



The Future of Internal Audit On-line course 2 days

Why you should attend

- The Internal audit function is increasingly regarded as a business partner, a catalyst for change and a Governance advisor.
- You therefore need your internal audit function to become a trusted advisor and internal consultant.
- The course represents a superb opportunity to develop new approaches to the difficult challenges facing modern audit functions
- The workshop also provides the platform to focus the key role of IA to this fast changing world

Course Level

- This is an intermediate level course and delegates should ideally have at least 1 years' audit experience
- Delegates should have a good educational standard and/or a professional qualification
- No advance preparation is required
- Delivery method – On-line-live (with exercises and case studies to provide practical application of the tools and techniques)

After completing this course you will be able to

- REFOCUS the audit role to become a strategic advisor
- DEAL with the ever changing audit challenges
- DEMONSTRATE measurable value to the business
- IMPLEMENT the latest IIA guidance
- APPLY updated audit analytics techniques
- APPRECIATE the additional skills required by the modern auditor
- DEVELOP an audit approach to help the organisation better deal with the new world order
- AUDIT business areas which may have not been previously covered
- AUDIT cybersecurity risks

Day 1: The Challenges for Internal Audit

The need for Internal Audit to be a strategic advisor

- **New IIA Code of Conduct**
 - **Helping the Board to protect the assets, reputation and sustainability of the organisation.**
 - **Internal audit should have the right to attend and observe all or part of executive committee meetings**
 - **The primary reporting line for the chief internal auditor should be to the chair of the Audit Committee.**
- **New IIA Audit Executive guidance**
- **New IIA paper on models of effective IA will be shared**
- **Deciding the strategic direction for your function**
- **Pulse of the profession 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.**

Exercise 1 – Dealing with the new challenges

The latest developments in IA

- **New guidance and its implications**
- **Aligning strategic audit plans with significant business risks**
- **Dealing with unacceptable risk – escalation with senior management**
- **Gathering information from multiple engagements**
- **Direct relationships with the Board (not only the Audit Committee)**
- **Assessing IT Governance**
- **The role in fraud risk management**
- **Evaluating ethics programmes**
- **Imperatives for change – IIA standards**
- **An effectiveness of IA checklist will be shared**
- **Making the most of IA – new IIA paper**

Exercise 2 – Dealing with the new requirements

The need to enhance 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

Exercise 3 – How to convince management that consultancy is the direction for Internal Audit

The evolving audit skill set

- Why auditors need leadership skills
- The need for the ability to influence experts
- The IIA competency framework
- Diplomacy
- Open -mindedness
- Persuasiveness
- Negotiation ability
- Self-motivation and self confidence
- Decision making ability
- Flexibility and ability to co-operate
- Effective Time management
- Flexibility and ability to co-operate
- Self- control
- Practicality
- Results focus
- Investigative skills
- Building trust
- New IIA paper on influencing skills will be shared

Exercise 4 – Updating the IA skill set to meet the new challenges

Implementing audit analytics

- The use of analytical tools
- The process of data mining
- Applications of CAAT’s
- Fuzzy matching
- Data Validation
- Trend and pattern analysis
- Neural networks
- Benford’s Law and it’s importance in analytics
- Auditing big data
- Implications of IIA GTAG – understanding and auditing big data
- The use of Internal and external databases
- How to put the techniques into use in your organisation.
- Practical uses of data analytics and the results achievable

Exercise 5 – Use of data analytics

Continuous auditing

- The 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

Exercise 6 –Opportunities for continuous auditing

Day 2: Adding measurable value to the business

The need to measure IA success (KPI's)

- The requirement for IA to add measurable value
- The need for SMART KPI's
- The KPI categories
- Audit Coverage
 - Overall plan
 - Audit Universe
 - Key risks
 - Major systems
 - Geographical of functional
- Efficiency
 - Timeliness
 - Implementation of actions agreed
 - Achievement of the 3 E's
 - Staff utilisation
- Benefits
 - Monetary savings
 - Over-managed risks reduced
 - Unnecessary controls removed
 - Ideas shared
 - Extent of reliance external audit can take
- Customer service
 - Audit customer feedback
 - Board and Audit Committee feedback
 - Number of requests

Exercise 7–Determining effective KPI's

Meeting 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

Exercise 8 Meeting the ever expanding requirements of stakeholders – what should the IA role be?

Auditing Third Party activities

- Overview of outsourced contract management
- Outsourcing objectives
- Transfer of risk
- Outsourcing delivery models
- Roles and responsibilities
- Different approaches to outsourcing
- The key risks
- Assessing the contract
- Assessing data security in outsourced services
- How to assess continuing viability – performance management
- Right to audit clauses
- A new paper on auditing external business relationships

Exercise 9 - Assessing third party risks

Auditing Cybersecurity risks

- Statistics about cybersecurity crime
- Profiles of the Attackers
- Anatomy of a Breach
- How to prevent Cyber Incidents
 - Network Controls (Internal and External)
 - Domain and Password Controls
 - Access rights and User Awareness
 - Application Security
 - Secure Software Development environment
 - Data Controls
 - Encryption
- Vulnerability Management
- Security Testing
- Social Media risks
- ISO 27000

Exercise 10 – Cybersecurity risks

Extending the audit coverage

- Auditing the least covered business aspects
- Social Media
- The web site
- Strategic planning

- **Product/ service development**
- **Changes in Government policy**
- **Economic changes impacting the business**
- **Customer relationship management**
- **Sustainability**
- **Extreme events**
- **The regulatory environment**
- **Business Innovation**
- **Corporate communication**
- **Demographic changes and business impact**

Exercise 11 – Delegates will select 2 topics and determine the audit approach

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