empirical results of this research, and additional analysis. Finally, chapter five proposes the summary of results, the theoretical and managerial contributions, the limitations, and future research direction.



CHAPTER II

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

This chapter represents the primary focus of this study which is important in recognizing components of internal audit excellence capability and investigation of the relationships between its antecedents and consequences of internal audit excellence capability; by a literature review, the relevant documents, and earlier research. Moreover, as the author explained in the previous chapter, they discuss the situation and the importance of the internal audit excellence capability as to the concept and motivation to find answers of research questions, research objectives, and the scope of research. Several firms in the management of objective internal audit excellence capability are effective in enhancing the firm behavior that causes organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase. In particular, the context of the internal audit has knowledge of advanced capabilities, by absorbing external knowledge of existing firms or by developing new knowledge to maximize the value of the firm (Nickerson and Zenger, 2004).

Thus, internal audit excellence capability can help for the efficient management of the firm and support the achievement of set targets that are objective (Akhtaruddin and Haron, 2010). Therefore, in detail, this chapter has presented the relevant literature review of previous studies, prior research of internal audit excellence capability; which related theories that explain the context, the definition of the whole structure, developing hypotheses, the conceptual model and the development of other structures.

Theoretical Foundations

The research employs two main theories, including the knowledge-based theory and the contingency theory, which explain the relationships between the antecedents and consequences of internal audit excellence capability as aforementioned, and each of which is detailed in the following.



Knowledge-based Theory

The knowledge-based theory (KBT) develops and evolves until the strategic management of knowledge is developed within organizations. The main goal is to apply the knowledge and skills of existing resources within the organization that allows organizations to create a competitive advantage and improve the existing processes or to increase efficiency (Grant et al., 2001; Theriou, Aggelidis, and Theriou, 2009). It depends on the ability to use and develop knowledge within the organizations and creates an advantage in the competitive environment which has changed greatly from globalization and technology (Curado and Bontis, 2006). KBT of the firm emphasizes knowledge as the most important resource of the organization's strategy and suggests that the organization of knowledge is different from an organization's knowledge assets, manufacturing, and applications. Therefore, the existence of a knowledge base and capabilities of different firms makes sure that they can have a sustainable competitive advantage and contribute to the superior performance of firms in the industry (Corner and Parahalad, 1996; Curado and Bontis, 2006; DeCarolis and Deeds, 1999; Grant, 1996).

Knowledge of the firm is to be buried and remains in the organization, including the functioning of the organizational culture, philosophy, policies, and regulatory and organizational systems. Knowledge as the main source of the firm encourages the reorganization and performance strategies that lead to increased shareholder value (Grant, 1996). KBT focuses on the firm, the new economies are essential for operational efficiency and the active role of the firm is the integration of unique knowledge of the individual products or new services. Furthermore, KBT also confirms that a sustainable competitive advantage and continues to accumulate and create the relevant knowledge from internal and external sources (Cohen and Levinthal, 1990; Decarolis and Deeds, 1999). Therefore, KBT of accurate predictions is about the nature and potential changes in the environment and the strategic restructuring of the firm. Without such knowledge, an organization may become less capable of finding and taking advantage of new opportunities (Cohen and Levinthal, 1990).

The context of the firms account is also able to accumulate and use knowledge for appropriate accounting practices as determined by the different structures of accountability that lead different performance (Toms, 2006). Furthermore, KBT of the



firm has applied to clarify the fact that the ability to internally audit is important for the firm to create an advantage over competitors and lead to goal achievement. KBT has been applied to explain the context of internal auditing and auditing. (Mignon and Janicot, 2009; O'Leary, 2003; Vinze, Karan, and Murthy, 1991). Particularly, the achievements in discovering the theoretical context for this review include Penrose's (1959). This theory has been extended by other researchers (Barney, 1991; Conner, 1991; Wernerfelt, 1984).

In this research, KBT is applied to knowledge assets (internal audit excellence capability) which are special capability and important integrated approach promote of credibility, knowledge and skills, and supervise of comply standard of the internal audit department to carry out internal audit works. Knowledge or capability of internal auditing: knowledge is the most important strategic resources of the firm and leads to greater performance (Srichanapun, Ussahawanitchakit, and Boonlua, 2013). In addition, the context of internal audit has knowledge of advanced capabilities by absorbing external knowledge of an existing firm or developing new knowledge to maximize the value of the firm (Nickerson and Zenger, 2004). Most especially, internal audit excellence capability focuses on the specialized proficiency skills and knowledge; the use of monitoring, supervision to ensure compliance with professional standards and the rules of regulatory authorities, transparency and reliability; and the ability to integrate the combined knowledge to create new knowledge in the internal audit (Arena and Azzone, 2009; Hurtt, 2010; Mard, 2011; Rossiter, 2011; Santos, Mendes, and Barbosa, 2011). Thus, the KBT is applied to describe internal audit excellence capability, which is the crucial knowledge of the firm for a competitive advantage and goal achievement.

Accordingly, KBT is the core theory used to explain the relationships among internal audit excellence capability antecedents and consequences. These include internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, and internal audit integration; effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement. Hence, the mean of internal audit excellence capability is the exceptional results from capabilities of the internal auditing organization, including all organizations that focus



on internal audit excellence capability that impacts business value, stakeholder reliability, and a firm goal achievement.

Contingency Theory

Management is oriented to the environment and the needs of people in the main unit, rather than seeking a way of excellence by focusing on the management to use of the different existing agencies, such as the difference between the regulation and control of the process, or the differences between the goals of the organization. The contingency theory is a class of theories to explain the context of behavior, in that there is no best way to manage the design and planning for an organization's decision (Laohamethanee, Ussahawanitchakit and Boonlua, 2013). The contingency theory explains the focus of management on the situation of the organization (Zeithaml, 1988). Therefore, in the context of the schedule managed by the external environment and other factors, it that affects the operation of the organization's success (Anderson and Lanen, 1999). The success depends on the right to organize a match between the features of the enterprise's internal organization and the external environment that is consistent (Scott, 1992).

In the research and development management in the contingency theory, it that is widely used by the research of corporate management, management accounting, and internal audit which considers both internal and external factors that affect the size of the organization, the organization, and management practices in organizational management (Anderson and Lanen, 1999; Chenhall, 2003). The significant key of the accounting research are acceptable for contingency theory as a theoretical framework that describes the key such as in management accounting systems (Jermias and Gani, 2004; Tillema, 2005), accounting information systems (Nicolaou, 2000), auditing (Curtis and Payne, 2008), financial disclosure (Lopes and Rodringues, 2007), and strategic management accounting (Cadez and Guilding, 2008). From past research, the contingency theory explains the context of the internal audit and contingency characteristics in relationship to the internal audit function. Based on the concept of Jokipii (2010), there are four factors that have impacts on the effectiveness of internal controls are: strategy, organizational structure, size and perceived environmental uncertainties. It works on the structure of the organization from internal and external factors that affect and determine the behavior of managers who affect the organization (Kueket, Janjarasjit, and Raksong, 2014).



This research proposes internal audit excellence capability to be established by internal and external environment factors. In particular, most operations via the contingency theory determine factors in the context of the relationship between the external environment and external affecting the function of internal audit (Anderson et al., 2012; Wallace and Kreutzfeldt, 1991). Based on contingency theory into two context factors are namely, internal and external environment. Firstly, to explain the context of contingency theory, internal audit excellence capability is established and enhanced by an external factor such as technology complementarity and competitive complexity. In the same way, the moderating effects of environmental munificence between external factors of internal audit excellence capability and internal audit outcomes are explained by the contingency theory. Contingency theory explains the organization's ability to adapt to the changing environment, which is necessary for consistency between the external environment and infrastructure (Sauser, Reilly, and Shenhar, 2009). The contingency theory is based on the potential for the organization's operations that are based on the results of operations to achieve maximum efficiency. It can be achieved when an organization can appropriately respond to environmental changes (Sener, 2012). Second, the internal environment factor such as sustainability vision, internal audit well-roundedness and innovative culture. In the same way, the moderating effects of business experience between internal factors of antecedent variable and internal audit excellence capability are explained by the contingency theory. The confirmation of this theory is based on the situation at hand; and the ever-changing external environment affecting the operation of the organization is not the best way to manage corporate and organizational design. It requires analysis of the system to suit the corporate environment and the external environment, as organizations must be consistent (Gingsberg and Venkatraman, 1985). The primary reason for the development, growth and survival of the organization depends on the fit between the corresponding ability within the organization and the perfect environment (Summer et al., 1990). Thus, contingency theory management leads to the creation of strategies to improve the administration or management that are consistent and appropriate to the situation; and to seek to change the environment, growth, and survival of the organization (Chenhall and Langfield-Smith, 1998). A management-oriented scenario would have been the best way for appropriate environmental management in each organization. No solution is the best way or the same problem, but there are many ways



to resolve problems in the organization. Thus, under the contingency theory, management should consider the appropriateness of the decision to operate under these circumstances, in accordance with the requirements of the organization and satisfaction for business value, stakeholder reliability, and firm goal achievement. These factors are important in setting goals and operational processes. Therefore, these factors tend to increasingly bring internal audit excellence capability. Thus, this research applies the two theories to describe the phenomenon of internal audit excellence capability, its antecedents, and consequences that are shown in Figure 1.

Relevant Literature Review and Research Hypotheses

According to the theoretical foundations, internal audit excellence capability and firm goal achievement are the independent and dependent variables of the research, respectively. Organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, and stakeholder reliability are the mediating effects of the research. Sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity are also the antecedents of internal audit excellence capability. Lastly, business experience and environmental munificence are the moderating variables of the research.

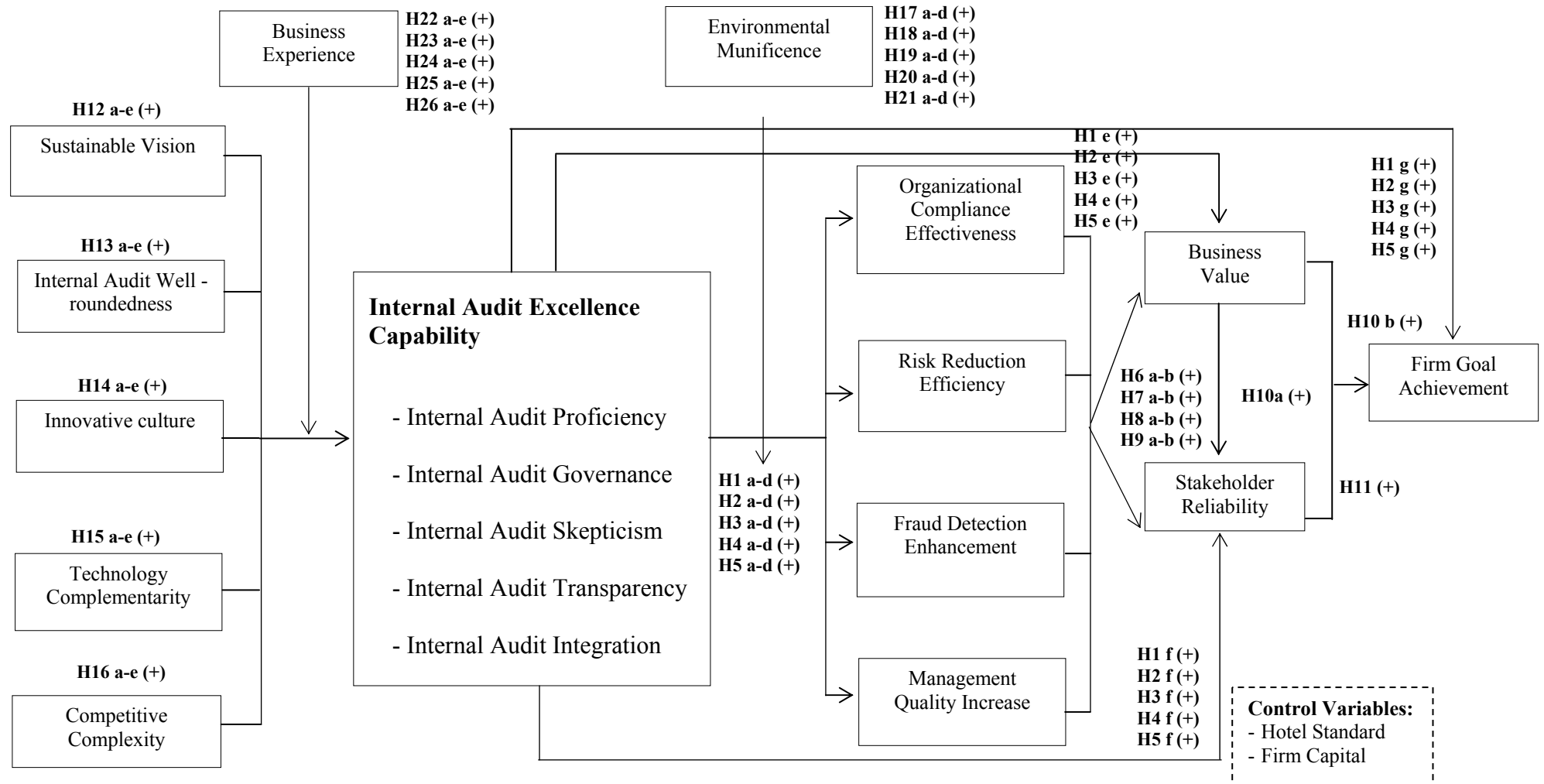
This research proposes that internal audit excellence capability is positively associated with firm goal achievement. In addition, the antecedents of internal audit excellence capability consist of sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity which positively relate to each dimension of internal audit excellence capability. Finally, environmental munificence, as a moderator, assumes that the stronger environmental munificence is the more positive relationship. There are moderates among each dimension of internal audit excellence capability and organizational compliance effectiveness; risk reduction efficiency, fraud detection enhancement, management quality increase, business value and stakeholder reliability. Additionally, business experience, as a moderator, assumes that the stronger business experience is, the more positive relationships there will be among sustainability vision, internal audit



well-roundedness, innovative culture, technology complementarity, competitive complexity and each dimension of internal audit excellence capability. Inclusively, the conceptual model of this research is presented in Figure 1.



Figure 1: Conceptual Model of Internal Audit Excellence Capability and the Antecedents and Consequences



Internal Audit Excellence Capability Background

Internal audit excellence capability is the main construct in this research. Especially, internal audit excellence capability is a framework that identifies the fundamentals needed for effective internal auditing in the business. It is recognized that the present management of successful business often uses the performance of the internal audit to manage activities in all operational aspects of the evaluation of the organization (Al-Jabali, Abdalmanam, and Ziadat, 2011). Management of the organization is responsible for establishing and maintaining an effective internal control system, such as the management system structure and activity that enables organizations to effectively reduce risk for the achievement of the organization's objectives (Matarneh, 2011). Executives have used various strategies to manage the business, such as giving priority to good corporate governance, so that business implementation can continue to efficiently and effectively add value to the organization and to achieve success and excellence over the competition (Gramling, Nuhoglu, and Wood, 2013). Besides, the internal audit is an important part of the corporate governance structure within an organization. In particular, the demonstrator of the process control and management through internal audit is able to demonstrate the firm's ability to improve performance management enterprise that can define measures for improving processes, practices, and control (Kueket, Janjarasjit, and Raksong, 2014). Thus, the concept of internal audit has been developed for use in the management of enterprises using internal audit capability.

The internal audit is a supporting department of management organization. Therefore, the objective of the internal audit is checking all activities within an organization which require specific knowledge, skills, and competencies in the internal audit's practice. The internal audit function must have a complete understanding of an organization's operations, processes, and procedures, which must be designed and implemented to test and to determine whether processes and procedures are working as intended (Lin et al., 2011). The internal audit is designed to add value and improve the operation of the organization, with independence and reliability as well as counseling to support the operations of the organization as a system by using assessment, control methods, and improving the efficiency of risk reduction, leading to the achievement of organizational goals (Kueket, Janjarasjit, and Raksong, 2014).



The internal audit is a supporting department of management organization. Therefore, the objective of the internal audit is checking all activities within an organization which require specific knowledge, skills, and competencies in the internal audit's practice. Therefore, the internal audit's knowledge, skills, and experience (or proficiency) are more valuable for management (Giselle, 2000). This is consistent with Ebaid (2011) who states that proficiency is considered special work and applies to the internal audit standards, procedures, and techniques necessary to perform the work. Therefore, companies can create value for themselves by employing auditors who possess the knowledge, skills, and experience, which help them to adopt their public strategies and execute their technical activities (Ali and Owais, 2013). The application, controls, and knowledge of risks have a significant impact on the level of integrated internal audits, and offer more knowledge about integrating the application controls and knowledge of risks for development in internal audit practice (Henderson, Davis, and Lapke, 2013). The efficiency of information and fraud indicators is greatly increased if internal auditors have high skepticism and a training course in fraud symptoms that enhances fraud detection ability, which is a proxy of professional skepticism (Fullerton and Durtschi, 2005). Likewise, policy transparency and disclosure policies are adopted and implemented through the internal audit mechanisms that reflect the logical benefits of social responsibility (Mitchell, 2011). It can resolve suspicion about internal audit tasks. Transparency is a process that expresses the reliability and accuracy of disclosures and shows the process of making those who use the information to understand that it is all the information needed to make decisions and meet the standards of presentation used in the comparison (Mard, 2011). A study by Kaur and Mishra (2010) shows there is evidence that transparency is a key factor that has been accepted for good governance and should be supported in the management of the organization. The development of an integrated approach to work is making way for the operational aspects of the organization, especially in the internal audit. They have found that the method of communication is integrated in line with the policy objectives and targets from the most resources.

In this research, internal audit excellence capability is a key concept of this research. Internal audit function is an important role of organization, as it fulfills the conservative operation because the insurance information for the executive is the core internal audit objective. Consequently, a firm must have a concern for promoting



internal audit excellence capability to enhance the stakeholder's acceptance, leading to a firm's reputation. In this research, internal audit excellence capability is the competence to help certify that engagements run smoothly, identify opportunities for improvements to the internal audit management, and control the environment (Rife, 2006). Especially, the main issues in the study are required for specialized proficiency skills and knowledge; the use of monitoring, supervision to ensure compliance with professional standards and the rules of regulatory authorities, transparency and reliability; and the ability to integrate the combined knowledge to create new knowledge in the internal audit (Arena and Azzone, 2009; Hurtt, 2010; Mard, 2011; Rossiter, 2011; Santos, Mendes, and Barbosa, 2011). Also, internal audit excellence capability is a way of gathering sufficient and appropriate audit evidence concerning financial statement assertions in compliance with generally accepted accounting principles. The affected quality of information relevant decision making and competitive advantage, stakeholder reliability, business value and firm sustainability can be achieved.

Drawing on the internal audit literature, little field research examines internal audit excellence capability perspectives. Many previous academicians usually use it for a different meaning depends on the objectives and the organizational roles. Internal audit has focused on accounting problems at its beginnings, but now it has become a powerful tool to detect the main risks of organizations (Munteanua and Zahariab, 2014). In the wake of recent corporate failures, many reforms have been undertaken to restore user confidence, including the role of the internal auditor in restoring user confidence (James, 2003). Moreover, it should prevent managers from uncritically reprimand into the future (Crittenden and Crittenden, 2000).

To clearly understand the role of internal audit excellence capability, excellence is a capability of the firm to use the internal audit process for performance evaluation. The audit methodology should define the overall audit cycle along with policies and procedures for planning the engagement, performing audit work, and communicating audit results (Burch, 2011). The breadth of the scope of internal auditing has been emphasized by several authors. Sisaye (1999) notes that the internal audit constitutes an important aspect of administrative process innovations that result in significantly better business performance. A fairly consistent finding across more recent studies is that internal audit function can have a positive influence on corporate governance, including



reporting quality and firm performance (Gramling et al., 2004). On the other hand, internal audit not only identifies quality processes in organizations, but it also locates problems and needs, and delivers information to develop action plans for better results. Furthermore, current economic, social and technical developments of society leads to the adaptation of the internal audit structure by enhancing the methods and techniques for increasing internal audit excellence (Sfetcu, 2013). For more understanding of internal audit excellence capability, it is reviewed in the literature.

The summary of the key literature review of internal audit excellence capability is presented in Tables 1 and 2 as follows:

Table 1: The Summary of Definition of Internal Audit Excellence Capability

Authors (Year)	Definition
Meegan and Simpson (1997)	It is recognized that internal audit can encourage a more proactive role within the philosophy of continuous improvement.
Nickerson and Zenger (2004)	The context of the internal audit has knowledge of advanced capabilities, both by absorbing external knowledge to existing firm or developing new knowledge to maximize the value of the firm.
Fullerton and Durtschi (2005)	The efficiency of information and fraud indicators is greatly increased if internal auditors have high skepticism.
Maia et al. (2005)	The management of a comprehensive and adequate internal control structure is sufficient and contributes to the success in levels of the excellence in corporate competition.
Archambeault and Holt (2008)	The internal audit excellence capability for internal audit transparency means disclosure of information that enables knowledge affect the decisions and judgments of the stakeholders.



Table 1: Summary of the Definition of Internal Audit Excellence Capability (continued)

Authors (Year)	Definition
Dittenhofer (2011)	Internal auditing is part of the executive staff in the organization, it is a component of the management process, and requires constantly evolving to ensure that it is functioning efficiently and effectively.
Laohamethanee and Ussahawanitchakit (2012)	Knowledge based of internal auditors is a critical success factor in the effectiveness and efficiency of the internal audit consequence.
Pongpanpattana and Ussahawanitchakit (2013)	Internal auditing is an important factor that helps to add value to the governance of the organization to reduce the risks in the enterprise and is a measure of organizational performance.
Kueket, Janjarasjit, and Raksong (2014)	The steps through the internal audit (IA) activities can improve the performance, administration, and it is scheduled to take measures to control and improve processes and practices.
Lenz and Hahn (2015)	The internal audit makes a difference for an organization, be recognized, respected and trusted and help the internal audit profession in its pursuit of creating a unique identity.



Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability

Authors	Title	Results
Roy (1989)	Excellence in the Administration of the Internal audit Department	The director of internal audit with the knowledge and ability to oversee the internal audit system in proper functioning of an internal auditing department can enhance internal auditing functioning regarding to administration are about the, reporting audit issues, planning process, recommendations and the important issues.
Fadzil, Haron and Jantan (2005)	Internal Auditing Practices and Internal Control System	The internal audit department, the compliance with the Professional Practice of Internal Auditors IIA (2000); and SPPIA have affected the quality of the internal control system and can add professional proficiency, objectivity and review are significantly in quality internal audit and internal control system of organizations.
Fullerton and Durtschi (2005)	The Effect of Professional Skepticism on the Fraud Detection Skills of Internal Auditors	The efficiency of information and fraud indicators is greatly increased if internal auditors have high skepticism and a training course in fraud symptoms, enhances fraud detection ability which is a proxy of professional skepticism.

Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability (continued)

Authors	Title	Results
Archambeault and Holt (2008)	The Need for an Internal Auditor Report to External Stakeholders to Improve Governance Transparency	The research examined an internal audit report (IAR) to increase governance transparency for external stakeholders. The research concluded that an IAR has potential to complement existing governance disclosures, increase stakeholder confidence in governance quality, and motivate internal audit diligence.
Cohen, Krishnamoorthy, and Wright (2008)	Waste Is Our Business, Inc.: The Importance of Non-Financial Information in the Audit Planning Process	The learning process and in the monitoring process in planning, monitoring, is significant of integrating process steps that affect optimize the increasing for the audit process.
Davies (2009)	Effective Working Relationships between Audit Committees and Internal Audit the Cornerstone of Corporate Governance in Local Authorities, a Welsh Perspective	Internal audit function effectively comes from the assessment and supports performance monitoring of audit committees.

Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability (continued)

Authors	Title	Results
Hass, Abdolmohammadi. and Burnaby (2009)	A Global Summary of Internal Auditing's Common Body of Knowledge	The results were that the most of internal auditors use internal audit practices follow to the IIA's standard in a whole or in part, and are compliant with the common body of knowledge (CBOK) increased, which recognize the value added increasingly especially internal auditors in the United States.
Morariu et al. (2009)	Internal Audit and Corporate Governance, an Added Value for Entities' Management	The findings revealed that the ability to increase risk management of corporate internal audit has required developing ways to monitor transactions to detect frauds, risks and to evaluate internal control to help organizations assess and control operations and risk management in order to achieve objectives.
Nelson (2009)	A Model and Literature Review of Professional Skepticism in Auditing.	This article demonstrates to gather and evaluate evidence in the audit, the traits, knowledge and incentives demonstrate the produce judgments in professional skepticism. Besides, it also confirmed that professional skepticism could affect hiring, training, decision aids, performance appraisal, review, incentives, and changes in tasks and institutions.
Abu-Eker et al. (2011)	Assessment of Electronic Processes Internal Audit at Tourist Hotels in Aqaba	The findings revealed that internal auditors with the professional proficiency, independence and objective verification can affect the audit effectively and effectiveness.

Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability (continued)

Authors	Title	Results
Matarneh (2011)	Factors Determining the internal audit quality in Banks: Empirical Evidence from Jordan	One of the main factors of internal audit quality is the internal audit proficiency.
Mitchell (2011)	Transparency for Governance: The Mechanisms and Effectiveness of Disclosure-Based and Education-Based Transparency Policies	A policy transparency and disclosure policies are adopted, implemented through the mechanisms governance reflects the logical benefits of the social responsibility of targeting, therefore, scholars and practitioners should be careful to understand the differences in the mechanism, in accordance with the policy of transparency and in understanding the policy of the administration.
Harding and Troman (2011)	Enhancing Professional Skepticism via the Fraud Brainstorming Discussion Outcomes	The level of professional skepticism is related to the ability to identify errors and frauds, concealment of errors were more.
Ali and Owais (2013)	Internal Auditors' Intellectual (Knowledge) Dimension in Creating Value for Companies	The results showed that the development of skills and technical experience of internal auditors is able to optimize the management of the firm and adds value.

Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability (continued)

Authors	Title	Results
Henderson, Davis and Lapke (2013)	The Effect of Internal Auditors' Information Technology Knowledge on Integrated Internal Audits.	The findings reveal that application controls and knowledge of risks have a significant impact on the level of integrated internal audits. Besides, the research supports the allocation of the budget to more knowledge about integrating the application controls and knowledge of risks for the development in internal audit practice.
Samuel and Afiah (2013)	The Impact of Objectivity, Proficiency and due Professional Care of Auditors to Quality of Performance Audit Results: Survey on Audit Teams of Jakarta Provincial Inspectorate	Involvement in training and collaboration with other related work, technical inspection has a positive influence on the quality of work and proficiency of Jakarta provincial inspectorate auditors.
Nathmy, Al-'Aroud and Almbaidin (2015)	The Effect of the Absence of the Application of the Mechanisms of Corporate Governance on the Internal auditing Efficiency to reduce Financial Corruption in the Jordanian Ministries	The study found that there is a positive correlation between the lack of activation of internal audit and financial corruption in the ministries of Jordan, also there is a positive correlation between the absences of the application of the mechanics of corporate governance in financial corruption.

Table 2: Summary of the Key Literature Reviews on Internal Audit Excellence Capability (continued)

Authors	Title	Results
Noviyanti and Winata (2015)	The Role of “Tone at The Top” and Knowledge of Fraud on Auditors’ Professional Skeptical Behavior	The analysis led three key findings in this study. First, skeptical attitude, tone at the top, and the auditor’s knowledge of fraud influenced the skeptical behavior of professional auditors. Second, a high tone at the top of the partner’s style played an important role in maintaining and improving auditors’ professional skeptical behavior, particularly for auditors who had a weak skeptical attitude. Third, auditors' knowledge about fraud improved their professional skeptical behavior.
Lenz and Hahn (2015)	A Synthesis of Empirical Internal audit Effectiveness Literature Pointing to New Research Opportunities	The internal audit to make a difference for an organization, be recognized, respected and trusted and help the internal audit profession in its pursuit of creating a unique identity.
Soh and Martinov-Bennie (2015)	Internal Auditors’ perceptions of their Role in Environmental, Social and Governance Assurance and Consulting	The internal audit profession needs to address the current perceived skills gap in their ability to provide assurance, because the expectations around transparency and accountability increase.

Internal Audit Excellence Capability and Its Consequences

In this research, internal audit excellence capability means recognizing the importance of the internal audit functions, with efficiency and effectiveness, which audit process must be independent and build confidence for all parties by using knowledge of the internal audit and skills. It is also the technical performance of internal audit according to professional standards, rules and regulations of regulatory agencies and organizations, including an understanding of the operations of the organization.

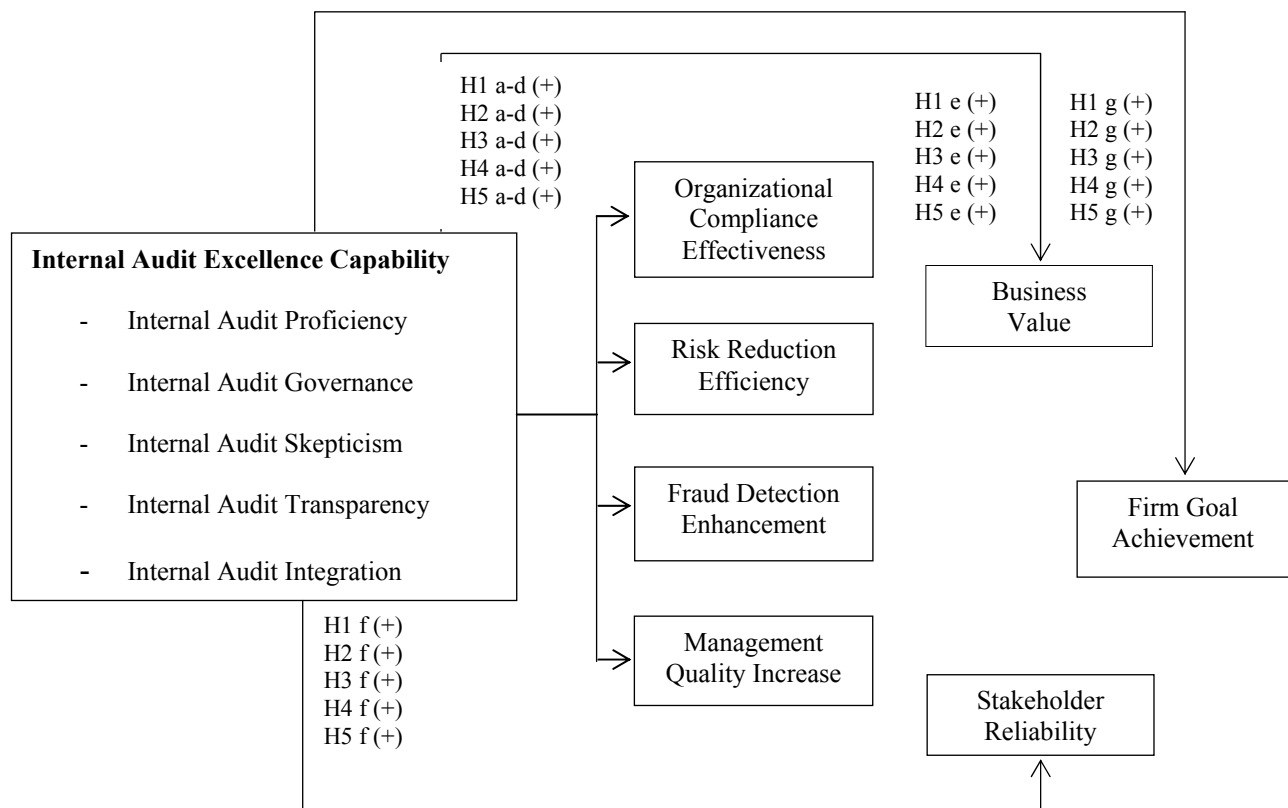
From the perspective of past research, it describes the ability of internal audit in many aspects and many dimensions that are important. Internal audit excellence capability is the integration of multiple dimensions of potential excellence to include internal audit, internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. These are enough to achieve better result than the standard (success) to make the organization succeed effectively in practice and to achieve the ultimate goal. However, most internal audit research utilizes the neutral view as a fundamental concept by testing the excellence of internal audit with a view of each side only.

Thus, this research implements the neutral view of the integration of all aspects of internal audit excellence capability. In addition, there is also the belief that internal audit excellence capability provides the following: accurate and reliable financial and operating information, identification and reduction of risk to the organization, operations that satisfactorily meet the criteria, effective use of resources, and the effective achievement of organizational objectives (Sawyer, 2003). The operations of internal audit have improved and changed over time, according to the complexity of the organization, in operations and commitment to excellence. Based on this rationale, internal audit with higher internal audit excellence capability gains superior firm goal achievement.

This section emphasizes the effects of five dimensions of internal audit excellence capability consisting of internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration as shown in Figure 2.



Figure 2: The Effects of Internal Audit Excellence Capability on Its Consequences



Internal Audit Proficiency

Internal audit proficiency is a process of internal audit in its entirety, and understands the operational processes, organizational structures and procedures that are set out in the action plan of the organization, all of which must have been designed and implemented for internal audits, inspection processes, and procedures that work as scheduled (Lin et al., 2011). Therefore, it requires ability, specialized knowledge and skills of the internal audits for objective monitoring of all activities of the internal audit practice of the organization (Srithanapun, Ussahawanitchakit, and Boonlua, 2013). Accordingly, significant overall internal audit skills, knowledge, and experience (called internal audit proficiency) can add value to the management enterprise (Giselle, 2000). Moreover, Ebaid (2011) has contributed to the definition of proficiency that has been recognized as a professional who is associated with the adoption of internal audit in accordance with specific procedures and techniques required for the operation. Similarly, Arena and Azzone (2007) suggest that professional proficiency is a key factor



in the implementation of the internal audit department for the most relevant operational audit to be effective. Furthermore, it is consistent with Aguolu (2009) who suggests that operational internal audit is based on special skills to monitor and gain knowledge of the wider work development, and of the complexity of the process of organizational control. Besides, for many organizations, with the diverse and complex performance of internal audit by the working group to evaluate the system, the outside system may have an advantage over others. This result, according to prior studies, suggests that the firms may have good internal audit practices, but if they lack of knowledge and understanding of practice, that leads to an outcome that has errors and is unreliable (Ninlaphay, Ussahawanitchakit, and Boonlua, 2012).

For this reason, internal audit proficiency is an important feature and is essential for the performance of the internal audit, which feature consists of knowledge, experience and talent. Especially, Abdolmohammadi (2012) has found significant evidence about the ability to run a check on knowledge and experience that are important factors that affect performance, which can be effective at getting used to operating the system efficiently in systems and versatile operations. Conversely, this is consistent with Rainsbury et al. (2009) who found that ‘best practice’ in all firms is unable to lead to a significant improvement in financial reporting. In addition, past research argues that more internal audit proficiency can affect the quality of the implementation of the organization such as in quality control, quality of service, response to the needs of customers, the quality of internal audit effectiveness, and firm goal achievement (Amirhossein and Raana, 2011; Fadzil, Haron, and Jantan, 2005; Mihret and Yismaw, 2007; Samuel and Afiah, 2013). As a result, for the reasons explained previously, internal audit proficiency answers the question of why the firm is valued and has a clear competitive advantage. Therefore, internal audit proficiency is more important in performance monitoring as part of the internal audit excellence capability to affect the quality of the management of the organization, and implement effectiveness in achieving the ultimate goal of the organization. For the reasons mentioned in the above summary of this research, it defines internal audit proficiency as one dimension of the internal audit excellence capability, which includes the ability to use experience, specialized knowledge, and skills that result in a performance review within the organization, to achieve maximum efficiency (Savcuk, 2007).



In this research, internal audit proficiency refers to the ability to apply the knowledge to assess the adequacy of techniques, processes, methods, plans and procedures to keenly assess the ongoing review, to define the internal audit practice, and follow up the implementation of the audit to effectively achieve the audit goals. From the aforementioned, internal audit proficiency has the potential possibility to provide greater organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase effect on business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypotheses 1a: Internal audit proficiency will have a positive influence on organizational compliance effectiveness.

Hypotheses 1b: Internal audit proficiency will have a positive influence on risk reduction efficiency.

Hypotheses 1c: Internal audit proficiency will have a positive influence on fraud detection enhancement.

Hypotheses 1d: Internal audit proficiency will have a positive influence on management quality increase.

Hypotheses 1e: Internal audit proficiency will have a positive influence on business value.

Hypotheses 1f: Internal audit proficiency will have a positive influence on stakeholder reliability.

Hypotheses 1g: Internal audit proficiency will have a positive influence on firm goal achievement.



Internal Audit Governance

Internal audit is an important tool for a commission under the responsibility of governance. The organization that aims to maintain competition in the strategic value of an effective internal audit process must be supervised by a mechanism to assess quality through clear and measurable indicators of performance-monitoring in order to continuously improve performance. Internal audit is an important factor that helps to add value to the governance of the organization, to reduce the risks in the enterprise; and is a measurement of organizational performance (Pongpanpattana and Ussahawanitchakit, 2013). Furthermore, Goodwin-Stewart and Kent (2006) found significant evidence that internal audit is critical to effective governance, risk management, internal control and compliance systems throughout the organization and structure of the board. In addition, the agency of the Institute of Internal Auditors has created a meaning of governance that is integrated into the working processes and organizational structure which must be prepared by the board to manage and monitor the activities of the organization, and lead directly to achieving objectives (Rossiter, 2000). Similarly, in 2004, IIA indicated that activities of the internal audit are not just a tool to control and monitor the validity of the order, but the audit is based on risk assessment, risk control and governance. Consistently, Srikarsem, and Ussahawanitchakit (2009) found that organizations are strict with rules and regulations to achieve information security compliance management and ensure that the structure stays solid. For this reason, internal audit has to take a role in corporate governance in the patterns as a term assurance and consulting for enterprise management.

The internal audit should be confident and have a role in corporate governance. Consistent with the research of Ninlaphay, Ussahawanitchakit, and Boonlua (2012) compliance with laws and regulations is not the only important factor that caused organizational risk reduction and organizational productivity enhancement. Besides, the laws and regulations are not comprehensive and have a gap that has caused error and corruption. Internal audit should be extended as a greater operational role in the management and provision of benefits and add value to the business, based on information from the internal audit governance system. Accordingly, internal audit governance is important to demonstrate the quality of the audit and professionalism.



The quality internal audit is providing businesses with risk control, risk management and adequate risks of the business that reduce enough business and is able to add value and achieve strategic goals. The internal audit governance is the ability of an organization to supervise and control the internal audit within the framework of the rules and practices of internal audit to ensure accountability, and the creation of a mechanism to evaluate quality, using clear and measurable indicators for continuous improvement.

In this research, internal audit governance refers to the ability of an organization to define a contract or agreement that is assigned in the implementation of operating principles and realize ethics, honesty, fairness, and adherence to ethical standards in accordance with internal audit. The governance process and structure of the implementation of the board of directors in the firm, confidence, and the consultation contribute to the improvement of risk management and internal control; to lead, manage, and monitor the activity of the organization in order to maintain strategic added value of the internal audit. From the aforementioned, internal audit governance has the potential possibility to provide greater organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and a management quality increase of the effect on business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypotheses 2a: Internal audit governance will have a positive influence on organizational compliance effectiveness.

Hypotheses 2b: Internal audit governance will have a positive influence on risk reduction efficiency.

Hypotheses 2c: Internal audit governance will have a positive influence on fraud detection enhancement.

Hypotheses 2d: Internal audit governance will have a positive influence on management quality increase.



Hypotheses 2e: Internal audit governance will have a positive influence on business value.

Hypotheses 2f: Internal audit governance will have a positive influence on stakeholder reliability.

Hypotheses 2g: Internal audit governance will have a positive influence on firm goal achievement.

Internal audit skepticism

Standards of audit practice, internal audit practice, and professional skepticism are important concepts that must be mentioned as always as to specifications and procedures for compliance (Hurt, 2010). The operational requirements of the professional examination and skepticism are key parts of the view. The view is the first objective, and the second view is the view of the assumptions and suspicions. Therefore, from the first view, neutral auditors are notified of errors and fraud by the operation that has measured internal audit performance. The second view is a view of doubt, and assumes the auditor is working with them. Interest in collecting evidence could indicate that there is evidence that is contrary to the facts (Nelson, 2009). The perspective of the auditor is required to collect important evidence consisting of the reduction of risk to an acceptable level. However, the standard practices of internal audit and the audit may apply a perspective of professional skepticism.

Thus, this research used to view a suspect in a professional context, which explains unbiased professional skepticism in checking from the past to the present. The importance of professional skepticism for internal audit skepticism is defined by the International Auditing Standards. For example, in the international auditing standards, for an auditor to conduct administrative inspections without bias or assumption of fraud (ISA 200), the auditor must have a professional skepticism level appropriate to define the strategy of auditing (ISA 300) to gather evidence, evaluate the evidence (ISA 500), and report inspection results (ISA 700) (The International Auditing and Assurance Standards Board (IAASB), 2011b). In the same way, in the United States of America, practices like these appeared in the practice and statements of auditing standards.



Nevertheless, there are many researchers who reviewed the consistency of the definitions between practice and academic standards in the definition of professional skepticism. For example, Nelson (2005) defined that professional skepticism is the auditor's decision on the basis of information received from customers, with a set of assumptions and suspicions that have careful discretion. Conversely, Hurtt (2010) viewed demonstrate that professional skepticism has the characteristics to slow down decisions until it has considered the evidence sufficient and able to serve effectively for the information received. Consistent with Carpenter, Reimers, and Fretwell (2011) and The International Auditing and Assurance Standards Board (IAASB) (2011b), internal audit teams might detect the errors, fraud, and any deviation from standards during the skeptical review. Likewise, an internal audit team which employs skepticism may enhance the quality of their work (Fullerton and Durtschi, 2005). Besides, McCoy et al. (2011) have found internal audit can contribute professional skepticism to operational processes associated with various aspects of the evaluation, analysis and in-depth review of the information that has been received and can resolve suspicion about the internal audit tasks.

Furthermore, the evidence demonstrates that regulatory agencies have specify the importance of skepticism, focusing on supporting and promoting a suspicion of the internal audit (Audit Practice Board, 2010). Similarly, professional skepticism has also been supported by the audit in standards focused on skeptical judgments of the inspection teams that are involved in monitoring (Wedemeyer, 2010). Therefore, in practice, internal audits have used internal audit skepticism as one of the tools to perform the audit as evidence in deciding the verdict in the internal audit and by demonstrating the internal audit excellence capability of the firm (Laohamethanee and Ussahawanitchakit, 2012). Thus, internal audit skepticism refers to the performance characteristics that assist in performing an audit to the maximum performance, and refers to methods of interrogation. The questions should be advice to, when a fault and condition contribute to the ongoing review of the evidence. The features of internal audit skepticism reflect on the question, and any doubt may indicate a weakness of internal control, risk, or fraud. Also, an assessment of the key issues may cause problems in the internal audit, according to Laohamethanee and Ussahawanitchakit (2012). In addition, McCoy et al. (2011) have found significant evidence that the work of the internal audit department has to support and encourage behavioral professional skepticism that is enhanced in the internal audit.



On the other hand, while the internal audit function provides a useful recommendation based on internal control and risk assessment, management may ignore internal audit recommendations. Therefore, risk and internal control weaknesses may prevail. The result is similar to Tengamnuay and Stapleton (2009) who found that some management or audit committee may ignore the internal audit recommendations. Furthermore, successful operational improvement depended on the management's compliance with the internal audit recommendation (Lenz and Sarens, 2012).

In this research, internal audit skepticism refers to ways in which internal audit and assessment may indicate weaknesses that cover the operation of the organization and assess the situation noted in the inspection, the adequacy in identifying surveillance of factors that threaten, and the potential negative consequences. It includes the capability to combine professional doubt, search for additional information, and careful investigation into internal audit planning and activities. Therefore, internal audit skepticism is an internal audit excellence capability derived from internal audit skepticism that is particularly relevant to the practice of internal audit, has potential, and achieves the ultimate goal of the organization.

From the aforementioned, internal audit skepticism has the potential possibility to provide greater organizational compliance with effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality. It increases the effect on business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypotheses 3a: Internal audit skepticism will have a positive influence on organizational compliance effectiveness.

Hypotheses 3b: Internal audit skepticism will have a positive influence on risk reduction efficiency.

Hypotheses 3c: Internal audit skepticism will have a positive influence on fraud detection enhancement.

Hypotheses 3d: Internal audit skepticism will have a positive influence on management quality increase.



Hypotheses 3e: Internal audit skepticism will have a positive influence on business value.

Hypotheses 3f: Internal audit skepticism will have a positive influence on stakeholder reliability.

Hypotheses 3g: Internal audit skepticism will have a positive influence on firm goal achievement.

Internal Audit Transparency

Transparency is a process that expresses the reliability and accuracy of the disclosures and shows the process of making those who use the information to understand that it is all the information to make decisions and meet the standards of the presentation used in the comparison (Mard, 2011). A study by Kaur and Mishra (2010) showed evidence that transparency is a key factor that has been accepted for good governance and should be supported in the management of the organization. Similarly, the Institute of Internal auditors has given meaning to transparency that describes it as the openness which gives access (Institute of Internal Auditors (IIA), 2012). Meanwhile, Hermalin and Weisbach (2007) showed there is evidence that increasing transparency is in relation to the security benefits for the firm. In particular, Pongpanpattana and Ussahawanitchakit (2013) described the role of transparency and responsibility with the disclosure report as having clear objectives to the public.

The information is confidential, responsible and has integrity. Currently, regulators have acknowledged the importance of transparency with the idea that greater transparency is better to close the gap to enforce accounting standards for the executive committee. Also, the audit committee shall ensure that the operational and financial reporting, and disclosure are to communicate the facts to have a true transparency in terms of financial transactions and the financial position (Lander and Auger, 2008). DeBoskey and Gillett (2013) have found that transparency in management can describe credit ratings and cost of funds that also has significance: (i) disclosure and transparency are related to a significant credit rating, and the cost of debt; (ii) disclosure and transparency as intermediaries are significantly associated with credit costs; and, (iii) disclosure and



transparency are related significantly to the cost of equity and related data. The findings show that an increase in transparency has a direct economic impact on the US market. Furthermore, previous research has found that transparency is a factor that has a positive influence on the increased value of the firm and its confidence in the risk management report (Weiner, 2013). In the same way, internal audit transparency is a faithful representation of the reliability of openness in the monitoring activities of their organizations. Consistent with Archambeault and Holt (2008) found that the transparency of reporting on the internal audit can improve reliability for external stakeholders. There is also evidence from the research of Archambeault and Holt (2008) argued that the reliability of financial reporting of stakeholders has resulted from the perceptions of internal audit transparency. Thus, internal audit transparency is ability to disclosure of information that enables knowledge to affect the decisions and judgments of the stakeholders about the internal audit function and the role of corporate governance. Furthermore, it may imply that the transparency process must be transparent in all process and can be checked. Also, the firm should have a third party to monitor and ensure the transparency (Ninlaphay, Ussahawanitchakit, and Boonlua, 2012).

In this research, internal audit transparency refers to that process which is consistent and appropriate to the demonstrate openness in the source of the data, fully to promote credibility, integrity, and recognize. It includes the preparation and formulation of audit plans for which internal auditors must identify and document sufficient information and openness of the activities of internal audit, which can be determined. From the aforementioned, internal audit transparency has the potential possibility to provide greater organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality that increases an effect on business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypotheses 4a: Internal audit transparency will have a positive influence on organizational compliance effectiveness.

Hypotheses 4b: Internal audit transparency will have a positive influence on risk reduction efficiency.



Hypotheses 4c: Internal audit transparency will have a positive influence on fraud detection enhancement.

Hypotheses 4d: Internal audit transparency will have a positive influence on management quality increase.

Hypotheses 4e: Internal audit transparency will have a positive influence on business value.

Hypotheses 4f: Internal audit transparency will have a positive influence on stakeholder reliability.

Hypotheses 4g: Internal audit transparency will have a positive influence on firm goal achievement.

Internal Audit Integration

Integration means focusing on the ability to compile and synthesize existing knowledge gained from internal and external sources, which must have the ability to develop new knowledge to create. The integration is creative about developing high-quality services (Enberg, 2012; Kodama and Boundaries, 2009). The past study of Sumritsakun and Ussahawanitchakit (2009) have found the strategic goals, the beginning of the integration process of strategic implementation, and the level of responsibility of a person that is from a different management system integration. Therefore, the level of interest in the performance style integrates, and is made to work in different levels (Jorgensen, 2006). Furthermore, integrated management system saves the budget to manage the resources. Both human and financial resources are key issues in management (Santos, Mendes, and Barbosa, 2011). Moreover, the integrated management system combines the capabilities or responsibilities of different levels that can be optimized for management (Chen, Chen, and Chu, 2009). Santos, Mendes, and Barbosa (2011) have evidence on record that document control and internal audit practice found that methods of communication are integrated in line with policy objectives and targets for most resources.



The integration is consistent with the conclusions of the research. Meanwhile, Ngowsiri, Ussahawanitchakit, and Pratoom (2013) have evidence of internal audit integration that provides reasons for the reliability of financial reporting, optimization, operational audit, optimization, risk management and the increasing impact value in organizations. The other researchers revealed that an internal investigation into one integrated system of management has been integrated (Bernardo, Marti, and Stanislav, 2010). Moreover, the internal audit integration patterns are consistent with the findings of Karapetrovica and Casadesus (2009), who have confirmed that the organization is monitoring the integration of management systems of operations in this respect. Internal audit integration is another dimension of internal audit excellence capability which monitors activities within the organization's focus on linking goals, objectives, resources, and guidelines for quality management (QM) inspection. For the reasons mentioned above, it has been found that internal audit integration can be achieved from integrating in particular, and focusing on monitoring, control, documentation, verification, registration, operational risk, optimizing management, optimization, process management, employee management, resource management, performance evaluation and development (Santos, Mendes, and Barbosa, 2011).

In this research, internal audit integration refers to the ability to apply a combined approach to the review together as a system, integrating the knowledge of the inspection from various dimensions to create new knowledge and link a set of guidelines on goal objectives. It includes the capability to establish a team with diverse knowledge and different contribution for the creation of a new way to determine the most effective way. From the aforementioned, internal audit integration has the potential possibility to provide greater organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase that have an effect on business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypotheses 5a: Internal audit integration will have a positive influence on organizational compliance effectiveness.



Hypotheses 5b: Internal audit integration will have a positive influence on risk reduction efficiency.

Hypotheses 5c: Internal audit integration will have a positive influence on fraud detection enhancement.

Hypotheses 5d: Internal audit integration will have a positive influence on management quality increase.

Hypotheses 5e: Internal audit integration will have a positive influence on business value.

Hypotheses 5f: Internal audit integration will have a positive influence on stakeholder reliability.

