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**INFORMATION  
TECHNOLOGIES  
IN THE  
CORPORATE  
CULTURE OF  
AUDIT**

**Abstract**

*We consider the organization of the audit in the computer environment. Determined that efficiency audits significantly increased with the use of auditor's specialized software. In this article, we have explored the essence of the concept of "corporate culture" and its main characteristics. We have identified that staff, organizational structure, leaders, environment, and control processes are key elements of the corporate culture. In order to conduct an audit of staff in corporate culture, it is established that communication and audit procedures are required in three different ways: face-to-face communication,*

*anonymous communication, and non-anonymous correspondence. We have also identified the need to integrate information technology into all staff communication processes to minimize the resources expended and the time spent by both parties: the client and the auditor. We conclude that the use of information systems is one of the best auditor decisions to improve the efficiency of the corporate culture of the audit. Modern changes in the business environment will not only affect the restructuring of the corporate culture of companies but will increase the need for the use of information technology by auditors during the audit of the corporate culture.*

**Keywords:** *audit, information technologies, corporate culture of audit, applied computer program audit, performance audit.*

### **Formulation of the problem**

Computerization of accounting and analytical work has given impetus to achieve significant results in the activities of business entities, has reduced production costs, and reduced the number of management staff, which in turn leads to profitable work and profitability. Today, in particular in large enterprises, no financial transaction is possible without a computer.

Automation and computerization are one of the most important stages of innovative technologies. The economic literature claims that the most developed countries of the West, and Eastern European countries, including Ukraine, have undergone computerization. Intensive development of electronic computing and technology, the use of applied accounting programs has created a significant positive impact on the effectiveness of the audit and improving its methods.

Computer processing of accounting data provides automated collection and processing of information needed to optimize management in various areas of activity. Improving audit work in accordance with market requirements, to some extent, depends on the computerization of accounting and analytical systems, automated issuance of documents, and their storage. The most effective way to solve the problem is a clear, timely, and reliable method of the audit each object of accounting.

Now, in 2023 in Ukraine, the corporate culture of any enterprise will change and adapt. According to statistics, we will see how many companies will go bankrupt, how many of them will be ineffective

during the year, and how many will be able to work actively and effectively during the crisis. And so we will be able to estimate how many enterprises in Ukraine have a healthy corporate culture. After all, an unhealthy corporate culture is a reason why companies leave the market. Establishing the actual state of corporate culture is the purpose of the corporate culture of the audit. Auditors try to save the client's time and resources and make the audit as efficient as possible. Thus, there is a need to use information technology during corporate culture audits.

Many economists have studied the key aspects of conducting a corporate culture of audit and integrating information technology into audit. Some aspects of theoretical, organizational and methodological support of the audit in the conditions of information technologies in different periods of development of science and practice were investigated by: Bouman G. (2018), Honcharuk S. (2021), Ivakhnenkov S. (2021), Kudirko O. (2018), Lisova R. (2019), Nezhyva M. (2020), Kovalevska N. (2021), Rachinger M. (2018), Sokolenko L. (2019), and others. However, the problematic and debatable issues that have been left out of these scholars need a solution to formulate a comprehensive approach to audit digitization in an economic transformation and the limited business practices caused by the global pandemic, war.

### **Presenting main material**

In recent years, the public has been increasingly paying attention to audit activities, as confidence in the information received is a necessary factor in the partners' trust. In this regard, the market for audit services in Ukraine is transformed by the directions and interests of clients who work in different business sectors and differ in ownership, management systems, and financial condition. As more and more data is generated in connection with the digitization of companies, there is a need to develop auditor functions. For example, they include the audit practice of forensics, tax audit, due diligence, management accounting, personnel audit, and other related services. These audits and other services require an emphasis on understanding the specific risks of the business and developing an audit approach that is capable of responding effectively to those risks.

Computer technologies are also becoming more involved in the new role of an auditor as they shift from testing tasks to more analytical approaches related to working with data. The growing amount of information needs to be used effectively for high-quality audits and to enable auditors to focus more on risk identification and business understanding. The large volume and untapped potential of data generated by new technologies necessitate constant audit digitization. The functions of a professional auditor are changing in response to the digital transformation of companies. Using automation to increase data volumes can help to conduct high-quality audits and allow auditors to focus more on risk identification and business understanding. This development of the audit leads to greater interconnection and transparency and, as a consequence, greater stakeholder trust (Sidhu, 2019).

Auditing and analysis of records based on specific criteria are carried out with the help of software tools to determine their quality, completeness, richness, and correctness. For this, a knowledge base is used, which helps to identify inconsistencies and make the necessary decisions. The software allows you to test the calculations, perform the necessary calculations and compare the obtained results with the normative ones, which makes it possible to carry out an analysis according to the specified criteria and receive an adequate management decision (Volot, 2021).

