

2018 IIA INDONESIA NATIONAL CONFERENCE

Nurturing Agile Internal Auditors in Disruptive Times

Strengthening IA Professional



About IIA Advocacy

The IIA's strategic plan includes a goal to raise the profile of and demand for internal audit and to ensure the profession is recognized as an indispensable resource by key stakeholders. One of the principle tools in accomplishing this goal is advocacy.

One of the keys to successful advocacy is honing and promoting key messages that inform and promote the fundamental elements that will help The IIA achieve its goal. The three principle advocacy messages are:

- **Internal audit makes organizations stronger.** Properly positioned internal audit functions that are independent, well-resourced, and aligned with organizational strategy make for effective internal audit. When internal audit is effective, it makes the organization stronger.
- **IIA Standards provide the foundation for high-quality audits that help ensure complete, accurate, and reliable information is reported to the board.** This message addresses two crucial stakeholder questions. How do we measure internal audit quality? How does internal audit add value?
- **Certified Internal Auditors demonstrate proficiency in the profession and are better equipped to deliver high-quality audits in accordance with the Standards.** This drives home the message that quality internal audit is inexorably tied to the Standards. It is imperative that practitioners not just understand and follow the Standards, but celebrate and promote them by becoming CIAs.

Advocacy at the IIA

At The IIA, advocacy is actively reaching out on behalf of internal auditors everywhere to promote and elevate the value of the work they do, and to educate and influence key stakeholders.

The Institute is hard at work in developing relationships which broaden the business world's understanding of internal auditing and of The IIA as the profession's global voice, acknowledged leader, recognized authority, and principal educator.

Engaging with stakeholders at the local, national, and regional levels is vital to The IIA's advocacy efforts. Within this context, stakeholders include oversight bodies, regulators, government officials, standard-setting bodies, board of directors, audit committee members, executive management, external auditors, shareholders, customers, and the business community at large.

The IIA and Institutes throughout the world are advocating internal auditing by building and maintaining long-term relationships.

What are the Desired End Results of Our Advocacy Efforts?

The IIA's desired results are to: Influence standard-setting bodies, oversight entities, regulators, and other stakeholders to endorse or adopt the [Standards](#); Ensure that internal auditing is at the governance table and is acknowledged as a cornerstone of effective governance; Ensure that the internal auditing profession is universally recognized.

In October 2010, a new International Professional Practices Framework (IPPF) Oversight Council was formed to serve as an independent evaluator and advisor to the IIA Global Board of Directors on the rigor of The IIA's standard-setting process. This international council is charged with monitoring the process for developing the IPPF's authoritative guidance for internal auditing professionals around the world. Organizations represented on the Oversight Council include:

- IFAC
- INTOSAI
- World Bank
- OECD
- National Association of Corporate Directors (NACD).

The council's oversight places additional rigor on top of The IIA's existing standard-setting process.



10 core competencies



“Professional Ethics” and “Internal Audit Management” provide a firm foundation for the delivery of IA. In order to be able to provide an effective service, IAs need to operate according to high ethical standards and coordinate the resources and activities of the internal audit function.

The principal points of focus of an internal auditor’s expertise are the IPPF, governance risk and control, and business acumen.

The “IPPF” is the primary source of professional standards for internal audit that the IIA provides to all internal auditors around the world. Additionally, IAs require technical expertise in “Governance, Risk and Control” to inform their work and help organizations accomplish their objectives. “Business Acumen” in the form of understanding the client organization, its culture, the way it works, the sector it operates in and the local and global factors that act upon it is another essential prerequisite that enables internal auditors to provide effective assurance and advisory services and so add value to the organization.

IAs need to be competent in “Communication”, “Persuasion and Collaboration”, and “Critical Thinking” in order to deliver IA engagements, and drive improvement and innovation in an organization.



