

The Role of Compliance Control in Reducing Compliance Risk and its Reflection on Achieving Institutional Sustainability an Applied Study in the South Electricity Distribution Company - Muthanna Branch

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Abstract: The research aims to identify the role of compliance control in reducing the risks of compliance (compliance) and its reflection on achieving institutional sustainability. In the research sample company, the researcher reached a set of conclusions, the most important of which is the existence of a weakness in the internal control system applied in the research sample company, as well as a weakness in activating compliance control, while there is an inverse relationship between compliance control and the percentage of performance of the institutional dimension, as the more risks are reduced. Commitment The percentage of institutional performance has increased, while the most important recommendations are the necessity of activating compliance control in the company, the research sample, to reduce compliance risks and achieve a rise in the performance of the institutional dimension.

Keywords: Compliance control, sustainability, institutional dimension

1- Introduction:

Economic units operating in various sectors face many risks that have become hampering their activities, complexity, multiplicity of types, and difficulty in responding to them, which made economic units search for new mechanisms and tools to help them reduce these risks for the purpose of minimizing their damage and controlling them through a clearly defined scientific approach. On a set of main steps represented in identifying these risks, knowing the degree of their impact on the objectives of the unit, and evaluating and analyzing those risks for the purpose of providing the economic unit management with information that helps it in the correct ways to reduce and confront them, and one of the factors behind the rapid development of risk reduction is the high level From the instability in the economic environment in which these units operate, and from those risks (compliance risks.)

The effective internal control is the basis and reliance on it in reducing the risks faced by the economic units, as it is considered as a modern and effective systematic approach aimed at reducing the risks that

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may prevent the achievement of the objectives of the economic unit. Develop an audit plan and evaluate internal control systems. Therefore, internal control systems have witnessed great developments since the end of the last century, including what the United States of America witnessed after the Committee for Sponsoring Organizations of the Treadway Committee (COSO) developed a framework for evaluating internal controls COSO in 1992 and the subsequent updates that followed to keep pace with the developments and requirements of the economic unit environment. To cover the topic, the research included four sections, the first topic dealt with the methodology of the research, and the second topic dealt with the theoretical aspect that represents the risks of compliance, as well as activating compliance control, while the third topic dealt with the practical side, and the fourth topic included conclusions and recommendations.

The first topic

Research Methodology

1- Research problem:

The General Company for South Electricity Distribution mostly suffers from some risks that it may be exposed to in the labor market, including (compliance) risks, and these risks, whether individually or collectively, will affect the social, environmental, and economic aspects of the surrounding environment, which in turn is reflected in institutional development sustainable development of the economic unit itself and on national sustainable development. Thus, the research problem can be formulated as follows:

To what extent does compliance control contribute to reducing risks, compliance (compliance), and its implications for achieving institutional sustainability?

2 Research objectives

1-Clarify compliance control and its role in reducing compliance risks.

2-Clarify the concept of risks (obligation) and the ways to help reduce them or reduce their effects.

3-Clarify the important role of compliance control in addressing risks by adopting deterrent or preventative methods and means that reduce their levels to the minimum possible, and setting indicators for calculating the proportion of those risks and identifying weaknesses in order to be addressed by management.

4-Proposing a model for auditing the performance of institutional sustainability and applying it to the South Electricity Distribution Company - Muthanna Branch.

3 -The importance of research:

The importance of this study stems from being one of the first researches that sheds light on a specific type of risk without the previously mentioned types and an attempt to link it to compliance control that includes the entire economic unit and confronting this type of risk by increasing the effectiveness and efficiency of various operations within the economic unit and striving towards institutional sustainability. And its application in an important sector, which is the energy sector, by choosing one of its units, which is the General Company for the Distribution of South Electricity.

4 - Research hypotheses:

In light of the previous presentation of the research, the following main hypothesis can be put forward:

Compliance control affects organizational sustainability through its effectiveness in reducing compliance risks.

