

The Effect of Employees' Perceptions of Internal Audit and Sustainability on Employee Performance

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ARTICLE INFO	ABSTRACT
Keywords: Internal Audit Sustainability Employee Performance Received 28 November 2024 Revised 17 March 2025 Accepted 20 March 2025 Article Classification: Research Article	Purpose – The main purpose of this study is to examine the effect of employees' perceptions of internal audit and sustainability on their performance. Design/methodology/approach – In this context, a research was conducted on employees of a well-established, large-scale food and beverage company operating in Istanbul. Analyses were carried out using data obtained from 218 employees of the company through a random sampling method. Independent sample t-test, one-way ANOVA tests and multiple regression methods were used for data analysis and hypothesis testing. Results – The results of the study revealed that employees' perceptions of internal audit and sustainability significantly differ according to variables such as gender, age, education level, and work experience, and that only employees' perceptions of sustainability positively affect their performance. Discussion – In order for businesses to act as a whole with their employees and to have an efficient and sustainable structure, the strategies implemented within the business must be presented in a clear and understandable manner. In order for employees' motivation and sense of belonging to increase their performance, it may be more beneficial to support important strategic decisions such as internal audit and sustainability not only at the managerial level but also with employee participation.

1. INTRODUCTION

Businesses are significant organizations that are continuously striving to meet the needs of society, working towards achieving efficient production and productivity. Employee performance is an important factor that determines the success of a company. If businesses want to survive in the business world, they must cope with the ongoing changes by improving the performance of their employees. Businesses with good employee performance can compete and survive in the business world. In addition, the relationship between the business management and employees is an important factor in achieving the goals of the business (Bahtiar, et al., 2021). The work environment is a basic tool or material that affects an employee's performance tasks. Therefore, it is very important to give employees a pleasant and safe impression (Arianto and Kurniawan, 2020). Employees can be affected by the physical work environment and the psychological work environment while working. While the physical work environment is related to the conditions that affect the physical condition of the employee, the psychological work environment is related to the employee's psychology (Dari et al., 2021). Work environment factors directly affect employee performance as employees fulfill their duties and responsibilities. Therefore, a business can achieve its goals if it provides a suitable work environment (Nuryasin et al., 2016). When businesses provide a suitable work environment for their employees and create a sense of trust and value in their employees' minds, employee performance can increase. Businesses may adopt various strategies and practices they deem suitable for their production processes. In this context, it is considered beneficial to examine internal audit activities which aimed not only at monitoring business operations but also at adding value, enhancing capabilities, and efficiently utilizing resources (Parlak, 2020) along with sustainability practices, which focus on providing ecological, economic, and social benefits while being sensitive to the ecosystem (Yavuz, 2010). Determining whether internal audit and sustainability practices within businesses contribute to labor-based productivity improvements can offer managerial insights for organizations.

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Recently, the way businesses operate has been changing, necessitating the implementation of internal audits of emerging services at economic, technological and other levels (Siouziou et al., 2017). Internal audit aims to evaluate whether businesses achieve their profitability, growth, and capacity goals, while also assessing their efficiency and time management (Sabuncu, 2017). In a competitive environment, businesses need to respond to emerging risks, and the contribution of internal audit is vital for this (Lois et al., 2021). The role of internal auditing is important to monitor and evaluate the performance of the business. Internal auditors play a role in auditing the financial statements, helping management monitor and evaluate the company's performance effectively and efficiently (Tarigan and Vioarentine, 2021). Internal auditors use systematic methods to evaluate and improve the effectiveness of internal controls and help business management achieve better performance. Therefore, the role of internal auditing is expected to create better employee performance (Arief, 2016).

Another strategic application that is important for businesses and that they have to integrate into their organizational structures is sustainability. For businesses, the term sustainability refers to a business's ability to maintain a balance between profit, environment and people (Lashari et al., 2022). Sustainability ensures that productivity continues with limited resources in businesses, emphasizes sensitivity in resource use and strengthens social responsibility (Yavuz, 2010). Recently, businesses have been trying to include sustainability practices in their strategies, policies and procedures (Bansal, 2005). Thanks to sustainability, businesses can remain competitive and meet the economic, social and environmental needs of their direct or indirect stakeholders (Hediger, 2010; Porter and Kramer, 2011). According to Zhou et al. (2022), the sustainability practices of an organization are an important factor for the employees of a business, and the determination of the business to achieve its sustainability goals can have a positive impact on the performance of the employees. In short, sustainability emerges as a potential competitive advantage for many existing organizations, and it is emphasized that it is important to incorporate sustainability into the organizational structure and employee behavior within the business (Qalati et al., 2023).

Both practices are critical from the perspective of business stakeholders, particularly for employees, who are among the most active inputs within organizations. Understanding and embracing these practices is essential for businesses to maintain a positive external image and to provide consumers with the products, services, and value they deserve.

Internal audit is regarded as a fundamental function for the survival and growth of a business (Anderson et al., 2017). In addition to its traditional roles, internal audit increases its value by providing recommendations on matters that influence business performance (Eulerich and Lenz, 2020). A study on the effectiveness of the audit committee, internal audit function, and sustainability reporting practices suggests that an effective audit committee and internal audit function enhance the audit committee's sustainability reporting practices. In particular, audit committees with members who have expertise in financial and sustainability fields can offer advice related to financial information and accounting practices (Tumwebaze et al., 2022). Another study investigating the role of internal audit on corporate sustainability shows that internal audit provides assurance and advisory services and is positively associated with sustainability orientation, especially in organizational and social dimensions that improve management capabilities (Ferreira et al., 2024). Additionally, a study on the use of internal audit systems for business sustainability in the manufacturing industry demonstrates that internal audit significantly impacts both business performance and corporate social responsibility, a key component of sustainability (Cruz, 2022). In this respect, it is possible to say that internal audit and sustainability in businesses are interrelated and have the potential to affect each other.

Additionally, there are studies in the literature that reveal the importance of internal audit and sustainability for businesses and in which situations they are more necessary. For example, DeSimone et al. (2021) and Hazaea et al. (2022) note that there is increasing recognition that internal auditing can add value to a business by addressing the organizational, environmental and economic dimensions of sustainability. Samagaio and Diogo (2022), state that the maturity level of internal audit activities strengthens corporate governance and increases the level of sustainability positively. Another study states that developing sustainability initiatives through internal audit can reduce associated risks (Stanwick and Stanwick, 2001). Furthermore, Amoako et al., (2023) state that the internal audit function can add value to a business by improving risk management and developing a deeper understanding of sustainability concerns, while Corazza et al., (2020) and Hoffman, (2018) state that internal auditors should ensure sustainability to reduce the risks of legal liability arising from environmental errors and negative public perceptions of unsustainable activities.

There are also studies in the literature that separately address the effects of internal audit and sustainability on business performance. For example, Alodat et al. (2023) focuses on how the effectiveness of the audit committee affects business performance, while Saleh et al. (2021) focuses on the impact of sustainability practices on business performance. A meta-analysis based on literature review examines the internal and external factors affecting internal audit management and how the effectiveness of internal audit management affects business sustainability performance. The study reveals various internal factors affecting internal audit management, including human resource capabilities, technological capacity, and quality capacity, as well as external factors such as regulatory, customer, and supplier influences (Hassan, 2021). Some studies indicate that integrating internal audit and sustainability into management results in more efficient management systems, reduces bureaucracy, saves time, and enables more effective use of human, technical and financial resources (Abad et al., 2014; De Oliveira, 2013; Karapetrovic and Casadesús, 2009).