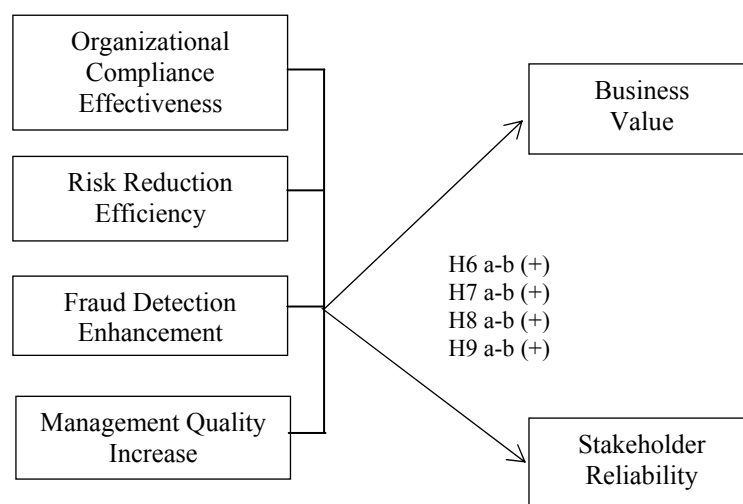
Hypotheses 5g: Internal audit integration will have a positive influence on firm goal achievement.

Consequences of Internal audit excellence capability

The effects of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase have positively impact on business value and stakeholder reliability. This part emphasizes the effects of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase as shown in Figure 3.



Figure 3: The Effects of Internal Audit Excellence Capability Consequences on Business Value and Stakeholder Reliability



Organizational Compliance Effectiveness

In the past, much research evidence has confirmed that the purpose of the audit is making sure that the implementation of the enterprise must adhere to strict rules and regulations in order to achieve the objectives of the organization. Organizational compliance effectiveness is ability to the fulfillment of the obligations and mechanisms to monitor internal policies, standards, regulations, or legal requirements that are clearly defined (Srikarsem and Ussahawanitchakit, 2010). Maintaining compliance with the law is valuable. It consists of many aspects such as practical steps to control the internal audit, compliance, legal requirements, and certification from the outside (Howes, Sandy, and Martin, 2005).

For the value of the firm to rise, everyone in the organization, starting from the manager and staff, need to focus and respond to the duty of knowing and following the rules of the organization for the purposes of checking within the organization to ensure that the area to verify meets the standards of professional quality (Galan and Battaner, 2009). For this reason, the organization whose goal is to increase capacity and meet the wealth in the long-term has used regulatory compliance and strategic planning as an important factor in focusing the perception of people in the organization and leading the operation (Srikarsem and Ussahawanitchakit, 2010). Thus, organizational compliance



effectiveness can represent the effectiveness of the audit and internal control in accordance with the purpose of complying with the rules and regulations in the operations of the organization. Furthermore, in the conclusion from the studies of Shapiro and Matson (2008) and Jokipii (2010), there is evidence that compliance with the rules inside and outside the organization (such as in regulatory compliance, corporate governance, and preparedness to learn about regulatory changes that occur and are always in planning) is ready to find a way to solve problems that may arise from law enforcement and new requirements to increase organizational compliance effectiveness. In this research, organizational compliance effectiveness refers to the manager toward the increasing usefulness of the compliance of the organization such as in the fulfillment of the obligations, compliance requirements, and standards or laws clearly defined. This makes it possible to create and maintain operational accuracy, it can result in increased business value, and would be acceptable to all stakeholders. For that reason, organizational compliance effectiveness results in internal audit excellence capability that can improve the efficiency and effectiveness of implementation, resulting in business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypothesis 6a: Organizational compliance effectiveness will have a positive influence on business value.

Hypothesis 6b: Organizational compliance effectiveness will have a positive influence on stakeholder reliability.

Risk Reduction Efficiency

Risk is opportunity, the probability of error, corruption, leakage of resources, a wasteland, or the unsolicited action that may arise under disputed circumstances, which may occur in the future effect or impairing an operation that does not succeed in the objectives and goals of the organization, in terms of strategy, operations, finance and administration. Risk management is the process of a systematic and continuing help for organizations to reduce the chance of damage, for the cause of the damage, or the size of the damage may occur in the near future for acceptable levels of the organization



to assess, control and check with the system, taking into account the objectives or goals of the organization that are critical (Karagiorgos, Dogalas, and Dimou, 2010).

Currently, business is more complicated and tended to be more vulnerable to emerging uncertainties that could expand quickly and cause damage. A likeness, in the development of the risk management process, is used to perform internal audit work that is motivated by the urge to use a method of risk management, and risk the chance of it not happening. Of course, implementation and monitoring processes may subject to change over time, depending on the circumstances for risk reduction efficiency (Kueket, Janjarasjit, and Raksong, 2014). Risk reduction efficiency is ability of risk management effectiveness, from the implementation of an organization to an acceptable level. Therefore, businesses need to focus more on the risk reduction efficiency of risk management, planning, and creating a system to enhance risk management to focus on the time and place for adequate management guidelines. Pricewaterhouse Coopers (2004) described the context of the risks posed by any type of internal or external risk driver which is the cause of the occurrence of different risks of internal factors that may also be caused by internal corporate culture, organizational structure, personnel organizations and/or causes of external factors such as competition in the economy, or an uncertain current political course that may pose different risks. Therefore, internal audit can play a greater role in raising the level and approach to risk management by increasing the availability and capacity of the internal audit function that is enough to cause risk reduction efficiency.

The role of risk management in the internal audit function is a key factor in successful a risk management framework for holistic approach. It is relevant to an assessment of the risk function of the internal examination auditor. The role of internal auditors must be given a framework to be able to handle the uncertainty of risk more effectively. The activities and responsibilities are clearly defined, and are preparing a strategic plan based on the policies set by the board of directors in the management of the organization (PricewaterhouseCoopers, 2005). The internal audit is the way to support the management, evaluation and reporting for proper and adequate risk management processes of an organization, and can express opinions freely, for risk reduction efficiency. Kueket, Janjarasjit, and Raksong (2014) argued that the administration wants to support the risk management of the organization, and that the main reason of the importance of internal audit is an attempt to create or add value to the business and



to increase the confidence of stakeholders. Hence, if the organization has internal audit excellence capability, it can reduce the uncertainty that may affect the operation of the organization. Risk reduction efficiency is the key to success in operations (PricewaterhouseCoopers, 2004). Moreover, risk management provides a framework of management to be effective with uncertainty and the associated risk that may enhance its capacity in achieving firm goals (Tamosiuniene and Savuck, 2007). Especially, for firms to respond to risk through their actions, they must desire a defensive measure for risk arrangement which identifies factors and opportunities that influence risk Manuele (2006); for example, in risk assessment and risk management (Miller, 2009). Depending on how the internal audit is clearly defined and complies with procedures established as planned, it bring to the internal audit practice (Institute of Internal Auditors (IIA), 2013). Also consistent with Crawford and Stein (2002), there is evidence that the risk reduction and risk management level is acceptable to achieve the objectives and targets for the internal audit efficiency of the organization. The benefits of risk management to risk reduction efficiency is able to help organizations achieve their goals, and reduce the potential obstacles that may hinder profitability by taking action to prevent damage occurrence, to manage the organization's resources, and to build confidence in regulatory compliance and reporting (PricewaterhouseCoopers, 2004).

In this research, risk reduction efficiency refers to the identification, evaluation, risk management and control, event or situation that is certain and has potential for decreasing risk at an acceptable level. Examples are the transfer of risk, control of risk, and avoidance of risk by implementing appropriate policies and procedures (Karagiorgos, Dogalas, and Dimou, 2010). For this reason, risk reduction efficiency, and the results of internal audit excellence capability can improve efficiency and effectiveness in the implementation of the resulting business values and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypothesis 7a: Risk reduction efficiency will have a positive influence on business value.

Hypothesis 7b: Risk reduction efficiency will have a positive influence on stakeholder reliability.



Fraud Detection Enhancement

The definition of fraud in the internal audit is done deliberately by dishonest deception, for the exploitation should not be lawful for oneself or others, including the intentional distortion of the truth, proposed additions, or editing of documents or accounts incorrectly omitted, distorting the effects of fraud for accounting documents or records without evidence, or deliberately distorting the results of operations of the organization. Fraud means a worker with one or more persons who may be the employees, management or involved third parties, who act together wrongfully or illegally, to achieve benefits for themselves or their accomplices. The benefits of this are meant not only in terms of money, but also involves other matters which may not be directly related to money. Therefore, fraud is a major obstacle in the implementation of the organization by causing problems in the management of resources, and may occur at any time. With current technological advances, more fraud is more sophisticated. It is logical to examine more difficult matters, especially if management and employees cooperate in the conspiracy to conceal the fraud (Kueker, Janjarasjitt, and Raksong, 2014).

The increasing amount and complexity of fraud has caused severe problems for businesses, so that managing fraud detection enhancement is necessary (Romney et al., 1980). The scope and responsibility for the fraud in the audit is to review and assess the adequacy of controls within, defined by management, as well as to be careful to quickly and accurately detect the warning signs or any indication that fraud may have occurred. Therefore, the responsibility for the internal audit to detect fraud and reporting is essential, as the report is an important risk for fraud protection in organizations (Berman, 2006; Kaplan and Schultz, 2007; Salierno, 2007). Internal audit standards (1210. A2) explain that internal auditors should possess knowledge, and use observation and professional skepticism to identify signs of fraud; but not necessarily to have the expertise of those who are directly responsible for the detection or investigation of corruption (Institute of Internal Auditors (IIA), 2013). Conversely, fraud detection is based on internal auditors who have knowledge of the management structure and organization responsible for internal controls of the organization (Norman et al., 2010). The role of the internal auditor is an advisor to the management team to improve performance and increase productivity, as well as to ensure that resources are used efficiently and that the cost is effective.



Hence, the department of the internal audit is responsible to monitor and evaluate the adequacy of internal controls defined by management, as well being careful to quickly and accurately add warning signs or indications that corruption may happen. Therefore, the internal audit team should understand the relevant rules and procedures clearly (DeHaven, 1990), understand the international standards, and follow the professional advice at the operational level of professional audit efficiency. Moreover, management is currently trend to believe that internal audit is responsible for the fraud and corruption that may occur in the organization and the efficiency in detecting corporate fraud as part of governance, and is establishing credibility for investors (Romney et al., 1980). In accordance with the Association of Certified Fraud Examiners (ACFE) (2006), the role of monitoring the operation can reduce the losses caused by corporate fraud because internal auditors are part of the organization. Therefore, the implementation of the internal audit department, by improving the system of internal control, risk assessment, risk management, planning, and monitoring behavior to reduce the likelihood of fraud, helps organizations to be able to save costs (Limmroth, 2012). In the same way with Tan (2011), there is evidence that the development of internal audit and fraud detection enhancement helps to protect all stakeholders. Furthermore, Bell et al. (2002), and Coram, Ferguson, and Moroney (2008) have confirmed that the function of internal audit to help increase the chances of detecting errors means deterrence and detecting fraud and error. It can pursue ways to take risks to a lower level, and take a risk that is acceptable in the target of detection. Similarly, Moyes and Hasan (1996) show there is evidence that fraud-auditing firm detection has been increasing significantly with the success of the organization. Especially, if the firm is monitoring, experience may able to detect fraud better than other auditing firms with less experience; and, most importantly, a firm with a board of internal audit and internal control effectively has fraud detection enhancement (Alleyne and Howard, 2005). Besides, Kueket, Janjarasjit, and Raksong (2014) revealed the definition of success for checking errors. Fraud is the ability to discover violation failures so as to comply with the laws and regulations of the organization.

In this research, fraud detection enhancement refers to the achievement of good protect suppression of fraud or errors, defects that are at risk of potential fraud, and reducing the likelihood of corrupt behaviors. For the reason, fraud detection enhancement



results in the internal audit excellence capability that can improve efficiency and effectiveness in the implementation of resulting business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypothesis 8a: Fraud detection enhancement will have a positive influence on business value.

Hypothesis 8b: Fraud detection enhancement will have a positive influence on stakeholder reliability.

Management Quality Increase

Current organizations seek implement their organization's efficiency to increase the competitive advantage of operating performance because it is with in the organization's ability to innovate and improve operations in order to increase the quality for achieving corporate objectives (Kueket, Janjarasjit and Raksong, 2014). Therefore, business demands reveal how to allow companies to achieve the strategic goals of long-term success by focusing on the implementation and achievement of profitability through effective competition (Alič and Rusjan, 2010; Li et al., 2006; Su and Yang, 2010). These increase confidence of and meet the requirements of stakeholders, and are part of the strategic plan which can help improve business performance over the long-term (Asif, Fisscher, and de Bruijn, 2010; Li et al., 2006; Su and Yang, 2010). In addition, the provision of an internal audit function not only provides confidence in the operation, but focuses on the policies, practices and procedures for continuous improvement and a focus on connectivity strategies of the organization (Seminogovas and Rupsys, 2006). Hence, internal audit capability plays an important role as a management tool for the evaluation of the link between vision and the strategic goals of the organization (Institute of Internal Auditors (IIA), 2012). Driessen and Molenkamp (1993), and Reding and DiGirolamo (1994) provided evidence that internal audit departments have audit results and recommendations based on the assessment of increased management quality. According to internal audit, the capability to deliver services to improve operational resources is used sparingly to support management by providing suggestions for translating strategic operational goals (Driessen and Molenkamp, 1993), assessment strategy (Seminogovas



and Rupsys, 2006), consulting, and strategy modification (Leonard and McAdam, 2002).

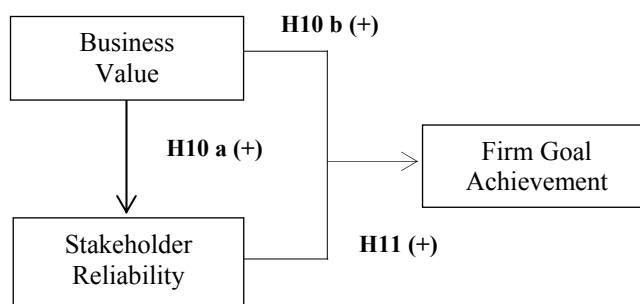
In this research, management quality increase refers to the results of the operation which meets the evaluation, analysis, and comparative performance data that are critical to improving the system; providing convenience and conciseness; reducing process redundancies to help the situation, reducing the time and cost, and also acting as a mediator between management and shareholders working in coordination. It reduces misunderstandings while the policies of the organization improve the quality of management that enables business value to achieve goals. For this reason, management quality increases the results of internal audit excellence capability to improve the efficiency and effectiveness in the implementation of resulting business value and stakeholder reliability. Therefore, the hypotheses are proposed as follows:

Hypothesis 9a: Management quality increase will have a positive influence on business value.

Hypothesis 9b: Management quality increase will have a positive influence on stakeholder reliability.

The effects of business value and stakeholder reliability have positively impacted firm goal achievement. This part emphasizes the effects of business value, stakeholder reliability, and firm goal achievement as shown in Figure 4.

Figure 4: The Effects of Internal Audit Excellence Capability Consequences on Firm Goal Achievement



Business Value

Making business processes reach a point where the organization survives in business, the executives have recognized that implementation by the need to understand the changes adds value, such as in customer requirements, employees, and stakeholders, which targets change in business value. The current paradigm of internal audit has shifted from a focus on accountability, with the former aimed at improving future results (Mihret and Yismaw, 2007). In the transition from traditional audit to value-added by managing greater importance, the changes have resulted in the definition of the internal audit (Cooper, Leung, and Wong, 2006). Similarly, Institute of Internal Auditors (IIA) (2009) has provided a means of checking the internal consultation, assurance, and the freedom to achieve their objectives in the design activities of the enterprise to improve and increase the value of the enterprise. The internal audit function has been designed to maximize the value of the business and enable organizations to achieve their goals (Srichanapun, Ussahawanitchakit, and Boonlua, 2013).

Besides, the International Professional Practices Framework (IPPF) has explained the context of enhancing the business value of internal audits that are important to achieving the objective in the operations of the organization. Thus, the explanation for this order suggests that internal audit can help organizations achieve their objectives (Institute of Internal Auditors (IIA), 2009). Internal audit, as a management tool, can respond to the demands of different types of boards and senior management, including the board of directors who desire information about the long-term survivor of the enterprise, while the board committee needs information regarding the reliability of financial reporting (Dobni, Ritchie, and Zerbe, 2000; Lenz and Sarens, 2012). Especially, the factors, achievements, and effectiveness of the internal audit of the measures suggest that the report of performance success is relying on monitoring techniques, coupled with the skills of internal auditors. Therefore, the presentation of the audit report communicates understanding and acceptance from management, and builds the confidence of stakeholders by presenting the facts of the evidence. It is important that internal auditors need to be adapted to suit the individual situation and truly pose added value to the business. Similarly, Srichanapun, Ussahawanitchakit and Boonlua (2013) argued that internal audit excellence capability can help to get the better respond to stakeholders, who contribute to the business value. Business value refers to



the ability of an organization to provide stability in monitoring, management, and service integration that improves performance in both the short and long-term to achieve its strategic objectives and goals. Consistent with Arena and Azzone (2009), and Roth (2003), the concept of increased value of internal audit processes has a direct impact on corporate performance. Meanwhile, business value affects stakeholder reliability as to confidence in the operations of the organization (Savcuk, 2007). There are also many other researchers such as Anderson (2003), Badara and Said (2012) and Mihret and Woldeyohannis (2008) who have found that the impact on the ability to audit the operations of the organization to manage in an environment with high risk affects greater value for the organization. In contrast, Al-Twaijry, Brierley, and Gwilliam (2004) have found that a lack of an independent internal audit function influences the reduction of business value. For this reason, one must be sure to check that the principles and guidelines for ensuring audit quality can help add value to business executives who can use the information in the administration, causing the administrative process to reply a great deal of the implementation of corporate objectives; and goals with effectiveness, efficiency, resource-saving, cost-effectiveness and is recognized as stakeholder reliability. In the same way, Waenkaeo and Ussahawanitchakit (2011) have confirmed that the involved stakeholders, both internal and external customers, employees, and the community have faith and trust in the firm to operate effectively with business added value and is managed without error and bias by internal audit excellence capability.

In this research, business value refers to the organizations that extend the value of organizations more than in economic value, and reinvent, and improve performance in both the short and long term to achieve the strategies, objectives, and goals. As aforementioned, based on the literature review above, this research hypothesizes that business value positively impacts stakeholder reliability and firm goal achievement. These ideas lead to the hypotheses proposed as follows:

Hypothesis 10a: The higher business value is, it will have a positive influence on stakeholder reliability.



Hypothesis 10b: The higher business value is, it will have a positive influence on firm goal achievement.

Stakeholder Reliability

Policies and practices regarding the role of the firm and the stakeholder group are a guide to good corporate governance and business ethics, responsibility, and stakeholder groups. This is including the treatment of shareholders, customers, suppliers, competitors, creditors, government employees, communities and the environment. The creation of a reliable stakeholder organization must have a corporate governance that contributes to the fairness of groups with management processes within the organization in terms of policy, strategy, internal audit, risk management and internal control, if it is to have transparency and reliability. Based on past findings, the financial statements of the organization are considered as the efficiency of the management of the organization (Hatfield, Agoglia, and Sanchez, 2008). It suggests that stakeholder reliability is affected by the transparency and reliability of corporate financial statements. Hence, the results of internal audit excellence capability of an organization are instrumental in the creation of stakeholder reliability. Therefore, the process of internal audit, thus affecting the satisfaction of all stakeholders, provide assurance for financial statements. Auditors may use strategies that might be able to have quality improvement monitoring of the pressure of the stakeholders in the operation. In addition, a professional internal audit of the decision is independent of conflicts of interest and acts honestly, which integrity is used to meet professional responsibilities to people, and to preserve the reputation of the profession (Gunz, McCutcheon and, Reynolds, 2009).

Consistent with Waenkaeo and Ussahawanitchakit (2011), the research explained the reliability of stakeholders, such as in error and prejudice. The firm is designated as having the credibility and trust of the stakeholders involved both inside and outside the firm, such as employees, customers and community. Specifically, the good financial report without error bias, bring to dependability and gaining the trust of society (Waenkaeo and Ussahawanitchakit, 2011). Moreover, in evidence from the prior research of Beyer and Sridhar (2006) shows that the reliability of stakeholders is affected by the quality of the inspection reports, and those are audited by a reputable number of employment companies. This is if one actually checks the quality of increase in the average probability



of failure in monitoring, compared to an average quality of monitoring in an identical reporting environment.

In this research, stakeholder reliability refers to the result in which organizations can increase the trust and credibility of the interested party who are involved with both internal and external staff, customers, the community and society. Without them, the financial information about the organization is not guilty of errors and bias from quality inspection reports and reputation to determine which organizations may receive it. As aforementioned, based on the literature review above, this research hypothesizes that stakeholder reliability positively impacts firm goal achievement. These ideas lead to the hypothesis proposed as follows:

Hypothesis 11: The higher stakeholder reliability is it will have a positive influence on firm goal achievement.

Firm goal achievement

Business currently make an actual contribution in line with a target that is placed by management so that organizations can achieve the performance desired by the success of operations such as in internal audit excellence capability, which is the target of the operation that should comply with the goal of the organization. Firm goal achievement is capable of operating in both financial and non-financial areas that are linked to the mission, vision and strategy of the organization's operations that are focused on achieving the goals of the organization. This is the development strategy for continuous change and sustainability (Pongpanpattana and Ussahawanitchakit, 2013). Meanwhile there is a rapid change in today's economy. Organizations need to adjust continuously by changing the policies, plans and procedures to respond to the environment of business transactions (Danneel, 2002). Moreover, in line with many academics such as Deepen, Goldsby, and Knemeyer (2008) and Zaccaro and Klimoski (2002), there is evidence that the challenges to the implementation of effective strategies that link with the mission, vision and strategic goals of the organization help them achieve firm goals. Likewise, review compliance, by monitoring implementation, monitoring and evaluation, in line with the expectations of the organization, aims to contribute to the effective and efficient implementation strategy that enables organizations to achieve their goals on the basis of the links of the



organization's mission, vision and strategic goals (Zaccaro and Klimoski, 2002). For example, Jiang, Rupley, and Wu (2010) show there is evidence that the organization with weaknesses of internal control and risks, has a higher tendency to cause the problem of corruption. Also the cause of the weakness of the environment is that it is unable to be controlled and has an inability to protect the organization that continues to corporate financial reports lack credibility. Similarly, Robkob and Ussahawanitchakit (2009) provided evidence that the firm goal achievement is based on the ability of organizations to create increased opportunities through the process of developing and improving profitability and competitiveness in the long-term. Hence, organizations must be quickly capable of operating in a correct and appropriate response to the problem.

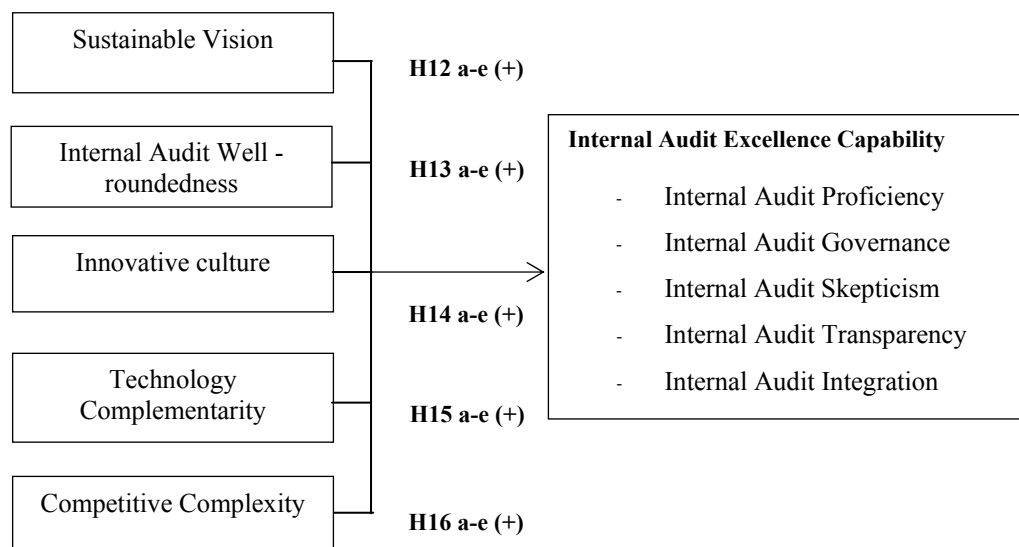
In this research, firm goal achievement refers to an outcome that has shown the performance of firms both financial and non-financial. That arises from an ability of a firm to concentrate on planning and operations that increase steadily in market share, profitability and competitiveness in the long-term. It includes taking into consideration the need of stakeholders and all parties for both governance and accountability.

The Effect of Antecedent Variables on Internal Audit Excellence Capability

This section emphasizes the effects of the antecedents of internal audit excellence capability on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity as shown in Figure 5.



Figure 5: Effects of the Antecedents on Internal Audit Excellence Capability



Sustainability Vision

Sustainability means that companies are seeking ways to survive in the long-term as to operating personnel and corporate culture (Thaweechan and Ussahawanitchakit, 2011). The vision is that the business may survive with sustainability. The firm is committed to the growth and sustainable development of society and the environment, including those with all interested parties in accordance with the set vision that is flexible and appropriate to the situation as a basis to generate sustainable growth. The issues of importance include sustainability vision, leadership, and governance. Strategic planning quality, customers, human resources, finance, and environment are key factors in supporting and promoting the adoption of new methods or techniques used in the enterprise. At the founding of the organization, its vision is very important for the operation of the organization as it demonstrates a policy on the management of the firm which can affect the success of the firm, in particular, sustainability vision (Pothong and Ussahawanitchakit, 2011). Likewise, Stichler (2012) shows evidence that the vision of the organization is one of the most important characteristics of the operations of the organization, and its role as a leader is to develop a shared vision for the organization. Further, the vision can be the agent designed to enhance the value of the organization. This sustainability vision is very important for organizations to contribute to the goals and objectives. Especially, Altioik (2011) has stated the vision demonstrates the firm's future policies



and fundamentals that reflect a clear understanding of the current situation and the future for the purpose of the policy of the firm. Likeness, there is evidence of research among Pothong and Ussahawanitchakit (2011) which argues that there is a vision of the organization that is able to drive organizational change. Furthermore, Raynor (1998) explained that vision is determined to be necessary for the future of the firm so as to be in a condition to compete with the vision to provide better planning. It is for the future organization to benefit from the vision of the long-term view of the firm.

Vision for the long-term need or are intended for planning future operations of the enterprise in terms of strategic direction and/or the objective basis for sustainability (Pothong and Ussahawanitchakit, 2011). The results of previous research found vision effective for the area of business. For example, Altiok (2011) found evidence that the organization has a clearly-defined vision that affects the achieved operating results. Besides, there are findings which confirm that the vision of operation affects the ability to adapt to meet a changing enterprise (Korbangyang and Ussahawanitchakit, 2010). In the same way, Pothong and Ussahawanitchakit (2011) proposed that the vision of management for long-term sustainability has a positive impact on sustainable accounting. For this reason, sustainability vision is an important factor as one factor that affect internal audit excellence capability made possible by the circumstances of each organization in the policy plan for sustainability vision. However, the finding illustrates that the primary goal of sustainability should be operated within optimal capacity. It asks for a dynamic equilibrium between humankind and natural systems (Cairns and Saier, 2010).

In this research, sustainability vision refers to a set of goals or intentions of a good planning. In the future, in terms of the fundamental objectives or strategic direction, the benefit of doing business in the long-term reflects the priorities and values of the organization. In the long-run such, changes are planned in the form of adaptation that is necessary for a sustainable future. Based on the literature, the influence of sustainability vision has the potential possibility to affect internal audit excellence capability. Thus, the hypotheses are proposed as follows:

Hypothesis 12a: Sustainability vision will have a positive influence on internal audit proficiency.



Hypothesis 12b: Sustainability vision will have a positive influence on internal audit governance.

Hypothesis 12c: Sustainability vision will have a positive influence on internal audit skepticism.

Hypothesis 12d: Sustainability vision will have a positive influence on internal audit transparency.

Hypothesis 12e: Sustainability vision will have a positive influence on internal audit integration.

Internal Audit Well-roundedness

The capability to apply administration business knowledge and well-rounded skills in the approach to planning appropriate resources, contributes to the development of new initiatives to be responsible for the performance of complex tasks; or may participate in the planning, evaluation and coordination which affect the operation of the firm. The knowledge and well-rounded skills for internal audit excellence capability means internal audit well-roundedness, referring to many talents, much knowledge and understanding about the audit and accounting standards within the legal regulations, and management principles (Kueket, Janjarasjit, and Raksong, 2014). Accordingly, the audit by internal auditors must have the knowledge to work with several talented persons and other knowledge required to monitor the operations. Consistent with the Struweg and Meintjes (2008), researchers argue that the internal audit profession requires knowledge that is needed to affect the practice skills and capabilities for other key operational responsibilities. Furthermore, there are many researchers, namely Arena and Azzone (2009) and Aguolu (2009) who confirm that the audit is based on the skills and knowledge for a wider understanding of the complexity of the process under the organization's control, and are subject to change. In particular, internal audit well-roundedness refers to internal auditors who are knowledgeable in a wide range of professional knowledge, expertise or skills, including the ability to internally audit (Haurani et al., 2007; McMillan, 2004). In addition, Abdolmohammadi (2012), and Garcia-Benau and Zorio



(2004) state that there is evidence that the effective monitoring of internal auditors must have an internal audit that requires knowledge and professional well-roundedness.

Internal audit well-roundedness includes internal auditors who have adequate knowledge and skills that can be used to monitor inside activity. Identifying indicators are common knowledge about the risks, control technology, and detection techniques for using information technology (Kueket, Janjarasjit, and Raksong, 2014). Furthermore, Havelka and Merhout (2013), and Srichanapun, Ussahawanitchakit, and Boonlua (2013) suggest that for the best internal audit, internal auditors must have the knowledge and the skills necessary to perform with job-related knowledge and skills to take practical steps to achieve the task that affects increases of the operations of the organization. Conversely, Doyle, Ge, and McVay (2007) suggest that lack of knowledge and skills necessary for planning and monitoring is a major cause of certain events such as material weakness. In contrast, a lack of knowledge, skills and understanding of the operation could lead to erroneous results that are unreliable to stakeholders (Ninlaphay, Ussahawanitchakit, and Boonlua, 2012).

In this research, internal audit well-roundedness refers to attainments in the knowledge of a wide range of skills, knowledge, prudence, reason; and understanding of the practice standards, legality, regulation, risk, control and information technology. Besides, the technical validation of information technology regulations relating to the nature of business, management principles, knowledge of principles of professional management, and other knowledge contribute to inspection work. Based on the literature, the influence of internal audit well-roundedness has the potential possibility to affect internal audit excellence capability. Thus, the hypotheses are proposed as follows:

Hypothesis 13a: Internal audit well-roundedness will have a positive influence on internal audit proficiency.

Hypothesis 13b: Internal audit well-roundedness will have a positive influence on internal audit governance.

Hypothesis 13c: Internal audit well-roundedness will have a positive influence on internal audit skepticism.



Hypothesis 13d: Internal audit well-roundedness will have a positive influence on internal audit transparency.

Hypothesis 13e: Internal audit well-roundedness will have a positive influence on internal audit integration.

Innovative Culture

Innovative firms support and give priority to the development of new ideas and creation, with the support of new technology and with the support of new technology and the research and development to create products and services by participating in the introduction and trial products in leadership. The findings of Hult, Hurley, and Knight (2004), Kohli and Jaworski (1993) and Keskin (2006) have found a positive relationship between innovation and the efficiency of the organization. Besides, Vakola and Rezgui (2000) have found evidence that the industry is defined by innovative new ideas in product development, process development, or perception new to a person, group, or organization. The determining innovation is the intellectual agility that can be associated with the ability to develop new things. The ability to develop and apply their knowledge and skill abilities create new knowledge (Roos et al., 1997). Nonetheless, Oliver and Kandadi (2006) suggest that for product development, the invention of new products or services that are more unique and stand out from competitors affect the firm's success. The firm mainly focuses on the development of changes in order to face the new challenges that affect their ability to perform their job capabilities (Lam, 2005). Organization guideline is develop to foster an innovative culture of innovation, challenge, and the best way to make them stronger. The culture of enterprise knowledge can be effectively used in staff operations management by continuing to create and share the use of the knowledge to be successful, especially in knowledge innovation (Wang, Su, and Yang, 2011).

Knowledge management, to monitor resources and the use of new knowledge by learning from the knowledge, and absorbing knowledge from outside the organization improves the efficiency of the process, innovation or production (Chang and Lee, 2007; Hung et al., 2010). Therefore, innovative culture, as a part of organizational knowledge, is defined as an innovative organization with attitudes, beliefs, values and behavior of



the involved companies in the creation, development and application of knowledge in new ways (Girdauskienė and Savanevičienė, 2007; Saeid and Mehdi, 2010). For that reason, innovative culture is a key factor in the implementation of the knowledge of new methods that can be developed to the level of internal audit, and is based on innovation. Innovation learning curve the culture of the organization to foster the ability of internal audit excellence.

In this research, innovative culture refers to an organization that needs to indoctrinate; develop new practices, ideas, or new perspectives; and the application of new forms by creating new ways to build faith. Based on the literature, the influence of innovative culture has the potential possibility to affect internal audit excellence capability. Thus, the hypotheses are proposed as follows:

Hypothesis 14a: Innovative culture will have a positive influence on internal audit proficiency.

Hypothesis 14b: Innovative culture will have a positive influence on internal audit governance.

Hypothesis 14c: Innovative culture will have a positive influence on internal audit skepticism.

Hypothesis 14d: Innovative culture will have a positive influence on internal audit transparency.

Hypothesis 14e: Innovative culture will have a positive influence on internal audit integration.

Technology Complementarity

Current technology is an important component in business processes, and is a key factor to increase the capacity of the current system. The basic task is compatible with other systems. The fast-growing development and advancement of information technology (IT) has been highly and effectively used by various businesses to enhance



the operations of the organization (Najafi and Goodarzi, 2012). Consistent with Baroni and Araujo (2001) and Perrott (2007), the context strong of information technology (IT) puts pressure on companies to invest more in IT in order to change the way they work to compete with competitors and improve survival. Technology complementarity is the growth and development of technology that allows companies to use technology to make a decision in choosing new ways that are highly specialized and are beneficial to the firm (Najafi and Goodarzi, 2012; Xue, Ray, and Sambamurthy, 2012). The growth of technology complementarity, in part, strengthens the ability of learning and knowledge in the operation of the organization, such as in increased speed, expanded memory, and reduces errors in communication (Wissner, 2011). Besides, Mills and Smith (2011) suggest that the benefits of technology complementarity are to create the right environment to promote the implementation of the transfer of knowledge, the integration of activities, and data storage. There is also past research which insisted that information technology (IT) provides investment that increases the financial and operating performance of the market (Bharadwaj, 2000). Likewise, Najafi and Goodarzi (2012) have found evidence that technology complementarity is the ability to create management knowledge that affects the operating results of the firm for the long-term.

Furthermore, technology complementarity, in both hardware and software, has been in used in the conduct of business functions, especially in the function of internal audit techniques. Technology used to support the activities of the internal audit of such technology enables one to continuously monitor these benefits to improve the efficiency of the internal audit activity (Gonzalez, Sharma, and Galletta, 2012; Masli et al., 2010; Vasarhelyi, Teeter, and Krahel, 2010). Meanwhile, there are also many other researchers who have confirmed the use of technology complementarity in the audit, including Gonzalez, Sharma, and Galletta (2012), Masli et al. (2010) and Kim, Mannino, and Nieschwietz (2009) who described the context of the use of technology complementarity of the internal audit. Internal audit can help the team understand the data collected from the database of the organization, making the internal auditor to conduct and analyze pointers that measure the fraud risk assessment of internal control weaknesses and the implementation of controls risk management in the continued use of monitoring technology. The use of monitoring technology can help reduce the process of an internal investigation by quickly obtaining information from the database, and easily analyzing



data in a timely manner (Vasarhelyi, Teeter, and Krahel, 2010). Conversely, Smaczny (2001) indicates that information technology is not compatible to use for management and does not meet with the firm's target. It is not going to obtain competitive advantage. Brown, Wong, and Baldwin (2007) and Kim, Mannino, and Nieschwietz (2009) have stated that the use of authentication technology enables performance monitoring capabilities in the areas of audit and risk; and are often used to determine the time and the ability to control events in suitable time. Hence, audit technologies are useful in improving the effectiveness of internal auditing activities. For that reason, technology complementarity is a key factor in the implementation of monitoring technology that can be useful in improving the efficiency of the internal audit activity, to encourage internal audit excellence capability.

In this research, technology complementarity refers to relying on system resources, information technology, and networks that are highly stable and complete, to arrange applications and be helpful in providing information that is quick to implement improve coordination. Based on the literature, the influence of technology complementarity has the potential possibility to affect internal audit excellence capability. Thus, the hypotheses are proposed as follows:

Hypothesis 15a: Technology complementarity will have a positive influence on internal audit proficiency.

Hypothesis 15b: Technology complementarity will have a positive influence on internal audit governance.

Hypothesis 15c: Technology complementarity will have a positive influence on internal audit skepticism.

Hypothesis 15d: Technology complementarity will have a positive influence on internal audit transparency.

Hypothesis 15e: Technology complementarity will have a positive influence on internal audit integration.



Competitive Complexity

Currently the business that is concentrated in high competition, and under limited resources, poses unpredictable environmental conditions. Particularly, competitive environment both inside and outside the organization are changing constantly. Pongpanpattana and Ussahawanitchakit (2013) have found the meanings of competitive complexity that have different variety, and represent part of the competition consisting of instability and uncertainty, which expands the scope to the market offering variety. Hence, complex business in competition consist of a number of competing types of new competitors, and the actions of those competitors. The market might be more diverse and have sophisticated business competition. The current competitive business climate has changed over time, and most organizations have to adapt the in structures and patterns of production and management, according to the environment. Luo (2001) has explained the complexity of the environment in different varieties, by elements of the environment that are unstable and uncertain. As the environment changes within the organization, continuing to enhance competitiveness becomes more complex. The firm has used methods to save resources and improve strategies to improve performance, and has to modify business processes to effectively meet customer demand (Pongpanpattana and Ussahawanitchakit, 2013). Moreover, Wiersema and Bantel (1993) suggest that the strategic decisions to consider the complexity of the environment are important factors that must be considered in the decision of each period.

In business, the sector has to modify the methods and business processes to increase efficiency by responding to the changing needs of customers to get more done to increase competitiveness by concentrating on more complex competition that has focused on helping companies improve performance to meet the changing competitive complexity (Pongpanpattana and Ussahawanitchakit, 2013). Primarily, as to the analysis of solutions to support competitive complexity, Hitt et al. (2001) describe how the firm needs to analyze competitors' strategies, including their participation in the implementation of the strategy and the understanding of strategy in general, both now and in analyzing the future, as to the ability of competitors in the competition. Zheng, Yang, and Mclean (2010) suggest that in the environment for today's competitive business, companies must have the ability of innovation to gain competitive advantage. Environmental complexity also contains the finding the results of Hortal, Miel, and Lobo (2009) who describe the



evidence of consistent competition. Intensified environmental complexity can help companies increase performance.

On the other hand, the lack of business sophistication affects the difficult conditions, and the resulting stress for managers affects the survival of the firm (Juutinen, Monkkonen, and Ollikainen, 2008). Competitive complexity can affect the performance of internal audit, in which previous research has been concluded about the internal audit function. Thaweechan and Ussahawanitchakit (2011) have found evidence that the competitive environment affects the firm's decision. Therefore, to achieve the internal audit process in a volatile business environment that has more competition, it is important for strategic planning and internal audit, because it leads the organization to face a high risk, especially for competitive complexity that is a key factor affecting the function of the internal audit (Pongpanpattana and Ussahawanitchakit, 2012). For that reason, competitive complexity is a key factor in the implementation of advocacy strategies under competitive conditions, changing environmental conditions that can be useful in improving the efficiency of the internal audit activity to encourage internal audit excellence capability.

In this research, competitive complexity refers to organizations that are recognized the differences in race, diversity, complexity, and uncertainty in the change of environmental factors of component changes that affect the momentum in the corporate strategic plan, and that face and influence the performance improvement achieved. Based on the literature, the influence of competitive complexity has the potential possibility to affect internal audit excellence capability. Thus, the hypotheses are proposed as follows:

Hypothesis 16a: Competitive complexity will have a positive influence on internal audit proficiency.

Hypothesis 16b: Competitive complexity will have a positive influence on internal audit governance.

Hypothesis 16c: Competitive complexity will have a positive influence on internal audit skepticism.



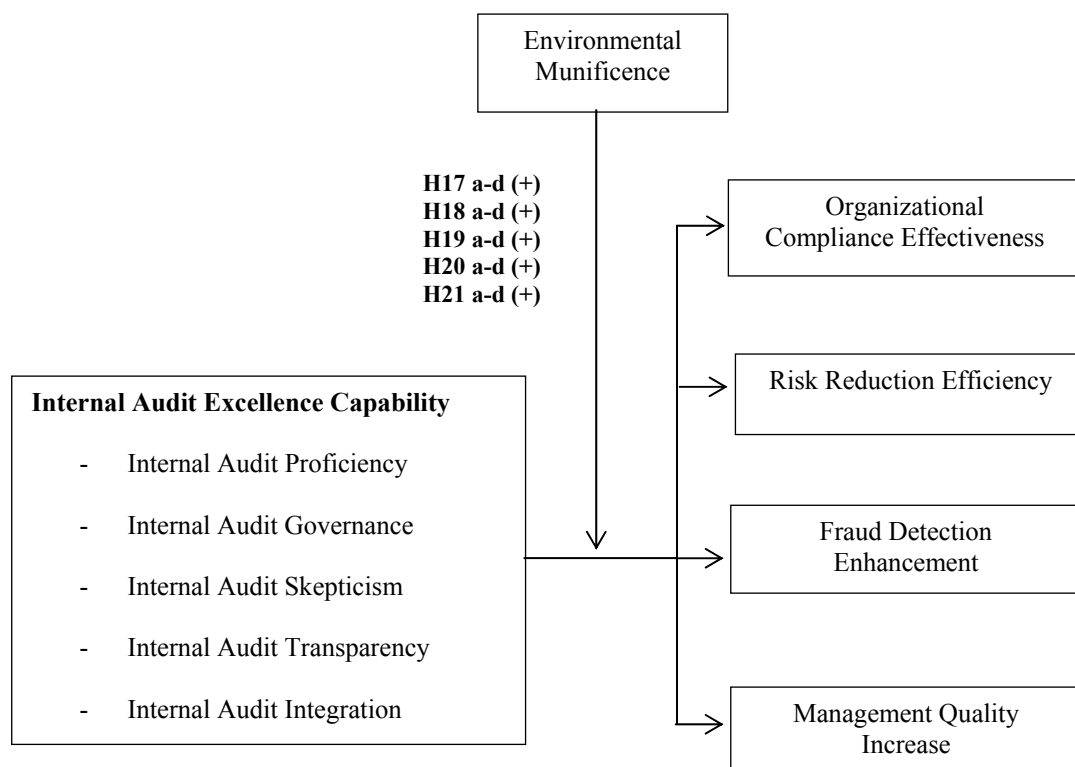
Hypothesis 16d: Competitive complexity will have a positive influence on internal audit transparency.

Hypothesis 16e: Competitive complexity will have a positive influence on internal audit integration.

The Moderating Effect of Environmental Munificence on the Relationships Among Internal Audit Excellence and Capability and Its Consequences

This section focuses on the moderating effects of environmental munificence in the relationship between internal audit excellence capability and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase as shown in Figure 6.

Figure 6: The Moderating Effects of Environmental Munificence



Environmental Munificence

The business environment refers to things that have an impact on business operations, and organizational factors outside the business that are unable to be processed or be in control of the desired direction. Environmental munificence represents the extent of the resources in the business environment. Therefore, environmental munificence is the elements of a business environment which affect the whole or any portion of the business. Sener (2012) suggests the uncertainties in environmental management in the face of a number of different scenarios that could happen, such as rapid changes in technology, demand patterns of customers for more variation, changes in the product lifecycle, scarce resources, and the expanded of global competition that are key factors in managing a business. Therefore, organizations need to have a strategic plan to support the management change required to adhere to certain changes in the environment in order to optimize their functioning (Duncan, 1972). Especially, Prescott (1986) provides evidence that the environment moderates an influence of being able for relationships between strategy and performance. Environments are complex and the munificence of the business environment can affect the firms operations (Ting, Wang, and Wang, 2012). Particularly, with environmental munificence that depends on state resources that are abundant, companies can allocate resources perfectly, and it is easy to manage companies to survive and achieve the goal (Srichanapun, Ussahawanitchakit, and Boonlua, 2013). In particular, when there is a complete resource to influence the survival and growth of the share in stable environments, it provides greater opportunities for competitive events that take place and ease the access to necessary resources (Andrevski and Ravichandran, 2010; Dess and Beard, 1984; Sener, 2012; Tang, 2008).

Due to the degree of resource abundance in the environment, companies have a significant impact on their own orientation, and it is associated with the growth of firm imports (Castrogiovanni, 1991). The munificent environment much more increases the chances of the firm to get more of those resources (Bruno and Tyebjee, 1982). This is in the context of the contingency theory, which explains the growth of the organization and the organization's survival that is associated with competitiveness between the internal and external environment of the organization (Summer et al., 1990). For the adaptation of the business in line with the changing environment, it is a challenging task



for managers to track and field understanding in order to establish operations in accordance with the environment. Moreover, research results have confirmed that past environmental munificence is positively correlated with performance. For example, Sener (2012) has found that environmental munificence affects the strategic planning of the firm. Similarly, Chankaew and Ussahawanitchakit (2011), and Geiger and Hoffman (1998) have found evidence that environmental munificence acts as a moderator between the efficiency of the planning, implementation and success of the firm. In addition, Goll and Rasheed (2004) argue that environmental munificence influences the outcome of a relationship with the strategy and structure of the operation. Conversely, Manzanares, Correa, and Sharma (2008) have found evidence that the moderating effects of environmental munificence have no relationship between environmental strategy and stakeholder integration capability. On the other hand, Elbanna, Ali, and Dayan (2011), and Sener, Varoglu, and Aren (2011) revealed that environmental munificence is not likely to directly affect decision effectiveness, of which the reasons may be that the varieties of knowledge and skills in managers using the resources in the environments with different levels of munificence, lead the organizations to evaluate different alternatives in achieving goals. Nevertheless, environmental munificence is conceivable in that organizations can have too much of a good thing. Organizational slack might be thought unproblematic, which results in high degrees of negligence as organizations may tend to be less careful about using their strategies, including excessive confidence in their ability to deliver more and better services leading to poor performance (Andrews and Johansen, 2012; Aragon-Correa and Sharma, 2003). Conversely, Manzanares, Correa, and Sharma (2008) have found evidence that the moderating effects of environmental munificence have no relationships between environmental strategy and stakeholder integration capability. For organizational value perspective, the prior research states that value creation activities influence the firm's strategy (Sirmon and Hitt, 2003); but in this research, organizational value increase has no relationship with firm goal achievement via environmental munificence. Besides, Simon (2007) and Othman and Sheehan (2011) point out that although the organization has the ability to allocate resources, it is not enough to help create added value, and to rely on the ability to solve problems that require complex knowledge, extensive networking, and technical and managerial systems to meet firm goals.



As a result, in this research, environmental munificence refers to the completeness and availability of critical resources that affect the acceptance of stakeholders to support sustainable growth (Castrogiovanni, 1991; Dess and Beard, 1984). From the reasons in the literature reviewed above, environmental munificence has the potential possibility to affect the relationships between internal audit excellence capability and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase. Accordingly, the hypotheses are proposed as follows:

Hypothesis 17a: Environmental munificence will positively moderate the relationships between internal audit proficiency and organizational compliance effectiveness.

Hypothesis 17b: Environmental munificence will positively moderate the relationships between internal audit proficiency and risk reduction efficiency.

Hypothesis 17c: Environmental munificence will positively moderate the relationships between internal audit proficiency and fraud detection enhancement.

Hypothesis 17d: Environmental munificence will positively moderate the relationships between internal audit proficiency and management quality increase.

Hypothesis 18a: Environmental munificence will positively moderate the relationships between internal audit governance and organizational compliance effectiveness.

Hypothesis 18b: Environmental munificence will positively moderate the relationships between internal audit governance and risk reduction efficiency.

Hypothesis 18c: Environmental munificence will positively moderate the relationships between internal audit governance and fraud detection enhancement.



Hypothesis 18d: Environmental munificence will positively moderate the relationships between internal audit governance and management quality increase.

Hypothesis 19a: Environmental munificence will positively moderate the relationships between internal audit skepticism and organizational compliance effectiveness.

Hypothesis 19b: Environmental munificence will positively moderate the relationships between internal audit skepticism and risk reduction efficiency.

Hypothesis 19c: Environmental munificence will positively moderate the relationships between internal audit skepticism and fraud detection enhancement.

Hypothesis 19d: Environmental munificence will positively moderate the relationships between internal audit skepticism and management quality increase.

Hypothesis 20a: Environmental munificence will positively moderate the relationships between internal audit transparency and organizational compliance effectiveness.

Hypothesis 20b: Environmental munificence will positively moderate the relationships between internal audit transparency and risk reduction efficiency.

Hypothesis 20c: Environmental munificence will positively moderate the relationships between internal audit transparency and fraud detection enhancement.

Hypothesis 20d: Environmental munificence will positively moderate the relationships between internal audit transparency and management quality increase.

Hypothesis 21a: Environmental munificence will positively moderate the relationships between internal audit integration and organizational compliance effectiveness.



Hypothesis 21b: Environmental munificence will positively moderate the relationships between internal audit integration and risk reduction efficiency.

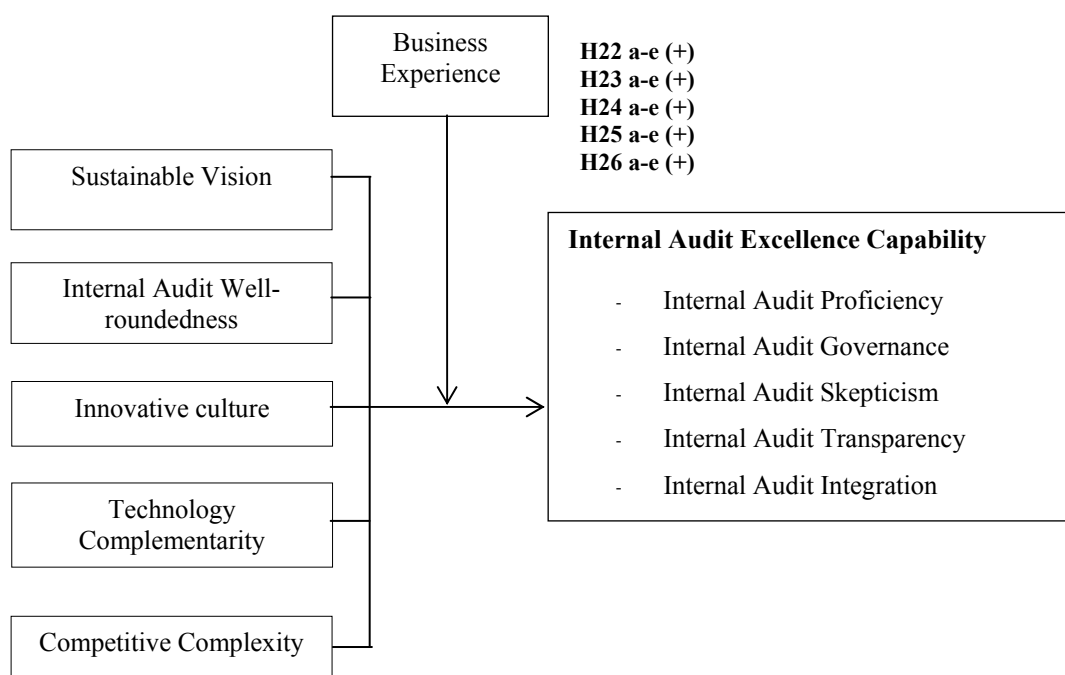
Hypothesis 21c: Environmental munificence will positively moderate the relationships between internal audit integration and fraud detection enhancement.