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5 - Research Methodology:

The descriptive analytical method was relied on to determine the research problem as well as to build the scientific framework for the study problem and its objectives by relying on accounting studies and scientific publications published by specialized professional organizations related to the subject of the study, and the inductive approach to study and clarify the effectiveness of the role of compliance control in reducing risks and showing its impact in achieving the institutional dimension, while the deductive method was used to measure the performance of that dimension of the economic units.

-Research variables:6

A - The independent variable: compliance control and its role in reducing risks.

B - Dependent variable: achieving institutional sustainability in the study sample company.

C- The mediating variable: (compliance risk).

- Limitations of the search:7

A- Spatial boundaries: represented by the field aspect, which included an applied study in the General Company for the Distribution of South Electricity (Al-Muthanna Governorate Branch).

B - Temporal limits: The study period was chosen from (2014-2020) AD, due to the extrapolation of cases that the country went through, as well as the inclusion of the period in the most number of versions of the Federal Financial Supervisory Board reports.

C - Objective (scientific) limits: the use of recent versions of internal control frameworks, especially compliance control.

D- Research community and sample:

The study population is represented by the South Electricity Distribution Company in the Iraqi environment, while the study sample is represented by the branch of the Electricity Distribution Company in Muthanna.

The second topic

3-Compliance risk and corporate sustainability

First - the risks of commitment:

Economic units at all levels need a broad base that includes laws and procedures that regulate their work, as they need effective governance processes. As well as facing economic units in recent times and in any place and whatever their size to the growing sets of laws and procedures ranging from local requirements and laws of public safety to national laws and sometimes international laws and even broad professional rules and standards that the unit should comply with these laws and regulations (2011: 22 Moller).

Economic units comply with many regulatory requirements that are constantly published and modified by central and local governments as well as other regulatory bodies, which are the regulatory requirements approved by governments, as well as manufacturing and other industries standards as well as the difference in their issuing bodies (i.e. governments are issuing regulations while Standards are issued by private organizations) and regulations differ from standards as the former are more ambiguous than standards, while standards tend to be more prescriptive in nature, and these organizations often provide model formats and procedures that must be followed to comply with those standards (Teresa et al, 2009:1).

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The compliance of economic units expresses the extent to which the laws and procedures governing their work are adhered to, as well as managers also extending the scope of compliance to include controls, which means that it is important to put certain controls in place to ensure that compliance occurs, such as factory emissions control controls or ensuring that import and export papers are in order Or the establishment of effective internal accounting controls, and the effective implementation of legislative requirements such as (Sox) rules . . etc. What increased the management of economic units' attention to the need to comply is to avoid those units or their exposure to penalties as a result of violating controls, procedures and laws., especially in large and complex units, as well as managers requesting units to increase the amount of resources they allocate to reduce compliance risks (Michael, 2008:1).

And the compliance risk is that the applicable governance rules will not achieve the desired results or that they may face some external events beyond their control, such as natural events (floods, earthquakes, fires), and there is a need to reduce these risks at the unit level in general while the units were Always concerned with many issues of governance, risk and compliance, and this concern was crystallized by economic units in compliance through the presence of an effective internal control system that works to ensure that they operate in accordance with the laws and regulations regulating their work, as well as facing risks that can be found in violation of one or more of these laws and regulations polymorphism (Moller, 2011: 23).

