

A man and a woman are standing in a server room, looking at a device held by the man. The man is wearing a grey sweater over a white shirt and a blue lanyard. The woman is wearing a white shirt and a blue lanyard. The background shows server racks and a blue-toned environment.

The Future of Internal Auditing

A webinar series

IIA Norway in collaboration with EY
June 11th, 2021 | Oslo



**The Institute of
Internal Auditors**



EY

**Building a better
working world**

Welcome to the last webinar in the
IIA Webinar series hosted by EY

Webinar #1 The Case for Change

Webinar #2 Technology

Webinar #3 People

Webinar #4 Organizing the Future IA



Today's agenda

1. Introduction
2. A brief look at our previous webinars
3. How will the internal audit work in the future?
4. Wrap-up



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Today's speakers



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A brief look at our previous webinars

Webinar #1 The Case for Change


Webinar #2 Technology

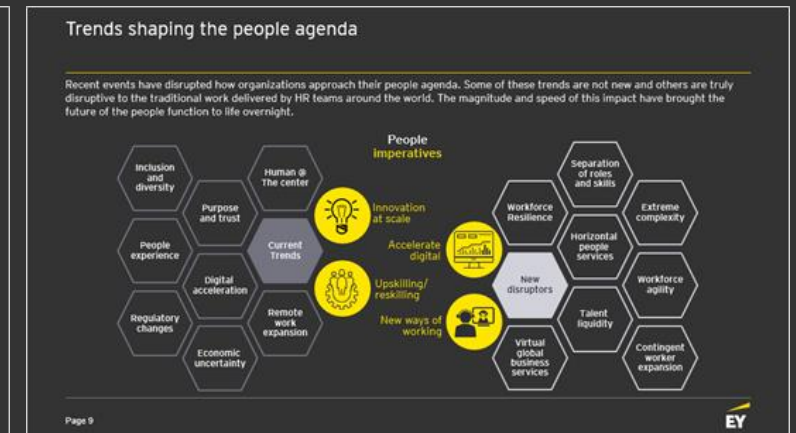
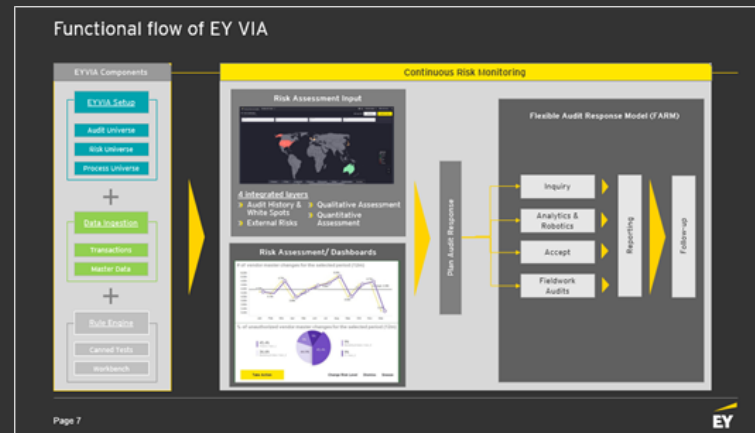
Webinar #3 People

The Case for Change
Vision for the future of IA to gain trust in the transformative age



In the future, IA will be viewed as an air traffic control tower. Technology will enable **real-time risk monitoring** and **timely reporting** of high-risk findings to instill **trust**, support confident decision making and ultimately contribute to increased business value. This operating model will also enable a higher degree of **flexible sourcing**.

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How will the internal audit work in the future?



The better the question. The better the answer. The better the world works.



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What will the IA mandate be?