Hypothesis 21d: Environmental munificence will positively moderate the relationships between internal audit integration and management quality increase.

The Moderating Effect of Business Experience on the Relationships among Antecedents and Internal Audit Excellence Capability

In addition, this section describes the focus on the moderating effects of business experience and on the relationship between internal audit excellence capability and sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity as shown in Figure 7.

Figure 7: The Moderating Effects of Business Experience



Business Experience

Experience is valuable in learning all aspects, which can influence the creative experience in the operation. In the current business environment, the firm uses it to evaluate both internally and externally, in that it has an impact on the company's continuing experience and learning (Kim and Miner, 2007). Especially, Vera and Crossan (2003) stated that business experience is the result of learning. Learning has been used to describe the learning-curve perspective about the context of the relationship between the experience of the business impact and organizational development (Chow et al., 2006). Consistent with research results of Espedal (2006), Kim, Kim and Miner (2009) and Trainor, Brazil, and Lindberg (2008), the definition of business experience is wisdom in operational skills, and expertise in the past, which help support the firms creative direction and operations. Especially, business experience has an impact on the operations of the firm in terms of the ability to determine what is necessary or not required for the management of the firm (Espedal, 2006; Halebian and Finkelstein, 1999). In addition, business experience can reduce the risk of doing business and improve the efficiency of decision-making in business (Majocchi, Bacchiocchi, and Mayrhofer, 2005).

Conversely, Kasznik and Lev (1995) found no difference between listed firms in NASDAQ, both ones with less experience and ones with more experience for disclosing forward-looking information in voluntary disclosure (including risk reporting). Moreover, Kaewprapa, Ussahawanitchakit, and Boonlua (2012) indicate that the different business experience of listed firms may not be a factor supporting the higher levels of forward-looking information in voluntary disclosure. The study of Kasznik and Lev (1995), Masanet-Llodra (2006) and Rong and Hui (2010) argue that the all firms with much experience are concerned with the disclosure of some strategic information because this strategic information is used by management for business competitive planning, especially managerial planning projections that can increase competitive disadvantage.

The accumulation of business experience causes knowledge to be able to support additional opportunities to always learn new knowledge (Trainor, Brazil, and Lindberg, 2008). Chow et al. (2006) have found evidence that the experience of growing a business is related to the performance of the service by experienced staff who are able to meet the high demands of customers with higher quality. This is also supported by



the results of past research on the effects of business experience in the results of operations, including Cho and Padmanabhan (2005), who argue that the experience of the business can be used to adjust the strategy accordingly in the race to obtain the goal. In addition, Kim, Kim and Miner (2009) have confirmed that a study of a sample of commercial banks in the United States found that learning to survive, and to help build useful knowledge was related to experiencing the greater effect to the performance of an organization.

As a result, in this research, business experience refers to the knowledge, skills and business expertise accumulated from the past, which has helped to support the creation of corporate experience as a business impact in determining what is appropriately needed or not needed for business. From the reasons in the literature reviewed above, business experience has the potential possibility to affect the relationships between sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity; and internal audit excellence capability. Accordingly, the hypotheses are proposed as follows:

Hypothesis 22a: Business experience will positively moderate the relationships of between sustainability vision and internal audit proficiency.

Hypothesis 22b: Business experience will positively moderate the relationships of between sustainability vision and internal audit governance.

Hypothesis 22c: Business experience will positively moderate the relationships of between sustainability vision and internal audit skepticism.

Hypothesis 22d: Business experience will positively moderate the relationships of between sustainability vision and internal audit transparency.

Hypothesis 22e: Business experience will positively moderate the relationships of between sustainability vision and internal audit integration.



Hypothesis 23a: Business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit proficiency.

Hypothesis 23b: Business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit governance.

Hypothesis 23c: Business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit skepticism.

Hypothesis 23d: Business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit transparency.

Hypothesis 23e: Business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit integration.

Hypothesis 24a: Business experience will positively moderate the relationships of between innovative culture and internal audit proficiency.

Hypothesis 24b: Business experience will positively moderate the relationships of between innovative culture and internal audit governance.

Hypothesis 24c: Business experience will positively moderate the relationships of between innovative culture and internal audit skepticism.

Hypothesis 24d: Business experience will positively moderate the relationships of between innovative culture and internal audit transparency.



Hypothesis 24e: Business experience will positively moderate the relationships of between innovative culture and internal audit integration.

Hypothesis 25a: Business experience will positively moderate the relationships of between technology complementarity and internal audit proficiency.

Hypothesis 25b: Business experience will positively moderate the relationships of between technology complementarity and internal audit governance.

Hypothesis 25c: Business experience will positively moderate the relationships of between technology complementarity and internal audit skepticism.

Hypothesis 25d: Business experience will positively moderate the relationships of between technology complementarity and internal audit transparency.

Hypothesis 25e: Business experience will positively moderate the relationships of between technology complementarity and internal audit integration.

Hypothesis 26a: Business experience will positively moderate the relationships of between competitive complexity and internal audit proficiency.

Hypothesis 26b: Business experience will positively moderate the relationships of between competitive complexity and internal audit governance.

Hypothesis 26c: Business experience will positively moderate the relationships of between competitive complexity and internal audit skepticism.

Hypothesis 26d: Business experience will positively moderate the relationships of between competitive complexity and internal audit transparency.



Hypothesis 26e: Business experience will positively moderate the relationships of between competitive complexity and internal audit integration.

Summary

This chapter has detailed the conceptual model of the effects of internal audit excellence capability on firm goal achievement. This chapter presents the theoretical foundation, relevant literature review, and hypothesis development. Consequently, this research derives the conceptual framework from KBT of the firm and the contingency theory. In addition, this research has proposed a set of twenty-six testable hypotheses. Internal audit excellence capability is the main concern of this research that focuses on its antecedents and consequences. This research also investigates the impacts of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase through the effect of the environmental munificence moderator. Moreover, the effects of the antecedents, including sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity on the internal audit excellence capability, by using business experience as a moderator, are investigated.

Table 3 presents the summaries of all hypothesized relationships. The next chapter describes the research methods, including the population/sample selection and data collection procedure, the variable measurements of each construct, methods, statistics and equations to test the hypotheses, and summarize the definitions and operational variables of all constructs as shown.



Table 3: The Summary of Hypothesized Relationships

Hypotheses	Description of Hypothesized Relationships
H1a	The internal audit proficiency will have a positive influence on organizational compliance effectiveness.
H1b	The internal audit proficiency will have a positive influence on risk reduction efficiency.
H1c	The internal audit proficiency will have a positive influence on fraud detection enhancement.
H1d	The internal audit proficiency will have a positive influence on management quality increase.
H1e	The internal audit proficiency will have a positive influence on business value.
H1f	The internal audit proficiency will have a positive influence on stakeholder reliability.
H1g	The internal audit proficiency will have a positive influence on firm goal achievement.
H2a	The internal audit governance will have a positive influence on organizational compliance effectiveness.
H2b	The internal audit governance will have a positive influence on risk reduction efficiency.
H2c	The internal audit governance will have a positive influence on fraud detection enhancement.
H2d	The internal audit governance will have a positive influence on management quality increase.
H2e	The internal audit governance will have a positive influence on business value.
H2f	The internal audit governance will have a positive influence on stakeholder reliability.
H2g	The internal audit governance will have a positive influence on firm goal achievement.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H3a	The internal audit skepticism will have a positive influence on organizational compliance effectiveness.
H3b	The internal audit skepticism will have a positive influence on risk reduction efficiency.
H3c	The internal audit skepticism will have a positive influence on fraud detection enhancement.
H3d	The internal audit skepticism will have a positive influence on management quality increase.
H3e	The internal audit skepticism will have a positive influence on business value.
H3f	The internal audit skepticism will have a positive influence on stakeholder reliability.
H3g	The internal audit skepticism will have a positive influence on firm goal achievement.
H4a	The internal audit transparency will have a positive influence on organizational compliance effectiveness.
H4b	The internal audit transparency will have a positive influence on risk reduction efficiency.
H4c	The internal audit transparency will have a positive influence on fraud detection enhancement.
H4d	The internal audit transparency will have a positive influence on management quality increase.
H4e	The internal audit transparency will have a positive influence on business value.
H4f	The internal audit transparency will have a positive influence on stakeholder reliability.
H4g	The internal audit transparency will have a positive influence on firm goal achievement.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H5a	The internal audit integration will have a positive influence on organizational compliance effectiveness.
H5b	The internal audit integration will have a positive influence on risk reduction efficiency.
H5c	The internal audit integration will have a positive influence on fraud detection enhancement.
H5d	The internal audit integration will have a positive influence on management quality increase.
H5e	The internal audit integration will have a positive influence on business value.
H5f	The internal audit integration will have a positive influence on stakeholder reliability.
H5g	The internal audit integration will have a positive influence on firm goal achievement.
H6e	The organizational compliance effectiveness will have a positive influence on business value.
H6f	The organizational compliance effectiveness will have a positive influence on stakeholder reliability.
H7e	The risk reduction efficiency will have a positive influence on business value.
H7f	The risk reduction efficiency will have a positive influence on stakeholder reliability.
H8e	The fraud detection enhancement will have a positive influence on business value.
H8f	The fraud detection enhancement will have a positive influence on stakeholder reliability.
H9e	The management quality increase will have a positive influence on business value.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H9f	The management quality increase will have a positive influence on stakeholder reliability.
H10a	The higher business value is, will have a positive influence on stakeholder reliability.
H10b	The higher business value is, will have a positive influence on firm goal achievement.
H11	The higher stakeholder reliability is, will have a positive influence on firm goal achievement.
H12a	The sustainability vision will have a positive influence on internal audit proficiency.
H12b	The sustainability vision will have a positive influence on internal audit governance.
H12c	The sustainability vision will have a positive influence on internal audit skepticism.
H12d	The sustainability vision will have a positive influence on internal audit transparency.
H12e	The sustainability vision will have a positive influence on internal audit integration.
H13a	The internal audit well-roundedness will have a positive influence on internal audit proficiency.
H13b	The internal audit well-roundedness will have a positive influence on internal audit governance.
H13c	The internal audit well-roundedness will have a positive influence on internal audit skepticism.
H13a	The internal audit well-roundedness will have a positive influence on internal audit proficiency.
H13d	The internal audit well-roundedness will have a positive influence on internal audit transparency.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H13e	The internal audit well-roundedness will have a positive influence on internal audit integration.
H14a	The innovative culture will have a positive influence on internal audit proficiency.
H14b	The innovative culture will have a positive influence on internal audit governance.
H14c	The innovative culture will have a positive influence on internal audit skepticism.
H14d	The innovative culture will have a positive influence on internal audit transparency.
H14e	The innovative culture will have a positive influence on internal audit integration.
H15a	The technology complementarity will have a positive influence on internal audit proficiency.
H15b	The technology complementarity will have a positive influence on internal audit governance.
H15c	The technology complementarity will have a positive influence on internal audit skepticism.
H15d	The technology complementarity will have a positive influence on internal audit transparency.
H15e	The technology complementarity will have a positive influence on internal audit integration.
H16a	The competitive complexity will have a positive influence on internal audit proficiency.
H16b	The competitive complexity will have a positive influence on internal audit governance.
H16c	The competitive complexity will have a positive influence on internal audit skepticism.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H16d	The competitive complexity will have a positive influence on internal audit transparency.
H16e	The competitive complexity will have a positive influence on internal audit integration.
H17a	The environmental munificence will positively moderate the relationships between internal audit proficiency and organizational compliance effectiveness.
H17b	The environmental munificence will positively moderate the relationships between internal audit proficiency and risk reduction efficiency.
H17c	The environmental munificence will positively moderate the relationships between internal audit proficiency and fraud detection enhancement.
H17d	The environmental munificence will positively moderate the relationships between internal audit proficiency and management quality increase.
H18a	The environmental munificence will positively moderate the relationships between internal audit governance and organizational compliance effectiveness.
H18b	The environmental munificence will positively moderate the relationships between internal audit governance and risk reduction efficiency.
H18c	The environmental munificence will positively moderate the relationships between internal audit governance and fraud detection enhancement.
H18d	The environmental munificence will positively moderate the relationships between internal audit governance and management quality increase



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H19a	The environmental munificence will positively moderate the relationships between internal audit skepticism and organizational compliance effectiveness.
H19b	The environmental munificence will positively moderate the relationships between internal audit skepticism and risk reduction efficiency.
H19c	The environmental munificence will positively moderate the relationships between internal audit skepticism and fraud detection enhancement.
H19d	The environmental munificence will positively moderate the relationships between internal audit skepticism and management quality increase.
H20a	The environmental munificence will positively moderate the relationships between internal audit transparency and organizational compliance effectiveness.
H20b	The environmental munificence will positively moderate the relationships between internal audit transparency and risk reduction efficiency.
H20c	The environmental munificence will positively moderate the relationships between internal audit transparency and fraud detection enhancement.
H20d	The environmental munificence will positively moderate the relationships between internal audit transparency and management quality increase.
H21a	The environmental munificence will positively moderate the relationships between internal audit integration and organizational compliance effectiveness.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H21b	The environmental munificence will positively moderate the relationships between internal audit integration and risk reduction efficiency.
H21c	The environmental munificence will positively moderate the relationships between internal audit integration and fraud detection enhancement.
H21d	The environmental munificence will positively moderate the relationships between internal audit integration and management quality increase.
H22a	The business experience will positively moderate the relationships of between sustainability vision and internal audit proficiency.
H22b	The business experience will positively moderate the relationships of between sustainability vision and internal audit governance.
H22c	The business experience will positively moderate the relationships of between sustainability vision and internal audit skepticism.
H22d	The business experience will positively moderate the relationships of between sustainability vision and internal audit transparency.
H22e	The business experience will positively moderate the relationships of between sustainability vision and internal audit integration.
H23a	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit proficiency.
H23b	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit governance.
H23c	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit skepticism.
H23d	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit transparency.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H23e	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit integration.
H24a	The business experience will positively moderate the relationships of between innovative culture and internal audit proficiency.
H24b	The business experience will positively moderate the relationships of between innovative culture and internal audit governance.
H24c	The business experience will positively moderate the relationships of between innovative culture and internal audit skepticism.
H24d	The business experience will positively moderate the relationships of between innovative culture and internal audit transparency.
H24e	The business experience will positively moderate the relationships of between innovative culture and internal audit integration.
H25a	The business experience will positively moderate the relationships of between technology complementarity and internal audit proficiency.
H25b	The business experience will positively moderate the relationships of between technology complementarity and internal audit governance.
H25c	The business experience will positively moderate the relationships of between technology complementarity and internal audit skepticism.
H25d	The business experience will positively moderate the relationships of between technology complementarity and internal audit transparency.
H25e	The business experience will positively moderate the relationships of between technology complementarity and internal audit integration.
H26a	The business experience will positively moderate the relationships of between competitive complexity and internal audit proficiency.
H26b	The business experience will positively moderate the relationships of between competitive complexity and internal audit governance.
H26c	The business experience will positively moderate the relationships of between competitive complexity and internal audit skepticism.



Table 3: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships
H26d	The business experience will positively moderate the relationships of between competitive complexity and internal audit transparency.
H26e	The business experience will positively moderate the relationships of between competitive complexity and internal audit integration.



CHAPTER III

RESEARCH METHODS

The previous chapter presented the relevant literature reviews of internal audit excellence capability in the form of a theoretical foundation, the literature review involved the conceptual framework for the research, and the hypotheses development for testing. Subsequently, this chapter thoroughly illustrates the research methods which are organized as follows. Firstly, the sample selection and data collection procedure part include the population and sample, the data collection, and the test of non-response bias. Secondly, the variable measurements are explicated. Thirdly, the method part includes the proposed test of validity and reliability, and the analytical statistics are detailed. Also, the related equations of regression analysis are depicted. Finally, the table that presents a summary of the definitions of variables, and an overview of the constructs are included.

Sample Selection and Data Collection Procedure

This research studies the antecedents and consequences of the internal audit excellence capability of hotel businesses in Thailand. The population was selected from three to five-star hotels in Thailand, using data from the website of the Tourism Authority of Thailand, Ministry of Tourism and Sports, Thailand, which are displayed on the website: www.tourismthailand.org/where-to-stay. The current negotiations to liberalize services sectors, tourism and hotel businesses, and the business services industry, which is a very important role in the economy, is bringing more strength in finance and technology, and providing comprehensive services with branches in several countries, resulting in more intense competition (Ooncharoen and Ussahawanitchakit, 2009). For this reason, the hotel industry is interesting to examine in this research. Entrepreneurs in tourism, especially hotel business entrepreneurs, are faced with intensifying competition and the further need to adjust business strategies to accommodate changing situations in tourism. Despite the aforementioned perspectives of the researchers regarding the crucial role of internal auditing for the business success and the growing importance of the hotel sector



in Thailand, there is no such study examining the factors that improve internal audit performance in hotel businesses. This makes it necessary to develop business service quality standards that should be better than ever before. The hotel sector in the country is obliged to develop the capacity to adapt for increasing competition due to the dynamic and promising offer of new services (Jirawuttinunt and Ussahawanitchakit, 2011).

Thus, internal audit is a tool for administrators to obtain reasonable assurance that the objectives and defined targets are achieved, based on the procedures and legal requirements (Szczepankiewicz, 2010). Moreover, in order to be successful, business operators need to adjust business strategies to accommodate changing circumstances, through the development of quality standards and better particulars, in the area of internal audit excellence capability. The implementation of the internal audit department has developed a level of excellence, arising from the demand of organizations to improve operational efficiency in order to achieve the cause of excellence in business and contribute to an organization's survival.

Therefore, this research focuses on internal audit excellence capability and firm goal achievement of the hotel sector in Thailand, and has elected the examination of the population in this research.

Population and Sample

The population consists of three to five-star level hotels in Thailand totaling 1,477 hotels. They were chosen from the website of the Tourism Authority of Thailand, Ministry of Tourism and Sports, Thailand, as of June 6, 2016 which are displayed on the website: www.tourismthailand.org/where-to-stay. The database of government departments is a great resource, and has reliable information to confirm the identity and existence of current businesses. The hotel classification criteria accordingly indicate specific standard accommodations for tourism that are clear and consistent with international standards. The hotel standard is divided into 5 levels and arranged in ascending order with one star denoting the lowest standard and five stars denoting the highest standard. Setting the standard for determining the evaluation and certifier of an individual hotel includes three aspects: standard of services, standard of construction and facilities, and the standard of maintenance.



The considerations as standards are detailed below. Firstly, the standard three-star hotel has a medium-sized room which is no less than 18 square meters. For the facilities, there is at least a 14-inch television with remote control, wardrobe, and bedside stationary. The bathroom of a 3-star hotel has a bathtub with hot and cold water, soap, shower cap, glasses, tissue papers, towels, and sanitary bags. Additionally, 3-star hotel has these services included room service: a coffee shop, meeting rooms, a business center, a public toilet and toilets for the disabled. Secondly, a four-star hotel has more beautiful décor and more services than a 3-star hotel. Standard rooms are larger than 24 square meters. Rooms are furnished with a television of at least 20 inches, which includes more than eight channels, a refrigerator, minibar, instant coffee and tea, laundry bags, a shoe shine kit, bathrobe, slippers, and a phone that can call long distance. Bathroom has added by the three stars include foam bath, a towel, shampoo, sewing kit, hair dryer, socket for shavers, a suite, features two restaurants, a fitness room with equipment, more than five kinds of massage, a steam room, swimming pool, business center, meeting room, more than two small meeting rooms, a system of checks, and safety equipment. Thirdly, the five-star hotel has more beautiful decor and services than a 4-star hotel. Standard rooms are larger than 30 square meters with a clean bed of no less than four feet long. The television is 20 inches or more which includes more than 12 channels, minibar, a refrigerator, and communication facilities. The bathroom is large and toilets are clean and beautiful. The facilities have more than three restaurants, international fitness equipment with over seven category, steam bath, jacuzzi, massage room, swimming pool, with no less than four meeting rooms that are fully equipped. Smaller meeting rooms are equipped with a system of checks and safety equipment ([Office of Tourism Authority, Ministry of Tourism and Sports Thailand](#), 2016). Thus, from the standard definition in star rating for the hotel business. Businesses must order to develop to meet the standards to improve business management excellence to meet the service competition.

In particular, the hotel business at three to five-star levels are required to develop rules for the supervision of the business, especially the rules of competition, to improve service quality standards and potential over its competitors by focusing on standard quality which links to internal audit excellence capability. For this reason, three to five-star level hotels were chosen as population for this research.



The population in this research consists of 927 three-star hotels, 379 four-star hotels, and 171 five-star hotels. According to Yamane (1973), the sample size requirement in this research is a method determined by the formula as follows: The samples used in this research use Yamane (1973) to calculate the sample size. This formula has been used to calculate the sample sizes for a population with a 95% confidence level and a 5% sample error has been considered. Calculation sample sizes are as follows:

$$\text{Formula} \quad n = \frac{N}{1 + Ne^2}$$

Where;

n = Sample size

N = Number of population

e = Acceptable error = 0.05

$$n = \frac{1,477}{1 + (1,477 \times 0.05)^2}$$

$$n = 314$$

Thus, based on the formula for determining sample size with 95% confidentiality, and a population of 1,477 hotel businesses, a sample size of 314 would be needed to represent the population.

However, according to Aaker, Kumar, and Day (2001), a 20% response rate for a mail survey, without an appropriate follow-up procedure, was used to calculate the sample sizes for a population as follows:

$$n = 314 \times \frac{100}{20}$$

$$n = 1,570$$



Thus, 314 required respondents are considered as a 20% response rate and the sample size for the mail survey should equal 1,570. Therefore, the number of hotel business populations was only 1,477 firms. Thus, it was necessary to determine all the population as the sample size for the mail survey in this research.

Data Collection

This research has collected data by using questionnaires. It is appropriate because it is a widely-used method for large-scale data collection in a geographical area (Neuman, 2006). Particularly, a behavioral account often uses this method since it can be widely and thoroughly collected from a representative population in a variety of locations at a lower cost (Kwok and Sharp, 1998). The advantages of storing data using questionnaires to answer the mail are enabled as answerers who have more time to answer the questions without favoritism stemming from interviews or observations.

Similarly, Dillman (1991) and Snyder and Elliard (2012) have found that the mail survey is the right tool for a larger population that may help eliminate or reduce bias, and it is at a lower cost. The questionnaire was mailed directly to people who have been appointed as internal auditors or the chief directors of the internal audit manager, or the internal audit of business hotels in Thailand.

After completeness, the questionnaires are directly sent back to the researcher within ten weeks by the prepaid returned envelopes for ensuring confidentiality. Then, for the undelivered mails, firms which are no more in business will be eliminated. An instrument package consists of a questionnaire, cover letter containing an explanation of the research and a postage prepaid package. Postage pre-paid returned mail was also provided. This package was distributed to each key informant. All numbers of questionnaires were 1,477 packages mailed in July 2016. The scheduled plan was to collect data within ten weeks. At the first stage, a questionnaire was answered and sent to the researcher in the first six weeks. After four weeks, to increase the response rate, a follow up postcard was sent to firms which had not yet replied to remind them to complete the questionnaire and request them to cooperate in answering the questionnaire. For the convenience of a follow-up mailing, each questionnaire was assigned a coded number at the left corner of the back of the ninth page of the questionnaire.



With respect to the questionnaire mailing, 65 of the surveys are undeliverable because they were no longer in business or had moved to unknown locations. Removing the undeliverable from the original 1,477 mailed, the valid mailing is 1,412 surveys, from the 297 responses returned. Due to seven that were found incomplete and with response errors, they were deducted from further analysis, there were only 290 usable surveys that were completed and received. The effective response rate is approximately 20.54%. According to Aaker, Kumer and Day (2001), 20% response rate for a mail survey, without an appropriate follow up procedure, is considered acceptable. Table 4 shows the results of the questionnaire mailing used for analysis in this research.

Table 4: Details of Questionnaire Mailing

Details	Numbers
Number of questionnaire mailed	1,477
Number of undelivered questionnaires	65
Number of successful questionnaire mailed	1,412
Received questionnaires	297
Number of questionnaires with missing data or incomplete questionnaires	7
Usable questionnaires	290
Response rate ($1,412/290 \times 100$)	20.54 %

In this research, the data was collected by questionnaire which consists of seven parts. The questionnaire used closed-ended questions, because it is easier and quicker for respondents to answer, and easier to code and statistically analyze (Neuman, 2006). Part one is a checklist of questions about personal information which consists of gender, age, marital status, education level, work experience, current revenue average per month, and current position.

Part two is a checklist of questions about firm characteristics information which consists of business type, standard of hotel, location of business, capital investment or operation capital, number of employees, period of time operation, average sales revenues



per year and customer groups of business/ target customers.

Parts three through six are related to evaluating each of the constructs in the conceptual model which measure items anchored by a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). According to Nunnally (1978) and Neuman (2006), for the number of choices, it is usually better to use four to eight categories, because beyond this is not meaningful and it will become confusing. Therefore, using five categories is appropriate for creating a refined measure. Part three measures internal audit excellence capability, including internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. Part four measures internal audit performance that consists of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability and firm goal achievement. Part five measures the internal factors of internal audit excellence capability, including sustainability vision, internal audit well-roundedness, innovative culture and business experience. Part six measures external factors of internal audit excellence capability which is environmental munificence, technology complementarity, and competitive complexity. Finally, an open-ended question for the suggestions and opinions of internal auditors is included in part seven.

Test of Non-Response Bias

The important factor for conducting research, by using a mail survey, should focus on a non-response bias. The test of non-response bias is a step to insure that using mail surveys does not cause the reduction of generalizability of a sample to the population between responding firms and non-responding firms in this research. For respondents at different times, using a comparison t-test of the demographics of respondents between the beginning and end can detect possible response bias problems (Armstrong and Overton, 1977). If the test results are found between early and late respondents, no statistically significant difference can confirm any non-response bias (Nwachukwu and Saviour, 1997). Organizational demographics such as the number of employees, the period of time in operation, the capital investment, and the customer groups of business have been compared by employing a t-test statistic. The results of the non-response biased testing are shown in Appendix C. In this research, all 290 received questionnaires were



split into two equal groups. The early respondents are the first group and the later respondents are the second. The first 145 responses were compared with the last 145 in terms of the following demographic information: number of employees ($t = -0.471$, $p > 0.05$), period of time in operation ($t = 0.234$, $p > 0.05$), capital investment ($t = -0.234$, $p > 0.05$), and customer groups of business ($t = -0.695$, $p > 0.05$). The results revealed in Appendix C explain the evidence that there were no significant differences between the two groups at a 95% confidence level. Thus, the results indicated that there were no significant differences between early and late responses and that there was no response bias between respondents and non-respondents in terms of demographics. It implies that the non-response bias was not significant. As a result, a non-response bias was not a key problem in this research (Armstrong and Overton, 1977).

Measurements

In this research, the multiple items development of measuring the construct of the conceptual model and the measurement development procedure involved variables. The structure is measured from multiple items because the entire structure is abstractions, and it cannot be overall directly measured or observed (Churchill, 1979). Likewise, the literature review and an examination of relevant documents are the best ways to create or modify a development tool and questionnaire that is consistent with the purpose of the measurement (Roberts, 1999). These constructs, derived from the literature review, are transformed into operational variables for precise measuring. In a sequence to measure each construct explained by the conceptual model, all variables gained from the survey are measured by a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The variable measurements of this research are developed by the definitions and relevant literature as shown in Table 6 that provides the definition of each construct, operational variables, scale source, and sample questions and items. Therefore, the variable measurements of the dependent variable, independent variables, antecedent variables, mediating variables, moderating variables, and control variables of this research are elaborated as follows.



Dependent Variable

Firm goal achievement. Firm goal achievement is measured by financial and non-financial performance in the long run consistent with increasing profitability, growth rate, market share, reputation or a customer's perception. This research develops four items from Srirachanapun, Ussahawanitchakit and Boonlua (2013).

Independent Variables

The independent variable of this research is internal audit excellence capability, and it is the core construct of this research. Internal audit excellence capability is the integration of multiple dimensions of potential excellence to include internal audit and internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration that are enough to work better than the mandatory standard (success) to make the organization succeed effectively in practice, and to achieve the ultimate goal. The measure of each dimension depends on its definition, which is also detailed below.

Internal audit proficiency. Internal audit proficiency is measured by the applications of knowledge, skills techniques, processes, methods, plans and procedures to outline the internal audit practice and follow up the implementation. In this research, five new items are designated to measure this construct based on previous research.

Internal audit governance. Internal audit governance is measured by the ability of an organization to supervise the implementation of operating principles and realize ethics, honesty, and fairness. In this research, five new items are designated to measure this construct based on previous research.

Internal audit skepticism. Internal audit skepticism is measured by the ability to assess the situation noted in the inspection and the adequacy in identifying surveillance of factors that threaten. In this research, five new items are designated to measure this construct based on previous research.



Internal audit transparency. Internal audit transparency is measured by the intention of firm to have the openness the source of the data, fully to promote of credibility, integrity, and recognize. In this research, five new items are designated to measure this construct based on previous research.

Internal audit integration. Internal audit integration is measured by firm focusing on combined approach to the review together as a system, combination the knowledge of the inspection from various dimensions to create new knowledge and link a set of guidelines on goals objectives. In this research, five new items are designated to measure this construct based on previous research.

Mediating Variables

Organizational compliance effectiveness. Organizational compliance effectiveness is measured by the perceptions of the manager toward the increasing usefulness of the compliance of the organization such as in the fulfillment of the obligations, compliance requirements, and standards or laws clearly defined. This construct is developed as a new scale, including three items.

Risk reduction efficiency. Risk reduction efficiency is measured by the escalation in identification, evaluation, risk management and control, event or situation that is certainly the potential for decreasing risk at an acceptable level. This research develops a four-scale measure which is adapted from Srichanapun, Ussahawanitchakit, and Boonlua (2013).

Fraud detection enhancement. Fraud detection enhancement is measured by the confidence of management which protects from and suppress of fraud, errors, or defects that are at risk of potential fraud; and it reduces the likelihood of corrupt behaviors. This research develops a four-scale measure which is adapted from Laohamethanee and Ussahawanitchakit (2012).

Management quality increase. Management quality increase is measured by to the confidence of administration which meets the evaluation, analysis, in operations;



and reduces the process of redundancies and helps in situations, thus reducing time and cost. This construct is developed as a new scale, including four items.

Business value. Business value is evaluated by the perceptions of the manager toward organizations that extends the value of organizations more than economic value, and to reinvent and improve performance in both the short and long-term to achieve the strategy's objectives and goals. This construct is developed as a new scale, including six items.

Stakeholder reliability. Stakeholder reliability is measured by the perceived level of gratification acquired from organizations that can increase trust, credibility and trust with interested party who are involved with employees, customers, community, and society. This research develops a four-scale measure which is adapted from Waenkaeo and Ussahawanitchakit (2011).

Antecedent Variables

In this research, sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity are the antecedents of internal audit excellence capability. The measurement of each variable described in its definition and is discussed as follows.

Sustainability vision. Sustainability vision is measured by the perception of a manager to intentions and good planning. In the future, in terms of the fundamental objectives or strategic direction, the benefit of doing business in the long-term reflects the priorities and values of the organization in the long-run. In this research, four items were constructed to measure the perceptions of sustainability vision adapted from Thaweechan and Ussahawanitchakit (2011).

Internal audit well-roundedness. Internal audit well-roundedness is measured by the perception of a manager to knowledge of a wide range of skills, prudence and reason; an understanding of the practice standards, legality, regulation, risk, control,



information technology, and management principles knowledge. This research develops four items from Kueket, Janjarasjit and Raksong (2014).

Innovative culture. Innovative culture is measured by the firm that places significance on firm construction, policies, and systems which characteristically involve new practice ideas, new perspectives, and creating new ways and ideology in the development of products and services for more efficient work. This construct is developed as a new scale with four items.

Technology complementarity. Technology complementarity is measured by the firm that places a significant focus on the effect of networks linked advance, selecting appropriate systems, new high-tech capability, new networks consistent investment, and high-tech application strategies. This construction is developed as a new scale with three items.

Competitive complexity. Competitive complexity is measured by the firm that places a significant focus on acquiring new strategies as to the competitor, new entry, supplier, and substitute. This research develops a four-scale measure which is adapted from Pongpanpattana and Ussahawanitchakit (2013).

Moderator Variables

Environmental munificence. Environmental munificence is measured by the perceptions of a complete environment for competition and technological environment is continuously developed and society has expectations of professional management to support the internal audit practice. This research develops a three-scale measure which is adapted from Srirachanapun and Ussahawanitchakit (2013).

Business experience. Business experience is measured by the firm that places a significant focus on good performance in the past, staff skill and expertise, adapted service strategies, past customer comments, and past service success. This research develops a three-scale measure which is adapted from Kim, Kim and Miner (2009); Larsen, Marnburg and Øgaard (2012).



Control Variables

The control variables include the hotel standard and firm capital, which may affect the relationships among internal audit excellence capability, firm goal achievement, and the antecedent variables of internal audit excellence capability relationships as enumerated below.

Hotel standard. Hotel standard is the hotel classification criteria according to indicators specified in the accommodation standard for tourism that is clear and consistent with international standards. The Thai Hotel Standard divides the levels of the hotel into five levels and arranges them in ascending order with one star denoting the lowest standard and five stars denoting the highest standard. Pine and Phillips (2005) describe the relationships of the room evidence that had a significant impact on the performance of the hotel. Additionally, hotel businesses with the highest stars have high expectations for performance (Chand and Katou, 2007). Moreover, the hotel standard varies between three to five-star business hotels that may have different economic environment. Especially, the standard hotel with a higher level of stars has expanded the service and it may be more likely to be successful in internal audit professionalism (Kueket and Ussahawanitchakit, 2013). There is also evidence from research in the context of the stars classification of hotels. These are also consistent with Jirawutinunt and Ussahawanitchakit (2011) who indicate that four and five-star hotels can use human capital strategies and enhance their effects more quickly than the three-star company. Moreover, the suggestion is that five-star hotels are related to the influence of development, continued human resources, and sustainable business results. In this research, the hotel standard was represented by a dummy variable including including 0 = three-star hotels and 1 = four and five-star hotels.

Firm capital. Firm capital is the past evidence confirming that a large firm has grown to financial superiority (Leiblein, Reuer, and Dalsace, 2002; Richard and Johnson, 2001). Firm capital measures the company's ability to invest in assets for investment or operations of the company, which can reflect the wealth of the company (Ussahawanitchkit, 2007). Because of the difference in the size of an organization, it



determines the extent of the control structure and frequency of internal audit activities (Carey et al., 2006). Likewise Thipsri and Ussahawanitchakit (2009) have found that the firm capital relates to the competition and strategic decisions. Moreover, Erickson et al. (2010) suggest that the large firms are more likely to have more reporting processes in place and tend to have more employees and greater resources to spend on their internal audit processes. On the other hand, small firms may lack sufficient resources and may be more likely to use a non-corrective action strategy to implement an effective internal audit. This is consistent with Srichanapun, Ussahawanitchakit and Boonlua (2013) who found that the larger firms appear to invest more in terms of hierarchy and complex performance evaluation procedures than smaller ones in the internal audit. In this research, firm capital is chosen as a control variable which is defined as a total capital investment or operation capital of the firm. It is a dummy variable in which 0 is a firm with capital investment or operation capital of lower or equal than 100,000,000 baht, and 1 is a firm that has a capital investment or operation capital more than 100,000,000 Baht.

Methods

This research collects data from a questionnaire mail survey by which all constructs in the conceptual model are developed as new scales from an extensive literature review. After that, two expert academics critique, review, and comment on the instruments for improving the questionnaire as complete as possible to scale it to the measure. A pre-test method is appropriately conducted to assert the validity and reliability of the questionnaire. In this research, for the internal audit of business hotels in Thailand one of thirty hotels is chosen from a sampling frame that is the internal auditors or the chief directors of the internal audit manager. Thirty questionnaires are included in the final data analysis for hypotheses and assumption testing of multiple regression analysis. In addition, the process of pre-test is to verify the validity and reliability of each of the measures employed in the questionnaire as to be discussed below.



Validity and Reliability

Validity and Reliability. Validity and Reliability are the criteria upon which the validity and credibility of the research findings are judged, and is important in all research for the methods of achieving these qualities. Validity and reliability are of concern in this research, because validity and reliability have helped establish the truth, credibility, or believability of the findings (Neuman, 2006).

Validity. Validity is the degree of the measure of the data from the instrument that is correct and accurate, from the questionnaire (Hair et al., 2010). It is necessary to examine the quality of the questionnaire as a powerful predictor of future behaviors (Piercy and Morgan, 1994; Wainer and Braun, 1988). In this research, validity is appropriate for accurately confirming the concept or constructing the research. Three types of validity comprising face validity, content validity, and construct validity, were tested.

Face and content validity. Face validity is the extent to which one measures the relevant content domain for the construction by individual judges or experts (Trochim and Trochim, 1999). Content validity is a systematic inspection to reflect the content universe to which the instrument has been generalized. In this case, face and content validity were improved by an extensive review of the literature questionnaires (Hair et al., 2010). Moreover, professionals in academic research were requested to review and suggest the necessary recommendations to examine them in order to ensure that all those constructed are sufficient to cover the contents of the variables. After these two experts reviewed the questionnaire, they provided comments and improvements; and then they chose the best possible scale of measure corresponding with the conceptual definitions.

Construct validity. Construct validity is a set of measured items which reflect the theoretical latent construct that those items are designed to measure (Hair et al., 2010). This research tests the validity of the instrument to confirm that a measurement or set of measurements accurately represent the concept of study. Exploratory factor analysis (EFA) is used to test the construct validity of the new scale, while confirmatory



factor analysis (CFA) is used to test the construct validity developed from prior research (Carlo and Randall, 2002). Factor loading, used to evaluate validity, should be greater than 0.40 (Nunnally and Bernstein, 1994). In this research, exploratory factor analysis (EFA) is used to test the construct validity of the new scale of each dimension of internal audit excellence capability, internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. Furthermore, confirmatory factor analysis (CFA) is used to test the construct validity developed from prior research (Carlo and Randall, 2002), which are consequences of internal audit excellence capability (organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement); five antecedents (sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity); and two moderators (environmental munificence and business experience). Items used to measure each construct are extracted to be only one principle component. In this research, all factor loadings are greater than 0.40 cut-offs and are statistically significant according to the rule-of-thumb (Nunnally and Bernstein, 1994).

Reliability. Reliability is the degree to which one measures the true and error-free characteristics of the observed variable (Hair et al., 2010); it indicates the degree of internal consistency between the multiple variables (Hair et al., 2010). Cronbach's alpha coefficient is commonly used for measuring the internal consistency of the constructs (Hair et al., 2010). Thus, it is applied to evaluate the reliability. As suggested by Hair et al. (2010), Cronbach's alpha coefficient is recommended so that its value should be equal to or greater than 0.70, as widely accepted.

In this research, tests of the validity and reliability of the questionnaire were conducted from the pre-test test of thirty responses. They were tested by factor analysis and Cronbach's alpha, respectively, so as to ensure validity and reliability. The results are presented as factor loadings and alpha coefficients in Appendix B and Table 5.

Table 5 shows the results for both factor loadings and Cronbach's Alpha for multiple-item scales used in this research. The results reveal that each item of all variables is loaded on only one factor. Also the factor loadings of each item is expressed



as 0.655 - 0.940, it is greater than the 0.40 cut-off, and statistically is significant indicating that there is construct validity (Nunnally and Bernstein, 1994). Moreover, Cronbach's alpha coefficients for all variables are presented as 0.806 - 0.921, which are greater than 0.70 as recommended by Hair et al. (2010). As a result, all constructs of this research have internal consistency reliability and the reliability of all variables is adopted.

Table 5: Measure Validation of Pilot Test Sample

Constructs	n	Factor Loadings	Alpha Coefficient
Firm Goal Achievement (FSV)	30	0.679-0.860	0.864
Internal Audit Proficiency (IAP)	30	0.767-0.859	0.872
Internal Audit Governance (IAG)	30	0.665-0.842	0.844
Internal Audit Skepticism (IAS)	30	0.752-0.898	0.868
Internal Audit Transparency (IAT)	30	0.796-0.870	0.891
Internal Audit Integration (IAI)	30	0.821-0.924	0.921
Organizational Compliance Effectiveness (OCE)	30	0.717-0.928	0.852
Risk Reduction Efficiency (RRE)	30	0.794-0.868	0.837
Fraud Detection Enhancement (FDE)	30	0.696-0.894	0.831
Management Quality Increase (MQI)	30	0.751-0.905	0.834
Business Value (BUV)	30	0.790-0.894	0.843
Stakeholder Reliability (STR)	30	0.800-0.922	0.909
Sustainable Vision (SUV)	30	0.688-0.880	0.859
Internal Audit Well - roundedness (IWR)	30	0.803-0.872	0.846
Innovative Culture (INC)	30	0.742-0.907	0.861
Technology Complementarity (TEC)	30	0.655-0.940	0.824
Competitive Complexity (COC)	30	0.837-0.916	0.900
Environmental Munificence (ENM)	30	0.802-0.857	0.844
Business Experience (BUE)	30	0.705-0.885	0.806



Statistical Techniques

In this research, before hypotheses testing, all of the raw data were checked, encoded, and recorded in a data file. After that, the basic assumption of regression analysis was tested. This process involves checking the normality, heteroscedasticity, autocorrelation and linearity. In addition, the outlier problem is of concern. This research used several statistical techniques, including descriptive and inferential statistics techniques such as the mean, standard deviation, correlation analysis, variance inflation factor, factor analysis, and regression analysis, each of which is fully discussed below.

Correlation analysis. Correlation analysis is the basis to measure the strength of the linear dependence between two variables. This research uses Pearson's correlation to evaluate the relationships of the inter-correlation of each variable. It is obtained by dividing the covariance of the two variables by the product of their standard deviations, giving a value between +1 and -1 inclusively (Cohen, [Krishnamoorthy](#), and [Wright](#), 2008). Correlation analysis is applied for testing the two assumptions of regression analysis. Firstly, correlation analysis is used for testing the relationship between independent variables and dependent variables. The coefficient values between independent variables and dependent variables should be significantly associated. Secondly, a correlation coefficient is used as an indicator of the multicollinearity assumptions. The coefficient values between independent variables should be smaller than 0.80 and should not be significantly associated. However, if the coefficient values between independent variables is greater than 0.80, the multicollinearity problem has been identified by the variance inflation factor (VIF) (Hair et al., 2010). The results of an examination of the correlation matrix for value creation strategy and all constructs (as shown in Table 7) reveal that the correlations among value creation strategy and all constructs are in the range from 0.288 to 0.785. Therefore, the initial assumption is that there are no multicollinearity problems in this research.

Variance inflation factor (VIF). This research utilizes a variance inflation factor (VIF) to test for multicollinearity. VIF is an indicator to indicate a high degree of multicollinearity among the variables. As a rule of thumb, the tolerance value should be



greater than 0.10, and if the VIF is less than 10, multicollinearity is not a concern (Hair et al., 2010). That is, multicollinearity greatly poses a problem for multiple regression analysis such as increasing the variances of the regression coefficients, and limiting the size of the correlation (Stevens, 2002). The result shows the VIF for all variables are presented between 1.043 and 8.275 (as shown in Appendix D) and are less than 10 as recommended by Hair et al. (2010).

Multiple regression analysis. The ordinary least squares (OLS) regression analysis is used to test all hypotheses following the conceptual model. The regression equation is a linear combination of the independent variables that best explains and predicts the dependent variable (Aulakh, Masaaki and Hildy, 2000). Therefore, OLS regression is appropriate for examining the relationships between the dependent variables and independent variables because, both dependent and independent variables in this research are categorical and interval data (Hair et al., 2010). Thus, all hypotheses in this research are transformed into twenty-five equations. Each equation consists of the main variables related to the hypothesis testing as described in the previous chapter. Moreover, two control variables, firm capital and hotel standard, are included in all of those equations for hypothesis testing.

The detail of each equation is presented as follows.