Standards and Guidance - IPPF

Mission of Internal Audit
Mandatory Guidance
Core Principles
Standards
Code of Ethics
Definition of Internal Auditing
Implementation Guidance
Supplemental Guidance



Responses and Positions

Global Public Sector Insights
Position Papers
Responses to Regulators
Global Perspectives and Insights
Global Knowledge Brief
Advocacy Efforts



Resources

Artificial Intelligence
Auditing Culture
CIA Study
COSO
Cybersecurity
Data Analytics
Fraud
Fundamentals
Leadership Development
Risk
Stakeholder
Talent Management
Trusted Advisor



The IIA's International Professional Practices Framework® (IPPF®), or Red Book, brings internal auditors up to speed on mandatory and recommended guidance.

The International Professional Practices Framework (IPPF)® is the conceptual framework that organizes authoritative guidance promulgated by The Institute of Internal Auditors. A trustworthy, global, guidance-setting body, The IIA provides internal audit professionals worldwide with authoritative guidance. The IPPF includes Mandatory Guidance and Recommended Guidance.

Attribute Standards

Attribute Standards address the characteristics of organizations and parties performing internal audit activities.

- 1000 – Purpose, Authority, and Responsibility
- 1010 – Recognizing Mandatory Guidance in the Internal Audit Charter
- 1100 – Independence and Objectivity
- 1110 – Organizational Independence
- 1111 – Direct Interaction With the Board
- 1112 – Chief Audit Executive Roles Beyond Internal Auditing
- 1120 – Individual Objectivity
- 1130 – Impairment to Independence or Objectivity
- 1200 – Proficiency and Due Professional Care
- 1210 – Proficiency
- 1220 – Due Professional Care
- 1230 – Continuing Professional Development
- 1300 – Quality Assurance and Improvement Program
- 1310 – Requirements of the Quality Assurance and Improvement Program
- 1311 – Internal Assessments
- 1312 – External Assessments
- 1320 – Reporting on the Quality Assurance and Improvement Program
- 1321 – Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing”
- 1322 – Disclosure of Nonconformance

Performance Standards

Performance Standards describe the nature of internal audit activities and provide criteria against which the performance of these services can be evaluated.

- 2000 – Managing the Internal Audit Activity
- 2010 – Planning
- 2020 – Communication and Approval
- 2030 – Resource Management
- 2040 – Policies and Procedures
- 2050 – Coordination and Reliance
- 2060 – Reporting to Senior Management and the Board
- 2070 – External Service Provider and Organizational Responsibility for Internal Auditing
- 2100 – Nature of Work
- 2110 – Governance
- 2120 – Risk Management
- 2130 – Control
- 2200 – Engagement Scope
- 2201 – Planning Considerations
- 2210 – Engagement Objectives
- 2220 – Engagement Scope
- 2230 – Engagement Resource Allocation
- 2240 – Engagement Work Program
- 2300 – Performing the Engagement
- 2310 – Identifying Information
- 2320 – Analysis and Evaluation
- 2330 – Documenting Information
- 2340 – Engagement Supervision
- 2400 – Communicating Results
- 2410 – Criteria for Communicating
- 2420 – Quality of Communications
- 2421 – Errors and Omissions
- 2430 – Use of “Conducted in Conformance with the International Standards for the Professional Practice of Internal Auditing”
- 2431 – Engagement Disclosure of Nonconformance
- 2440 – Disseminating Results
- 2450 – Overall Opinions
- 2500 – Monitoring Progress
- 2600 – Communicating the Acceptance of Risks

RECOMMENDED GUIDANCE: IMPLEMENTATION GUIDANCE

Supplemental Guidance provides detailed guidance for conducting internal audit activities. These include topical areas, sector-specific issues, as well as processes and procedures, tools and techniques, programs, step-by-step approaches, and examples of deliverables.

Global Audit Technology Guide (GTAG)

