CONCEPTUAL INNOVATION IN THE PURPOSE OF INTERNAL AUDITING UNDER THE GLOBAL INTERNAL AUDIT STANDARDS (2025) AND ITS IMPLICATIONS FOR ORGANIZATIONAL GOVERNANCE

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Abstract: *Contemporary transformations within the international internal auditing framework increasingly emphasize governance efficiency, institutional responsibility, and sustainable managerial development. The adoption of the Global Internal Audit Standards reflects the increasing strategic integration of internal auditing within modern governance systems and highlights the growing importance of this function in supporting managerial coordination, institutional accountability, and organizational sustainability. This development generates the necessity to examine how the contemporary professional framework redefines the positioning, responsibilities, and strategic contribution of internal auditing within modern organizations. In this regard, particular attention is directed toward understanding how the revised formulation of the purpose of internal auditing influences governance strengthening and the broader perception of the internal audit function. The aim of the research is to analyze the conceptual innovation in the purpose of internal auditing introduced by the Global Internal Audit Standards (2025) and to assess its implications for organizational governance. The research is based on documentary analysis of the international regulatory framework in the field of internal auditing, using methods of conceptual analysis, comparison, and interpretation of the evolution of professional standards.*

The findings suggest that the contemporary professional framework considerably expands the understanding of internal auditing beyond traditional compliance-related activities, positioning this function as an important component of governance effectiveness, adaptive risk responsiveness, and long-term institutional development. In the context of the ongoing evolution of the internal auditing profession in the Republic of Moldova, this professional reorientation may support a clearer understanding of the contribution of internal auditing to accountability, managerial transparency, and the improvement of governance practices within the public sector.

Keywords: *internal auditing; organizational governance; Global Internal Audit Standards 2025; purpose of internal auditing; conceptual innovation; public sector governance*

JEL: M42, G34, H83

Introduction

The accelerated transformation of organizational environments, accompanied by increasing institutional complexity and the expansion of governance-related risks, has generated a gradual reorientation in the understanding of internal auditing within modern governance systems. Against this background, the contemporary professional framework developed by The Institute of Internal Auditors reflects the growing tendency to associate internal auditing not only with compliance verification and internal control assessment, but also with governance effectiveness, institutional accountability, and long-term managerial support. Previous academic discussions concerning the evolution of internal auditing similarly emphasized the gradual transformation of internal audit from a predominantly control-oriented activity toward a broader governance-support and organizational advisory function (Sarens, 2009). The contemporary professional framework increasingly associates internal auditing with organizational adaptability, governance consolidation, risk responsiveness, and sustainable institutional development. Consequently, internal auditing is progressively perceived not only as a mechanism for evaluating compliance and internal control systems, but also as an important contributor to organizational accountability, managerial transparency, and long-term institutional stability.

The relevance of the research topic derives from the necessity to understand the conceptual implications generated by the new professional standards and the manner in which these transformations may influence the relationship between internal auditing, governance structures, executive management, and organizational decision-making processes. The new standards appear to reposition internal auditing within the broader architecture of governance by emphasizing its contribution to organizational value, strategic support, and institutional resilience.

Within the public sector of the Republic of Moldova, the national regulatory framework concerning internal auditing already incorporates several dimensions related to governance, risk management, and organizational accountability. Nevertheless, the Global Internal Audit Standards (hereinafter GIAS) conceptually strengthen these dimensions by explicitly emphasizing the contribution of internal auditing to organizational sustainability and value-oriented governance. This development may influence the future modernization of the national professional and methodological framework associated with internal auditing.

An additional dimension of the new professional approach concerns the growing interaction between internal auditing, ethical climate, and organizational culture. From this perspective, internal auditing may contribute to identifying institutional vulnerabilities related to ethical behavior, accountability deficiencies, and governance effectiveness, particularly in environments characterized by uncertainty and increased reputational exposure.

Recent scientific literature increasingly associates internal auditing with strategic governance, organizational performance, risk management, and institutional credibility. At the same time, the conceptual implications generated by the new GIAS remain insufficiently explored within the academic literature, especially regarding their influence on governance mechanisms and organizational sustainability.

