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## **Systematic Literature Review: The Role of Internal Control Systems on Sustainability Disclosure**

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### **Abstract**

*This study employs a bibliometric Systematic Literature Review (SLR) approach to examine the role of internal control systems in sustainability disclosure and to map the development of related research during the 2016–2025 period. The study utilized articles indexed in the Scopus database and other reputable scientific sources by applying purposive sampling techniques. A total of 20 selected articles were analyzed based on publication trends, research sectors, methodologies, and thematic focus. The findings indicate that internal control systems play a significant role in supporting corporate sustainability by enhancing transparency, accountability, reporting integrity, and governance effectiveness. Internal control has evolved from a compliance-oriented mechanism into a strategic instrument for achieving long-term sustainability goals within organizations. The review also reveals that integrating internal control systems with Environmental, Social, and Governance (ESG) strategies, corporate social responsibility (CSR), digital governance, and sustainability accounting systems contributes positively to organizational performance across financial, social, environmental, and governance dimensions. Furthermore, bibliometric mapping demonstrates a significant increase in scholarly attention to this topic, particularly during the 2022–2024 period, reflecting the growing global demand for sustainable business practices and ESG reporting. The study also identifies several research gaps, particularly the limited number of studies conducted in developing countries and the lack of research examining the influence of digital governance, organizational culture, and gender diversity on the effectiveness of internal control systems in sustainability disclosure. Overall, this study provides both theoretical and practical contributions to the development of sustainability governance and highlights future research opportunities in the field of internal control and sustainability disclosure.*

**Keywords :** *Internal Control, Sustainability Disclosure, ESG.*



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## **INTRODUCTION**

The global discourse on corporate sustainability has undergone a profound structural transformation over the past two decades, shifting from a peripherally ethical concern into a central pillar of corporate governance and institutional accountability, a trajectory accelerated by binding regulatory frameworks including the EU's CSRD, the TCFD, and the ISSB's IFRS Sustainability Disclosure Standards that have collectively compelled organizations to treat sustainability reporting as a non-negotiable accountability obligation rather than a voluntary reputational exercise. Mounting empirical evidence establishes that firms with robust disclosure practices attract superior long-term capital, reduce informational asymmetry, and engender durable organizational legitimacy, a dynamic theorized through legitimacy theory as the strategic alignment of corporate conduct with prevailing societal expectations (Deegan, 2002). The emergence of digital-physical integration dynamics has further introduced a new organizational capability dimension into sustainability governance, whereby firms leveraging advanced digital technologies demonstrate measurably enhanced capacities for monitoring and disclosing sustainability-related data across complex value chains (Chen, Cui, & Li, 2025). Against this convergence of regulatory, institutional, and technological forces, the intersection of internal control mechanisms and the credibility of sustainability disclosures has emerged as one of the most consequential yet insufficiently theorized frontiers in contemporary accounting and governance scholarship.

Extant research has increasingly recognized internal control systems (ICS) as a foundational governance architecture mediating between organizational intent and disclosed sustainability outcomes, with legitimacy theory establishing the normative rationale for non-financial disclosure (Deegan, 2002) while the COSO-codified structural components of ICS including control environment, risk assessment, control activities, information and communication, and monitoring (Mulyadi, 2015) function as the institutional backbone through which sustainability information is captured, verified, and credibly presented. Hamed (2023) provides direct evidence that well-designed ICS generate not merely financial accuracy but the organizational conditions necessary for credible non-financial reporting, and Guan and Yao (2023) advance this further by demonstrating through path coefficient analysis that ICS effectiveness positively and significantly mediates the relationship between corporate governance structures and CSR disclosure quality. Haryanto, Setiawan, Ting, and Yong (2025) extend this logic to the behavioral domain, revealing that managerial pathways toward SDG 12 are substantively enabled by internal control operationalization within decision-making frameworks. The aggregate weight of this literature repositions ICS from a narrowly compliance-oriented instrument to a strategic enabler of broad sustainability governance, a conclusion with far-reaching theoretical and practical implications.

