

# Leading the Internal Audit function

## Who should attend?

- Heads of Internal Audit
- Audit Managers and those about to be appointed to that role
- Directors responsible for internal audit
- Heads of other assurance functions such as Compliance or Quality Assurance
- This course is specifically for the most senior audit professionals

## Course Level

- This is an advanced level course and delegates should be Head of the Internal Audit function or a senior manager in the IA or other assurance role to attend.
- Delegates should have a good educational standard (Bachelors degree or above) and/or a professional qualification
- No advance preparation is required
- Delivery method – Group-live (with exercises and case studies to provide practical application of the tools and techniques)
- A pre-course questionnaire will be sent out 2-3 weeks prior to the course date to obtain some information about the delegate's role and to provide an opportunity to indicate specific learning requirements

## Highlights

- A new paper on working with stakeholders will be shared
- New advice on auditing strategy
- New research papers from the ECIIA, E & Y and Protiviti
- Recent Professional Guidance and practice advisory statements
- New Audit Committee evaluation checklist
  - New guidance on co-sourcing
- New guidance on managing dispersed teams
- New IIA guidance – maturity models for assurance
- New IIA Integrated auditing guidance
- New IIA guidance on audit plan preparation
- A new paper on engaging senior management will be shared
- 20 questions directors should ask the CAE

## After completing this course you will be able to

- Benchmark your IA function against worldwide best practice
- Make the transition from a good function to a great one
- Quality assure your function in line with IIA requirements
- Build a world-class team
- Manage the audit process more efficiently and improve strategic audit planning
- Deal with the challenges of consultancy
- Managing effective investigations

- Meet the Governance challenges
- Deliver stakeholder assurance more effectively

## **CPE credits**

- Participants can earn up to 14 CPE credits

## **Why you should attend**

This workshop is unique in that it is targeted specifically to the most senior assurance professionals – and is based on a series of round table discussions on the key aspects of a modern internal audit function – and the challenges faced by the ever changing world economy.

A wide range of key topics will be discussed - such as meeting the changing needs of stakeholders, developing more proactive relationships with the Audit Committee, auditing corporate social responsibility and the challenges of making successful presentations.

The event represents a superb opportunity to meet your peers from both your sector and others and develop new approaches to the difficult challenges facing audit managers and Heads of Audit today

The workshop also includes opportunities to discuss issues of your choosing with fellow decision makers in the IA profession

## **Day 1 The Future of Internal Audit**

### **The significant changes in the Internal Audit role**

- How the IA profession has changed in the last 10 years
- The transition from a systems based approach to Risk based Auditing
- Key messages from the IIA Body of Knowledge survey
- Deciding the strategic direction for your function
- Pulse of the profession survey results
- E & Y and Protiviti survey results
- IIA becoming more effective guidance will be shared
- ECIIA research paper – making the most of the IA function
  - Ensuring effective communication lines between the CAE and the board
  - Gaining assurance regarding the quality of the function's work.
  - Overseeing the relationship between the IA function and the organisation's centralised risk monitoring function.
  - Monitoring management follow-up of IA recommendations

### **Round Table Discussion 1 – The challenges facing Internal Audit**

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

## Meeting Stakeholder expectations

- Who are the stakeholders?
- Are stakeholders' expectations known?
- Are the expectations clear?
- How can you meet the widely differing expectations?
- Are there any areas where expectations could be exceeded?
- Are there any quick wins?
- What reports should IA provide to stakeholders?
- A new paper on working with stakeholders will be shared
- New advice on auditing strategy

### Round Table Discussion 2 – Meeting the ever expanding needs of stakeholders – what should the IA role be?

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

## Benchmarking or Quality Assuring your IA function

- The power of benchmarking
  - To demonstrate excellence
  - To meet Board and Audit Committee challenges
  - To identify opportunities
  - To recognise progress made
  - To ensure best practice is being followed
- The need for external evaluation as per the IIA standards
  - Should be conducted at least once every 5 years
  - By a qualified external reviewer
  - Results should be given to the Board
- New QA checklists will be shared

### Round Table Discussion 3 – Quality Assuring the function – achievements and challenges

## Proactive Audit Committee relationships

- How to create the correct relationship with the Audit Committee (or the Board if you do not have an audit committee)
- The need for at least one Audit Committee meeting per year exclusively for Internal Audit?
- The need for one –to –one meetings with the Chairman of the Audit Committee
- The need for the Committee to approve (but not direct) internal audit strategy, plan and performance
- How should the Audit Committee assess IA performance
- The annual Report for the Audit Committee – best practice ideas
- Are effective relationships between IA and EA and other bodies reviewed by the Audit Committee?
- Is the effectiveness of the risk management environment and anti fraud arrangements assessed – what information should be provided by IA?