Hazaea et al. (2023) demonstrate that contemporary internal auditing literature increasingly concentrates on governance effectiveness, risk management integration, organizational accountability, and strategic organizational support, while simultaneously emphasizing the fragmentation of existing conceptual approaches concerning the future role of internal auditing. Recent academic research reflects the gradual repositioning of internal auditing from a predominantly compliance-oriented activity toward a governance-support function associated with strategic oversight, institutional accountability, and sustainable organizational development. Contemporary studies increasingly emphasize the contribution of internal auditing to managerial transparency, governance effectiveness, and adaptive risk responsiveness, particularly in environments characterized by uncertainty and institutional complexity (Wang & Liang, 2025; Mita et al., 2025). At the same time, researchers highlight the growing interaction between internal auditing, organizational culture, ethical behaviour, and institutional credibility (Hayrettin & Caglan, 2023). Nevertheless, despite the growing academic interest in governance-oriented auditing, the broader implications generated by the broader implications associated with the Global Internal Audit Standards continue to receive limited academic attention, particularly regarding their potential influence on governance effectiveness, institutional adaptability, and sustainable managerial development (Hazaea et al., 2023).

The originality of the present study derives from approaching internal auditing not exclusively through the perspective of control and evaluative activities, but through its emerging role as an integrated component of governance, managerial coordination, institutional continuity, and long-term organizational support.

The research seeks to investigate the conceptual evolution associated with the contemporary international auditing framework and to evaluate its influence on governance arrangements, organizational effectiveness, and managerial risk coordination. The study integrates conceptual interpretation, comparative assessment, documentary examination, and bibliometric investigation with the purpose of identifying the emerging directions shaping the contemporary development of internal auditing.

Research methodology

The research methodology relies on a mixed research design that combines interpretative examination, comparative evaluation, documentary investigation, and bibliometric exploration of publications related to internal auditing and governance-related studies. The bibliometric component of the research was developed using the Web of Science database with the purpose of examining the evolution of scientific interest, thematic diversification, and the interrelation between concepts associated with governance, accountability, managerial oversight, risk responsiveness, and audit effectiveness.

The bibliometric approach was additionally supported by previous systematic literature evaluations concerning internal auditing and governance-related studies (Hazaea et al., 2023), which provided conceptual orientation regarding the dominant research themes and the existing academic gaps within the field.

The initial search generated 1,676 scientific publications. Several stages of filtering and relevance selection were subsequently applied, including the limitation of the publication period to 2020–2026, the selection of articles and review papers, and the restriction of the analysis to research areas associated with Business, Finance, Economics, and Management. Following the application of the inclusion and exclusion criteria, the final bibliometric database consisted of 470 scientific publications.

The bibliometric data were processed using the bibliometrix analytical tool, which enabled the examination of publication dynamics, thematic evolution, conceptual networks, and the positioning of the principal research directions associated with internal auditing and organizational governance.

In parallel, the study included the examination of the Global Internal Audit Standards, the International Professional Practices Framework, and the relevant scientific literature in order to identify the conceptual evolution of internal auditing from a predominantly compliance-oriented activity toward a strategic governance-support mechanism focused on organizational resilience, sustainable performance, and institutional value.

Basic content

The examination of the contemporary international professional framework highlights the existence of a substantial conceptual transformation regarding the understanding of the purpose of internal auditing within organizational governance systems. Earlier governance-oriented research already suggested that internal audit effectiveness depends not only on control procedures, but also on organizational positioning, managerial support, and governance integration (Arena & Azzone, 2009). Compared with the traditional approach, predominantly centered on compliance verification and control procedures, the new standards emphasize the strategic contribution of internal auditing to organizational adaptability, institutional accountability, and sustainable value-oriented governance. This transformation reflects the gradual transition from a control-dominated paradigm toward a governance-oriented perspective in which internal auditing becomes increasingly integrated into organizational decision-making, risk evaluation, institutional resilience, and strategic oversight processes. Consequently, internal auditing acquires a broader organizational significance associated with supporting managerial effectiveness, improving governance structures, and strengthening institutional sustainability.

The comparative analysis of the international professional framework and the national regulatory environment of the Republic of Moldova demonstrates the existence of several compatible conceptual dimensions related to governance, risk management, accountability, and organizational independence. However, the new professional standards provide a more coherent conceptual systematization by explicitly positioning organizational value and sustainability among the central

dimensions associated with internal auditing. The conceptual transformation identified in the research demonstrates that internal auditing is increasingly perceived as a multidimensional governance-support mechanism capable of contributing to strategic organizational stability, responsible decision-making, and institutional resilience. This transformation additionally reflects the increasing organizational expectations regarding the contribution of internal auditing to responsible governance practices, institutional reliability, ethical conduct, and managerial legitimacy.
Figure 1 presents the progressive evolution of internal auditing from a predominantly compliance-focused activity toward an integrated governance-support function characterized by strategic coordination, dynamic risk responsiveness, and sustained organizational continuity.