The investigation of the relationships between five dimensions of internal audit excellence capability and organizational compliance effectiveness is presented in Equation 1 as follows:

$$\textbf{Equation 1: } OCE = \alpha_{01} + \beta_1 IAP + \beta_2 IAG + \beta_3 IAS + \beta_4 IAT + \beta_5 IAI + \beta_6 HS + \beta_7 FC + \varepsilon_{01}$$

The investigation of the relationships between five dimensions of internal audit excellence capability and risk reduction efficiency is presented in Equation 2 as follows:

$$\textbf{Equation 2: } RRE = \alpha_{02} + \beta_8 IAP + \beta_9 IAG + \beta_{10} IAS + \beta_{11} IAT + \beta_{12} IAI + \beta_{13} HS + \beta_{14} FC + \varepsilon_{02}$$



The investigation of the relationships between five dimensions of internal audit excellence capability and fraud detection enhancement is presented in Equation 3 as follows:

$$\textbf{Equation 3: } FDE = \alpha_{03} + \beta_{15}IAP + \beta_{16}LAG + \beta_{17}IAS + \beta_{18}IAT + \beta_{19}IAI + \beta_{20}HS + \beta_{21}FC + \varepsilon_{03}$$

The investigation of the relationships between five dimensions of internal audit excellence capability and management quality increase is presented in Equation 4 as follows:

$$\textbf{Equation 4: } MQI = \alpha_{04} + \beta_{22}IAP + \beta_{23}LAG + \beta_{24}IAS + \beta_{25}IAT + \beta_{26}IAI + \beta_{27}HS + \beta_{28}FC + \varepsilon_{04}$$

The investigation of the relationships between five dimensions of internal audit excellence capability and business value is presented in Equation 5 as follows:

$$\textbf{Equation 5: } BUV = \alpha_{05} + \beta_{29}IAP + \beta_{30}LAG + \beta_{31}IAS + \beta_{32}IAT + \beta_{33}IAI + \beta_{34}HS + \beta_{35}FC + \varepsilon_{05}$$

The investigation of the relationships between five dimensions of internal audit excellence capability and stakeholder reliability is presented in Equation 6 as follows:

$$\textbf{Equation 6: } STR = \alpha_{06} + \beta_{36}IAP + \beta_{37}LAG + \beta_{38}IAS + \beta_{39}IAT + \beta_{40}IAI + \beta_{41}HS + \beta_{42}FC + \varepsilon_{06}$$

The investigation of the relationships between five dimensions of internal audit excellence capability and firm goal achievement is presented in Equation 7 as follows:

$$\textbf{Equation 7: } FSV = \alpha_{07} + \beta_{43}IAP + \beta_{44}LAG + \beta_{45}IAS + \beta_{46}IAT + \beta_{47}IAI + \beta_{48}HS + \beta_{49}FC + \varepsilon_{07}$$



The investigation of the relationships among organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase effect and business value is presented in Equation 8 as follows:

$$\textbf{Equation 8: } BUV = \alpha_{08} + \beta_{50}OCE + \beta_{51}RRE + \beta_{52}FDE + \beta_{53}MQI + \beta_{54}HS + \beta_{55}FC + \varepsilon_{08}$$

The investigation of the relationships among organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase effect and stakeholder reliability is presented in Equation 9 as follows:

$$\textbf{Equation 9: } STR = \alpha_{09} + \beta_{56}OCE + \beta_{57}RRE + \beta_{58}FDE + \beta_{59}MQI + \beta_{60}HS + \beta_{61}FC + \varepsilon_{09}$$

The investigation of the relationships between business value and stakeholder reliability is presented in Equation 10 as shown:

$$\textbf{Equation 10: } STR = \alpha_{010} + \beta_{62}BUV + \beta_{63}HS + \beta_{64}FC + \varepsilon_{010}$$

The investigation of the relationships among business value, stakeholder reliability and firm goal achievement are presented in Equation 11 as follows:

$$\textbf{Equation 11: } FSV = \alpha_{011} + \beta_{65}BUV + \beta_{66}STR + \beta_{67}HS + \beta_{68}FC + \varepsilon_{011}$$

The equations that determine the role of five antecedents, namely sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity which cause the five dimensions of internal audit excellence capability are presented in Equations 12, 13, 14, 15 and 16 as follows:

$$\textbf{Equation 12: } IAP = \alpha_{012} + \beta_{69}SUV + \beta_{70}IWR + \beta_{71}INC + \beta_{72}TEC + \beta_{73}COC + \beta_{74}HS + \beta_{75}FC + \varepsilon_{012}$$



$$\text{Equation 13: IAG} = \alpha_{013} + \beta_{76}SUV + \beta_{77}IWR + \beta_{78}INC + \beta_{79}TEC + \beta_{80}COC \\ + \beta_{81}HS + \beta_{82}FC + \varepsilon_{013}$$

$$\text{Equation 14: IAS} = \alpha_{014} + \beta_{83}SUV + \beta_{84}IWR + \beta_{85}INC + \beta_{86}TEC + \beta_{87}COC \\ + \beta_{88}HS + \beta_{89}FC + \varepsilon_{014}$$

$$\text{Equation 15: IAT} = \alpha_{015} + \beta_{90}SUV + \beta_{91}IWR + \beta_{92}INC + \beta_{93}TEC + \beta_{94}COC + \beta_{95}HS \\ + \beta_{96}FC + \varepsilon_{015}$$

$$\text{Equation 16: IAI} = \alpha_{016} + \beta_{97}SUV + \beta_{98}IWR + \beta_{99}INC + \beta_{100}TEC + \beta_{101}COC + \\ \beta_{102}HS + \beta_{103}FC + \varepsilon_{016}$$

The equations that determine the role of environmental munificence which moderates the relationships among the five dimensions of internal audit excellence capability and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase are presented in Equations 17, 18, 19 and 20 as follows:

$$\text{Equation 17: OCE} = \alpha_{017} + \beta_{104}IAP + \beta_{105}LAG + \beta_{106}IAS + \beta_{107}IAT + \beta_{108}IAI + \\ \beta_{109}ENM + \beta_{110}(IAP* ENM) + \beta_{111}(LAG* ENM) + \beta_{112}(IAS* \\ ENM) + \beta_{113}(IAT* ENM) + \beta_{114}(IAI* ENM) + \beta_{115}HS + \beta_{116}FC + \\ \varepsilon_{017}$$

$$\text{Equation 18: RRE} = \alpha_{018} + \beta_{117}IAP + \beta_{118}LAG + \beta_{119}IAS + \beta_{120}IAT + \beta_{121}IAI + \\ \beta_{122}ENM + \beta_{123}(IAP* ENM) + \beta_{124}(LAG* ENM) + \beta_{125}(IAS* \\ ENM) + \beta_{126}(IAT* ENM) + \beta_{127}(IAI* ENM) + \beta_{128}HS + \beta_{129}FC + \\ \varepsilon_{018}$$

$$\text{Equation 19: FDE} = \alpha_{019} + \beta_{130}IAP + \beta_{131}LAG + \beta_{132}IAS + \beta_{133}IAT + \beta_{134}IAI + \\ \beta_{135}ENM + \beta_{136}(IAP* ENM) + \beta_{137}(LAG* ENM) + \beta_{138}(IAS* \\ ENM) + \beta_{139}(IAT* ENM) + \beta_{140}(IAI* ENM) + \beta_{141}HS + \beta_{142}FC + \\ \varepsilon_{019}$$



$$\begin{aligned} \textbf{Equation 20: } MQI = & \alpha_{020} + \beta_{143}IAP + \beta_{144}LAG + \beta_{145}IAS + \beta_{146}IAT + \beta_{147}IAI + \\ & \beta_{148}ENM + \beta_{149}(IAP* ENM) + \beta_{150}(LAG* ENM) + \beta_{151}(IAS* \\ & ENM) + \beta_{152}(IAT* ENM) + \beta_{153}(IAI* ENM) + \beta_{154}HS + \beta_{155}FC + \\ & \varepsilon_{020} \end{aligned}$$

The equations that determine the role of business experience, which moderates the relationships among sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity; and five dimensions of internal audit excellence capability are presented in Equations 21, 22, 23, 24 and 25 as follows:

$$\begin{aligned} \textbf{Equation 21: } IAP = & \alpha_{021} + \beta_{156}SUV + \beta_{157}IWR + \beta_{158}INC + \beta_{159}TCE + \beta_{160}COC + \\ & \beta_{161}BUE + \beta_{162}(SUV* BUE) + \beta_{163}(IWR* BUE) + \beta_{164}(INC* \\ & BUE) + \beta_{165}(TCE* BUE) + \beta_{166}(COC* BUE) + \beta_{167}HS + \beta_{168}FC \\ & + \varepsilon_{021} \end{aligned}$$

$$\begin{aligned} \textbf{Equation 22: } IAG = & \alpha_{022} + \beta_{169}SUV + \beta_{170}IWR + \beta_{171}INC + \beta_{172}TCE + \beta_{173}COC + \\ & \beta_{174}BUE + \beta_{175}(SUV* BUE) + \beta_{176}(IWR* BUE) + \beta_{177}(INC* \\ & BUE) + \beta_{178}(TCE* BUE) + \beta_{179}(COC* BUE) + \beta_{180}HS + \beta_{181}FC \\ & + \varepsilon_{022} \end{aligned}$$

$$\begin{aligned} \textbf{Equation 23: } IAS = & \alpha_{023} + \beta_{182}SUV + \beta_{183}IWR + \beta_{184}INC + \beta_{185}TCE + \beta_{186}COC + \\ & \beta_{187}BUE + \beta_{188}(SUV* BUE) + \beta_{189}(IWR* BUE) + \beta_{190}(INC* \\ & BUE) + \beta_{191}(TCE* BUE) + \beta_{192}(COC* BUE) + \beta_{193}HS + \beta_{194}FC \\ & + \varepsilon_{023} \end{aligned}$$

$$\begin{aligned} \textbf{Equation 24: } IAT = & \alpha_{024} + \beta_{195}SUV + \beta_{196}IWR + \beta_{197}INC + \beta_{198}TCE + \beta_{199}COC + \\ & \beta_{200}BUE + \beta_{201}(SUV* BUE) + \beta_{202}(IWR* BUE) + \beta_{203}(INC* \\ & BUE) + \beta_{204}(TCE* BUE) + \beta_{205}(COC* BUE) + \beta_{206}HS + \beta_{207}FC \\ & + \varepsilon_{024} \end{aligned}$$



Equation 25:
$$IAI = \alpha_{025} + \beta_{208}SUV + \beta_{209}IWR + \beta_{210}INC + \beta_{211}TCE + \beta_{212}COC + \beta_{213}BUE + \beta_{214}(SUV * BUE) + \beta_{215}(IWR * BUE) + \beta_{216}(INC * BUE) + \beta_{217}(TCE * BUE) + \beta_{218}(COC * BUE) + \beta_{219}HS + \beta_{220}FC + \varepsilon_{025}$$

Where:

IAP	=	Internal Audit Proficiency
IAG	=	Internal Audit Governance
IAS	=	Internal Audit Skepticism
IAT	=	Internal Audit Transparency
IAI	=	Internal Audit Integration
OCE	=	Organizational Compliance Effectiveness
RRE	=	Risk Reduction Efficiency
FDE	=	Fraud Detection Enhancement
MQI	=	Management Quality Increase
BUV	=	Business Value
STR	=	Stakeholder Reliability
SUV	=	Sustainable Vision
IWR	=	Internal Audit Well-roundedness
INC	=	Innovative Culture
TEC	=	Technology Complementarity
COC	=	Competitive Complexity
ENM	=	Environmental Munificence
BUE	=	Business Experience
FSV	=	Firm Goal Achievement
HS	=	Hotel Standard
FC	=	Firm Capital.
ε	=	Error term
α	=	Constant
β	=	Coefficient



Summary

This chapter details the research methods for data gathering and examining all constructs in the conceptual model for answering the research questions. The contents involve the population, sample selection and data collection procedure, including population and sample, data collection, and test of non-response bias. Moreover, the variable measurements are followed for each of all variables in the conceptual model. In addition, the instrumental verification, including the test of validity and reliability, and the statistical analysis is presented. Finally, Table 6 concludes the definition of each construct, operational variables, scale sources and sample questions and items. Following this further, the next chapter analyzes the results and hypotheses testing of this research. The remaining part of the chapter focuses on hypotheses testing and using regression statistical analysis techniques.



Table 6: The Definitions and Operational Variables of Constructs

Constructs	Definition	Operational Variables	Scale Sources
<i>Dependent variable</i>			
<i>Firm Goal Achievement (FSV)</i>	The outcome of performance of firms both financial and non-financial. That arises from an ability of a firm to concentrate on planning and operations that increase steadily in market share, profitability and competitiveness in the long-term	The perception of business overall performance over the prior year, such as increase create opportunity consistent with increasing profitability, growth rate and market share	Srichanapun, Ussahawanitchakit, and Boonlua (2013)
<i>Independent Variables</i>			
<i>Internal Audit Proficiency (IAP)</i>	The ability of a firm to apply knowledge to assess the adequacy and effectiveness of techniques, processes, methods, plans, and procedures to keenly assess the ongoing review, to define the internal audit practice and follow up the implementation the audit to achieve the audit goals effectively (Arena and Azzone, 2009; Ebaid, 2011; Giselle, 2000)	The applications of knowledge, skills techniques, processes, methods, plans and procedures to outline the internal audit practice and follow up the implementation	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Internal Audit Governance (IAG)</i>	The ability of an organization to supervise the implementation of operating principles to comply standard and realize ethics, honesty, fairness, and adherence to ethical standards in accordance with an internal audit (Rossiter, 2011)	The ability of an organization to supervise the implementation of operating principles and realize ethics, honesty, and fairness	New scale
<i>Internal Audit Skepticism (IAS)</i>	The firm ability to assess the situation noted in the situation and the adequacy in identifying surveillance of factors that threaten and the potential negative consequences (Laohamethanee and Ussahawanitchakit, 2012; Nelson, 2005; Wedemeyer, 2010)	The ability to assess the situation noted in the inspection and the adequacy in identifying surveillance of factors that threaten	New scale
<i>Internal Audit Transparency (LAT)</i>	The attention of firm to openness the source of the data, fully to promote of credibility, integrity, and recognize (DeBoskey and Gillett, 2013; Hermalin and Weisbach, 2007; Lander and Auger, 2008)	The intention of firm to have the openness the source of the data, fully to promote of credibility, integrity, and recognize	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Internal Audit Integration (IAI)</i>	The firm ability to apply an combined approach to the review together as a system, combination the knowledge of the inspection from various dimensions to create new knowledge and link a set of guidelines on goals objectives (Bernardo et al., 2010; Ngorsiri and Ussahawanitchakit, 2013; Santos, Mendes and Barbosa, 2011)	The firm focusing on an combined approach to the review together as a system, combination the knowledge of the inspection from various dimensions to create new knowledge and link a set of guidelines on goals objectives	New scale
<i>Mediating variables</i>			
<i>Organizational Compliance Effectiveness (OCE)</i>	The greater effectiveness of the compliance of the organization such as in the fulfillment of the obligations in monitoring, compliance requirements, and standards or laws clearly defined (Jokipii 2010; Shapiro and Matson, 2008; Srikarsem and Ussahawanitchakit, 2010)	The perceptions of the manager toward their the increasing effectiveness of the compliance of the organization such as in the fulfillment of the obligations, compliance requirements, and standards or laws clearly defined	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Risk Reduction Efficiency (RRE)</i>	The escalation in identification, evaluation, risk management and control, event or situation that is certainly the potential for decreasing risk at an acceptable level (Berman, 2006; Kaplan and Schultz, 2007; Salierno, 2007)	The escalation in identification, evaluation, risk management and control, event or situation that is certainly the potential for decreasing risk at an acceptable level	Srichanapun, Ussahawanitchakit and Boonlua (2013)
<i>Fraud Detection Enhancement (FDE)</i>	The higher degrees of effective protection suppression of fraud or errors, defects that are at risk of potential fraud, and reducing the likelihood of corrupt behaviors (Berman, 2006; Kaplan and Schultz, 2007; Salierno, 2007)	The confidence of management which protects from and suppresses of fraud, errors, or defects that are at risk of potential fraud; and it reducing the likelihood of corrupt behavior	Laohamethanee and Ussahawanitchakit (2012)

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Management Quality Increase (MQI)</i>	The supremacy ability of the firm in efficiency and effectiveness of the evaluation and analysis, comparative performance data that is critical to improve the system and reduce process (Alic and Rusjan, 2010; Bigelow, 2002; Lenz and Sarens, 2012; Reding and Digirolamo, 1994; Rezaee, 1996)	The confidence of administration which meets the evaluation, analysis, in operations; and reducers the process of redundancies and helps in situations, thus reducing time and cost	New scale
<i>Business Value (BUV)</i>	The higher degrees of extend the value of business organizations more than in economic value and to reinvent and improve performance in both the short and long term (Anderson, 2003; Badara and Saidin, 2012; Mihret and Woldeyohannis, 2008)	The assessing standard levels of extending the value of business organizations more than economic value, and to reinvent and improve performance in both the short and long term	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Stakeholder Reliability (STR)</i>	The firm ability to increase the trust and credibility of the stakeholders who are involved with both internal and external staff, customers, the community and society (Gunz et al., 2009; Waenkaeo and Ussahawanitchakit, 2011)	The firm perceptions toward the increasing trust, credibility and trust with interested party who are involved with employees, customers, community, and society	Waenkaeo and Ussahawanitchakit (2011)
<i>Antecedent variables</i>			
<i>Sustainable Vision (SUV)</i>	An executive has ability to the views or intentions of good planning in terms of the fundamental objectives or strategic direction, the benefit of doing business in the long term (Stichler, 2012; Pothong and Ussahawanitchakit, 2011)	Managerial perception focusing on intentions and good planning. In the future, in terms of the fundamental objectives or strategic direction, the benefit of doing business in the long-term	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Internal Audit Well-roundedness (IAW)</i>	An executive has ability for attainments in the knowledge of a wide range of skills, knowledge, prudence, to reason, understanding of the practice standards such as accounting, legal, regulator, risk and control and information technology (Haurani et al., 2007; McMillan, 2004; Struweg and Meintjes, 2008)	Managerial perception toward the firm ability for knowledge of a wide range of skills, an understanding of IAS, legality, regulation, risk, control, information technology, and management principles knowledge	Kueket, Janjarasjit and Raksong (2014)
<i>Innovative Culture (INC)</i>	The managerial ability in environment of the indoctrination, developing new practices, ideas, new perspectives and the application of new forms by creating new ways to build faith (Girdauskienė and Savanevičienė, 2007; Saeid and Mehdi, 2010)	Managerial perception focusing on firm construction, policies, and systems which are characteristic involves new practice ideas, new perspectives, and creating new ways	New scale

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Technology Complementarity (TEC)</i>	The progress of system resources, information technology and networks that are highly stable, complete, to applications and helpful in providing information that is quick to implement improved coordination (Najafi and Goodarzi, 2012; Xue, Ray and Sambamurthy, 2012)	The managerial perception toward the effect of networks linked advance, selecting appropriate systems, new high-tech capability, new networks consistent investment, and high-tech application strategies	New scale
<i>Competitive Complexity (COC)</i>	The perceptions of organizations that are recognizing the differences in race, diversity, complexity, and uncertainty in the change of environment factors of component changes that affect the momentum in the corporate strategic (Hitt, Ireland and Hoskisson, 2001; Hortal, Miucl and Lobo, 2009)	Proactive managerial perception focusing on acquiring new strategies in the competitor, new entry, supplier, and substitute	Pongpanpattana and Ussahawanitchakit (2013)

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Moderating variables</i>			
<i>Environmental Munificence (ENM)</i>	The shared perceptions of an organization of completeness and availability of a complete environment for competition and technological environment are continuous developing and society has expectations of professional management. (Castrogiovanni, 1991; Dess and Beard, 1984)	The managerial perception toward the change of a complete environment for competition and technological environment is continuous development	Srichanapun, Ussahawanitchakit and Boonlua (2013)
<i>Business Experience (BUE)</i>	The firm proficiency to knowledge, skills and business expertise accumulated from the past, which help support the creation of corporate experience as a business impact in determining what is appropriately needed or not needed for business (Espedol, 2006; Kim, Kim and Miner, 2009)	Firm perception focusing on the ability of firm performance in the past, skillful and expertise staff, adapted service strategies, past customer comments, and past service success	Kim, Kim and Miner (2009); Larsen, Marnburg, and Øgaard (2012)

Table 6: The Definitions and Operational Variables of Constructs (continued)

Constructs	Definition	Operational Variables	Scale Sources
<i>Control variables</i>			
<i>Hotel Standard (HS)</i>	The level of quality standard and characteristics of the hotel.	Dummy variables 0 = Three-star levels 1 = Four-or five-star levels	Actual Corrected Data
<i>Firm Capital (FC)</i>	The capital in the investment operation in organization. operation capital lower or equal than	Dummy variable: 0 = 100,000,000 Baht or less than, 1 = More than 100,000,000 Baht	Actual Corrected Data

CHAPTER IV

RESULTS AND DISCUSSION

The previous chapter describes research methods which help to understand the methods used in data collection, analysis and hypothesis testing. This chapter illustrates the results of hypothesis testing which are organized as follows. Firstly, the respondent's characteristics and descriptive statistics are expressed for increasing understanding of sample characteristics. Secondly, the results of correlation analysis and hypotheses testing by using multiple regression analysis are detailed. Finally, the summary of all hypotheses testing is also provided.

Respondent Characteristics and Descriptive Statistics

Respondent Characteristics

In this research, the respondents are the internal audit director or internal audit manager that supposedly understands the internal audit functions, its internal audit excellence capability and outcomes, including business value, stakeholder reliability, and firm goal achievement. In this research, hotel businesses are the unit of analysis and then key informants certainly are the internal audit directors or managers. They are also called respondents because they represent their firm and complete the questionnaire of this research. The respondents' characteristics are described by the demographic characteristics of internal audit directors or managers including gender, age, marital status, education level, work experience, average revenues per month, and current position. Moreover, the firm characteristics are also described by business type, standard of business, location of business, capital investment or operation capital, number of employees, period of time in operation, average sales revenues per year, customer groups of business/ target customers. The results of demographic characteristics of 290 key participants show that 61.03 percent of participants are female and 38.97 percent are male. The span of age of respondents is approximately half at 30 to 40 years old (42.41 percent). Most respondents are married (51.72 percent).



The majority of respondents obtained bachelor's degrees or lower (58.97 percent). For working experience, approximately 42.41 percent of respondents have been working with the firms for more than 15 years. Moreover, most respondents received the revenues less than 50,000 Baht per month (43.45 percent) and more than 90,000 Baht per month (23.79 percent). Finally, the working positions at present of respondents are "other" (such as accounting directors, accounting manager, and finance manager) (67.59 percent). For more details, see also Appendix E.

Firm Characteristics

The results of demographic characteristics of 290 hotel businesses show that the majority of the business types is corporate (95.86 percent). For the standard of business, most of them are at the three-star level (48.28 percent). The majority of businesses is located in the South of Thailand (37.25 percent). Most of operational capital is less than 150,000,000 baht (37.24 percent). The number of employees in the organization is more than 150 persons (39.31 percent). The period of time in operation is mostly more than 15 years (39.31 percent). The average sales revenues per year are more than 75,000,000 Baht (38.27 percent). Most of business services are with international customer groups (76.90 percent). For more details see also Appendix E.

Results of Descriptive Statistics

Descriptive statistics are used to analyze the basic features of the data in this research. Table 7 demonstrates the descriptive statistics including the means and standard deviation of all variables of 290 usable respondent. For this research, all of the variables are obtained from the survey and measured by a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), according to Chapter three.

The descriptive statistics of all variables are presented in Table 7. Overall, the range of mean scores for all constructs is 3.734 – 4.235. Especially, the results show that the mean scores for the measurement of internal audit excellence capability are namely, internal audit proficiency (4.229), internal audit governance (4.090), internal audit skepticism (3.937), internal audit transparency (4.116), and internal audit integration (3.925), and are rather high. These results show that hotel businesses in Thailand recognize the significance of internal audit excellence capability in five dimensions. In addition,



internal audit excellence capability has a standard deviation value of 0.516 – 0.593. Moreover, the results likewise present that the mean score of internal audit excellence capability consequences consists of organizational compliance effectiveness (3.914), risk reduction efficiency (3.734), fraud detection enhancement (3.758), management quality increase (3.793), business value (3.797), stakeholder reliability (3.931), and firm goal achievement (3.842), which are rather high. The standard deviation value of consequences of internal audit excellence capability is 0.478 – 0.583. Furthermore, the result is shown that the mean score for internal audit excellence capability antecedents consists of sustainability vision (3.970), internal audit well-roundedness (3.953), innovative culture (3.909), technology complementarity (3.922), and competitive complexity (4.235). The standard deviation value of the antecedents of internal audit excellence capability is 0.518 – 0.590. Finally, the mean of the moderating effects consists of environmental munificence (3.86), and business experience (3.96). The standard deviation value of moderating effects of internal audit excellence capability is 0.514 – 0.588.

Results of Correlation Analysis

The Pearson correlation for bivariate analysis of each variable pair is conducted in this research. The correlation analysis results show a multicollinearity problem and explore the relationships among the variables. Table 7 shows the results of the correlation analysis of all constructs. The bivariate correlation procedure is subject to a two-tailed test of statistical significance at two levels as $p < 0.05$ and $p < 0.01$.

Thus, the correlation matrix can prove the correlation between two variables and verify the multicollinearity problems by the intercorrelations among the independent variables. The results indicate no multicollinearity problems in this research because the result is lower at 0.80 (Hair et al., 2010). Accordingly, the evidence suggests that they are significantly related among the five dimensions of internal audit excellence capability, between 0.666 and 0.772, $p < 0.01$. The correlation matrix reveals a correlation between the consequences of the dimensions of internal audit excellence capability. The result indicates the dimensions of internal audit excellence capability have an influence on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and



firm goal achievement, which have a significant positive correlation between 0.288 and 0.599, $p < 0.01$. Most definitely, the antecedent constructs, including sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity are significantly related to the dimensions of internal audit excellence capability ($r = 0.542 - 0.780$, $p < 0.01$). The moderating effect of environmental munificence has correlations with all five dimensions of internal audit excellence capability and its consequences between 0.453 – 0.617, $p < 0.01$. Finally, the moderating effects of business experience have correlations with all antecedent variables and five dimensions of internal audit excellence capability between 0.595 – 0.757, $p < 0.01$.

This research tests variance inflation factor (VIF) which is used to test the correlation variables. The results indicate the maximum value of VIF is below the cutoff value of 10 (Hair et al., 2010). Overall, the results indicate no multicollinearity problems in this research.



Table 7: Descriptive Statistics and Correlation Matrix of All Constructs

Variables	FSV	OCE	RRE	FDE	MQI	BUV	STR	IAP	IAG	IAS	IAT	IAI	SUV	IWR	INC	TCE	COC	ENM	BUE	HS	FC
MEAN	3.842	3.914	3.734	3.758	3.793	3.797	3.931	4.229	4.090	3.937	4.116	3.925	3.970	3.953	3.909	3.922	4.235	3.862	3.963	n/a	n/a
S.D.	0.583	0.544	0.523	0.478	0.499	0.500	0.552	0.516	0.534	0.527	0.556	0.593	0.518	0.575	0.583	0.559	0.590	0.514	0.588	n/a	n/a
FSV	1																				
OCE	.602***	1																			
RRE	.549***	.631***	1																		
FDE	.616***	.573***	.658***	1																	
MQI	.718***	.575***	.570***	.691***	1																
BUV	.739***	.606***	.627***	.651***	.756***	1															
STR	.720***	.672***	.461***	.578***	.589***	.648***	1														
IAP	.367***	.492***	.324***	.399***	.377***	.444***	.424***	1													
IAG	.502***	.540***	.397***	.483***	.513***	.492***	.468***	.723***	1												
IAS	.356***	.440***	.288***	.418***	.438***	.444***	.499***	.666***	.719***	1											
IAT	.583***	.537***	.380***	.492***	.548***	.538***	.599***	.714***	.735***	.767***	1										
IAI	.453***	.554***	.408***	.577***	.556***	.529***	.543***	.690***	.772***	.765***	.762***	1									
SUV	.616***	.396***	.433***	.562***	.527***	.541***	.550***	.567***	.562***	.538***	.595***	.566***	1								
IWR	.509***	.510***	.383***	.616***	.597***	.543***	.584***	.612***	.667***	.618***	.695***	.635***	.720***	1							
INC	.558***	.529***	.399***	.528***	.540***	.504***	.599***	.597**	.625***	.582***	.618***	.598***	.682***	.780***	1						
TCE	.549***	.530***	.395***	.498***	.460***	.468***	.617***	.518***	.597***	.543***	.625***	.617***	.596***	.607***	.569***	1					
COC	.491***	.394***	.286***	.454***	.397***	.465***	.508***	.568***	.535***	.530***	.577***	.546***	.589***	.549***	.542***	.637***	1				
ENM	.575***	.699***	.427***	.589***	.564***	.559***	.548***	.525***	.617***	.453***	.494***	.595***	.526***	.649***	.638***	.695***	.426***	1			
BUE	.649***	.545***	.515***	.554***	.577***	.603***	.655***	.552***	.647***	.605***	.655***	.623***	.744***	.757***	.708***	.620***	.595***	.544***	1		
HS	.066	.234***	.121**	.105	.159***	.063	.088	.125**	.138**	.120**	.156***	.113	.085	.125**	.031	.139**	.133**	.200***	.092	1	
FC	.163***	.212***	.025	.111	.148**	.162***	0.63	.078	.092	.042	0.21	0.36	.139**	0.029	0.66	.107	-.005	.220***	0.058	0.133**	1
** p < 0.05, *** p < 0.01																					



Hypotheses Testing and Results

The Ordinary Least Squares (OLS) regression analysis is conducted in the research. The regression equation generated is a linear combination of the independent variables that best explains and predicts the dependent variable (Aulakh, Masaaki, and Hildy, 2000). Therefore, OLS is an appropriate method for examining the hypothesized relationships. In this research, all hypotheses are transformed into twenty-five equations. Furthermore, there are two dummy variables of hotel standard and firm capital which are consistent with the data collection included in those equations for testing as follows.

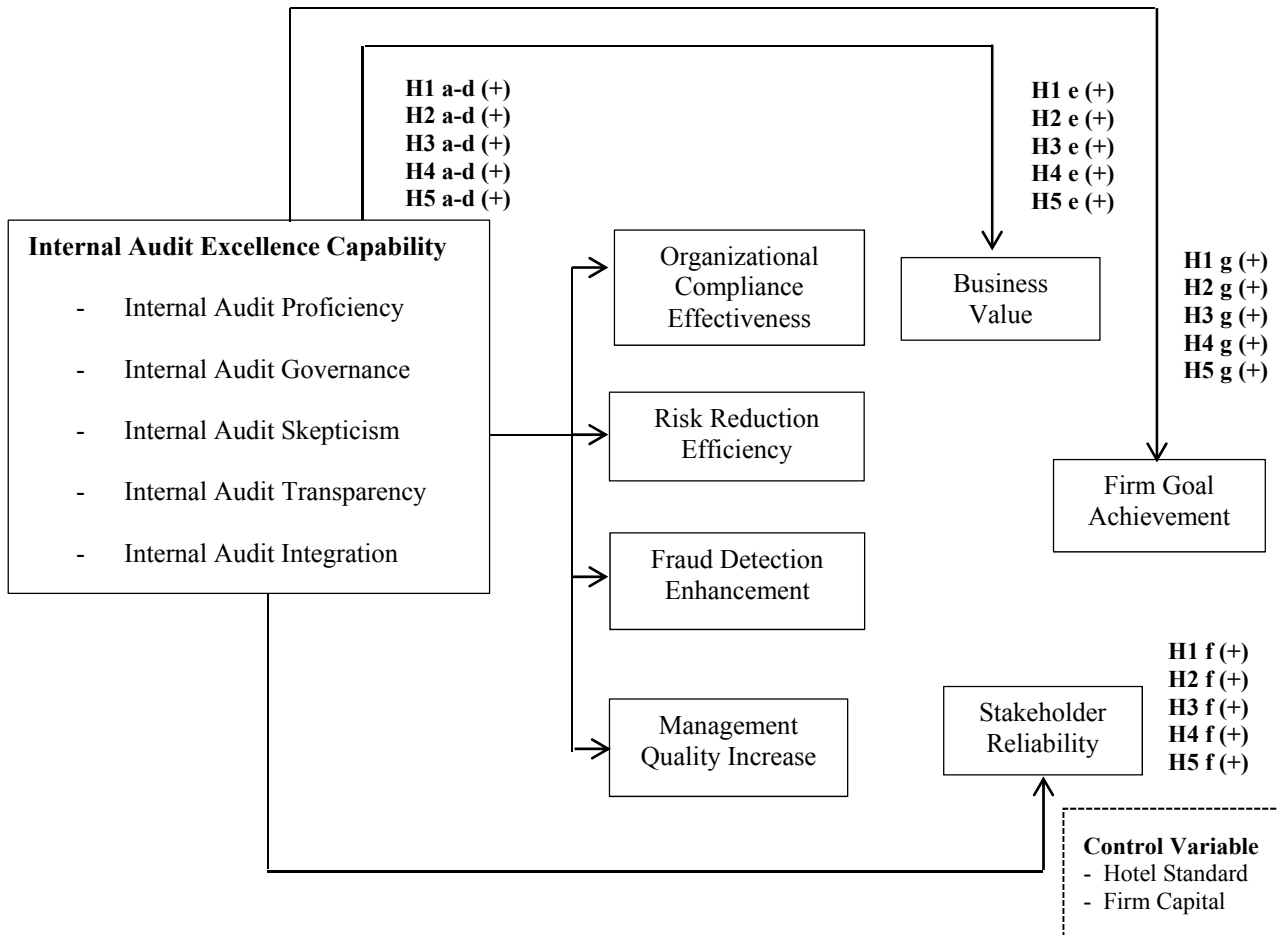
The Impacts of Each Dimension of Internal Audit Excellence Capability on Its Consequences

With respect to the associations, this research suggests internal audit excellence capability as the antecedents. Organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement are the consequences of internal audit excellence capability.

Table 8 demonstrates the correlation between the independent and dependent variables. For the independent variables, five dimensions of internal audit excellence capability are internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. The dependent variables consist of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement as demonstrated in Figure 8.



Figure 8: The Relationships Between Internal Audit Excellence Capability and Its Consequences



The correlation among independent and dependent variables are exposed in Table 8. The results show that internal audit proficiency is significantly and positively correlated with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement ($r = .492, p < 0.01$; $r = .324, p < 0.01$; $r = .399, p < 0.01$; $r = .377, p < 0.01$; $r = .444, p < 0.01$; $r = .424, p < 0.01$; $r = .367, p < 0.01$), respectively. Then, internal audit governance has a significant and positive correlation with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement ($r = .540, p < 0.01$; $r = .397, p < 0.01$; $r = .483, p < 0.01$; $r = .513, p < 0.01$; $r = .492, p < 0.01$; $r = .468, p < 0.01$; $r = .502, p < 0.01$), respectively.



Additionally, internal audit skepticism has a significant and positive correlation with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement ($r = .440, p < 0.01$; $r = .288, p < 0.01$; $r = .418, p < 0.01$; $r = .438, p < 0.01$; $r = .444, p < 0.01$; $r = .499, p < 0.01$; $r = .356, p < 0.01$), respectively. Likewise, internal audit transparency has a significant and positive correlation with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement ($r = .537, p < 0.01$; $r = .380, p < 0.01$; $r = .492, p < 0.01$; $r = .548, p < 0.01$; $r = .538, p < 0.01$; $r = .599, p < 0.01$; $r = .583, p < 0.01$), respectively. Finally, internal audit integration has a significant and positive correlation with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement ($r = .554, p < 0.01$; $r = .408, p < 0.01$; $r = .577, p < 0.01$; $r = .556, p < 0.01$; $r = .529, p < 0.01$; $r = .543, p < 0.01$; $r = .453, p < 0.01$), respectively.

For the correlation among independent variables, the results from Table 8 also illustrate that internal audit proficiency is significantly and positively correlated with internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .723, p < 0.01$; $r = .666, p < 0.01$; $r = .714, p < 0.01$; $r = .690, p < 0.01$), respectively. Then, internal audit governance is significantly and positively correlated with internal audit skepticism, internal audit transparency and internal audit integration ($r = .719, p < 0.01$; $r = .736, p < 0.01$; $r = .722, p < 0.01$), respectively. Similarly, internal audit skepticism is significantly and positively correlated with internal audit transparency and internal audit integration ($r = .767, p < 0.01$; $r = .785, p < 0.01$), respectively; and internal audit transparency is significantly and positively correlated with internal audit integration ($r = .782, p < 0.01$). However, these correlation coefficients are less than 0.80. Therefore, as suggested by Berry and Feldman (1985), the multicollinearity problems are not a concern for this analysis.

With regard to potential problems relating to multicollinearity in this research, the test variance inflation factor (VIF) is used to test the correlations among five dimensions of internal audit excellence capability and its four consequences. In this case, the maximum value of VIF is 3.926 (see also Table 8), which is well below the



cut-off value of 10 (Hair et al., 2010), meaning that each variable is not correlated with each other. Accordingly, there are no significant multicollinearity problems confronted in this research.

Table 8: Descriptive Statistics and Correlation Matrix of Internal Audit Excellence Capability on Its Consequences

Variables	OCE	RRE	FDE	MQI	BUV	STR	FSV	IAP	IAG	IAS	IAT	IAI	HS	FC
Mean	3.914	3.734	3.758	3.793	3.797	3.931	4.229	4.090	3.937	4.116	3.925	3.914	n/a	n/a
S.D.	0.544	0.523	0.478	0.499	0.500	0.552	0.516	0.534	0.527	0.556	0.593	0.544	n/a	n/a
OCE	1													
RRE	.631***	1												
FDE	.573***	.658***	1											
MQI	.575***	.570***	.691***	1										
BUV	.606***	.627***	.651***	.756***	1									
STR	.672***	.461***	.578***	.589***	.648***	1								
FSV	.602***	.549***	.616***	.718***	.739***	.720***	1							
IAP	.492***	.324***	.399***	.377***	.444***	.424***	.367***	1						
IAG	.540***	.397***	.483***	.513***	.492***	.468***	.502***	.723***	1					
IAS	.440***	.288***	.418***	.438***	.444***	.499***	.356***	.666***	.719***	1				
IAT	.537***	.380***	.492***	.548***	.538***	.599***	.583***	.714***	.736***	.767***	1			
IAI	.554***	.408***	.577***	.556***	.529***	.543***	.453***	.690***	.722***	.785***	.782***	1		
HS	.234***	.021	.105	.159***	.063	.088	.066	.125**	.138**	.120**	.156***	.113	1	
FC	.212***	.255***	.111	.148**	.162***	.063	.163***	.078	.092	.042	.021	.036	.133**	1

** p < 0.05, *** p < 0.01

Table 9 demonstrates the results of the OLS regression analysis of the effects of each dimension of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) on its consequences (organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement), which are followed by Hypotheses 1 – 5.

Firstly, the evidence in Table 9 relates to internal audit proficiency (Hypotheses

1a – 1f). The findings show internal audit proficiency has positive influences on management quality increase (H1d: $\beta_{22} = .325$, $p < 0.01$), and firm goal achievement (H1g: $\beta_{43} = .322$, $p < 0.01$). This is consistent with prior studies which suggest that the relationship of internal audit proficiency can affect the quality's implementation of the organization such as quality control, quality of service, response the customer needs, the quality of internal audit effectiveness, and firm goal achievement (Amirhossein and Raana, 2011; Fadzil, Haron, and Jantan, 2005; Mihret and Yismaw, 2007; Samuel and Afiah, 2013). Accordingly, significant overall internal audit skills, knowledge, and experience (called internal audit proficiency) can increase value of enterprise management (Giselle, 2000). It shows that internal auditors must have sufficient knowledge and skill processes, methods, and procedures to keenly assess the likelihood of risky events in order to achieve the audit goals effectively.

As mentioned above, this research demonstrates the association of internal audit proficiency enhances management quality increase and firm goal achievement.

Hence, Hypotheses 1d and 1g are supported.

However, internal audit proficiency has no significant effects on organizational compliance effectiveness (H1a: $\beta_1 = .018$, $p > 0.10$), risk reduction efficiency (H1b: $\beta_8 = -.110$, $p > 0.10$), fraud detection enhancement (H1c: $\beta_{15} = -.118$, $p > 0.10$), business value (H1e: $\beta_{29} = -.038$, $p > 0.10$), and stakeholder reliability (H1f: $\beta_{36} = -.097$, $p > 0.10$). The possible reason is the internal audit proficiency is an internal audit process that monitors the implementation of the internal audit and the internal auditor's evidence search process, which is based on the individual differences in internal audit well-roundedness. According to prior studies, suggest that the firms may have good internal audit practices; but, if they lack knowledge and understanding of practice, it will lead to an outcome that has errors and is unreliable (Ninlaphay, Ussahawanitchakit, and Boonlua, 2012). Likewise, Hui and Fatt (2007) state that the unique managerial skills as sources of value are capable of generating organization survival. The results of this research may be caused by lacking of skills needed in the practice, which cannot add value to the organization. Moreover, this is consistent with Rainsbury et al. (2009) who stated that best practice' on all firms is unable to lead to a significant improvement in financial reporting. However, internal audit proficiency also has no significant effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection



enhancement, business value, and stakeholder reliability. Consequently, internal audit proficiency does not support organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, business value, and stakeholder reliability.

Hence, Hypotheses 1a, 1b, 1c, 1e and 1f are not supported.

Secondly, the results in Table 9 show that the findings of internal audit governance (Hypotheses 2a – 2f) have a significant influence on organizational compliance effectiveness (H2a: $\beta_2 = .227$, $p < 0.01$), risk reduction efficiency (H2b: $\beta_9 = .266$, $p < 0.01$), fraud detection enhancement (H2c: $\beta_{16} = .250$, $p < 0.01$), management quality increase (H2d: $\beta_{23} = .371$, $p < 0.01$), business value (H2e: $\beta_{30} = .164$, $p < 0.10$) and firm goal achievement (H2g: $\beta_{44} = .437$, $p < 0.01$). This result suggests that internal audit has to take a role in corporate governance in term of assurance and consult for enterprise management. However, the finding illustrates that the internal audit governance process, the structure of the implementation of the directors board, confidence, and consultation contribute to the improvement of risk management and internal control. They lead, manage, and monitor the activity of the organization in order to maintain strategic added-value of the firm (Goodwin-Stewart and Kent, 2006; Rossiter, 2011; Srikarsem and Ussahawanitchakit, 2009; Institute of Internal Auditors (IIA), 2004). In the other words, if organizations need to fulfill their long - term potential to maximize wealth, then an internal audit governance of regulation compliance awareness is an important factor for the implementation. As mentioned above, this research demonstrates that the association of internal audit governance enhances organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value and firm goal achievement. **Hence, Hypotheses 2a, 2b, 2c, 2d, 2e and 2g are supported.**

However, internal audit governance also has no significant effects on stakeholder reliability (H2f: $\beta_{37} = .053$, $p > 0.10$). This result, relates to prior study suggests that compliance with laws and regulations are not comprehensively, which the gap occurred that caused error and corruption (Ninlaphay, Ussahawanitchakit, and Boonlua, 2012). Therefore, evidence for the governance of internal audit factor does not support the stakeholder reliability that was drawn from this study. Consequently, internal audit governance does not support stakeholder reliability. **Hence, Hypothesis 2f is not supported.**



Thirdly, the results relate to internal audit skepticism (Hypotheses 3a – 3f). The evidence exposes that internal audit skepticism has positive effects on management quality increase (H3d: $\beta_{24} = .174$, $p < 0.05$), and firm goal achievement (H3g: $\beta_{45} = .333$, $p < 0.01$). A more plausible explanation, although these indices are quantitative, these findings indicate that performing internal audit tasks with a careful doubting and questioning mindset will enhance an opportunity to detect and correct any error or deviation from working standards; and as a result, elevate the level of audit quality (Carpenter, Durtschi, and Gaynor, 2011; Fullerton and Durtschi, 2005; Hurtt, 2010; The International Auditing and Assurance Standards Board (IAASB), 2011; Institute of Internal Auditors (IIA), 2012; Kerler III and Killough, 2009; Nelson, 2009). This result relates to prior study, suggests that high internal audit skepticism quality leads to confidence and reliable information and improving operational excellence (McCoy et al., 2011). As mentioned above, this research demonstrates that the association of internal audit skepticism enhances management quality increase and firm goal achievement. **Hence, Hypotheses 3d and 3g are supported.**

Surprisingly, internal audit skepticism has significant, negative effects on organizational compliance effectiveness (H3a: $\beta_3 = -.177$, $p < 0.05$), risk reduction efficiency (H3b: $\beta_{10} = -.232$, $p < 0.05$) and fraud detection enhancement (H3c: $\beta_{17} = -.191$, $p < 0.05$). The results indicate that a firm with internal audit skepticism results in reduced organizational compliance effectiveness, risk reduction efficiency and fraud detection enhancement. It is possible that the effect of internal auditors with skepticism can be the cause of increased compliance in the audit program. With greater skepticism and expertise in the performance of internal audit comes greater awareness of the issues or risks in the performance of internal audit. This doubt and return to internal audit process results in delays in the issuance of the audit report. This includes defining the scope of the review and audit. Especially, the results of the present investigation were inconsistent with the past. It will cause suspicion and return to internal audit process again. While the results of the present investigation are likely to be consistent with the past, it will make a review of the internal audit be not enough. This result suggests that features of internal audit skepticism reflect on the question that may indicate a weakness of internal control, risk, or fraud. It is possible that an assessment of the key issues may cause of problems, time consuming and costs in the internal audit (Laohamethanee,



Ussahawanitchakit, and Boonlua, 2013). Although the internal audit skepticism assess uncertainty, operational risk and evaluates the situation noted in the internal audit and the adequacy in identifying surveillance of factors that threaten and inform potential negative consequences. On the other hand, the lack of deploy appropriate and specific control tools or policies to detect or correct the fraud or illegal activities on a timely basis may not occur. The internal audit team must strategically consider about management's possible efforts to commit and conceal fraud and internal control weakness. These results are consistent with Fullerton and Durtschi (2005) who found that the internal audit function may carefully plan and perform with professional doubt, but if the internal audit team does not search for additional knowledge or evidence to identify fraudulent error, and illegal activities. This may lead to internal audit failure of error detection. Therefore, these results may imply that internal audit skepticism may not automatically maximize organizational compliance effectiveness, risk reduction efficiency and fraud detection enhancement, but the success of the implementation of risk awareness and correction and ongoing internal control monitoring depend on management's effort to correct them. **Hence, Hypotheses 3a, 3c and 3d are not supported.**

Conversely, internal audit skepticism has no significant influences on business value (H3e: $\beta_{31} = -.097$, $p > 0.10$) and stakeholder reliability (H3f: $\beta_{38} = .023$, $p > 0.10$). The reason for this is that, the firm has to assess the situation noted in the internal audit and the adequacy in identifying surveillance of factors that threaten and inform potential negative consequences, but if the internal audit unit lacks of the transfer of knowledge within the organization will be resulted in the ability to monitor and will affect the quality and reliability of internal audit. The possible reason for this is assessing the situation noted in the internal audit is simply defined in the standards or practice of internal audit to ensure compliance with rules and regulations that were set up. But in fact, assess the situation noted in the internal audit, prior to the plan check process, is detailed and complex; it was neglected in the operation, because of taking the time to more risk assessment, so it has less time to audit. Therefore, the key business process does not have assessments. This result is similar to the work of Vasarhelyi et al. (2012) which indicated that uncertainty awareness and correction has no significant positive effect on transaction error detection. This finding is similar to Hass, Abdolmohammadi, and Burnaby (2006) who indicated that the internal controls do not align reasonable assurance



with the needs and priorities of all of its key stakeholders, leading to a reduction in adding value to the organization and its stakeholders. Therefore, internal audit skepticism does not influence business value and stakeholder reliability. **Hence, Hypotheses 3e and 3f are not supported.**

Fourthly, the results that relate to internal audit transparency (Hypotheses 4a – 4f), indicate that internal audit transparency has significant effects on organizational compliance effectiveness (H4a: $\beta_4 = .203$, $p < 0.05$), risk reduction efficiency (H4b: $\beta_{11} = .175$, $p < 0.10$), management quality increase (H4d: $\beta_{25} = .330$, $p < 0.01$), business value (H4e: $\beta_{32} = .313$, $p < 0.01$), stakeholder reliability (H4f: $\beta_{39} = .468$, $p < 0.01$) and firm goal achievement (H4g: $\beta_{46} = .698$, $p < 0.01$). In this sense, prior research suggested that transparency is a key factor that has supported in the management of the organization. (DeBoskey and Gillett, 2013; Hermalin and Weisbach, 2007; Kaur and Mishra, 2010; Pongpanpattana and Ussahawanitchakit, 2013). However, the finding illustrates that transparency is a factor that has a positive influence on the increased value of the firm and its confidence in the risk management report (Weiner, 2013). This finding is similar to Archambeault and Holt (2008), and Lander and Auger (2008) who found that the transparency of reporting on the internal audit can improve reliability for external stakeholders. These results are consistent with Archambeault and Holt (2008), and Hermalin and Weisbach (2007) who found that transparency provides benefits to the firm and internal audit transparency which help to educate stakeholders about the internal audit function and governance role in a way that can affect financial information reliability. Therefore, the result in this research confirms the previous argument that internal audit transparency enhances organizational compliance effectiveness, risk reduction efficiency, management quality increase, business value, stakeholder reliability and firm goal achievement. **Hence, Hypotheses 4a, 4b, 4d, 4e, 4f and 4g are supported.**

Conversely, internal audit transparency has no significant influences on fraud detection enhancement (H4c: $\beta_{18} = .128$, $p > 0.10$). It is possible that the effect of fraud is a major obstacle in the implementation of the organization by causing problems in the management of resources, and may occur at any time. It implies that the transparency process must be transparent so that all process can be checked. Also, the firm should have a third party to monitor and ensure transparency (Ninlaphay, Ussahawanitchakit



and Boonlua, 2012). Therefore, internal audit transparency does not influence fraud detection enhancement. **Hence, Hypothesis 4c is not supported.**

Finally, there are results relating to internal audit integration (Hypotheses 5a-5f). The results indicate that internal audit integration positively relates to organizational compliance effectiveness (H5a: $\beta_5 = .335$, $p < 0.01$), risk reduction efficiency (H5b: $\beta_{12} = .324$, $p < 0.01$), fraud detection enhancement (H5c: $\beta_{19} = .548$, $p < 0.01$), management quality increase (H5d: $\beta_{26} = .376$, $p < 0.01$), business value (H5e: $\beta_{33} = .264$, $p < 0.01$), stakeholder reliability (H5f: $\beta_{40} = .182$, $p < 0.05$) and firm goal achievement (H5g: $\beta_{47} = .168$, $p < 0.10$). This finding is similar to Karapetrovic and Casadesus (2009), Santos, Mendes, and Barbosa (2011), and Ngorsiri and Ussahawanitchakit (2013) who indicate that the internal audit integration assists in increase efficiency of financial reporting, optimization, operational audit, optimization, risk management and the impact value increasing organizations. This result suggests that the auditing integration method can help managers find the substantive mistakes in financial statements and their responsibility to reduce the acceptable risks at an acceptable level (Bernardo, Marti, and Stanislav, 2010; Bierstaker and Arnold, 2004; Chen, Chen, and Chu, 2009) leading to fewer risks and increasing the quality of the work. Therefore, the result in this research confirms the previous argument that internal audit integration enhances organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability and firm goal achievement. **Hence, Hypotheses 5a, 5b, 5c, 5d, 5e, 5f and 5g are supported.**



Table 9: The Results of the Regression Analysis for Effects of Each Dimension of Internal Audit Excellence Capability on Its Consequences

Independent Variables	Dependent Variables ^a						
	OCE	RRE	FDE	MQI	BUV	STR	FSV
	Model 1 H1a-H5a	Model 2 H1b-H5b	Model 3 H1c-H5c	Model 4 H1d-H5d	Model 5 H1e-H5e	Model 6 H1f-H5f	Model 7 H1g-H5g
Internal Audit Proficiency (IAP: H1a-1g)	0.018 (0.084)	-0.110 (0.094)	-0.118 (0.087)	0.325*** (0.085)	-0.038 (0.089)	-0.097 (0.087)	0.322*** (0.082)
Internal Audit Governance (IAG: H2a-2g)	0.227** (0.090)	0.266*** (0.101)	0.250*** (0.094)	0.371*** (0.091)	0.164* (0.095)	0.053 (0.093)	0.437*** (0.088)
Internal Audit Skepticism (IAS: H3a-3g)	-0.177** (0.082)	-0.232** (0.092)	-0.191** (0.085)	0.174** (0.082)	-0.097 (0.087)	0.023 (0.085)	0.333*** (0.080)
Internal Audit Transparency (IAT: H4a-4g)	0.203** (0.086)	0.175* (0.097)	0.128 (0.090)	0.330*** (0.087)	0.313*** (0.091)	0.468*** (0.089)	0.698*** (0.084)
Internal Audit Integrations (IAI: H5a-5g)	0.335*** (0.086)	0.324*** (0.097)	0.548*** (0.089)	0.376*** (0.087)	0.264*** (0.091)	0.182** (0.089)	0.168* (0.084)
Hotel Standard (HS)	0.260*** (0.093)	0.062 (0.104)	0.041 (0.097)	0.119 (0.093)	-0.082 (0.098)	-0.021 (0.096)	-0.103 (0.091)
Firm Capital (FC)	0.326*** (0.093)	0.458*** (0.104)	0.165* (0.096)	0.236** (0.093)	0.287*** (0.097)	-0.100 (0.095)	0.304*** (0.090)
Adjusted R²	0.399	0.246	0.353	0.394	0.333	0.361	0.429
Maximum VIF	3.926	3.926	3.926	3.926	3.926	3.926	3.926

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis

In summary, these findings reveal that most of the five dimensions of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) have a direct influence on its consequence variables. ***Hence, Hypothesis 5 is strongly supported, while Hypotheses 1, 2, 3 and 4 are partially supported.***

As to the control variables, results indicate that the hotel standard has significant and positive effects on organizational compliance effectiveness ($\beta_6 = .260$, $p < 0.01$). However, the finding illustrates that hotel businesses with the highest stars have high expectations for performance (Chand and Katou, 2007). Especially, the standard hotel



with a high level of stars has expanded the service and may be more likely to be successful in internal audit professionalism (Kueket and Ussahawanitchakit, 2013). Meanwhile, hotel standard has no significant effects on the relationships among the risk reduction efficiency ($\beta_{13} = .062$, $p > 0.10$), fraud detection enhancement ($\beta_{20} = .041$, $p > 0.10$), management quality increase ($\beta_{27} = .119$, $p > 0.10$), business value ($\beta_{34} = -.082$, $p > 0.10$), stakeholder reliability ($\beta_{41} = -.021$, $p > 0.10$) and firm goal achievement ($\beta_{48} = -.103$, $p > 0.10$); meaning that the auditor gender did not impact risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement.

Firm capital has significant and positive effects on organizational compliance effectiveness ($\beta_7 = .326$, $p < 0.01$), risk reduction efficiency ($\beta_{14} = .458$, $p < 0.01$), fraud detection enhancement ($\beta_{21} = .165$, $p < 0.10$), management quality increase ($\beta_{28} = .236$, $p < 0.05$), business value ($\beta_{35} = .287$, $p < 0.01$) and firm goal achievement ($\beta_{49} = .304$, $p < 0.01$). This is consistent with Erickson et al. (2010) who argued that the large firms are more likely to have more reporting processes in place and tends to have more employees and greater resources to spend on their internal audit processes. On the other hand, small firms may lack sufficient resources and may be more likely to use a non-corrective action strategy to implement an effective internal audit.

For that reason, firm capital (FC) has statistically significant influence on business excellence, meaning that firms with capital investment of more than 10,000,000,000 Baht have greater business excellence. Meanwhile, firm capital has no significant effects on stakeholder reliability ($\beta_{42} = -.100$, $p > 0.10$). This means that firm capital did not influence stakeholder reliability.

