Maximizing internal audit

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Internal audit’s value will be measured by its ability to drive positive change and improvement.
The heart of the matter

In today’s challenging business environment, maximizing internal audit is an imperative.
The bursting of the asset bubble, combined with the meltdown of the economy, resulted in the loss of $50 trillion in global wealth from all-time market highs. Meanwhile, economists predict a prolonged period of slow growth, continued volatility, and constrained consumer spending. Additionally, the downturn has revealed blind spots resulting from a tunnel-vision approach to governance and risk management, which threatened not just growth, but also business survival. The resulting public outcry and regulatory response has led boards of directors and chief executive officers (CEOs) to search for ways to upgrade risk management. Many are also challenging internal audit to raise its game.

With financial reporting control processes generally well established and stabilized, broadening internal audit’s mandate would appear logical. But this shifting of audit’s focus to a more strategic view will require the support of both management and the audit committee. Chief audit executives will need to reassess their internal audit strategy to ensure they are prepared for a future that is certain to be radically different from the past decade.

This paper outlines a proven approach to maximizing internal audit resources to illuminate these blind spots. Done right, internal audit can reposition itself as a key factor in an environment with a broad range of significant governance, strategic, financial and operational risk, and compliance issues.

So what should internal audit look like going forward? At the highest level, it must deliver the right value at the right cost. In our experience, to be maximized, an internal audit function must:

• Align its value proposition with stakeholders’ expectations
• Focus on critical risks and issues
• Engage and manage stakeholder relationships
• Deliver cost-effective services
• Match its talent model to the value proposition
• Enable a client service culture
• Promote quality improvement and innovation
• Leverage technology effectively

To achieve these eight attributes, PricewaterhouseCoopers (PwC) has developed a 10-step framework to maximize an internal audit function that is clearly applicable and relevant to today’s environment.

Based on leading practices gained by helping clients around the world, the framework updates a PwC document, Building a Strategic Internal Audit Function, which was issued in 2003 and intended for the new internal audit function. This paper is written for an existing internal audit function but remains relevant for creating a function from the ground up. The framework is intended to be used as a guide and should be referenced periodically to affirm that internal audit is aligned with enterprise strategies and risks, and its stakeholders’ needs.

The document starts by refreshing the premise that a strategic foundation for internal audit is based on having a clear understanding of stakeholder expectations and by developing an audit plan that focuses on the most critical risk areas. Next, internal audit must define and develop the supporting capabilities needed for execution.
An in-depth discussion

Ten proven steps that link strategy to capabilities and improve internal audit’s cost-value equation.
Refresh the strategic foundation

Internal audit can deliver the greatest value to an organization when it operates within a strategic framework—when its mission, vision, and strategies are aligned with the expectations of its key stakeholders, and when they are linked to the most significant risks to corporate value. Steps 1-5 focus on refreshing this foundation.

Step 1: Clarify evolving stakeholder expectations

The first step in building a maximized internal audit function is to clearly understand the expectations of key stakeholders. Those expectations have changed significantly since the financial crisis, and quite possibly will continue to evolve in today’s rapidly changing economic, market, and regulatory environment. To achieve this goal, chief auditors must frequently engage in a robust dialogue with executive management, the audit committee, external auditors, and, where appropriate, regulators. Such meetings help clarify expectations for the internal audit function and determine how it should add value to the organization. Unfortunately, stakeholders often are not on the same page, especially when expectations are evolving. Thus, internal audit needs to take the lead in reconciling differences and finding the common ground.

The core definition and purpose of internal audit is universal, but what is delivered can vary widely. The diagram below highlights potential areas of value provided by internal audit.

The bottom level depicts internal audit’s foundational role in providing objective assurance of key governance, risk management, and compliance processes with the enterprise and, where appropriate, its business partners. Directing internal audit efforts in these areas helps management protect the value of the organization. Any discussion of scope and focus must consider the level of control maturity within the organization. As financial reporting processes and controls mature, internal audit needs to focus more broadly on other key areas of risk.

The remaining levels represent areas where internal audit can enhance value, either directly through contributing to enterprise talent development or by providing consulting services. Through dialogue with stakeholders, internal audit can assess assurance needs and make sure internal talent or other resources are available to address those needs. Discussions also should be held to determine whether internal audit should play a role in developing talent for the organization and, if so, at what levels. And going forward, talent management will become a primary issue for internal audit organizations with expanding scope and responsibilities.
Finally, consideration should be given to whether consulting services are appropriate, and if so, which areas of focus and what type of consulting are appropriate.