Based on literature reviews, it has been observed that most studies focus on the effects of internal audit and sustainability on firm performance. Considering the effectiveness, transparency and trustworthiness of internal auditing in the business processes of businesses, it is likely to affect the performance of employees. Similarly, considering that production resources are limited, the perception of continuity in businesses that adopt a sustainable production approach and therefore the employees' benefiting from this situation in terms of employment may affect their performance. While there are only a limited number of studies examining the effects of these two variables on employee performance individually, no study was found that investigates how both employees' perceptions of internal audit and their perceptions of sustainability affect their performance within a single model. Due to this gap in the literature, it is believed that this study will be original and will contribute to the literature, and serve as a source for future research. Additionally, it is anticipated that this study will provide managerial contributions, as it is assumed to have the potential to reveal which practices—internal audit or sustainability—business managers should primarily adopt to enhance employee performance.

In light of these assumptions, the primary goal of this study is to determine whether employees' perceptions of internal audit and sustainability affect their performance. Moreover, by considering variables that are thought to cause differences in perception levels, such as gender, age, education level, and work experience, this study aims to identify differences in employees' perceptions of internal audit and sustainability based on these variables.

2. CONCEPTUAL FRAMEWORK

2.1. *Internal Audit*

Internal auditing is an independent and objective assurance and consulting activity that adds value to and improves the operations of an organization (Bahtiar et al., 2021). According to Al-Matari (2014), internal auditing is an important element in the implementation of accounting systems and a basic function that helps in the evaluation of a business, while according to Arief (2016), internal auditing ensures the monitoring of the effectiveness of the internal control structure within an organization on other elements. In addition, according to Al-Matari (2014), internal auditing covers management activities that ensure the reliability of the financial reporting process carried out by the board of directors and audit committees, while according to Tarigan and Viorentine (2021), internal auditing covers independent evaluation functions within an organization. The internal audit function provides reliable, objective, and impartial services to management, the board of directors, and the audit committee, while also delivering trustworthy information to stakeholders regarding return on investment, sustainable growth, strong leadership, and the financial performance and business practices of the organization. It contributes significantly to achieving business objectives and implementing strategies aimed at reaching those goals. Internal audit ensures the reliability, accuracy, and integrity of financial and operational information that guides appropriate business decisions at all levels of management. To be successful, the internal audit function requires independence, impartiality, and fairness. Thus, the internal audit report becomes a communication tool between internal audit and management and serves as a crucial guide for effectively managing the organization (Ljubisavljević and Jovanović, 2011). Moreover, the internal audit function facilitates the operation and efficiency of the audit committee by allowing comparisons with past financial reports (Goodwin and Yeo, 2001). In this context, Al-Shammari (2010) suggests that certain conditions must be met for internal audit functions to be performed effectively. These include: ensuring the

alignment of accounting and internal control systems; identifying weaknesses or deficiencies in the systems and procedures used, recommending necessary changes and improvements, and authorizing the internal auditor to review business activities; ensuring that the internal auditor implements and explains the company's policies and procedures to employees, adhering to those policies and procedures; and protecting the company's assets and funds against manipulation and fraud, preventing losses and leakage.

Researchers who examine the effects of internal audit on the development of sustainable management systems and business performance state that internal auditing not only determines the sustainability strategy of the institution and the path to achieve its goals, but also enables the identification of challenging areas that present risks and development opportunities. Furthermore, it is expressed that internal audit can support management in effectively planning operations and providing visionary suggestions to enhance the organization's profitability and stakeholder satisfaction (Puci and Guxholli, 2018). On the other hand, another study investigating the relationship between internal audit and business objectives reveals that internal auditing can increase the organization's efficiency, growth, development, profitability, and sales. It is also emphasized that internal auditing can be utilized as a risk management, corporate governance, and internal control mechanism (Saud, 2015). In a study highlighting the role of internal audit in assessing internal controls, identifying weaknesses, and providing improvement recommendations, it emerges that internal audit serves as an auditing strategy used by multinational enterprises to detect and prevent fraud (Anwar, 2022). The primary aim of internal audit activities is the effective management of material, human, and financial resources related to events and transactions occurring within the organization, prevention of fraud, and minimization of risks (Iovu, 2018). Internal auditing contributes to the overall stability and sustainability of the organization by ensuring operational efficiency, reporting reliability, compliance with laws and regulations, protection of assets, and fostering an ethical cultural environment (Amoako et al. 2023; IIA, 2024: 7).

2.2. Sustainability

It is emphasized that the path to having a professional and efficient management and organization involves dignified organizational work processes, sustainable growth, achieving innovation, and improving living standards and social conditions. In line with this, businesses must use natural resources in a way that they remain beneficial indefinitely, acting responsibly to avoid causing permanent damage or depleting these resources entirely (García, 2022). It is highlighted that the driving force behind incorporating sustainability into a business model during the establishment phase of a new enterprise is the motivation to create social value and environmental sustainability as a differentiation strategy among competitors (Glinik et al, 2021). Boons and Lüdeke-Freund (2013) focus on linking the concept of sustainability with innovation. According to them, a company's long-term success depends on innovation. The rules governing the operation of a sustainable business model should be based on technological innovations that can create new markets after revenue generation begins. Boons and Lüdeke-Freund (2013) also suggest that sustainable business models need to be supported by appropriate policies from government institutions. They emphasize that relevant public institutions should collaborate with businesses to create innovations in sustainable business models. Bocken et al. (2014) believe that sustainable business models stand out from other concepts because innovations that reduce negative environmental impacts enable businesses to effectively capture value from the market and increase their economic value. Wong and Ngai (2021) conceptualize the sustainability capacity of businesses through three components: organizational skills in terms of social welfare and management capability; environmental skills related to practices such as repair, redesign, recycling, reuse, and resource conservation; and economic skills focused on market-driven competition and innovation. Sustainable business management must address the diverse economic, environmental, and organizational needs of stakeholders. To achieve sustainability goals, businesses can reach performance targets by establishing and coordinating sustainable relationships with stakeholders both inside and outside the organization (Wong and Ngai, 2021). In this context, Stubbs and Cocklin (2008) argue that it is essential to develop structural and cultural capabilities within the organization to collaborate with key stakeholders when implementing sustainable business models at the enterprise level.

On the other hand, the contributions of internal stakeholders, particularly employees, must also be evaluated in terms of sustainable business management. In this regard, it has been reported that enhancing employee commitment to corporate sustainability can be achieved through environmental and awareness training,

which facilitates a transition to a greener organizational culture. When assessing changes in employees' environmental knowledge, attitudes, and behaviors, it is noted that training fosters trust and satisfaction toward the organization, subsequently increasing commitment to corporate sustainability (Law, 2017). Employee awareness of sustainability can be a crucial factor in its implementation. Employees are recognized as primary facilitators of sustainability within businesses, making it essential for them to have a deeper understanding of sustainability philosophy. In this context, employees who adopt the concept of sustainability according to the organization's demands are more likely to generate innovative and creative ideas (Balčiūnaitienė and Petkevičiūtė, 2020). Businesses must provide ecological and social value to their customers while analyzing business opportunities to achieve continuity in growth and offer economic value (Boons and Lüdeke-Freund, 2013). In this context, it should be recognized that long-term sustainability is based on a clear understanding of economic, environmental, and social factors, which necessitates radical, fundamental, and challenging changes to corporate business models (Ehrenfeld, 2005). When creating sustainable business models, companies need to transform their models to mitigate negative impacts on the environment and society. This can only be achieved by developing new value propositions and value combinations that generate new revenue streams, enabling businesses to create value that satisfies customer needs (Yunus et al., 2010). Stubbs and Cocklin (2008) argue that businesses should aim to generate revenue in relation to sustainability. The profits obtained will enable the achievement of social and economic objectives and financial performance, guided by the company's mission and vision (Stubbs and Cocklin, 2008). At this point, it is emphasized that a company's longevity is largely dependent on its sustainable performance, and it is known that studies supporting this assertion exist (Amedu et al., 2019; Buchholz et al., 2020; Chakroun and Amar, 2022; Keskin et al., 2020; Mahmood et al., 2021; Tschelisnig and Westerlaken, 2022; Pawaskar and Khan, 2021).