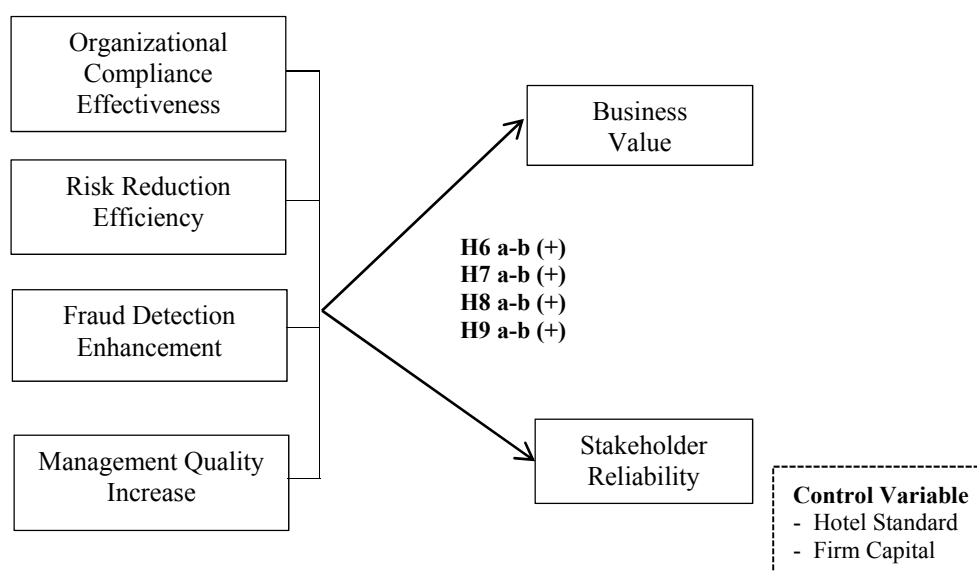
The Relationships Between Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value, Stakeholder Reliability, and Firm Goal Achievement

As described in Chapter two, the consequences of internal audit excellence capability is organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability and firm goal achievement.



This path assigns investigation as to the effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, and business value and stakeholder reliability. This research proposes that organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase are positively related to business value and stakeholder reliability as shown in Hypotheses 6a, 6b, 7a, 7b, 8a, 8b, 9a and 9b, respectively. All of them are depicted in Figure 9. These hypotheses are analyzed from the regression equations 8 and 9 according to Chapter three.

Figure 9: The Relationships between Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value and Stakeholder Reliability



The correlations among organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, and stakeholder reliability are presented in Table 10. The results demonstrate that business value is significantly and positively correlated with stakeholder reliability ($r = 0.648$; $p < 0.01$). Organizational compliance effectiveness is significantly and positively correlated with business value ($r = 0.606$; $p < 0.01$) and stakeholder reliability ($r = 0.672$; $p < 0.01$). Risk reduction efficiency is significantly and positively correlated



with business value ($r = 0.627$; $p < 0.01$), stakeholder reliability ($r = 0.461$; $p < 0.01$) and organizational compliance effectiveness ($r = 0.631$; $p < 0.01$). Likewise, fraud detection enhancement is significantly and positively correlated with business value ($r = 0.651$; $p < 0.01$), stakeholder reliability ($r = 0.578$; $p < 0.01$), organizational compliance effectiveness ($r = 0.573$; $p < 0.01$) and risk reduction efficiency ($r = 0.658$; $p < 0.01$).

Moreover, Table 10 demonstrates the results of correlation analysis which indicate that management quality increase is significantly and positively correlated with business value ($r = 0.756$; $p < 0.01$), stakeholder reliability ($r = 0.589$; $p < 0.01$), organizational compliance effectiveness ($r = 0.575$; $p < 0.01$), risk reduction efficiency ($r = 0.570$; $p < 0.01$), and fraud detection enhancement ($r = 0.691$; $p < 0.01$).

Table 10: Descriptive Statistics and Correlation Matrix of Relationships
Between Organizational Compliance Effectiveness, Risk Reduction
Efficiency, Fraud Detection Enhancement, Management Quality
Increase, Business Value and Stakeholder Reliability

Variables	BUV	STR	OCE	RRE	FDE	MQI	HS	FC
Mean	3.797	3.931	3.914	3.734	3.758	3.793	n/a	n/a
S.D.	0.500	0.552	0.544	0.523	0.478	0.499	n/a	n/a
BUV	1							
STR	.648***	1						
OCE	.606***	.672***	1					
RRE	.627***	.461***	.631***	1				
FDE	.651***	.578***	.573***	.658***	1			
MQI	.756***	.589***	.575***	.570***	.691***	1		
HS	.063	.088	.234***	.121**	.105	.159***	1	
FC	.162***	.063	.212***	.255***	.111	.148**	.133**	1

** $p < 0.05$, *** $p < 0.01$

Most of these correlation coefficients are less than 0.80 as recommended by Hair et al. (2010). Consequently, overall, multicollinearity problems are not a concern for this analysis (Berry and Feldman, 1985).



Furthermore, with regard to the multicollinearity problem, VIF is used to test the correlation among independent variables (see Table 11). In this investigation, the maximum value of VIF is 2.450, being less than 10, indicating that there are no significant multicollinearity problems confronted (Hair et al., 2010).

Table 11 presents the results of OLS regression analysis of the relationships among organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability, and firm goal achievement which are followed by Hypotheses 6 through 9. The impact of organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement and management quality increase on business value and stakeholder reliability are followed by Hypotheses 6a, 6b, 7a, 7b, 8a, 8b, 9a, and 9b, respectively.

The evidence in Table 11 indicates that organizational compliance effectiveness has significant and positive relationships to business value (H6a: $\beta_{50} = .167$, $p < 0.01$), and stakeholder reliability (H6b: $\beta_{56} = .521$, $p > 0.01$). This result suggests that creating and maintaining operational accuracy can result in increased business value, and would be acceptable to all stakeholders. These results are consistent with Galan and Battaner (2009), Institute of Internal Auditors (IIA) (2013), Jokipii (2010) and Shapiro and Matson (2008) found that compliance with the rules inside and outside the organization (such as in regulatory compliance, corporate governance and preparedness to learn about regulatory changes that occurs and are always in planning) are ready to find a way to solve problems that arise from law enforcement and new requirements to increase organizational compliance effectiveness. Therefore, the result in this research confirms the previous argument that organizational compliance effectiveness enhances business value and stakeholder reliability. **Hence, Hypotheses 6a and 6b are supported.**

Furthermore, the results also indicate that risk reduction efficiency has significant and positive relationships to business value (H7a: $\beta_{51} = .179$, $p < 0.01$), and stakeholder reliability (H7b: $\beta_{57} = .0109$, $p < 0.10$). The study of Kueket, Janjarasjit, and Raksong (2014), and Pricewaterhouse Coopers (2004) argued that the administration wants to support the risk management of the organization, and that the main reason of the importance of internal audit is an attempt to create or add value to the business. Also, consistent with Crawford and Stein (2002), there is evidence that the risk reduction and



risk management level is acceptable to achieve the objectives and targets for the internal audit the efficiency of the organization. This result, according to prior study suggests that risk management provides a framework of management that is effective with uncertainty, and is associated with risk that may enhance its capacity in achieving firm goals (Tamosiuniene and Savuck, 2007). Continually, risk reduction should improve the firm competitive advantage. In summary, this result can conclude that risk reduction efficiency becomes a starting point for enhancing a higher valuable business value.

Hence, Hypotheses 7a and 7b are supported.

Meanwhile, fraud detection enhancement has significant and positive relationships to business value (H8a: $\beta_{52} = .100$, $p < 0.01$) and stakeholder reliability (H8b: $\beta_{58} = .207$, $p < 0.01$). This finding is similar to Romney et al. (1980), and Limmroth (2012) who indicate that management is currently trending in believing that internal audit is responsible for the fraud and corruption that may occur in the organization and the efficiency in detecting corporate fraud as part of governance, and is establishing credibility for investors. In the same way with Tan (2011), there is evidence that the development of internal audit and fraud detection enhancement helps to protect all stakeholders. Similarly, Moyes and Hasan (1996) showed there is evidence that fraud-auditing firm detection has been increasing significantly with the success of the organization. As mentioned above, this research shows the association of fraud detection enhancement enhances business value and stakeholder reliability. ***Hence, Hypotheses 8a and 8b are supported.***

Moreover, management quality increase has significant and positive relationships to business value (H9a: $\beta_{53} = .502$, $p < 0.01$) and stakeholder reliability (H9b: $\beta_{59} = .229$, $p < 0.01$). This result suggests that implementing their organization's efficiency increases the competitive advantage of operating performance, because it is the organization's ability to innovate and improve operations in order to increase the quality for achieving corporate objectives. These results are consistent with Alic[˘] and Rusjan (2010), Li et al. (2006) and Su and Yang (2010) who found that the business demands, as to how to allow companies to achieve the strategic goals of long-term success by focusing on the implementation and achievement of profitability through effective competition. However, the finding illustrates that increased confidence meets the requirements of stakeholders, and is part of the strategic plan which can help to improve business



performance over the long-term (Asif et al., 2010) Therefore, the result in this research confirms the previous argument that management quality increase enhances business value and stakeholder reliability. **Hence, Hypotheses 9a and 9b are supported.**

Table 11: The Results of Regression Analysis for Relationships Between Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase, Business Value, Stakeholder Reliability and Firm Goal Achievement

Independent Variables	Dependent Variables ^a	
	BUV Model 8 H6a-H9a	STR Model 9 H6b-H9b
Organizational Compliance Effectiveness (OCE: H6a-6b)	0.167^{***} (0.049)	0.521^{***} (0.056)
Risk Reduction Efficiency (RRE: H7a-7b)	0.179^{***} (0.052)	0.109[*] (0.060)
Fraud Detection Enhancement (FDE: H8a-8b)	0.100^{***} (0.055)	0.207^{***} (0.063)
Management Quality Increase (MQI: H9a-9b)	0.502^{***} (0.051)	0.229^{***} (0.059)
Hotel Standard (HS)	-0.178 ^{**} (0.072)	-0.141 [*] (0.083)
Firm Capital (FC)	0.015 (0.073)	-0.134 (0.084)
Adjusted R²	0.646	0.535
Maximum VIF	2.450	2.450

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis

In conclusion, organizational compliance effectiveness, fraud detection enhancement and management quality increase has a significant, positive association with business value and stakeholder reliability. Moreover, risk reduction efficiency has



positive relationships with business value. Likewise, risk reduction efficiency has no positive relationships with stakeholder reliability. **Hence, Hypotheses 6, 7, 8 and 9 are strongly supported.**

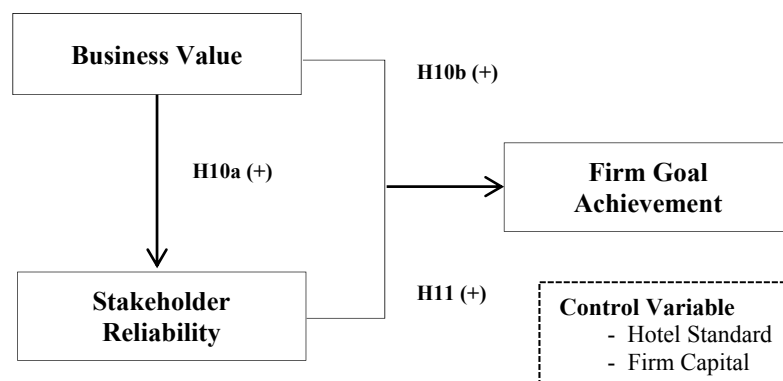
For the control variables, the results indicate that hotel standard has significant, negative effects on business value ($\beta_{54} = -.178, p < 0.05$), and stakeholder reliability ($\beta_{60} = -.141, p < 0.10$). Based on the result, it is possible that small firms are more likely to have more reporting processes in place and tend to have greater resources to implement an effective internal audit. Furthermore, firm capital does not affect business value ($\beta_{54} = .015, p > 0.10$), and stakeholder reliability ($\beta_{54} = -.134, p > 0.10$); meaning that firm capital did not influence business value and stakeholder reliability.

The Relationships Between Business Value, Stakeholder Reliability and Firm Goal Achievement

Figure 10 shows the relationships between business value, stakeholder reliability, and firm goal achievement. This research assigns investigation to the relationship between business value, stakeholder reliability and firm goal achievement. This research proposes that business value is positively related to stakeholder reliability and firm goal achievement as shown in Hypothesis 10a. Furthermore, this research posits that business value and stakeholder reliability affect firm goal achievement. This research proposes that business value and stakeholder reliability are positively associated with firm goal achievement as shown in Hypotheses 10b and 11. All of them are depicted in Figure 10. These hypotheses are analyzed from the regression equations 10 and 11 according to Chapter three.



Figure 10: The Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement



The correlations among business value, stakeholder reliability, and firm goal achievement are presented in Table 12. The results demonstrate that business value is significantly and positively correlated with stakeholder reliability ($r = 0.648$; $p < 0.01$) and firm goal achievement ($r = 0.739$; $p < 0.01$). Additionally, stakeholder reliability is significantly and positively correlated with firm goal achievement ($r = 0.720$; $p < 0.01$).

Table 12: Descriptive Statistics and Correlation Matrix of Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement

Variables	FSV	STR	BUV	HS	FC
Mean	3.842	3.931	3.797	n/a	n/a
S.D.	0.583	0.552	0.500	n/a	n/a
FSV	1				
STR	.720***	1			
BUV	.739***	.648***	1		
HS	.066	.088	.063	1	
FC	.163***	.063	.162***	.133**	1

** $p < 0.05$, *** $p < 0.01$



Most of these correlation coefficients are less than 0.80 as recommended by Hair et al. (2010). Consequently, overall, the multicollinearity problems are not a concern for this analysis (Berry and Feldman, 1985). Furthermore, with regard to the multicollinearity problem, VIF is used to test the correlation among independent variables (see Table 13). In this investigation, the maximum value of VIF is 1.043, being less than 10, indicating that there are no significant multicollinearity problems confronted (Hair et al., 2010).

Table 13 presents the results of OLS regression analysis of the relationships among business value, stakeholder reliability, and firm goal achievement which are followed by Hypotheses 10 – 11. Moreover, the impact of business value on stakeholder reliability is followed by Hypothesis 10a. Furthermore, the impacts of business value and stakeholder reliability on firm goal achievement are followed by Hypotheses 10a, 10b and 11.

The evidence in Table 13 indicates that business value has significant and positive relationships to stakeholder reliability (H10a: $\beta_{62} = .653$, $p < 0.01$) and firm goal achievement (H10b: $\beta_{65} = .456$, $p < 0.01$). This result suggests that hotel businesses must conduct benefit analysis as they hold an internal audit to ensure that the benefits of business value are more important than their costs and maximized profits. These results are consistent with Arena and Azzone (2009), and Roth (2003) who found that the concept of increased value of internal audit processes have a direct impact on corporate performance. This result, according to prior study, suggested that the business value affects stakeholder reliability as to confidence in the operations of the organization (Savcuk, 2007). In summary, this result can conclude that the principles and guidelines for ensuring audit quality, which can help to add value to business executives who can use the information in the administration, causing the administrative process a great deal of the implementation of corporate objectives; and goals with effectiveness, efficiency, resource-saving and cost-effectiveness; and is recognized as stakeholder reliability.

Likewise, stakeholder reliability has significant and positive relationships to firm goal achievement (H11: $\beta_{66} = .420$, $p < 0.01$). This result suggests that it arises from an ability of a firm to concentrate on planning and operations that increase steadily in market share, profitability and competitiveness in the long-term. It includes taking into consideration the need of stakeholders and all parties for both governance and accountability. This finding



is similar to Pongpanpattana and Ussahawanitchakit (2013), and Waenkaeo and Ussahawanitchakit (2011) who found that the reliability of the stakeholders of higher quality audit reports, which is more and more famous in monitoring the firm financial data without error bias, and gaining the trust of society and developing strategy for continuous change and sustainability. Similarly, Robkob and Ussahawanitchakit (2009) provided evidence that firm goal achievement is based on the ability of organizations to create increased opportunities through the process of developing and improving profitability and competitiveness in the long-term. In summary, this result can conclude that stakeholder reliability becomes a starting point for enhancing greater firm goal achievement.

Therefore, the result in this research confirms the previous argument that business value enhances stakeholder reliability and firm goal achievement. Moreover, stakeholder reliability enhances firm goal achievement. ***Hence, Hypotheses 10a, 10b and 11 are supported.***

Table 13: The Results of the Regression Analysis for Relationships between Business Value, Stakeholder Reliability and Firm Goal Achievement

Independent Variables	Dependent Variables ^a	
	STR Model 10 H10a	FSV Model 11 H10b, H11
Business Value (BUE: H10a-10b)	0.653^{***} (0.045)	0.456^{***} (0.047)
Stakeholder Reliability (STR: H11)		0.420^{***} (0.046)
Hotel Standard (HS)	0.106 (0.090)	-0.016 (0.071)
Firm Capital (FC)	-0.099 (0.092)	0.128* (0.072)
Adjusted R ²	0.429	0.645
Maximum VIF	1.043	1.770

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis



In conclusion, business value has positive relationships with stakeholder reliability and firm goal achievement. Moreover, stakeholder reliability has positive relationships with firm goal achievement. ***Hence, Hypotheses 10 and 11 are strongly supported.***

As to the control variables, results indicate that the firm capital has significant and positive effects on firm goal achievement ($\beta_{68} = .128, p < 0.10$). This result according to prior study suggests that the firm capital relates to the competition and strategic decisions (Thipsri and Ussahawanitchakit, 2009). This is consistent with Srirachanapun, Ussahawanitchakit, and Boonlua (2013) who found that the larger firms appear to invest more in terms of hierarchy and complex performance, it reflects a clear understanding of the future objectives of the company. On the other hand, firm capital does not affect stakeholder reliability ($\beta_{64} = -.099, p > 0.10$), meaning that firm capital did not influence stakeholder reliability. Furthermore, the results indicate that hotel standard does not affect stakeholder reliability ($\beta_{63} = .106, p > 0.10$), or firm goal achievement ($\beta_{67} = -.016, p > 0.10$), meaning that hotel standard did not influence stakeholder reliability and firm goal achievement.

The Impacts of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity, Competitive Complexity on Each Dimension of Internal Audit Excellence Capability

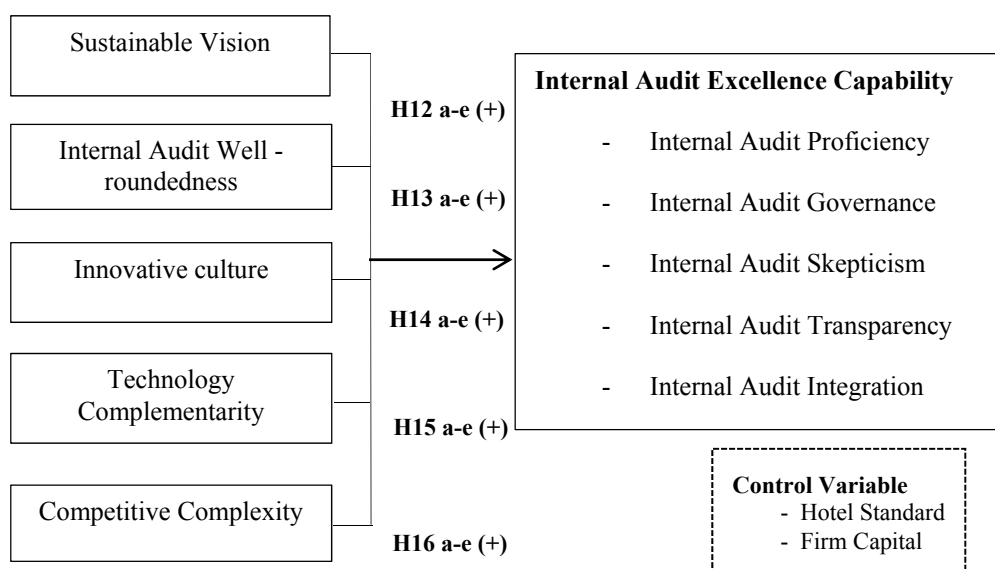
As shown in Figure 11, this research explains sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity as the antecedents of internal audit excellence capability. It tests the antecedents of internal audit excellence capability, that are the effects of sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity on internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, and internal audit integration that are shown in Hypotheses 12 – 16 as provided in Figure 11. These hypotheses are analyzed from the regression equations 12, 13, 14, 15, and 16 according to Chapter three.



Antecedents of Internal Audit Excellence Capability

This section emphasizes the effects of the antecedents of internal audit excellence capability on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity as shown in Figure 11.

Figure 11: The Relationships Between Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability



In Table 14, the results show that sustainability vision is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .567$, $p < 0.01$; $r = .562$, $p < 0.01$; $r = .538$, $p < 0.01$; $r = .695$, $p < 0.01$; $r = .566$, $p < 0.01$), respectively. Furthermore, internal audit well-roundedness is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .612$, $p < 0.01$; $r = .667$, $p < 0.01$; $r = .618$, $p < 0.01$; $r = .695$, $p < 0.01$; $r = .635$, $p < 0.01$), respectively. Moreover, innovative culture is significantly and positively correlated with internal



audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .597, p < 0.01$; $r = .626, p < 0.01$; $r = .582, p < 0.01$; $r = .618, p < 0.01$; $r = .598, p < 0.01$), respectively. Likewise, technology complementarity is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .518, p < 0.01$; $r = .597, p < 0.01$; $r = .543, p < 0.01$; $r = .625, p < 0.01$; $r = .617, p < 0.01$), respectively. Additionally, competitive complexity is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .568, p < 0.01$; $r = .535, p < 0.01$; $r = .530, p < 0.01$; $r = .677, p < 0.01$; $r = .546, p < 0.01$), respectively. For the correlation among independent variables, the results show that sustainability vision is significantly and positively correlated to internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity ($r = .798, p < 0.01$; $r = .682, p < 0.01$; $r = .596, p < 0.01$; $r = .589, p < 0.01$), respectively. Then, internal audit well-roundedness is significantly and positively correlated to innovative culture, technology complementarity and competitive complexity ($r = .780, p < 0.01$; $r = .607, p < 0.01$; $r = .549, p < 0.01$), respectively. Additionally, innovative culture is significantly and positively correlated to technology complementarity and competitive complexity ($r = .569, p < 0.01$; $r = .542, p < 0.01$), respectively. Moreover, technology complementarity is significantly and positively correlated to competitive complexity ($r = .637, p < 0.01$).

Most of these correlation coefficients are less than 0.80 as recommended by Hair et al. (2010). Consequently, overall, the multicollinearity problems are not a concern for this analysis (Berry and Feldman, 1985). Furthermore, with regard to the multicollinearity problem, VIF is used to test the correlation among independent variables (see Table 14). In this analysis, the maximum value of VIF is 4.157, being less than 10, and indicating that there are no significant multicollinearity problems confronted (Hair et al., 2010).



Table 14: Descriptive Statistics and Correlation Matrix of Effects of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability

Variables	IAP	IAG	IAS	IAT	IAI	SUV	IWR	INC	TCE	COC	HS	FC
MEAN	4.229	4.090	3.937	4.116	3.925	3.970	3.953	3.909	3.922	4.235	n/a	n/a
S.D.	0.516	0.534	0.527	0.556	0.593	0.518	0.575	0.583	0.559	0.590	n/a	n/a
IAP	1											
IAG	.723***	1										
AEC	.666***	.719***	1									
IAS	.714***	.736***	.767***	1								
IAI	.690***	.722***	.785***	.782***	1							
SUV	.567***	.562***	.538***	.695***	.566***	1						
IWR	.612***	.667***	.618***	.695***	.635***	.798***	1					
INC	.597***	.626***	.582***	.618***	.598***	.682***	.780***	1				
TEC	.518***	.597***	.543***	.625***	.617***	.596***	.607***	.569***	1			
COC	.568***	.535***	.530***	.677***	.546***	.589***	.549***	.542***	.637***	1		
HS	.125**	.138**	.120**	.156**	.113	.085	.125**	.031	.139**	.133**	1	
FC	0.078	.092	.042	.021	.036	.139**	.029	.066	.107	-.005	.133**	1

** p< 0.05, *** p< 0.01

Table 15 presents the results of OLS regression analysis of Hypotheses 12 – 16 that propose the effects of sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity on each dimension of internal audit excellence capability.

Firstly, the evidence in Table 15 relates to sustainability vision (Hypotheses 12a – 12e). The findings show that sustainability vision has positive influences on internal audit transparency ($H12d: \beta_{90} = .228, p < 0.01$). Pothong and Ussahawanitchakit (2011) argued that the organization is a very important vision for the operation of the organization as it demonstrates a policy on the management of the firm which can affect the success of the firm, in particular, a sustainability vision. It includes the preparation to the attention of a firm to have openness in the internal audit's activities to promote of credibility, integrity, and equity within internal audit transparency. This finding is



similar to Altiok (2011) and Raynor (1998) who have stated the vision which demonstrates the firm's future policies and fundamentals that reflect a clear understanding of the current situation and the future for the purpose of the policy of the firm. In summary, this result can conclude that sustainability vision is an important factor (as one factor) that affects internal audit transparency made possible by the circumstances of each organization in the policy plan for sustainability vision. As mentioned above, this research reveals that an association with sustainability vision enhances internal audit transparency. **Hence, Hypothesis 12d is supported.**

However, sustainability vision also has no significant effects on internal audit proficiency (H12a: $\beta_{69} = .043$, $p > 0.10$), internal audit governance (H12b: $\beta_{76} = -.090$, $p > 0.10$), internal audit skepticism (H12c: $\beta_{83} = -.030$, $p > 0.10$), and internal audit integration (H12e: $\beta_{97} = .002$, $p > 0.10$). This could be because the primary goal of sustainability should be operated within optimal capacity. It asks for a dynamic equilibrium between humankind and natural systems (Cairns and Saier, 2010). The issues of importance include sustainability vision, leadership, and governance. Strategic planning quality, customers, human resources, finance, and environment are key factors in supporting and promoting the adoption of new methods or techniques used in the enterprise. Maybe, some different executives' opinions on the benefit of sustainability can make money (self interest). On the other hand, some executives may recognize it in as a broader social role (good society). It is possible that the effect of this sustainable vision is difficult to plan for an effective course of action leading to a firm that cannot perceive a real contribution, and seeks for the challenges of problem-solving in a sustainable manner so as to generate continuing development. Consequently, sustainability vision does not support internal audit proficiency, internal audit governance, internal audit skepticism and internal audit integration. **Hence, Hypotheses 12a, 12b, 12c and 12e are not supported.**

Secondly, the results in Table 13 show that the findings of internal audit well-roundedness (Hypotheses 13a – 13e) have significant influence on internal audit proficiency (H13a: $\beta_{70} = .229$, $p < 0.05$), internal audit governance (H13b: $\beta_{77} = .379$, $p < 0.01$), internal audit skepticism (H13c: $\beta_{84} = .308$, $p < 0.01$), internal audit transparency (H13d: $\beta_{91} = .221$, $p < 0.01$), and internal audit integration (H13e: $\beta_{98} = .263$, $p < 0.01$).



Based on the result, it is possible that internal audit well-roundedness that is successful in business knowledge and well-rounded skills in the approach to plan appropriate resources, contribute to the development of new initiatives to be responsible for the performance of complex tasks; or it may participate in the planning, evaluation and coordination which affect the operation of the firm. The result is similar to Abdolmohammadi (2012) and Garcia-Benau and Zorio (2004) who stated there is evidence that the effective monitoring of internal auditors must have an internal audit that requires knowledge and professional well-roundedness. This result, according to prior study, suggested that internal audit well-roundedness refers to internal auditors who are knowledgeable in a wide range of professional knowledge, expertise or skills, including the ability to have an internal audit (Haurani et al., 2007; McMillan, 2004; Struweg and Meintjes, 2008). As mentioned above, this research shows that the association of audit well-roundedness enhances internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. **Hence, Hypotheses 13a, 13b, 13c, 13d and 13e are supported.**

Thirdly, the results relate to innovative culture (Hypotheses 14a – 14e). The findings show that innovative culture significantly and positively affects internal audit proficiency (*H14a*: $\beta_{71} = .211$, $p < 0.05$), internal audit governance (*H14b*: $\beta_{78} = .192$, $p < 0.01$), internal audit skepticism (*H14c*: $\beta_{85} = .176$, $p < 0.05$), and internal audit integration (*H14e*: $\beta_{99} = .161$, $p < 0.05$). The study of Chang and Lee (2007), Hung et al. (2010), and Vakola and Rezgui (2000) concluded that the innovative new ideas in product development, process development, or new perceptions to a person, group, or organization. These results are consistent with Hult, Hurley, and Knight (2004), Keskin (2006), Kohli and Jaworski (1993), and Oliver and Kankadi (2006) who found a positive relationship between innovation and the efficiency of the organization. In this sense, prior research suggested that the innovative culture as a part of organizational knowledge is defined as an innovative organization with attitudes, beliefs, values and behavior of the involved companies in the creation, development and application of knowledge in new ways (Girdauskienė and Savanevičienė, 2007; Saeid and Mehdi, 2010). As mentioned above, this research validates that the association of innovative culture enhances internal audit proficiency, internal audit governance, internal audit skepticism, internal audit



transparency and internal audit integration. **Hence, Hypotheses 14a, 14b, 14c and 14e are supported.**

In contrast, innovative culture does not significantly impact internal audit transparency (H14d: $\beta_{92} = .054$, $p > 0.10$). It is possible that in the environment for today's competitive business, companies must have the ability of innovation to gain competitive advantage (Zhang, Yang, and Mclean, 2010). This finding is similar to Boonmunewai and Ussahawanitchakit (2010) who indicate that the firms with higher internal audit competency of internal audit function have greater financial information reliability. However, there is no reflection of detail about the ultimate form of best value, or the absence of any mention of a role for internal audit transparency. From the overall reasons, innovative culture does not influence internal audit transparency. **Thus, Hypothesis 14d is not supported.**

Fourth, the results related to technology complementarity (Hypotheses 15a – 15e) have a significant influence on internal audit governance (H15b: $\beta_{79} = .215$, $p < 0.01$), internal audit skepticism (H15c: $\beta_{86} = .154$, $p < 0.05$), internal audit transparency (H15d: $\beta_{93} = .128$, $p < 0.05$), and internal audit integration (H15e: $\beta_{100} = .278$, $p < 0.01$). This result suggests that technology used to support the activities of the internal audit of such technology enables one to continuously monitor these benefits to improve the efficiency of the internal audit activity (Gonzalez, Sharma, and Galletta, 2012; Masli et al., 2010; Vasarhelyi, Teeter, and Krahel, 2010). The result is similar to Kim, Mannino, and Nieschwietz (2009) who studied the use of technology in the internal audit and described the useful context in improving the effectiveness of internal auditing activities. However, the finding illustrates that the use of monitoring technology can help to reduce the process of an internal investigation by quickly obtaining information from the database, and easily analyzing data in a timely manner (Brown, Wong and Baldwin, 2007). As mentioned above, this research validates that the association of technology complementarity enhances internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. **Hence, Hypotheses 15b, 15c, 15d and 15e are supported.**

In contrast, technology complementarity does not significantly impact internal audit proficiency (H15a: $\beta_{72} = .057$, $p > 0.10$). It is possible that the definition of proficiency has recognized as professional and associated with the adoption of internal



audit in accordance with specific procedures and techniques required for the operation (Ebaid, 2011). In this sense, prior research suggested that information technology is not compatible to use for management and does not meet with firm's target. It is not going to obtain competitive advantage (Smaczny, 2001). From the overall reasons, technology complementarity does not influence internal audit proficiency. **Thus, Hypothesis 15a is not supported.**

Lastly, the results relate to competitive complexity (Hypotheses 16a – 16e). The findings show that competitive complexity has a significant influence on internal audit proficiency (H16a: $\beta_{73} = .262$, $p < 0.01$), internal audit governance (H16b: $\beta_{80} = .133$, $p < 0.05$), internal audit skepticism (H16c: $\beta_{87} = .180$, $p < 0.01$), internal audit transparency (H16d: $\beta_{94} = .303$, $p < 0.01$), and internal audit integration (H16e: $\beta_{101} = .133$, $p < 0.05$). This result suggests that the competitive complexity is a key factor in the implementation of advocacy strategies under competitive conditions, changing environmental conditions that can be useful in improving the efficiency of the internal audit activity to encourage internal audit excellence capability. The result is similar to Hortal, Miuél, and Lobo (2009) who studied the evidence of consistent competition. Intensified environmental complexity can help companies increase performance. In this sense, prior research suggested that the internal audit process in a volatile business environment has more competition. It is important for strategic planning and internal audit because it leads the organization faces a high risk, especially for competitive complexity, that is a key factor affecting the function of the internal audit (Pongpanpattana and Ussahawanitchakit, 2013; Thaweechan and Ussahawanitchakit, 2011). As mentioned above, this research shows that the association of competitive complexity enhances internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. **Thus, Hypotheses 16a, 16b, 16c, 16d and 16e are supported.**



Table 15: The Results of the Regression Analysis for Effects of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability

Independent Variables	Dependent Variables ^a				
	IAP	IAG	IAS	IAT	IAI
	Model 12 H12a-H16a	Model 13 H12b-H16b	Model 14 H12c-H16c	Model 15 H12d-H16d	Model 16 H12e-H16e
Sustainability Vision (SUV: H12a-12e)	0.043 (0.078)	-0.090 (0.073)	-0.030 (0.079)	0.228^{***} (0.065)	0.002 (0.075)
Internal Audit Well- roundedness (IWR: H13a-13e)	0.229^{**} (0.088)	0.379^{***} (0.083)	0.308^{***} (0.089)	0.221^{***} (0.073)	0.263^{***} (0.085)
Innovative Culture (INC: H14a-14e)	0.211^{**} (0.072)	0.192^{***} (0.068)	0.176^{**} (0.073)	0.054 (0.060)	0.161^{**} (0.070)
Technology Complementarity (TCE: H15a-15e)	0.057 (0.062)	0.215^{***} (0.059)	0.154^{**} (0.063)	0.128^{**} (0.052)	0.278^{***} (0.060)
Competitive Complexity (COC: H16a-16e)	0.262^{***} (0.061)	0.133^{**} (0.057)	0.180^{***} (0.062)	0.303^{***} (0.051)	0.133^{**} (0.059)
Hotel Standard (HS)	0.076 (0.089)	0.076 (0.084)	0.066 (0.090)	0.110 (0.074)	0.040 (0.086)
Firm Capital (FC)	0.082 (0.090)	0.107 (0.086)	0.012 (0.091)	-0.081 (0.075)	-0.028 (0.087)
Adjusted R²	0.464	0.521	0.446	0.629	0.499
Maximum VIF	4.157	4.157	4.157	4.157	4.157

^{**} $p < 0.05$, ^{***} $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis

In summary, sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity become important factors for driving internal audit excellence capability. Consequently, Hypotheses 13 and 16 are strongly supported. Moreover, Hypotheses 10, 14 and 15 are partially supported.

For the two control variables, hotel standard has no significant effects on the relationships among the antecedents (sustainability vision, internal audit well- roundedness,



innovative culture, technology complementarity, and competitive complexity), and each dimension of internal audit excellence capability which are internal audit proficiency ($\beta_{74} = .076$, $p > 0.10$), internal audit governance ($\beta_{81} = .076$, $p > 0.10$), internal audit skepticism ($\beta_{88} = .066$, $p > 0.10$), internal audit transparency ($\beta_{95} = .110$, $p > 0.10$), and internal audit integration ($\beta_{102} = .040$, $p > 0.10$); meaning that hotel standard does not impact internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, and internal audit integration.

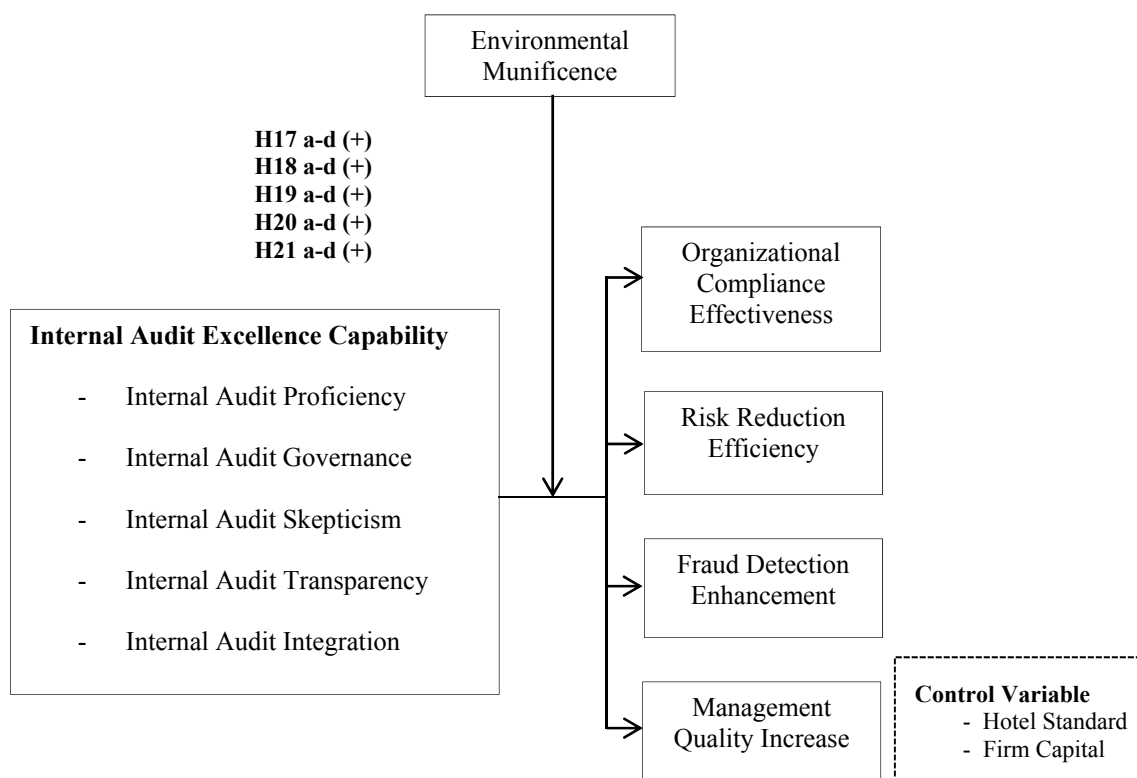
Likewise, firm capital has no significant effects on the relationships among the antecedents (sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity) and each dimension of internal audit excellence capability which are internal audit proficiency ($\beta_{75} = .082$, $p > 0.10$), internal audit governance ($\beta_{82} = .107$, $p > 0.10$), internal audit skepticism ($\beta_{89} = .012$, $p > 0.10$), internal audit transparency ($\beta_{96} = -.081$, $p > 0.10$), and internal audit integration ($\beta_{103} = -.028$, $p > 0.10$); meaning, that firm capital did not influence internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. As a result, hotel standard and firm capital do not affect internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, and internal audit integration.

The Moderating Effects of Environmental Munificence on the Relationships Between Five Dimension of Internal Audit Excellence Capability, Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, and Management Quality Increase

The relationships between five dimensions of internal audit excellence capability include internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency, internal audit integration and its consequences, by using environmental munificence as a moderator, and they are shown in Figure 12. This research proposes the moderating effect of environmental munificence on the relationships between internal audit excellence capability and its consequences as shown in Hypotheses 17 (a-d) to Hypotheses 21 (a-d). These hypotheses are analyzed from the regression equations 17 to 20, according to Chapter three.



Figure 12: The Relationships Between Five Dimension Variables, Each Dimension of Internal Audit Excellence Capability and Moderating Role of Environmental Munificence



The correlation among environmental munificence and independent and dependent variables is exposed in Table 16. The results show that environmental munificence is significantly and positively correlated with organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase ($r = .600, p < 0.01$; $r = .427, p < 0.01$; $r = .589, p < 0.01$; $r = .564, p < 0.01$), respectively. Meanwhile, the results show that environmental munificence is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .525, p < 0.01$; $r = .617, p < 0.01$; $r = .453, p < 0.01$; $r = .494, p < 0.01$; $r = .595, p < 0.01$), respectively. With regard to the multicollinearity problem, VIF is used to test the correlation among independent variables (see Table 16). In this analysis, the maximum value of VIF is 7.880, which is less than 10, indicating that there are no significant multicollinearity problems confronted (Hair et al., 2010).



Table 16: Descriptive Statistics and Correlation Matrix of Effect of Five Dimensions of Internal Audit Excellence Capability on Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase and Moderating Role of Environmental Munificence

Variables	OCE	RRE	FDE	MQI	IAP	IAG	IAS	IAT	IAI	ENM	HS	FC
MEAN	3.914	3.734	3.758	3.793	4.229	4.090	3.937	4.116	3.925	3.862	n/a	n/a
S.D.	0.544	0.523	0.478	0.499	0.516	0.534	0.527	0.556	0.593	0.514	n/a	n/a
OCE	1											
RRE	.631***	1										
FDE	.573***	.658***	1									
MQI	.575***	.570***	.691***	1								
IAP	.492***	.324***	.399***	.377***	1							
IAG	.540***	.397***	.483***	.513***	.723***	1						
IAS	.440**	.288**	.418***	.438***	.666***	.719***	1					
IAT	.537***	.380***	.492***	.548***	.714***	.736***	.767***	1				
IAI	.554***	.408***	.577***	.556***	.690***	.722***	.785***	.782***	1			
ENM	.600***	.427***	.589***	.564***	.525***	.617***	.453***	.494***	.595***	1		
HS	.234***	.121**	.105	.159***	.125**	.138**	.120**	.156***	.113	.200***	1	
FC	.212***	.255***	.111	.148**	.078	.092	.042	.021	.036	.220***	.133**	1

** p < 0.05, *** p < 0.01

Table 17 presents the results of OLS regression analysis of Hypotheses 17 - 21. The results reveal that environmental munificence positively moderates the relationships between internal audit governance and risk reduction efficiency (H18b: $\beta_{124} = .209$, $p < 0.05$). Likewise, environmental munificence positively moderates the relationships between internal audit transparency and organizational compliance effectiveness (H20a: $\beta_{113} = .336$, $p < 0.01$), risk reduction efficiency (H20b: $\beta_{126} = .189$, $p < 0.10$), and management quality increase (H20d: $\beta_{152} = .215$, $p < 0.10$). Moreover, environmental munificence positively moderates the relationships between internal audit integration and fraud detection enhancement (H21c: $\beta_{140} = .176$, $p < 0.05$). The findings reveal that environmental munificence is the element of internal audit capability which affects the whole or some portion of business success. This result suggests that the context of the



contingency theory explains the growth of the organization and the organization's survival that are associated with competitiveness between the internal and external environment of the organization (Summer et al., 1990). For the adaptation of business in line with the changing environment, it is a challenging task for managers to track and field understanding in order to establish operations in accordance with the environment. The study of Castrogiovanni (1991), and Prescott (1986) and Ting, Wang, and Wang (2012) concluded that the environment moderates an influence that is able to have a relationship between strategy and performance. The result is similar to Chankaew and Ussahawanitchakit (2011) and Geiger and Hoffman (1998) who studied the effect of environmental munificence which acts as a moderator between the efficiency of the planning, implementation and success of the firm. This result, according to prior studies, suggested that a complete resource to influence the survival and growth of the share in stable environments provides greater opportunities for competitive events that take place and the ease of access to necessary resources (Andrevski and Ravichandran, 2010; Bruno and Tyebjee, 1982; Dess and Beard, 1984; Sener, 2012; Tang, 2008). Additionally, the findings reveal that for environmental munificence to depend on state resources that are abundant, companies can allocate resources perfectly, and it is easy to manage companies to survive and achieve the goal (Srithanapun, Ussahawanitchakit, and Boonlua, 2013).

Therefore, the result in this research confirms the previous argument that environmental munificence positively moderates the relationships between internal audit governance and risk reduction efficiency. Likewise, environmental munificence positively moderates the relationships between internal audit transparency and organizational compliance effectiveness, risk reduction efficiency and management quality increase. Moreover, environmental munificence positively moderates the relationships between internal audit integration and fraud detection enhancement.

Hence, Hypotheses 18b, 20a, 20b, 20d and 21c are supported.

On the other hand, environmental munificence does not significantly moderate internal audit proficiency and organizational compliance effectiveness (H17a: $\beta_{110} = -.109$, $p > 0.10$), risk reduction efficiency (H17b: $\beta_{123} = -.081$, $p > 0.10$), fraud detection enhancement (H17c: $\beta_{136} = .056$, $p > 0.10$), management quality increase (H17d: $\beta_{149} = -.136$, $p > 0.10$). Furthermore, environmental munificence does not significantly



moderate internal audit governance and organizational compliance effectiveness (H18a: $\beta_{111} = .118$, $p > 0.10$), fraud detection enhancement (H18c: $\beta_{137} = .062$, $p > 0.10$), management quality increase (H18d: $\beta_{150} = -.136$, $p > 0.10$). Furthermore, environmental munificence does not significantly moderate internal audit skepticism and organizational compliance effectiveness (H19a: $\beta_{112} = -.129$, $p > 0.10$); risk reduction efficiency (H19b: $\beta_{125} = -.132$, $p > 0.10$); fraud detection enhancement (H19c: $\beta_{138} = -.054$, $p > 0.10$) and management quality increase (H19c: $\beta_{151} = -.164$, $p > 0.10$). Additionally, environmental munificence does not significantly moderate internal audit transparency and fraud detection enhancement (H20c: $\beta_{139} = .155$, $p > 0.10$). Moreover, environmental munificence does not significantly moderate internal audit integration and organizational compliance effectiveness (H21a: $\beta_{114} = -.081$, $p > 0.10$), risk reduction efficiency (H21b: $\beta_{127} = -.043$, $p > 0.10$), and management quality increase (H21d: $\beta_{153} = -.032$, $p > 0.10$). The study of Fuentes-Fuentes et al. (2004) concludes that the moderating effects of environmental munificence have no relationship between environmental strategy and stakeholder integration capability. This finding is similar to Elbanna et al. (2011) and Sener, Varoglu and Aren (2011) who indicate that environmental munificence is not likely to directly affect decision effectiveness, the reason may be that the varieties of knowledge and skills in managers using the resources in the environments with different levels of munificence lead the organizations to evaluate different alternatives in achieving goals. This result, according to prior study, suggested that the ability to allocate resources is not enough to help for adding value, and to rely on the ability to solve problems that require complex knowledge, extensive networking, and technical and managerial systems to meet firm goals (Simon, 2007; Othman and Sheehan, 2011). Similarly, Manzanares, Correa, and Sharma (2008) have found evidence that the moderating effects of environmental munificence have no relationships between environmental strategy and stakeholder integration capability. It is possible that, in environmental munificence, it is conceivable that organizations can have too much of a good thing. Organizational slack might be thought unproblematic, which results in high degrees of negligence as organizations may tend to be less careful about using their strategies, including excessive confidence in their ability to deliver more and better services leading to poor performance (Aragon-Correa and Sharma, 2003). This finding is similar to Sener (2012) who indicates that the uncertainties in environmental management in the face of a number of different scenarios



that could happen, such as rapid changes in technology, demand patterns of customers that have more variation, changes in the product lifecycle, scarce resources, and expansion of global competition that are key factors in managing a business. Therefore, organizations need to have a strategic plan to support the management change required to adhere to certain changes in the environment in order to optimize their functioning (Duncan, 1972). Moreover, the result is similar to Sirmon and Hitt (2003), suggested that organizational value increase has no relationship with firm goal achievement via environmental munificence. Therefore, environmental munificence does not significantly nor positively moderate the relationships between the each dimension of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement and management quality increase. *Thus, Hypotheses 17a-17e, 18a, 18c, 18d, 19a-19d, 20c, 21a, 21b, and 21d are not supported.*

Table 17: The Results of the Regression Analysis for the Effect of Five Dimensions of Internal Audit Excellence Capability on Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase and Moderating Role of Environmental Munificence

Independent Variables	Dependent Variables ^a			
	OCE	RRE	FDE	MQI
	Model 17 H17a-H21a	Model 18 H17b-H21b	Model 19 H17c-H21c	Model 20 H117d-H21d
Internal Audit Proficiency (IAP)	-0.005 (0.080)	-0.119 (0.094)	-0.107 (0.083)	0.296^{***} (0.083)
Internal Audit Governance (IAG)	0.141 (0.093)	0.183* (0.109)	0.095 (0.097)	0.265^{**} (0.096)
Internal Audit Skepticism (IAS)	-0.066 (0.078)	-0.135 (0.092)	-0.072 (0.082)	-0.103 (0.081)



Table 17: The Results of the Regression Analysis for the Effect of Five Dimensions of Internal Audit Excellence Capability on Organizational Compliance Effectiveness, Risk Reduction Efficiency, Fraud Detection Enhancement, Management Quality Increase and Moderating Role of Environmental Munificence (continued)

Independent Variables	Dependent Variables ^a			
	OCE	RRE	FDE	MQI
	Model 17 H17a-H21a	Model 18 H17b-H21b	Model 19 H17c-H21c	Model 20 H117d-H21d
Internal Audit Transparency (IAT)	0.355*** (0.086)	0.320*** (0.101)	0.286*** (0.090)	0.376*** (0.089)
Internal Audit Integration (IAI)	-0.038 (0.099)	0.045 (0.116)	0.200* (0.104)	0.186* (0.103)
Environmental Munificence (ENM)	0.377*** (0.062)	0.250*** (0.073)	0.423*** (0.065)	0.277*** (0.064)
IAP* ENM (H17a-17d)	- 0.109 (0.083)	-0.081 (0.097)	0.056 (0.086)	0.136 (0.086)
IAG* ENM (H18a-18d)	0.118 (0.085)	0.209** (0.100)	0.062 (0.089)	-0.136 (0.088)
IAS* ENM (H19a-19d)	-0.129 (0.083)	-0.132 (0.097)	-0.054 (0.087)	-0.164 (0.086)
IAT* ENM (H20a-20d)	0.336*** (0.094)	0.189* (0.111)	0.155 (0.098)	0.215* (0.098)
IAI* ENM (H21a-21d)	-0.081 (0.063)	-0.043 (0.074)	0.176** (0.066)	-0.032 (0.065)
Hotel Standard (HS)	0.150* (0.089)	-0.017 (0.104)	-0.079 (0.093)	0.026 (0.092)
Firm Capital (FC)	0.215** (0.088)	0.398*** (0.104)	0.032 (0.093)	0.154* (0.092)
Adjusted R ²	0.493	0.499	0.444	0.454
Maximum VIF	7.880	7.880	7.880	7.880

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis



In summary, environmental munificence positively moderates the relationships between internal audit governance and risk reduction efficiency, internal audit transparency and organizational compliance effectiveness, risk reduction efficiency and management quality increase, internal audit integration and fraud detection enhancement. Thus, Hypotheses 18, 20 and 21 are partially supported while Hypotheses 17 and 19 are not supported.

For the control variables, the results indicate that hotel standard has significant and positive effects on organizational compliance effectiveness ($\beta_{115} = .150, p < 0.10$). The study of Chand and Katou (2007) conclude that the hotel businesses with the highest stars have high expectations for performance. In this sense, prior research suggests that the standard hotel with a high level of stars has expanded service and may be more likely to be successful in internal audit professionalism (Kueket and Ussahawanitchakit, 2013). Meanwhile, hotel standard has no significant effects on the relationships among the risk reduction efficiency ($\beta_{128} = -.017, p > 0.10$), fraud detection enhancement ($\beta_{141} = -.079, p > 0.10$), and management quality increase ($\beta_{154} = .026, p > 0.10$); meaning that hotel standard did not impact risk reduction efficiency, fraud detection enhancement and management quality increase.