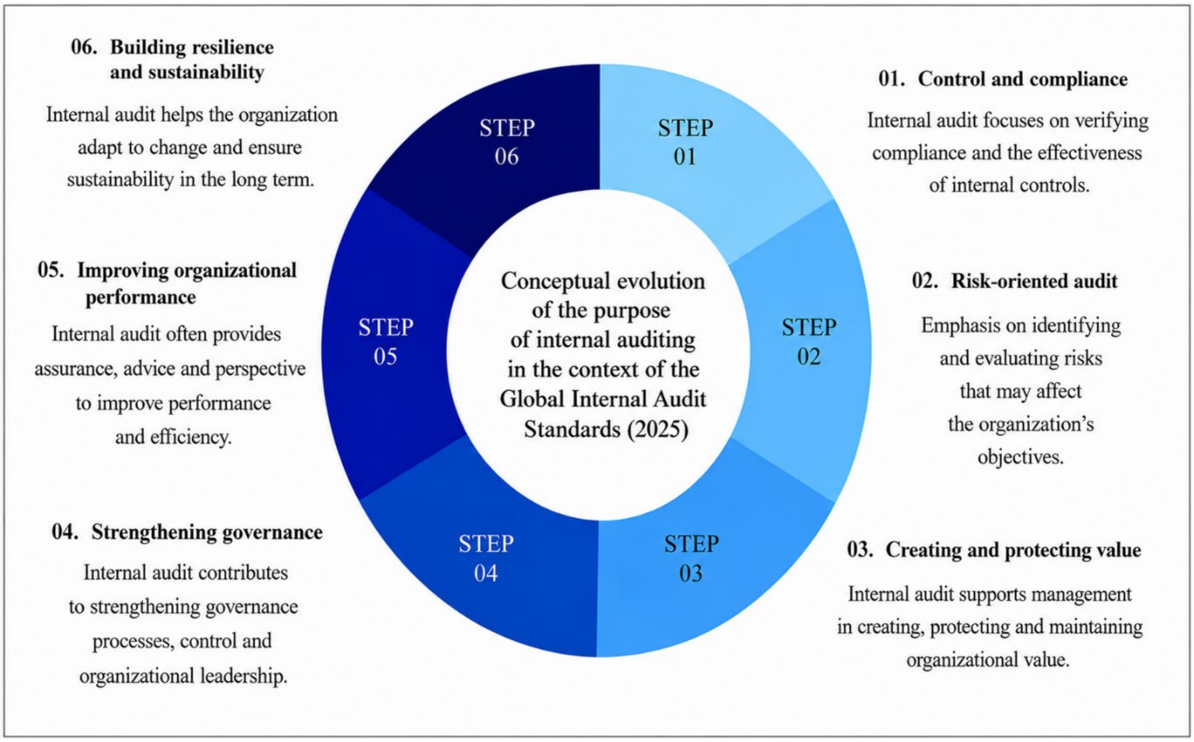

Figure 1. Conceptual transformation of the purpose of internal auditing under the GIAS (IIA, 2024)

Source: Prepared by the author based on the (The Institute of Internal Auditors, 2024)

The first stage reflects the traditional orientation toward control and compliance, where internal auditing primarily focuses on verifying conformity and evaluating the effectiveness of internal controls. The second stage emphasizes the transition toward risk-oriented auditing, characterized by the identification, assessment, and monitoring of risks capable of affecting organizational objectives. This evolution reflects the broader organizational integration of enterprise risk management practices within governance systems and managerial decision-making processes (Beasley et al., 2005). The third stage introduces the concept of organizational value creation and protection, which represents one of the most significant conceptual innovations of the GIAS (IIA, 2024). In this context, internal auditing is no longer limited to detecting deficiencies, but actively contributes to supporting management in maintaining sustainable organizational value. Contemporary empirical research additionally confirms that enhanced internal audit quality contributes significantly to organizational value creation through the optimization of risk management processes and governance effectiveness (Wang & Liang, 2025). The fourth stage reflects the strengthening of organizational governance through the increasing involvement of internal auditing in governance-related coordination, institutional responsibility, managerial oversight, and organizational decision processes. At the same time, the fifth stage reflects the increasing contribution of internal auditing to operational improvement through analytical evaluations, advisory support, and forward-looking recommendations aimed at strengthening institutional adaptability and managerial performance.