The IA mandate does not need to change but it will evolve



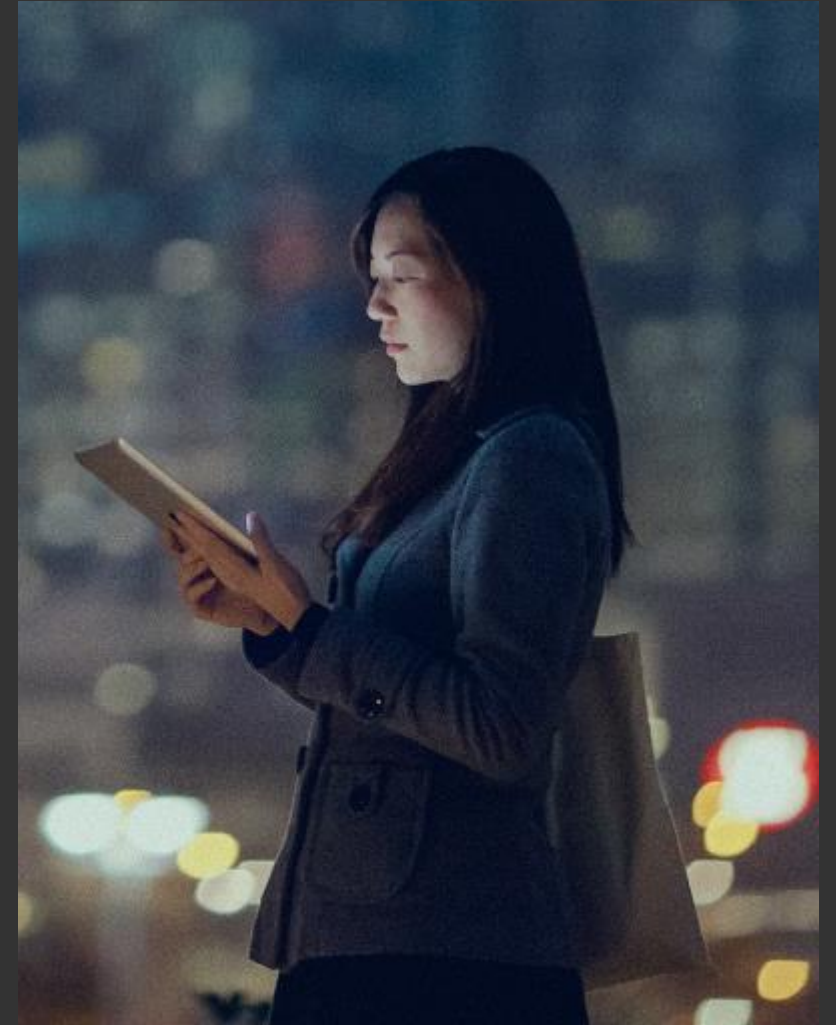
IA will be highly connected, proactive and forward looking in setting its priorities in response to market disruptions



IA will extend beyond its traditional assurance provider-role and become a strategic and valued advisor



Assurance will broaden to: challenging the entire risk framework and accounting for upside and outside in addition to downside risks

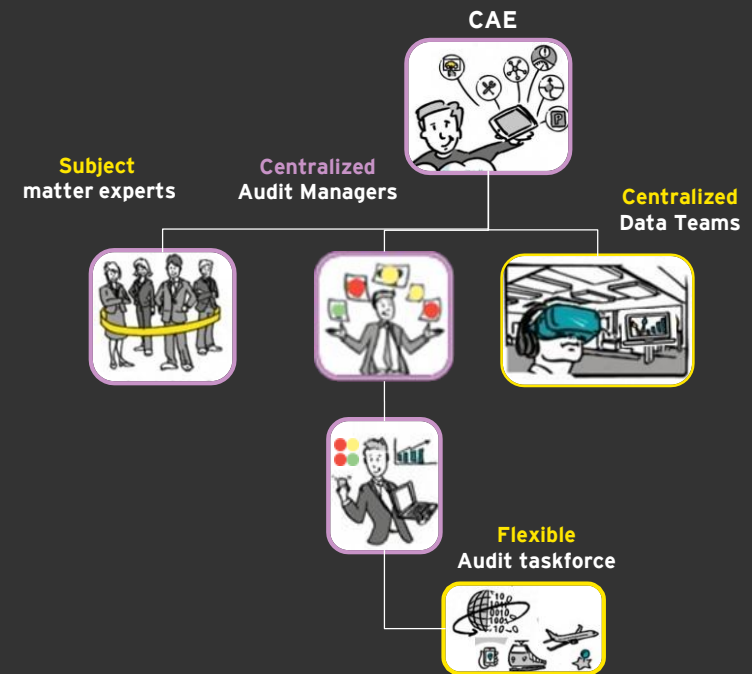
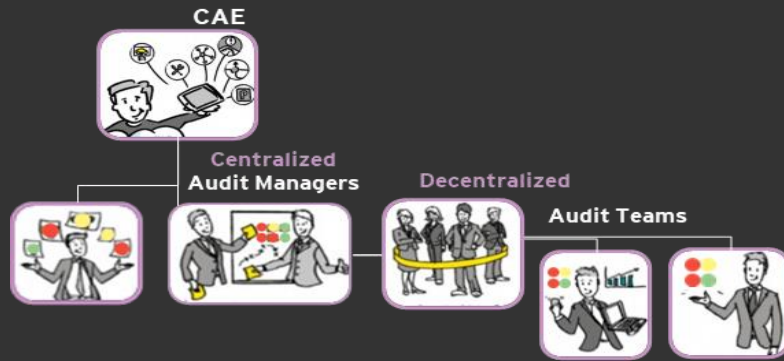