To bring about a change in focus, internal audit needs a mission statement that includes both charter information, such as purpose, authority, responsibilities, and applicable professional standards, and more aspirational elements, such as vision and strategic themes and imperatives.

The internal audit charter details how the mission will be achieved, clarifying responsibilities, reporting relationships, access, and independence within the organization. If internal audit is to play a role in Sarbanes-Oxley (SOX) or Enterprise Risk Management, the charter should describe the scope of internal audit’s responsibilities in these programs, and how it will interface with other functions. The charter also serves as a critical internal and external communication tool. It should reflect what internal audit actually does, and it should be updated when major changes are made to scope or services.

Vision statements should be forward-looking, externally focused, and motivating. They often describe how the group wants to be perceived by its stakeholders and peers. In addition, a value proposition can be included in the document that outlines, at a high level, how internal audit addresses the issues within its scope of work, and how stakeholders benefit from its work.

In an ever-changing environment, stakeholder needs and expectations are also likely to change. Board members, in particular, typically sit on several boards and consequently observe multiple risk profiles and audit functions, so it is important to have a continual dialogue with them. Step 9 in the paper addresses the development of a relationship plan and management process for all stakeholders.

Step 2: Develop a strategic plan

Strategy is how an organization bridges the gap between today’s reality and its vision and goals. For most internal audit functions, it is appropriate to have a strategy for increasing its operational excellence, as well as a focus on enhancing its partnership with the business, and to the extent appropriate, its strategic support for the entire enterprise.

The strategic themes provide a compass for continuing improvement and a framework for developing a strategic plan and specific performance targets. Themes also offer a way to integrate the people, processes, and technology elements of the strategy. The themes and typical goals are:

- **Operational excellence**— continually achieving higher quality and timely assurance services at a lower cost
- **Business partner**— improving the management of relationships with stakeholders

Strategy should be established based on a number of factors and analyses:

- **Stakeholder expectations or voice of the customer**
- **Value proposition and strategies of the enterprise**
- **Strategic support**— providing stakeholders with information and resources to support the sustainability of the organization and execution of corporate strategy
• Recent and anticipated changes to the risk profile resulting from external events and strategic initiatives
• Internal audit benchmarking and quality assessment results
• Assessment of internal audit’s strengths, weaknesses, opportunities, and threats

A good strategy addresses the following questions:
• Is the function strategically placed within the organization and does it have the stature necessary to be relevant to senior leadership?
• What is in scope today versus in the future? What areas of the business, both internal and sourced, will be within or excluded from internal audit’s domain?
• How will the portfolio and mix of audit services change within the next two to three years?
• What talent will be needed to credibly execute the audit plan, including the mix of skills and experience? Will new skills and experience be developed or acquired from within the enterprise or externally?
• What tools, technologies, and process improvements will be required to enable the revised value proposition and service capability?
• How will key efficiency and effectiveness metrics improve with the execution of the strategy?
• Finally, what is the timing and sequence of initiatives based on factors such as available resources, urgency, and the need for credibility through quick wins?

The answers to these questions should align and support one another when used to develop a strategic plan. Also, a strategic plan should be revisited and updated at least every two to three years.

Step 3: Leverage other risk and control functions

To reduce unnecessary auditing, many organizations have established integrated governance, risk, and compliance initiatives that seek to enhance efficiency and effectiveness by establishing activities, standards, and tools to enable each function to deliver on its specific mandate as depicted below.

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**Strategic governance, risk, and compliance framework**

<table>
<thead>
<tr>
<th>Overall policy and risk appetite set by Board and Executive management</th>
<th>Value creation and preservation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each risk and control function continues to execute its unique role as part of a fully-integrated effort with a common goal to manage the organization’s risks</td>
<td>Enterprise risk policy and appetite</td>
</tr>
<tr>
<td>Functions identify and leverage common processes, technologies, and knowledge</td>
<td>Policy establishes:</td>
</tr>
<tr>
<td></td>
<td>• Role of each function</td>
</tr>
<tr>
<td></td>
<td>• Common goal of managing the organization’s risks</td>
</tr>
<tr>
<td></td>
<td>• Risk framework</td>
</tr>
<tr>
<td></td>
<td>• Expectation of working relationship and knowledge sharing</td>
</tr>
</tbody>
</table>

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Refresh the strategic foundation

Developed by the Strategic Risk Management Lab at DePaul University, the diagram alleviates some of the confusion and misunderstanding related to governance, risk, and compliance (GRC) by providing a framework with three primary components:

- A strategic section that ties into the ultimate shareholder value
- A middle section that recognizes individual GRC functions
- A bottom section that identifies core processes

The framework’s bottom section identifies the core processes that are common and can be leveraged by all GRC functions.

