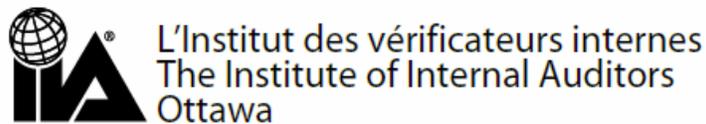


# Strategic Plan 2012-2015

## Institute of Internal Auditors Ottawa Chapter



### Document Prepared by:

The 2011 strategic planning exercise was facilitated by a team of volunteers, including:

Amanda Asselin (Ernst & Young)

Lani Birch (Orbis Risk Consulting)

John Lees (Orbis Risk Consulting)

Sarah Lyons (Ernst & Young)

Margaret Olmstead (Canadian International Development Agency)

## Table of Contents

1.0	Ottawa Chapter of the IIA: Overview .....	3
2.0	Strategic Planning Approach .....	4
3.0	IIA Ottawa Strategic Plan 2012 - 2015 .....	5
4.0	Implementing the Strategies .....	7
	Appendix A - Environmental Scan Results .....	8

## 1.0 Ottawa Chapter of the IIA: Overview

The Institute of Internal Auditors, Ottawa Chapter (Ottawa Chapter) is a non-profit corporation empowered to perform any and all acts which are defined in the Certificate of Incorporation and the Bylaws of The Institute of Internal Auditors, Inc. Our activities support the missions of the IIA global body (IIA Global) and the Interim Canadian Institute (IIA Canada), and are focused on IIA members in the National Capital Region and employees of the Government of Canada (nation-wide).

The Ottawa Chapter's main activities include organizing professional development events, promoting and advocating for the profession, providing opportunities for members and other stakeholders to share knowledge, liaising with the IIA Global, IIA Canada, Canadian Chapters, and other stakeholders and partners, and involvement in national and international IIA committees.

The Chapter's activities are largely organized and overseen by members on a voluntary basis, led by the Chapter's Board of Governors (the Board) and committees of the Board.

### 1.1 Mission Statement

Through its volunteers, IIA Ottawa:

✓ **Promotes the Internal Audit Profession**

Promotes and advocates for the internal audit profession in Ottawa and across the federal public service by:

- Building awareness and a common understanding of the profession's value to organizations; and
- Promoting the profession of internal audit as a career of choice for top talent.

✓ **Promotes Standards and Accreditation**

Promotes professionalism, value, and credibility of internal audit by promoting professional certification and the application of the global professional standards and providing access to certification training opportunities;

✓ **Builds Expertise and Value in the Profession**

Strengthens the expertise and value of the profession through facilitating thought leadership, innovation and professional development;

✓ **Provides Timely Services**

Provides outstanding and timely services to all Ottawa members; and manages its operations in an accountable, financially sustainable, transparent and collaborative fashion, in accordance with the highest standards of governance and ethics.

## 1.2 Current Context

The Ottawa Chapter's 2007-2011 IIA Strategic Plan focused on strategic priorities aimed to optimize the use of time and resources in achieving the Chapter's objectives for the period of the plan. These objectives included capacity development, increasing awareness, and knowledge brokering - while maintaining and building on its essential core activities related to international liaison, examination oversight, and professional development. The Chapter saw success in these areas through its increased professional development offerings, new investment with the CIA Learning System and On-line registrations and program changes, expanded relationship with the Office of the Comptroller General (OCG), and improvements to IIA Ottawa's Board governance, terms, and nomination process.<sup>1</sup>

The 2012-2015 Plan will continue to focus on its core activities and will focus on three key areas that include:

1. Building Capability and Value of IA Community
2. Strengthening Chapter Capacity
3. Supporting IIA Canada

These three areas were highlighted after extensive internal consultations that included an electronic survey, one-on-one interviews, a facilitated workshop, and stakeholder consultations. The detailed results of the Environmental Scan are included in Appendix A.

