



The Beantown Auditor

A publication of the Greater Boston Chapter of The IIA - May 2009 Edition

The Beantown Auditor, May 2009

Chapter Initiatives

Academic Relations Committee Recruiting Survey

The Academic Relations Committee of the Chapter conducted a survey of the employment market for the new graduates in the Boston area. The survey was issued to over 200 members in management positions in internal audit departments. The respondents represented a wide range of industries including financial services, manufacturing, professional services and higher education. The majority shared very similar views as to the hiring plans.

The starting salaries do not appear to have noticeable difference among industry groups, ranging from \$35,000 to \$60,000. Communication ranked as the top skill of successful candidates, followed by interpersonal skills, industry knowledge, and analytical skills. The internal audit shops of the majority of industries see no change or slight increase in staffing level. The majority look to hire experienced auditors, followed by transition business experts.

The respondents indicated that one of the barriers to hiring college graduates and interns is the limitation in internal recruiting resources for candidates. The respondents also cited the costs and resource limitation to train new graduates who do not have actual

Professional Guidance

NEW! Professional Guidance and Practice Guide from The IIA

Government Audit Standards (Yellow Book) and The IPPF (Red Book): A Comparison

This comprehensive comparison between the Government Audit Standards and the International Professional Practices Framework (IPPF), can enhance the quality of the internal audit activity. The tool provides messages for appropriate action that should help achieve the internal audit activity's goals of evaluating and contributing to the improvement of the organization's risk management, control, and governance. Using this practical tool can help make public sector internal auditors, and the internal audit


Annual Meeting

The Chapter's Annual Meeting will be held at noon on May 19th, 2009 at the John Hancock Conference Center, 40 Trinity Place Boston, MA, in conjunction with the seminar on negotiation by Moshe Cohen brought back from last fall by popular demand. During the Annual Meeting, Chapter members will elect the 2009-2010 Chapter officers. If you have any questions, please contact the Chapter Vice President Donna Salem through the [Chapter Event Website](#).

Academic Relations Committee Seeks Volunteers


Interested in talking to students about internal audit? You already know what a great career internal audit is, now is your chance to tell students about this dynamic opportunity. The IIA will be partnering with local colleges and universities to host student nights and we are looking for volunteers interested in sharing their experiences with students. If interested in helping with student night events or learning more about other Academic Relations Committee volunteer opportunities, please contact Wendy Hennigan at Wendy.Hennigan@Fidelity.com or Luther Hippolyte at Luther.Hippolyte@Protiviti.com.

business/industry experience as a key challenge.

The survey results were shared with local universities with business and accounting curriculum. The entire survey result is available at the Chapter's website. 

activity, stronger and more valuable within their organizations and better equip the internal auditor to aid management in the accomplishment of their objectives. The publication is available for download at [The IIA website](#).

Auditing External Business Relationships

The IIA issued today a new Practice Guide titled "Auditing External Business Relationships," which discusses the risks associated with doing business with external parties. The Practice Guide provides guidance for both internal auditors and management when addressing these risks and responsibilities, as well as generating significant enterprise value. See [The IIA's guidance website](#) to learn more. 

IAEP Needs Funds for Matching Grant – Time is almost Up!


Priscilla Burnaby
Bentley University

Editor's Note: The Internal Auditing Education Partnership (IAEP) program provides colleges and universities around the world with the tools and resources they need to produce knowledgeable and competent internal audit professionals. Priscilla is the IAEP coordinator for Bentley University.

The Internal Auditing Education Partnership (IAEP) program was developed by The IIA and The IIA Academic Relations Committee (ARC) to respond to the shortage of internal auditors in the marketplace. The IAEP works with educators and schools around the world teaching internal audit and interested in developing expanded and enhanced internal audit programs to educate future generations of internal auditors. The IIA Board approved the creation of The Internal Auditing Academic Advancement Fund (IAAAF) in 2006 to provide funding for educators and their IAEP programs to develop and enhance their curricula for these programs. The global IIA Board, to show its support and commitment for the future of the

profession, voted to match dollar for dollar every donation made to the IAAAF up to \$1million. The IIA did stipulate a timeframe in which Academic Relations had to earn the \$1million. That timeframe expires June 30, 2009.