The final stage emphasizes the role of internal auditing in supporting organizational resilience and sustainability. Through the integration of governance, risk management, internal control, and strategic foresight, internal auditing contributes to the organization's capacity to anticipate change, respond to uncertainty, and maintain long-term institutional sustainability. Recent research additionally demonstrates that effective internal control systems, adaptive risk assessment, and governance coordination significantly improve organizational resilience during periods of institutional uncertainty and crisis conditions (Tanbour et al., 2025). A significant consequence of this conceptual transformation concerns the increasing integration of internal auditing within governance architecture, particularly in relation to board supervision, institutional independence, managerial accountability, and oversight responsibilities associated with the internal audit function. At the same time, the new standards create the conceptual foundations for extending the role of internal auditing toward the evaluation of ethical governance environments and organizational behavioural dimensions capable of influencing governance effectiveness, institutional integrity, and organizational reputation.

The bibliometric analysis additionally confirms the growing academic interest in the relationship between internal auditing, governance, risk management, quality, and organizational impact. The conceptual network and thematic positioning analyses demonstrate that internal auditing increasingly occupies a central position within contemporary governance research, particularly in relation to organizational performance, accountability, and strategic management processes.

Recent studies emphasize the transformation of internal auditing from a traditional compliance-oriented activity toward a strategic governance mechanism focused on risk management, organizational resilience, and value creation (Wang & Liang, 2025; Mita et al., 2025). At the same time, contemporary research highlights the increasing involvement of internal auditing in governance processes, organizational culture, and ethical sustainability (Hayrettin & Caglan, 2023). These developments are conceptually reinforced by the Global Internal Audit Standards (IIA, 2024), which redefine the purpose of internal auditing through assurance, advice, insight, and foresight oriented toward creating, protecting, and sustaining organizational value.

In order to substantiate the conceptual framework of the research and identify the main directions of development in the scientific literature concerning internal auditing, a bibliometric analysis of publications indexed in the Web of Science database was conducted. The use of bibliometric analysis enables the identification of research trends, the evolution of scientific production, and the conceptual relationships between themes associated with internal auditing, organizational governance, risk management, and audit quality.

Figure 2 highlights the general characteristics of the analyzed bibliometric database. The research included 470 scientific documents published during the period 2020-2026, originating from 184 scientific sources and authored by 1168 researchers. The high number of references identified (21,507) reflects the complexity and interdisciplinary nature of research concerning internal auditing and organizational governance. At the same time, the international co-authorship rate of 31.7% indicates the existence of significant global academic interest regarding the transformation of the role of internal auditing in the context of contemporary organizational and institutional challenges.

Figure 2. Evolution of Scientific Production on Internal Auditing (2020–2026)
Source: Prepared by the author based on Web of Science data processed using bibliometrix

The analysis also reveals an average of 2.97 co-authors per document and an average of 8.268 citations per article, suggesting both the collaborative character of research and the scientific relevance of the analyzed field. Furthermore, the large number of authors' keywords identified confirms the thematic diversification of contemporary research on internal auditing, particularly in relation to governance, risk management, organizational performance, and value creation.

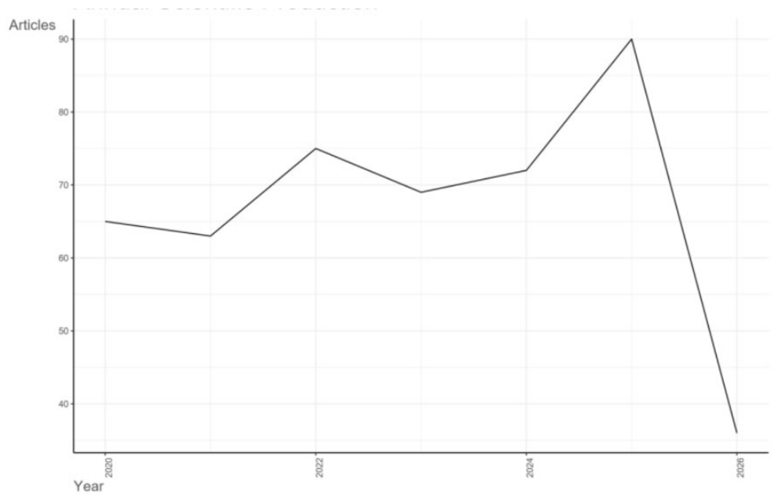

Figure 3. Evolution of scientific production on internal auditing (2020-2026)
Source: Prepared by the author based on Web of Science data processed using bibliometrix.

