

Understanding the Contribution of Internal Audit to the Governance of Moroccan Local Authorities: Organizational and Contextual Dynamics

Comprendre la contribution de l'audit interne à la gouvernance des collectivités territoriales marocaines : dynamiques organisationnelles et contextuelles

Zineb SIMOU

PhD Candidate

Laboratory of Management Sciences of Organizations,
Faculty of Economics and Management Sciences,
Ibn Tofail University, Kenitra, Morocco

Driss DAOUI

Professor

Laboratory of Management Sciences of Organizations,
Faculty of Economics and Management Sciences,
Ibn Tofail University, Kenitra, Morocco

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Abstract

This article analyzes the contribution of internal audit to strengthening the governance of Moroccan territorial authorities in a context marked by advanced regionalization and the modernization of public management. Based on an exploratory qualitative approach grounded in semi-structured interviews conducted with key institutional actors, the study highlights that the impact of internal audit on local governance cannot be understood in a mechanical or strictly normative manner. The findings show that internal audit constitutes a structuring lever of governance, whose effectiveness depends on intermediate organizational mechanisms, particularly organizational climate and the optimization of internal processes, as well as contextual factors such as the leadership of elected officials and citizen engagement. On this basis, the research proposes a conceptual model integrating direct relationships, mediating mechanisms, and moderating effects, thereby contributing to a more refined and contextualized understanding of the conditions under which internal audit becomes effective in the governance of Moroccan territorial authorities.

Keywords: internal audit, public governance, territorial authorities, qualitative study, Morocco.

Résumé

Cet article analyse la contribution de l'audit interne au renforcement de la gouvernance des collectivités territoriales marocaines dans un contexte marqué par la régionalisation avancée et la modernisation de la gestion publique. S'appuyant sur une approche qualitative exploratoire fondée sur des entretiens semi-directifs menés auprès d'acteurs institutionnels clés, l'étude met en évidence que l'impact de l'audit interne sur la gouvernance locale ne peut être appréhendé de manière mécanique ou strictement normative. Les résultats montrent que l'audit interne constitue un levier structurant de la gouvernance, dont l'efficacité dépend de mécanismes organisationnels intermédiaires, notamment le climat organisationnel et l'optimisation des processus internes, ainsi que de facteurs contextuels tels que le leadership des élus et l'engagement citoyen. Sur cette base, la recherche propose un modèle conceptuel intégrant des relations directes, des mécanismes médiateurs et des effets modérateurs, contribuant ainsi à une compréhension plus fine et contextualisée des conditions dans lesquelles l'audit interne devient efficace dans la gouvernance des collectivités territoriales marocaines.

Mots-clés : audit interne, gouvernance publique, collectivités territoriales, étude qualitative, Maroc.

1. Introduction and Problem Statement

The governance of public organizations occupies a central place in contemporary public management reforms, both in developed countries and in emerging economies. The increasing demands in terms of transparency, performance, and accountability have led states to strengthen mechanisms for steering, control, and evaluation of public action. From this perspective, governance is not limited to a formal institutional framework or a set of legal rules, but rather refers to organizational, managerial, and relational mechanisms that ensure the coherence of public action, risk management, and the legitimacy of collective decisions (Rhodes, 1997).

In Morocco, these dynamics are embedded in a process of progressive modernization of public management initiated since the 1990s and consolidated by the 2011 Constitution. The adoption of the principle of advanced regionalization has profoundly transformed the territorial organization of the State by granting territorial authorities broader powers and reinforced administrative and financial autonomy. This evolution has repositioned territorial authorities as central actors in the implementation of local public policies, while increasing expectations in terms of governance, internal control, and accountability.

Within this renewed institutional context, internal audit has gradually established itself as a structuring instrument of public governance. The Royal Letter of 1993 addressed to the Prime Minister marked a decisive stage in the diffusion of internal audit practices within the public sector. This orientation was reinforced by the adoption of the Moroccan Code of Good Governance Practices for Public Establishments and Enterprises in 2008, which enshrined internal audit as a strategic lever for transparency, performance, and risk management. Internal audit is therefore conceived as a permanent activity for evaluating internal control systems, risk management, and governance, contributing to the continuous improvement of organizational processes.

However, despite its institutionalization within the public sector, the effectiveness of internal audit depends less on its formal existence than on the conditions of its organizational integration, its institutional positioning, its functional independence, and the actual follow-up of its recommendations (Power, 1999; Jensen & Meckling, 1976).

These issues take on a particular dimension in the case of territorial authorities. Local governance mechanisms are characterized by strong organizational heterogeneity, a plurality of actors with sometimes divergent logics, and a complex articulation between administrative, financial, and political dimensions. In such an environment, internal audit cannot be understood

as an isolated or intrinsically effective mechanism, but rather as a device whose impact depends closely on the organizational and contextual conditions within which it is embedded.

Recent studies on the governance of Moroccan territorial authorities show that internal audit constitutes a potential lever for strengthening local governance, particularly in terms of transparency, accountability, and process optimization. However, its effectiveness remains closely conditioned by organizational and contextual factors, such as organizational climate, the structuring of internal processes, the leadership of territorial officials, and citizen engagement (Simou & Daoui, 2024).

These observations lead us to move beyond a strictly normative approach to internal audit in order to focus on its actual conditions of deployment in local governance. Although the literature acknowledges its role in public governance, the organizational mechanisms through which internal audit concretely contributes to improving the governance of territorial authorities, particularly in advanced decentralization contexts, remain insufficiently explored.

