The Role of Artificial Intelligence in the Internal Audit Function

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ABSTRACT

As organizations seek greater efficiency in a fast-evolving digital world, artificial intelligence is transforming internal audits. This paper explores how artificial intelligence automates key internal audit tasks like risk assessments, compliance checks, transaction testing, and data analysis, boosting productivity, minimizing errors, and handling large data volumes. Despite these advantages, challenges such as high implementation costs, skill gaps, accountability concerns, and algorithmic bias remain. The paper also presents actionable take-aways for internal auditors to consider before adopting artificial intelligence in their audits. These emphasize cost-benefit analysis, adaptability, cross-functional collaboration, and data quality. Ultimately, while implementation hurdles exist, artificial intelligence's potential to streamline internal audits makes its adoption both necessary and beneficial for modern organizations.

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