For the next three years, focus on these areas will aim to strengthen the Ottawa Chapter of the IIA as well as the profession of internal auditing. The aim is to give our members a leading edge by facilitating the sharing of knowledge and best practices, enabling professional development and supporting members through periods of transition.

## 2.0 Strategic Planning Approach

The 2012-2015 Strategic Plan was developed through a series of consultative activities aimed at scanning the environment for relevant factors, understanding members' perception of the Chapter's performance, and discussing and developing priorities and strategies in line with the Chapter's mission. Specifically, the following activities were undertaken sequentially to develop the plan:

- **Electronic survey:** An electronic survey was distributed to IIA members and stakeholders; specifically, board members, program committee members, IIA Canada representatives, Office of the Comptroller General representatives, and internal audit executives in the Ottawa market to gain an understanding of the environment politically, economically, socially and technologically (PERT). Results were compiled to provide an overview of the Chapter's strengths, weaknesses, opportunities and threats.

---

<sup>1</sup> Ottawa Chapter - 2011 AGM Report, 1.President's Report

- One-on-one interviews: To gain greater insight into areas assessed by the electronic survey, one-on-one interviews were conducted with survey respondents. The environmental factors and suggested priorities for the Chapter were discussed in detail as part of these interviews. Once interviews were complete, results were compiled and aggregated with survey responses, which resulted in three key priority areas for the Chapter becoming evident.
- Facilitated workshop: Based on the environmental scan achieved through surveys and interviews, a workshop was prepared to:
  - Discuss environmental scan results with respondents
  - Highlight the three priority areas identified through the environmental scan
  - Confirm the Chapter's mission statement
  - Develop key result areas for each priority
  - Vote on the importance and Chapter's historical effectiveness at achieving each result area
  - Discuss potential strategies and initiatives to achieve the key results

The workshop spanned three hours and was highly focused to respect the time being devoted by attendees from the board, program committees, and local market. In-depth discussions were held and the result areas were developed and agreed to. The output of the workshop was a "Strategy on a Page" describing the priority areas and the associated result areas and initiatives/strategies.

- Stakeholder consultations: Once the workshop results were consolidated and the Strategy on a Page developed, stakeholders were consulted to refine the plan. The Strategy on a Page was presented to and approved by the Board in September 2011. Subsequently, this detailed plan was assembled.
- Responsibilities: Ownership for each result area will be determined through the annual operational planning regime of the chapter.

### **3.0 IIA Ottawa Strategic Plan 2012 - 2015**

The Chapter identified three key focus areas for the next three years:

1. Building Capability and Value of IA Community
2. Strengthening Chapter Capacity
3. Supporting IIA Canada

For each area of focus, key result areas and associated strategies were developed to achieve the Chapter's intended results over the next three years, as outlined in the table on the next page.

