Invest in Specialty Skills and Other Tips for Internal Audit Planning

In today’s dynamic and high-risk business environment, the role of an organization’s internal audit department is more important than ever. Every day new risks emerge, and stakeholders require a comprehensive understanding of the complex risk landscape and the processes and procedures in place to mitigate your organization’s challenges.

Chief audit executives (CAEs) understand that a well-constructed internal audit plan can protect their organization from threats, minimize their risk of loss and help maintain operational efficiency. However, it is also important when planning to consider how your strategy will navigate political and regulatory pressures, monitor risks on a continuous basis and sustain an effective reporting structure. As your team is putting the final touches on its internal audit plan, consider the following tips to ensure that you are protecting your data, customers and revenues and preparing your team to react and respond should any disruptions occur.

**Plan with the End in Mind**

Every organization has carefully created a strategy for how they will continue to grow and prosper year after year. These goals and objectives should form the building blocks for the foundation of your internal audit plan. With more threats surfacing, it can be difficult for professionals to pinpoint where to start their assessments and reviews. Understanding what your organization wants to achieve can help you prioritize projects to place emphasis on those that stakeholders truly value and support. Revisiting your end goals can keep your team focused throughout the year as potential new projects are proposed.

**Invest in Specialty Skills**

Your organization has worked hard to bring together an analytical internal audit team that produces quality
results. However, regulatory compliance requirements, breach tactics and risk environments evolve and require teams to develop new capabilities to continue to work at peak performance. Identifying, selecting and onboarding qualified professionals to extend your internal audit capabilities can be a costly and time-consuming process. Many organizations rely on third parties through sourcing to supplement their existing functions. Third party internal audit practices continuously train their practitioners on the latest industry standards and use state-of-the-art technology to conduct their assessments. Their teams are comprised of individuals that possess a wide variety of specialty skills from IT risk assessments and audit execution to anti-fraud and facility breach exercises. Co-sourcing and outsourcing relationships allow CAEs to deliver consistent results, while continuing to recruit and train new staff members. Over time, these third party engagements can be adjusted and scaled to accommodate your growing team.

Assess Risks on a Continuous Basis

Even if you are creating internal audit plans that align with your organization’s overall goals and objectives, you need to keep your plans flexible to account for rapidly changing or emerging risks. Natural disasters, cyber criminal activity or political unrest can have an impact on your organization, perhaps even destroying valuable revenue streams or reputations built over years of success. These risks can emerge or evolve quickly, and many organizations are shifting their attention to the areas most susceptible to major risks like IT or corporate governance. However, just shifting focus may not be enough to protect an organization if that organization’s internal audit department is still only updating its risk assessments on an annual or semi-annual basis. It is imperative that CAEs maintain a flexible audit plan process and assess risk continuously throughout the year. Failure to do so may render your organization unable to avoid major risks and thus unprepared to respond quickly.

Benchmark Against Industry Leaders

As you begin to put the finishing touches on your flexible, strategic internal audit plan, you should compare your tactics and reporting structures against the best practices of the industry and other companies. Internal audit industry specialists continuously collect data on organizations of all sizes to compile national averages that can inform decision-making processes. The Institute of Internal Auditors has developed the Global Audit Information Network (GAIN) Benchmarking Tool, which allows you to compare your internal audit departments structure, size, performance and planning against the averages of organizations similar to yours. If your organization engages a third party to conduct all or part of your internal audit assessments, you can access the third party’s experience and knowledge from working with a variety of clients across your industry. Communicating your strategies with your third party provider allows the provider to assist in the planning process through best practice and improvement recommendations.

Stakeholders in your organization look to the internal audit department to be resourceful when managing a complex risk environment and responsive if disaster strikes. CAEs who understand organizational goals, create flexible plans that meet industry standards and monitor risks continuously position their departments for success. As the business world quickly changes and evolves, it is more important than ever for internal audit departments to be prepared to handle anything.

If you have any specific questions, comments or concerns about internal audit planning, please contact:

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