Notwithstanding these contributions, the existing literature is characterized by three interrelated structural limitations: first, empirical studies predominantly occupy single-country or single-sector contexts, largely large listed corporations in advanced economies or state-owned enterprises in transitional markets (Boros & Fogarassy, 2019; Nainggolan, 2018), rendering cross-institutional generalizability epistemically constrained. Second, a pronounced definitional inconsistency persists in operationalizing ICS, with studies such as Paniran (2020) adopting narrow financial-compliance definitions while Bruwer and Coetzee (2025) invoke broader governance-oriented conceptualizations encompassing strategic and sustainability-focused control dimensions, a heterogeneity that generates incommensurable findings and structurally impedes theoretical consolidation. Third, the literature has largely neglected moderating governance mechanisms including ownership concentration, board gender composition, and executive compensation whose salience is established in adjacent literatures (Ong, Zhou, Teh, & Di Vaio, 2024; Njoku & Lee, 2025) but whose interaction with ICS in sustainability disclosure contexts remains systematically unexamined. The cumulative consequence is a field that, despite growing in volume, remains fragmented and theoretically underdeveloped relative to the governance demands placed upon it.

The urgency of resolving these gaps is sharpened by converging pressures: scientifically, the global acceleration of mandatory sustainability reporting creates an empirical reality that outpaces available theoretical frameworks, leaving scholars without the cumulative foundation necessary for valid predictive models or policy-relevant recommendations. Practically, organizations including SMEs and state-owned enterprises in emerging economies facing distinctive governance constraints and resource limitations (Adelia Putri & Tuti Meutia, 2024; Bruwer & Coetzee, 2025) are making consequential ICS architecture decisions without evidence-based guidance on which control configurations most effectively support disclosure quality. The documented linkage between green accounting, environmental performance, and financial outcomes (Das Prena, 2021) further implies that ICS-mediated disclosure failures carry material financial consequences for shareholders, creditors, and regulators whose distribution remains poorly understood absent systematic synthesis. The persistent empirical inconsistency across primary studies constitutes a scientific anomaly signaling not merely data heterogeneity but a deeper conceptual dissonance that only a rigorously designed systematic review is equipped to resolve.

This study is positioned at the deliberate convergence of legitimacy theory (Deegan, 2002), agency theory (Njoku & Lee, 2025), and the institutional framework of internal control (Mulyadi, 2015; Nainggolan, 2018), subjecting accumulated peer-reviewed evidence on ICS and sustainability disclosure to systematic, protocol-driven review methodology that moves the field from descriptive enumeration toward theoretically integrated synthesis. Unlike prior narrative reviews confined to single-country or sector-specific frames, this research employs an inclusive bibliometric and content-analytic framework to map the field's intellectual structure, identify convergent and divergent patterns across heterogeneous institutional settings, and trace the conceptual evolution of ICS operationalization in sustainability-oriented scholarship. The study's scope encompasses developed and developing economy contexts, large corporations and SMEs, and voluntary and mandatory disclosure regimes, a breadth that enables detection of cross-contextual moderating factors structurally invisible to single-