- Assessing Cybersecurity Risk: Roles of the Three Lines of Defense
- Auditing Application Controls (Previously GTAG 8)
- Auditing IT Governance (Previously GTAG 17)
- Auditing IT Projects (Previously GTAG 12)
- Auditing Smart Devices: An Internal Auditor's Guide to Understanding and Auditing Smart Devices
- Auditing User-developed Applications (Previously GTAG 14)
- Business Continuity Management (Previously GTAG 10)
- Change and Patch Management Controls: Critical for Organizational Success, 2nd Edition (Previously GTAG 2)
- Continuous Auditing: Coordinating Continuous Auditing and Monitoring to Provide Continuous Assurance, 2nd Edition (Previously GTAG 3)
- Data Analysis Technologies (Previously GTAG 16)
- Developing the IT Audit Plan (Previously GTAG 11)
- Fraud Prevention and Detection in an Automated World (Previously GTAG 13)
- Identity and Access Management (Previously GTAG 9)
- Information Security Governance (Previously GTAG 15)
- Information Technology Outsourcing, 2nd Edition (Previously GTAG 7)
- Information Technology Risk and Controls, 2nd Edition (Previously GTAG 1)
- Management of IT Auditing, 2nd Edition (Previously GTAG 4)

Guide to the Assessment of IT Risk (GAIT)

- GAIT Methodology
- GAIT for IT General Control Deficiency Assessment
- GAIT for Business and IT Risk

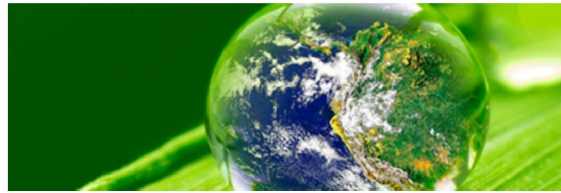


Financial Services Audit Center

Financial services auditors face unique regulatory and risk challenges. This dedicated Center provides top-level resources, insights, and learning and development opportunities.

[Learn more.](#)

Already a member? [Access the Center.](#)



Environmental, Health & Safety Audit Center

With the merger of Auditing Roundtable into The IIA, this Center focuses on the burgeoning EHS sector, keeping auditors abreast of changing regulations and requirements with unique learning and networking opportunities.

[Learn more.](#)

Already a member? [Access the Center.](#)



Public Sector Audit Center – Included with IIA Government Audit Program (GAP) Membership

The Center was created specifically for auditors with limited resources in the public sector at all levels — local, state, federal, and quasi-governmental — whose stakeholders include the citizens and politicians.

[Learn more.](#)

Already a member? [Access the Center.](#)



Gaming Audit Group

The group serves auditors in the highly regulated gaming industry with customized communications and guidance on effective internal controls.

[Learn more.](#)

Already a member? [Access the group.](#)

RECOMMENDED GUIDANCE: SUPPLEMENTAL GUIDANCE

Supplemental Guidance provides detailed guidance for conducting internal audit activities. These include topical areas, sector-specific issues, as well as processes and procedures, tools and techniques, programs, step-by-step approaches, and examples of deliverables.

General

- Assessing Organizational Governance in the Private Sector
- Assessing the Adequacy of Risk Management Using ISO 31000
- Assisting Small Internal Audit Activities in Implementing the International Standards for the Professional Practice of Internal Auditing
- Audit Reports: Communicating Assurance Results
- Auditing Anti-bribery and Anti-corruption Programs
- Auditing Executive Compensation and Benefits
- Auditing External Business Relationships
- Auditing Privacy Risks, 2nd Edition (replaces GTAG 5)
- Auditing the Control Environment
- Business Continuity Management
- Chief Audit Executives — Appointment, Performance, Evaluation, and Termination
- Coordinating Risk Management and Assurance
- Coordination and Reliance: Developing an Assurance Map
- Developing the Internal Audit Strategic Plan
- Engagement Planning: Assessing Fraud Risks
- Engagement Planning: Establishing Objectives and Scope
- Evaluating Corporate Social Responsibility/Sustainable Development
- Evaluating Ethics-related Programs and Activities
- Formulating and Expressing Internal Audit Opinions
- Independence and Objectivity
- Integrated Auditing
- Interaction with the Board
- Internal Audit and the Second Line of Defense
- Internal Auditing and Fraud
- Measuring Internal Audit Effectiveness and Efficiency
- Quality Assurance and Improvement Program
- Reliance by Internal Audit on Other Assurance Providers
- Selecting, Using, and Creating Maturity Models: A Tool for Assurance and Consulting Engagements
- Talent Management

Financial Services

- Auditing Model Risk Management
- Auditing Liquidity Risk: An Overview

Public Sector

- Assessing Organizational Governance in the Public Sector
- Creating an Internal Audit Competency Process for the Public Sector