The growing trend of scientific production presented in Figure 3 reflects the increasing academic interest in internal auditing, particularly in relation to organizational governance, risk management, and organizational performance. The evolution of publications during the analyzed period demonstrates the expansion of contemporary research directions associated with the strategic role of internal auditing within modern organizations. The lower value recorded for 2026 can be explained by the fact that the year was incomplete at the moment of bibliometric data extraction.

The conceptual structure illustrated in Figure 4 reflects the increasing strategic relevance of internal auditing within governance-related scientific research. The network of interconnections suggests the growing integration of internal auditing into discussions concerning governance effectiveness, accountability, managerial performance, and institutional adaptability.

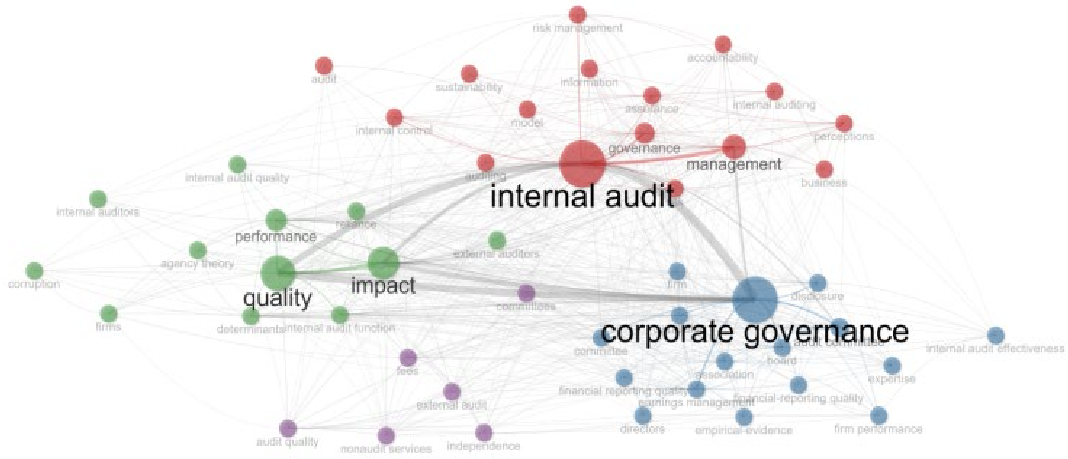

Figure 4. Conceptual network of research on internal auditing and organizational governance

Source: Prepared by the author based on Web of Science data processed using bibliometrix.

The intensity of these relationships reflects the growing orientation of contemporary research toward the strategic role of internal auditing in strengthening governance mechanisms, improving organizational performance, and supporting managerial decision-making processes. The figure also demonstrates the interdisciplinary character of internal auditing research and the increasing integration of governance, accountability, quality, and organizational sustainability dimensions within the academic literature.