2.3. *Employee Performance*

Performance has become a strategic indicator in the quest for businesses to overcome weaknesses and remain competitive in the industry (Oberholzer-Gee and Dennis, 2017). It is a crucial factor in measuring the degree of success and the outcomes related to an organization's vision. Ngema et al. (2022) indicate that performance is associated with the quantity and quality of outputs, the timeliness of achieving those outputs, employee engagement in completed tasks, and the efficiency of the work accomplished. An employee's job performance involves evaluating the extent to which they fulfill their duties and responsibilities (Opatha, 2015). Sobaih et al. (2019) conceptualize job performance as the degree to which an employee successfully carries out both task-related and contextual duties using available resources. Job performance is defined as the extent to which an employee produces appropriate outcomes in task performance and demonstrates citizenship behavior within a specified time frame (Ramawickrama et al., 2017). Employee performance is defined as a multi-component concept that describes how an employee performs a job, focusing on the skills used, efficiency, initiative and resources utilized (Rothmann & Coetzer, 2003). It refers to the successful completion of tasks in an efficient and effective manner, according to pre-defined acceptable standards, using resources that are available and measured by a manager or organization. In other words, employee performance means "the behaviors, actions and results in which the employee participates or produces, which are consistent with the organization's goals and can be measured at a level that will contribute to these goals" (Viswesvaran and Ones, 2000). According to Jankinthong and Rukkhum (2012), employee performance, which is one of the factors with high significance among dependent variables, is related to performance results at both individual and organizational levels (Pandey, 2019). Employee performance significantly impacts organizational performance (Collis and Montgomery, 1995). To achieve goals and strategic objectives, individual performance must be managed effectively and efficiently (Amos et al., 2004). Organizations can evaluate the actions and attitudes of their employees to gain competitive advantage. According to Sutherland et al. (2007), one of the basic components that are effective in the success of organizations is individual performance. While it is widely accepted that employee performance has a multidimensional structure (Borman and Motowidlo, 1993; Campbell et al., 1996), task performance and contextual performance are the most studied dimensions (Borman and Motowidlo, 1993; Motowidlo and Schmit, 1999; Motowidlo and Van Scotter, 1994; Onay, 2011).

According to Motowidlo and Schmit (1999), the type of performance that encompasses all actions such as providing input, producing products, providing services, managing subordinates and selling goods that ensure the transformation and continuity of organizations is task performance. It represents patterns of behavior that directly support the organization's core technical processes. In addition, the type of performance

that includes the quality, quantity and knowledge of the job is task performance. At a general level, task performance consists of activities that transform inputs into goods and services produced by the organization or facilitate its efficient operation (Motowidlo et al., 1997). Contextual performance refers to voluntary behaviors that contribute to the transformation and continuity activities within an organization, impacting its culture and climate. These contextual performance behaviors can include taking on extra tasks, volunteering when necessary, persistently showing enthusiasm, helping others, collaborating, adhering to rules and procedures, and supporting the organization (Motowidlo and Schmit, 1999). Borman and Motowidlo (1993) define contextual performance as "exhibiting individual behaviors that support the social and psychological environment while technical tasks are being performed within the organization." Moreover, contextual performance behaviors shape the organizational, social, and psychological context, serving as a catalyst for employees' task activities and contributing to organizational effectiveness. Van Scotter and Motowidlo (1996) note that contextual performance encompasses collaborative, thoughtful, and helpful actions that support coworkers' performance, as well as self-disciplined, proactive behaviors such as adhering to rules and working diligently to support organizational goals.

2.4. Relationships Between Variables

The internal audit function aims to help company management improve the control and quality of employee performance to prevent irregularities or fraudulent actions that frequently occur within the company and cause harm (Tarigan and Viorentine, 2021). Some studies in the literature have shown that internal audit has an impact on employee performance. According to Aprilianty (2014), internal audit is one of the factors that can influence employee performance. Anggraini (2008) stated that internal audit continues to evolve with emerging developments and now pressures companies to improve their employees' performance. In the studies conducted by Arief and Sunaryo (2020), Bahtiar et al. (2021), Salima et al. (2020) and Tarigan and Viorentine (2021), internal audit was one of the factors that positively and significantly affected the performance of employees. Parlak (2020) tested the impact of internal audit on business efficiency through employees' perceptions. In his demographic analysis, a significant difference was found only concerning the gender variable, while no significant differences were found in terms of age, education level, or work experience.

Statements reflecting a company's commitment to sustainability help foster employees' respect for environmental issues and motivate them to face foreseeable challenges with ease (Chandra Das and Singh, 2016). Employee perception can be developed based on the company's long-term decisions such as policy, mission and vision, and the company's culture such as beliefs and values (Glavas and Godwin, 2013). In support of this, Ramus and Steger (2000) have shown that integrating the company's sustainability-based vision decisions with corporate communication and management incentives increases environmental initiatives in employees. Several studies in the literature have shown that sustainability has an impact on employee performance. Tosti-Kharas et al. (2017) noted that proper sustainability efforts by businesses create a positive perception among employees, who, in turn, reflect this by demonstrating good performance. Buller and McEvoy (2016) emphasized that the ability of organizations to achieve their sustainability goals depends on employees' accurate perception of these efforts, and that employees who correctly perceive these goals work with increased motivation.

3. METHODOLOGY

3.1. Purpose, Model and Hypotheses of the Research

The purpose of this study is to examine the effects of employees' perceptions of internal audit and sustainability on their performance. Additionally, since it is assumed that variables such as gender, age, education level, and work experience may influence employees' perceptions, the study also aims to reveal significant differences in internal audit and sustainability based on these variables.

Quantitative and qualitative methods are used in research conducted in the field of social sciences. Quantitative research is a scientific method based on numerical data. Research models and patterns created according to the quantitative research method differ. One of the models used in quantitative research methods is the experimental model. In research in the experimental model, the effects of the independent variable on the dependent variable are investigated, and the type of design in which the effects of multiple independent

variables on a dependent variable are examined is called the multi-factorial design (Garip, 2023). Since the study is based on numerical data, the method used is the quantitative research method, and since it examines the effects of multiple independent variables on the dependent variable, it seems appropriate for the experimental model in the quantitative research method.

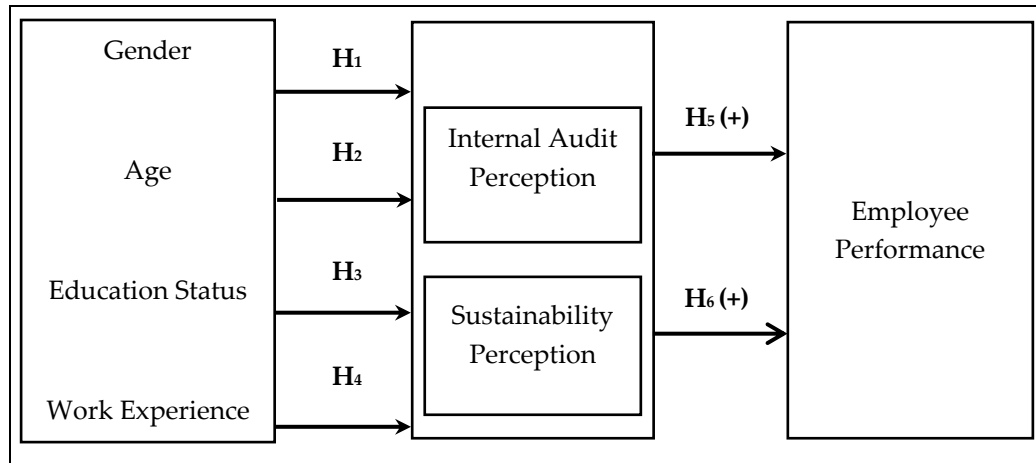


Figure 1. Research Model

The study is carried out to reveal the differences in employees' perceptions of internal audit and sustainability and how these perceptions will affect their performance. Since it is a strong assumption that the level of perception varies from person to person, it is expected that employees' perceptions of internal audit and sustainability will differ according to the demographic characteristics of the employees.