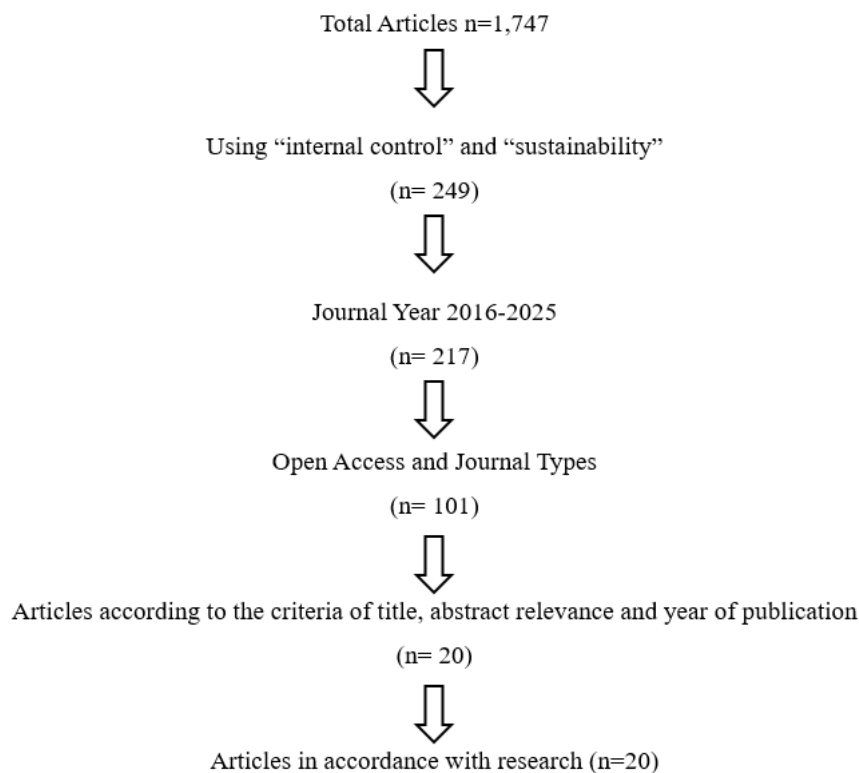
study designs. This positioning responds directly to the methodological maturation of accounting scholarship, which has recognized the epistemic limitations of standalone empirical studies and the indispensable value of evidence synthesis as a mode of knowledge production.

This study aims to systematically synthesize and critically evaluate extant literature on the role of internal control systems in shaping sustainability disclosure practices, with the dual objective of constructing a theoretically integrated governance framework that reconciles competing ICS conceptualizations and of delineating specific directions for future empirical inquiry. The theoretical contribution resides in reconciling agency-theoretic and legitimacy-theoretic explanations of sustainability disclosure within a unified governance architecture, providing scholars with a more coherent and portable conceptual map for designing future studies across heterogeneous organizational contexts. The methodological contribution lies in the rigorous application of PRISMA-guided protocols including transparent search strategies, explicit inclusion and exclusion criteria, structured quality appraisal, and systematic thematic synthesis, applied to a literature hitherto accessible only through narrative reviews whose implicit selection biases constrain their epistemic authority. Collectively, these contributions serve the overarching objective of establishing the ICS-sustainability disclosure domain on a more cumulative, replicable, and policy-relevant epistemic foundation capable of informing both scholars and the practitioners responsible for designing the organizational architectures within which sustainability disclosure is produced.

## RESEARCH METHODS

This study uses a *bibliometric Systematic Literature Review* (SLR) which aims to determine the role of *internal control in sustainability* disclosure and then map the research. The mapping in this study consists of; Type of Research conducted per year, Publication, Research Object and Type of detection used. The data source comes from journals indicated by *Scopus*. The use of this database is based on its reputation and excellent index. The time period used is from 2016 to 2025 to see how new research related to the role of *internal control* in sustainability disclosure. *The keywords in the search engine in this study are "Internal Control" and "Sustainability"*. The sampling technique in this study uses a *purposive sampling technique*.

Scopus (initial keynote internal control and sustainability)



**Figure 1. Search flow and article selection**

## RESULTS AND DISCUSSION

### General Description of Research Mapping Results

Based on the mapping of 20 selected articles from a total of 1,747 documents indexed in Scopus and other scientific databases, research on internal control and sustainability has experienced substantial growth since 2020. This increasing trend is closely associated with the rising global emphasis on Environmental, Social, and Governance (ESG) practices and the growing implementation of sustainability reporting requirements across various countries. The findings suggest that sustainability has become a central component of corporate governance rather than merely a complementary business objective. Moreover, increasing stakeholder expectations and regulatory pressures have encouraged organizations to strengthen their internal control systems to enhance transparency, accountability, and long-term sustainability performance.