Also of interest to internal audit planning is the alignment and even integration of audit or assurance plans, such as SOX, external audit, and information security. Some leading companies have gone through the exercise of mapping the sources of assurance against the key risks and compliance requirements of the organization. A final step is to determine the internal audit strategy with respect to the other assurance functions, taking into account the degree of independence in each function together with an assessment of the risks being addressed and the competence of the function. Internal audit can contribute to moving forward the organization’s level of risk management maturity. In many respects, it is not just leveraging and coordinating within the organization, but as shown over the past two years, it is also about increasing the organization’s overall risk management effectiveness.

**Step 4: Assess strategic risks**

Even before the current economic crisis, studies showed that strategic and business risks posed greater threats to shareholder value than financial or compliance risks. And while the origins of the financial events, which drove trillions of dollars in losses and

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1 Internal Auditor: Strategic GRC: 10 Steps to Implementation, Mark L. Frigo, Phd, CMA, CPA and Richard J. Anderson, CPA, CFSA, June 2009

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Times of economic crisis often generate significant discussion and debate surrounding risk management in all types of organizations with particular emphasis on the role of the board of directors in strategic risk oversight.

—Strengthening Enterprise Risk Management for Strategic Advantage, COSO

triggered market volatility will be debated for years, this historic recession’s financial fallout exposed a significant weakness—ineffective governance and ineffective risk management practices.

These studies, which examined the factors behind rapid losses in shareholder value, found that strategic and business issues were the most common causes of significant shareholder value destruction.

The same drivers of increased risk—capital mobility, rapid innovation, and globalization—also enable the opportunities that can be exploited to better satisfy customer demands, increase revenue, and improve shareholder value. Thus, the starting point for an effective risk assessment must be a clear understanding of what drives the enterprise’s shareholder value.

Although many internal audit teams are performing risk assessments for their organizations, existing assessment practices often need to be revised or expanded to introduce a sharper focus on strategic risk and related risk management activities.

Performing a risk assessment requires defining and consistently applying an approach tailored to the organization. The risk assessment exercise should begin with the establishment of a plan that considers objectives, scope, responsibilities, timing, and input and output requirements. The risk assessment process should obtain input from those who can provide a meaningful perspective on risk. Sources of input also should include available internal and external information, such as analyst reports, prior assessments, loss data, and key performance indicator trends. Deliverables and other outputs should be determined based on the requirements of the stakeholders.

Once there is agreement on scoping and planning, the execution of the risk assessment process should include the following essential steps:

The risk assessment process should incorporate the following leading practices:

- **Perform enterprise analysis** to illuminate business objectives and key considerations from the perspective of stakeholders, such as customers and regulators. Objectives and related material risks and uncertainties are required to be included in annual reports, and such information is frequently included in strategic plans, presentations to analysts, project and investment plans, and functional unit charters.

- **Map shareholder value drivers** to provide a business perspective to the information collected in the enterprise analysis. The result is greater clarity and consensus about financial, customer, and stakeholder objectives, and key people, processes, and technology objectives and initiatives.
Refresh the strategic foundation

- **Leverage other risk assessments** from prior internal audit risk assessments and elsewhere within the organization. In the ideal state, internal audit contributes to and fully leverages an enterprise risk assessment produced under an Enterprise Risk Management initiative.
- **Recruit specialized external talent** to understand and assess known and emerging risks in areas where internal audit lacks expertise.

**Step 5: Develop a flexible audit plan**

Upon completion of an enterprise risk profile and assessment, the audit plan can be more fully developed to drive enterprise value. Unlike the risk assessment, which reflects management's composite view of risk, the audit plan is solely focused on the effective allocation of resources of the internal audit function. For example, if internal audit is not convinced that a particular area is controlled as well as management believes, the audit plan can focus on addressing concerns and validating management's controls and processes.