The fact that men and women's perceptions of risk, detail orientation, social role, dominance or economy may vary may cause them to perceive internal audit and sustainability practices in a business environment differently. Therefore, one of the hypotheses that seemed appropriate to be examined in the research was the H₁ hypothesis:

H₁: There is a significant difference between employees' perceptions of internal audit and sustainability according to the gender of the employees.

The fact that employees of different age groups in a work environment may have different perceptions of risk, order, technology addiction, environmental awareness, belonging, etc. may cause them to perceive internal audit and sustainability practices differently in a work environment. For this reason, one of the hypotheses deemed appropriate to be examined in the research was the H₂ hypothesis:

H₂: There is a significant difference between employees' perceptions of internal audit and sustainability according to the gender of the employees.

As the level of education in a business environment increases, employees' perspectives on risk management, corporate governance, environmental and social responsibility issues may become more analytical and long-term. Therefore, it seemed appropriate to form the H₃ hypothesis:

H₃: There is a significant difference between employees' perceptions of internal audit and sustainability according to the education level of the employees.

In a business environment, inexperienced employees may often have a superficial and operational perspective, while experienced employees may have a more strategic and long-term perspective. Therefore, it seemed appropriate to form hypothesis H₄:

H₄: There is a significant difference between employees' perceptions of internal audit and sustainability according to the work experience of the employees.

Considering that organizational structures that reduce risk, provide trust, support development and are innovative in a work environment will increase motivation, it can be thought that they can increase employee performance. Therefore, it seemed appropriate to create the H₅ hypothesis:

H₅: Employees' perceptions of internal audit have a positive effect on their performance.

In a business environment, employees' evaluation of sustainability not only as an environmental responsibility but also as an economic, social and institutional strategy and the fact that these factors can be motivating can increase the performance of employees. Therefore, it was deemed appropriate to create the H₆ hypothesis:

H₆: Employees' perceptions of sustainability have a positive effect on their performance.

3.2. *Population and Sample of the Research*

The universe of the study is Ulker Company, a well-established, large-scale food and beverage company operating in Istanbul, Türkiye. Founded in 1944, the company produces different types of food and beverages and is managed with the principle of corporate transparency. In addition, the company displays an image of a company that attaches importance to sustainability within social responsibility. In order to calculate the sample size, information provided by the regional manager of the company was needed. According to the information obtained, there are a total of 318 employees in a production department in the company. An online program (SurveySystem) was used to calculate the sample size and it was found that a sample size of 175 people was required according to the 95% confidence level. It was deemed appropriate to use the random sampling method in the study because it was anticipated that every employee in the company would have an equal chance and probability of being selected and also because it was understood that the choices made independently of each other would not affect the next selection. In this regard, it was deemed appropriate to conduct the study using the random sampling method with 230 employees, which would be above the calculated sample size.

3.3. *Data Collection Tool and Analysis Technique*

The study required the collection of data related to the thoughts of manufacturing enterprises and their employees. It was decided that a survey would be the appropriate tool for collecting this data. Ethical approval for the survey was obtained from Zonguldak Bülent Ecevit University, Social and Human Sciences Scientific Research and Publication Ethics Committee, with protocol code 771 dated September 5, 2024. A comprehensive literature review was conducted to find a scale that aligns with the content and objectives of the study. As a result of this review, scales used in various previous studies were utilized:

The scale for the internal audit and sustainability variables was taken from Demir's (2023) study, which aimed to highlight the importance of internal audit and sustainability practices implemented by businesses during periods of economic crisis. In the researcher's work, the reliability values of the scale were found to be within acceptable ranges, with a Cronbach's alpha of 0.82 to 0.83 for 28 items.

The scale for the employee performance variable was taken from Aydemir and Erdoğan's (2013) study, which examined the effect of employees' perceptions of satisfaction with their wages and their jobs on their performance. In the study, it was stated that Cronbach's alpha reliability values, which were taken as a basis for the six items of the scale used, were within acceptable values between 0.66 and 0.93.

The survey form was structured into two sections. In the first section, statements related to the participants' demographic information such as gender, age, education level, and work experience were included. In the second section, statements pertaining to the variables of internal audit, sustainability, and employee performance were provided. A 5-point Likert Scale was employed in the survey form, allowing participants to indicate their level of agreement with the statements presented in the form.

The internal audit scale consisted of 20 items, the sustainability scale had 8 items, and the employee performance scale included 6 items, making a total of 34 items in the survey form. To determine whether the form was suitable for the study, a pilot test was conducted with 50 employees. The data collected from these 50 surveys were subjected to a reliability analysis, considering reference values from the literature. After confirming that the Cronbach's Alpha values were within an acceptable range (Cronbach's alpha: 0.88), no changes were made to the survey statements, and the data collection process continued.

A face-to-face survey was conducted on 230 employees in a food and beverage business in Şile, Istanbul, and it was determined that 12 surveys were incomplete or incorrectly filled out. The data of the remaining 218 surveys were analyzed using AMOS and SPSS programs. Descriptive findings, reliability and validity tests, t-test, one-way Anova tests and multiple regression analyses were performed in the study.

4. FINDINGS

4.1. Descriptive Findings Related to the Participants of the Survey

The demographic characteristics of the employees who participated in the study, such as gender, age, educational background, and work experience, are presented in table 1 below, showing descriptive statistics related to these variables. In Table 1, the descriptive findings of the participants reveal that, in terms of gender, age, and educational background, the majority of respondents were male (119, 45.5%), within the age group of 36-45 years (57, 26.1%), and bachelor's degree (71, 32.6%). Regarding work experience, the largest group of participants had worked for 21-30 years (75, 38.4%). These values suggest that the demographic distribution of the participants does not show a normal distribution, indicating that some groups had significantly higher participation rates, while others had lower rates.

Table 1. Descriptive Findings Related to the Participants of the Survey

Descriptive Findings	N	%
Gender		
Female	99	45.5
Male	119	54.5
Age		
18-25 Years	33	15.1
26-35 Years	56	25.7
36-45 Years	57	26.1
45-55 Years	49	22.5
56 Years and Above	23	10.6
Education Level		
High School	64	29.3
Associate Degree	53	24.3
Bachelor's Degree	71	32.6
Graduate Degree	30	13.8
Work Experience		
0-5 Years	40	18.3
6-10 Years	40	18.3
11-20 Years	36	16.6
21-30 Years	75	34.4
31 Years and Over	27	12.4
TOTAL	218	100

4.2. Descriptive Findings of Scale Items

In this section, information regarding the mean and standard error values for each item related to the variables of the study is presented in table 2. Upon examining Table 2, it is evident that the average values of the scale items exceed 3. Among the internal control statements, the highest average is associated with the statement, "The roles, authorities and responsibilities of employees in the organization are clearly known" (4.35). Regarding sustainability, the highest average corresponds to the statement, "Our organization regularly publishes sustainability reports" (4.42). In terms of employee performance, the statement "I continually develop myself in matters related to my job" also reflects the highest average (4.36).