The reviewed literature indicates that Internal Control Systems (ICS) have evolved beyond their traditional role of ensuring the reliability of financial reporting. Contemporary studies emphasize that ICS serves as a strategic mechanism for promoting transparency, accountability, and sustainable organizational development. Bibliometric analysis further reveals that the period from 2022 to 2024 represented the peak of research productivity, accounting for more than 60% of the total publications analyzed. China emerged as the leading contributor to research on the relationship between internal control and sustainability, followed by Spain, Brazil, Morocco, and Indonesia. The prominence of these countries reflects the increasing commitment of emerging economies to strengthening ESG governance and improving sustainability reporting practices, particularly within manufacturing industries, public sector organizations, and small and medium-sized enterprises (SMEs).

The literature synthesis also identified several dominant research themes. First, numerous studies demonstrate a positive relationship between the effectiveness of internal control systems and the extent of sustainability disclosure, which subsequently contributes to enhanced firm value. Second, the integration of internal control with Corporate Social Responsibility (CSR) and ESG initiatives has been shown to strengthen corporate legitimacy and reputation. Third, recent studies highlight the growing importance of digitalization, accounting data analytics, and sustainability information systems in improving the efficiency, transparency, and accountability of sustainability reporting processes. Finally, organizational governance factors, including ownership structure, equity concentration, and board gender diversity, have been identified as important moderating variables influencing the effectiveness of internal control systems in supporting corporate sustainability. Collectively, these findings confirm that internal control has become a critical component of sustainable corporate governance and long-term organizational success.

### Thematic Synthesis of Internal Control and Sustainability Literature

To obtain a comprehensive understanding of the current state of knowledge regarding the relationship between internal control systems and sustainability, a detailed synthesis of the selected studies was conducted. The analysis focuses on identifying the main research themes, methodological approaches, sectoral contexts, and key findings reported in the literature. Through this synthesis, the study seeks to uncover recurring patterns, conceptual developments, and emerging perspectives that characterize the evolving role of internal control in supporting sustainability objectives. The reviewed articles provide valuable insights into how internal control systems contribute to transparency, accountability, risk management, ESG implementation, and sustainability disclosure across different organizational settings.

Table 1 presents a structured overview of the selected studies published between 2018 and 2025. The table summarizes the authors, research objectives, methodological approaches, principal findings, and publication sources. By systematically comparing the existing evidence, the review facilitates the identification of dominant research streams, areas of consensus, and unresolved issues that warrant further scholarly attention. This synthesis serves as the foundation for developing a broader understanding of the intellectual landscape of internal control and sustainability research.