Mission Statement	Key Focus Areas	Key Result Areas	Strategies
<p>Through its volunteers, IIA Ottawa:</p> <p><b>Promotes the Internal Audit Profession</b> Promotes and advocates for the internal audit profession in Ottawa and across the federal public service by:</p> <ul style="list-style-type: none"> <li>• Building awareness and a common understanding of the profession's value to organizations; and</li> <li>• Promoting the profession of internal audit as a career of choice for top talent.</li> </ul> <p><b>Promotes Standards and Accreditation</b> Promotes professionalism, value and credibility of internal audit by promoting professional certification and the application of the global professional standards and providing access to certification training opportunities;</p> <p><b>Builds Expertise and Value in the Profession</b> Strengthens the expertise and value of the profession through facilitating thought leadership, innovation and professional development;</p> <p><b>Provides Timely Services</b> Provides outstanding and timely services to all Ottawa members; and manages its operations in an accountable, financially sustainable, transparent and collaborative fashion, in accordance with the highest standards of governance and ethics.</p>	<p><b>Building Capability and Value of IA Community</b></p>	<p><b>PROFESSIONAL DEVELOPMENT PROGRAM</b> <i>Deliver a professional development program that supports professional certification and continuous learning.</i></p>	<ol style="list-style-type: none"> <li>1. Design and deliver a value-added program of training courses, aligned to member needs and OCG competency levels.</li> <li>2. Promote the value of the IIA certifications and facilitate CIA and CGAP training.</li> </ol>
		<p><b>CONNECTING OUR MEMBERS</b> <i>Provide opportunities for members to connect, share knowledge and advance thinking on matters of local importance.</i></p>	<ol style="list-style-type: none"> <li>1. Develop and implement a strategy to provide networking and knowledge sharing opportunities that promote best practices, developments in the profession and emerging issues.</li> <li>2. Develop and implement a strategy to deliver a series of events and discussion forums for audit leaders that focus on challenges and emerging issues.</li> </ol>
		<p><b>PROMOTION &amp; ADVOCACY</b> <i>Promote the value of internal audit, influence public-policy decisions, and advocate investment in internal audit.</i></p>	<ol style="list-style-type: none"> <li>1. Establish and put in place a national advocacy strategy for the federal public sector to promote the value of internal audit and the IIA.</li> <li>2. Develop and implement a membership recruitment and retention plan, including an outline of target markets and various strategies to reach these markets.</li> <li>3. Leverage existing IIA materials to promote and advocate the value of the profession with CAEs, audit committee members, business leaders, and public policy makers.</li> <li>4. Establish or enhance partnerships with other organizations (e.g. OCG, FMI, CAs, ISACA, universities, etc.) to promote internal audit, showcase our IA leaders and members, and improve learning opportunities.</li> </ol>
	<p><b>Strengthening Chapter Capacity</b></p>	<p><b>CHAPTER GOVERNANCE &amp; MANAGEMENT</b> <i>The Chapter's governance processes, structure and bylaws support effective decision-making and implementation success. The chapter manages itself in a sustainable, fiscally prudent, transparent and collaborative fashion.</i></p>	<ol style="list-style-type: none"> <li>1. Enhance chapter governance by more clearly defining roles of board members and committee structures and ensuring that operational plans are well aligned to this structure.</li> <li>2. Ensure chapter sustainability by strengthening succession planning and developing a resourcing strategy to support programs, financial management, coordination, and communications.</li> <li>3. Explore how we can leverage the IIA's new Chapter Document Management System to share best practices.</li> <li>4. More fully engage volunteers.</li> <li>5. Establish a communications strategy to effectively reach and communicate with our members, CAEs, audit committee members, business leaders, and public policy makers.</li> </ol>
	<p><b>Supporting IIA Canada</b></p>	<p><b>CONTRIBUTION TO BUILDING IIA CANADA</b> <i>The Chapter contributes to the IIA Canada's formation and development.</i></p>	<ol style="list-style-type: none"> <li>1. Develop an IIA Ottawa strategy for supporting IIA Canada, including how we will ensure involvement in committees and working groups.</li> <li>2. Develop and share Ottawa's perspectives and position on how roles and responsibilities would be best shared between IIA Canada and chapters.</li> <li>3. Play a leadership role with IIA Canada in relation to the Federal Public Sector.</li> </ol>

## 4.0 Implementing the Strategies

These strategies will be implemented over a three year period. The scope and timing of these activities and corresponding tasks will be determined through the Ottawa Chapter's operational planning process, on an annual basis. Given that the chapter is almost exclusively volunteer run, the priorities and expected progress will be adjusted annually to account for the level of volunteer engagement and time available of each Board member.

From time to time, the Board's governance structure will be reviewed to ensure its continued relevance and alignment to the Chapter's priorities and direction. Any modifications to the roles of individual Board members and/or the structure and mandates of sub-committees will be contemplated, discussed and formally approved by the Board.

