



The Efficacy of Auditing in Enhancing Organizational Effectiveness

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Abstract : *This is a study undertaken with the objective to find out the efficacy of auditing in enhancing organisational effectiveness with special reference to Pantaloons, Patna, Bihar. It is an attempt to understand the level of effectiveness of the auditing process that is done in the organization to control the entire system with the help of management auditing. The main purpose of management auditing is the systematic evaluation of the activities at all levels of management to*

ascertain the functions, efficiency and achievement of the policies as compared to standards set by the organization.

Keywords: *Management Auditing, Forecasting, Profitability Analysis, Efficiency, Effectiveness.*

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Introduction:

Auditing is a comprehensive method of objective and systematic verification of current practices prevalent in the organization. Auditing is generally concerned with the examination of the books, accounts, vouchers and other financial records that gives opinion regarding true and fair view of profit or loss which is known as Financial Audit (Partha Chatterjee, 2011). It provides an avenue for translating a company's strategy into measurable targets in monitoring and evaluating how the company is doing. It encompasses strategic planning, budgeting, forecasting, reporting, scenario planning, and decision making as it addresses both financial and management activities of the business entity (Monappa A. and Saiyadain M.S., 2006).

The Auditing done at Pantaloons is much wider than financial audit. It focuses on management audit as it is a method of independent and systematic evaluations of the management activities. The