**Table 1. Literature Review on Internal Control and Sustainability (2018–2025)**

No	Researcher & Year	Research Title	Main Focus / Relevance	Research Method	Key Findings (Results)	Source / Publisher
1	Liu, J.-Y. (2018)	<i>An Internal Control System that Includes CSR for Social Sustainability</i>	CSR-based internal control design	Empirical survey	CSR-based control system strengthens social performance and reputation	Elsevier
2	Palozzi, G.; Brunelli, S.; Falivena, C. (2018)	<i>Higher Sustainability and Lower Opportunistic Behavior in Healthcare</i>	Internal control & ethics in healthcare sector	Case study	Internal controls suppress opportunistic behavior and improve service sustainability	Elsevier
3	Bure, M.; Tengeh, R.K. (2019)	<i>Implementation of Internal Controls and the Sustainability of SMEs in Zimbabwe</i>	Internal control implementation in SMEs	Field survey	Good internal controls improve efficiency and sustainable competitiveness	Taylor & Francis
4	Liao, F.-N.; Ji, X.-L.; Wang, Z.-P. (2019)	<i>Firms' Sustainability: Does Economic Policy Uncertainty Affect Internal Control?</i>	Effect of policy uncertainty on internal control	Panel data analysis	High uncertainty weakens control effectiveness and sustainability performance	Elsevier
5	Munteanu, I.; Grigorescu, A. (2020)	<i>Corporate Governance in Romanian Public Entities: Sustainable Development and Ethics</i>	Governance, ethics, and internal control	Mixed method	Ethical governance and internal control strengthen sustainable development	Springer
6	Zhu, P.; Song, J. (2021)	<i>The Role of Internal Control in Firms' Coping with the Impact of COVID-19</i>	Business resilience and internal control	Empirical study	Effective internal controls maintain business continuity during crises	Elsevier
7	Su, W.; Zhang, L.; Ge, C.; Chen, S. (2022)	<i>Association between Internal Control and Sustainability</i>	Relationship between control systems and sustainability	Systematic Review	Integrating sustainability into controls strengthens governance	Elsevier
8	Mendes de Oliveira, D.K. et al. (2022)	<i>How Do Internal Control Environments Connect to Sustainable Development to Curb Fraud?</i>	Internal control, sustainability, and fraud prevention	Internal auditor survey	Strong internal controls reduce fraud and increase sustainability	Elsevier
9	Hamed, R. (2023)	<i>The Role of Internal Control Systems in Ensuring Financial Performance Sustainability</i>	Internal control and financial sustainability	Quantitative panel regression	Effective internal controls enhance financial stability and sustainability	Elsevier
10	Guan, X.; Yao, C.; Zhang, W. (2023)	<i>Sustainability of Entrepreneurship: The Impact Path of CSR Based on Internal Control</i>	Internal control, CSR, and sustainability	SEM	Internal control improves CSR and sustainability,	Elsevier

						especially in non-SOEs
11	Ong, T.S.; Zhou, J.; Teh, B.H.; Di Vaio, A. (2024)	<i>Equity Ownership Concentration's Impact on Corporate Internal Control</i>	Ownership structure and internal control effectiveness	Fixed Effect Regression	Concentrated ownership reduces internal control effectiveness; female directors strengthen it	Elsevier
12	de Vicente-Lama, M.; Tirado-Valencia, P. (2024)	<i>Effects of Facilitating Internal Control Mechanisms on Financial Sustainability</i>	Internal control and public financial sustainability	Panel data analysis	Risk-based controls improve fiscal efficiency	Elsevier
13	Taki, I.; Habba, B.; El Azizi, T.B. (2024)	<i>Internal Control and Risk Management in Moroccan Family Businesses</i>	Internal control and risk management	Regression analysis	Effective controls reduce risk and support business sustainability	Springer
14	Huy, P.Q.; Phuc, V.K. (2024)	<i>Accounting Data Analytics Impacts Public Sector Sustainability Reporting</i>	Data analytics and public internal control	SEM	Data analytics improve reporting control effectiveness and accountability	MDPI
15	Bruwer, J.-P.; Coetzee, P. (2025)	<i>Sustainability and Internal Control in South African SMEs</i>	Internal control in SMEs	Qualitative case study	Lack of internal control hampers SME sustainability	Emerald
16	Mardjono, E.S.; Yang, Y.-F.; Sujipto, J. (2025)	<i>Optimizing Control Management: Sustainability Accounting Information Systems</i>	Sustainable accounting systems and internal control	SEM-PLS	Sustainability accounting systems strengthen internal control and ESG performance	Elsevier
17	Wu, N.; Boonlua, S.; Peemanee, J. (2025)	<i>Financial Shared Service Centers and Corporate Sustainability</i>	Financial service centers and ESG	10-year panel data	Shared service centers strengthen internal controls and ESG scores	Elsevier
18	Kazemi, A.; Mehrani, S.; Homayoun, S. (2025)	<i>Risk Sustainability Reporting: A DEMATEL-Based Model</i>	Risk control in sustainability reporting	DEMATEL & Fuzzy Logic	Risk models strengthen transparency and accountability	Elsevier
19	Li, H.; Cheng, Q.; Su, M.; Zhang, K. (2025)	<i>Empowering ESG: Influence of Directors' Liability Insurance</i>	Governance, internal control, and ESG	Cross-industry regression	Director insurance strengthens internal control and ESG performance	Elsevier
20	Njoku, O.E.; Lee, Y. (2025)	<i>Agency Costs, Ownership Structure, and Cost Stickiness: Implications for Sustainable Corporate Governance</i>	Agency costs and sustainable governance	Panel data analysis	Ownership structure and internal control reduce agency costs and strengthen sustainability	Elsevier