That being said, this article aims to deepen the analysis of the conditions under which internal audit becomes effective in the governance of Moroccan territorial authorities. It mobilizes an exploratory qualitative approach, based on the analysis of the practices and discourses of institutional actors directly involved in audit, control, and local public management missions. The objective is not to quantitatively assess the impact of internal audit, but rather to understand, based on field evidence, the organizational mechanisms and contextual conditions that structure its influence on local governance and that contribute to the construction of an explanatory conceptual model.

The central research problem can therefore be formulated as follows: how does internal audit contribute to strengthening the governance of Moroccan territorial authorities, and under which organizational and contextual conditions can this contribution be effective?

To address this research problem, the article is structured into several complementary analytical stages. First, it proposes a conceptual, theoretical, and institutional framework of internal audit and the governance of territorial authorities, taking into account the specificities of the Moroccan context. It then presents the exploratory qualitative approach adopted, as well as the main empirical findings derived from the analysis of the discourses of institutional actors. Finally, it mobilizes these insights to conceptualize an explanatory model integrating direct relationships, mediating mechanisms, and moderating effects, and to formulate the resulting

research propositions.

Public sector governance occupies a central position in contemporary public management reforms, both in developed countries and emerging economies. Growing demands for transparency, performance, and accountability have led governments to strengthen steering, control, and evaluation mechanisms. From this perspective, governance cannot be reduced to a formal institutional framework or a set of legal rules; rather, it refers to organizational, managerial, and relational mechanisms that ensure policy coherence, risk control, and the legitimacy of collective decisions (Rhodes, 1997).

In Morocco, these dynamics are embedded in a gradual public management modernization process initiated in the 1990s and consolidated by the 2011 Constitution. The adoption of advanced regionalization has profoundly transformed the territorial organization of the State, granting local authorities expanded competencies and increased administrative and financial autonomy. This evolution has repositioned local authorities as key actors in the implementation of local public policies, while simultaneously intensifying expectations regarding governance, internal control, and accountability.

Within this renewed institutional framework, internal audit has progressively emerged as a structuring instrument of public governance. The 1993 Royal Letter addressed to the Prime Minister marked a decisive step in the diffusion of internal audit practices within the public sector. This orientation was reinforced by the adoption of the Moroccan Code of Good Governance Practices for Public Establishments and Enterprises in 2008, which formally recognized internal audit as a strategic lever for transparency, performance, and risk management. Internal audit is thus conceived as a permanent activity for assessing internal control systems, risk management, and governance, contributing to the continuous improvement of organizational processes.

However, despite its institutionalization in the public sector, the effectiveness of internal audit depends less on its formal existence than on the conditions of its organizational integration, its institutional positioning, its functional independence, and the effective follow-up of its recommendations (Power, 1999; Jensen & Meckling, 1976).

These issues are particularly salient in the case of local authorities. Local governance arrangements are characterized by strong organizational heterogeneity, a multiplicity of actors with sometimes divergent logics, and complex interactions between administrative, financial,

and political dimensions. In such an environment, internal audit cannot be understood as an isolated or inherently effective mechanism, but rather as a device whose impact is closely conditioned by the organizational and contextual environment in which it operates.

Recent studies on the governance of Moroccan local authorities indicate that internal audit constitutes a potential lever for strengthening local governance, particularly in terms of transparency, accountability, and process optimization. Nevertheless, its effectiveness remains highly contingent upon organizational and contextual factors such as organizational climate, the structuring of internal processes, the leadership of territorial officials, and citizen engagement (Simou & Daoui, 2024).

These observations call for moving beyond a strictly normative approach to internal audit and for examining the concrete conditions of its effectiveness in local governance. Although the literature widely acknowledges the role of internal audit in public governance, the organizational mechanisms through which it effectively contributes to improving the governance of local authorities—especially in advanced decentralization contexts—remain insufficiently explored.

Accordingly, this paper aims to deepen the analysis of the conditions under which internal audit effectively contributes to the governance of Moroccan local authorities. It adopts an exploratory qualitative approach based on the analysis of practices and discourses of institutional actors directly involved in audit, control, and local public management activities. Rather than quantitatively measuring the impact of internal audit, the objective is to understand—based on field evidence—the organizational mechanisms and contextual conditions that structure its influence on local governance and inform the construction of an explanatory conceptual model.

The central research question can therefore be formulated as follows: How does internal audit contribute to strengthening the governance of Moroccan local authorities, and under what organizational and contextual conditions does this contribution become effective?

To address this question, the paper is structured into several complementary analytical stages. First, it provides a conceptual, theoretical, and institutional framework for internal audit and local authority governance, taking into account Moroccan specificities. It then presents the exploratory qualitative methodology and the main empirical findings derived from actor discourse analysis. Finally, these insights are mobilized to conceptualize an explanatory model integrating direct relationships, mediating mechanisms, and moderating effects, and to

formulate the resulting research hypotheses.

2. Conceptual, Theoretical, and Institutional Framework

The present research lies at the intersection of the literature on public governance, internal audit in the public sector, and institutional transformations related to decentralization. It adopts a contextualized perspective aimed at articulating international theoretical contributions with the specificities of the Moroccan field, particularly within the framework of territorial authorities.

The analysis of the contribution of internal audit to the governance of territorial authorities requires a framework that articulates conceptual, theoretical, and institutional dimensions.

2.1. Territorial Authorities in Morocco

Moroccan territorial authorities constitute a central pillar of the territorial organization of the State and a key level for the implementation of local public policies. Defined by the 2011 Constitution as public entities endowed with legal personality and administrative and financial autonomy, they are entrusted with the mission of democratically managing local affairs and promoting balanced territorial development, in accordance with the principles of free administration, subsidiarity, cooperation, and citizen participation (Abibi, 2015).