The use of information technology affects audit tasks, which are changed due to research on the effectiveness and reliability of the functioning of the information system. Conducting a check in the information system requires the active use of computerized audit methods. The spread of audit information technologies leads to full or partial automation of auditors' work (Honcharuk, 2021).

A lack of the necessary knowledge can lead to doubt about the auditor's competence and conclusions. In addition, businesses are wishing not to publicize the data and may not like that many individuals will have access to their information.

Electronic business uses a variety of information technologies: electronic commerce technologies, electronic auction technologies, electronic banks, IP telephony, Internet telephony, electronic indicator technologies, electronic franchising, electronic mail, electronic marketing, electronic management of operational

resources, electronic supply management, electronic brokerage services.

With the introduction and application of computer information technology, the overall purpose and scope of the audit will not change. Auditing in the IT environment and with the use of IT combines the features of social, natural, and exact sciences, and deals with research objects, which are conceptual systems, natural systems, and abstract systems. The structure of the method of economic control and audit is proposed (Ivakhnenkov, 2021).

Accelerated technological development obliges accounting and management specialists to permanently update knowledge and skills, a complex combination of knowledge about economic informatics, data processing and transmission technologies, modeling of economic processes, and interpretation of information (Nezhyva, 2020).

Auditors can use and actively apply information technology both to improve the audit methodology and to automate their organization. From an organizational point of view, the audit should be considered as a computer, which involves the use of computers and modern information technology, which is directly organized by the audit activity in the management information systems environment. This approach involves the use of information technology in the planning, control, and documentation, in the course of the audit and the preparation of the audit report. The use of personal computers in the audit allows for reducing the time spent on its conduct and as a result, creates new opportunities in the organization and methodology of its conduct.

The auditor should have computer programs used to verify the contents of the enterprise files, as well as control data used for computer processing to verify the functioning of the enterprise computer programs.

The main areas of effective audit automation are the selection of the optimal software, taking into account the specifics of the methods and features of conducting the audit; economic analysis and evaluation of the effectiveness of the use of the information system; overcoming the risks associated with the problems of organizing the auditor's automated workplace and overcoming the auditors' psychological and professional barriers (Kudirko, 2018).

Nowadays, there is a need and at the same time the possibility of new organizational and methodological approaches to solving accounting and audit problems. They are connected, on the one hand, with the transition to market relations and international standards, and on the other, with the widespread adoption of computer technologies.

Information technologies used for accounting and reporting have a significant impact on the competitiveness of the decisions made, as they increase the speed of reporting and the reliability of management information by automating the procedures for its collection and processing.

As the composition of risks affecting the business of companies is constantly changing, and the organizational structure of companies is complicated in the development process, there is a periodic need to replace one information system with another. Company management often decides to update the information system only on the basis of experience of using different systems in other companies and comparing their organizational structure with the structure of their company. As a result, enterprises incur inefficient costs associated with the implementation of information systems, as this process is delayed, and goes beyond the original budgets, testing programs and disclosing to staff their functionality is often carried out formally, as a result of which program functions are not fully used.

A market economy implies an increase in the requirements for baseline analytical information to support managerial decision-making. Methods of analysis on the basis of electronic computers can satisfy the requirements of complexity, systematicity, efficiency, accuracy of cognition, trends, and patterns of change and development. With the maximum formalization of analytical procedures with the help of electronic computers, up to 80% of the technology of the economic process is implemented.

The main information control systems presented in the Ukrainian market are aimed at audit automation. Strengthening the audit position in Ukraine, and bringing it closer to international audit standards and principles, requires updating the ability and efficiency of using the latest audit organization technologies based on the use of the latest information technology.

To conduct an audit in a computer environment, the auditor must have additional knowledge in the field of economic information

processing systems and practical experience with various accounting systems and special audit information systems. To begin with, it should be noted that conducting an audit in a computer environment is based on international auditing standards. International standards of quality control, audit, inspection, other assurance, and related services define ISAs as related to the audit of automated processes of the enterprise.

The main control information systems presented on the Ukrainian market are aimed at audit automation. Strengthening the position of audit in Ukraine, and its approximation to international auditing standards and principles requires updating the ability and effectiveness of the latest technologies of audit organizations based on the use of the latest information technologies.

Today, audit firms have developed and use special information systems focused on the internal regulation of auditing activities using internal firm standards.

The use of computers affects the organization of financial and management accounting, as well as the methods and techniques of internal control in the enterprise.