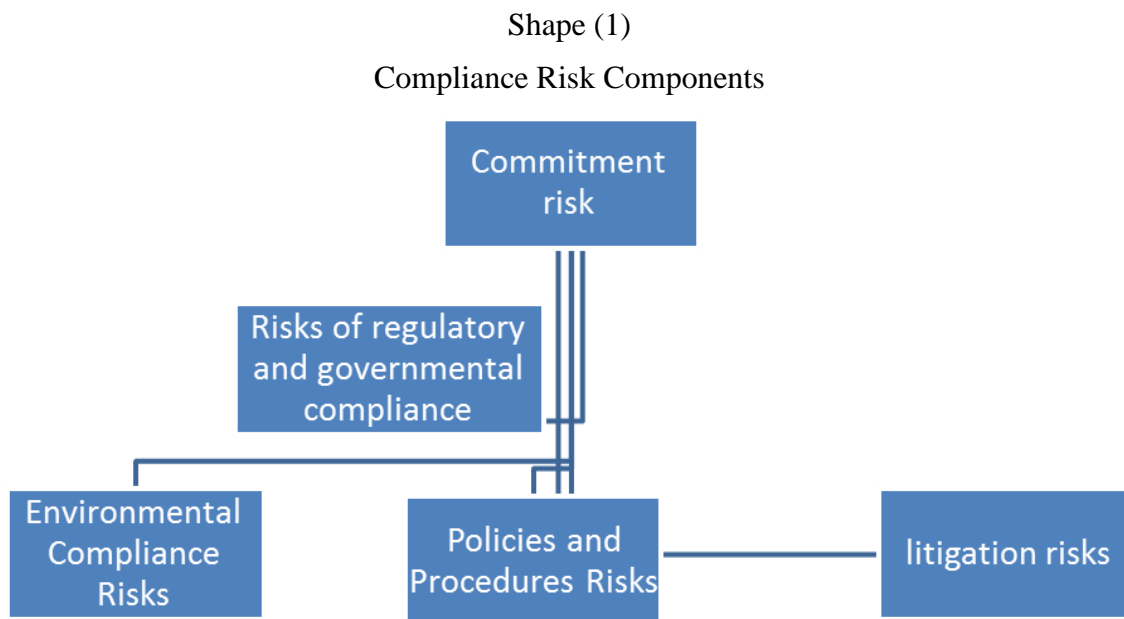
Second - Compliance Control:

The internal control system includes many controls that can be used as a valuable tool to improve the strategy development mechanism, decision-making process, management and daily operations of public units, and as specified in international standards such as the Three Lines of Defense model of the Institute of Internal Auditors, where the management of public units bears the primary responsibility for Establish and use an internal control system to effectively identify and reduce programs and risks, including identifying and implementing control activities to reduce risk (OECD, 2019:88).

Therefore, the compliance audit is one of those controls for the independent evaluation of the extent of commitment to a particular subject in accordance with the established procedures and defined by standards. Compliance control tasks depend on evaluating the extent of commitment of units at the level of activities, financial transactions and information, in all their aspects of material importance, to the procedures and laws that govern the work of the unit subject to control (INTOSAI 8:2014, ISSAI400).

Therefore, the objective of compliance control is to enable the supreme bodies of financial control and accounting to assess the extent to which the activities of economic units operating in various sectors comply with the legislation that regulates their work. This is done by preparing reports on the extent to which the economic unit subject to control adheres to the established standards. Reports may vary between normative opinions and the different forms of conclusions presented, whether they are short or lengthy. Controlling compliance may mean regularity, adherence to official standards such as relevant laws, regulations, and agreements (or discipline), and observance of general principles that govern sound financial management and the behavior of employees working in various economic units. Compliance control is a risk-based task, as well as assessing whether activities, financial transactions and information are complete in all their essential aspects. It also identifies the parties involved in compliance control and the relationship between them. Compliance control is based on a three-party relationship through which the auditor aims to obtain appropriate and sufficient audit evidence to reach a measurement of a specific subject according to conclusions intended to enhance the confidence of the target users, except for the party responsible for a specific measurement in accordance with the standards or its evaluation (IDI, 2018:10). And Figure No. (1) shows the elements of compliance risk.

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(Source: Prepared by the researcher) based on (2011: ROBERT R. MOELLER, adapted)

Third - Parties to the Compliance Control:

Compliance controls include three separate parties through which the auditor aims to obtain sufficient appropriate control evidence to formulate a conclusion intended to enhance the confidence of the target users, and these parties are: the responsible party, the observer, the target users:

1 -The responsible party means government employees, and this refers to the government entity subject to supervision (those responsible for the subject matter of the audit).

