



## Certificate in World Class Internal Audit

**BRAND NEW FOR 2018**

### **Who should attend?**

- Heads of Internal Audit (CAE)
- Audit Managers and those about to be appointed to that role
- Audit supervisors
- Managers of other assurance functions such as Compliance or Quality Assurance
- Directors or VP's who need to know about the modern IA role

### **Course Level**

- This is an intermediate to advanced level course and delegates should be Audit Supervisor level or above
- 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)

### **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
- Build a world-class team
- Manage the audit process more efficiently and significantly improve strategic audit planning
- Deal with the challenges of consultancy
- Audit Corporate Governance with confidence
- Deliver stakeholder assurance more effectively
- Engage more positively with senior management

## **CPE credits**

- Participants can earn up to 21 CPE credits in the Auditing field of study

## **Why you should attend**

This workshop is unique in that it is targeted specifically to the most senior IA 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

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 develop new approaches to the difficult challenges facing the Heads of Audit

The workshop also includes opportunities to discuss issues of your choosing with your peers

## **Day 1 The Changing role of Internal Audit**

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

- How the IA profession has changed in the last 10 years
- New IIA paper on models of effective IA will be shared
- 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

### **Roundtable discussion 1 - The challenges facing Heads of Audit**

### **Meeting the challenges of the new IIA standards**

- Chief Audit Executive Roles Beyond Internal Auditing
- Provision of assurance services where consulting services have been performed
- Developing the audit plan
- Board reports
- Reporting on the QAIP
- IA credibility and value
- Senior management resolution of risk
- IT Governance

### Roundtable discussion 2 - Which of the standards provides the biggest challenge?

#### The need for proactive Audit Committee relationships

- How to create the correct relationship with the 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 3 – Assessing the Audit Committee relationship

#### Corporate Governance and the IA Role

- What is Corporate Governance?
- Key challenges
- 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
  - Is communication with main stakeholders taken seriously?

- Do the goals and values of the business, as well as its principal policies on conduct, sufficiently address the main areas of reputational risk?
- Are corporate values shared?
- How is sufficient coverage of different business issues achieved within the policy statements and codes of practice, and is reputational risk addressed appropriately in each case?
- Are policies governing reputation management clearly communicated internally?

## **Round Table Discussion 4 – The challenges of Corporate Governance**

<b>Day 2 Internal Audit best practice</b>
---

### **Understand and exceed stakeholder expectations**

- Who are the stakeholders?
- Are stakeholders' expectations known?
- Arranging meetings with all stakeholders
- Workshops with key stakeholders?
- 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
- What every Director should know about IA – new guidance

### **Discussion 5 - Meeting the ever expanding requirements of stakeholders – what should the IA role be?**

### **IA and culture change**

- Ensure that your staff know that risk management is not a fad or the latest initiative – it is a business process
- Ensure you define risk as the need to get things right – not what can go wrong
- 'Ring fencing' risk exposure - never allow one part of the business to impact the whole organisation
- Determining and communicating your attitude to risk and your required risk culture to managers and stakeholders
- Recognise that reputation is both your biggest asset and the biggest risk you face – and one you cannot insure

- Do not wait until you are required to provide evidence of effective risk management by regulators or legislation – this will usually be too late
- Market the audit process internally and to stakeholders
- Recognise that your employees will only be interested in managing risks if there is a benefit for them in doing so
- Realise that if managers want to get a proposal through, they will tend to understate the risk (if you let them)
- Promote risk as the pulse of the organization and make sure that you have personnel to regularly take this pulse

### **Discussion 6 - What steps can IA take to better promote themselves?**

## **Building a world class team**

- 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

### **Discussion 7 – The challenges of recruitment**

## **Continuous auditing**

- The revised IIA Global Technology Audit Guide (GTAG)
- The practicalities of continuous auditing
- Paper – fantasy or reality
- Continuous assurance – new guidance
- Continuous auditing and continuous monitoring
- The use of CAAT's for continuous auditing
- Continuous risk assessment techniques
- Examples of continuous auditing
- A paper on continuous audit using ACL will be shared
- New GTAG on audit sampling

### **Discussion 8 – Opportunities for continuous auditing**

## **Day 3** The more complex audit issues

### **Ensuring your role is fully coordinated with the other providers of assurance**

- Ensuring your assurance providers roles e.g. Internal Audit, Compliance, Risk Management, Insurance, Security are coordinated to avoid duplication of effort
- New guidance on coordinating RM & assurance
- Why you should incorporate internal audit agreed actions in your risk register
- Ensure environmental risk is taken seriously
- Ensure that your Business Continuity plan covers all eventualities and ensure it is fully tested
- Identify new ways to benefit the least able section of the wider community you serve

#### **Discussion 9 – How to coordinate assurance**

### **Auditing Third Party activities**

- Identifying risks in third party relationships
- Outsourcing objectives
- Transfer of risk
- Outsourcing delivery models
- The key risks
  - Picking the wrong contractor
  - Higher costs
  - Negative impact on service
  - Loss of control
  - Loss of knowledge or resources
  - Difficulty of bringing the activity back in-house
  - Loss of public focus
  - Conflicting objectives
  - Payment issues
  - Contract variations
- Assessing the contract
- How to assess continuing viability – performance management

#### **Discussion 10 - Assessing third party risks**

### **The challenges of the consultancy role**

- 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

### **Discussion 11 – How to convince management that consultancy is the direction for Internal Audit**

## **Investigations**

- Investigations – the major differences from standard audits
- Which investigations should IA accept
- How can this decision be made
- The skills required
- The need for perfect audit trails
- Difficulties

### **Discussion 12 – Challenges of investigations**

## **Convincing Management**

- 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

### **Round Table Discussion 13 – Challenges of making successful presentations**