- 2 new Audit Committee evaluation checklists will be provided

#### **Round Table Discussion 4 – Assessing the Audit Committee /Board relationship**

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

#### **Building World –Class Internal Audit Teams**

- The recruitment dilemma – what if you cannot get the talent you need
- Determining a strategy for building the team
- Sources of talent – growing your own or recruiting from outside?
- New guidance on co-sourcing
- Should you try to recruit personnel with previous IA experience?
- Which is more important – knowledge of your sector or IA knowledge?
- Use of coaching
- Performance management – what are the most effective measures?
- What skills should you be looking for
- Checklist of issues to assess in a potential auditor
- New guidance on managing dispersed teams will be provided
- Succession planning

#### **Round Table Discussion 5 – The challenges of recruitment**

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

#### **Risk Management and Internal Audit**

- The need to focus audit attention towards the most significant risks
- New IIA guidance – maturity models for assurance
- The need for much higher levels of assurance than ever before
- What level of assurance can really be provided?
- What should be the audit role in relation to identification and managing of risks
- What should the IA role be if your organisation has/ has not a risk management function?
- Could working with management to identify and evaluate risks compromise the independence of the function?
- How should audit plans be developed to ensure the correct risk focus?
- Is Risk based auditing a methodology or a state of mind?
- Why has it become so important?
- What are the ideas behind RBA?
- Is RBA a revolution or an evolution?

- Can such an approach really enhance the profile of IA within the business?
- New IIA Integrated auditing guidance will be shared

### **Round Table Discussion 6 – What does Risk Based Auditing mean to you? What are the challenges in driving better risk awareness**

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

## **Day 2 Challenges for the IA function**

### **Corporate Governance and the IA Role**

- What is Corporate Governance?
- Meeting Stakeholder requirements
- How the organisation is managed on behalf of the stakeholders
- Developments in CG – new paper
- The audit role in the CG process
- The risk focus of the function (and the relative roles of other assurance providers)
- Coordination with other assurance providers
- A guidance paper on assessing organisational governance will be provided
- The External audit relationship
- Role in Fraud prevention and investigation
- Managing Reputation
- Crisis Management

### **Round Table Discussion 7 – The challenges of Corporate Governance**

- Feedback and discussion – and ideas for dealing with the challenges – generated by the participants

### **Strategic Audit planning**

- Determining audits priorities
- Determining the audit universe
- Building Risk-based audit plans
- Tapping into risk assessments carried out by management
- Determining the level of Assurance required
- Getting management input
- New IIA guidance on audit plan preparation will be provided
- Audit planning model – an electronic version will be provided to all attendees

## **Round Table Discussion 8 – Strategic audit planning – how to convince Senior Management and the Audit Committee that you are auditing the right topics**

### **Consultancy assignments**

- The IIA standards
- Why consultancy should be encouraged
- The difference in approach
- How to document these assignments
- Reporting consultancy assignments
- Audit by workshop
- Facilitation –do's and don'ts

## **Round Table Discussion 9 – How to convince management that consultancy is the direction for Internal Audit**

### **Convincing management**

- A new paper on engaging senior management will be shared
- The need for effective presentations by senior audit management
- Determining the audience and preparing an appropriate approach
- The need for impact
- Deciding the form of presentation
- Use of visual aids
- How many notes should you use
- Use of humour – is this a good idea?
- Education or decision seeking – the different techniques
- How to deliver a successful presentation
  - How to combat nerves
  - Keeping in control
  - How to deal with questions
  - Keeping the flow
  - The need not to over prepare
  - Use of simple language
  - How to keep the audience's interest
  - Use of props
  - Anticipating the questions
  - Considering what the audience will expect
  - Assessing the results
  - Getting feedback

## **Round Table Discussion 10 – Challenges of making successful presentations**

## **Open forum**

- **An open forum will be held to discuss any topic of interest. A number of topics will be tabled – you can highlight the issues you would like to discuss on the day**
- **Topics could include :-**
  - **How to deliver world-class reports**
  - **The challenges of internal audit within a family-owned business**
  - **How to audit in an increasingly complex IT environment**
  - **Continuous auditing**
  - **How to make better use of CAAT's**
  - **Auditing ISO 31000, 14001 etc**
  - **Selling IA to the business better**
  - **The Role of IA in project management**

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