The way of organizing the internal audit function is developing

The *old* way

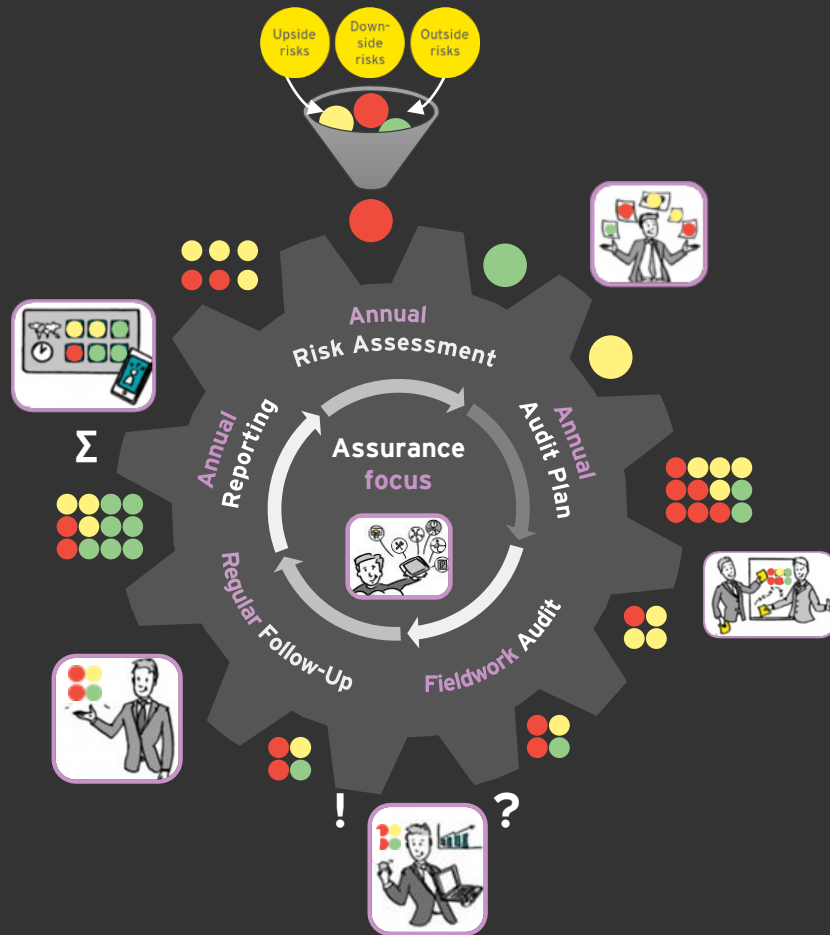
VS

The *new agile* way



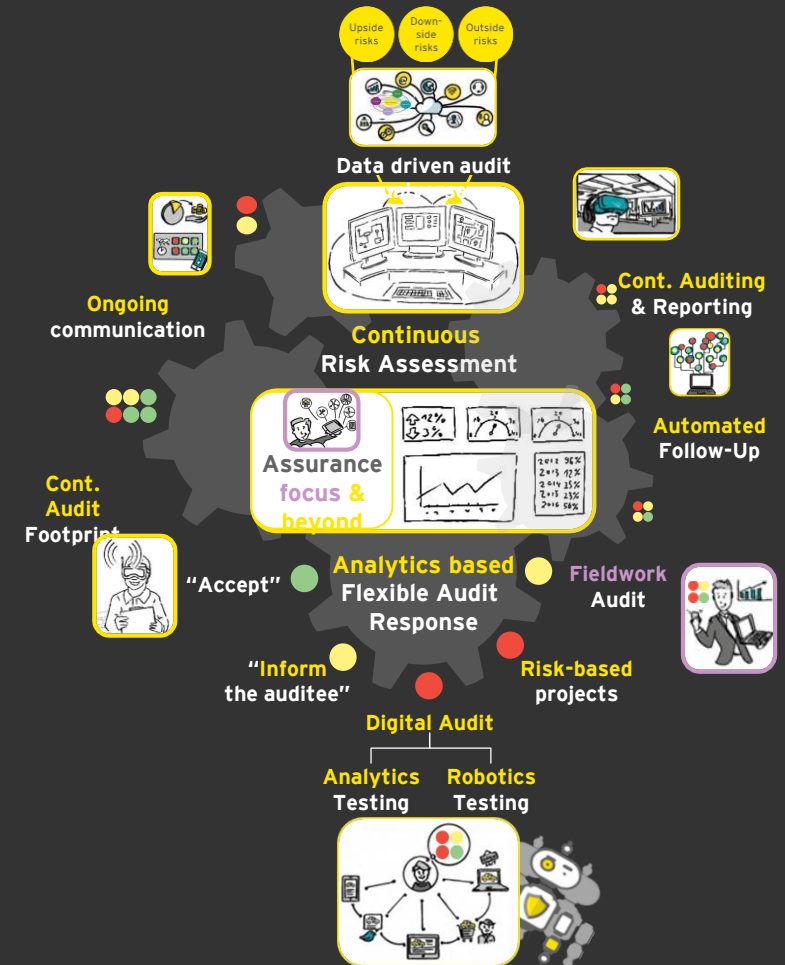
The operating model of the internal audit is also changing