The literature reviewed in Table 1 demonstrates a growing scholarly interest in examining the relationship between internal control systems and sustainability across various organizational contexts. The studies encompass a wide range of sectors, including manufacturing, public administration, healthcare, family-owned businesses, and small and medium-sized enterprises (SMEs). Despite differences in research settings and methodologies, the majority of the studies consistently emphasize the strategic importance of internal control systems in enhancing organizational sustainability. Internal control mechanisms are increasingly viewed as essential governance tools that contribute not only to financial reliability but also to transparency, accountability, ethical conduct, risk management, and long-term organizational resilience. This evolution reflects a broader shift in corporate governance practices, where sustainability objectives are becoming integrated into organizational control frameworks.

A closer examination of the literature also reveals the emergence of several dominant research themes. Many studies highlight the positive influence of internal control effectiveness on sustainability disclosure quality, ESG performance, corporate social responsibility initiatives, and stakeholder trust. Recent contributions further demonstrate the growing relevance of digital technologies, sustainability accounting information systems, and data analytics in strengthening internal control processes and improving reporting quality. Additionally, governance-related factors such as ownership structure, board diversity, executive incentives, and risk management practices have been identified as important determinants of the effectiveness of internal control systems in supporting sustainability outcomes. Collectively, these findings indicate that internal control has evolved from a traditional compliance-oriented mechanism into a strategic governance instrument that supports sustainable value creation and organizational legitimacy.

### Research trend trends

Beyond examining the findings of individual studies, it is equally important to understand the broader characteristics and developmental patterns of the research field. Mapping research trends enables the identification of dominant geographical contexts, industrial sectors, methodological approaches, and thematic priorities that have shaped scholarly discussions on internal control and sustainability. Such an analysis provides valuable insights into how the field has evolved over time and highlights emerging directions that may influence future research agendas.

To capture these developments, the selected studies were analyzed according to several dimensions, including country of origin, research sector, publication period, thematic focus, research methodology, and overall research trends. The resulting classification offers a comprehensive overview of the intellectual landscape of internal control and sustainability research and facilitates the identification of areas that have received substantial scholarly attention as well as those that remain relatively underexplored. The summary of these characteristics is presented in Table 2.

**Table 2. Research Trends on Internal Control and Sustainability**

<b>Aspect</b>	<b>General Trends/Findings</b>	<b>Detailed Explanation</b>
Research Country	China , Spain , Brazil , MA Morocco , Indonesia , South Africa , Singapore , Hungary , Zimbabwe , Romania.	Most of the research is conducted in developing and emerging countries. market , especially China due to its high ESG regulations and corporate governance policies. Research in Europe (Spain, Hungary ) and Latin America (Brazil, Colombia) highlights <i>public governance</i> and sustainability of the public sector.
Research Sector	Manufacturing companies and the public sector	Much research has focused on manufacturing companies and state-owned enterprises/local governments due to their complex sustainability reporting and