The Moroccan territorial architecture is based on a three-level organization comprising twelve regions, seventy-five prefectures and provinces, and one thousand five hundred and three municipalities. The regions occupy a strategic position in territorial planning and economic development, while prefectures and provinces ensure an interface role in the implementation of national policies. Municipalities, for their part, are responsible for the direct management of local public services, which places them at the core of the day-to-day challenges of local governance (Kingdom of Morocco, 2015a, 2015b, 2015c).

This institutional configuration is embedded in a historical trajectory marked by a long tradition of administrative centralization. Although forms of community governance historically existed through the *jemaâs*, the modern structuring of local management progressively developed from the beginning of the twentieth century before becoming durably marked by strong centralization after independence. In this respect, the 2011 Constitution constitutes a major turning point by enshrining decentralization and initiating institutional reforms aimed at strengthening the autonomy of territorial authorities and the quality of their governance (Ennaciri, 2009; El Moujahid, 2019).

The reforms undertaken have contributed to mitigating certain recurring criticisms related to the concentration of powers, the unclear distribution of responsibilities, and the weakness of the financial autonomy of territorial authorities. In particular, the National Charter of Administrative Deconcentration of 2018 aimed to bring decision-making centers closer to territories and improve coordination between deconcentrated state services and territorial authorities. At the same time, digital and organizational tools have been deployed to modernize local public management, strengthen transparency, and improve the relationship with citizens through mechanisms such as the National Portal of Territorial Authorities, Rokhas.ma, and Chikaya.ma (El Moujahid, 2019; El Kadiri Boutchich & Gallouj, 2020).

The organic laws of 2015 also introduced citizen participation mechanisms aimed at involving local populations more closely in the management of public affairs. The emergence of participatory budgeting experiences and the establishment of consultative commissions reflect a willingness to expand participatory governance at the local level, even though their effectiveness remains uneven across territories and is sometimes limited by mechanisms that are not sufficiently accessible or weakly institutionalized (Abibi, 2015; El Kadiri Boutchich & Gallouj, 2020).

From the standpoint of control and transparency, the governance of territorial authorities is based on an articulation between external controls, mainly ensured by financial courts, and internal control mechanisms implemented within the authorities themselves. Regulatory reforms, particularly in the area of public procurement, have strengthened requirements for transparency and compliance. However, recurring findings from control reports highlight the persistence of organizational shortcomings, particularly with regard to institutional coordination, the professionalization of human resources, and the effective follow-up of recommendations, revealing a gap between normative prescriptions and actual practices.

In this context, strengthening local governance appears inseparable from improving the organizational capacities of territorial authorities, deepening their financial and institutional autonomy, and developing more inclusive and operational citizen participation mechanisms. These challenges confer upon internal audit a potentially structuring role, not as a simple compliance tool, but as a lever for the sustainable improvement of territorial governance, provided that it is effectively integrated into the organizational and decision-making mechanisms of territorial authorities (Simou & Daoui, 2024; Salhi, 2023).

2.2. Conceptual Landmarks and Theoretical Framework

Internal audit can be understood as a central mechanism of local public governance, going beyond a strictly normative or compliance-based function. International frameworks define it as an independent and objective activity contributing to process improvement, risk management, and governance strengthening (Institute of Internal Auditors, 2017; Committee of Sponsoring Organizations of the Treadway Commission, 2013).

From a theoretical standpoint, the contribution of internal audit to governance can be illuminated through several complementary frameworks. Agency theory highlights its role in reducing information asymmetries and agency costs between citizens, elected officials, and public managers by strengthening transparency and accountability (Jensen & Meckling, 1976). Transaction cost theory, for its part, makes it possible to understand internal audit as a lever for optimizing internal processes by limiting organizational inefficiencies linked to uncertainty, procedural complexity, and opportunistic behavior (Williamson, 1985).

These contributions are complemented by the contingency approach, which emphasizes that the impact of internal audit varies according to the organizational and contextual characteristics of territorial authorities, such as size, mission complexity, resource availability, and organizational climate (Chenhall, 2003). Finally, stakeholder theory makes it possible to integrate the participatory dimension of local governance by considering citizen engagement as a factor likely to strengthen the effectiveness of internal audit by increasing pressure in favor of transparency and the follow-up of recommendations (Freeman, 1984).

3. Exploratory Qualitative Approach and Empirical Findings

3.1. Purpose and Scope of the Exploratory Qualitative Study

The exploratory qualitative study aims to analyze in depth the actual practices of internal audit within Moroccan territorial authorities by highlighting the organizational, institutional, and human mechanisms that structure its implementation and condition its contribution to local governance. This empirical phase is part of a logic of contextualized understanding of complex organizational phenomena, in accordance with qualitative approaches in management sciences, which privilege the analysis of actual practices and the representations of actors (Paillé & Mucchielli, 2012; Yin, 1994).

The objective of this study is twofold. On the one hand, it seeks to document the concrete modalities of the implementation of internal audit in Moroccan territorial authorities and, on

the other hand, to identify the specific contextual dimensions likely to shed light on the observed dynamics. This approach thus makes it possible to ground the analysis on empirical data directly derived from the field while taking into account the institutional and organizational specificities of the context under study.

3.2. Methodological Design and Data Collection

The methodology deployed is part of an exploratory qualitative logic. After the development of the conceptual framework of the research, an exploratory qualitative phase was conducted in order to assess the relevance of the concepts mobilized and examine their adequacy with field realities. From this perspective, the present study aims to analyze, on the basis of actual practices observed in the field, the institutional, organizational, and professional mechanisms that structure public internal audit and influence the governance of territorial authorities.