2 -The observer refers to the supreme auditing body.

-Targeted users mean individuals, institutions or groups for which the auditor prepares the audit report. 2
Represented by regulators, those charged with governance or the general public.

Fourth- Emphasis on Compliance Control:

The internal control system performs its procedures in order to reduce compliance risks and provide inherent reports on all control operations, but no control system can provide absolute assurances on a particular subject, and this should be communicated transparently to the beneficiaries of the information of that system. In most cases, compliance control does not cover all the elements of the subject matter, but rather depends on some amount of qualitative or quantitative samples.

It also enhances compliance control, which is used to obtain assurances that enhance the confidence of the intended users in the information provided by the auditor or another party. There are two levels of assurance in compliance control as follows (12014:, Intosai): -

1 - Reasonable assurance that the subject matter of control, in the opinion of the auditor, is in compliance or not in all relatively important aspects with the established standards regulating the work of the economic unit.

2 - The limited assurance that the auditor did not have any reason to believe that the audit subject is not in compliance with the standards.

Both reasonable and limited assurances are possible in both direct reporting and certification compliance

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audit assignments.

The extent of the commitment of the economic unit of the study sample can be measured through the following equation:

(Violations of laws and instructions proven in the reports of the Financial Supervision Bureau or any other supervisory authority for the selected year / total observations for the five years).

The higher the ratio indicates the weak performance of the internal control in the face of compliance risks and limiting them, and the lower the ratio indicates the effectiveness of the internal control in the face of compliance risks.

The researcher believes that auditors (internal auditors) should conduct a risk assessment to identify and identify the risks of non-compliance. In light of the control standards and the legislation in force regulating the work of the economic unit to which it is subject, to determine the nature, timing and extent of the control procedures that should be implemented so that this is the main objective of the evaluation process. The auditor should consider the risks represented in non-compliance with the standards, laws, instructions and controls in force. No, fraud or error may arise from failure to comply. Consideration should also be given to identifying the risks of non-compliance and its potential effects on control procedures throughout their life, and as part of the risk assessment the auditor should evaluate any known cases of non-compliance to determine whether they are relatively significant.

Fifthly- institutional sustainability:

The issue of development has occupied the attention of many thinkers and specialists in various scientific and professional disciplines because of the negative effects resulting from the escalating waste, especially in the industrial field, which greatly affected human health and life and the lives of other living organisms, as a result of the massive pollution in soil, air and water. Development (development) linguistically came from the verb, which means increased, and from development, that is, the good and the reform.

In the movement in achieving growth or in achieving progress forward (Ghellab, 2017: 85). As for sustainability, it is taken from the sustainability of something, i.e. the request for its permanence (Ibn Manzur, 2005: 26). The scientific and technical developments during the second half of the twentieth century created a basic basis, to form a new state of human civilization characterized by the achievement of amazing achievements in technological techniques, means of production, communication and other vital joints that attracted the attention of many observers, but at the same time neglected the problems related to opportunities. The survival of humanity in the conditions of the global environmental crises accompanying this new state of civilization, as it can be seen the relative decrease in the interest of both the scientific and political communities in these problems, especially in the absence of a realistic way to solve such environmental problems, which led to the adoption of the majority of the advanced industrial countries in the second half of the twentieth century methods of growing progress in science and technology, and modern production methods and techniques, but the uncontrolled developments accompanying industrial progress, on the other hand, have contributed to the growth of a series of environmental problems (Al-Hassan, 2011: 2).