Accordingly, the electronic data processing system can significantly affect the procedures used by auditors in the study and evaluation of the accounting and internal control system, as well as the content, timing, and scope of audit procedures.

When conducting an audit, the auditor may use a computer for both manual accounting and automation of accounting. Therefore, in the first case, the auditor needs to solve the problem of having the necessary software to audit accounting records for all business transactions or final records of the relevant final documents (registers). In the second case, the audit of the economic entity should only apply the appropriate program of relevant information technology.

Auditors also use electronic directories of various tax rates, bank interest rates, exchange rates, allowable advertising costs, entertainment expenses, travel expenses, minimum wages, tariff grid rates, and other important evidence.

It should be noted that today auditors use not only software products directly related to the audit, but also the most convenient for us simplified Microsoft Office programs, such as Word, Excel, etc.

All these indicators characterize the level of quality of the audit program and affect the productivity and effectiveness of the audit. Both general testing and quality assurance technologies and programs designed specifically for these areas can be used to verify the security of programs.

Accordingly, it is noteworthy that with the increase in the number of audits conducted on the basis of the use of applications, the time spent on the audit is significantly reduced, which is a positive factor in the audit activities of domestic audit firms.

The rapid development of information technology creates new opportunities for the analysis of large arrays of information, as well as their use to improve the efficiency of government agencies, in this regard, the Ministry of Finance of Ukraine presented the concept of electronic audit of taxpayers from 2023 to 2027. Taxes are carried out through the use of a standard audit file (SAF-T), in the form of which information is submitted to the supervisory authority. After receiving the file, the software analyzes the data according to the established risk criteria. Then, before the inspection, there may be clarifications and explanations about the information received. Thanks to this, taxpayers can personally correct the identified errors in the application of reduced sanctions. Automation of tax audits will reduce the impact of the human factor in the process. Also, e-audit can reduce the burden on taxpayers and the supervisory authority. Finally, the results are tax audited.

Current trends look like the future of computer audits. Such activities will cover aspects that are closely related to the statutory audit of financial statements, but at the same time cover a wide range of consulting services that auditors may provide:

- verification of algorithms of computer accounting systems of enterprises as audit clients and consulting on the issues of their proper construction;
- analysis of large arrays of financial and operational data in electronic form by special software to confirm and detect fraud;
- analysis of the activity of the enterprise and their forecasting with the help of a powerful mathematical apparatus of economic modeling and software;
- assistance to the company in matters of information security.

Lack of information is referred to as a major factor limiting the



growth of audit automation, along with such a factor as the poor quality of the proposals available. However, for the most part, audit firms find it necessary to incorporate information technology into their operations, and expect that this will help improve their efficiency and quality.

Data protection in computer networks is becoming one of the most urgent problems in modern information and computer systems. The concept of data protection when using electronic computers includes both the development and implementation of appropriate security methods and their constant use of them. Modern information technologies create conditions for the growth of unauthorized access to information and allow the performing of complex procedures for its processing.

To ensure the protective functions of the audit, data protection avoids the abuse of persons who have access to databases, which is especially common in doing business over the Internet. Practice shows that in the context of automated information processing systems, thefts of value are carried out with the participation of employees engaged in the processing of economic information. The main purpose of data protection of electronic computers is to prevent phenomena that adversely affect performance. Blockchain technologies provide the highest level of protection against external influences. The data contained in the system cannot be deleted or replaced. Such a database is characterized by anonymity, an agreed mechanism, it is not owned by a specific entity, and is not controlled or regulated by third parties. All functions in a blockchain system are distributed among its members, who pre-approve changes that may occur in the system. Thus, it is virtually impossible to make changes and edit after the transaction. Based on the above, blockchain technologies are ideal for accounting and audit because they keep track of all transactions and changes to the system, and prevent manipulation and distortion.

There are four key reasons why a properly built corporate culture is vital for business:

- it is directly related to team productivity. A powerful corporate culture is equal to productive work;
- culture is volatile. Good corporate culture is equal to a culture that can adapt to transformations in the internal and external

environment;

- culture influences changes in the company's business processes. Good corporate culture is equal to successful transformation. It doesn't matter whether the changes are related to the launch of a new product, attracting larger customers, expanding activities, reorienting to another type of activity, or merging with other companies. All of these transformations will be fast and manageable if the company has a healthy corporate culture;

- unhealthy corporate culture is equal to business collapse. It is proved that one of the key reasons for bankruptcy is the unhealthy corporate culture or its absence.

Corporate culture is the result of a vision or mission that a company aims to achieve, a set of values that govern employee behavior, as well as managerial practices and labor standards that characterize how work is performed. So, we can see that the corporate culture center is the employee.