When developing audit strategies and the audit plan, several approaches can increase efficiency and add value, including:

- **Question, and if possible eliminate, routine, low-value audits**
- **Coordinate or combine audit activities and scope with other risk and audit functions**
- **Focus compliance audits at the enterprise or program level to increase organizational relevance**
- **Extend the use of technology tools to automate testing of entire populations (e.g., computer-assisted auditing techniques)**
- **Conduct top-down testing of controls or areas that provide coverage of multiple risks**
- **Implement continual risk assessment in multi-unit organizations so that audits are focused on high-risk units, and/or address risk themes across multiple units**
- **Include assurance or consulting projects related to strategic initiatives (for example, a major IT conversion or acquisition integration) as a way to add value by assessing the robustness of plans and designs, and the transparency of the reporting**

Another proven way to drive the value of work is to include projects related to strategic initiatives in the audit plan. This is not to question the strategy but to monitor its execution. While many question whether internal audit has a role in strategic risk, initiatives are the execution mechanism of strategy, and like any project or program, they can be broken down and audited.

Maximized internal audit functions also are reevaluating the time frame for their audit plans. Multiyear and even annual plans are a relic of a more stable era. In today’s volatile and dynamic environment, shorter planning periods are being adopted to enhance flexibility. For example, a rolling six-month plan that provides flexibility to adjust to changing risk profiles and organizational priorities is becoming increasingly popular. However, when flexible planning processes are adopted, it is critical to maintain the plan’s strategic logic to minimize significant gaps in the assurance required by stakeholders.

With the strategic foundation in place, attention can be directed to the design, acquisition, and development of necessary resources and capabilities for optimization.

Steps 6 to 8 focus on obtaining resources and funding needed to implement the strategic and audit plans. This includes people, processes, and technologies. The final steps look at stakeholder relationship plans and performance targets and metrics.
Step 6: Detail key resource needs

Having the right people is key to successfully delivering value for any organization, in particular, internal audit. To quote Jim Collins in his Good to Great, “The old adage, people are your most important asset, is wrong. People are not your most important asset; the right people are.” If scope of work or stakeholder satisfaction is an issue, it is likely that the staffing model needs to be revisited.

As first reported in the PwC 2009 State of the Profession study, internal audit leaders agree there exists a nagging stakeholder perception that internal audit does not understand the business. This perception developed coming out of the SOX era, when internal audit’s key skill set was tailored to financial reporting and related controls. With the transition to a more “value-added” scope of work, the implication is that there is a need for more experience and a broader skill mix.

However, recent events also have challenged internal audit to demonstrate value in the face of shrinking budgets. As internal audit leaders look to a future of addressing broader and more strategic risks, skill sets need to be inventoried and realistically assessed for their short- and longer-term relevancy. Deferring decisions to upgrade talent, leverage a service provider, or up-train resources inevitably results in sacrificing audit coverage and value. For internal audit to deliver services that are deemed relevant (actual and perceived) leadership must focus on having the right resources at the right time focused on the right risks and recommendations.

Skill sets should be considered in terms of core and noncore, much like PwC’s proprietary Hub & Spoke™ model. The core is defined by answering the question, “What are my needs in terms of finance, information technology, and engineering skill sets.” An additional complexity to be factored into the mix is, “What are my talent needs in foreign locations?”

A popular approach to enhancing the talent pool is rotational models, where employees from outside of internal audit rotate into the function, bringing with them a different, and perhaps better, understanding of the business. There are a number of decision factors in designing such a model, but they all should stem from thinking first about the output of the program. What skill set and experience level would have the most impact on the business, and how many can be graduated in a given period? There may be more than one right answer, but starting with the end in mind is critical to developing the right approach. Equally important, this type of program cannot be driven by or from internal audit. To be successful it needs a strong executive champion. Additionally, care must be taken to manage all aspects of the program to ensure successful audit and talent development outcomes.

Beyond getting the right talent onboard, organizations must determine the best model to enable the strategy. Finding the right balance of geography, business unit, centralized staff pools, and centers of excellence is an art rather than a science. Internal audits, value proposition, and strategic initiatives should be critical data points in the decision tree.

Noncore talent by definition is critical to the success of internal audit but is often a challenge because there is no critical mass or the skill is difficult to acquire and retain. Alternative tactics for acquiring noncore talent include:

- **Guest auditor programs**, which utilize independent subject matter experts from within the organization on a short-term basis to assist on audits requiring their specialized expertise
- **Off-shoring** to take advantage of labor cost arbitrage and reduce staffing costs, often for analytical work and routine testing
Acquire required capabilities

- **Sourcing** from a third-party provider to gain access to teams with specialized skill sets, industry-specific expertise, geographic coverage, and/or staffing flexibility.