Issues related to energy use and supply are also linked to global warming and environmental problems, such as air pollution, forest destruction, ozone layer depletion, acid precipitation, greenhouse gases, excessive use of water and land, loss of wildlife, and radioactive emissions (Salim & et. al, 2018: 170). As well as the impact of the current energy supply to the economic and social sectors, causing a set of urgent challenges (Simon, 2020:44). In 1987, the concept of sustainable development was mentioned for the first time, based on a resolution of the United Nations General Assembly in December 1983, when

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that idea was ratified (Al-Ashwah, 2017: 38). And development is a comprehensive process that takes root in various aspects of life and moves society to a new stage of progress, and it is an essential element for stability and human and social development. There were more than sixty definitions of sustainable development for this type of development, but it is striking that it was not used correctly in all cases. It was defined by the World Commission on Environment and Development headed by Gro Harlem Brundtland, the former Prime Minister of Norway, Which issued its report entitled (Our common future) as "that development that meets the needs of the present without compromising the ability of future generations to meet their needs" (Ghellab, 2011: 85). Achieving sustainability requires economic units to have organizational structures capable of performing their tasks in providing services to society in order to achieve sustainability, as well as the role of government units as well as civil society (Bakhush, 2015: 236). It is the responsibility of the state to confront the challenges of sustainability, as coordination between the dimensions of sustainable development requires the presence of efficient economic units that help in this coordination in order to achieve sustainability, so the institutional dimension should be available to achieve this purpose (3:2021Ruggerio).

The third topic

Sixth - Measuring compliance risk:

The risk of commitment in the South Electricity Distribution Company - Muthanna Branch is represented in the extent of its non-compliance with the application of the applicable laws, regulations, and controls that regulate its work and are considered a control for its continuity. Relative importance, with the laws, instructions, controls and administrative orders that govern its work, the aim of that evaluation is to seek to organize the work of the study sample company on the one hand, and protect customers (customers) on the other hand, since compliance with the laws is the most important foundations and factors for the success of economic units, In addition to preserving its reputation and credibility and dealing with it with transparency and fairness, there was a need to create a compliance monitoring function that aims to achieve basic objectives, the most important of which is the compliance control program, which includes the approval of a sample of economic units. Administration. It is represented in the number of violations of laws and instructions established in the reports of the Office of Financial Supervision and the total number of administrative committees formed. And to measure the compliance risks in the study sample company and to assess the extent to which its activities comply with the standards that govern them (such as the relevant laws, regulations and agreements, general principles that govern financial management and the behavior of government employees) and the reports of the Federal Financial Supervisory Board are approved, as well as the investigative committees formed in the study sample company and according to the limits temporal study. To extract the percentage of compliance with the standards of the study sample company, the following equation is used:

$$\text{Commitment percentage} = \frac{\text{annual and instructions Laws Violations}^1}{\text{total accumulated violations}^2}$$

(1) Violations of annual laws and instructions: - Its data was obtained from the total violations established in the reports of the Federal Financial Supervision Bureau, and the total violations that resulted in the formation of investigative committees for one fiscal year.

(2) Total accumulated violations: The sum of what was mentioned in paragraph (1) for a period of seven years cumulatively based on the temporal limits of the study.

Through the adoption of the above equation, the amount of compliance with the laws, controls, instructions and administrative orders issued by the authorities regulating the company's work, the study sample for each year of the study's temporal limits, in addition to comparing the previous year to the next

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in terms of the extent of commitment to standards and determining the extent of weakness in the application of laws and instructions By the internal control department of the company, the study sample. Table No. (1) shows the number of observations confirmed in the reports of the Federal Office of Financial Supervision:

Table (1)

Number of observations of the Federal Financial Supervisory Bureau reports for the years (2014-2018)

Number of notes violating laws and regulations	Total number of notes	the details	
33	40	The results of the supervision and audit work on the activities, accounts and statements for the fiscal year ending on December 31, 2014	1
9	15	The results of the monitoring and audit work on the activities of the Directorate of Electricity Distribution in Al-Muthanna Governorate for the year ended December 31, 2016	2
25	36	Results of oversight and audit work on activities, accounts and financial statements for the year ended December 31, 2018	3
67	91	total notes	

(Source: Prepared by the researcher) based on the reports of the Federal Office of Financial Supervision.