What does that mean for the IAEP program? It means the clock is ticking and it is starting to tick quickly and loudly. Approximately \$770K has been raised to date. They need to raise an additional \$230,000 for the \$1 million match. The Greater Boston Chapter is a great supporter of the IAEP program and is asking its members to consider giving a donation for the matching funds. If your organization has a matching program, for every dollar you give it could mean two dollars for the IAAAF and then The IIA match.

Bentley University is one of the 41 participating schools throughout the world that has an IAEP program. Dr. Priscilla Burnaby is the coordinator of Bentley's program. She received a \$6,000 grant from the IAAAF for professional development. To find more information about the IAEP program and the IAAAF, please go to [The IIA's Academic Relations website](#). 

A Note from the IAEP Conference

Kriti Bhushan, Shubin Liang, Fernando Silva
Bentley University

Editor's Note: This article showcases one of the Internal Auditing Education

Partnership's initiatives to help support internal auditing education.

This is a reprint of the article from the 2008-2009 Bentley

University Accountancy Department Newsletter "Accountancy Footnote."



Fernando Silva, IAEP Coordinator
Professor Burnaby, Kriti Bhushan,
and Shubin Liang.

In September of 2008 three students from Bentley, University, Kriti Bhushan, Shubin Liang, and Fernando Silva, were given the opportunity by Professor Burnaby, the coordinator of the IAEP, to attend the IAEP Conference organized by The Institute of Internal Auditors at Universal Studio, Orlando. Organized by

The IIA, the event provided students, educators and practitioners with a common platform to learn about internal auditing and skills needed in the marketplace.

An ice-breaking scavenger hunt opened the conference. Teams of students, educators and practitioners had to find answers to a list of questions with the help of clues placed throughout the Universal's Islands of Adventure. This game was analogous to auditing — finding correct answers, verifying answers (some Universal Studios staff gave misleading clues) and learning that there can be many different paths to an answer, with each path having its pros and cons.

The second day offered seminars on developing communication skills, enhancing creative problem solving skills and creating a self-brand. One example was a case study competition, in which students had to use their creativity to solve and present a case to a panel of judges. All the events were designed to help students learn to network and stand out in the job market and at work. (Continued on P. 4)

International Internal Audit Awareness Month

ADVOCACY Q&A

**with The IIA's Chief Advocacy Officer,
Dominique Vincenti, CIA**

May is designated as International Internal Audit Awareness Month. The internal auditors around the world participate in the important celebration to promote the profession. This article is part of The IIA publication "About the Profession and The IIA."



Q: How do you define advocacy for the internal audit profession?

Vincenti: The IIA strongly believes that internal auditing is paramount to good governance and the sustainable success of the organization. Therefore, advocacy for the profession is defined as actively and publicly communicating to clearly articulate and reinforce internal auditing's role, position, and value; so as to influence key stakeholders regarding the necessity of internal auditing for good governance and organizational success.

Q: What is The IIA's role in advocating for the profession?

A: The role of The IIA is to lead and represent the profession by delivering a clear, consistent message that reflects the many voices of its members, ensuring that at all times our message is global in nature, with a local twist.

Q: Where do you feel is the greatest advocacy opportunity?

A: Fortunately, in today's business arena, internal auditing has multiple opportunities — all of equal importance. Our primary advocacy efforts target major rule-making bodies through regulations and legislation; like-minded, global professional associations through partnership, cooperation, and collaboration; the general public through awareness campaigns and media relations; and educators and future practitioners through educational curricula and research.

Q: What are some examples of advocacy initiatives currently underway at IIA headquarters?

A: The IIA recently signed a memorandum of understanding (MOU) with the International Federation of Accountants (IFAC). This MOU, in recognition of the specificities of the two professions and the overlapping interests of the two organizations, creates a project structure and cooperation process for The IIA and IFAC. In the same vein, The IIA has just signed a MOU with the Association of Chartered Certified Accountants (ACCA), another global organization, to cooperate, collaborate, and share resources. Through this agreement, the ACCA will encourage its members to use The IIA *Standards* when they are engaged in internal audit work. The IIA also maintains a consistent and open dialogue with the U.S. Securities and Exchange Commission and the U.S. Public Company Accounting Oversight Board with the goal of ensuring a permanent internal audit presence and perspective when major regulators are dealing with topics of interest to our profession.