		internal control obligations. The financial and healthcare sectors have been researched in the last three years (2022-2025).
Research Period	2016-2025 with a peak in 2022-2024	The trend has increased significantly since 2020, driven by the rise in ESG adoption and global sustainability reporting. The 2023-2025 period highlights a focus on the digitalization of internal controls and the impact of gender and board compensation on sustainability performance.
Research Topic Focus	Integration of Internal Control and Sustainability Governance	Key topics that emerged included: <ol style="list-style-type: none"> <li>1. The relationship between internal control and <i>sustainability disclosure</i> (transparency &amp; accountability).</li> <li>2. The role of internal control in corporate financial and social performance.</li> <li>3. Moderating factors such as ownership, gender diversity, compensation, digitalization, and risk.</li> <li>4. The development towards social responsibility and technology based internal control.</li> </ol>
Dominant Methodology	Quantitative empirical and experimental studies	Most studies use secondary data (financial reports & ESG), regression models, or experimental methods to test the effect of internal control on sustainability. Some recent studies (2024-2025) used machine learning. learning And decision models (DEMATEL, MCDM).
General Trends	The evolution of the concept of internal control from a compliance tool to a strategic sustainability tool.	Global trends show a shift in focus: from simply preventing fraud to a tool for achieving sustainability goals. term length, organizational efficiency, and stakeholder trust.

Table 2 provides a comprehensive overview of the major trends characterizing research on internal control and sustainability during the 2016–2025 period. The findings indicate that research activity has expanded considerably in response to the increasing adoption of ESG principles, sustainability reporting requirements, and governance reforms across both developed and developing economies. China emerges as the most prominent contributor to the literature, reflecting the country's rapid advancement in sustainability governance and corporate transparency initiatives. Furthermore, the dominance of manufacturing firms and public sector organizations as research objects demonstrates the importance of accountability and control mechanisms in sectors with significant environmental and social impacts.

The analysis also highlights notable shifts in both methodological approaches and research focus over time. Earlier studies primarily concentrated on the role of internal control in preventing fraud and

ensuring compliance, whereas more recent investigations examine its contribution to sustainability performance, ESG implementation, digital governance, and strategic decision-making. Quantitative empirical methods remain dominant; however, emerging studies increasingly employ advanced analytical techniques such as machine learning, decision-support models, and sustainability accounting systems. These developments suggest that the field is moving toward a more integrated understanding of internal control as a strategic capability that supports organizational sustainability, stakeholder confidence, and long-term corporate value creation.

### **The Role of Internal Control Systems in Sustainability Governance**

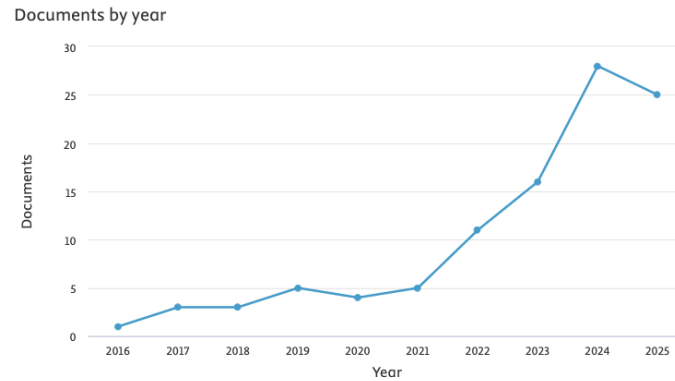
Internal control systems have traditionally been established to safeguard organizational assets, ensure the accuracy and reliability of accounting information, improve operational efficiency, and promote compliance with management policies, regulations, and legal requirements (Mulyadi, 2014; Tmbooks, 2015). In addition, internal control provides reasonable assurance that organizational resources are protected from fraud, theft, misuse, and other forms of irregularities that may threaten organizational objectives (Hery, 2015). By ensuring the reliability of both financial and non-financial information, internal control systems contribute to effective decision-making processes and strengthen overall organizational accountability.

In recent years, the role of internal control has evolved significantly in response to increasing demands for sustainability and corporate transparency. Contemporary literature suggests that internal control systems are no longer viewed solely as compliance and monitoring mechanisms but also as strategic governance instruments that support sustainability objectives. Effective internal control systems facilitate the collection, verification, and disclosure of sustainability-related information, thereby enhancing transparency, accountability, and stakeholder confidence. Furthermore, strong internal control environments contribute to the successful implementation of Environmental, Social, and Governance (ESG) initiatives by improving risk management, strengthening reporting quality, and supporting long-term organizational resilience. This transformation highlights the growing importance of integrating internal control systems within broader sustainability governance frameworks.