By examining the reports of the Federal Financial Supervision Bureau, it was found that most of the observations in Table No. (1) occurred as a result of violating laws, regulations and instructions by individuals working in the study sample company, without the Internal Control Department indicating any note on that on the one hand, and from On the other hand, it becomes clear to us through the numbers installed in the above table, the discrepancy in the number of confirmed observations, so we find that the year (2014) records the highest percentage Notes in terms of number, as well as notes violating laws and instructions, as it was found that there were (33) notes violating the standards regulating the company's work out of (40) notes that include, including formal and technical notes, and after (2018) a record (25) notes out of (36)), then the report of the year (2016) occupies the third sequence in terms of the number of observations mentioned by the report, while the years (2017, 2015, 2019, 2020) did not issue any report from the Federal Financial Supervision Bureau.

Table (2) shows the number of investigative committees formed by the senior management of the South Electricity Distribution Company - Muthanna Branch during the years (2014-2020):

Table (2)

Number of investigative committees formed in the South Electricity Distribution Company - Muthanna Branch for the years (2014-2020)

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Number of investigative committees formed as a result of violations of laws and instructions	Number of investigative committees during the year	the details	
4	12	Investigative committees formed during 2014 about document falsification + violation of the State Employees Discipline Law + fall of a transformer + .electric shock + etc	1
3	22	Investigation committees formed during 2015 about falling .wires + falsifying documents + electric shocks + etc	2
1	5	Investigation committees formed during 2016 about the loss of a communication device + electrocution + .etc	3
3	16	Investigative committees formed during 2017 about violations of laws and instructions + electrocution + etc	4
5	20	Investigative committees formed during 2018 about non-implementation of administration orders + failure to raise abuses + failure to respond to citizens' complaints + low collection rates + electric shock + .job negligence + etc	5
3	9	Investigative committees formed during 2019 about non-implementation of administration orders + non-removal of abuses + low collection rates + job .negligence + etc	6
7	18	Investigative committees formed during the year 2020 about non-implementation of management orders + orchard burning + violation of laws + job negligence +	7

Through Table (2), we find that the year (2015) witnessed an increase in the number of formed investigative committees, as their number reached (22) while the year (2020) recorded the highest number of formed investigative committees for violating the laws and instructions in force and not performing maintenance operations that led to Livestock deaths and orchards burning. Table (21) shows the total observations of the Federal Financial Supervision Bureau and the number of committees formed for the extended period (2014-2020).

Table (3)

Total observations of the Federal Office of Financial Supervision and the investigative committees for the years (2014-2020)

the number	the details	
67	Observations of the Federal Financial Supervisory Board's reports regarding violations of laws and instructions	1
26	The total number of investigative committees formed for violating laws and instructions for seven years	2
93	Total observations and investigative committees for seven years	

Table No. (4) shows the results of measuring the extent of commitment of the South Electricity Distribution Company - Muthanna Branch to the laws and instructions during the period extending for the years (2014-2020).

Table (4) Results of measuring the risks of complying with laws and instructions during the period extended for the years (2014-2020)

Commitment Risk Ratio (3مخ+2مخ)/(2+1) =	The number of committees formed (2)	The number of observations of the Audit Bureau (1)	the year	
%39.8	4	33	2014	1
%3.2	3	-	2015	2
%10.7	1	9	2016	3
%3.2	3	-	2017	4
% 32	5	25	2018	5
%3.2	3	-	2019	6
%8	7	-	2020	7
%100	26	67	total	

Through table (4), it becomes clear to us that the highest percentage of violations of laws and instructions was achieved in 2014, according to the scale used, as the percentage amounted to (39.8%). While the year 2018 ranks second in terms of the percentage of violations of laws and instructions, as it reached (32%). As for the year 2016, it ranks third in terms of the percentage of violations, as it reached (10.7%) and this is explained by the fact that the report of the Federal Financial Supervision Bureau was specialized in activities only, without accounts and financial statements. As for the years (2015, 2019 and 2017), the percentage of violations was equal, due to the failure to form a work team by the Federal Financial Supervision Bureau to audit the activities, data and accounts of the South Electricity Distribution Company - Muthanna Branch on the one hand, and on the other hand, investigative committees were formed against the defaulters and violators of laws and instructions Number (3) for each of the three years. This indicates the weakness of the measures taken by the internal control department in the study sample company in reducing compliance risks. Therefore, the researcher believes that the internal control department in the company, the sample of the study, should activate compliance control and form specialized work teams in order to inspect and monitor violations of the laws and instructions in force, because non-compliance may result in errors and fraud, so it became necessary to discover and identify compliance risks and evaluate their effects. expected and determine whether it is relatively important or not.

