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ETHICAL CHALLENGES OF USING ARTIFICIAL INTELLIGENCE IN INTERNAL AUDITING

CZU: 174:[004.8:657.6]
DOI: https://doi.org/10.53486/isc2025.33

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Abstract. In the context of fast advancing technology, artificial intelligence is becoming an indispensable tool in the field of internal auditing to improve the quality of the audit report. However, the integration of intelligent technologies introduces a number of challenges related to ethics and accountability. In this context, the aim of this paper is to identify ways in which artificial intelligence can be used in internal audit without breaching ethical principles. The objectives of the research are, firstly, to analyze the ethical dilemmas generated by the automation of audit processes, and secondly, to determine the conceptual and operational framework necessary for the ethical use of artificial intelligence-based technologies in internal auditing. Upon the basis of literature review, the results of the research are concretized in a synthesis of the main ethical issues as well as best practices proposed in the literature on the use of artificial intelligence in internal auditing. This study highlights ethical limitations associated with the adoption of artificial intelligence in the field, while providing an overview of the current challenges and solutions identified in the literature. The limitations of the research are the number of studies analyzed, determined by the relatively recent nature of the topic.
Keywords: artificial intelligence, internal auditing, process automation, ethical limitations
JEL Classification: M42

Introduction. Today, artificial intelligence dominates many fields and raises questions about compliance with ethical principles. Internal auditing, which is responsible for ensuring that an organization's activities are carried out in compliance with the law, internal regulations and professional standards, is going through a reconfiguration of the traditional model and is confronted with all the ethical issues raised by artificial intelligence. In this context, this paper aims to identify the ways in which AI can be used in internal auditing without violating key ethical principles. Based on a rigorous review of the literature, the main ethical risks associated with the integration of IA in internal auditing are presented, as well as solutions and best practices proposed by practitioners and researchers. This analysis contributes to a clearer understanding of contemporary challenges and provides a starting point for the development of ethical audit policies, implementation guidelines and mechanisms to ensure the responsible and effective use of IA in internal audit activities. However, given the novelty of the topic, the present study is limited by the still limited availability of in-depth research. In spite of this, the paper offers a relevant contribution by synthesizing the most recent perspectives and highlighting the need for professional regulations and approaches adapted to the digital age.

Literature review. Artificial Intelligence (AI) has been deployed both in the organizational environment and in the activities of specific professionals to increase the accuracy of decision-making processes. Audit and consulting firms, from the Big Four to the smallest internal audit firms, have started to capitalize on the benefits of artificial intelligence, which allows them to streamline their work and improve the quality of internal audit reports. However, in addition to the recognized benefits, the use of intelligent technologies has triggered major ethical concerns.

The literature increasingly emphasizes that AI systems are built on historical data and statistical models that can generate or amplify certain anomalies. (Bahangulu, J. K., & Owusu-Berko, L., 2025). In the case of internal auditors, the ethical challenges can be seen from two perspectives, on the one hand they need to be aware of the risks of having to audit companies that use algorithms to automate their work (Raji, I. D. et. Al., 2020), on the other hand they need to be aware of how they use AI to optimize their own tasks. (Suyono, W. P., et al., 2025). A first ethical challenge faced by internal auditors, encountered in the works of authors, Dastani, M., & Yazdanpanah, V. (2023) present in the case of auditing smart technologies as well as in the case of adoption in internal auditing, regards situations where it becomes unclear on whose responsibilities fall when decisions are taken automatically and there are unfavorable consequences for the company. Köchling, A., & Wehner, M. C. (2020) also points out that systems using artificial intelligence can deliver biased results that are not aligned with equality principles, for example in the case of employee performance appraisals, violating human rights, highlighting another confrontation that internal auditors encounter in their daily work. Another ethical issue identified in the literature concerns the impact of artificial intelligence on the nature of the auditor's work, infringing on the auditor's autonomy and leading to a plateauing of the specialist. In addition, limiting the understanding of how results are generated raises questions about transparency, as some AI models operate as "black boxes", or some users lack IT skills. While the ethical risks of artificial intelligence are recognized, current regulation remains fragmented and inconsistent, leaving auditors heavily reliant on information provided by developers and with difficulties in impartially and responsibly verifying systems.