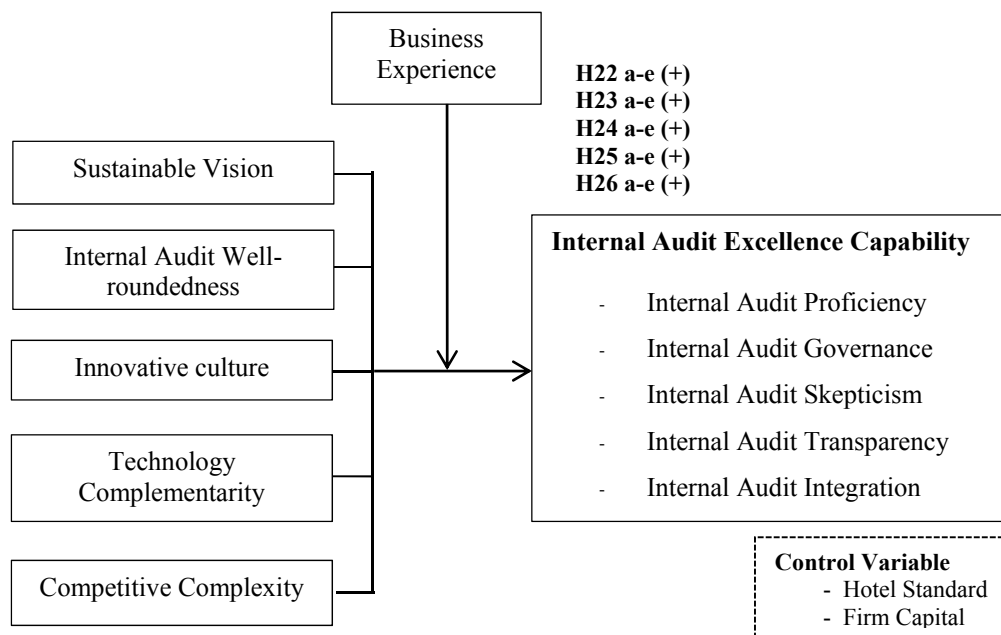
Firm capital has significant and positive effects on organizational compliance effectiveness ($\beta_{116} = .215, p < 0.05$), and risk reduction efficiency ($\beta_{129} = .398, p < 0.01$) and management quality increase ($\beta_{155} = .154, p < 0.10$). The study of Thipsri and Ussahawanitchakit (2009) concludes that firm capital relates to competition and strategic decisions. Similarly, Erickson et al. (2010) reveals that the large firms are more likely to have more reporting processes in place and tend to have more employees and greater resources to spend on their internal audit processes. On the other hand, small firms may lack sufficient resources and may be more likely to use a non-corrective action strategy to implement an effective internal audit. In contrast, firm capital does not affect fraud detection enhancement ($\beta_{142} = .032, p > 0.10$), meaning that firm capital did not influence fraud detection enhancement.



The Impacts of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience

With respect to relationships, this research posits business experience as the moderating effect of the relationships among the antecedents (sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity) on each dimension of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) as shown in Figure 13. This research proposes the moderating effect of business experience on the relationships between the antecedents and dimensions of internal audit excellence capability as shown in Hypothesis 22 (a-e) to Hypothesis 26 (a-e). These hypotheses are analyzed from the regression equations 21 to 25, according to Chapter three.

Figure 13: The Relationships between Five Antecedent Variables, Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience



The correlation among business experience, and independent and dependent variables are exposed in Table 18. The results show that business experience is significantly and positively correlated with internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration ($r = .552, p < 0.01$; $r = .647, p < 0.01$; $r = .605, p < 0.01$; $r = .655, p < 0.01$; $r = .623, p < 0.01$), respectively. Meanwhile, the results show that business experience is significantly and positively correlated with sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity ($r = .744, p < 0.01$; $r = .757, p < 0.01$; $r = .708, p < 0.01$; $r = .620, p < 0.01$; $r = .595, p < 0.01$), respectively. With regard to the multicollinearity problem, VIF is used to test the correlation among independent variables (see Table 17). In this analysis, the maximum value of VIF is 8.275, which is less than 10, indicating that there are no significant multicollinearity problems confronted (Hair et al., 2010).

Table 18: Descriptive Statistics and Correlation Matrix of Effect of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience

Variables	IAP	IAG	IAS	IAT	IAI	SUV	IWR	INC	TEC	COC	BUE	HS	FC
MEAN	4.229	4.090	3.937	4.116	3.925	3.970	3.953	3.909	3.922	4.235	3.963	n/a	n/a
S.D.	0.516	0.534	0.527	0.556	0.593	0.518	0.575	0.583	0.559	0.590	0.588	n/a	n/a
IAP	1												
IAG	.723***	1											
IAS	.666***	.719***	1										
IAT	.714***	.736***	.767***	1									
IAI	.690***	.722***	.785***	.782***	1								
SUV	.567***	.562***	.538***	.695***	.566***	1							
IWR	.612***	.667***	.618***	.695***	.635***	.798***	1						
INC	.597***	.626**	.582***	.618***	.598***	.682***	.780***	1					
TEC	.518***	.597***	.543***	.625***	.617***	.596***	.607***	.569***	1				
COC	.568***	.535***	.530***	.677***	.546**	.589***	.549***	.542***	.637***	1			
BUE	.552***	.647***	.605***	.655***	.623***	.744***	.757***	.708***	.620***	.595***	1		
HS	.125**	.138**	.120**	.156***	.113	.085	.125**	.031	.139**	.133**	.092	1	
FC	0.078	.092	.042	.021	.036	.139**	.029	.066	.107	.005	.058	.133**	1

** $p < 0.05$, *** $p < 0.01$



Table 19 presents the results of OLS regression analysis of Hypotheses 22 - 26. The results reveal that business experience positively moderates the relationships between internal audit well-roundedness and internal audit transparency (H23d: $\beta_{202} = .172$, $p < 0.05$). Likewise, business experience positively moderates the relationships between innovative culture and internal audit transparency (H24d: $\beta_{203} = .343$, $p < 0.01$). Moreover, business experience positively moderates the relationships between technology complementarity and internal audit proficiency (H25a: $\beta_{165} = .308$, $p < 0.01$), and internal audit governance (H25b: $\beta_{178} = .117$, $p < .10$).

This finding is similar to Espedal (2006), and Kim, Kim, and Miner (2009), and Trainor, Brazil, and Lindberg (2008) who concluded that business experience is wisdom in operational skills, and expertise in the past, which help to support the firms has creative direction and operations. This result, according to prior study, suggested that business experience has an impact on the operations of the firm in terms of the ability to determine what is necessary or not required for the management and cause, knowledge to be able to support additional opportunities to always learn new knowledge (Espedal, 2006; Haleblan and Finkelstein, 1999; Trainor, Brazil and Lindberg, 2008). In addition, Majocchi, Bacchiocchi, and Mayrhofer (2005) reveal that business experience can reduce the risks of doing business and improve the efficiency of decision-making in business. Therefore, the result in this research confirms the previous argument that business experience positively moderates the relationships between internal audit well-roundedness and internal audit transparency. Likewise, business experience positively moderates the relationships between innovative culture and internal audit transparency. Moreover, business experience positively moderates the relationships between technology complementarity and internal audit proficiency.

Hence, Hypotheses 23d, 24d and 25a are supported.

Surprisingly, business experience negatively moderates the relationships between sustainability vision and internal audit proficiency (H22a: $\beta_{162} = -.156$, $p < 0.05$), and internal audit governance (H22b: $\beta_{175} = -.112$, $p > 0.10$), competitive complexity and internal audit proficiency (H26a: $\beta_{166} = -.237$, $p < 0.01$), internal audit governance (H26b: $\beta_{179} = -.140$, $p < 0.05$), and internal audit integration (H26e: $\beta_{218} = -.112$, $p < 0.10$).



One possible explanation, because the firm cannot rely on only business experience peruse but also ability that relative to change that truly impact upon business situation (Majocchi, Bacchiocchi, and Mayrhofer, 2005) and ability to build and leverage prior experience to deal with novel conditions increase which can lead to negative knowledge transfer (Hoang and Rothaermel, 2010). This results support by Mongkolsamai, Ussahawanitchakit and Boonlua (2014) revealed that firms cannot rely on their experiences in overcoming practice integration and cross-functional linkage because executive long-term vision, organizational flexibility, and resource usefulness are becoming increasingly important of hotels businesses. Furthermore, Boone, and Ganeshan (2001) suggested that department experience has more predictive power than organizational experience because it may be lost power during the transfer of organizational experience to the department. Therefore, a firms' ability to succeed in managing a diverse workplace will rely on fostering willingness and trust among individuals, departments and organizations are key factors to influence effectively experience transformation. Therefore, business experience does no significantly and positively moderate the relationships between the antecedents of internal audit excellence capability (sustainability vision, internal audit well- roundedness, innovative culture, technology complementarity, and competitive complexity) and each dimension of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration).

On the other hand, business experience does not significantly moderate sustainability vision and internal audit skepticism (H22c: $\beta_{188} = -.051$, $p > 0.10$), internal audit transparency (H22d: $\beta_{201} = .046$, $p > 0.10$), and internal audit integration (H22e: $\beta_{214} = -.004$, $p > 0.10$). Furthermore, business experience does not significantly moderate internal audit well-roundedness and internal audit proficiency (H23a: $\beta_{163} = -.034$, $p > 0.10$), internal audit governance (H23b: $\beta_{176} = .022$, $p > 0.10$), internal audit skepticism (H23c: $\beta_{189} = .010$, $p > 0.10$), and internal audit integration (H23e: $\beta_{215} = -.097$, $p > 0.10$). Likewise, business experience does not significantly moderate innovative culture and internal audit proficiency (H24a: $\beta_{164} = .003$, $p > 0.10$), internal audit governance (H24b: $\beta_{177} = .065$, $p > 0.10$), internal audit skepticism (H24c: $\beta_{190} = .033$, $p > 0.10$), and internal audit integration (H24e: $\beta_{216} = .019$, $p > 0.10$). Additionally, business experience does not significantly moderate technology complementarity and internal audit skepticism



(H25c: $\beta_{191} = -.077$, $p > 0.10$), internal audit transparency (H25d: $\beta_{204} = .060$, $p > 0.10$), and internal audit integration (H25e: $\beta_{217} = -.015$, $p > 0.10$). Meanwhile, business experience does not significantly moderate competitive complexity and internal audit skepticism (H26c: $\beta_{192} = -.014$, $p > 0.10$), and internal audit transparency (H26d: $\beta_{205} = -.064$, $p > 0.10$). The result is similar to Kasznik and Lev (1995) who found no difference between listed firms in NASDAQ, both ones with less experience and ones with more experience for disclosing forward-looking information voluntary disclosure (including risk reporting). Moreover, the findings reveal that Kaewprapa, Ussahawanitchakit and Boonlua (2012) indicate that the different business experience of listed firms may not be a factor supporting the higher levels of forward-looking information voluntary disclosure. This results support by work of Kittikunchotiwtut, Ussahawanitchakit and Pratoom (2013) revealed that experience usefulness does not influence ability to develop proactive new product and value added working system enhancement of businesses. **Hence, Hypotheses 22a-22e, 23a-23c, 23e, 24a-24c, 24e, 25b-25e, and 26a-26e are not supported.**

Table 19: The Results of the Regression Analysis for Effect of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience

Independent Variables	Dependent Variables ^a				
	IAP	IAG	IAS	IAT	IAI
	Model 21 H22a-H26a	Model 22 H22b-H26b	Model 23 H22c-H26c	Model 24 H122d-H26d	Model 25 H22e-H26e
Sustainability Vision (SUV)	0.044 (0.084)	-0.157* (0.082)	-0.103 (0.089)	0.116 (0.070)	-0.024 (0.084)
Internal Audit Well-roundedness (IWR)	0.342*** (0.105)	0.431*** (0.102)	0.284** (0.111)	0.194** (0.087)	0.228** (0.105)
Innovative Culture (INC)	0.130* (0.074)	0.106 (0.072)	0.118 (0.078)	0.104** (0.061)	0.097 (0.074)



Table 19: The Results of the Regression Analysis for Effect of Sustainability Vision, Internal Audit Well-roundedness, Innovative Culture, Technology Complementarity and Competitive Complexity on Each Dimension of Internal Audit Excellence Capability and Moderating Role of Business Experience (continued)

Independent Variables	Dependent Variables ^a				
	IAP	IAG	IAS	IAT	IAI
	Model 21 H22a-H26a	Model 22 H22b-H26b	Model 23 H22c-H26c	Model 24 H122d-H26d	Model 25 H22e-H26e
Technology Complementarity (TEC)	-0.082 (0.066)	0.122* (0.064)	0.156** (0.070)	0.133* (0.055)	0.240*** (0.066)
Competitive Complexity (COC)	0.293*** (0.063)	0.099 (0.062)	0.126* (0.067)	0.302** (0.053)	0.081 (0.063)
Business Experience (BUE)	0.031 (0.074)	0.220*** (0.072)	0.216* (0.079)	0.065*** (0.062)	0.213** (0.074)
SUV* BUE (H22a-22e)	-0.156** (0.077)	-0.112* (0.075)	-0.051 (0.081)	0.046 (0.064)	-0.004 (0.077)
IWR* BUE (H23a-23e)	-0.034 (0.091)	0.022 (0.089)	0.010 (0.097)	0.172** (0.076)	-0.097 (0.091)
INC* BUE (H24a-24e)	0.003 (0.076)	0.065 (0.074)	0.033 (0.080)	0.343*** (0.063)	-0.019 (0.070)
TCE* BUE (H25a-25e)	0.308*** (0.070)	0.117* (0.068)	-0.077 (0.074)	0.060 (0.058)	-0.015 (0.074)
COC* BUE (H26a-26e)	-0.237*** (0.065)	-0.140** (0.063)	-0.014 (0.069)	-0.064 (0.054)	-0.112* (0.065)
Hotel Standard (HS)	0.006 (0.087)	0.029 (0.084)	0.025 (0.092)	0.144** (0.072)	-0.022 (0.087)
Firm Capital (FC)	0.049 (0.086)	0.096 (0.083)	0.025 (0.091)	-0.052 (0.071)	-0.027 (0.086)
Adjusted R ²	0.518	0.544	0.458	0.665	0.518
Maximum VIF	8.275	8.275	8.275	8.275	8.275

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, ^a Beta coefficients with standard errors in parenthesis



In summary, business experience positively moderates the relationships between internal audit well-roundedness and internal audit transparency, innovative culture and internal audit transparency, technology complementarity and internal audit proficiency. Thus, Hypotheses 23, 24 and 25 are partially supported while Hypotheses 22 and 26 are not supported.

For the control variables, the results indicate that hotel standard has significant and positive effects on internal audit transparency ($\beta_{206} = .144$, $p < 0.05$). This finding is similar to Kueket and Ussahawanitchakit (2013) who indicate that the standard hotel with a high level of stars has expanded service and may be more likely to succession in internal audit professionalism. Meanwhile, hotel standard has no significant effects on the relationships among the internal audit proficiency ($\beta_{167} = .006$, $p > 0.10$), internal audit governance ($\beta_{180} = .029$, $p > 0.10$), internal audit skepticism ($\beta_{193} = .025$, $p > 0.10$), and internal audit integration ($\beta_{219} = -.022$, $p > 0.10$); meaning that firms with hotel standards of four and five stars do not have greater internal audit excellence capability than those with three stars. In other words, the numbers in the hotel standard are not an index that indicates that the entity is more efficient for the target point. Additionally, firm capital does not affect internal audit proficiency ($\beta_{168} = .049$, $p > 0.10$), internal audit governance ($\beta_{181} = .096$, $p > 0.10$), internal audit skepticism ($\beta_{194} = .025$, $p > 0.10$), internal audit transparency ($\beta_{207} = -.052$, $p > 0.10$) and internal audit integration ($\beta_{220} = -.027$, $p > 0.10$); meaning that firms with a total capital of more than 100,000,000 Baht do not have greater internal audit excellence capability than those with lower than 100,000,000 Baht. In other words, the number of total capital is not an index that indicates that the entity is more efficient for the target point.

Summary

This section presents the results of each statistic including descriptive statistics, and the main statistics to answer the hypotheses, using the Ordinary Least Squares (OLS) regression analysis. The overall results indicate that internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration have significant, positive effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management



quality increase, business value, stakeholder reliability, and firm goal achievement. Meanwhile, organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement and management quality increase have a positive effect on business value and stakeholder reliability. Furthermore, business value has a positive effect on stakeholder reliability. Moreover, business value and stakeholder reliability have a positive effect on firm goal achievement. For the influences of the antecedents, this research found that sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity have a positive effect on the five dimensions of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration).

Furthermore, environmental munificence positively moderates the relationships between internal audit governance and risk reduction efficiency, internal audit transparency and organizational compliance effectiveness, risk reduction efficiency and management quality increase, internal audit integration and fraud detection enhancement. Moreover, business experience positively moderates the relationships between internal audit well-roundedness and internal audit transparency, innovative culture, and internal audit transparency, technology complementarity and internal audit proficiency.

The next chapter describes the conclusions, contributions, limitations, and future research directions.



Table 20: The Summary of Hypothesized Relationships

Hypotheses	Description of Hypothesized Relationships	Results
H1a	The internal audit proficiency will have a positive influence on organizational compliance effectiveness.	Not Supported
H1b	The internal audit proficiency will have a positive influence on risk reduction efficiency.	Not Supported
H1c	The internal audit proficiency will have a positive influence on fraud detection enhancement.	Not Supported
H1d	The internal audit proficiency will have a positive influence on management quality increase.	Supported
H1e	The internal audit proficiency will have a positive influence on business value.	Not Supported
H1f	The internal audit proficiency will have a positive influence on stakeholder reliability.	Not Supported
H1g	The internal audit proficiency will have a positive influence on firm goal achievement.	Supported
H2a	The internal audit governance will have a positive influence on organizational compliance effectiveness.	Supported
H2b	The internal audit governance will have a positive influence on risk reduction efficiency.	Supported
H2c	The internal audit governance will have a positive influence on fraud detection enhancement.	Supported
H2d	The internal audit governance will have a positive influence on management quality increase.	Supported
H2e	The internal audit governance will have a positive influence on business value.	Supported
H2f	The internal audit governance will have a positive influence on stakeholder reliability.	Not Supported
H2g	The internal audit governance will have a positive influence on firm goal achievement.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H3a	The internal audit skepticism will have a positive influence on organizational compliance effectiveness.	Not Supported
H3b	The internal audit skepticism will have a positive influence on risk reduction efficiency.	Not Supported
H3c	The internal audit skepticism will have a positive influence on fraud detection enhancement.	Not Supported
H3d	The internal audit skepticism will have a positive influence on management quality increase.	Supported
H3e	The internal audit skepticism will have a positive influence on business value.	Not Supported
H3f	The internal audit skepticism will have a positive influence on stakeholder reliability.	Not Supported
H3g	The internal audit skepticism will have a positive influence on firm goal achievement.	Supported
H4a	The internal audit transparency will have a positive influence on organizational compliance effectiveness.	Supported
H4b	The internal audit transparency will have a positive influence on risk reduction efficiency.	Supported
H4c	The internal audit transparency will have a positive influence on fraud detection enhancement.	Not Supported
H4d	The internal audit transparency will have a positive influence on management quality increase.	Supported
H4e	The internal audit transparency will have a positive influence on business value.	Supported
H4f	The internal audit transparency will have a positive influence on stakeholder reliability.	Supported
H4g	The internal audit transparency will have a positive influence on firm goal achievement.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H5a	The internal audit integration will have a positive influence on organizational compliance effectiveness.	Supported
H5b	The internal audit integration will have a positive influence on risk reduction efficiency.	Supported
H5c	The internal audit integration will have a positive influence on fraud detection enhancement.	Supported
H5d	The internal audit integration will have a positive influence on management quality increase.	Supported
H5e	The internal audit integration will have a positive influence on business value.	Supported
H5f	The internal audit integration will have a positive influence on stakeholder reliability.	Supported
H5g	The internal audit integration will have a positive influence on firm goal achievement.	Supported
H6a	The organizational compliance effectiveness will have a positive influence on business value.	Supported
H6b	The organizational compliance effectiveness will have a positive influence on stakeholder reliability.	Supported
H7a	The risk reduction efficiency will have a positive influence on business value.	Supported
H7b	The risk reduction efficiency will have a positive influence on stakeholder reliability.	Supported
H8a	The fraud detection enhancement will have a positive influence on business value.	Supported
H8b	The fraud detection enhancement will have a positive influence on stakeholder reliability.	Supported
H9a	The management quality increase will have a positive influence on business value.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H9b	The management quality increase will have a positive influence on stakeholder reliability.	Supported
H10a	The higher business value is, will have a positive influence on stakeholder reliability.	Supported
H10b	The higher business value is, will have a positive influence on firm goal achievement.	Supported
H11	The higher stakeholder reliability is, will have a positive influence on firm goal achievement.	Supported
H12a	The sustainability vision will have a positive influence on internal audit proficiency.	Not Supported
H12b	The sustainability vision will have a positive influence on internal audit governance.	Not Supported
H12c	The sustainability vision will have a positive influence on internal audit skepticism.	Not Supported
H12d	The sustainability vision will have a positive influence on internal audit transparency.	Supported
H12e	The sustainability vision will have a positive influence on internal audit integration.	Not Supported
H13a	The internal audit well-roundedness will have a positive influence on internal audit proficiency.	Supported
H13b	The internal audit well-roundedness will have a positive influence on internal audit governance.	Supported
H13c	The internal audit well-roundedness will have a positive influence on internal audit skepticism.	Supported
H13d	The internal audit well-roundedness will have a positive influence on internal audit transparency.	Supported
H13e	The internal audit well-roundedness will have a positive influence on internal audit integration.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H14a	The innovative culture will have a positive influence on internal audit proficiency.	Supported
H14b	The innovative culture will have a positive influence on internal audit governance.	Supported
H14c	The innovative culture will have a positive influence on internal audit skepticism.	Supported
H14d	The innovative culture will have a positive influence on internal audit transparency.	Not Supported
H14e	The innovative culture will have a positive influence on internal audit integration.	Supported
H15a	The technology complementarity will have a positive influence on internal audit proficiency.	Not Supported
H15b	The technology complementarity will have a positive influence on internal audit governance.	Supported
H15c	The technology complementarity will have a positive influence on internal audit skepticism.	Supported
H15d	The technology complementarity will have a positive influence on internal audit transparency.	Supported
H15e	The technology complementarity will have a positive influence on internal audit integration.	Supported
H16a	The competitive complexity will have a positive influence on internal audit proficiency.	Supported
H16b	The competitive complexity will have a positive influence on internal audit governance.	Supported
H16c	The competitive complexity will have a positive influence on internal audit skepticism.	Supported
H16d	The competitive complexity will have a positive influence on internal audit transparency.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H16e	The competitive complexity will have a positive influence on internal audit integration.	Supported
H17a	The environmental munificence will positively moderate the relationships between internal audit proficiency and organizational compliance effectiveness.	Not Supported
H17b	The environmental munificence will positively moderate the relationships between internal audit proficiency and risk reduction efficiency.	Not Supported
H17c	The environmental munificence will positively moderate the relationships between internal audit proficiency and fraud detection enhancement.	Not Supported
H17d	The environmental munificence will positively moderate the relationships between internal audit proficiency and management quality increase.	Not Supported
H18a	The environmental munificence will positively moderate the relationships between internal audit governance and organizational compliance effectiveness.	Not Supported
H18b	The environmental munificence will positively moderate the relationships between internal audit governance and risk reduction efficiency.	Supported
H18c	The environmental munificence will positively moderate the relationships between internal audit governance and fraud detection enhancement.	Not Supported
H18d	The environmental munificence will positively moderate the relationships between internal audit governance and management quality increase	Not Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H19a	The environmental munificence will positively moderate the relationships between internal audit skepticism and organizational compliance effectiveness.	Not Supported
H19b	The environmental munificence will positively moderate the relationships between internal audit skepticism and risk reduction efficiency.	Not Supported
H19c	The environmental munificence will positively moderate the relationships between internal audit skepticism and fraud detection enhancement.	Not Supported
H19d	The environmental munificence will positively moderate the relationships between internal audit skepticism and management quality increase.	Not Supported
H20a	The environmental munificence will positively moderate the relationships between internal audit transparency and organizational compliance effectiveness.	Supported
H20b	The environmental munificence will positively moderate the relationships between internal audit transparency and risk reduction efficiency.	Supported
H20c	The environmental munificence will positively moderate the relationships between internal audit transparency and fraud detection enhancement.	Not Supported
H20d	The environmental munificence will positively moderate the relationships between internal audit transparency and management quality increase.	Supported
H21a	The environmental munificence will positively moderate the relationships between internal audit integration and organizational compliance effectiveness.	Not Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H21b	The environmental munificence will positively moderate the relationships between internal audit integration and risk reduction efficiency.	Not Supported
H21c	The environmental munificence will positively moderate the relationships between internal audit integration and fraud detection enhancement.	Supported
H21d	The environmental munificence will positively moderate the relationships between internal audit integration and management quality increase.	Not Supported
H22a	The business experience will positively moderate the relationships of between sustainability vision and internal audit proficiency.	Not Supported
H22b	The business experience will positively moderate the relationships of between sustainability vision and internal audit governance.	Not Supported
H22c	The business experience will positively moderate the relationships of between sustainability vision and internal audit skepticism.	Not Supported
H22d	The business experience will positively moderate the relationships of between sustainability vision and internal audit transparency.	Not Supported
H22e	The business experience will positively moderate the relationships of between sustainability vision and internal audit integration.	Not Supported
H23a	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit proficiency.	Not Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H23b	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit governance.	Not Supported
H23c	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit skepticism.	Not Supported
H23d	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit transparency.	Supported
H23e	The business experience will positively moderate the relationships of between internal audit well-roundedness and internal audit integration.	Not Supported
H24a	The business experience will positively moderate the relationships of between innovative culture and internal audit proficiency.	Not Supported
H24b	The business experience will positively moderate the relationships of between innovative culture and internal audit governance.	Not Supported
H24c	The business experience will positively moderate the relationships of between innovative culture and internal audit skepticism.	Not Supported
H24d	The business experience will positively moderate the relationships of between innovative culture and internal audit transparency.	Supported
H24e	The business experience will positively moderate the relationships of between innovative culture and internal audit integration.	Not Supported
H25a	The business experience will positively moderate the relationships of between technology complementarity and internal audit proficiency.	Supported



Table 20: The Summary of Hypothesized Relationships (continued)

Hypotheses	Description of Hypothesized Relationships	Results
H25b	The business experience will positively moderate the relationships of between technology complementarity and internal audit governance.	Supported
H25c	The business experience will positively moderate the relationships of between technology complementarity and internal audit skepticism.	Not Supported
H25d	The business experience will positively moderate the relationships of between technology complementarity and internal audit transparency.	Not Supported
H25e	The business experience will positively moderate the relationships of between technology complementarity and internal audit integration.	Not Supported
H26a	The business experience will positively moderate the relationships of between competitive complexity and internal audit proficiency.	Not Supported
H26b	The business experience will positively moderate the relationships of between competitive complexity and internal audit governance.	Not Supported
H26c	The business experience will positively moderate the relationships of between competitive complexity and internal audit skepticism.	Not Supported
H26d	The business experience will positively moderate the relationships of between competitive complexity and internal audit transparency.	Not Supported
H26e	The business experience will positively moderate the relationships of between competitive complexity and internal audit integration.	Not Supported



CHAPTER V

CONCLUSION

This research studies the antecedents and consequences of the internal audit excellence capability of hotel businesses in Thailand. Likewise, the effects of internal audit excellence capability on internal audit (business value, stakeholder reliability, and firm goal achievement) are investigated. Additionally, the relationship among business value, stakeholder reliability, and firm goal achievement are examined. Moreover, environmental munificence is assumed as a moderator between internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) and organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase. Business experience is a moderator that has the relationships among the antecedents of internal audit excellence capability (sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity) and internal audit excellence capability. Finally, sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity are assigned to be the antecedents of internal audit excellence capability. Thus, the main question of this research is “How does internal audit excellence capability have an influence on firm goal achievement?”

Furthermore, the specific research questions are as follows: (1) How does each dimension of internal audit excellence capability have effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability and firm goal achievement? (2) How do organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relate to business value and stakeholder reliability? (3) How does business value have an influence on stakeholder reliability? (4) How do business value and stakeholder reliability have an influence on firm goal achievement? (5) How do sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity have an influence on each dimension of internal audit



excellence capability? (6) How do the moderating effects of the environmental munificence have an influence on internal audit excellence capability, organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relationships? And (7) How do the moderating effects of business experience have an influence on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, competitive complexity and internal audit excellence capability relationships?

There are two theories applied to explain the phenomena, the knowledge-based theory (KBT), and the contingency theory. The knowledge-based theory (KBT) is used to describe the audit phenomena in this research. Therefore, this theory can be described as the relationship between internal audit excellence capability and its outcome, including business value, stakeholder reliability and firm goal achievement. Meanwhile, the contingency theory is used to describe the relationships among the antecedents and the dimensions of internal audit excellence capability, and moderating effects of environmental munificence on internal audit excellence capability – internal audit consequents. In addition, contingency theory is used to describe the moderating variable of this research, which refers to the relationship between business experience that activate the antecedents and the dimensions of internal audit excellence capability. For this reason, this research proposes theory interaction to explain the relationships among five dimensions of internal audit excellence capability, their consequences, antecedents and moderators to answer the research questions and objectives.

With respect to the research objectives and research questions, there are 19 variables in this research. This research generates and develops the concepts in the internal audit excellence capability construct which has five dimensions, namely, internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration. Similarly, the antecedent constructs of internal audit excellence capability consists of sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity and competitive complexity. Additionally, the internal audit excellence capability consequences are organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value and stakeholder reliability.



Furthermore, firm goal achievement is a dependent variable. Finally, environmental munificence and business experience is a moderator of the above-mentioned associations.

This research selects internal audit directors or internal audit managers in the selected hotel businesses in Thailand as the population. The internal audit director or internal audit manager informant is the considerable factor affecting the reality of information for the analysis and consigns the true understanding of its business. Therefore, the internal audit director or internal audit manager informant involves in implementation in internal audit activities and also interacts with audit committees and management, thus, they also comprehend the antecedents of internal audit excellence capability. The sample of this research is chosen from the online database of Tourism Authority of Thailand, Ministry of Tourism and Sports, Thailand as of June 6, 2016. The questionnaires were directly distributed to 1,477 hotel businesses in Thailand. Finally, the successful questionnaires mailed were 1,412 surveys, from which 290 responses were returned and usable for hypotheses testing by multiple regressions. Hence, the effective response rate is approximately 20.54%.

The overall results indicate that internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration have a significant positive effect on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase, business value, stakeholder reliability, and firm goal achievement. Meanwhile, organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase have a positive effect on business value and stakeholder reliability. Furthermore, business value has a positive effect on stakeholder reliability. Moreover, business value and stakeholder reliability have a positive effect on firm goal achievement. For the influences of the antecedents, this research found that sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity have a positive effect on the five dimensions of internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration).

Finally, for the moderating effects, environmental munificence is an important factor that strengthens relationships among internal audit governance and risk reduction efficiency; relationships between internal audit transparency and organizational



compliance effectiveness, risk reduction efficiency and fraud detection enhancement; and relationships among internal audit integration and fraud detection enhancement. Moreover, for the moderating effects, business experience is an important factor that strengthens relationships among internal audit well-roundedness and internal audit transparency; relationships between innovative culture and internal audit transparency; and relationships among technology complementarity and internal audit proficiency.

As earlier described the summary of all research questions, supported by the empirical evidence, are included in Table 21, and are also provided in Figure 14.



Figure 14: Summary of the Results of the Hypotheses Testing

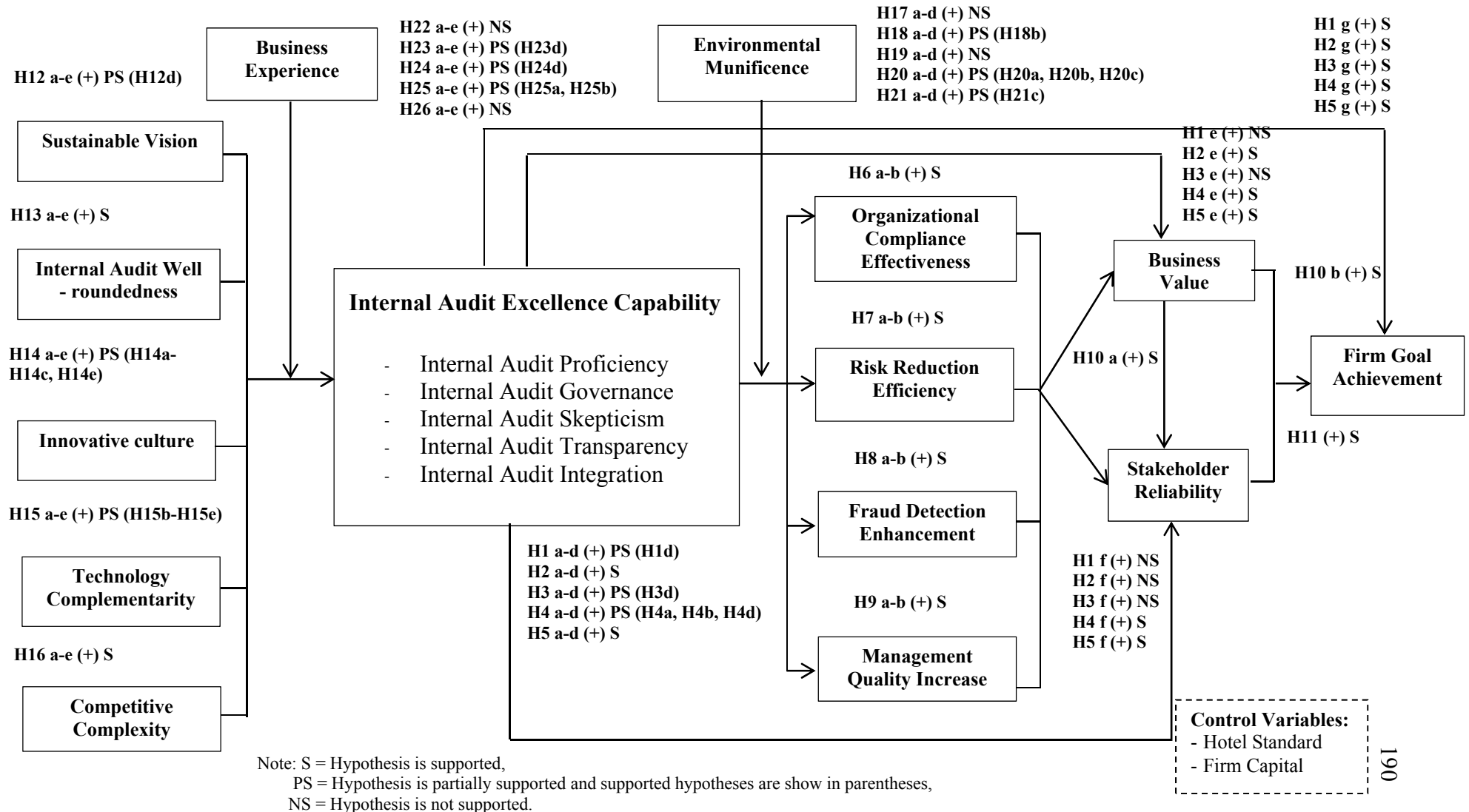


Table 21: Summary of Results in All Hypotheses Testing

Research Questions	Hypotheses	Results	Conclusions
(1) How does each dimension of internal audit excellence capability have effects on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value, stakeholder reliability and firm goal achievement?	1a-g, 2a-g, 3a-g, 4a-g, 5a-g	Internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration have a positive influence on organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase.	Partially Supported
(2) How do organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relate to business value and stakeholder reliability?	6a-b, 7a-b, 8a-b, 9a-b	Organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement and management quality increase have a positive influence on business value and stakeholder reliability	Fully Supported
(3) How does business value have an influence on stakeholder reliability?	10a	Business value positively affects stakeholder reliability.	Fully Supported
(4) How do business value and stakeholder reliability have an influence on firm goal achievement?	10b, 11	Business value and stakeholder reliability positively affect firm goal achievement.	Fully Supported



Table 21: Summary of Results in All Hypotheses Testing (continued)

Research Questions	Hypotheses	Results	Conclusions
(5) How do sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, and competitive complexity have an influence on each dimension of internal audit excellence capability	12a-e, 13a-e, 14a-e, 15a-e, 16a-e	Sustainability vision, internal audit well- roundedness, innovative culture, technology complementarity and competitive complexity have a positive influence on internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration.	Partially Supported
(6) How do the moderating effects of the environmental munificence have an influence on internal audit excellence capability, organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, and management quality increase relationships?	17a-d, 18a-d, 19a-d, 20a-d, 21a-d	Environmental munificence has positive moderating effects of the relationships among internal audit governance and risk reduction efficiency, internal audit transparency and organizational compliance effectiveness, risk reduction efficiency and management quality increase, internal audit integration and fraud detection enhancement.	Partially Supported



Table 21: Summary of Results in All Hypotheses Testing (continued)

Research Questions	Hypotheses	Results	Conclusions
(7) How do the moderating effects of business experience have an influence on sustainability vision, internal audit well-roundedness, innovative culture, technology complementarity, competitive complexity and internal audit excellence capability relationships?	22a-e, 23a-e, 24a-e, 25a-e, 26a-e	Business experience has positive moderating effects of the relationships among internal audit well-roundedness and internal audit transparency, innovative culture and internal audit transparency, technology complementarity and internal audit proficiency.	Partially Supported

Theoretical and Managerial Contributions

Theoretical Contribution

This research attempts to gain more understanding of the relationships between internal audit excellence capability and the firm goal achievement, its antecedents and moderators. It employs theoretical frameworks based on the knowledge-based and contingency theory for explaining firms' ability to use internal audit process for creating a competitive advantage and improving the existing processes and superior performance. This research provides the following theoretical contributions. Firstly, the results of this research expand the existing theory of knowledge-based theory concept that firm's knowledge (internal audit governance and internal audit integration) enhances organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase, business value and stakeholder reliability. Subsequently, firm goal achievement can be improved. This indicates that firm's knowledge is an essential factor to improve internal practices. Furthermore, firms with excellence knowledge can increase its business value and ability to compete with others to achieve its good.



Secondly, the results of this research is developed based on contingency theory that the internal environment factor of internal audit excellence capability is technology complementarity, competitive complexity and environmental munificence that can enhance potential for the internal audit excellence capability that are based on the results of operations to achieve maximum efficiency. In addition, sustainability vision, internal audit well-roundedness and innovative culture are an external environment factor that can strongly enhance internal audit excellence capability that is evident, followed by the contingency theory. Thus, this finding asserts the concept of the contingency theory that the appropriateness of internal audit excellence capability of an organization depends on the ability of an organization to adapt to the changing external circumstances or internal factors, firm must pay more attention in requiring best strategy to increase a powerful operational process that matches up to external factor and internal factor. The firm has to carefully apply internal audit excellence capability in order to fit with the situation, context, and industry type.

Managerial Contribution

The research results have managerial implications for practitioners. This research contributes to internal audit excellence capability. In particular, the results indicate that internal audit excellence capability is important to the proficiency of internal audit, resulting in both accounting information benefit and organizational advantage views. Particularly, the executives who are responsible should thoroughly understand, grow, and apply internal audit excellence capability (internal audit proficiency, internal audit governance, internal audit skepticism, internal audit transparency and internal audit integration) by developing knowledge and internal audit practice within the internal audit work for firm goal achievement. Moreover, the results of the antecedents of internal audit excellence capability indicate that internal audit excellence capability can be created from sustainability vision, internal audit well- roundedness, innovative culture, technology complementarity and competitive complexity. The results reveal that investigative method selection is a key element to increase internal audit excellence capability and internal audit outcomes. Also, volatile business environment (external factors and internal factors) is an important influence. Therefore, the executives who are responsible with internal audit should be concerned with the implementation of the



internal audit excellence capability, especially in internal audit governance and internal audit integration. Moreover, internal audit executives should pay more attention with the internal audit governance by administer the implementation of internal audit standards and realize ethics, honesty, and fairness for enhance the organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase and business value which leads to the firm goal achievement. Also, internal audit executives should pay more attention with the internal audit integration by encouraging employees for focusing on an integrated approach to the audit together as a system, integrating the knowledge of internal audit from various dimensions to create new knowledge and link a set of guidelines on goals objectives for increase organizational compliance effectiveness, risk reduction efficiency, fraud detection enhancement, management quality increase business value and stakeholder reliability for attain firm goal achievement.

More importantly, the results reveal that an organization should not neglect the importance of developing the audit excellence capability which is to develop, improve and change the form of the internal audit guidelines to better determine current standards. Moreover, the executive should provide the appropriate resources to support internal audit task and should also plan to develop and improve their other strategies to increase the levels of organizational growth and lead to long-term competitive advantage. The advantage of internal audit capability should contain and increase the potential professional in the quality of their internal audit process. Moreover, this research sheds some light to provide the practitioner (internal audit manager/director or other) leading to more insight on the important factor to decision making that influences planning strategy which helps their firms keep pace and more quickly respond progress their competitors. Also interestingly, this research provides a good understanding of how the firm can encourage internal audit excellence capability. The internal audit department should understand and utilize the internal audit skepticism in the audit process to improve internal audit performance. Especially, firms should concentrate on developing internal audit experience. For instance, they should actively promote in-house training programs and seminars to increase the existing knowledge and gain new specific knowledge in order to improve skills, abilities and experience of the internal audit staff.



Limitations and Future Research Directions

Limitations

Although the results of this research are appealing as they grant to some beneficial insights into the function of internal audit excellence capability, certain limitations should be recognized. Firstly, the results of this research were derived the only data collected from hotel businesses. Therefore, these findings might be unable to explain of other types businesses in Thailand. Interpretation and implementation of the results should be carefully made. Secondly, even though measurements of all variables in this research that are established based on literature reviews and related theories which comprise high reliability and validity. However, the measurements only are created from the insight of internal audit executives. These insights may change when time passes and environment changed. Hence, the rendition of research findings should be conscious with changes of time and environment.

Future Research Directions

According to the confirming results and limitations, the need for future research is apparent. Firstly, the results of this research, some of the research hypotheses are not statistically significant. For example, internal audit proficiency has no significant effect on its consequents excluding fraud detection enhancement and firm goal achievement. Thus, future research should employ other methods, including considering to use inductive research or in-depth interviews with internal auditor directors/managers in each firm, in order to create and confirm true construct measurements and all relationships of this model. Also, future research should confirm the usefulness of the scale by applying it to a distinct population (i.e., food processing businesses, finance businesses) or collecting data from a larger population in other countries in order to widen the aspect and generalizations. Secondly, the moderating effects of business experience is less supported. Thus, future research should consider to seeking other potential moderating variable such as internal audit experience because this factor can leads firm to create the knowledge and capabilities for developing better internal audit process. For instance, internal audit experience emphasizes more on skills which are obtained from internal audit tasks concerning relevant internal audit standards and accounting guidance,



critical analysis, and error-specific experiences, which affect internal audit task and internal audit performance. Thus, internal audit experience might be the potential to moderate the relationships of internal audit excellence capability and internal audit outcomes lead to competitive advantages and firms' performance. Finally, this research used questionnaires to collect the data and explored through cross-sectional survey. Therefore, further research may develop longitudinal data and/or mixed methods designed to observe internal audit excellence capability in new dimensions that have an effect on firm goal achievement.



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APPENDICES



APPENDIX A
The Original Items



TableA1 Original Items in Scales

Constructs	Items
Internal Audit Proficiency (IAP)	
IAP1	Firm believes that the practice of internal audit, according to standard operating procedures even better can help the administration internal audit more effectively.
IAP2	Firm believes that the audit planned in accordance with the circumstances can help optimized for operation increase.
IAP3	Firm believes that the internal investigation review continues can help to obtain to protect, track advise and suggestion on the implementation of internal audit effectively
IAP4	Firm believes that the determined practice of internal audit that helped the administration achieve its goal both short and long term better.
IAP5	Firm encourages the follow monitor the implementation of internal audit at all stages that follow the action plan process to achieve maximum goal effectively.
Internal Audit Governance (IAG)	
IAG1	Firm believes that the operations management in the internal audit even better can help the administration internal audit more effectively.
IAG2	Firm emphasizes priority on the operations that straightforward can help give to get cooperation from the relevant authorities continues.
IAG3	Firm emphasizes priority to create the handbook standards of the internal audit for increase capability and efficiency of internal audit.
IAG4	Firm focuses on the operations as a whole by providing improved restructuring to be reviewed to a concrete result has been a more reliable.
IAG5	Firm encourages to learn and understand the rules and regulations and relevant standards to make the operation as efficient and highest useful.
Internal Audit Skepticism (IAS)	
IAS1	Firm believes that the application of the diagnosis by taking into account the principles and reasons for the audit to be recognized in the implementation of internal audit more effectively.
IAS2	Firm emphasizes on the analysis of issues concerns the audit by cause and effect involved to help make the internal audit performance achieve maximum goal effectively.
IAS3	Firm aware that priority reviewing and questioning about completeness, adequacy, and correctness of the associated audit policy the purpose and goals of the organization to help make the internal audit performance achieve maximum goal effectively.
IAS4	Firm focused on the search for information on the diagnosis based on statistical principles to help conduct an internal audit to conduct an internal audit has more potential.
IAS5	Firm believes that the firm has gathered information and understand from the concerns about issues to make the plans or strategies to help make the internal audit performance achieve maximum goal effectively.



TableA1: Original Items in Scales (continued)

Constructs	Items
Internal Audit Transparency (IAT)	
IAT1	Firm believes that the transparency disclosure of the internal audit will be recognized and the credibility of the agency is involved.
IAT2	Firm focuses on disclose the internal audit plan for the stakeholders to acceptable and reliable result and can help the administration internal audit more effectively.
IAT3	Firm encourages to perform straightforward can determine the source of the information this will allow information from within the app useful and valuable to the organization even more.
IAT4	Firm focuses on data collection complete and systematically can search instantly monitor and disclose the source of the data fully this will affect the quality can help decisions of the executive within the organization.
IAT5	Firm emphases to communicate internal audit report demonstrates empirical evidence openly and timely which lead to be high benefit for users.
Internal Audit Integrations (IAI)	
IAI1	Firm believes that the integration combination of audit as a system approach to make the operation as efficient and highest useful.
IAI2	Firm focuses on organization's capacity development and knowledge integrative from a diversity of internal audit dimensions in determining how to determine for highest benefit of the organization.
IAI3	Firm encourages allowing employees to seek knowledge and experience of internal audit in the past combined with other personnel on a systematic for reducing the duplication of internal audit process for highest effectiveness.
IAI4	Firm focuses on the integration, systems, methods, principles, and take advantage of the views of experts in different fields to be used in the development of internal audit highest performance.
IAI5	Firm encourages to the establishment of a team with diverse knowledge and different contributes to the creation of a new way to determine for highest performance.
Organizational Compliance Effectiveness (OCE)	
OCE1	Firm has operations in accordance with standards and regulations relating effectively.
OCE2	Firm has are used the quality standards in the fully performance.
OCE3	Firm has applied the principles and methods involved in the operations process is effectively.
OCE4	Firm can operations in the principle of procedure process in performance its entirety.



TableA1: Original Items in Scales (continued)

Constructs	Items
Risk Reduction Efficiency (RRE)	
RRE1	Firm can to terminate the event will cause damage to the organization on an ongoing basis.
RRE2	Firm can to avoid impact damage that might be caused by changes in the competitive environment as well.
RRE3	Under the volatility of the economic environment has changed, firm can operations consistent with the goals and policies as well.
RRE4	Firm is operating in accordance with acceptable standards and has the uncertainty in the defined criteria.
Fraud Detection Enhancement (FDE)	
FDE1	Firm can identify all material error or activities deviation from standard practices continuous and consistent.
FDE2	Firm has an operation system that can effectively prevent error or failure to follow the rules, regulations that may occur in the future more effectively.
FDE3	Firm has a system to prevent corruption that may occur in the future effectively.
FDE4	Firm can manage the uncertainties administration and making the errors detected in the present and prevent errors that may occur in the future.
Fraud Detection Enhancement (FDE)	
FDE1	Firm can identify all material error or activities deviation from standard practices continuous and consistent.
FDE2	Firm has an operation system that can effectively prevent error or failure to follow the rules, regulations that may occur in the future more effectively.
FDE3	Firm has a system to prevent corruption that may occur in the future effectively.
FDE4	Firm can manage the uncertainties administration and making the errors detected in the present and prevent errors that may occur in the future.
Management Quality Increase (MQI)	
MQI1	Firm can operations achieve the goals set in all respects under the limited resources.
MQI2	Firm can manage achieve a successful outcome and consistent operational goals efficiently and effectively.
MQI3	Firm can reduce the steps and time for the operation, including the ability coordinate effectively and to achieve the objectives laid out clearly.
MQI4	Firm can operate efficiently and effectively under conditions of change.



TableA1: Original Items in Scales (continued)

Constructs	Items
Business Value (BUE)	
BUE1	Firm can manage achieve a successful outcome and is on target as well.
BUE2	Firm can create stability in operation both the short and long-continued.
BUE3	Firm can integrated utilization the resources to create value for firm continuity in the present and the future.
BUE4	Firm can creative activities operational and consistent goals efficiently and effectively under the limited resources.
Stakeholder Reliability (STR)	
STR1	Firm gains the confidence and trust of customers to develop and leads to good managed and professional.
STR2	Firm gains the confidence and trust of stakeholders to good administration of standard.
STR3	Firm has received confidence of the government agencies and other entities that are related with operations focused on long-term goals.
STR4	Firm has gained the management of the organization in that has managed characterized and leads to good managed and professional.
Firm Goal Achievement (FSV)	
FSV1	Firm can manage of operations as to the policies and achieve goals.
FSV2	Firm has expanded its market share is increasing and is likely to further increase in the later years.
FSV3	Firm has operating performance increased steadily compared to the performance in the past year.
FSV4	Firm has been recognized and is known for its clients and business circles and their ability to operate effectively and the ability to operate continuously.
FSV5	Firm has confidence in the survival and growth in the long term.
Sustainable Vision (SUV)	
SUV1	Firm believes that the operations which focus on the long-term future and will allow for more efficient operations.
SUV2	Firm focuses on the development, modification be consistent with new innovation constant.
SUV3	Firm believes that the long-term survive, firm must focus on improving and developing in operation to continuously.
SUV4	Firm focuses on investing in the development of technologies to improve future performance.
SUV5	Firm has allocated funds for the development of learning and training for the long-term sustainability of the organization.