Table 2. Descriptive Findings of Scale Items

Statements	Mean	Std. Deviation
Internal Audit Statements		
1- The existence of internal control and auditing systems aligned with the organization's policies and objectives can enhance management effectiveness.	4.14	1.234
2- The roles, authorities and responsibilities of employees in the organization are clearly known.	4.35	1.085

3- The accounting procedures of the organization are governed by accurate and complete processes.	4.23	1.076
4- Records in the organization are approved by the person who creates and verifies them.	4.23	1.114
5- All activities in the organization are conducted and monitored according to regulations.	4.33	0.971
6- Financial responsibilities from a management perspective are executed through official delegation of authority.	4.08	1.128
7- The reporting systems in the organization indicate whether established targets are being met.	4.27	1.151
8- I believe that there should be technological infrastructure to monitor the organization's activities.	4.12	1.021
9- Risks associated with objectives and targets are evaluated in different processes.	3.80	1.423
10- Managers continuously evaluate the systemic effectiveness of internal controls.	4.13	1.115
11- Internal audits can reveal errors or frauds.	4.20	1.049
12- Internal audits ensure adherence to ethics in organizations.	4.32	1.019
13- Internal audits provide objective assurance to managers.	4.28	1.007
14- Internal controls and audits facilitate collaboration in management.	4.11	1.079
15- Information obtained from internal audits gives confidence to the decision-makers.	4.27	0.982
16- Internal audits improve the organization and add value.	3.92	1.215
17- Internal audits influence and enhance efficiency, effectiveness and quality.	4.01	1.165
18- Internal audits are effective in achieving objectives.	4.30	0.956
19- Internal audits ensure that the activities of the organization are legal.	3.86	1.335
20- Internal audits contribute to risk management.	4.36	0.993
Sustainability Statements		
1- Business employees are aware of the sustainability approach.	4.29	1.009
2- Business managers are sufficiently interested in sustainability issues.	3.91	1.211
3- Information flow is provided between the employees and managers on sustainability.	4.14	1.128
4- Training is given to explain the importance of sustainability within the organization.	3.04	1.455
5- There is a separate department or manager for sustainability in our organization.	4.29	1.041
6- Our organization adopts appropriate strategies to reflect sustainability practices to society and stakeholders.	4.15	1.026
7- Our organization regularly publishes sustainability reports.	4.42	0.967
8- The sustainability practices of our organization are effective during economic crisis periods.	4.33	1.065
Employee Performance Statements		
1- I complete the given tasks on time	4.14	1.128
2- I exceed my business goals	3.14	1.481
3- I make sure that the services I provide are at quality standards	4.29	1.041
4- I think that I produce the fastest solutions when a problem occurs.	4.25	0.957
5- I constantly improve myself in matters related to my job	4.43	0.967
6- I think that I achieve the job performance expected of me at the desired level.	4.42	0.982

4.3. *Validity and Reliability Analyses*

In this study, confirmatory factor analysis (CFA) was used to test construct validity. The lower limit of factor loadings for the variables in the scale can be affected by the sample size. For example, while factor loadings above 0.3 may be considered significant in a sample of 350 people, when the sample size drops to 200, this threshold rises to 0.4; with a sample around 120, it increases to 0.5, and with a sample of 85, it goes up to 0.6 (Hair et al., 2010).

To perform the confirmatory factor analysis, all the items on the scales were initially included in the analyses. However, it was observed that some items related to internal audit, sustainability, and employee performance had factor loadings below 0.4. Starting with the items that had very low factor loadings, it was understood that some items needed to be removed from the model. After repeated analyses, it was decided to exclude 11 items from the internal audit scale (items 3, 5, 7, 9, 10, 13, 15, 16, 17, 18, and 20), 2 items from the sustainability scale (items 5 and 8), and 1 item from the employee performance scale (item 4). Following these adjustments, it was found that the remaining items had appropriate factor loadings. For the subsequent stages of the study, the analysis continued with 20 items in the scale. The model for the confirmatory factor analysis is shown in Figure 2.

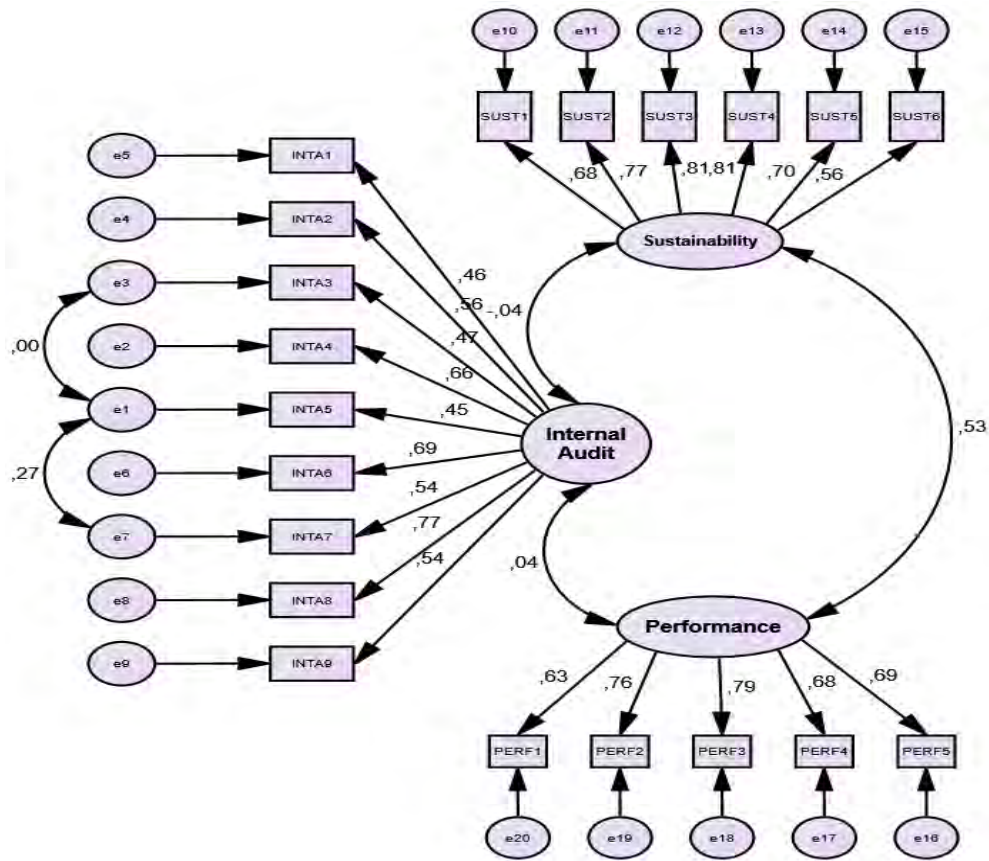


Figure 2. Confirmatory Factor Analysis of Scale Statements

In the study, the goodness-of-fit values for the confirmatory factor analysis of the scales were also examined, and the results are presented in Table 3. Based on commonly used values in the literature such as χ^2 (Chi-square), df (degrees of freedom), RMSEA (Root Mean Square Error of Approximation), SRMR (Standardized Root Mean Square Residual), CFI (Comparative Fit Index), and GFI (Goodness of Fit Index), it was found that the results fall between the ranges of excellent and acceptable goodness-of-fit values.

Table 3. CFA Model Goodness of Fit Values

Index	Perfect Fit Values	Acceptable Values	Model Value	Conclusion
χ^2/df	≤ 3	$3 \leq \chi^2/df \leq 5$	1.67	Perfect Fit
RMSEA	≤ 0.05	≤ 0.08	0.05	Perfect Fit
SRMR	≤ 0.05	≤ 0.08	0.06	Acceptable Fit
CFI	≥ 0.95	≥ 0.90	0.93	Acceptable Fit
GFI	≥ 0.95	≥ 0.85	0.90	Acceptable Fit
CMIN(χ^2) = 277.471 ($p < 0.01$), $df = 166$				

In the study, internal consistency analysis was employed to examine the reliability levels of the scales used. In addition to Cronbach's alpha (α) value, the Composite Reliability (CR) analysis method, which has been frequently used by researchers in recent years, was also utilized. A Cronbach's alpha (CA) and composite reliability (CR) value of 0.70 or above ($CA \geq 0.70$; $CR \geq 0.70$) indicates that the items in the scale are at a reliable level (Yaşlıoğlu, 2017). The data obtained regarding the DFA results of the scales used in the study and their reliability and validity values are shown in Table 4. Upon examining Table 4, it can be seen that the lower limit of the factor loadings for the scale items is greater than 0.40, the lower limit of the Composite Reliability (CR) values for the scales and dimensions is greater than 0.70, and the lower limit of the Cronbach's alpha (CA) values for the scales and dimensions is also greater than 0.80. One of the values used for scale validity is the Average Variance Extracted (AVE), which is considered a measure of convergent validity. Convergent validity indicates that the items related to the variables are associated with each other and the factor they form. The

AVE value is obtained by dividing the sum of the squares of the covariances (loadings) of the items related to the factor by the number of items. For convergent validity, it is expected that all CR values related to the scale are greater than their AVE values, and the AVE value itself is greater than 0.5 (Yaşlıoğlu, 2017). However, Hair et al. (1998) stated that it is acceptable for AVE values to be below 0.50, provided that the CR values are above 0.60 and the construct validity is sufficient. Based on this information, it is understood that the scales used in the study meet the reliability and validity conditions.

