



VALUE OF INTERNAL AUDITING: ASSURANCE, INSIGHT, OBJECTIVITY

A PRESENTATION TO
STAKEHOLDERS ABOUT THE VALUE
OF INTERNAL AUDITING

Presentation is complements of The IIA Academic Relations

WHAT SHOULD YOU EXPECT FROM YOUR INTERNAL AUDIT DEPARTMENT



VALUE PROPOSITION OF INTERNAL AUDITING FOR KEY STAKEHOLDERS

- **Internal Auditing: Assurance ▪ Insight ▪ Objectivity**

Governing bodies and senior management rely on Internal Auditing for objective assurance and insight on the effectiveness and efficiency of governance, risk management and internal control processes.



INTERNAL AUDITING PROVIDES

- **Assurance** that the organization is operating as management intends.
- **Insight** for improving controls, processes, procedures, performance, and risk management; and for reducing expenses, enhancing revenues, and improving profits.
- **Objective** assessments of operations.

INTERNAL AUDITORS

- Have variety of skills, educational backgrounds, and expertise.
- Use their broad knowledge of the business to help management achieve its business objectives and assist the governing body in fulfilling its oversight responsibility.
- Are catalysts, risk and control experts, efficiency specialists, and problem-solvers.

VALUE PROPOSITION OF INTERNAL AUDITING FOR KEY STAKEHOLDERS

What else should you expect from your IA Department?



ASSURANCE: GOVERNANCE, RISK, CONTROL

Internal Auditing provides assurance on the organization's governance, risk management and control processes to help the organization achieve its strategic, operational, financial, and compliance objectives.

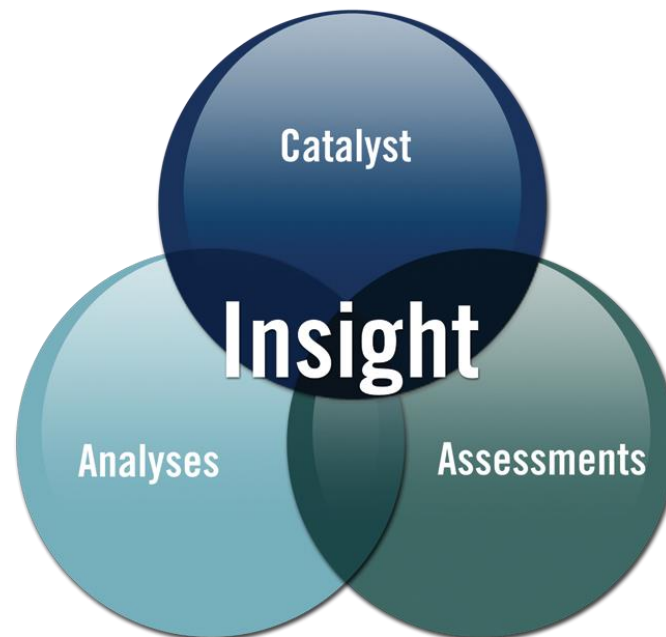


GOVERNANCE, RISK, CONTROL

- Internal Auditing, as one of the four cornerstones of corporate **governance** (along with the governing body, executive management, and external auditing) helps organization focus on strong controls, accurate reporting, effective oversight, mitigation of risks, and protection of investments.
- Assists management and governing bodies in identifying **risks**.
- Provides insight on effectiveness of **controls** and compliance with procedures and regulations, and recommends improvements.

INSIGHT: CATALYST, ANALYSES, ASSESSMENTS

Internal Auditing is a catalyst for improving an organization's effectiveness and efficiency by providing insight and recommendations based on analyses and assessments of data and business processes.



CATALYST, ANALYSES, ASSESSMENTS

- As **catalyst** for improvement, evaluates processes, reports findings and recommends appropriate courses of action; and advises on key projects/initiatives.
- Through **analyses** of data and information, provides insight into process improvements.
- Through understanding of the business and its objectives, **assesses** the efficiency and effectiveness of operations and protection of assets.

OBJECTIVITY: INTEGRITY, ACCOUNTABILITY, INDEPENDENCE

- With commitment to integrity and accountability, Internal Auditing provides value to governing bodies and senior management as an independent source of objective advice.