The field of this research consists of Moroccan territorial authorities, approached through the main public bodies responsible for control, audit, and inspection. The choice of this field is explained by the growing importance accorded to local governance, financial transparency, and accountability within the framework of advanced regionalization and public management reforms in Morocco.

The qualitative study relies on two key institutions of external public audit intervening with Moroccan territorial authorities: the Regional Courts of Accounts and the General Inspectorate of Finance. These two bodies constitute the pillars of the national system of public control and audit, each operating according to distinct but complementary logics, competencies, and institutional prerogatives.

The sample selected is purposive and intentional in nature, in accordance with the principles of qualitative research. It consists of ten key actors directly involved in audit, control, and management missions of territorial authorities, namely heads of internal audit departments, internal audit officers, heads of financial and administrative affairs departments, financial inspectors, as well as mission heads and auditors. This diversity of profiles makes it possible to cover all dimensions of public control and ensure an in-depth analysis of internal audit practices and local governance.

The choice of these profiles is justified by their in-depth expertise, their direct field experience, and their involvement in the audit and governance processes of territorial authorities. This diversity of institutional and hierarchical positions makes it possible to cross perspectives, enrich the analysis, and better grasp complementarities, as well as possible divergences, in the

practices and perceptions of public internal audit. It thus contributes to a comprehensive and nuanced understanding of the role of internal audit in strengthening territorial public governance in Morocco.

The use of semi-structured interviews constitutes the main data collection tool within the framework of this exploratory qualitative research. This method makes it possible to explore in depth a complex and institutional field of research by fostering the production of rich, diversified, and contextualized data. It offers the researcher the possibility of grasping the action logics, professional practices, and representations of the actors involved in internal audit and public governance mechanisms within Moroccan territorial authorities.

In accordance with the principles of qualitative research (Wacheux, 1996), the size of the sample does not aim at statistical representativeness, but rather at an in-depth understanding of the phenomenon under study. The choice of respondents is thus part of a reasoned and intentional logic. In this respect, the qualitative study was conducted with ten key actors occupying strategic and operational positions within the public control and audit bodies intervening with territorial authorities.

The interviews were conducted individually and semi-structured between October 2025 and February 2026, with an average duration ranging from 32 to 38 minutes. This mode of conduct made it possible to freely address the selected themes while allowing respondents the opportunity to develop their statements, clarify certain ideas, or return to elements deemed important.

The interview guide was structured around four main analytical axes: the organization and functioning of internal audit, the challenges and constraints related to its implementation, the best practices and improvement levers identified by the actors, as well as the perceived role and impact of internal audit in local governance.

A high degree of flexibility was maintained throughout the exchanges in order to foster a climate of trust conducive to the sincere expression of opinions, perceptions, and professional experiences of the interviewees.

3.3. Selection Criteria of the Territorial Authorities Studied and Territorial Anchoring

The selection of the territorial authorities studied is based on a reasoned and qualitative logic, consistent with the exploratory objectives of the study. The choice of authorities does not fall within a perspective of statistical representativeness, but rather within a logic of analytical and

institutional relevance.

In this respect, the study is territorially anchored at the level of the prefecture of Tangier-Assilah, located in the Tangier-Tetouan-Al Hoceima region, which constitutes a particularly relevant field due to the dynamics of local public management and the active presence of public control and audit bodies. The territorial authorities selected thus constitute significant contexts for observing actual internal audit practices, public control mechanisms, and their interactions with local governance systems.

A first determining criterion concerns the existence and degree of structuring of audit and internal control mechanisms. Authorities having recently or recurrently been subject to control missions were selected, thus making it possible to access actual and up-to-date internal audit practices.

A second criterion is based on the institutional and budgetary importance of the selected territorial authorities. Authorities endowed with significant budgets, extended competencies, and increased responsibilities in the management of public resources were privileged.

The third criterion concerns the organizational and functional diversity of the territorial authorities studied. The objective is to cover authorities presenting varied profiles in terms of size, administrative complexity, and governance modes.

A fourth criterion lies in the level of interaction between territorial authorities and external public audit bodies.

Finally, a last criterion concerns field accessibility and research feasibility.

Ultimately, the combination of these criteria, articulated around a precise territorial anchoring and a reasoned selection of the cases studied, made it possible to constitute a coherent and relevant field of study. It offers an analytical framework favorable to the exploration of the role of internal audit in the public governance of Moroccan territorial authorities while strengthening the validity and credibility of the research findings.

3.4. Data Processing and Analysis

All interviews were recorded with the consent of the respondents and then fully transcribed. At the end of the collection phase, a thematic content analysis was carried out (Tesch, 1990; Paillé & Mucchielli, 2012; Miles, Huberman, & Saldaña, 2014) in order to systematically examine the collected discourses. This method is based on the identification and analysis of recurrent units of meaning, the repetition of which reveals the centers of interest, concerns, and action

logics of the actors interviewed.

From this perspective, the data were coded and structured using NVivo 15 software, allowing both a vertical and horizontal reading of the corpus. An analytical grid was thus developed in order to group the emerging themes related to internal audit practices, public governance mechanisms, and their interactions at the level of Moroccan territorial authorities.

Thematic content analysis was privileged. This method made it possible to identify and structure the main themes related to the organization of internal audit, the constraints encountered in its implementation, the best practices observed, and its impact on the governance of territorial authorities.

In addition, a lexical analysis was mobilized in order to enrich the thematic analysis. It makes it possible to examine the frequency and co-occurrence of terms, identify repeated segments, and better understand the dominant representations related to internal audit and the governance of Moroccan territorial authorities.