Table 4. Results of CFA on Variables

Variables	Statements	Statements Code	Factor Load	Significance Value	Cronbach's Alpha (α)	Average Variance Extracted (AVE)	Composite Reliability (CR)
Internal Audit (INTA)	1- The existence of internal control and auditing systems aligned with the organization's policies and objectives can enhance management effectiveness.	INTA1	0.460	***	0.95	0.34	0.81
	2- The roles, authorities, and responsibilities of employees in the organization are clearly known.	INTA2	0.556	***			
	3- Records in the organization are approved by the person who creates and verifies them.	INTA3	0.472	***			
	4- Financial responsibilities from a management perspective are executed through official delegation of authority.	INTA4	0.660	***			
	5- I believe that there should be technological infrastructure to monitor the organization's activities.	INTA5	0.455	-			
	6- Internal audits can reveal errors or fraud.	INTA6	0.686	***			
	7- Internal audits ensure adherence to ethics in organizations.	INTA7	0.536	***			
	8- Internal controls and audits facilitate collaboration in management.	INTA8	0.769	***			
	9- Internal audits ensure that the activities of the organization are legal.	INTA9	0.536	***			
Sustainability (SUST)	1- Business employees are aware of the sustainability approach.	SUST1	0.682	-	0.81	0.52	0.87
	2- Business managers are sufficiently interested in sustainability issues.	SUST2	0.767	***			
	3- Information flow is provided between the employees and managers on sustainability.	SUST3	0.814	***			

	4- Training is given to explain the importance of sustainability within the organization.	SUST4	0.806	***			
	5- Our organization adopts appropriate strategies to reflect sustainability practices to society and stakeholders.	SUST5	0.699	***			
	6- Our organization regularly publishes sustainability reports.	SUST6	0.565	***			
Performance (PERF)	1- I complete the given tasks on time	PERF1	0.631	***	0.86	0.51	0.84
	2- I exceed my business goals	PERF2	0.761	***			
	3- I make sure that the services I provide are at quality standards	PERF3	0.791	***			
	4- I constantly improve myself in matters related to my job	PERF4	0.677	***			
	5- I think that I achieve the job performance expected of me at the desired level.	PERF5	0.689	-			

N: 218; ***Significant at $p < 0.001$ level.

4.4. Normality Test

To determine whether the data obtained in the study were suitable for parametric or non-parametric analyses, a normality test was conducted. In the literature, it is stated that for parametric analyses to be applicable, skewness and kurtosis values must meet specific criteria. Different opinions exist regarding the appropriateness of these values. For instance, according to Çalık et al. (2021), scale scores should have skewness and kurtosis values within the range of $+3/-3$ to exhibit normal distribution, while Tabachnick and Fidell (2013) suggest that these values should fall within the range of $+1.5/-1.5$.

Upon examining table 3, it is apparent that the skewness and kurtosis values for the variables are within acceptable ranges (highest skewness: -0.346; lowest skewness: -0.634; highest kurtosis: -0.364; lowest kurtosis: -1.135). Therefore, it can be concluded that the data exhibit a normal distribution, making the use of parametric methods in analyses appropriate.

Table 5. Normality Test Results

Variables	Skewness	Kurtosis
Internal Audit	-0.634	-0.738
Sustainability	-0.346	-1.135
Employee Performance	-0.571	-0.364

When examining table 5, it is observed that employees' perceptions of internal audit and sustainability show statistically significant differences based on the gender variable ($p < 0.05$). It is understood that female and male employees perceive internal audit and sustainability differently. Accordingly, it is concluded that the hypothesis " H_1 : There is a significant difference between employees' perceptions of internal audit and sustainability according to the gender of the employees" is confirmed ($H_1 \rightarrow$ Supported).

Table 5. Independent Sample T-Test of Internal Audit and Sustainability According to Gender Variable

Variables	Gender	N	Mean	S. Deviation	t	p
Internal Audit	Female	99	3.97	0.77	3.62	0.000
	Male	119	4.31	0.57		
Sustainability	Female	99	3.85	0.73	2.81	0.005
	Male	119	4.11	0.63		

When examining table 6, it is observed that employees' perceptions of internal audit and sustainability show statistically significant differences based on the age variable ($p < 0.05$). It is understood that employees from different age groups perceive internal audit and sustainability differently. To observe which age groups have significant differences, the analyses first indicated that the variances were not homogeneously distributed. Therefore, in the post hoc tests conducted, Tamhane's T2 values were used, and significant differences (*) were identified based on the significance value determined for the five different age groups. When looking at the significant differences, it is found that all age groups evaluate internal audit and sustainability differently from the employees in the 18-25 age group. Accordingly, it is concluded that the hypothesis " H_2 : There is a significant difference between employees' perceptions of internal audit and sustainability according to the gender of the employees" is confirmed ($H_2 \rightarrow \text{Supported}$).

Table 6. One Way Anova Test of Internal Audit and Sustainability According to Age Variable

Variables	Age Groups (I)	Age Groups (J)	Mean Differences (I-J)	N	Mean	S. Deviation	p
Internal Audit	18-25 Age	26-35 Age	-0,63610*	33	3.48	0.41	0.000
		36-45 Age	-0,87100*				
		45-55 Age	-0,82334*				
		56 Age and above	-0,92104*				
	26-35 Age	18-25 Age	0,63610*	56	4.12	0.74	
		36-45 Age	-0,23490				
		45-55 Age	-0,18724				
		56 Age and above	-0,28494				
	36-45 Age	18-25 Age	0,87100*	57	4.36	0.73	
		26-35 Age	0,23490				
		45-55 Age	0,04766				
		56 Age and above	-0,05004				
	45-55 Age	18-25 Age	0,82334*	49	4.31	0.56	
		26-35 Age	0,18724				
		36-45 Age	-0,04766				
		56 Age and above	-0,09770				
	56 Age and above	18-25 Age	0,92104*	23	4.41	0.42	
		26-35 Age	0,28494				
		36-45 Age	0,05004				
		45-55 Age	0,09770				
Sustainability	18-25 Age	26-35 Age	-0,52006*	33	3.52	0.53	
		36-45 Age	-0,72514*				
		45-55 Age	-0,57047*				
		56 Age and above	-0,78284*				
	26-35 Age	18-25 Age	0,52006*	56	4.07	0.72	
		36-45 Age	-0,20507				
		45-55 Age	-0,05041				
		56 Age and above	-0,26277				

36-45 Age	18-25 Age	0,72514*	57	4.24	0.69
	26-35 Age	0,20507			
	45-55 Age	0,15467			
	56 Age and above	-0,05770			
45-55 Age	18-25 Age	0,57047*	49	4.08	0.64
	26-35 Age	0,05041			
	36-45 Age	-0,15467			
	56 Age and above	-0,21236			
56 Age and above	18-25 Age	0,78284*	23	4.29	0.56
	26-35 Age	0,26277			
	36-45 Age	0,05770			
	45-55 Age	0,21236			

*The significance value for the Post Hoc, Tamhane's T2 test has been determined as 0.005.

Table 7 shows that there are statistically significant differences in employees' perceptions of internal audit and sustainability according to their education level ($p < 0.05$). It is evident that employees with different educational backgrounds perceive internal audit and sustainability differently. Notably, regarding internal audit, employees with postgraduate degrees have made significantly different assessments compared to employees at other educational levels. In terms of sustainability, employees with postgraduate degrees have shown significantly different evaluations only compared to those with undergraduate degrees. Accordingly, it can be concluded that the hypothesis " H_3 : There is a significant difference between employees' perceptions of internal audit and sustainability according to the education level of the employees" is confirmed ($H_3 \rightarrow$ Supported).