Other

- Applying The IIA's International Professional Practices Framework as a Professional Services Firm



CCSA®

CFSA®

CGAP®

CRMA®



Global

142167



CIA Certification
Certified Internal Auditor



CGAP Certification
Certified Government Auditing Professional



CFSA Certification
Certified Financial Services Auditor



CCSA Certification
Certification in Control Self-Assessment



CRMA Certification
Certification in Risk Management Assurance



QIAL Qualification
Qualification in Internal Audit Leadership



BEAC Certifications
Certifications for Environmental, Health & Safety Auditors



The IIA offers the Certified Internal Auditor® (CIA®) as internal audit core as well as several paths defined by specific interests, including Competency, Industry, and Leadership.

Certified Internal Auditor (CIA): Strengthen Your Core



As The IIA's premier designation for more than 40 years, the CIA sets the standard for excellence within the profession.

The CIA journey begins with a focus on The IIA's International Standards for the Professional Practice of Internal Auditing (Standards) and aspects of mandatory guidance under the International Professional Practices Framework® (IPPF)® .

The journey continues with a focus on managing an internal audit project and culminates with concepts related to internal control, risk, governance, and technology. The CIA is a 3-part exam for establishing your foundational core and starting point.

Internal Audit Practitioner: Start Your Journey With Knowledge and Confidence

The Internal Audit Practitioner designation is a great way to quickly demonstrate internal audit knowledge by applying for and passing Part 1 of the CIA exam.

Competency Certifications: Drive Your Expertise to New Heights

Internal audit professionals are tasked with evaluating the dynamic components comprising an organization's governance and enterprise risk management program and internal controls environment. The true value of this evaluation rests on the auditor's ability to provide advice and assurance around these issues.

The IIA offers Competency designations to further distinguish qualified practitioners in critical areas of expertise such as risk management and controls. These specialty designations include the Certification in Risk Management Assurance® (CRMA®) and the Certification in Control Self-Assessment® (CCSA®).



Mitigate the impact of risk by demonstrating your ability to provide risk assurance, governance processes, quality assurance, and control self-assessment (CSA). If your goal is to become a trusted advisor to the audit committee and executive management in the critical areas of risk assurance, governance processes, quality assurance, or control self-assessment, the CRMA designation is for you.



Drive organizational change with your Certification in Control Self- Assessment. The CCSA is a respected certification for control self assessment practitioners. It measures an auditor's knowledge of important CSA fundamentals, processes, and related topics such as risk, controls, and business objectives. It is the standard by which individuals demonstrate their comprehensive professionalism in the field.

Industry Certifications: Provide Focus on Your Journey

The IIA offers four certifications to support professionals serving in specific industries. These designations demonstrate your knowledge of and ability to practice internal auditing with an added layer of focused expertise and skill.

CFSA
Certified Financial
Services Auditor®

The Certified Financial Services Auditor® (CFSA®) is a valued certification for your career journey in banking, insurance, security and commodity services, and other financial services organizations.

CGAP
Certified Government
Auditing Professional®

The Certified Government Auditing Professional® (CGAP®) will help you shift to the next gear in governmental auditing. The certification was designed especially for auditors working in the public sector at all levels.

CPEA
Certified Professional
Environmental Auditor

Certified Professional Environmental Auditor™ (CPEA®) – There are four specialty certifications offered under the CPEA designation (Environmental Compliance, Health and Safety Systems, Management Systems, and Responsible Care®).

CPSA
Certified Process
Safety Auditor

Certified Process Safety Auditor™ (CPSA™) – Process safety auditor certification allows you to demonstrate your ability to review and assess elements of process safety, including hazard analysis, mechanical integrity, and management of change.

Use of standard to lay the groundwork; to give a broad perspective on what IA supposed to be doing; and to help IA to be viewed as adding value. Standards are the bar every auditor should comply with and they give the customers peace of mind and confidence they are getting a quality product.

The principal points of focus of an internal auditor's expertise are the IPPF, governance risk and control, and business acumen.

Maintain independence & objectivity; uphold ethics, and demonstrate proficiency through professional certifications & continuous development.