3.5. Presentation and Analysis of Empirical Findings

In this section, the findings are presented according to each of the selected analytical axes. The analysis is based on a manual textual reading of the interviewees' discourses, complemented by word frequency analysis and the generation of word clouds using NVivo 15 software. This combination makes it possible to identify dominant themes and the most recurrent concepts while ensuring a better understanding of the qualitative data collected.

3.5.1. Organization and Functioning of Internal Audit within Territorial Authorities

The analysis of the collected discourses highlights that internal audit within Moroccan territorial authorities is characterized by a formal organization, the functioning of which nevertheless remains mainly administrative, corrective, and strongly hierarchical. The perceptions expressed reveal a convergence around several key dimensions: organizational structuring, hierarchical reporting, mission scheduling, and the limitations of current functioning.

Table 1: Frequency of Dominant Themes – Organization and Functioning

Words	Occurrence	Weighted Percentage (%)
Audit	58	14.30
Internal	53	13.10
Missions	44	10.90

Words	Occurrence	Weighted Percentage (%)
Management	38	9.40
Authorities	34	8.40
Functioning	31	7.70
Control	28	6.90
Management	26	6.40
Organization	24	5.90
Procedures	21	5.20

Source: Qualitative study conducted between October 2025 and March 2026.

Figure 1. Word Cloud – Axis 1



Source: Qualitative study conducted between October 2025 and March 2026, NVivo 15.

The analysis of the collected discourses highlights that internal audit within Moroccan territorial authorities is characterized by a formal organization, yet its functioning remains mainly administrative, corrective, and strongly hierarchical. The perceptions expressed reveal convergence around several key dimensions: organizational structuring, hierarchical reporting, mission scheduling, and the limitations of current functioning.

The statements of the interviewees show that internal audit is generally organized in the form of dedicated units or specialized departments reporting to the general management or the council of the territorial authority. As emphasized by P1, “*internal audit is organized in the form of dedicated independent units,*” which reflects an institutional willingness to formalize the mechanism. Conversely, P6 states that “*there is no clearly dedicated structure for internal*

audit, ”highlighting strong heterogeneity among authorities. This organization is theoretically intended to guarantee the functional independence of internal audit. However, this structuring appears heterogeneous across the authorities studied. In some cases, the mechanisms appear relatively formalized, while in others, audit missions are shared with other departments, which reflects a still partial institutionalization.

Hierarchical reporting constitutes a central element in the discourses of the interviewees. This hierarchical configuration is perceived as a factor that may limit the autonomy of internal audit. Institutional dependence reduces the possibility for internal audit to play a strategic and proactive role within territorial authorities.

The functioning of internal audit mainly relies on an annual mission schedule, validated by the executive authority. This planning essentially concerns areas considered at risk, particularly public procurement, budget management, municipal revenue services, and communal assets. However, the interviews also show that certain missions may be triggered depending on the degree of urgency or following observed dysfunctions, which highlights the reactive and corrective nature of internal audit.

The interviewees also emphasize several constraints related to the functioning of internal audit. P3 insists that *“the lack of qualified human resources limits the effectiveness of missions,”* while P8 notes that *“communication between departments remains limited,”* which supports the analysis of organizational difficulties, particularly the lack of qualified human resources, the absence of procedure manuals, and coordination deficits between internal audit and financial and administrative departments.

The analysis of this axis thus shows that internal audit in Moroccan territorial authorities is characterized by partial institutionalization. Although formal structures exist, their functioning remains marked by a logic of compliance, ex post control, and hierarchical dependence.

3.5.2. Challenges and Constraints Related to the Implementation of Internal Audit

The analysis of the discourses highlights that the implementation of internal audit in Moroccan territorial authorities is confronted with multiple challenges, both organizational, human, cultural, institutional, and political. These constraints directly affect the effectiveness, objectivity, and scope of internal audit missions. Lexical analysis makes it possible to objectify the predominance of these dimensions, as shown in Table 2.

of tools, and the absence of structured risk management mechanisms. The interviewees also insist on time pressure, coordination difficulties between departments, and the institutional obstacles surrounding the follow-up of recommendations.

These elements confirm that the effectiveness of internal audit depends not only on the existence of the mechanism but also on the organizational environment within which it is deployed.

3.5.3. Best Practices, Observed Effects, and Improvement Levers

Despite the identified constraints, the discourses of the actors highlight several improvement levers for the internal audit mechanism, mainly based on the evolution of practices and the professionalization of actors. The interviewees mention observable effects, such as improved compliance with procedures, faster correction of anomalies, and better consideration of risks.

Table 3: Frequency of Dominant Terms – Impact and Improvement Levers

Words	Occurrence	Weighted Percentage (%)
Improvement	39	13.20
Internal audit	36	12.20
Best practices	31	10.50
Recommendations	28	9.50
Preventive	24	8.10
Training	22	7.40
Digitalization	16	5.40

Source: Qualitative study conducted between October 2025 and March 2026.

Figure 3. Word Cloud – Axis 3



Source: Qualitative study conducted between October 2025 and March 2026, NVivo 15.

The identified improvement levers notably concern the development of a more preventive approach, continuous training of auditors, management involvement, and the digitalization of tools.

Dialogue, interdepartmental collaboration, and the appropriation of recommendations also appear as important conditions for strengthening the effectiveness of internal audit.

3.5.4. Empirical Insights and Contributions of the Exploratory Qualitative Study

The qualitative analysis highlights contextual elements specific to Moroccan territorial authorities that structure the effectiveness of internal audit in local governance. The findings notably underline institutional complexity, the overlap of control bodies, and the influence of the local sociopolitical environment, confirming the relevance of a contextualized qualitative approach to understanding organizational practices in their real framework of exercise (Yin, 1994).