Seventh - Measuring the performance of the institutional dimension:

The researcher proposed a set of indicators related to the dimensions of sustainable development to measure the performance of the study sample company, which the researcher deduced from the information he provided in the theoretical foreigners for the study, to be applied to the actual and planned data based on the weights that were arbitrated by a group of academic and professional experts, with the aim of determining Areas of weakness and strength in the performance of the sustainable institutional dimension in the South Electricity Distribution Company - Muthanna Branch, as well as testing the study hypotheses, as shown in the tables below:

Table(5)

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for measuring the performance of the institutional dimension of the South Electricity Distribution Company - Muthanna Branch for the years (2014-2020)

weight	Institutional dimension indicators
2%	Clarity of the company's organizational structure
2%	Clarity of the company's goals
1%	Develop plans and implement them by the company
1%	Existence of alternative plans for the company's activities
2%	Availability of a performance appraisal system
2%	The management plans include the dimensions of sustainable development
2%	Efficiency and effectiveness of the internal control system
2%	Number of employees in the company
1%	Budget allocations and doors that support the dimensions of sustainable development
2%	The extent of the company's compliance with laws and regulations
1%	The role of the board of directors in directing the company's activities
1%	Technology used in the company's activities
1%	The use of modern technology and means of communication in the completion of business transactions
1%	Research and development expenses
1%	Experience and competencies assume the responsibility
1%	The extent of cooperation between the company and external parties
1%	The extent of cooperation between the company and Iraqi universities and research centers
1%	Existence of a plan of training courses to raise the efficiency of employees

The table above shows the indicators that were used to evaluate the performance of the institutional dimension of sustainable development in the company, the sample of the study, and were applied in order to measure the performance of the institutional dimension, as shown in Table No. (6):

Schedule(6)

Measuring the performance of the institutional dimension of the South Electricity Distribution Company - Muthanna Branch for the years (2014-2020)