Therefore, we see that the center is an employee who works for the achievement of the whole company, who is the main carrier of the company's values, who is subordinate to management practices, and who creates an appropriate business environment. Thus, people are the main object of the corporate culture of the audit.

Employees are a core asset of the corporate culture. That is why the auditor should concentrate on their study. For the best interaction, elimination of wasting time, elimination of the threat of distortion of words of employees, to get the most out of them, the auditor should use information technology in his/her activity. If the auditor is unable to work in the client's office, the need for information technology increases. The inability to work in a client's office may be due to the fact that the client is located in another region or country, or a quarantine is introduced in the country.

So, in the corporate culture of audit, core engagement is down to people.

However, the auditor doesn't audit the staff in the usual way. That is, the auditor doesn't check the correctness of documentation about employees, the availability of job descriptions, the correctness of HR processes, etc.

Audit of human resources in the corporate culture of audit is designed to establish the loyalty of the staff to the current culture, the

main factors of employee dissatisfaction or satisfaction with such culture, and so on.

Through direct communication in the form of interviews, the auditor gets a complex vision of the existing corporate culture. The availability of audit time will determine who will be interviewed: usually, these are senior executives, department heads, and individuals with whom the management advises to communicate because of their important functions. Interviews can be conducted in two ways: in-person or remotely. Remote interviews use a variety of IT technologies.

The following services can be used for interviewing: Skype for Business, ezTalks Cloud Meeting, GoToMeeting, Zoho Meeting, Zoom Meetings, Google Hangouts, CyberLink U Meeting, Lifesize, BlueJeans, BigMarker Web Conferencing, Cisco Webex, GlobalMeet Collaboration, Microsoft Teams, Ryver, TeamViewer, Cvent, Samepage, ReadyTalk, BoardPAC, Diligent Boards, 24sessions, Boardable, Azeus Convene, Vectera, eyeson and others. However, in practice, one of the best remote conferencing software is Zoom Meetings. The popularity of this program has been confirmed by some media. For example, the informational resource delo.ua has identified that during isolation, the Zoom service is becoming popular because it helps remote teams keep in touch, and discuss current issues for work tasks. Phone calls are now the most inefficient way to communicate if there are more than two people on the team. However, such services can also be used with clients. Because remote client work is a normal situation in audits. Remote services can be used to clarify between executives, discuss audit results, clarify specific issues, etc.

The second type of customer communication is correspondence. For this purpose, the most commonly used services are Microsoft, Google, Viber, Telegram, Bitrix24, WhatsApp, JivoChat, DialMyCalls, HipChat, Basecamp, RedBooth, and others. These software products and services help the auditor communicate with the client's employees quickly.

Such services can be used in such audit procedures as surveys, and questionnaires.

In such a situation, the auditor is faced with the problem that employees don't want to provide such information, knowing that

their names can be used as a source of information. So the third type of communication is anonymous communication. In addition to interviews, they are the second most important source of obtaining all the information required for auditors.

Anonymous questionnaires can be conducted to determine what values are really the basis of the company's corporate culture.

Anonymous questioning allows the auditor to gain a complete understanding of the corporate culture from most employees, and to formulate recommendations based on the comments that employees make through anonymous emails. The following services should be used to provide anonymous communication: Google Forms, Onion Routing, and PipeNet.

The auditor may also use a variety of programs and services to summarize the digital results of surveys, questionnaires, and other analytical procedures. These include, for example, Tableau, QlikView, Power BI, Looker, BrightGauge, Sisense, GoodData, Datapine Business Intelligence, DBxtra, AVS, Knowi, Domo, and others.

Thus, the most valuable employees are the holders of corporate values. The purpose of creating the right corporate culture is to have all employees as such holders. Transparency of communications and demonstration of values in action not only ensures a good reputation of the company among partners and consumers. But it also strengthens the unity of the team. Corporate culture should shape people as a single mechanism. To build such a strong corporate culture, companies use the services of an auditor who can provide them with a list of recommendations: what goes wrong and how to fix it. Modern changes in the business environment will not only affect the restructuring of the corporate culture of companies but will increase the need for the use of information technology by auditors during the audit of the corporate culture.

## **Conclusions**

Thus, modern auditing is very closely related to information technology. In this regard, the growing degree of automation of the accounting process in domestic enterprises – increases the impact of computerized accounting system on the reliability and completeness of information that was generated in the reporting. It can be argued

that the effectiveness of audits increases significantly with the use of specialized software products by auditors themselves. The time of the audit, compared to the traditional method of conducting, is significantly reduced. In this regard, the possibility of conducting related audit services is expanding and this improves the quality of customer service.

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