The collected discourses also reveal the structuring role of citizen participation in strengthening transparency and accountability. Citizen involvement appears as a factor of institutional pressure favoring better consideration of control mechanisms and more effective follow-up of recommendations, in line with the foundational works on participatory governance (Arnstein, 1969).

Taken together, these empirical findings provide an in-depth reading of internal audit practices and the organizational constraints surrounding them at the local level. They highlight the mechanisms through which internal audit can contribute to strengthening the governance of territorial authorities, while underlining the existing margins for improvement.

The diversity of the profiles interviewed and the triangulation of data reinforce the credibility and internal validity of the analysis, giving the study a robust empirical foundation for the construction of the proposed conceptual model (Wacheux, 1996; Miles et al., 2014).

4. Development of the Conceptual Model and Formulation of Research Propositions

Building on the empirical findings derived from the exploratory qualitative study and the theoretical foundations previously mobilized, this section aims to develop the conceptual model of the research and formulate the resulting propositions. The objective is to articulate, in a coherent analytical framework, the mechanisms through which internal audit contributes to

strengthening the governance of Moroccan territorial authorities, while taking into account the mediating and moderating effects identified in the field.

The qualitative findings reveal that the contribution of internal audit cannot be reduced to a simple direct effect on governance. Rather, it appears to be conditioned by several organizational and contextual variables that structure its effectiveness and influence its actual impact on territorial governance mechanisms.

4.1. Direct Relationship Between Internal Audit and the Governance of Territorial Authorities

The exploratory study confirms that internal audit contributes directly to strengthening the governance of territorial authorities through the improvement of transparency, accountability, risk management, and compliance with procedures. The discourses of the actors interviewed highlight that internal audit plays a structuring role in the identification of dysfunctions, the securing of administrative and financial processes, and the formulation of corrective recommendations.

Several respondents explicitly stressed the positive contribution of internal audit to improving local public management. One respondent emphasized that “the recommendations have enabled faster correction of anomalies,” which illustrates the direct effect of internal audit on the operational quality of local governance.

This direct relationship is also supported by the theoretical frameworks mobilized, particularly agency theory, which highlights the reduction of information asymmetries and the strengthening of accountability mechanisms (Jensen & Meckling, 1976), as well as by the international literature on internal audit in the public sector (IIA, 2017).

On this basis, the following proposition is formulated:

P1: Internal audit positively contributes to strengthening the governance of Moroccan territorial authorities.

4.2. Mediating Role of Organizational Climate

The empirical findings reveal that the effect of internal audit on governance is partly conditioned by the organizational climate prevailing within territorial authorities. The quality of professional interactions, the level of trust between departments, the prevailing administrative culture, and the degree of cooperation among actors directly influence the effectiveness of audit missions and the implementation of recommendations.

The interviews reveal that the organizational climate can either facilitate or hinder the contribution of internal audit. In environments characterized by openness, collaboration, and managerial support, audit recommendations tend to be better accepted and more rapidly operationalized. Conversely, in contexts marked by resistance, hierarchical rigidity, or a sanction-oriented perception of audit, the effectiveness of internal audit remains limited.

This finding is consistent with contingency theory, which emphasizes that organizational effectiveness depends on contextual variables and internal organizational conditions (Chenhall, 2003).

Accordingly, the following proposition is formulated:

P2: Organizational climate acts as a mediating mechanism in the relationship between internal audit and the governance of territorial authorities.

4.3. Mediating Role of Internal Process Optimization

The qualitative analysis also highlights the central role of internal process optimization as an explanatory mechanism of the effect of internal audit on governance.

The empirical findings show that the effectiveness of internal audit is largely expressed through the rationalization of procedures, the formalization of internal circuits, the reduction of dysfunctions, and the strengthening of process traceability.

Several respondents insisted on the fact that internal audit contributes to improving the fluidity of administrative and financial processes. This dimension appears as a central pathway through which internal audit produces tangible effects on local governance.

This result is theoretically supported by transaction cost theory, which considers process optimization as a lever for reducing inefficiencies and strengthening organizational performance (Williamson, 1985).

This leads to the following proposition:

P3: Internal process optimization mediates the contribution of internal audit to the governance of territorial authorities.

4.4. Moderating Role of Leadership of Elected Officials and Territorial Managers

The findings also underline the importance of the leadership exercised by elected officials and territorial managers in strengthening the effectiveness of internal audit.

The commitment of decision-makers, their support for audit missions, and their willingness to

implement recommendations appear as determining factors in the actual contribution of internal audit to local governance.

In several interviews, respondents emphasized that the support of leadership facilitates access to information, improves interdepartmental cooperation, and strengthens the legitimacy of the audit function.

This dimension reinforces the idea that the contribution of internal audit is partly contingent on the strategic posture of local decision-makers.

Accordingly, the following proposition is formulated:

P4: The leadership of elected officials and territorial managers positively moderates the relationship between internal audit and the governance of territorial authorities.

4.5. Moderating Role of Citizen Engagement

The exploratory qualitative study also reveals the structuring role of citizen engagement in strengthening the contribution of internal audit to local governance.

Citizen participation, demands for transparency, and mechanisms of accountability constitute forms of institutional pressure that reinforce the importance of control and the implementation of recommendations.

This finding is consistent with stakeholder theory (Freeman, 1984) and the literature on participatory governance (Arnstein, 1969).