### **Publication Trends and Research Evolution**

An important objective of this review is to provide a comprehensive understanding of the development of research concerning internal control systems and sustainability disclosure over the 2016–2025 period. By examining publication patterns and thematic developments, the study identifies the intellectual evolution of the field, highlights emerging research streams, and reveals areas that remain underexplored. This analysis also facilitates the identification of potential research gaps and future directions that may contribute to the advancement of sustainability governance and internal control scholarship.

Figure 2 presents the publication trend of studies related to internal control and sustainability during the observed period. The figure illustrates a substantial increase in scholarly attention over the last decade, reflecting the growing importance of sustainability reporting, Environmental, Social, and Governance (ESG) initiatives, and corporate accountability frameworks. The increasing volume of publications indicates that internal control systems are becoming an increasingly relevant topic within sustainability and corporate governance research.



**Figure 2. Trends in Publications on Internal Control and Sustainability During 2016–2025**

The publication trend demonstrates that research output remained relatively limited between 2016 and 2020, with only a small number of studies published annually. During this period, academic discussions primarily focused on traditional internal control functions such as financial reporting reliability, compliance, and fraud prevention. Consequently, the relationship between internal control systems and sustainability disclosure had not yet emerged as a major research focus within the broader accounting and governance literature.

A significant increase in publication activity became evident after 2021, particularly during the 2022–2024 period. This growth coincided with the widespread adoption of ESG frameworks, increasing regulatory requirements for sustainability reporting, and rising stakeholder expectations regarding transparency and accountability. As a result, researchers increasingly examined the role of internal control systems in supporting sustainability disclosure, ESG performance, digital governance, risk management, and organizational resilience. Although the number of publications appears to decline slightly in 2025, the overall research volume remains substantially higher than in previous years. This pattern suggests that the field continues to expand while simultaneously evolving toward more specialized themes, including sustainability accounting information systems, digital transformation, and advanced governance mechanisms.

## CONCLUSION

Based on the results of a *Systematic Literature Review (SLR)* and bibliometric analysis of 20 international and national journals from 2016-2025, this study concludes that internal control *plays* a crucial role in promoting corporate sustainability. This system not only serves to ensure reliable financial reporting but also strengthens the transparency, accountability, and integrity of the organization as a whole. As it evolves, the role of internal control has transformed from a mere compliance tool to a strategic tool that helps companies achieve long-term sustainability goals. The implementation of effective internal controls has been proven to improve company performance in various aspects. From a financial perspective, internal controls help reduce the risk of misstatement in reporting and improve operational efficiency. From a social perspective, this system strengthens corporate social responsibility and ethics, while from an environmental perspective, internal controls support more efficient and environmentally friendly resource management. In recent years, particularly in the 2022-2025 period, there has been a shift in research focus toward *digital governance* and *sustainability accounting systems*. *This shift demonstrates that internal control is now adapting to digital transformation and the increasing demand for the implementation of Environmental, Social, and Governance (ESG) principles globally.*

This study also identified research gaps *that* need to be addressed in future studies. The limited research in developing countries, including Indonesia, highlights the need for broader and more in-depth studies. Furthermore, few studies combine the concept of *digital governance* with the effectiveness of internal controls, and few studies examine the influence of gender diversity and organizational culture on the relationship between internal controls and sustainability disclosure. Overall, the results of this study confirm that internal control systems are the main foundation for realizing sustainable corporate governance. By strengthening internal controls and integrating them

into ESG strategies, companies can build a better reputation, increase stakeholder trust, and achieve economic, social, and environmental sustainability in a balanced and sustainable manner.

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