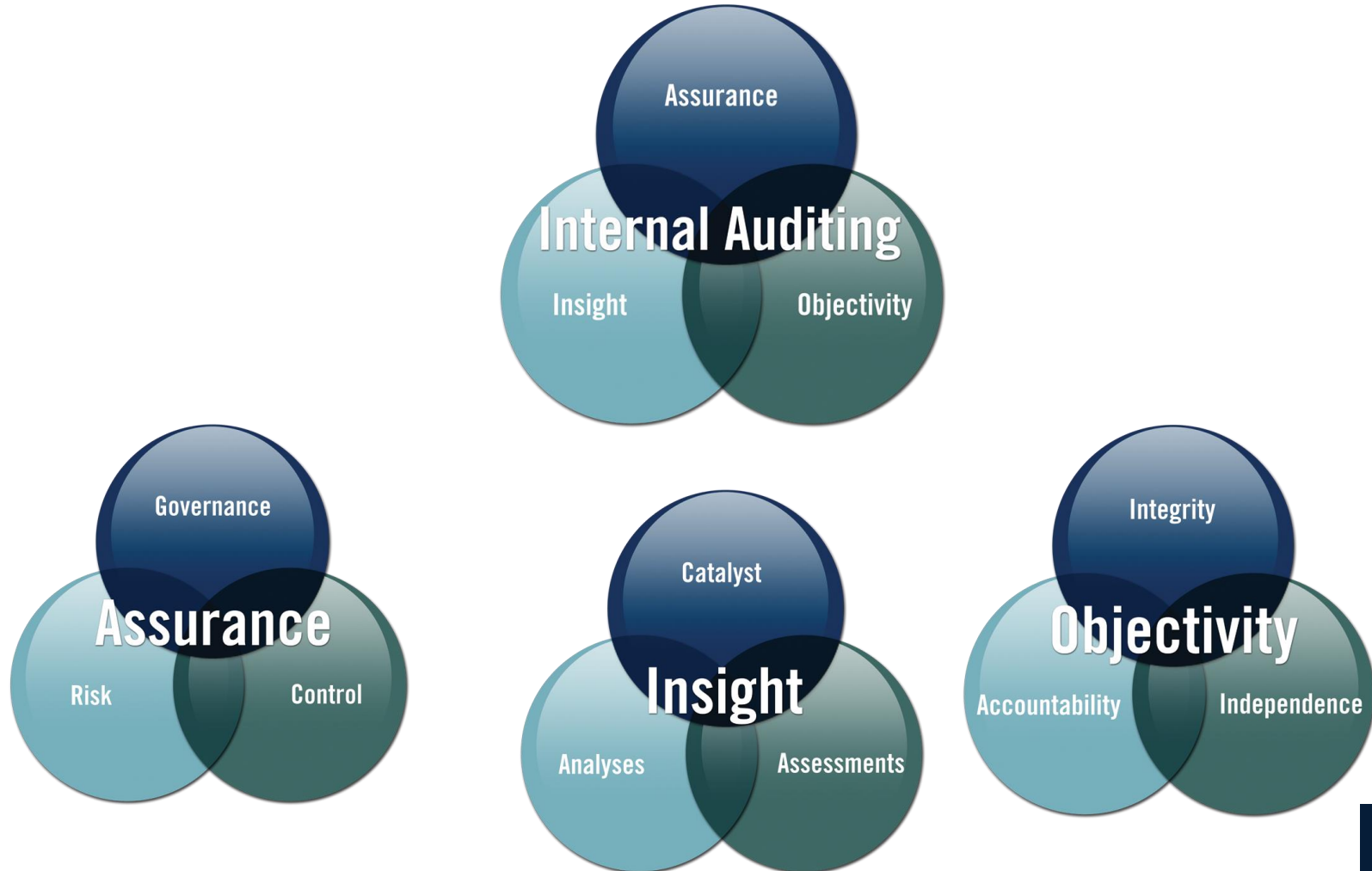


INTEGRITY, ACCOUNTABILITY, INDEPENDENCE

- Grounded in professionalism and **integrity** through professional *Standards* and *Code of Ethics*.
- **Accountable** in helping management and governing bodies achieve their objectives.
- To ensure **independence**, CAE should report to independent governing body for functional direction; and to management for administrative oversight. Maintains objectivity by not assuming any operational responsibilities.

VALUE PROPOSITION OF INTERNAL AUDITING FOR KEY STAKEHOLDERS

WHAT YOU SHOULD EXPECT FROM YOUR INTERNAL AUDITORS



FOR MORE INFORMATION



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