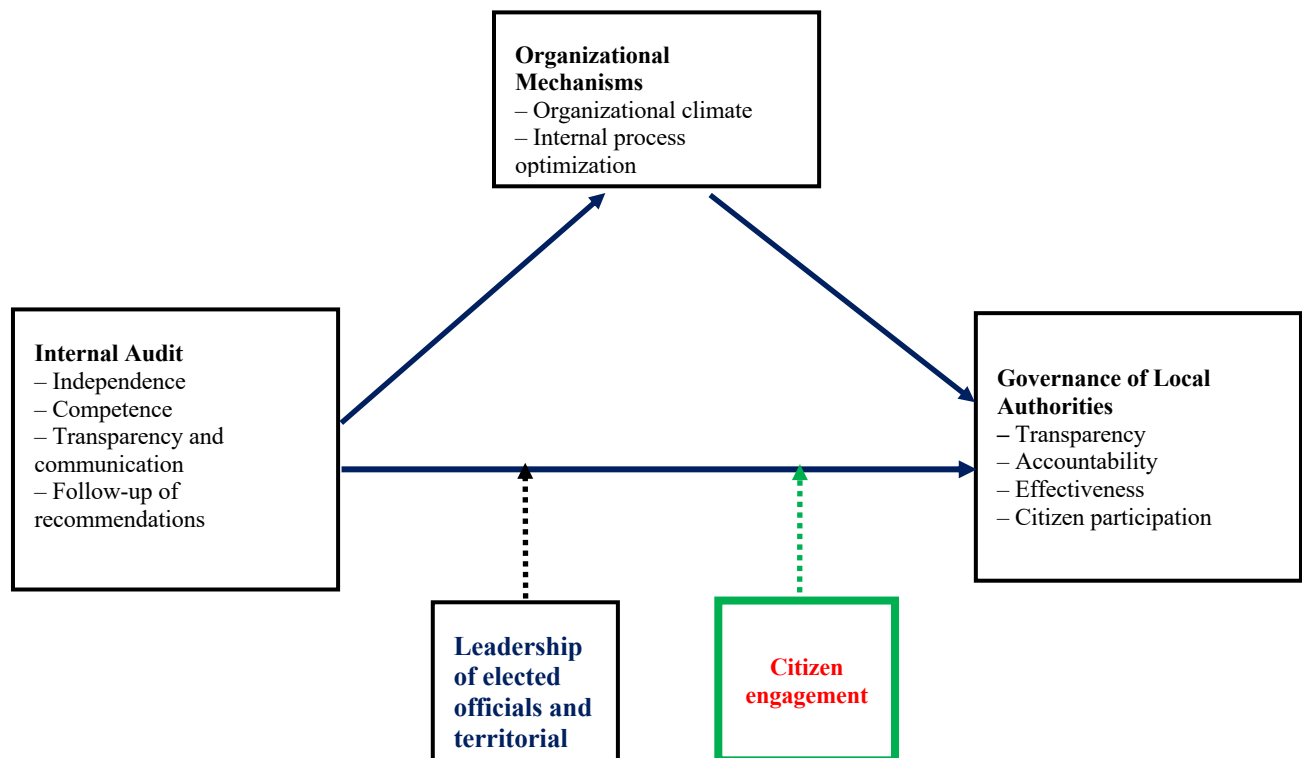
This leads to the following proposition:

P5: Citizen engagement positively moderates the relationship between internal audit and the governance of territorial authorities.

4.6. Proposed Conceptual Model

Based on the previous developments, the research proposes an integrated conceptual model articulating the direct, mediating, and moderating relationships identified.

Figure 4. Contextualized Conceptual Research Model



The model positions internal audit as the explanatory variable directly influencing the governance of territorial authorities. This relationship is mediated by organizational climate and internal process optimization, while leadership and citizen engagement act as moderating variables.

This conceptualization provides an analytical framework capable of structuring future empirical investigations and quantitatively testing the proposed relationships.

5. General Discussion, Contributions, and Implications of the Research

This section aims to discuss the main findings of the study in light of the theoretical frameworks mobilized and the empirical insights derived from the exploratory qualitative phase. It also highlights the theoretical, methodological, and managerial contributions of the research, as well as its implications for the governance of Moroccan territorial authorities.

5.1. General Discussion of the Findings

The findings of the exploratory qualitative study confirm that internal audit cannot be considered a purely technical or normative mechanism whose effectiveness would be

guaranteed solely by its formal existence. On the contrary, the study highlights that the contribution of internal audit to strengthening the governance of territorial authorities is deeply conditioned by the organizational and contextual environment within which it is embedded.

The direct effect identified between internal audit and governance supports the existing literature emphasizing the structuring role of audit in transparency, accountability, and risk management mechanisms (IIA, 2017; COSO, 2013). The empirical findings notably confirm that internal audit contributes to improving compliance with procedures, the identification of dysfunctions, and the quality of corrective actions undertaken by territorial authorities.

However, beyond this direct relationship, the study highlights the importance of mediating organizational mechanisms. Organizational climate emerges as a central explanatory variable. The quality of professional interactions, the level of cooperation between departments, and the prevailing administrative culture directly influence the implementation of recommendations and, consequently, the effectiveness of internal audit.

This finding is consistent with the contingency approach, which emphasizes that organizational mechanisms produce differentiated effects depending on the internal context of organizations (Chenhall, 2003). In the specific case of territorial authorities, this dimension appears particularly structuring due to the complexity of administrative interactions and the multiplicity of institutional stakeholders.

Similarly, internal process optimization appears as a major explanatory pathway. The empirical findings show that the contribution of internal audit is concretely expressed through the rationalization of procedures, the strengthening of traceability, and the reduction of dysfunctions in administrative and financial circuits.