TableA1: Original Items in Scales (continued)

Constructs	Items
Internal Audit Well - roundedness (IWR)	
IWR1	Firm awareness that the knowledge and understanding of accounting standards, internal audit standards, and legal relating well to well internal audit process, and efficiency and effectiveness.
IWR2	Firm focus on the study and understanding of standard operating procedures and internal audit environment can help optimized for operation increase.
IWR3	Firm focus on creating good relationships with the agencies in a systematic way process to achieve maximum goal effectively.
IWR4	Firm encouraged to bring their technology used in the monitor a consistent and appropriate can help the practice of internal audit is even more potent.
Innovative Culture (INC)	
INC1	Firm believes that conduction the invention and application of new concepts and practices. This will help the businesses increase efficiency in its operations even more.
INC2	Firm believes that the new concept new methods, new procedures is potential to cause a strong performance this will improve gain present and in the future.
INC3	Firm focuses on the evaluation operation of employees by adhering to the modernization resulted in a period in which the new operating model always occur.
INC4	The firm is offering a new service consistent with the situation; this will make the management of the business competitive advantage whole time.
Business Experience (BUE)	
BUE1	Firm believes that the work experience of firm in the past will help firm to gain smooth operation.
BUE2	Firm promotes on knowledge resulting from the practice in the past to be applied in the present which can create new ideas in business operation and operation benefit at its highest efficiency.
BUE3	Firm promotes and supports for the past working experience or competency integration to help in working planning the current operations as well.
BUE4	Firm encourages employees to present ideas that arise from the past working experience bring to use in present can help optimized for operation increase.
Environmental Munificence (ENM)	
ENM1	Currently, rules and regulations able to facilitate firm achieve the goals of organization even more.
ENM2	Environment technology has developed a continuous operation can help the administration more effectively.
ENM3	Society expectations in professionals' administration from various different business can work more easily and in accordance with the present situation as well.
ENM4	Currently, environment competition of the employee competence of enabling organizations grow to achieve maximum goal effectively.



TableA1: Original Items in Scales (continued)

Constructs	Items
Technology Complementarity (TEC)	
TEC1	The advancement of technology occurs rapidly, thus, firms must apply the various new technologies or applications to increase performance effectiveness.
TEC2	With diversity and high-performance technology, firm can uses technology to meet application and appropriate strategies for the operation of the business.
TEC3	Technology has been developed evolved continuously and very conducive to performance clearly, thus, firms can apply technology to increase the potential for competitiveness.
TEC4	Currently, information technology systems and networks linked as well, firm can increase capacity to competition as well, and is recognized by the stakeholders.
Competitive Complexity (COC)	
COC1	Currently, there are so many competitors in the business so the firm is interested in developing system to handle new strategy in order to create distinctive products and services.
COC2	Currently, there are so many competitors in the business so the firm is interested in developing system to handle both proactive and reactive in order to comply with the competition.
COC3	Customers are with diverse needs. So firms must find a way to modify new services continue to meet their needs in a timely manner.
COC4	Today's market conditions are extremely volatile, firm has seek competitive strategy for develop the organization for a competitive advantage.



APPENDIX B

Item Factor Loadings and Cronbach's Alpha Analyses



TableB1: Item Factor Loadings and Cronbach's Alpha Analyses

Constructs	Items	n = 30	
		Factor Loadings (0.655 – 0.940)	Cronbach's Alpha (0.806 – 0.921)
Internal Audit Proficiency (IAP)	IAP1	0.767	0.872
	IAP2	0.830	
	IAP3	0.830	
	IAP4	0.859	
	IAP5	0.787	
Internal Audit Governance (IAG)	IAG1	0.665	0.844
	IAG2	0.838	
	IAG3	0.789	
	IAG4	0.793	
	IAG5	0.842	
Internal Audit Skepticism (IAS)	AEC1	0.779	0.868
	AEC2	0.783	
	AEC3	0.752	
	AEC4	0.898	
	AEC5	0.834	
Internal Audit Transparency (IAT)	IAS1	0.870	0.891
	IAS2	0.846	
	IAS3	0.813	
	IAS4	0.859	
	IAS5	0.796	
Internal Audit Integrations (IAI)	IAI1	0.892	0.921
	IAI2	0.877	
	IAI3	0.924	
	IAI4	0.852	
	IAI5	0.821	
Organizational Compliance Effectiveness (OCE)	OCE1	0.717	0.852
	OCE2	0.856	
	OCE3	0.928	
	OCE4	0.821	
Risk Reduction Efficiency (RRE)	RRE1	0.794	0.837
	RRE2	0.868	
	RRE3	0.820	
	RRE4	0.797	
Fraud Detection Enhancement (FDE)	FDE1	0.696	0.831
	FDE2	0.884	
	FDE3	0.894	
	FDE4	0.799	



TableB1: Item Factor Loadings and Cronbach's Alpha Analyses (continued)

Constructs	Items	n = 30	
		Factor Loadings	Cronbach's Alpha
Management Quality Increase (MQI)	MQI1	0.751	0.834
	MQI2	0.752	
	MQI3	0.905	
	MQI4	0.861	
Business Value (BUV)	BUV1	0.894	0.843
	BUV2	0.827	
	BUV3	0.790	
	BUV4	0.801	
Stakeholder Reliability (STR)	STR1	0.913	0.909
	STR2	0.913	
	STR3	0.922	
	STR4	0.800	
Firm Goal Achievement (FSV)	FSV1	0.847	0.864
	FSV2	0.830	
	FSV3	0.860	
	FSV4	0.679	
	FSV5	0.813	
Sustainable Vision (SUV)	SUV1	0.819	0.859
	SUV2	0.880	
	SUV3	0.771	
	SUV4	0.847	
	SUV5	0.688	
Internal Audit Well - roundedness (IWR)	IWR1	0.803	0.846
	IWR1	0.872	
	IWR1	0.852	
	IWR1	0.803	
Innovative Culture (INC)	INC1	0.859	0.861
	INC2	0.862	
	INC3	0.907	
	INC4	0.742	
Business Experience (BUE)	BUE1	0.705	0.806
	BUE2	0.789	
	BUE3	0.885	
	BUE4	0.815	
Environmental Munificence (ENM)	ENM1	0.809	0.844
	ENM2	0.857	
	ENM3	0.836	
	ENM4	0.802	



TableB1: Item Factor Loadings and Cronbach's Alpha Analyses (continued)

Constructs	Items	n = 30	
		Factor Loadings	Cronbach's Alpha
Technology Complementarity (TEC)	TEC1	0.655	0.824
	TEC2	0.858	
	TEC3	0.940	
	TEC4	0.794	
Competitive Complexity (COC)	COC1	0.845	0.900
	COC2	0.913	
	COC3	0.916	
	COC4	0.837	



APPENDIX C

Non-Response Bias Tests



TableC1: Non-Response Bias Tests

Comparison	N	Mean	S.D.	t	Significant Level*
Number of employees:				-0.471	0.638
• First Group	145	0.54	0.500		
• Second Group	145	0.57	0.497		
Period of time in operation:				0.234	0.815
• First Group	145	0.50	0.502		
• Second Group	145	0.49	0.502		
Capital investment:				-0.695	0.488
• First Group	145	0.47	0.501		
• Second Group	145	0.48	0.501		
Customer groups of business:				-0.234	0.815
• First Group	145	0.75	0.434		
• Second Group	145	0.79	0.411		
* Represent statistical significance at the 5 % level					



APPENDIX D
The Results of Basic Assumptions Testing



Appendix D- Results of testing basic assumption of regression analysis

Regression analysis (OLS) is used to test the interrelationship between the various independent and dependent variables by SPSS program. From the relation model and the hypotheses, the following 20 equation models are presented including assumptions of regression model as follows.

Assumptions of Regression Model

The main assumptions of regression model are:

1. Linearity of phenomenon measured,
2. Independence of the error terms,
3. Multicollinearity
4. Constant variance of the error terms (Homoscedasticity),
5. Normality of the error term distribution, and Details of each assumption

are summarized as follows:

1. Linearity of phenomenon measured

Linearity is agreement in statistical regarding the relationship between independent and dependent variables if the relationships are linear in nature. If the relationship between independent variables and the dependent variable is not linear, the results of the regression analysis will under-estimate the true relationship. A preferable method of detection is examination of residual plots (plots of standardized residuals as a function of standardized predicted values, readily available in most statistical software) is used. This research, all of the relationships between dependent and independent variables are linear. As a result, the linearity problems should not be concerned.

2. Test independence of the error terms (Test of Autocorrelation)

Test independence of the error terms is used Durbin-Watson to test, which data problem is often time series data or cross-sectional data. The rule of thumb of Durbin-Watson d statistic between 1.5 to 2.5 is no autocorrelation. From the results of Durbin-Watson d statistics, d statistics are about 1.724 – 2.280. As a result the autocorrelation problems should not be concerned.



TableD1: Autocorrelation

Equation	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.643	0.413	0.399	0.775	1.883
2	0.514	0.264	0.246	0.868	2.134
3	0.607	0.368	0.353	0.804	2.086
4	0.640	0.409	0.394	0.778	2.280
5	0.613	0.376	0.361	0.799	1.949
6	0.420	0.177	0.160	0.916	1.858
7	0.665	0.442	0.429	0.755	2.157
8	0.808	0.653	0.646	0.595	1.903
9	0.738	0.544	0.535	0.682	2.102
10	0.652	0.425	0.419	0.762	1.897
11	0.806	0.649	0.645	0.596	2.105
12	0.691	0.477	0.464	0.732	2.049
13	0.730	0.532	0.521	0.694	2.252
14	0.678	0.460	0.446	0.744	2.077
15	0.799	0.638	0.629	0.608	2.113
16	0.715	0.511	0.499	0.708	2.102
17	0.718	0.516	0.493	0.712	1.724
18	0.575	0.331	0.229	0.837	2.081
19	0.685	0.469	0.444	0.745	1.954
20	0.691	0.478	0.454	0.739	2.181
21	0.735	0.540	0.518	0.693	1.964
22	0.751	0.565	0.544	0.675	2.239
23	0.695	0.483	0.458	0.736	2.037
24	0.824	0.680	0.665	0.579	2.174



3. Multicollinearity

TableD2: Multicollinearity

Equation	Dependent Variable	Maximum Variance Inflation Factors (VIF's)
1	OCE	3.926
2	RRE	3.926
3	FDE	3.926
4	MQI	3.926
5	BUV	3.926
6	STR	3.926
7	FSV	3.926
8	BUE	2.450
9	STR	2.450
10	STR	1.043
11	FSV	1.770
12	IAP	4.157
13	IAG	4.157
14	IAS	4.157
15	IAT	4.157
16	IAI	4.157
17	OCE	7.880
18	RRE	7.880



TableD2: Multicollinearity (continued)

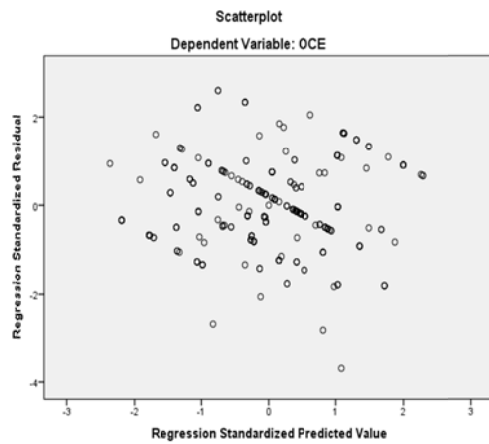
Equation	Dependent Variable	Maximum Variance Inflation Factors (VIF's)
19	FDE	7.880
20	MQI	7.880
21	IAP	8.275
22	IAG	8.275
23	IAS	8.275
24	IAT	8.275
25	IAI	8.275

4. Test of constant variance of the error terms (Homoscedasticity)

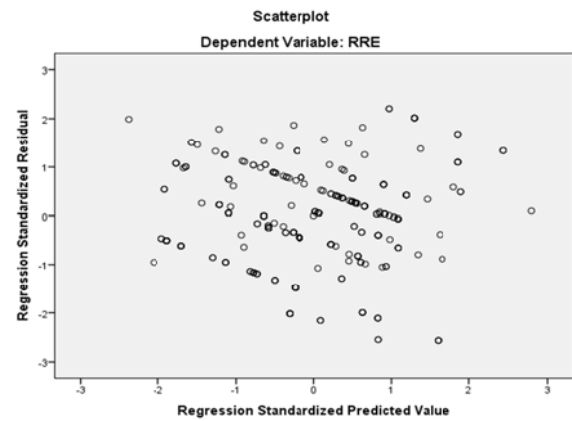
Homoscedasticity means that the variance of errors is the same cross all levels of the independent variables. This research is checked by visual examination of a plot of the standardized residuals by regression standardized predicted value. Ideally, residuals are randomly scattered around 0 (the horizontal line) providing a relatively even distribution. Heteroscedasticity is indicated when the residuals are not evenly scattered around the line. This research show the scatter plot of residuals is randomly scattered around 0 (the horizontal line). As a result the heteroscedasticity problems should not be concerned.



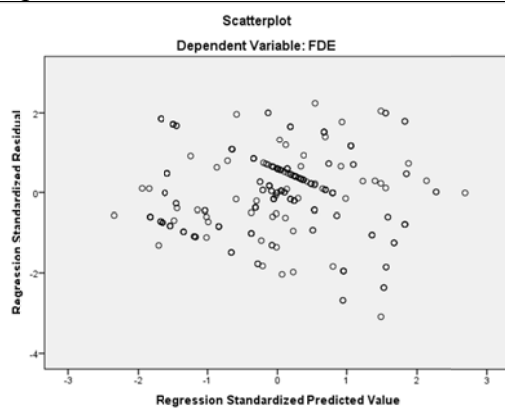
A residual plot against the independent variable (the fitted value) of equation 1



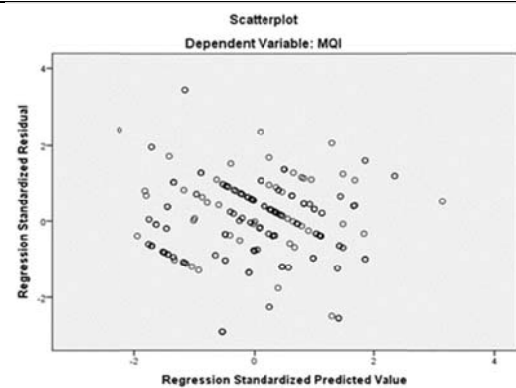
A residual plot against the independent variable (the fitted value) of equation 2



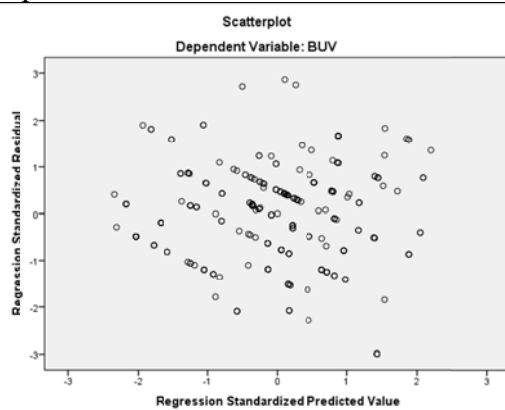
A residual plot against the independent variable (the fitted value) of equation 3



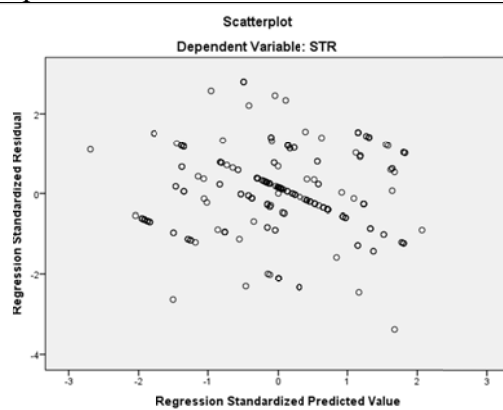
A residual plot against the independent variable (the fitted value) of equation 4



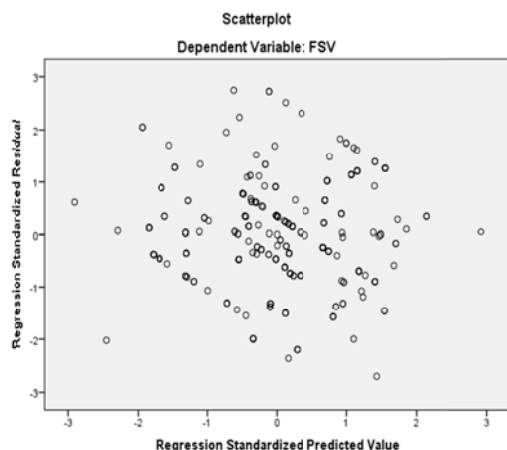
A residual plot against the independent variable (the fitted value) of equation 5



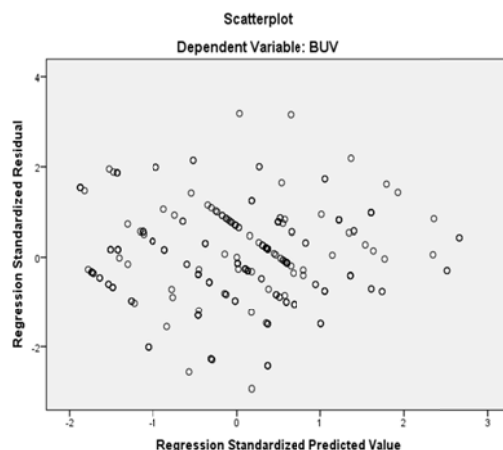
A residual plot against the independent variable (the fitted value) of equation 6



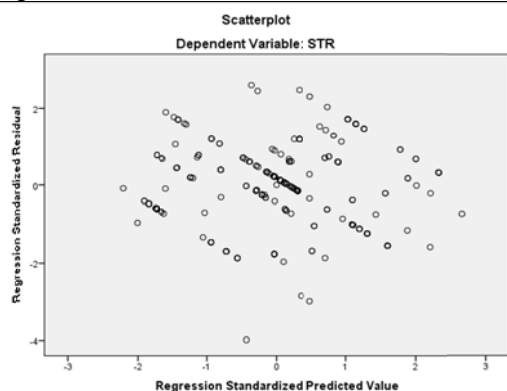
A residual plot against the independent variable (the fitted value) of equation 7



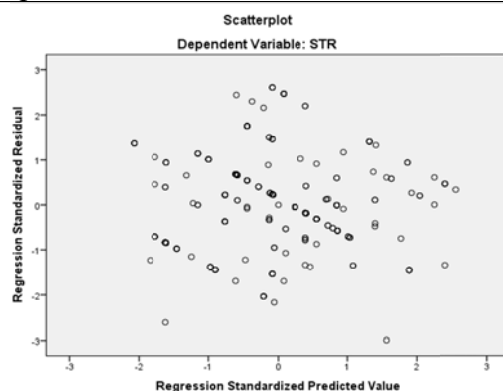
A residual plot against the independent variable (the fitted value) of equation 8



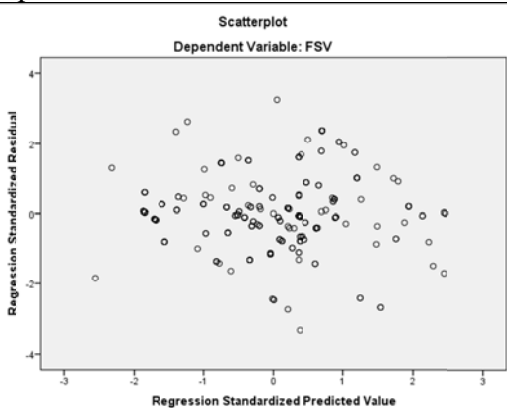
A residual plot against the independent variable (the fitted value) of equation 9



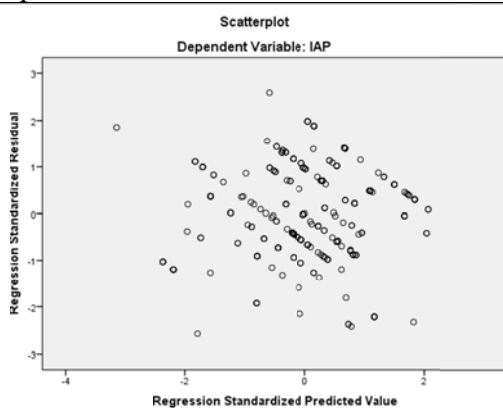
A residual plot against the independent variable (the fitted value) of equation 10



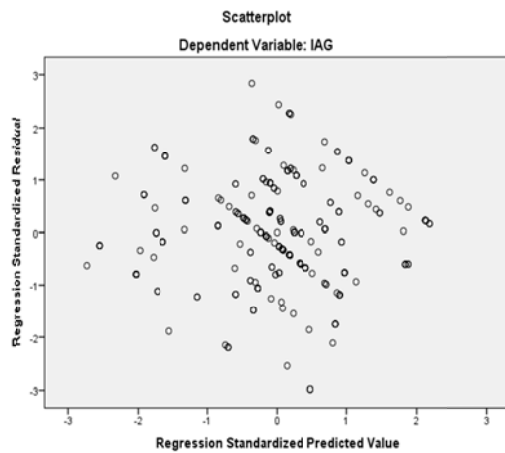
A residual plot against the independent variable (the fitted value) of equation 11



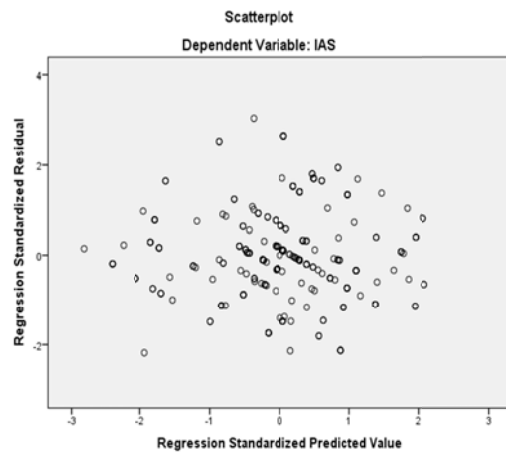
A residual plot against the independent variable (the fitted value) of equation 12



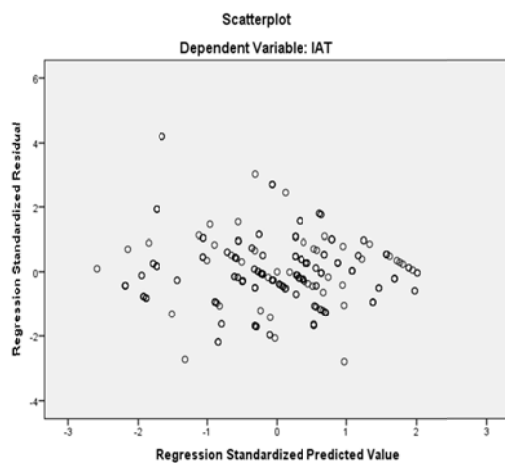
A residual plot against the independent variable (the fitted value) of equation 13



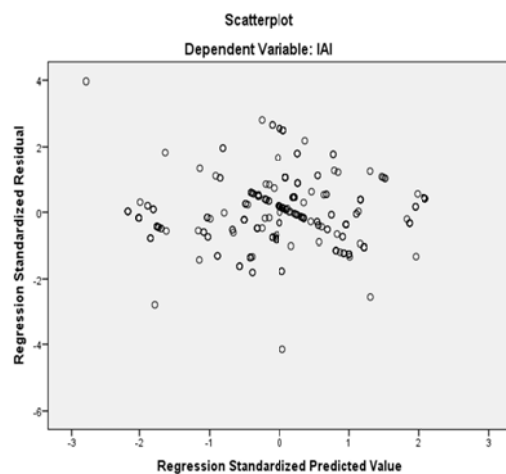
A residual plot against the independent variable (the fitted value) of equation 14



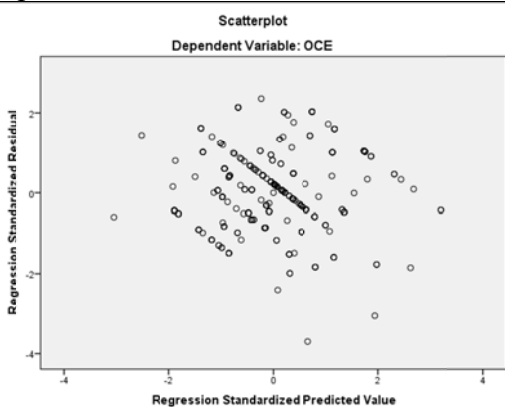
A residual plot against the independent variable (the fitted value) of equation 15



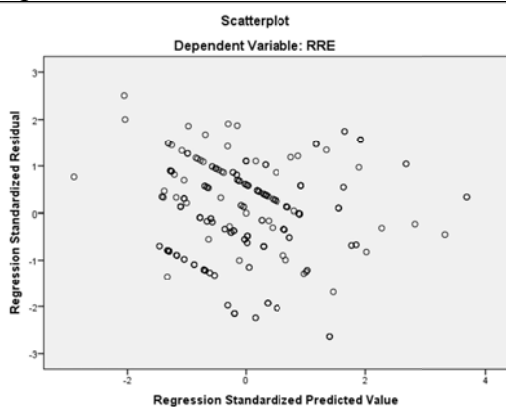
A residual plot against the independent variable (the fitted value) of equation 16



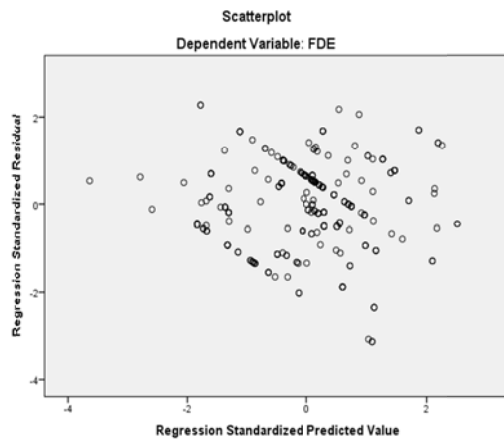
A residual plot against the independent variable (the fitted value) of equation 17



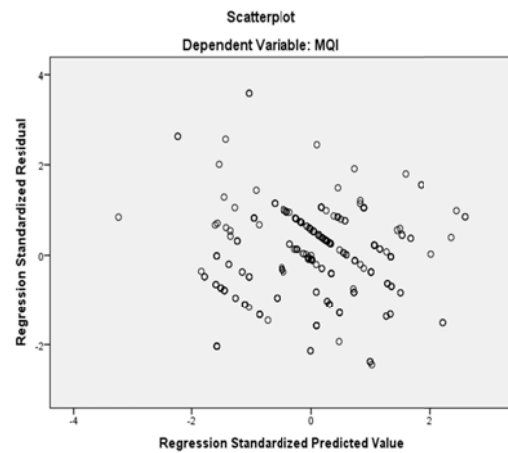
A residual plot against the independent variable (the fitted value) of equation 18



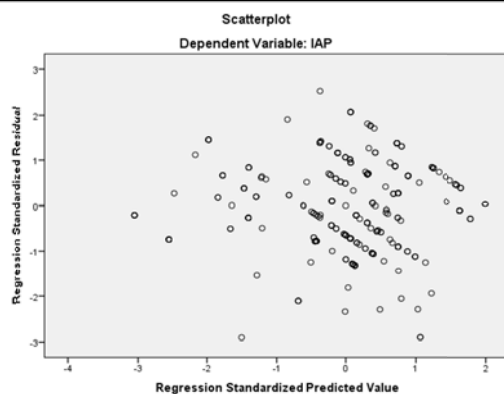
A residual plot against the independent variable (the fitted value) of equation 19



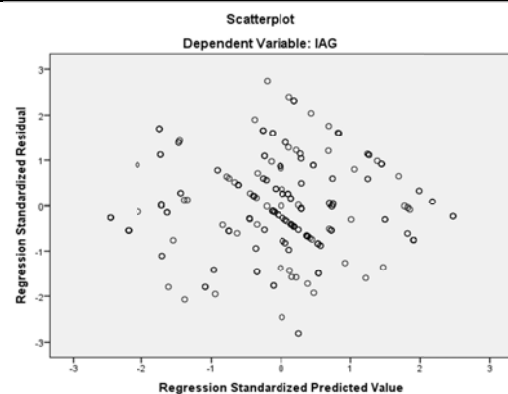
A residual plot against the independent variable (the fitted value) of equation 20



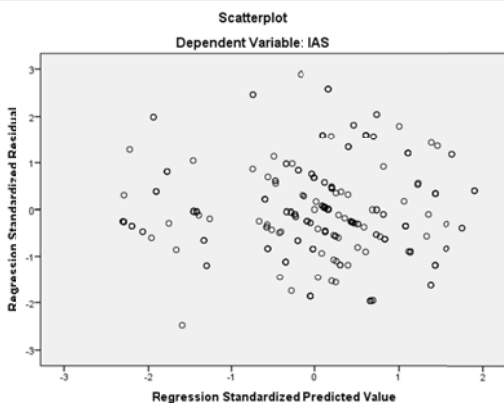
A residual plot against the independent variable (the fitted value) of equation 21



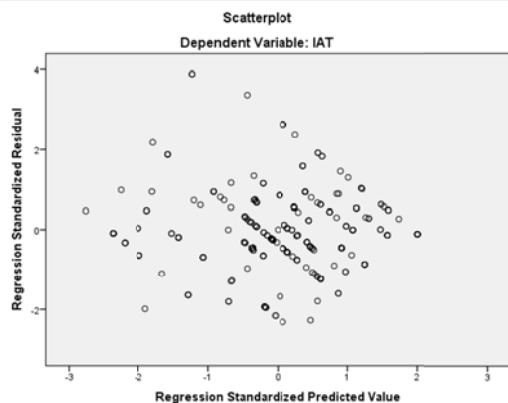
A residual plot against the independent variable (the fitted value) of equation 22



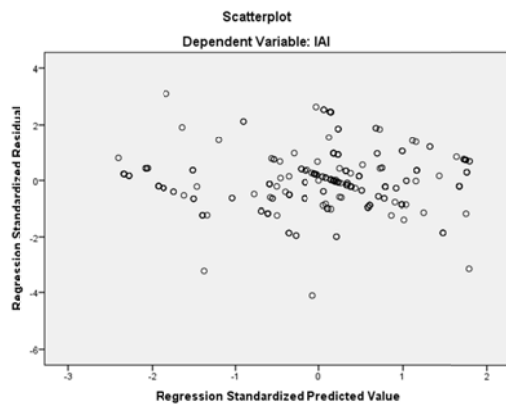
A residual plot against the independent variable (the fitted value) of equation 23



A residual plot against the independent variable (the fitted value) of equation 24



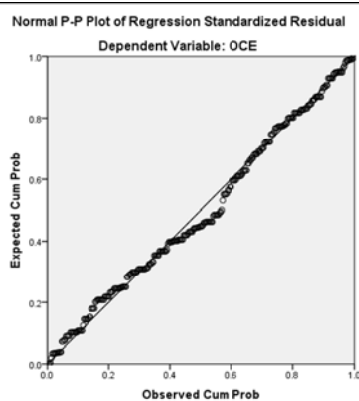
A residual plot against the independent variable (the fitted value) of equation 25



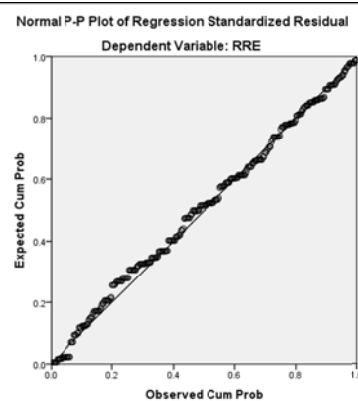
5. Normality of the error term distribution

The test normal distribution for check the set of independent variables in the equation is a histogram of residuals, with a visual check for a distribution approximating the normal distribution. A method is the use of normal probability plots (Hair et al., 2010). Thus, the research uses the normal probability plots method. The normal probability plot is compares the observed values with those expected from a normal distribution. If the data display the characteristics of normality, the points will fall within a narrow band a straight line. As a result, the non-normality problems should not be concerned in this research.

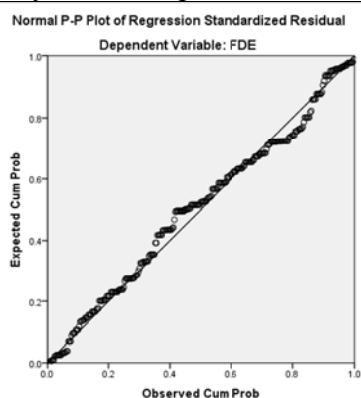
Visual inspection of Normal P-P Plot for normality tests of equation 1



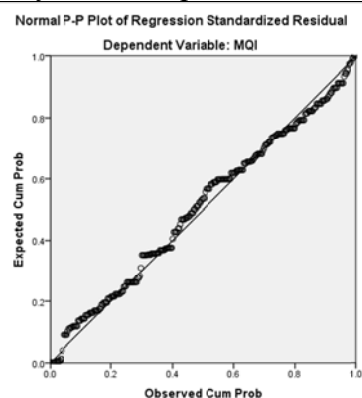
Visual inspection of Normal P-P Plot for normality tests of equation 2



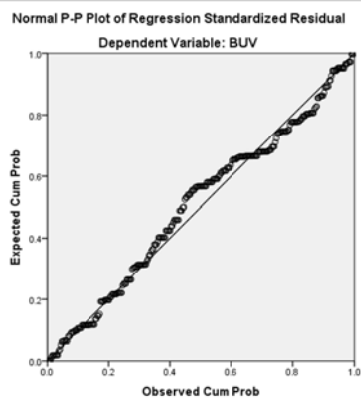
Visual inspection of Normal P-P Plot for normality tests of equation 3



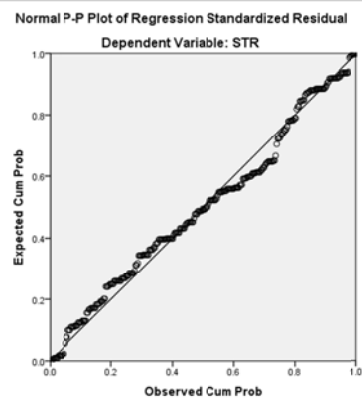
Visual inspection of Normal P-P Plot for normality tests of equation 4



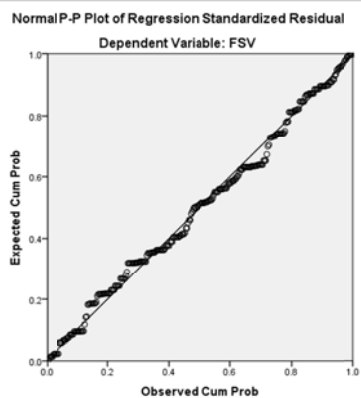
Visual inspection of Normal P-P Plot for normality tests of equation 5



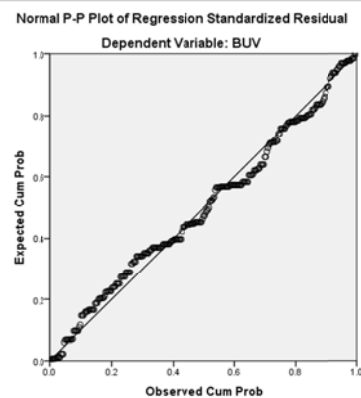
Visual inspection of Normal P-P Plot for normality tests of equation 6

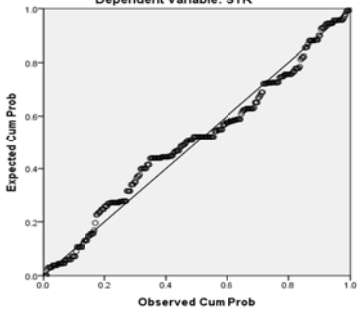
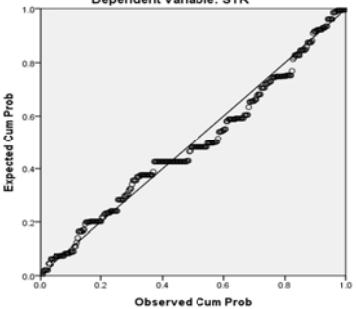
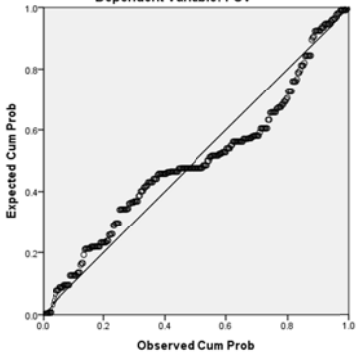
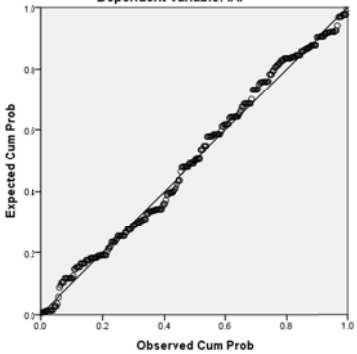
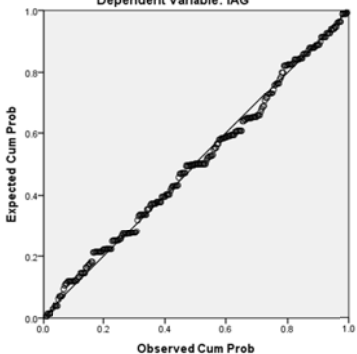
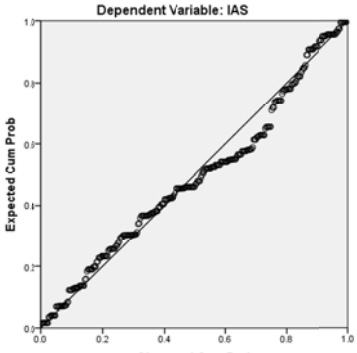


Visual inspection of Normal P-P Plot for normality tests of equation 7

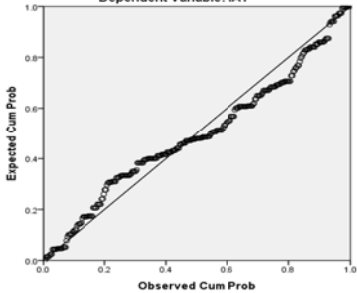
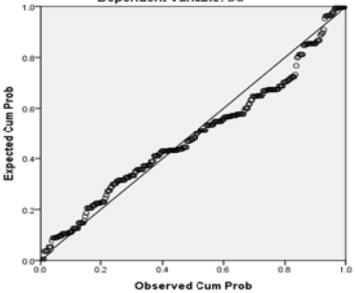
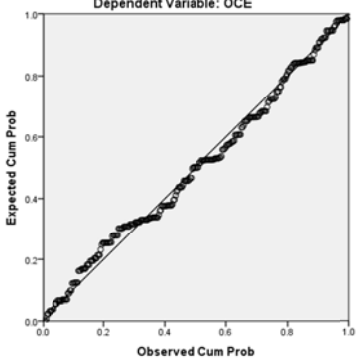
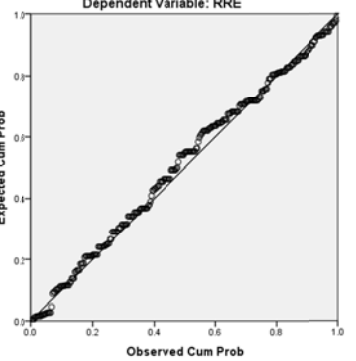
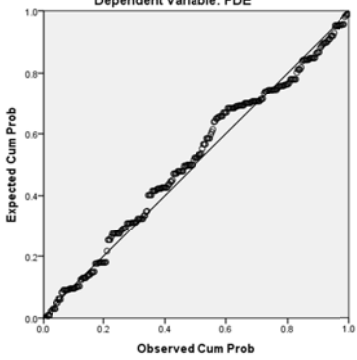
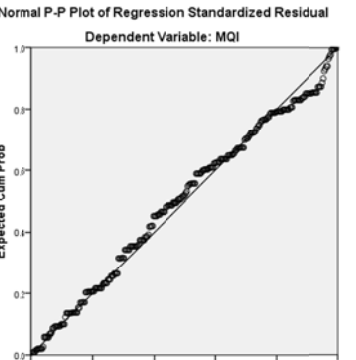


Visual inspection of Normal P-P Plot for normality tests of equation 8

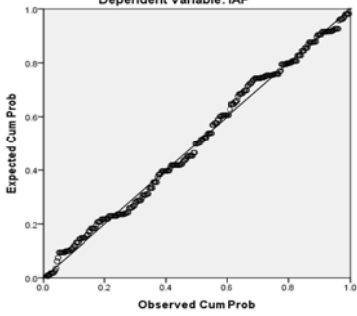
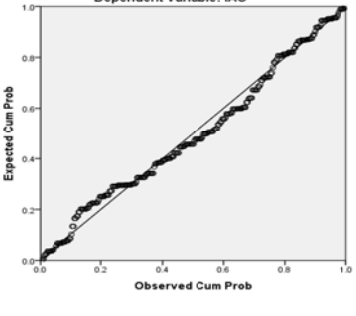
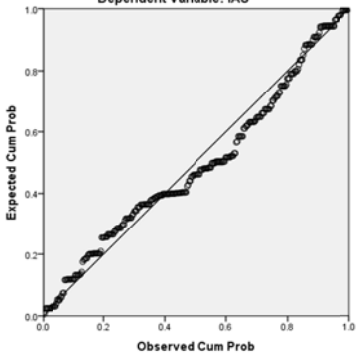
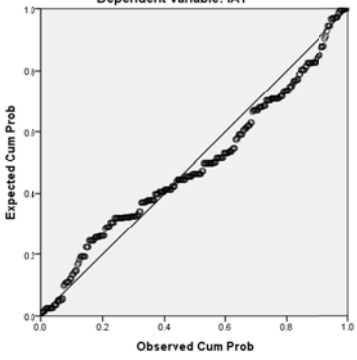
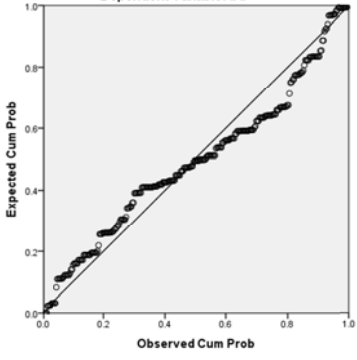


Visual inspection of Normal P-P Plot for normality tests of equation 9	Visual inspection of Normal P-P Plot for normality tests of equation 10
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: STR</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: STR</p> 
Visual inspection of Normal P-P Plot for normality tests of equation 11	Visual inspection of Normal P-P Plot for normality tests of equation 12
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: FSV</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAP</p> 
Visual inspection of Normal P-P Plot for normality tests of equation 13	Visual inspection of Normal P-P Plot for normality tests of equation 14
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAG</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAS</p> 



Visual inspection of Normal P-P Plot for normality tests of equation 15	Visual inspection of Normal P-P Plot for normality tests of equation 16
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAT</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable IAT. The data points closely follow the diagonal line, indicating approximate normality.</p>	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAI</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable IAI. The data points closely follow the diagonal line, indicating approximate normality.</p>
Visual inspection of Normal P-P Plot for normality tests of equation 17	Visual inspection of Normal P-P Plot for normality tests of equation 18
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: OCE</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable OCE. The data points closely follow the diagonal line, indicating approximate normality.</p>	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: RRE</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable RRE. The data points closely follow the diagonal line, indicating approximate normality.</p>
Visual inspection of Normal P-P Plot for normality tests of equation 19	Visual inspection of Normal P-P Plot for normality tests of 20
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: FDE</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable FDE. The data points closely follow the diagonal line, indicating approximate normality.</p>	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: MQI</p>  <p>The plot shows the expected cumulative probability (y-axis) against the observed cumulative probability (x-axis) for the dependent variable MQI. The data points closely follow the diagonal line, indicating approximate normality.</p>



Visual inspection of Normal P-P Plot for normality tests of equation 21	Visual inspection of Normal P-P Plot for normality tests of equation 22
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAP</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAG</p> 
Visual inspection of Normal P-P Plot for normality tests of equation 23	Visual inspection of Normal P-P Plot for normality tests of equation 24
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAS</p> 	<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAT</p> 
Visual inspection of Normal P-P Plot for normality tests of equation 25	
<p>Normal P-P Plot of Regression Standardized Residual</p> <p>Dependent Variable: IAI</p> 	



APPENDIX E

Respondent Characteristics



Table E1: The Summary of Demographic Characteristics of Respondents

Descriptions	Categories	Frequencies	Percent (%)
Gender	Male	113	38.97
	Female	177	61.03
	Total	290	100.00
Age	Less than 30 years old	27	9.31
	30 – 40 years old	123	42.41
	41-50 years old	89	30.69
	More than 50 years old	51	17.59
	Total	290	100.0
Marital Status	Single	129	44.48
	Married	150	51.72
	Divorced	11	3.80
	Total	290	100.0
Education Level	Undergraduate or lower	171	58.97
	Higher than undergraduate	119	41.03
	Total	290	100.0
Work Experience	Less than 5 years	24	8.28
	5-10 years	66	22.76
	11-15 years	77	26.55
	More than 15 years	123	42.41
	Total	290	100.0
Current Revenue Average Per Month	Less than 50,000 Baht	126	43.45
	50,000 – 70,000 Baht	68	23.45
	70,001-90,000 Baht	27	9.31
	More than 90,000 Baht	69	23.79
	Total	290	100.0
Current Position	Internal Audit Director	45	15.51
	Internal Audit Managers	49	16.90
	Other	196	67.59
	Total	290	100.0



Table E2: The Summary of Firm Characteristics of Hotel Businesses in Thailand

Descriptions	Categories	Frequencies	Percent (%)
Business type	Corporate	278	95.86
	Partnership	12	4.14
	Total	290	100.0
Standard of Hotel	Three-star level	140	48.28
	Four- star level	51	17.58
	Five- star level	99	34.14
	Total	290	100.0
Location of business	Bangkok	59	20.34
	Northern region	52	17.93
	Central part	23	7.93
	Eastern region	36	12.41
	North – eastern region	12	4.14
	Southern region	108	37.25
	Total	290	100.0
Capital investment or Operation capital	Less than 50,000,000 Baht	88	30.34
	50,000,000 – 100,000,000 Baht	64	22.08
	100,000,001–150,000,000 Baht	30	10.34
	More than 150,000,000 Baht	108	37.24
	Total	290	100.0
Number of employees	Less than 50 persons	66	22.76
	50 -100 persons	64	22.07
	101-150 persons	46	15.86
	More than 150 persons	114	39.31
	Total	290	100.0
Period of time operation	Less than 5 years	36	12.41
	5 - 10 years	110	37.93
	11 – 15 years	30	10.35
	More than 15 years	114	39.31
	Total	290	100.0



Table E2: The Summary of Firm Characteristics of Hotel Businesses in
Thailand (continued)

Descriptions	Categories	Frequencies	Percent (%)
Average sales revenues per year	Less than 25,000,000 Baht	80	27.59
	25,000,000 – 50,000,000 Baht	51	17.59
	50,000,001 – 75,000,000 Baht	48	16.55
	More than 75,000,000 Baht	111	38.27
	Total	290	100.0
Customer groups of business/ Target customers	Domestic	67	23.10
	International	223	76.90
	Total	290	100.0



APPENDIX F

Cover Letter and Questionnaire: English Version



**Questionnaire for the Ph.D. Dissertation Research entitled
“Internal Audit Excellence Capability and Firm Goal Achievement: An Empirical
Examination of Hotel Businesses in Thailand”**

Dear Sir,

This research is a part of doctoral dissertation of Miss. Wanvipa Khammongkol at the Mahasarakham Business School, Mahasarakham University, Thailand. The objective of this research is to examine the effect of internal audit excellence capability and firm goal achievement: An empirical examination of hotel businesses in Thailand. The questionnaire is divided into 7 parts;

Part 1: Demographic data of internal audit managers/internal audit directors of hotel businesses in Thailand

Part 2: General information of hotel businesses in Thailand

Part 3: Opinions in internal audit excellence capability of hotel businesses

Part 4: Opinion in operational outcomes of hotel businesses

Part 5: Opinion in internal factor that influence to operation outcomes of hotel businesses

Part 6: Opinion in external factor that influence to operation outcomes of hotel businesses

Part 7: Recommendation and suggestions in internal audit practices and other issues

Your answer will be kept as confidentiality and your information will not be shared with any outside party without your permission. If you have any questions with respect to this research, please contact me directly.

If you want a summary of this research, please indicate your E-mail address or attach your business card with this questionnaire. The summary will be mailed to you as soon as the analysis is completed.

Do you want a summary of the results?

☐ Yes e-mail _____

☐ No

Thank you for your time answering all questions. I very much hope that your answer will provide the valuable information for my dissertation.

Sincerely yours,

(Wanvipa Khammongkol)
Ph.D. Student Mahasarakham Business School
Mahasarakham University, Thailand

Contact Info:

Mobile phone: 081-768-3724

E-mail: Wanvipamutoo@gmail.com



Part 1 Personal information of internal audit director/manager of hotel businesses in Thailand

1. Gender

☐ Male

☐ Female

2. Age

☐ Less than 30 years old

☐ 30 – 40 years old

☐ 41-50 years old

☐ More than 50 years old

3. Marital status

☐ Single

☐ Married

☐ Divorced

4. Level of education

☐ Undergraduate or less than

☐ Higher than undergraduate

5. Working experiences

☐ Less than 5 years

☐ 5- 10 years

☐ 11 – 15 years

☐ More than 15 years

6. Average revenues per month

☐ Less than 50,000 Baht

☐ 50,000 – 70,000 Baht

☐ 70,001-90,000 Baht

☐ More than 90,000 Baht

7. Working position at present

☐ Internal Audit Directors

☐ Internal Audit Managers

☐ Other (Please specify).....



Part 2 General information of hotel businesses in Thailand

1. Business type

☐ Corporate☐ Partnership

2. Standard of business

☐ Three-star level☐ Four-star level☐ Five-star level

3. Location of business

☐ Bangkok☐ Northern region☐ Central region☐ Eastern region☐ North – eastern region☐ Southern region

4. Capital investment or Operation capital

☐ Less than 50,000,000 Baht☐ 50,000,000 – 100,000,000 Baht☐ 100,000,001 – 150,000,000 Baht☐ More than 150,000,000 Baht

5. Number of employees

☐ Less than 50 persons☐ 50 - 100 persons☐ 101 - 150 persons☐ More than 150 persons

6. Period of time in operation

☐ Less than 5 years☐ 5 - 10 years☐ 11 – 15 years☐ More than 15 years

7. Average sales revenues per year

☐ Less than 25,000,000 Baht☐ 25,000,001 – 50,000,000 Baht☐ 50,000,001 – 75,000,000 Baht☐ More than 75,000,000 Baht

8. Customer groups of business/ Target customers

☐ Domestic☐ International

Part 3 Opinions in internal audit excellence capability of hotel businesses

Internal Audit Excellence Capability	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Internal Audit Proficiency:</u>					
1. Firm believes that the practice of internal audit, according to standard operating procedures even better can help the administration internal audit more effectively.					
2. Firm believes that the audit planned in accordance with the circumstances can help optimized for operation increase.					
3. Firm believes that the internal investigation review continues can help to obtain to protect, track advise and suggestion on the implementation of internal audit effectively					
4. Firm believes that the determined practice of internal audit that helped the administration achieve its goal both short and long term better.					
5. Firm encourages the follow monitor the implementation of internal audit at all stages that follow the action plan process to achieve maximum goal effectively.					
<u>Internal Audit Governance:</u>					
6. Firm believes that the operations management in the internal audit even better can help the administration internal audit more effectively.					
7. Firm emphasizes priority on the operations that straightforward can help give to get cooperation from the relevant authorities continues.					
8. Firm emphasizes priority to create the handbook standards of the internal audit for increase capability and efficiency of internal audit.					