In order to build new capabilities and to stay abreast of changes affecting the businesses internal audit serves, maximized functions devote significant resources to developing and delivering a training curriculum that considers:

- Alignment of the learning program with the overall functional strategy.
- Topics that help staff understand the operational side of the business.
- Robust content allowing just-in-time training to address the changing landscape of functions, systems, risks, and team members.
- Consistency and quality of audit delivery, with a focus on producing value as defined by stakeholders.
- Improvement in relationship building, communication, and consulting skills.
- Delivery to a generationally diverse and geographically dispersed work force.
- Integration of training and knowledge management.

**Step 7: Develop an infrastructure roadmap**

The use of technology in internal auditing has three key aspects. The first is that technology is almost universally perceived as being critical to increasing both the efficiency and effectiveness of an internal audit function. The second is that technology also is widely underutilized in internal auditing. Thirdly, very few apply the discipline of developing a hard-benefit business case before purchasing and deploying technology. It is important that technology be leveraged in areas that relate to risk priorities and client interfaces.

Technology can be applied to virtually every element of internal audit’s core and support processes. Some of the tools are audit-specific, while others can be applied more broadly in the enterprise. The most commonly deployed audit-specific tools are the audit management platforms such as TeamMate, AutoAudit, and Pentana, which have broad functionality to support multiple audit processes. In addition, a number of other tools can be deployed effectively in an audit function. These include:

- Data analysis tools such as Excel, Access, ACL, IDEA, SQL, Monarch, Oversight, and the ERP query tools.
- Automated control and segregation of duties testing scripts and tools such as Oracle GRC, SAP GRC, Approva and SailPoint.
- GRC platforms such as Aventus, OpenPages, Paisley, and Resolver.
- Collaboration tools such as NetMeeting, SameTime, SharePoint, and WebEx, to name just a few.

With so many options, a maximized internal audit function needs a disciplined business-focused approach to acquiring and deploying technology, with a specific focus on driving efficiencies. One recurring theme with technology deployment in internal audit is absence of measuring for return on investment (ROI). If, as many predict, a low-
growth economic environment continues, the pressure on internal audit to do more will continue. The diagram on page 12 outlines the key steps for technology investment and deployment.

The tools and technologies are only part of the journey toward a successful deployment. The following are some of the key considerations related to an implementation.

- **Process**—What issues are we trying to address? What level of project management discipline is needed during implementation? How will this change our methodologies?
- **Technology**—What can we leverage from what is already available to us? What do we need to build, buy, or rent? Is the technology available today and easily deployable?
- **Metrics**—What is the ROI for internal audit? For the organization? How will we measure progress?
- **Organization**—Is this technology to be embedded into every audit (and team)? Do we build a centralized capability?
- **Human resources**—What training is required? What new skills are required?
- **Communications and reporting**—What impact does this have on our relationship, interactions, and communications with stakeholders and auditees? How will we build success stories that validate the business case and build further momentum?
- **Knowledge management**—How can we share the data and insight within and outside of internal audit?

A maximized internal audit function also should consider what non-technology infrastructure initiatives will help achieve its strategic goals. This includes developing or updating its policies and procedures, audit methodologies, and templates.

**Step 8: Obtain funding commitment**

With resource and technology requirements clearly identified and justified, internal audit can have a productive discussion with management and the audit committee about how much audit coverage the organization can afford and where audit resources should be allocated.

Funding requests should include cost benchmarks from relevant industry sectors and organizations. Key drivers of audit costs include the extent of regulation, global footprint, and organizational decentralization and complexity. Thus the benchmark group should align with these factors. Benchmarking also should take into account differences in mandated responsibilities, which may differ among companies. This includes SOX program management and testing and other regulatory and contractual work that internal audit performs. Once appropriate benchmarks have been obtained, management and the audit committee can consider their risk appetite, assurance needs, and value enhancement opportunities in making their assessment.

The budget request should represent a realistic understanding of the actual resources required to implement the maximization strategy and audit plan. It is important to reiterate there are numerous opportunities for internal audit to add value and enhance coverage while actually reducing costs, a number of which are outlined on page 5.