Q: Is advocacy an IIA headquarters-only effort?

A: Absolutely not. It is a global network effort, which involves all levels (local, regional, national, and global) of IIA practitioners, affiliates, staff, and volunteers. Actually, thanks to the efforts of our IIA network, we are already experiencing tremendous success around the world. We are currently in the process of documenting all of these achievements in order to learn from them, while at the same time working to better coordinate and drive the overall advocacy effort. Our goal is to ensure that the many voices of The IIA are delivering a message that is locally adapted, but globally consistent.

Q: When advocating for the profession, what is the primary message you want to communicate?

A: The issues that surround our profession are complex, so this is perhaps the only question I have a simple response to: Internal auditing is paramount to good governance and sustainable organizational success.

Q: What can we, as internal audit practitioners, do to serve as advocates for the profession?

A: First and foremost: Do your job! If you do that competently and professionally, you will add value to your organization. There is absolutely no better way to advocate for the profession than that. This means you must comply with The IIA's *International Standards for the Professional Practice of Internal Auditing*.

Secondly, communicate core messages to senior management and the audit committee of the board of directors, while demonstrating the highest level of professionalism and competence. Make sure those in the front office and the boardroom are aware of internal auditing's role and value. Communicate what you're going to do before you do it. Communicate what you're doing while you're doing it. And communicate the results of what you've done after you've done it.

Q: What is the greatest challenge you think practitioners face when advocating for the profession of internal auditing?


A: There are three challenges that hold equal weight, because having to deal with one or any combination of them can severely handicap a practitioner's ability to do his or her job. The first challenge is baggage. Because of negative past experiences, many people have misconceptions of the role of internal auditing, and have never tapped into its full potential or the value it can bring to the organization. This can limit an audit customer's willingness to communicate with the person now charged with the internal audit responsibility. The second challenge is access. Your message can't make a difference within your organization if you don't have the opportunity to share it with the right people. If the organizational structure denies the internal auditors access to decisionmakers, then advocating is difficult. The third challenge boils down to credibility. Even if you do gain access to the right people, the likelihood that they will listen to you is slim if you are delivering poor results and don't have an established record of past performance to support you.

Q: How have you, as a practitioner, addressed these challenges?

A: To minimize and ultimately eliminate the negative impact of baggage, I implemented a well thought-out and ongoing marketing program. Never underestimate the value of internal marketing! In terms of access, I didn't ask for it; I gained it by forcing doors open. I never waited to be invited to a meeting. Rather, I set up meetings myself. And if a meeting was canceled by another party, I rescheduled. I am persistent and vigilant

in my efforts to connect with people and to be heard. Most importantly, I have never given up. As far as establishing credibility, I made sure my team was doing its job and that I could readily produce concrete proof that we were individually and collectively adding value to the organization. Once you prove your value, you ensure your credibility.

Q: How do you see the role of the internal auditor evolving over the next decade?

A: I've seen articles that refer to internal auditors as "today's rock stars" and to internal auditing as a "hot career choice" for recent college graduates. This is a far cry from just a few years ago, when many people in the business arena seemed to misunderstand the purpose of internal auditing and to undervalue the role internal auditors play within an organization. Today, governance is on the minds and lips of business leaders and stakeholders, and internal auditing is recognized as a cornerstone of strong governance. More than ever before, those responsible for managing the internal audit activity are brought to the strategy table, are turned to for recommendations and guidance, and are viewed as integral to organizational success. As for the future, I believe the profession and its practitioners will experience and enjoy even greater levels of prestige and utilization. The next decade holds tremendous promise for our profession, and I, for one, am excited to have a front row seat during a time of such potential and possibilities. 

A Note from the IAEP Conference

(Continued from P. 2)

The conference also provided the students with the opportunity to meet internal auditing professionals from different industries, and students, educators and practitioners from China, Thailand, Italy and South Africa. The Bentley students felt "like we traveled the whole world in just a weekend," acquiring a new perspective on Internal Auditing and learning many new skills that will help them develop into better business professionals. 