The *old* way



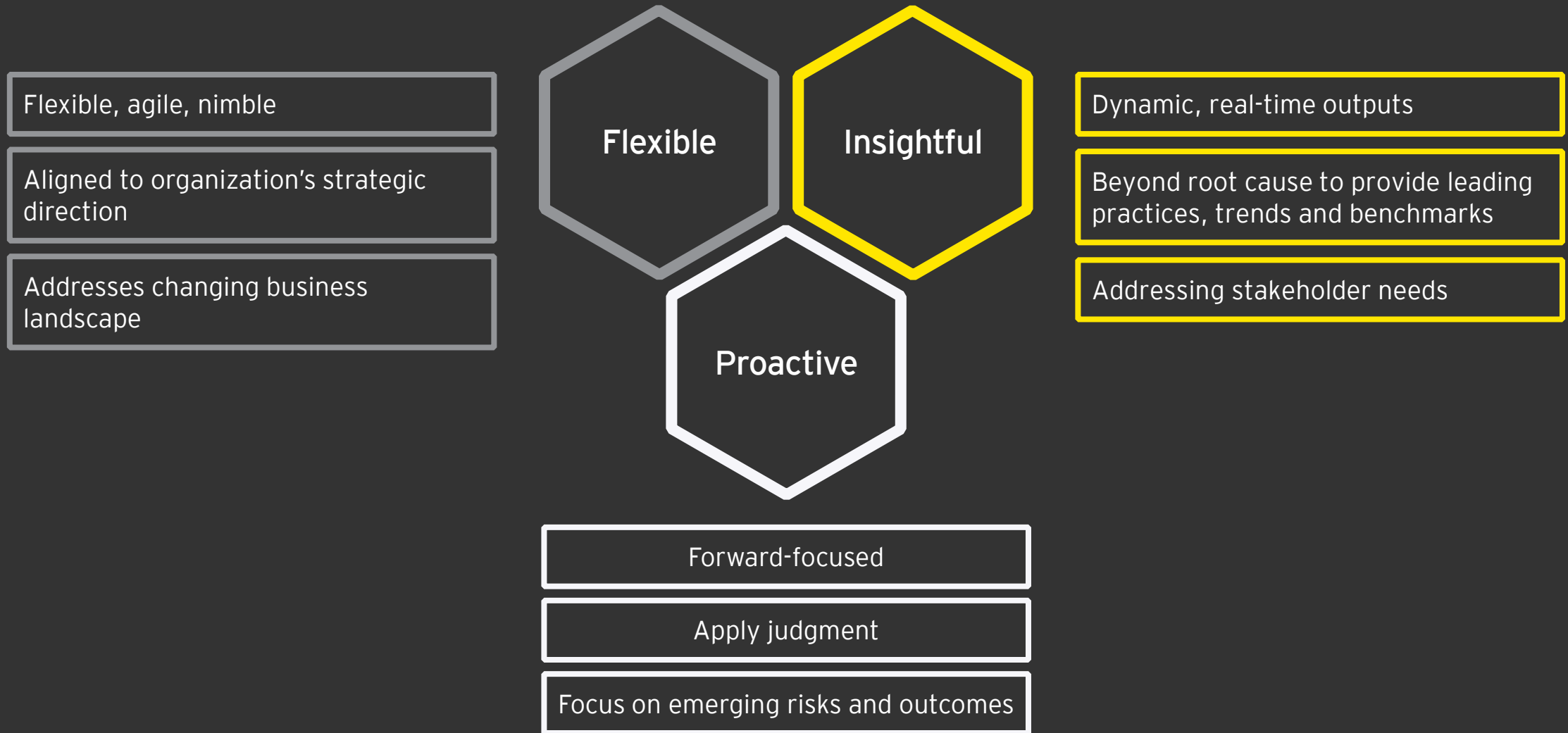
VS

The *new agile* way



How leading IA functions have evolved

The operating model is flexible, **proactive** and **insightful**



The journey has started

What some IA functions are doing as they kick-start their transformation

Audit Needs Assessment

- 1** Identify and assess risks beyond today's scope by leveraging predictive, historical and external data
- 2** Be flexible and agile around internal audit planning and responses based on changing assurance and reporting needs