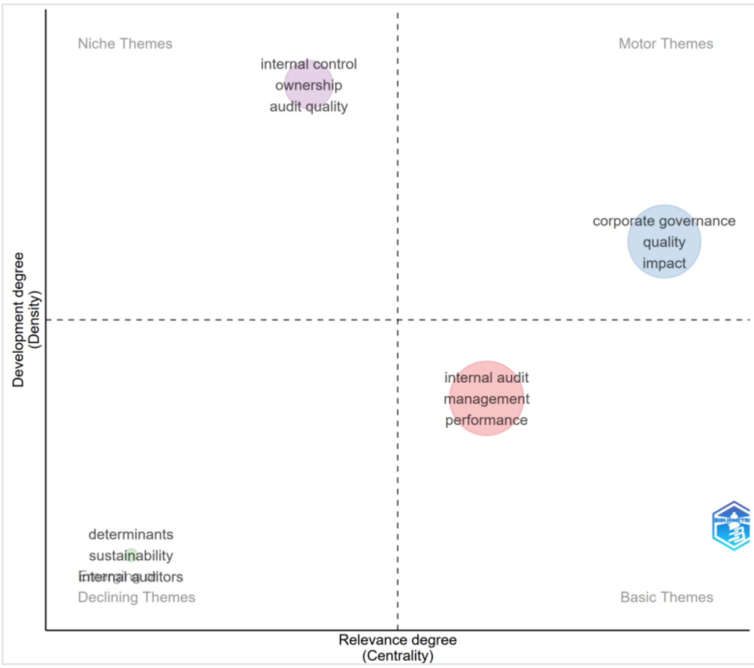

Figure 5. Thematic positioning of concepts associated with internal auditing

Source: Prepared by the author based on Web of Science data processed using bibliometrix.

The thematic configuration presented in Figure 5 indicates the increasing concentration of contemporary internal auditing research around governance-related dimensions and managerial effectiveness. The prominence of themes connected with governance, organizational quality, managerial impact, and performance assessment demonstrates the continuous broadening of internal auditing beyond its conventional control-focused orientation. Simultaneously, concepts associated with internal audit, managerial coordination, and organizational effectiveness emerge as significant integrative themes supporting the growing strategic relevance of internal auditing within modern governance systems. The figure additionally illustrates the diversification of contemporary research interests through the inclusion of themes related to audit quality, sustainability, ownership structures, and internal control mechanisms. The thematic positioning of these dimensions reflects the ongoing transformation of internal auditing into a multidimensional governance-support function integrated with organizational accountability, institutional performance, and sustainable value development.

The correlation between the bibliometric analysis and the examination of the GIAS (IIA, 2024) suggests the existence of a strong relationship between the evolution of the contemporary professional environment and the current scientific interest in governance-related auditing research. The bibliometric findings reveal a growing concentration of academic attention on themes associated with managerial oversight, adaptive risk responsiveness, institutional effectiveness, accountability, and long-term development, dimensions that are increasingly reflected within the contemporary international auditing framework.

Simultaneously, the thematic and conceptual evaluations indicate that internal auditing is progressively moving beyond its traditional control-centered orientation and becoming more closely connected with governance coordination, managerial support, institutional adaptability, and strategic organizational continuity. From this perspective, the GIAS can be understood not merely as a formal professional framework, but as a reflection of the ongoing transformation affecting both academic and professional perspectives regarding the evolving significance of internal auditing within contemporary governance systems. The research findings consequently demonstrate the existence of a substantial redefinition of the purpose of internal auditing. This evolution reflects the transition from a primarily control-centered activity toward an integrated governance-support function associated with organizational value enhancement, strategic advisory involvement, ethical responsibility, and long-term institutional adaptability.

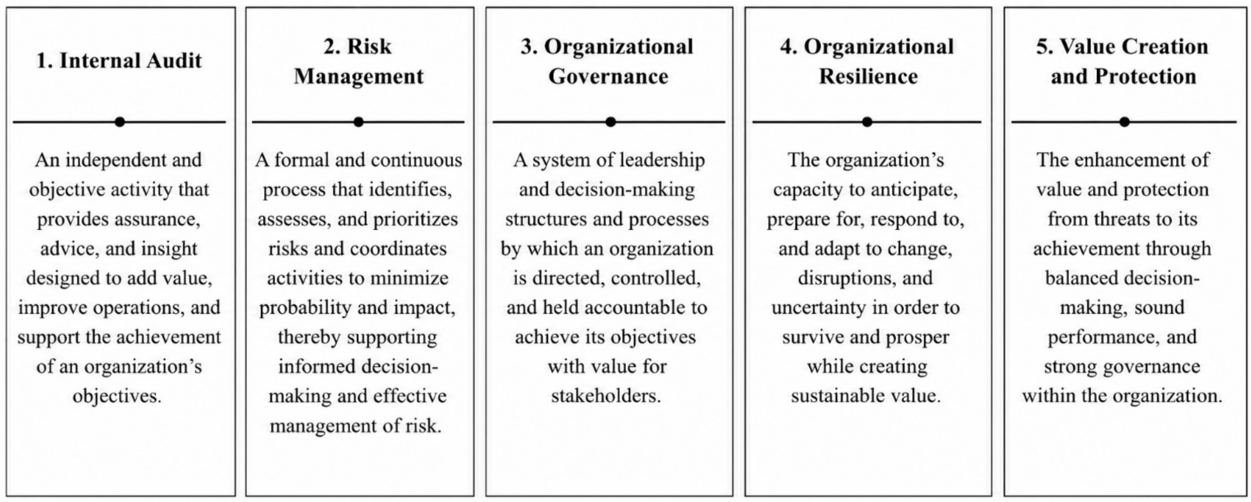

Figure 6. Functional interdependence between internal auditing, risk management, organizational governance, organizational resilience, and value creation