Research methodology. This study is based on a literature review, complemented by a qualitative meta-analysis, comprising four relevant studies to fulfill the purpose of the article. The chosen method allows an integrated picture of the ethical challenges faced by internal auditors generated by artificial intelligence to emerge. The methodological focus is on extracting and interpreting the ethical issues identified in the literature, highlighting both the problems and the strategies proposed to mitigate or eliminate them.. The studies included in the meta-analysis were selected on the basis of several criteria, namely: we aimed to have a clear ethical component, to be empirical, experimental or conceptual. The first stage of the analysis process consisted in reading and filtering the studies, then we extracted the most relevant articles, continued with the selection of key information: year, title, purpose, objectives and results, and finally, the fourth stage involved the interpretation of the results, their comparison and the identification of useful perspectives for understanding ethical risks in the context of IA-assisted internal auditing. The methodological limitations of the study include the small number of selected studies, and the fact that the literature is emerging and rapidly updating, which may limit the generalizability of the findings.

Results and discussions. More and more organizations are deploying automated systems for data analysis, risk assessment and error detection, however, these benefits come with ethical challenges as AI can introduce or amplify biases, reduce decision transparency and undermine the professional responsibility of auditors. In this context, the emerging literature reflects this paradigm shift,

highlighting the need for ethical auditing mechanisms to ensure that AI systems not only comply with technical standards but also with fundamental moral values such as fairness, confidentiality and explainability.

Table 1 Meta-analysis on AI ethics in internal audit

Titlu	Autori	Scop	Rezultate
The emergence of artificial intelligence ethics auditing.	Schiff, D. S., Kelley, S., & Camacho Ibáñez, J. (2024).	The study aims to understand the motivations behind ethical IA auditing, the key audit activities, and the challenges faced by ethical governance auditors of IA in the private sector.	AI ethics auditors focus heavily on technical principles such as bias, privacy and explainability, while other ethical principles and socio-technical approaches are often neglected.
Operationalising AI governance through ethics-based auditing: an industry case study. AI and Ethics	Mökander, J., & Floridi, L. (2023).	The purpose of the study is to investigate how ethics-based auditing (EBA) can be put into practice in a large organization; it aims to identify procedures, difficulties and what it means to operationalize ethical principles.	Implementation faces practical difficulties: it requires interdisciplinary resources, access to data and transparency from developers, and clarification of audit roles. Organizations seeking to implement EBA need to consider how to harmonize standards, delineate audit scope, define key performance indicators and drive change management.
Bias and ethics of AI systems applied in auditing-A systematic review.	Murikah, W., Nthenge, J. K., & Musyoka, F. M. (2024).	The study investigates the sources of bias and the risks associated with artificial intelligence systems applied in auditing, as well as the downstream interactions and the effects these systems generate	Primary sources of technical and human bias have been identified: data deficiencies, demographic homogeneity, inappropriate comparators and cognitive bias

The above studies highlight the sources of technical and human bias and emphasize wider risks such as the erosion of professional skills, over-reliance on data and the difficulty of integrating ethical values such as fairness and accountability into the design and application of AI systems. Studies converge on the idea that there is a need to implement clear and standardized operational frameworks that allow for consistent and replicable evaluation of IA systems. Without such frameworks, auditing remains vulnerable to subjectivity, inconsistency and undetected ethical risks. For IA to be used responsibly in auditing, organizations need to adopt ethics-based auditing, develop their own standards and ensure adequate training of auditors so that ethical principles are followed in practice, not just in theory.

Conclusions. In view of the three studies reviewed, the overall conclusion is clear: it is imperative to develop uniform regulations for ethical auditing of AI systems and to introduce ethics audits within organizations. Complicated algorithms , risks of bias and lack of standards do not allow an ethical assessment by traditional means alone, internal auditors need to evolve and acquire interdisciplinary skills in order to be able to conduct audits that ensure accountability, transparency and fairness of automated decisions. Only through this integrated approach can organizations ensure that the use of AI upholds their values and does not lead to undesirable ethical risks.

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