		Measurement results										Actual results										Target years						weight		the details		
2020	2019	2018	2017	2016	2015	2014	2020	2019	2018	2017	2016	2015	2014	2020	2019	2018	2017	2016	2015	2014												
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	2%	Clarity of the company's organizational structure										
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	2%	Clarity of the company's goals										
1.00%	1.00%	1.00%	0.75%	0.75%	0.75%	0.75%	100%	100%	100%	75%	75%	75%	75%	100%	100%	100%	100%	100%	100%	100%	1%	Develop plans and implement them by the company										
0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	75%	75%	75%	75%	75%	75%	75%	100%	100%	100%	100%	100%	100%	100%	1%	Existence of alternative plans for the company's activities										
1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	60%	60%	60%	60%	60%	60%	60%	100%	100%	100%	100%	100%	100%	100%	2%	Availability of a performance appraisal system										
1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	80%	80%	80%	80%	80%	80%	80%	100%	100%	100%	100%	100%	100%	100%	2%	The management plans include the dimensions of sustainable										
1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	60%	60%	60%	60%	60%	60%	60%	100%	100%	100%	100%	100%	100%	100%	2%	Efficiency and effectiveness of the internal control system										
0.90%	1.03%	1.19%	1.18%	1.33%	1.51%	1.52%	48%	49%	50%	50%	52%	53%	54%	100%	100%	100%	100%	100%	100%	100%	2%	Number of employees in the company										
0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	75%	75%	75%	75%	75%	75%	75%	100%	100%	100%	100%	100%	100%	100%	1%	Budget allocations and doors that support the dimensions of su										
1.84%	1.94%	1.34%	1.94%	1.79%	1.94%	1.30%	92%	96.80%	68%	96.80%	89.30%	96.80%	60.20%	100%	100%	100%	100%	100%	100%	100%	2%	The extent of the company's compliance with laws and regulatio										
0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	40%	40%	40%	40%	40%	40%	40%	100%	100%	100%	100%	100%	100%	100%	1%	The role of the board of directors in directing the company's act										
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	50%	50%	50%	50%	50%	50%	50%	100%	100%	100%	100%	100%	100%	100%	1%	Technology used in the company's activities										
0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	30%	30%	30%	30%	30%	30%	30%	100%	100%	100%	100%	100%	100%	100%	1%	The use of modern technology and means of communication in the complet										
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	1%	Research and development expenses										
0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	80%	80%	80%	80%	80%	80%	80%	100%	100%	100%	100%	100%	100%	100%	1%	Experience and competencies assume the responsibility										
0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	80%	80%	80%	80%	80%	80%	80%	100%	100%	100%	100%	100%	100%	100%	1%	The extent of cooperation between the company and external parties										
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	50%	50%	50%	50%	50%	50%	50%	100%	100%	100%	100%	100%	100%	100%	1%	The extent of cooperation between the company and its priorities and research										
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	Existence of a plan of training courses to raise the efficiency of employees										
17.54%	17.77%	17.35%	17.67%	17.67%	18.00%	17.27%															25%	The percentage of achieving the performance of the institutional dimension										

Through the above table, we can show the performance level of the South Electricity Distribution Company - Muthanna Branch for the institutional dimension of sustainable development dimensions:

Schedule(7) The results of the performance of the institutional dimension

2020	2019	2018	2017	2016	2015	2014	the details
17.54%	17.77%	17.35%	17.67%	17.67%	18%	17.27%	Institutional dimension

By looking at Table No. (), we find that the performance level of the institutional dimension fluctuated and did not exceed the threshold of (19%) in its best condition, as it recorded the highest percentage in 2015 (18%), while other years were recorded below that percentage.

In order to prove the research hypothesis, we show the correlation between the risks of commitment and the institutional dimension of sustainable development in the company, the study sample:

	y	x
Pearson correlation	1	-627.-
Sig.(2-tailed)		132
N	7	7
Pearson correlation	-627.-	1
Sig.(2-tailed)	132	
N	7	7

The fourth subject

Conclusions and Recommendations

First- the conclusions:

- 1- The risks of compliance are represented in the presence of many violations of the laws and instructions regulating the work of the company, the sample of the study, and the year 2014 recorded the highest percentage of non-compliance.
- 2- There is a weakness in the internal control system applied in the research sample company, as well as the failure to activate compliance control.
- 3- There is a discrepancy in the ratios of measuring compliance risks between the years of existence of audit teams affiliated to the Board of Financial Supervision in the company, the sample of research for other years in which that team was not present.
- 4- Low institutional performance of the research sample company throughout the years of the research sample, as it did not exceed, in its best case, the acceptable ratio.
- 5- There is a correlation between the risks of commitment and the institutional dimension of sustainable development represented by the presence of an inverse relationship.

Second - Recommendations:

1. The necessity of adopting measures to ensure by the administration that it helps it to adhere to the joints of the study sample company with the laws and instructions regulating its work
2. Compliance control must be activated in the research sample company in order to reduce the risk of compliance and achieve the goals that it aspires to achieve.
3. The necessity of activating the internal control system applied in the research sample company in order to bridge the gap between the ratios of measuring compliance risks that indicate a weakness in the applied system.
4. The administration should address the reasons that led to the low performance rates of the institutional dimension and not to exceed the degree of acceptability throughout the temporal limits of the research.
5. The need for management to adopt compliance control roles in order to raise the percentage of performance of the institutional dimension of the study sample company.

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