Execute IA Plan

- 4** Digitize IA evidence and fieldwork in an integrated, digital platform to drive more insight around themes and trends
- 5** Use automation to deliver large volumes of transactional and compliance internal audit areas, enhancing risk coverage and improving efficiency

Develop IA Plan

- 3** Deliver through advanced data analytics and visualization enabling efficient resourcing of audit/risk resources

Communicate Results

- 6** Re-think 'traditional' reporting content and format to communicate messages in new ways
- 7** Automate internal audit reporting leveraging digitized IA evidence and fieldwork

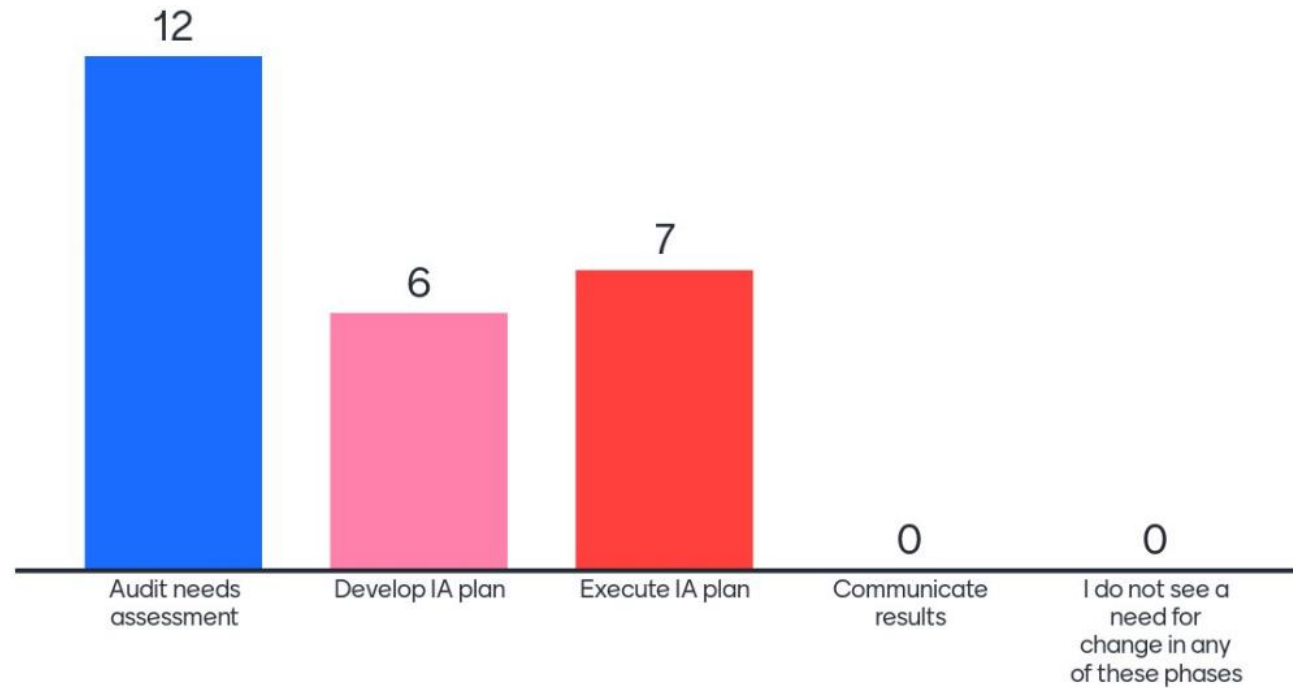
Input from the participants



In which part of the internal audit process do you see the greatest need for change?

In which part of the internal audit process do you see the greatest need for change?

Mentimeter



How will IA work in the future?

An agile and dynamic operating model enabled by technology and a flexible workforce



It will require action to reach the desired future state..

- ▶ **Assess** the current IA operating model, resource model and technology footprint to identify opportunities to innovate and better position the function for the transformative age.
- ▶ Start by making real investments in areas of impact and attack **“low-hanging fruit.”**
- ▶ **Build a business case and start a process of transformation** – technology development and deployment, skills sourcing, branding initiatives – to move toward the future state.



Arrival at the future state requires a journey that should start now

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Thank you for participating!

Contact information



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