This result supports the contributions of transaction cost theory (Williamson, 1985), according to which organizational mechanisms that improve process efficiency reduce uncertainty and strengthen institutional performance.

The study also highlights the moderating role of the leadership exercised by elected officials and territorial managers. The involvement of local decision-makers, their support for the audit function, and their commitment to implementing recommendations significantly strengthen the contribution of internal audit to governance.

Finally, citizen engagement appears as a structuring contextual variable. The findings confirm that demands for transparency and participation exert institutional pressure likely to reinforce

the effectiveness of internal audit, in line with stakeholder theory (Freeman, 1984) and the literature on participatory governance (Arnstein, 1969).

5.2. Theoretical Contributions

This research makes several major theoretical contributions.

First, it enriches the literature on public governance by proposing a contextualized reading of the mechanisms through which internal audit contributes to strengthening the governance of territorial authorities in an advanced decentralization context.

Second, it contributes to the literature on public internal audit by going beyond a strictly normative or compliance-based perspective. The study shows that the effectiveness of internal audit depends on organizational and contextual variables that had remained insufficiently explored in previous research.

Third, the research proposes an integrated conceptual model combining direct relationships, mediating mechanisms, and moderating effects. This model constitutes a robust analytical framework for future empirical investigations.

Finally, the study contributes to the literature on territorial governance in Morocco by highlighting the institutional specificities that structure the effectiveness of public internal audit at the local level.

5.3. Methodological Contributions

From a methodological standpoint, the study highlights the relevance of an exploratory qualitative approach for analyzing complex organizational phenomena embedded in a specific institutional context.

The use of semi-structured interviews, combined with thematic and lexical analyses conducted through NVivo 15, made it possible to produce rich, contextualized, and analytically robust empirical material.

The triangulation between verbatims, frequency tables, and word clouds strengthens the internal validity and credibility of the findings (Miles, Huberman, & Saldaña, 2014; Wacheux, 1996).

This methodological contribution is particularly relevant for research in public management and territorial governance, where contextual understanding constitutes a key analytical requirement.

5.4. Managerial and Institutional Implications

The research also offers several managerial implications for the governance of Moroccan territorial authorities.

First, it highlights the need to strengthen the institutionalization and functional autonomy of internal audit mechanisms within territorial authorities.

Second, the study underlines the importance of investing in the professionalization and continuous training of audit staff in order to improve the quality and credibility of audit missions.

Third, it emphasizes the necessity of improving coordination mechanisms between departments and strengthening a culture of cooperation and transparency.

Fourth, the findings highlight the strategic role of territorial leadership in supporting the implementation of recommendations and enhancing the contribution of internal audit to governance.

Finally, the study confirms the importance of strengthening citizen participation mechanisms as a lever for improving accountability and institutional transparency.

5.5. Limitations and Future Research Perspectives

Like any research, this study presents certain limitations.

The first limitation concerns the qualitative nature of the design, which privileges in-depth understanding over statistical generalization.

The second limitation relates to the territorial scope of the fieldwork, which remains centered on a specific institutional and regional context.

The third limitation concerns the fact that the analysis is based on the perceptions and discourses of institutional actors.

These limitations, however, do not diminish the heuristic value of the study. On the contrary, they open several avenues for future research.

Future work could extend the analysis through quantitative testing of the proposed conceptual model on a larger sample of territorial authorities.

Comparative studies between regions or between national contexts could also enrich the understanding of the role of internal audit in local public governance.

6. General Conclusion

This article aimed to deepen the understanding of the mechanisms through which internal audit contributes to strengthening the governance of Moroccan territorial authorities, within a context marked by advanced regionalization and the progressive modernization of public management. By adopting an exploratory qualitative approach grounded in the analysis of the discourses and practices of institutional actors directly involved in audit, control, and local public management missions, the research sought to move beyond a purely normative understanding of internal audit in order to apprehend its actual conditions of deployment and effectiveness in the territorial context.

The findings confirm that internal audit constitutes a structuring lever of local public governance. Its contribution is reflected in the strengthening of transparency, accountability, risk management, and the improvement of administrative and financial processes within territorial authorities. However, the study also demonstrates that the effectiveness of internal audit cannot be considered automatic or guaranteed solely by the formal existence of the mechanism.

On the contrary, the contribution of internal audit appears to be strongly conditioned by a set of organizational and contextual variables. The empirical findings notably highlight the mediating role of organizational climate and internal process optimization, as well as the moderating effects of leadership exercised by elected officials and territorial managers and the level of citizen engagement.

These results make it possible to propose an integrated conceptual model articulating direct, mediating, and moderating relationships, thus offering a robust analytical framework for future research. This model constitutes one of the major contributions of the study, insofar as it enables a more nuanced and contextualized understanding of the contribution of internal audit to local public governance.

From a theoretical standpoint, the article contributes to enriching the literature on public governance, internal audit in the public sector, and territorial management in Morocco. From a managerial perspective, it highlights several practical levers likely to strengthen the effectiveness of internal audit mechanisms within territorial authorities, particularly through the professionalization of actors, the improvement of coordination mechanisms, the strengthening of institutional autonomy, and the development of citizen participation mechanisms.

Finally, this research opens promising perspectives for future empirical investigations, particularly through the quantitative testing of the proposed conceptual model and the conduct of comparative studies in other territorial and institutional contexts.

In this respect, the study confirms that internal audit should be understood not merely as a technical control instrument, but as a strategic governance lever capable of contributing to the sustainable improvement of the governance of Moroccan territorial authorities, provided that the organizational and contextual conditions necessary for its effectiveness are effectively met.

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