Table 7. One Way Anova Test of Internal Audit and Sustainability According to Education Level Variable

Variables	Education Level Groups (I)	Education Level Groups (J)	Mean Differences (I-J)	N	Mean	S. Deviation	p
Internal Audit	Highschool	Associate Degree	,12773	64	3.89	0.56	0.000
		Bachelor's degree	-,24987				
		Postgraduate	-,79031*				
	Associate Degree	Highschool	-,12773	53	3.76	0.82	
		Bachelor's degree	-,37760				
		Postgraduate	-,91803*				
	Bachelor's degree	Highschool	0,24987	71	4.14	0.54	
		Associate Degree	0,37760				
		Postgraduate	-0,54044*				
	Postgraduate	Highschool	0,79031*	30	4.68	0.27	
		Associate Degree	0,91803*				
		Bachelor's degree	0,54044*				
Sustainability	Highschool	Associate Degree	-0,07806	64	3.71	0.74	0.000
		Bachelor's degree	-0,34415				
		Postgraduate	-0,51959				
	Associate Degree	Highschool	0,07806	53	3.79	0.73	
		Bachelor's degree	-0,26608				
		Postgraduate	-0,44152*				
	Bachelor's degree	Highschool	0,34415	71	4.06	0.64	
		Associate Degree	0,26608				
		Postgraduate	-0,17544				
	Postgraduate	Highschool	0,51959	30	4.23	0.59	
		Associate Degree	0,44152*				
		Bachelor's degree	0,17544				

*The significance value for the Post Hoc, Tamhane's T2 test has been determined as 0.008.

Table 8 shows that there are statistically significant differences in employees' perceptions of internal audit and sustainability according to their work experience ($p < 0.05$). It is evident that employees with different levels of work experience perceive internal audit and sustainability differently. Notably, regarding internal audit and sustainability, employees with 21-30 years of work experience have made significantly different assessments compared to those with 6-10 years of work experience. Accordingly, it can be concluded that the hypothesis "*H₄: There is a significant difference between employees' perceptions of internal audit and sustainability according to the work experience of the employees*" is confirmed ($H_4 \rightarrow \text{Supported}$).

Table 8. One Way Anova Test of Internal Audit and Sustainability According to Work Experience Variable

Variables	Work Experience Groups(I)	Work Experience Groups (J)	Mean Differences (I-J)	N	Mean	S. Deviation	p
Internal Audit	0-5 Years	6-10 Years	0,11762	40	3.97	0.66	0.000
		11-20 Years	-0,34603				
		21-30 Years	-0,44299				
		31 Years and More	-0,32315				
	6-10 Years	0-5 Years	-0,11762	40	3.86	0.86	
		11-20 Years	-0,46366				
		21-30 Years	-0,56061*				
		31 Years and More	-0,44077				
	11-20 Years	0-5 Years	0,34603	36	4.32	0.48	
		6-10 Years	0,46366				
		21-30 Years	-0,09696				
		31 Years and More	0,02288				
	21-30 Years	0-5 Years	0,44299	75	4.42	0.52	
		6-10 Years	0,56061*				
		11-20 Years	0,09696				
		31 Years and More	0,11984				
	31 Years and More	0-5 Years	0,32315	27	4.30	0.61	
		6-10 Years	0,44077				
		11-20 Years	-0,02288				
		21-30 Years	-0,11984				
Sustainability	0-5 Years	6-10 Years	0,21279	40	3.95	0.65	0.009
		11-20 Years	-0,11726				
		21-30 Years	-0,22616				
		31 Years and More	-0,15000				
	6-10 Years	0-5 Years	-0,21279	40	3.74	0.76	
		11-20 Years	-0,33005				
		21-30 Years	-0,43895*				
		31 Years and More	-0,36279				
	11-20 Years	0-5 Years	0,11726	36	4.07	0.62	
		6-10 Years	0,33005				
		21-30 Years	-0,10890				
		31 Years and More	-0,03274				
	21-30 Years	0-5 Years	0,22616	75	4.18	0.61	
		6-10 Years	0,43895*				
		11-20 Years	0,10890				
		31 Years and More	0,07616				
	31 Years and More	0-5 Years	0,15000	27	4.10	0.73	
		6-10 Years	0,36279				
		11-20 Years	0,03274				
		21-30 Years	-0,07616				

*The significance value for the Post Hoc, Tamhane's T2 test has been determined as 0.005.

4.5. Multiple Correlation Analysis

To determine whether there are multiple correlations among variables, the correlation coefficients and the Variance Inflation Factor (VIF) values are examined. The literature provides varying reference ranges for what these values should be. For instance, according to Büyüköztürk (2014), the correlation coefficient values should

not exceed 0.80, while Kılıçlı (2022) suggests a maximum of 0.90. Hair et al. (2010) indicate that VIF values should be less than 4, whereas Büyükuysal and Öz (2016) propose that values under 10 are sufficient.

Upon reviewing table 9, it is evident that there are no issues with multiple correlations among the variables. The correlation coefficients and VIF values show that there is no multiple correlation problem between internal audit and sustainability, between internal audit and employee performance, or between sustainability and employee performance. This aligns with the acceptable ranges outlined in the literature.

Table 9. Multiple Correlation Analysis Among Variables

Variables	IA	ST	EP	GE	AG	ES	WE	VIF
IA	1							6.513
ST	0.740**	1						6.093
EP	0.663**	0.710**	1					5.973
GE	-0.244**	-0.190**	-0.177**	1				1.040
AG	0.347**	0.261**	0.205**	-0.084	1			1.087
ES	0.483**	0.279**	0.279**	-0.082	0.024	1		1.093
WE	0.277**	0.175**	0.236**	-0.032	0.083	0.038	1	1.048

Notes: **IA:** Internal Audit; **ST:** Sustainability; **EP:** Employee Performance; **GE:** Gender; **AG:** Age; **ES:** Education Status; **WE:** Work Experience; N: 218; *p<0.05; **p<0.01.

4.6. Multiple Regression Analysis

The purpose of multiple regression is to reveal the total variation in the dependent variable as a function of the independent variables (Kayaalp et al., 2015). In this study, the independent variables are identified as internal audit and sustainability, while the dependent variable is employee performance.

Table 10 shows that there are statistically significant differences in internal audit and sustainability perceptions of employees regarding their performance (p<0.05). The internal audit perception variable is not statistically significant in its relationship with employee performance and has a negative coefficient (p: 0.704; B: -0.031). Accordingly, it can be concluded that the hypothesis "*H₅: Employees' internal audit perceptions have a positive effect on their performance*" is not confirmed (*H₅→Not Supported*).

It is seen that employees' sustainability perceptions are a significant and positive predictor of employee performance level (p: 0.000; B: 0.499). It is understood that 27.8% of the total variance (R²) in the employee performance variable can be explained by the sustainability perception variable, that is, a one-unit increase in employees' sustainability perceptions leads to a 27.8% increase in employee performance. Accordingly, it is understood that the hypothesis "*H₆: Employees' sustainability perceptions have a positive effect on their performance*" is confirmed (*H₆→Supported*).