Source: Prepared by the author based on the GIAS (IIA, 2024)

In order to further illustrate the multidimensional transformation of the role of internal auditing within contemporary organizational governance, Figure 6 presents the functional interdependence between internal auditing, risk management, organizational governance, organizational resilience, and value creation. The increasing integration between internal auditing and enterprise risk management reflects the growing importance of coordinated governance mechanisms capable of supporting organizational adaptability, strategic oversight, and institutional continuity (Beasley et al., 2005). The figure synthesizes the main conceptual dimensions highlighted both by the Global Internal Audit Standards (IIA, 2024) and by the contemporary scientific literature concerning the strategic evolution of internal auditing.

The research findings highlight that the GIAS (IIA, 2024) introduce a substantial reconceptualization of the purpose of internal auditing. The analysis demonstrates that internal auditing is no longer limited to traditional compliance verification and control activities, but is increasingly positioned as a multidimensional governance mechanism oriented toward organizational value creation, strategic support, and institutional resilience.

The results also emphasize the strengthening of the relationship between internal auditing and governance structures, particularly through the increased importance assigned to organizational independence, board oversight, accountability, and risk management processes. Simultaneously, the new standards expand the functional scope of internal auditing through assurance, advice, insight, and foresight intended to improve organizational performance and support managerial decision-making.

Another important aspect highlighted by the research concerns the growing relevance of ethical climate and organizational culture within the governance process. In this context, internal auditing acquires an extended role in identifying ethical and cultural vulnerabilities capable of influencing organizational integrity, credibility, and long-term sustainability.

Overall, the findings confirm the existence of a significant conceptual transformation in the understanding of the purpose of internal auditing, characterized by the transition from a predominantly control-oriented activity toward a strategic governance mechanism integrated into value creation, organizational resilience, and sustainable institutional development.

Conclusions

The research demonstrates that the contemporary evolution of the international professional framework has generated a substantial transformation in the understanding of the purpose and strategic significance of internal auditing within organizational governance systems. The Global Internal Audit Standards contribute to expanding the institutional role of internal auditing beyond traditional compliance verification toward a multidimensional governance-support mechanism associated with organizational resilience, strategic oversight, accountability, and sustainable value-oriented development.

The conceptual and bibliometric analyses confirm the growing integration of internal auditing into governance processes, risk responsiveness, organizational performance, and institutional sustainability. The increasing academic attention dedicated to governance, accountability, resilience, quality, and strategic management reflects the consolidation of internal auditing as an essential component of modern organizational governance.

The findings also indicate that the contemporary understanding of internal auditing extends toward the evaluation of organizational culture, ethical climate, and institutional credibility. Consequently, internal auditing acquires a broader analytical and strategic dimension capable of contributing to long-term organizational adaptability and institutional sustainability.

In the context of the Republic of Moldova, the research highlights the existence of several regulatory and conceptual compatibilities between the national framework and the principles promoted by the Global Internal Audit Standards. Nevertheless, the new standards provide a more coherent strategic orientation focused on organizational value, sustainability, and governance effectiveness, which may support the future modernization of the national internal audit framework.

The author's contribution consists in developing an integrated conceptual interpretation regarding the transformation of the evolving role of internal auditing in relation to the contemporary international auditing framework and modern governance practices. The originality of the study is reflected through:

- interpreting internal auditing as an expanding managerial and governance-related activity associated with institutional continuity, accountability, and adaptive organizational coordination;
- combining bibliometric exploration with comparative and interpretative examination of the contemporary professional auditing environment;
- emphasizing the growing interaction between recent scientific research and the ongoing professional evolution of international internal auditing standards;
- developing conceptual representations regarding the functional interdependence between internal auditing, governance, risk management, organizational resilience, and sustainable organizational development;
- extending the interpretation of internal auditing toward dimensions related to organizational culture, ethical climate, accountability, and institutional credibility.

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