In particular, the budget should reflect aggressive assumptions of resource productivity. While we have identified many tactics to reduce audit costs, many internal audit functions still have poor project management discipline. As a result, many departments have little visibility into wasted time or costs. Assessing high team utilization standards and benchmarking average audit project hours will help identify the “productivity” opportunity.
The budget should clearly differentiate one-time investments from ongoing costs. The budget also should retain the flexibility to respond to changing business needs and key stakeholder priorities, and allow internal audit to fight any unexpected fires. Decisions to scale back internal audit’s planned risk coverage (and related costs) should be documented.

**Step 9: Establish a relationship plan**

Stakeholders’ perceptions of internal audit’s value are shaped in large part by how effectively the team interacts and communicates with its stakeholders. Despite its criticality, relationship management and communications are one of the weaker elements of many internal audit functions.

Developing an overall relationship and communications plan is therefore a key component to increasing both the real and perceived value of internal audit. The more effective the interactions and communications, the better internal audit leaders can understand and meet stakeholder and auditee business objectives and priorities by providing assurance and consulting services that effectively address their needs.

The steps involved in developing a value-focused relationship plan include:

- **Map stakeholder relationships**, which include prioritizing stakeholders in terms of their influence on internal audit and assessing current and targeted relationship strength. The map also should include the primary internal audit owner of the relationship.

- **Co-develop individual relationship plans** with tactics for maintaining or improving the relationship. These are derived from meetings to address their issues and needs from internal audit. Discussions should center on the expected business impact, responsiveness, breadth of service, and level of expertise and experience. The plan should reflect a mutual understanding of responsibilities of each party and include both expectations and commitments of both parties.

- **Obtain regular feedback** though a combination of meetings. When appropriate, post audit and annual surveys. The meetings should include an assessment of accomplishments and areas for improvement and adjustment to the relationship plan given business changes and feedback. The feedback should also be shared more broadly with the internal audit team to enhance learning.

- **Communicate value delivered** to ensure at least annually that stakeholders are fully aware of how internal audit has addressed their risks and issues, and the impact of audit’s work. This communication should link back to the relationship plans, address the full breadth of audit and consulting projects delivered, and include ad-hoc advice, training, and best practices shared during the year.

- **Obtain a razor-sharp focus** on audit committee chair communication protocol and expectations from premeeting dialogue to reporting preference and training and risk management communications, for example.

To be successful, it is critical that the plan extend beyond those who regularly interact with internal audit and include the chief executive officer and other members of his or her executive team. That said, interactions at the C-suite level need to be substantive and carefully planned.
Step 10: Create the performance scorecard

A maximized internal audit function demonstrates results, improvement, and value. Unfortunately, many internal audit functions today do not have a robust set of meaningful targets and metrics.

To measure performance, many for and not-for-profit enterprises have adopted balanced scorecards based on the premise that what gets measured gets done. An internal audit balanced scorecard should be comprised of four dimensions: financial, stakeholder, process, and learning and growth enablers. However, these dimensions are only one aspect that needs to be balanced. Goals also should be balanced among:

- **Strategic** goals that align to the main themes in internal audit’s strategic plan for achieving internal audit’s two-year to three-year vision. An example would be implementing a rotational staffing model.
- **Improvement** goals that address areas requiring shorter-term focus and visibility, in effect remediation efforts, such as improving the percentage of audits completed on time and on budget from 60 percent to 90 percent within one year.
- **Operational** goals or standards that track the key drivers of day-to-day efficiency and effectiveness such as reporting cycles, stakeholder satisfaction, staff utilization, staff certification, and turnover.

Finally, metrics can relate to either efficiency or effectiveness.

The following graphic outlines a holistically balanced approach for designing metrics and a scorecard.

A holistically balanced scorecard also should serve as a basis for annual performance goals for everyone within the audit organization so they can be held accountable for results and rewarded for successes.
What this means for your business

Internal audit’s value will be measured by its ability to drive positive change and improvement.
To be of greatest benefit to their companies, internal audit must further develop its capabilities and become a catalyst to the integration of compliance and risk-related functions, thereby increasing effectiveness while also minimizing duplication of effort and reducing costs.

More than any other organization, internal audit teams have a mandate to provide assurance over the entire enterprise and can leverage their position to shape a new governance, risk, and compliance paradigm.

In our 10-step framework, we have distilled PwC's insight gained from years of experience with leading organizations worldwide, helping them establish internal audit functions and enhance their performance. Over the course of these engagements, these steps have proved highly beneficial to our clients. By leveraging this framework, we believe that you can create a maximized internal audit function that delivers a significantly enhanced cost-value equation.
To have a deeper conversation about how this subject may affect your business, please contact:

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