Part 3 Opinions in internal audit excellence capability of hotel businesses (Continued)

Internal Audit Excellence Capability	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Internal Audit Governance:</u>					
9. Firm focuses on the operations as a whole by providing improved restructuring to be reviewed to a concrete result has been a more reliable.					
10. Firm encourages to learn and understand the rules and regulations and relevant standards to make the operation as efficient and highest useful.					
<u>Internal Audit Skepticism:</u>					
11. Firm believes that the application of the diagnosis by taking into account the principles and reasons for the audit to be recognized in the implementation of internal audit more effectively.					
12. Firm emphasizes on the analysis of issues concerns the audit by cause and effect involved to help make the internal audit performance achieve maximum goal effectively.					
13. Firm aware that priority reviewing and questioning about completeness, adequacy, and correctness of the associated audit policy the purpose and goals of the organization to help make the internal audit performance achieve maximum goal effectively.					
14. Firm focused on the search for information on the diagnosis based on statistical principles to help conduct an internal audit to conduct an internal audit has more potential.					



Part 3 Opinions in internal audit excellence capability of hotel businesses (Continued)

Internal Audit Excellence Capability	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Internal Audit Skepticism:</u>					
15. Firm believes that the firm has gathered information and understand from the concerns about issues to make the plans or strategies to help make the internal audit performance achieve maximum goal effectively.					
<u>Internal Audit Transparency:</u>					
16. Firm believes that the transparency disclosure of the internal audit will be recognized and the credibility of the agency is involved.					
17. Firm focuses on disclose the internal audit plan for the stakeholders to acceptable and reliable result and can help the administration internal audit more effectively.					
18. Firm encourages to perform straightforward can determine the source of the information this will allow information from within the app useful and valuable to the organization even more.					
19. Firm focuses on data collection complete and systematically can search instantly monitor and disclose the source of the data fully this will affect the quality can help decisions of the executive within the organization.					
20. Firm emphases to communicate internal audit report demonstrates empirical evidence openly and timely which lead to be high benefit for users.					



Part 3 Opinions in internal audit excellence capability of hotel businesses (Continued)

Internal Audit Excellence Capability	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Internal Audit Integrations:</u>					
21. Firm believes that the integration combination of audit as a system approach to make the operation as efficient and highest useful.					
22. Firm focuses on organization's capacity development and knowledge integrative from a diversity of internal audit dimensions in determining how to determine for highest benefit of the organization.					
23. Firm encourages allowing employees to seek knowledge and experience of internal audit in the past combined with other personnel on a systematic for reducing the duplication of internal audit process for highest effectiveness.					
24. Firm focuses on the integration, systems, methods, principles, and take advantage of the views of experts in different fields to be used in the development of internal audit highest performance.					
25. Firm encourages to the establishment of a team with diverse knowledge and different contributes to the creation of a new way to determine for highest performance.					



Part 4 Opinion in operational outcomes of hotel businesses

Internal Audit Outcome	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Organizational Compliance Effectiveness:</u>					
1. Firm has operations in accordance with standards and regulations relating effectively.					
2. Firm has are used the quality standards in the fully performance.					
3. Firm has applied the principles and methods involved in the operations process is effectively.					
4. Firm can operations in the principle of procedure process in performance its entirety.					
<u>Risk reduction efficiency:</u>					
5. Firm can to terminate the event will cause damage to the organization on an ongoing basis.					
6. Firm can to avoid impact damage that might be caused by changes in the competitive environment as well.					
7. Under the volatility of the economic environment has changed, firm can operations consistent with the goals and policies as well.					
8. Firm is operating in accordance with acceptable standards and has the uncertainty in the defined criteria.					
<u>Fraud Detection Enhancement:</u>					
9. Firm can identify all material error or activities deviation from standard practices continuous and consistent.					
10. Firm has an operation system that can effectively prevent error or failure to follow the rules, regulations that may occur in the future more effectively.					



Part 4 Opinion in operational outcomes of hotel businesses (Continued)

Internal Audit Outcome	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Fraud Detection Enhancement:</u>					
11. Firm has a system to prevent corruption that may occur in the future effectively.					
12. Firm can manage the uncertainties administration and making the errors detected in the present and prevent errors that may occur in the future.					
<u>Management Quality Increase:</u>					
13. Firm can operations achieve the goals set in all respects under the limited resources.					
14. Firm can manage achieve a successful outcome and consistent operational goals efficiently and effectively.					
15. Firm can reduce the steps and time for the operation, including the ability coordinate effectively and to achieve the objectives laid out clearly.					
16. Firm can operate efficiently and effectively under conditions of change.					
<u>Business Value:</u>					
17. Firm can manage achieve a successful outcome and is on target as well.					
18. Firm can create stability in operation both the short and long-continued.					
19. Firm can integrated utilization the resources to create value for firm continuity in the present and the future.					
20. Firm can creative activities operational and consistent goals efficiently and effectively under the limited resources.					



Part 4 Opinion in operational outcomes of hotel businesses (Continued)

Internal Audit Outcome	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Stakeholder Reliability:</u>					
21. Firm gains the confidence and trust of customers to develop and leads to good managed and professional.					
22. Firm gains the confidence and trust of stakeholders to good administration of standard.					
23. Firm has received confidence of the government agencies and other entities that are related with operations focused on long-term goals.					
24. Firm has gained the management of the organization in that has managed characterized and leads to good managed and professional.					
<u>Firm Goal Achievement:</u>					
25. Firm can manage of operations as to the policies and achieve goals					
26. Firm has expanded its market share is increasing and is likely to further increase in the later years.					
27. Firm has operating performance increased steadily compared to the performance in the past year.					
28. Firm has been recognized and is known for its clients and business circles and their ability to operate effectively and the ability to operate continuously.					
29. Firm has confidence in the survival and growth in the long term.					



Part 5 Opinion in internal factor that influence to operation outcomes of hotel businesses (Continued)

Internal Audit Outcome	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Sustainability Vision:</u>					
1. Firm believes that the operations which focus on the long-term future and will allow for more efficient operations.					
2. Firm focuses on the development, modification be consistent with new innovation constant.					
3. Firm believes that the long-term survive, firm must focus on improving and developing in operation to continuously.					
4. Firm focuses on investing in the development of technologies to improve future performance.					
5. Firm has allocated funds for the development of learning and training for the long-term sustainability of the organization.					
<u>Internal Audit Well-roundedness:</u>					
6. Firm awareness that the knowledge and understanding of accounting standards, internal audit standards, and legal relating well to well internal audit process, and efficiency and effectiveness.					
7. Firm focus on the study and understanding of standard operating procedures and internal audit environment can help optimized for operation increase.					
<u>Internal Audit Well-roundedness:</u>					
8. Firm focus on creating good relationships with the agencies in a systematic way process to achieve maximum goal effectively.					



Part 5 Opinion in internal factor that influence to operation outcomes of hotel businesses (Continued)

Internal Factor	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
9. Firm encouraged to bring their technology used in the monitor a consistent and appropriate can help the practice of internal audit is even more potent.					
<u>Innovative Culture:</u> 10. Firm believes that conduction the invention and application of new concepts and practices. This will help the businesses increase efficiency in its operations even more.					
11. Firm believes that the new concept new methods, new procedures is potential to cause a strong performance this will improve gain present and in the future.					
<u>Innovative Culture:</u> 12. Firm focuses on the evaluation operation of employees by adhering to the modernization resulted in a period in which the new operating model always occur.					
13. The firm is offering a new service consistent with the situation; this will make the management of the business competitive advantage whole time.					
<u>Business Experience:</u> 14. Firm believes that the work experience of firm in the past will help firm to gain smooth operation.					



Part 5 Opinion in internal factor that influence to operation outcomes of hotel businesses (Continued)

Internal Factor	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
15. Firm promotes on knowledge resulting from the practice in the past to be applied in the present which can create new ideas in business operation and operation benefit at its highest efficiency.					
16. Firm promotes and supports for the past working experience or competency integration to help in working planning the current operations as well.					
17. Firm encourages employees to present ideas that arise from the past working experience bring to use in present can help optimized for operation increase.					



Part 6 Opinion in external factor that influence to operation outcomes of hotel businesses

Internal Factor	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Environment Munificence:</u>					
1. Currently, rules and regulations able to facilitate firm achieve the goals of organization even more.					
2. Environment technology has developed a continuous operation can help the administration more effectively.					
3. Society expectations in professionals' administration from various different business can work more easily and in accordance with the present situation as well.					
4. Currently, environment competition of the employee competence of enabling organizations grow to achieve maximum goal effectively.					
<u>Technology Complementarity:</u>					
5. The advancement of technology occurs rapidly, thus, firms must apply the various new technologies or applications to increase performance effectiveness.					
6. With diversity and high-performance technology, firm can uses technology to meet application and appropriate strategies for the operation of the business.					



Part 6 Opinion in external factor that influence to operation outcomes of hotel businesses (Continued)

External Factor	Opinion Levels				
	Strongly Agree 5	Agree 4	Not Sure 3	Disagree 2	Strongly Disagree 1
<u>Technology Complementarity:</u> 7. Technology has been developed evolved continuously and very conducive to performance clearly, thus, firms can apply technology to increase the potential for competitiveness.					
8. Currently, information technology systems and networks linked as well, firm can increase capacity to competition as well, and is recognized by the stakeholders.					
<u>Competitive Complexity:</u> 9. Currently, there are so many competitors in the business so the firm is interested in developing system to handle new strategy in order to create distinctive products and services.					
10. Currently, there are so many competitors in the business so the firm is interested in developing system to handle both proactive and reactive in order to comply with the competition.					
11. Customers are with diverse needs. So firms must find a way to modify new services continue to meet their needs in a timely manner.					
12. Today's market conditions are extremely volatile, firm has seek competitive strategy for develop the organization for a competitive advantage.					



Part 7 Recommendation and suggestions in internal audit practices and other issues

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Thank you for taking time to answer this questionnaire, then, please fold into the envelope attached herewith and send returned to researcher at the address listed.



APPENDIX G

Cover Letters and Questionnaire: Thai Version





ที่ ศธ 0530.10/ ๖๖๖

คณะกรรมการบัญชีและการจัดการ
มหาวิทยาลัยมหาสารคาม
อำเภอกันทรวิชัย จังหวัดมหาสารคาม
44150

10 มิถุนายน 2559

เรื่อง ขอบความอนุเคราะห์กรอกแบบสอบถาม

เรียน ผู้บริหารฝ่ายตรวจสอบภายใน/ผู้จัดการฝ่ายตรวจสอบภายใน

ด้วย นางสาววันวิภา คำมงคล นิสิตระดับปริญญาเอก คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม กำลังศึกษาวิทยานิพนธ์ เรื่อง “ศักยภาพความเป็นเลิศการตรวจสอบภายในและการบรรลุผลสำเร็จตามเป้าหมายองค์กร : หลักฐานเชิงประจักษ์จากธุรกิจโรงแรมในประเทศไทย ” ซึ่งเป็นส่วนหนึ่งของการทำวิทยานิพนธ์ หลักสูตรปรัชญาดุษฎีบัณฑิต (ปร.ด.) และการศึกษาในครั้งนี้ได้เน้นให้นิสิตศึกษาข้อมูลด้วยตนเอง ดังนั้น เพื่อให้การจัดทำวิทยานิพนธ์เป็นไปด้วยความเรียบร้อยและบรรลุวัตถุประสงค์ คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม จึงใคร่ขออนุญาตให้ นางสาววันวิภา คำมงคล ศึกษาและเก็บรวบรวมในรายละเอียดตามแบบสอบถามที่แนบมาพร้อมนี้

คณะกรรมการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม หวังเป็นอย่างยิ่งว่าจะได้รับความอนุเคราะห์จากท่านในการให้ข้อมูลในครั้งนี้ และขอขอบคุณมา ณ โอกาสนี้

ขอแสดงความนับถือ

(รองศาสตราจารย์ ดร.ปัทมาภรณ์ อุตสาหะวานิชกิจ)

คณบดีคณะกรรมการบัญชีและการจัดการ
มหาวิทยาลัยมหาสารคาม

สำนักบริหารหลักสูตรระดับบัณฑิตศึกษาและวิจัย
คณะกรรมการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม
โทรศัพท์ (043) 754333 ต่อ 3408



แบบสอบถามเพื่อการวิจัย

เรื่องศักยภาพความเป็นเลิศการตรวจสอบภายในและการบรรลุผลสำเร็จตามเป้าหมายองค์กร:

หลักฐานเชิงประจักษ์จากธุรกิจโรงแรมในประเทศไทย

คำชี้แจง

โครงการวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาเรื่อง “ศักยภาพความเป็นเลิศการตรวจสอบภายในและการบรรลุผลสำเร็จตามเป้าหมายองค์กร: หลักฐานเชิงประจักษ์จากธุรกิจโรงแรมในประเทศไทย” เพื่อใช้เป็นข้อมูลในการจัดทำวิทยานิพนธ์ในระดับปริญญาเอกของผู้วิจัยในหลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาการบัญชี คณะการบัญชีและการจัดการมหาวิทยาลัยมหาสารคาม

ข้าพเจ้าใคร่ขอความอนุเคราะห์จากท่านผู้ตอบแบบสอบถามได้โปรดตอบแบบสอบถามชุดนี้ โดยรายละเอียดของแบบสอบถามประกอบด้วยส่วนคำถาม 7 ตอนดังนี้

ตอนที่ 1 ข้อมูลทั่วไปของผู้บริหารฝ่ายตรวจสอบภายในธุรกิจโรงแรมในประเทศไทย

ตอนที่ 2 ข้อมูลทั่วไปของธุรกิจโรงแรมในประเทศไทย

ตอนที่ 3 ความคิดเห็นเกี่ยวกับศักยภาพความเป็นเลิศการตรวจสอบภายในของธุรกิจโรงแรมในประเทศไทย

ตอนที่ 4 ความคิดเห็นเกี่ยวกับผลการดำเนินงานของธุรกิจโรงแรมในประเทศไทย

ตอนที่ 5 ความคิดเห็นเกี่ยวกับปัจจัยภายในที่ส่งผลต่อการดำเนินงานของธุรกิจโรงแรมในประเทศไทย

ตอนที่ 6 ความคิดเห็นเกี่ยวกับปัจจัยภายนอกที่ส่งผลต่อการดำเนินงานของธุรกิจโรงแรมในประเทศไทย

ตอนที่ 7 ข้อคิดเห็นและข้อเสนอแนะเกี่ยวกับศักยภาพความเป็นเลิศการตรวจสอบภายในของธุรกิจโรงแรมในประเทศไทย

ข้าพเจ้าขอขอบพระคุณที่ท่านได้สละเวลาตอบคำถามในแบบสอบถามชุดนี้ทุกข้ออย่างถูกต้องครบถ้วน คำตอบของท่านจะถูกเก็บรักษาไว้เป็นความลับ และไม่มีการใช้ข้อมูลใด ๆ ที่เปิดเผยเกี่ยวกับท่านในการรายงานข้อมูล โดยข้าพเจ้าจะสรุปเป็นภาพรวมเท่านั้น หากท่านมีความประสงค์ที่จะขอรับรายงานสรุปผลเกี่ยวกับการศึกษางานวิจัยครั้งนี้ โปรดแจ้งความประสงค์ตามที่ระบุไว้ข้างล่างนี้พร้อมแนบนามบัตรหรือที่อยู่มาพร้อมกับแบบสอบถามชุดนี้ เพื่อที่จะได้จัดส่งข้อมูลดังกล่าวให้ท่าน

ท่านต้องการรายงานสรุปผลการวิจัยหรือไม่ () ต้องการ E – mail: _____ () ไม่ต้องการ

อนึ่ง หากท่านมีข้อสงสัยประการใดเกี่ยวกับแบบสอบถามโปรดติดต่อนางสาววันวิภา คำนงคล โทรศัพท์ 081- 768 - 3724 หรือ E – mail: wanvipamutoo@gmail.com

(นางสาววันวิภา คำนงคล)

นิสิตปริญญาเอกสาขาวิชาการบัญชี

คณะการบัญชีและการจัดการมหาวิทยาลัยมหาสารคาม



ตอนที่ 1 ข้อมูลทั่วไปของผู้บริหารฝ่ายตรวจสอบภายในธุรกิจโรงแรมในประเทศไทย

1. เพศ

☐ ชาย

☐ หญิง

2. อายุ

☐ น้อยกว่า 30 ปี

☐ 30 – 40 ปี

☐ 41-50 ปี

☐ มากกว่า 50 ปี

3. สถานภาพสมรส

☐ โสด

☐ สมรส

☐ หม้าย/หย่าร้าง

4. ระดับการศึกษา

☐ ปริญญาตรีหรือต่ำกว่า

☐ สูงกว่าปริญญาตรี

5. ประสบการณ์ในการทำงาน

☐ น้อยกว่า 5 ปี

☐ 5 - 10 ปี

☐ 11 - 15 ปี

☐ มากกว่า 15 ปี

6. รายได้เฉลี่ยต่อเดือน

☐ ต่ำกว่า 50,000 บาท

☐ 50,000 – 70,000 บาท

☐ 70,001-90,000 บาท

☐ มากกว่า 90,000 บาท

7. ตำแหน่งงานในปัจจุบัน

☐ ผู้อำนวยการฝ่ายตรวจสอบภายใน

☐ ผู้จัดการฝ่ายตรวจสอบภายใน

☐ อื่น ๆ โปรดระบุ.....



ตอนที่ 2 ข้อมูลทั่วไปของธุรกิจโรงแรมในประเทศไทย

1. รูปแบบธุรกิจ

- ☐ บริษัทจำกัด ☐ ห้างหุ้นส่วน

2. ระดับมาตรฐานของโรงแรม

- ☐ ระดับ 3 ดาว ☐ ระดับ 4 ดาว
☐ ระดับ 5 ดาว

3. ที่ตั้งธุรกิจ

- ☐ กรุงเทพมหานคร ☐ ภาคเหนือ
☐ ภาคกลาง ☐ ภาคตะวันออก
☐ ภาคตะวันออกเฉียงเหนือ ☐ ภาคใต้

4. ทุนการดำเนินงาน

- ☐ ต่ำกว่า 50,000,000 บาท ☐ 50,000,000 – 100,000,000 บาท
☐ 100,000,001 – 150,000,000 บาท ☐ มากกว่า 150,000,000 บาท

5. จำนวนพนักงานในปัจจุบัน

- ☐ น้อยกว่า 50 คน ☐ 50 -100 คน
☐ 101-150 คน ☐ มากกว่า 150 คน

6. ระยะเวลาในการดำเนินธุรกิจ

- ☐ น้อยกว่า 5 ปี ☐ 5 - 10 ปี
☐ 11 - 15 ปี ☐ มากกว่า 15 ปี

7. รายได้ของธุรกิจเฉลี่ยต่อปี

- ☐ ต่ำกว่า 25,000,000 บาท ☐ 25,000,001 – 50,000,000 บาท
☐ 50,000,001 – 75,000,000 บาท ☐ มากกว่า 75,000,000 บาท

8. ลูกค้าหลักของธุรกิจ

- ☐ ลูกค้าชาวไทย ☐ ลูกค้าชาวต่างประเทศ



ตอนที่ 3 ความคิดเห็นเกี่ยวกับศักยภาพความเป็นเลิศการตรวจสอบภายในของธุรกิจโรงแรมในประเทศไทย

ศักยภาพความเป็นเลิศการตรวจสอบภายใน (Internal Audit Excellence Capability)	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
ประสิทธิภาพการตรวจสอบภายใน (Internal Audit Proficiency)					
1. กิจกรรมเชื่อมั่นว่าการปฏิบัติงานตรวจสอบภายในที่เป็นไปตามมาตรฐานการปฏิบัติงานที่ดี จะช่วยให้การบริหารงานตรวจสอบมีประสิทธิภาพมากยิ่งขึ้น					
2. กิจกรรมเชื่อมั่นว่าการวางแผนการตรวจสอบภายในที่สอดคล้องกับสภาพการณ์ จะสามารถเพิ่มประสิทธิภาพในการปฏิบัติงานมากขึ้น					
3. กิจกรรมเชื่อมั่นว่าการสอบทานการตรวจสอบภายในอย่างต่อเนื่อง ช่วยให้กิจกรรมสามารถป้องกันติดตามให้คำแนะนำกับการดำเนินงานการตรวจสอบภายในได้อย่างมีประสิทธิภาพ					
4. กิจกรรมเชื่อมั่นว่าการกำหนดแนวปฏิบัติการตรวจสอบภายในที่ดีช่วยให้การบริหารงานบรรลุเป้าหมายทั้งระยะสั้นและระยะยาวได้ดียิ่งขึ้น					
5. กิจกรรมสนับสนุนให้มีการติดตามการดำเนินงานการตรวจสอบภายในในทุกขั้นตอนว่าเป็นไปตามแผนการดำเนินงานทุกขั้นตอน เพื่อให้บรรลุเป้าหมายอย่างมีประสิทธิภาพ					
การกำกับดูแลการตรวจสอบภายในที่ดี (Internal Audit Governance)					
6. กิจกรรมเชื่อมั่นว่าการบริหารจัดการการตรวจสอบภายในที่ดีจะช่วยให้การบริหารงานตรวจสอบมีประสิทธิภาพ					
7. กิจกรรมให้ความสำคัญกับการกำหนดนโยบายการตรวจสอบที่ชัดเจนช่วยให้ได้รับความร่วมมือจากหน่วยงานที่เกี่ยวข้องอย่างต่อเนื่อง					
8. กิจกรรมให้ความสำคัญในการจัดทำคู่มือให้เป็นไปตามมาตรฐานการปฏิบัติงาน ซึ่งจะส่งผลให้การปฏิบัติงานของฝ่ายตรวจสอบภายในมีประสิทธิภาพมากยิ่งขึ้น					
9. กิจกรรมมุ่งเน้นการปฏิบัติงานในภาพรวมโดยการจัดให้มีการปรับปรุงโครงสร้างการบริหารงานให้สามารถสอบทานได้ถึงที่มาที่ไปได้อย่างเป็นรูปธรรม ทำให้กิจการได้รับความน่าเชื่อถือมากขึ้น					



ตอนที่ 3(ต่อ)

ศักยภาพความเป็นเลิศการตรวจสอบภายใน (Internal Audit Excellence Capability)	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
10. กิจกรรมส่งเสริมให้มีการเรียนรู้และการทำความเข้าใจเกี่ยวกับกฎระเบียบ ข้อบังคับ และมาตรฐานที่เกี่ยวข้อง เพื่อให้การปฏิบัติงานเป็นไปอย่างมีประสิทธิภาพและประโยชน์สูงสุด					
การใช้วิจารณ์ญาณการตรวจสอบภายใน (Internal Audit Skepticism)					
11. กิจกรรมเชื่อมั่นว่าการประยุกต์ใช้การวินิจฉัยโดยคำนึงถึงหลักการและเหตุผลในการปฏิบัติงานตรวจสอบจะช่วยให้ได้รับการยอมรับในการปฏิบัติงานตรวจสอบภายในมากยิ่งขึ้น					
12. กิจกรรมให้ความสำคัญกับวิเคราะห์ประเด็นข้อสงสัยในการตรวจสอบภายในโดยอาศัยเหตุและผลมาเกี่ยวข้องจะช่วยทำให้การปฏิบัติงานตรวจสอบภายในบรรลุเป้าหมายได้อย่างมีประสิทธิภาพ					
13. กิจกรรมตระหนักถึงความสำคัญของการตั้งข้อสังเกตเกี่ยวกับความเพียงพอของการเชื่อมโยงแผนการตรวจสอบกับนโยบายวัตถุประสงค์และเป้าหมายขององค์กร เพื่อช่วยให้การปฏิบัติงานตรวจสอบภายในสามารถดำเนินงานบรรลุตามเป้าหมายได้อย่างมีประสิทธิภาพ					
14. กิจกรรมมุ่งเน้นให้มีการเสาะหาข้อมูลในการวินิจฉัยโดยอาศัยหลักการทางสถิติเข้ามาช่วยในการปฏิบัติงานตรวจสอบภายในเพื่อช่วยการปฏิบัติงานตรวจสอบภายในมีศักยภาพมากยิ่งขึ้น					
15. กิจกรรมเชื่อมั่นว่ากิจกรรมได้รวบรวมข้อมูลและทำความเข้าใจจากตั้งข้อสงสัยเกี่ยวกับประเด็นต่าง ๆ ที่สำคัญเพื่อช่วยให้การกำหนดแผนปฏิบัติงานหรือกลยุทธ์การตรวจสอบภายในบรรลุเป้าหมายได้อย่างมีประสิทธิภาพ					



ตอนที่ 3 (ต่อ)

ศักยภาพความเป็นเลิศการตรวจสอบภายใน (Internal Audit Excellence Capability)	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
ความโปร่งใสของการตรวจสอบภายใน (Internal Audit Transparency) 16. กิจการเชื่อมั่นว่าการเปิดเผยถึงความโปร่งใสในการตรวจสอบภายในจะทำให้ได้รับการยอมรับและความน่าเชื่อถือจากหน่วยงานที่มีส่วนเกี่ยวข้อง					
17. กิจการมุ่งเน้นการเปิดเผยกระบวนการตรวจสอบ วิธีการแนวทางที่เลือกใช้ในการตรวจสอบภายในอย่างชัดเจน ซึ่งทำให้ผู้มีส่วนเกี่ยวข้องเข้าใจและยอมรับในการบริหารงานตรวจสอบภายในที่มีประสิทธิภาพ					
18. กิจการส่งเสริมให้มีการปฏิบัติงานอย่างตรงไปตรงมา สามารถตรวจสอบที่มาที่ไปของข้อมูล ซึ่งจะช่วยให้ข้อมูลที่ได้จากการตรวจสอบภายในมีประโยชน์และคุณค่ากับองค์กรมากยิ่งขึ้น					
ความโปร่งใสของการตรวจสอบภายใน (Internal Audit Transparency) 19. กิจการมุ่งเน้นให้มีการเก็บรวบรวมข้อมูลอย่างครบถ้วนอย่างเป็นระบบสามารถสืบค้นได้ทันที สามารถตรวจสอบและเปิดเผยแหล่งที่มาของข้อมูลได้อย่างเต็มที่ ซึ่งจะส่งผลถึงคุณภาพของข้อมูลต่อการตัดสินใจของผู้บริหารภายในองค์กร					
20. กิจการมุ่งเน้นการรายงานผลการตรวจสอบภายในแสดงให้เห็นถึงหลักฐานเชิงประจักษ์แก่ผู้ที่เกี่ยวข้องอย่างเปิดเผยและทันเวลา เพื่อให้เกิดประโยชน์สูงสุดแก่ผู้ใช้รายงาน					



ตอนที่ 3 (ต่อ)

ศักยภาพความเป็นเลิศการตรวจสอบภายใน (Internal Audit Excellence Capability)	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
การบูรณาการการตรวจสอบภายใน (Internal Audit Integration) 21. กิจกรรมเชื่อมั่นว่าการผสมผสานวิธีการในการตรวจสอบภายในเข้าด้วยกันให้เป็นระบบ จะทำให้กิจการสามารถกำหนดแนวทางการตรวจสอบภายในได้อย่างมีประสิทธิภาพสูงสุด					
22. กิจกรรมให้ความสำคัญกับการบูรณาการความรู้ด้านการตรวจสอบภายในจากหลากหลายมิติเพื่อสร้างสรรค์ความรู้ใหม่ ๆ ในการกำหนดวิธีการตรวจสอบให้เกิดประโยชน์สูงสุดต่อองค์กร					
23. กิจกรรมส่งเสริมให้พนักงานที่จะแสวงหาข้อมูลและประสบการณ์ของการตรวจสอบภายในในอดีตที่ผ่านมาเพื่อบูรณาการกับบุคลากรอื่น ๆ ในระบบเพื่อลดความซ้ำซ้อนของกระบวนการดำเนินงานตรวจสอบภายในให้เกิดประสิทธิผลสูงสุด					
24. กิจกรรมมุ่งเน้นให้มีการผสมผสาน ระบบ วิธีการ หลักการและใช้ประโยชน์จากมุมมองของผู้เชี่ยวชาญในสาขาที่แตกต่างกันเพื่อนำไปใช้เป็นข้อมูลในการพัฒนาการดำเนินงานด้านการตรวจสอบภายในของกิจการให้มีประสิทธิภาพมากยิ่งขึ้น					
25. กิจกรรมสนับสนุนให้มีการจัดตั้งทีมงานที่มีความรู้ที่หลากหลายและแตกต่าง เพื่อก่อให้เกิดการสร้างสรรค์วิธีการตรวจสอบภายในแบบใหม่ที่มีประสิทธิภาพสูงสุด					



ตอนที่ 4 ความคิดเห็นเกี่ยวกับผลการดำเนินงานของธุรกิจโรงแรมในประเทศไทย

ผลการดำเนินงาน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
ประสิทธิภาพการปฏิบัติตามกฎระเบียบขององค์กร (Organizational Compliance Effectiveness) 1. กิจการมีการดำเนินงานที่สอดคล้องกับมาตรฐานและกฎระเบียบต่าง ๆ ที่เกี่ยวข้องได้อย่างมีประสิทธิภาพ					
2. กิจการมีการใช้มาตรฐานคุณภาพในการปฏิบัติงานได้อย่างเต็มที่					
3. กิจการมีการประยุกต์ใช้หลักเกณฑ์และวิธีการที่เกี่ยวข้องกับการดำเนินงานในทุกขั้นตอนได้อย่างมีประสิทธิภาพ					
4. กิจการสามารถปฏิบัติงานได้ตามหลักการดำเนินงานได้ทุกขั้นตอนได้อย่างครบถ้วน					
ประสิทธิภาพการลดความเสี่ยง (Risk Reduction Efficiency) 5. กิจการมีความสามารถในการยุติเหตุการณ์ที่จะก่อให้เกิดความเสียหายแก่องค์กรได้อย่างต่อเนื่อง					
6. กิจการมีความสามารถที่จะหลีกเลี่ยงผลกระทบที่อาจเกิดขึ้นจากความเสียหายของการเปลี่ยนแปลงในสภาพแวดล้อมในการแข่งขันได้เป็นอย่างดี					
7. ภายใต้ความผันผวนของสถานะเศรษฐกิจที่เปลี่ยนแปลงไป กิจการยังสามารถดำเนินงานได้เป็นอย่างดี สอดคล้องกับเป้าหมายและนโยบายที่วางไว้					
8. กิจการมีการดำเนินงานที่เป็นไปตามมาตรฐานในการดำเนินงานที่ยอมรับได้ โดยมีความไม่แน่นอนอยู่ในเกณฑ์ที่กำหนดไว้					



ตอนที่ 4 (ต่อ)

ผลการดำเนินงาน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
การเพิ่มศักยภาพในการป้องกันการทุจริต (Fraud Detection Enhancement) 9. กิจการมีการตรวจพบการปฏิบัติงานที่ไม่เป็นไปตามกฎระเบียบข้อบังคับได้อย่างต่อเนื่อง					
10. กิจการมีการป้องกันสาเหตุของการทำงานที่ผิดไปจากเป้าหมายหลักเกณฑ์ และวิธีการขององค์กรได้เป็นอย่างดี					
11. กิจการมีระบบการทำงานที่สามารถป้องกันการทุจริตที่อาจจะเกิดขึ้นในอนาคตได้อย่างมีประสิทธิภาพ					
12. กิจการสามารถในการบริหารความไม่แน่นอนและข้อผิดพลาดในปัจจุบันและป้องกันข้อผิดพลาดที่อาจเกิดขึ้นในอนาคตได้อย่างดีเยี่ยม					
การเพิ่มขึ้นของคุณภาพการบริหารงาน (Management Quality Increase) 13. กิจการมีการบริหารงานเป็นไปตามเป้าหมาย โดยการบริหารงานสามารถสนองความต้องการของผู้มีส่วนเกี่ยวข้องภายใต้ทรัพยากรที่มีอยู่อย่างจำกัด					
14. กิจการสามารถบริหารงานให้บรรลุผลสำเร็จและเป็นไปตามเป้าหมายได้เป็นอย่างดี					
15. กิจการสามารถลดขั้นตอนและระยะเวลาในการดำเนินงานรวมทั้งสามารถติดต่อประสานงานได้อย่างมีประสิทธิภาพและสามารถบรรลุวัตถุประสงค์ที่วางไว้อย่างชัดเจน					
16. กิจการสามารถดำเนินงานตามมาตรฐานได้อย่างมีประสิทธิภาพและประสิทธิผลภายใต้สภาวะการณ์ต่าง ๆ ที่เปลี่ยนแปลงไป					



ตอนที่ 4 (ต่อ)

ผลการดำเนินงาน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
คุณค่าธุรกิจ (Business Value)					
17. กิจการสามารถบริหารงานให้บรรลุผลสำเร็จและเป็นไปตามเป้าหมายได้เป็นอย่างดี					
18. กิจการสร้างความมั่นคงให้กับกิจการทั้งในระยะสั้นและระยะยาวได้อย่างต่อเนื่อง					
19. กิจการสามารถบูรณาการการใช้ประโยชน์จากทรัพยากรที่มีอยู่ได้อย่างเต็มที่และเต็มประสิทธิภาพ					
20. กิจการสามารถสร้างสรรค์ผลลัพธ์ที่เกิดจากการดำเนินงานได้อย่างมีประสิทธิภาพและประสิทธิผลภายใต้ข้อจำกัดของทรัพยากรที่มีอยู่					
ความน่าเชื่อถือของผู้มีส่วนได้ส่วนเสีย (Stakeholder Reliability)					
21. กิจการได้รับความเชื่อมั่นและไว้วางใจจากลูกค้าว่าเป็นกิจการที่มีการบริหารงานอย่างดีและมีมืออาชีพ					
22. กิจการได้รับความไว้วางใจจากผู้มีส่วนเกี่ยวข้องว่าเป็นกิจการที่ดำเนินงานตามมาตรฐานการบริหารงานได้เป็นอย่างดี					
23. กิจการได้รับความมั่นใจจากหน่วยงานภาครัฐและหน่วยงานอื่นว่าเป็นกิจการที่มีการดำเนินงานที่มุ่งเน้นเป้าหมายในระยะยาว					
24. กิจการได้รับความไว้วางใจจากผู้บริหารขององค์กรว่าเป็นกิจการที่มีการบริหารงานที่โดดเด่นสะท้อนให้เห็นถึงความเป็นมืออาชีพในการบริหารงาน					



ตอนที่ 4 (ต่อ)

ผลการดำเนินงาน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
การบรรลุผลสำเร็จตามเป้าหมายองค์กร (Firm Goal Achievement)					
25. กิจกรรมมีการบริหารงานที่เป็นไปตามนโยบายและบรรลุเป้าหมายขององค์กร					
26. กิจกรรมมีส่วนแบ่งทางการตลาดที่ขยายเพิ่มมากขึ้นและมีแนวโน้มที่จะสูงขึ้นต่อเนื่องในปีต่อ ๆ ไป					
27. กิจกรรมมีผลการดำเนินงานที่เพิ่มสูงขึ้นอย่างต่อเนื่องเมื่อเปรียบเทียบกับผลการดำเนินงานในปีที่ผ่านมา					
28. กิจกรรมมีชื่อเสียงได้รับการยอมรับและเป็นที่รู้จักของลูกค้าในแวดวงการดำเนินธุรกิจจากผลการดำเนินงานอย่างต่อเนื่อง					
29. กิจกรรมมีความมั่นใจในการอยู่รอดและการเติบโตในระยะยาว					

ตอนที่ 5 ความคิดเห็นเกี่ยวกับปัจจัยภายในที่ส่งผลต่อศักยภาพความเป็นเลิศการตรวจสอบภายในของธุรกิจ
โรงแรมในประเทศไทย

ปัจจัยภายในที่ส่งผลต่อศักยภาพความเป็นเลิศการตรวจสอบภายใน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
วิสัยทัศน์ที่ยั่งยืน (Sustainability Vision)					
1. กิจกรรมเชื่อมั่นว่าการกำหนดนโยบายในการบริหารงานที่มุ่งเน้นการดำเนินงานในระยะยาวและอนาคตจะช่วยให้การดำเนินงานมีประสิทธิภาพมากขึ้น					
2. กิจกรรมมุ่งมั่นในการพัฒนาการปรับเปลี่ยนองค์กรให้สอดคล้องกับนวัตกรรมใหม่อยู่เสมอ					
3. กิจกรรมเชื่อมั่นว่าการที่กิจการจะอยู่รอดในระยะยาวนั้น กิจการจะต้องมุ่งเน้นในการปรับปรุงและพัฒนาในทุก ๆ ด้านอย่างต่อเนื่อง					



ตอนที่ 5 (ต่อ)

ปัจจัยภายในที่ส่งผลต่อการศักยภาพความเป็นเลิศการ ตรวจสอบภายใน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปาน กลาง 3	น้อย 2	น้อยที่สุด 1
4. กิจกรรมให้ความสำคัญกับการลงทุนด้านการพัฒนา เทคโนโลยีในการปรับปรุงการดำเนินงานในอนาคต					
วิสัยทัศน์ที่ยั่งยืน (Sustainability Vision) 5. กิจกรรมมีการจัดสรรงบประมาณในการพัฒนาบุคลากรในการ เรียนรู้ และฝึกอบรมพนักงานเพื่อความยั่งยืนขององค์กรใน ระยะยาว					
ความรอบรู้ที่ดีของการตรวจสอบภายใน (Internal Audit Well-roundedness) 6. กิจกรรมเชื่อมั่นว่าการมีความรู้และความเข้าใจในการปฏิบัติงาน ตรวจสอบภายในอย่างแท้จริงจะช่วยให้การบริหารงานมี ประสิทธิภาพยิ่งขึ้น					
7. กิจกรรมให้ความสำคัญกับการศึกษาและทำความเข้าใจ มาตรฐานการปฏิบัติงานการตรวจสอบภายในและ สภาพแวดล้อมอย่างเป็นรูปธรรมจะช่วยให้การดำเนินงานมี ประสิทธิภาพ					
8. กิจกรรมให้ความสำคัญกับการสร้างความสัมพันธ์ที่ดีกับ หน่วยงานรับตรวจอย่างเป็นระบบจะช่วยให้การดำเนินงาน บรรลุเป้าหมาย					
9. กิจกรรมสนับสนุนให้มีการนำเทคโนโลยีมาใช้ในการตรวจสอบ เพื่อให้เกิดความเชื่อมั่นทำให้การปฏิบัติงานการตรวจสอบ ภายในมีศักยภาพมากยิ่งขึ้น					
วัฒนธรรมเชิงนวัตกรรม (Innovative Culture) 10. กิจกรรมเชื่อมั่นว่าการนำการคิดค้นและประยุกต์ใช้แนวคิด และวิธีการปฏิบัติงานใหม่ ๆ จะทำให้เกิดประสิทธิภาพการ ดำเนินงานมากยิ่งขึ้น					



ตอนที่ 5 (ต่อ)

ปัจจัยภายในที่ส่งผลต่อศักยภาพความเป็นเลิศการตรวจสอบภายใน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปานกลาง 3	น้อย 2	น้อยที่สุด 1
11. กิจการเชื่อมั่นว่าแนวคิดใหม่ กระบวนการใหม่ วิธีการใหม่ และขั้นตอนการปฏิบัติงานใหม่จะทำให้เกิดศักยภาพการดำเนินงานที่แข็งแกร่ง ซึ่งจะทำให้เกิดผลตอบแทนที่ดีขึ้นทั้งในปัจจุบันและอนาคต					
12. กิจการให้ความสำคัญกับการประเมินผลการปฏิบัติงานของบุคลากรโดยยึดมั่นในการสร้างสรรค์สิ่งใหม่ส่งผลให้กิจการมีรูปแบบการดำเนินงานใหม่ๆ เกิดขึ้นอยู่เสมอ					
วัฒนธรรมเชิงนวัตกรรม (Innovative Culture)					
13. กิจการมีการนำเสนอรูปแบบการบริการใหม่ๆ ที่สอดคล้องกับสถานการณ์ซึ่งจะทำให้การบริหารงานของกิจการได้เปรียบการแข่งขันตลอดเวลา					
ประสบการณ์ธุรกิจ (Business Experience)					
14. กิจการเชื่อมั่นว่าการมีประสบการณ์ในการดำเนินงานที่ดีจะส่งผลให้กิจการมีการดำเนินงานได้ง่ายขึ้น					
15. กิจการส่งเสริมให้มีการจัดการความรู้ที่เกิดจากการปฏิบัติงานในอดีตอย่างเป็นรูปธรรมจะช่วยให้กิจการมีการดำเนินงานที่ราบรื่นและมีศักยภาพในการทำงานเพิ่มมากขึ้น					
16. กิจการส่งเสริมให้มีการบูรณาการความรู้และประสบการณ์จากการดำเนินงานในอดีตมาใช้ในการวางแผนในการดำเนินงานในปัจจุบันได้เป็นอย่างดี					
17. กิจการส่งเสริมให้บุคลากรนำเสนอแนวความคิดที่เกิดขึ้นจากประสบการณ์การทำงานในอดีตมาใช้ในการปฏิบัติงานจะทำให้การปฏิบัติงานมีประสิทธิภาพมากยิ่งขึ้น					



ตอนที่ 6 ความคิดเห็นเกี่ยวกับปัจจัยภายนอกที่มีผลต่อศักยภาพความเป็นเลิศการตรวจสอบภายในของธุรกิจ
โรงแรมในประเทศไทย

ปัจจัยภายนอกที่มีผลกระทบต่อศักยภาพความเป็นเลิศการ ตรวจสอบภายใน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปาน กลาง 3	น้อย 2	น้อยที่สุด 1
สภาพแวดล้อมที่เอื้ออำนวย (Environment Munificence)					
1. ในปัจจุบันระเบียบกฎหมาย ข้อบังคับได้เอื้ออำนวยให้การ ดำเนินงานต่างๆ สามารถบริหารงานให้บรรลุเป้าหมายได้ดี ยิ่งขึ้น					
2. สภาพแวดล้อมทางด้านเทคโนโลยีได้มีการพัฒนาอย่างต่อเนื่อง สามารถทำให้กิจการสามารถบริหารงานได้อย่างมี ประสิทธิภาพ					
3. สังคมมีความคาดหวังในการบริหารงานแบบมืออาชีพจากธุรกิจ ต่าง ๆ ทำให้กิจการต่าง ๆ สามารถทำงานได้ง่ายขึ้นและ สอดคล้องกับสถานการณ์ที่เกิดขึ้นในปัจจุบันได้ดี					
4. สภาพแวดล้อมในการแข่งขันที่สมบูรณ์ในด้านความรู้ ความสามารถของบุคลากร ทำให้องค์กรเจริญเติบโตและ บรรลุเป้าหมายมากยิ่งขึ้น					
ความสมบูรณ์ของเทคโนโลยี (Technology Complementarity)					
5. ความก้าวหน้าของเทคโนโลยีที่เกิดขึ้นอย่างรวดเร็ว ทำให้ กิจการต่างๆ มุ่งเน้นการเรียนรู้และการทำความเข้าใจในการ นำเทคโนโลยีใหม่ ๆ มาประยุกต์ใช้ เพื่อเพิ่มประสิทธิภาพใน การดำเนินงานให้สูงขึ้น					
6. เทคโนโลยีที่มีสมรรถนะสูงและความหลากหลายของ เทคโนโลยี ทำให้กิจการต่างๆ สามารถนำเทคโนโลยีมา ประยุกต์ใช้ให้สอดคล้องและเหมาะสมกับกลยุทธ์ในการ ดำเนินงานของกิจการ					
7. เทคโนโลยีมีการพัฒนาอย่างต่อเนื่องและเอื้ออำนวยต่อการ ดำเนินงานมากขึ้นอย่างเห็นได้ชัด ทำให้กิจการต่างๆ สามารถ ประยุกต์ใช้เทคโนโลยีเพื่อเพิ่มศักยภาพในการแข่งขันได้อย่าง ดีเยี่ยม					



ตอนที่ 6 (ต่อ)

ปัจจัยภายนอกที่มีผลกระทบต่อศักยภาพความเป็นเลิศการ ตรวจสอบภายใน	ระดับความคิดเห็น				
	มากที่สุด 5	มาก 4	ปาน กลาง 3	น้อย 2	น้อยที่สุด 1
8. ระบบเทคโนโลยีสารสนเทศ และเครือข่ายในปัจจุบัน สามารถ เชื่อมโยงกันได้เป็นอย่างดี ทำให้กิจการต่างๆ สามารถเพิ่ม ศักยภาพเพื่อตอบสนองการแข่งขันได้เป็นอย่างดีและเป็นที่ ยอมรับของผู้มีส่วนได้เสีย					
ความซับซ้อนในการแข่งขัน (Competitive Complexity)					
9. ในปัจจุบันธุรกิจมีการแข่งขันอย่างรุนแรง ทำให้กิจการต่างๆ ต้องมุ่งเน้นแสวงหารูปแบบกลยุทธ์ใหม่ๆ อยู่เสมอ เพื่อสร้าง ความโดดเด่นให้กับสินค้าและการบริการ					
10. ในปัจจุบันธุรกิจมีคู่แข่งเกิดจำนวนมาก ทำให้กิจการต่างๆ ต้องมีการพัฒนาระบบการบริหารงานทั้งเชิงรุกและเชิงรับ เพื่อให้สอดคล้องกับการแข่งขันอยู่เสมอ					
11. ลูกค้ามีความต้องการที่หลากหลาย ทำให้กิจการต่างๆ ต้อง ปรับเปลี่ยนค้นหาวิธีการบริการใหม่ๆอย่างต่อเนื่อง เพื่อที่จะ สามารถตอบสนองความต้องการได้อย่างทันทั่วทั้งที่					
12. สภาพตลาดในปัจจุบันมีความผันผวนอย่างมาก ทำให้กิจการ ต่างๆ มุ่งแสวงหากกลยุทธ์ในการแข่งขัน เพื่อสร้างความ ได้เปรียบในการแข่งขัน					

ตอนที่ 7 ข้อคิดเห็นและข้อเสนอแนะเกี่ยวกับการตรวจสอบภายในและประเด็นต่าง ๆ ที่เกี่ยวข้อง

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ขอขอบพระคุณท่านที่ได้สละเวลาในการตอบแบบสอบถามชุดนี้ทุกข้อ ทุกตอนและขอความกรุณาท่าน
โปรดพิมพ์แบบสอบถามแล้วใส่ซองที่แนบมาพร้อมนี้ เพื่อส่งคืนผู้วิจัยตามที่อยู่ที่ระบุไว้



APPENDIX H

Letters to the Experts





บันทึกข้อความ

หน่วยงาน คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม โทรศัพท์ 043-754333 ต่อ 3431

ที่ ศธ.0530.10/

วันที่ 5 มิถุนายน 2559

เรื่อง ขอเรียนเชิญเป็นผู้เชี่ยวชาญตรวจสอบเครื่องมือวิจัย

เรียน อาจารย์ ดร.สุธนา บุญเหลือ

ด้วย นางสาววันวิภา คำมงคล นิสิตระดับปริญญาเอก หลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาการบัญชี (ปร.ด.) คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม กำลังศึกษาวิทยานิพนธ์ เรื่อง “ศักยภาพความเป็นเลิศการตรวจสอบภายในและการบรรลุผลสำเร็จตามเป้าหมายองค์กร : หลักฐานเชิงประจักษ์จากธุรกิจโรงแรมในประเทศไทย” ซึ่งเป็นส่วนหนึ่งของการศึกษาตามหลักสูตรปรัชญาดุษฎีบัณฑิต ดังนั้นเพื่อให้การดำเนินการเป็นไปด้วยความเรียบร้อยและบรรลุตามวัตถุประสงค์ คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม จึงใคร่ขอความอนุเคราะห์จากท่านเป็นผู้เชี่ยวชาญตรวจสอบเครื่องมือวิจัย และขอเสนอแนะเพื่อนำข้อมูลที่ได้ไปดำเนินการทำวิทยานิพนธ์ต่อไปตามเอกสารแนบท้าย

จึงเรียนมาเพื่อโปรดพิจารณา

(รองศาสตราจารย์ ดร.ปฤกษ์บาร์มี อุตสาหะวณิกกิจ)

คณบดีคณะการบัญชีและการจัดการ





บันทึกข้อความ

หน่วยงาน คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม โทรศัพท์ 043-754333 ต่อ 3431

ที่ ศธ.0530.10/

วันที่ 5 มิถุนายน 2559

เรื่อง ขอรียนเชิญเป็นผู้เชี่ยวชาญตรวจสอบเครื่องมือวิจัย

เรียน อาจารย์ ดร.สุธนา บุญเหลือ

ด้วย นางสาววันวิภา คำมงคล นิสิตระดับปริญญาเอก หลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาการบัญชี (ปร.ด.) คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม กำลังศึกษาวิทยานิพนธ์เรื่อง “ศักยภาพความเป็นเลิศการตรวจสอบภายในและการบรรลุผลสำเร็จตามเป้าหมายองค์กร : หลักฐานเชิงประจักษ์จากธุรกิจโรงแรมในประเทศไทย” ซึ่งเป็นส่วนหนึ่งของการศึกษาตามหลักสูตรปรัชญาดุษฎีบัณฑิต ดังนั้นเพื่อให้การดำเนินการเป็นไปด้วยความเรียบร้อยและบรรลุตามวัตถุประสงค์ คณะการบัญชีและการจัดการ มหาวิทยาลัยมหาสารคาม จึงใคร่ขอความอนุเคราะห์จากท่านเป็นผู้เชี่ยวชาญตรวจสอบเครื่องมือวิจัย และขอเสนอแนะเพื่อนำข้อมูลที่ได้ไปดำเนินการทำวิทยานิพนธ์ต่อไปตามเอกสารแนบท้าย

จึงเรียนมาเพื่อโปรดพิจารณา

(รองศาสตราจารย์ ดร.ปพฤกษ์ บารมี อุตสาหะวานิชกิจ)

คณบดีคณะการบัญชีและการจัดการ



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PUBLICATIONS

Khammongkol, W. and Ussahawanitchakit, P. (2015). Individual creativity and job success: evidence from bookkeepers in Thailand. *The Business & Management Review*, 7(1), 345-359.