Table 10. Effect of Variables on Employee Performance Using Regression Analysis

Variables	Coefficient (B)	Beta (β)	Standart Error	T Statistic	Significance (p)
Constant	2.120		0.411	5.164	0.000
Internal Audit	-0.031	-0.022	0.082	-0.380	0.704
Sustainability	0.499	0.526	0.055	9.062	0.000
R ²	0.278				
Adjusted R ²	0.271				

5. DISCUSSION AND CONCLUSION

Internal auditing ensures the improvement of business processes, the effective and efficient use of resources, helps prevent errors, fraud and abuse, reduces losses that may be caused by risks, protects the reputation of institutions and is one of the most basic assistants in the process of achieving their goals. It is an activity that provides added value to every institution with its ethical rules, standards and methodology accepted all over the world and is a need for all institutions. In order to achieve the expected results from internal auditing, it is important for the institution's management to understand and support the roles and responsibilities of internal auditing, to allocate sufficient resources in terms of both human resources and technology, to develop the

competencies of internal auditors and to effectively establish the internal audit methodology. Sustainability has become increasingly important due to the careful use of existing resources against the unlimited use of production factors, excessive production and consumption, poverty and hunger, and developments such as climate change. In the context of sustainability, it is important for businesses to have understandings and practices focused not only on economic performance but also on environmental and social problems. In order to ensure sustainability in businesses, employees' behaviors must be sensitive to the environment and society, businesses must make the environmentally friendly organizational culture their own organizational culture, and develop an organizational culture understanding that is sensitive to the environment and society. Çalışan performansını arttırmak için işletmelerin farklı uygulamaları birbirine entegre ederek işgücüne dayalı bir verimlilik kazanma çabaları artmaktadır. Today's businesses can achieve healthy results by giving importance to internal audit and sustainability in gaining competitive advantage and ensuring continuity. As Tumwebaze et al. (2022) and Görmən and Korkmaz (2022) stated, it should be foreseen that internal audit and sustainability will contribute to all relevant stakeholders, especially businesses, and that this will be achieved by fulfilling the requirements in the most appropriate way.

The study focused on an Istanbul-based food and beverage company to explore how internal audit and sustainability shape employees' perceptions and performance. The findings indicated significant differences in perceptions of internal audit and sustainability based on demographic variables such as gender, age, educational background, and professional experience. These results demonstrate that employees' perceptions of internal audit and sustainability vary according to their demographic characteristics and experiences. For example, it has been found that male employees, those with postgraduate degrees, employees aged 56 and older, and those with 21-30 years of work experience have a more positive perception of internal audit and sustainability. The fact that male employees have more positive perceptions than female employees may indicate that the internal audit and sustainability practices of the organization are structured in a way that is more readily adopted by male employees. Given that internal audit and sustainability are practices with a systematic, forward-looking, and rich content, it can be said that better synthesis and perception of these require a certain level of education, maturity, or experience. Indeed, it can be stated that the results obtained based on education level, age, and work experience variables provide positive outcomes depending on these conditions. Overall, these results suggest that internal audit and sustainability practices do not impact all employees uniformly; some employees perceive them more positively, which could lead to beneficial outcomes for the organization. Having diverse perspectives among employees can provide managers with healthier and more comprehensive ideas during the development phase of these practices.

As a result of the multiple regression analysis conducted to observe the effects of employees' perceptions of internal control and sustainability on their performance, it was seen that the perception of internal control did not affect performance positively, but sustainability did. The insignificant and negative impact of employees' perceptions of internal audit on their performance contradicts the findings of The IIA's 2024 report, which states that internal audit contributes to organizational stability and sustainability by ensuring operational efficiency, reliable reporting, legal compliance, asset protection and ethical culture (IIA, 2024: 7). The emergence of such a contradiction shows that the management of the company does not have a suitable internal audit activity that employees can perceive positively, that is, it cannot present the principles of economy, effectiveness and efficiency that are inherent in internal audit in a way that employees can adopt. Consequently, it appears necessary for organizations to enhance their internal audit practices among employees. Business management should shape internal audit practices in a way that boosts employee performance or work to alter any negative perceptions employees may hold regarding these practices. In this case, if the internal audit mechanism of the company is transparent, if the auditors have superior accounting and financial knowledge, and if it has a constantly improving operation in line with the decisions that include the ideas of the employees, it can increase the performance of the employees by giving them more confidence and a sense of belonging. As noted by Al-Shammari (2010), effective implementation of internal audit functions requires internal auditors to explain and apply policies and procedures while adhering to organizational policies. The positive influence of employees' perceptions of sustainability on their performance indicates that the organization successfully implements this practice and instills it within its workforce. This aligns with Glinik et al.'s findings, which highlight that integrating sustainability into a business model from its inception serves as a driving force for social value creation and differentiation strategies in terms of environmental sustainability (Glinik et al., 2021). The positive perception of sustainability

may stem from its inherent focus on ecological sensitivity, economic viability, and social welfare—values that resonate with society. This connection between sustainable production practices and societal values may enhance employees' sensitivity and affect their perceptions. Balčiūnaitienė and Petkevičiūtė (2020) suggest that employees' awareness of sustainability is crucial for its effective implementation, as employees who embrace sustainability can generate innovative and creative ideas. Similarly, Stubbs and Cocklin (2008) advocate for developing structural and cultural capabilities within organizations to utilize sustainable business models and collaborate with key stakeholders. Furthermore, promoting environmental awareness and training can facilitate a transition to a greener corporate culture, thereby enhancing employee commitment to corporate sustainability (Law, 2017). The limited production resources used to meet the needs of consumers show that sustainability is very important for businesses. With a sustainable production approach, businesses can achieve longer life and as a result of this perception, positive effects can be seen in the living conditions of business employees and consumers. In conclusion, it has been understood that internal audit and sustainability, considered as an application of businesses' efforts to be efficient, can be perceived at different levels by employees, and that sustainability practices have a positive impact on employee performance in terms of workforce-based productivity.

It is also possible to consider the study in terms of some limitations and contributions. This study has some limitations in terms of content and application. For example, although it is known that there are different factors that can affect employee performance, only the effects of internal audit and sustainability factors on employee performance were examined. This situation shows that there is a limitation in the model in terms of independent variables. Including other factors that influence employee performance in the model could yield more generalized results, providing a broader perspective for both the literature and businesses. Moreover, the study only encompasses employees from a food and beverage company in Istanbul, limiting insights into the views of employees in different cultural contexts across various regions. This restriction also hinders the generalization of results to all manufacturing enterprises. It is possible to say that this study contributes to both the literature and business management practices. Firstly, the research is considered to support the limited studies in the field of internal auditing and sustainability within the literature. Moreover, since no studies have been identified in either local or international literature that investigate the impact of internal auditing and sustainability on employee performance using the same model, the study is assumed to be original in this regard. In terms of its contribution to business managers, the study is thought to be guiding in terms of promoting workforce-based productivity and continuity. For instance, Al-Matari et al. (2014) note in their research that internal audit efficiency helps improve company operations and provides a contribution that enhances quality. Similarly, Wolniak et al. (2023) emphasize that while sustainability may be costly, it can provide substantial benefits to businesses in the long run, arguing that collective efforts toward sustainability can ensure resource efficiency, which is essential for continuity and productivity. Based on these studies and the findings obtained from this research, it is assumed that the study could assist managers seeking to make strategic decisions regarding the factors that affect workforce productivity, which is a crucial resource for achieving sustainable production and efficiency. In addition to the contributions of the research conducted, some suggestions can be made that can guide future research. For example, in order to reach more comprehensive results theoretically, the variables considered can be integrated with other variables and perhaps more effective results can be obtained by conducting some analyses in terms of mediating variables. Analyses using variables related to strategic human resources in a structural model can provide a more effective perspective. Studies that can be conducted in different sectors and with the participation of more employees can also be useful to reach more solid results. In addition, in order to increase labor-based productivity in businesses, conducting academic studies that take into account various methods or cultural differences and encouraging business managers to take action in this direction in practice can provide great benefits. Businesses built on strong and scientific foundations can better adapt to changes with a more flexible and productive structure. Additionally, as Görmən and Korkmaz (2022) emphasize, expanding the scope of internal auditing and sustainability to account for future technological advancements, evolving risk environments, and organizational needs could enhance businesses' innovative capabilities and make these practices more proactive. In highly integrated technological work environments, the impact of technologies such as the Internet of Things (IoT), artificial intelligence (AI), blockchain, and virtual reality on internal auditing and sustainability practices should not be overlooked. It is suggested that maintaining these practices in a flexible framework can help businesses achieve their visions more effectively.

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