## Appendix A - Environmental Scan Results

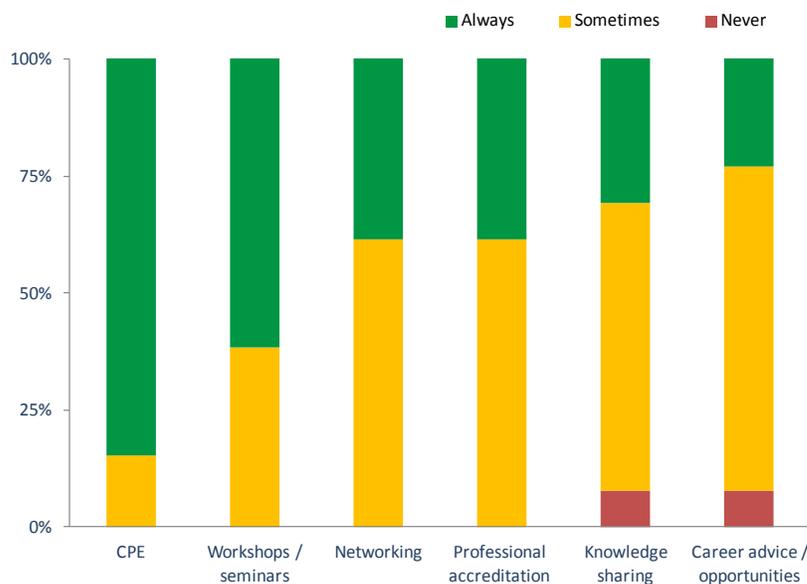
As described above, the environmental scan consisted of surveys and one-on-one interviews with stakeholders. The lines of inquiry were aimed at identifying the political, economic, social and technological factors impacting the Chapter as well as understanding the perceived strengths and weaknesses of the Chapter.

### 1. Environmental Scan

The survey polled respondents on whether the IIA Ottawa Chapter was meeting the expectations of its members across the following six areas:

- Continuing Professional Education (CPE), including training and development opportunities
- Workshops and seminars
- Networking
- Professional accreditation
- Sharing knowledge, information and best practices
- Career advice and career opportunities

As illustrated in the chart below, results suggest that the Chapter is generally perceived to be meeting members' expectations. Particular opportunity for improvement was noted in knowledge sharing and career development opportunities.



More in-depth analysis was performed to understand the internal and external factors impacting the Chapter and its members. These factors are described in the following sections.

## 2. Internal Factors

Internal factors identified include both strengths and weaknesses to the Chapter and profession in the context of an ever-changing environment. These strengths and weaknesses are described below:

### Strengths:

- Strong contributions to IIA Canada and IIA Global: In 2011, with a Canadian membership base of over 7000, IIA Global saw an overwhelming vote for the creation of IIA Canada. On January 1, 2013, IIA Canada will become the third largest IIA Institute and will continue its affiliation with IIA Global.<sup>2</sup> With over 1200 members, the Ottawa Chapter will aim to strengthen its presence, contribution, and services throughout the nation's capital region, and within the national and global Institute. Ottawa's support of IIA Canada was recognized in the environmental scan as an area of strength for the Chapter.
- Reputation and recognition nationally and internationally: The Ottawa Chapter was recognized to be a leading Chapter with a strong reputation across Canada and globally.
- Greater online presence: In 2009-2010, the Ottawa Chapter website saw an overhaul in its design, content, and accessibility. Improvements were made to increase frequency in updates and publications, and to provide greater public access to job postings. Additionally, the newly created *Certified Internal Auditor (CIA) Learning and On-line Registration System* was a welcomed improvement and contributed to increased learning attendance and program profitability.<sup>3</sup> The greater presence online achieved by the Chapter was perceived to be a strength.
- Good development opportunities, networking events, CIA certification and training below executive level: Below the executive management level, the Chapter was perceived to be meeting members' expectations for development, networking and accreditation opportunities. Potential for improvement was noted at the executive level, as described further below.
- Increase in membership and CIA certifications: Chapter growth was recognized as a positive achievement, as was the increased number of CIA certifications awarded. Personnel surveyed and interview recognized growth of the Chapter and profession to be an area of success for the Chapter.
- Well organized and strategic: The Chapter was perceived to be well organized, focused and effective at strategic planning. In particular, the consultative process of establishing strategic priorities was noted to be one of the Chapter's strengths by the environmental scan.

---

<sup>2</sup> Ottawa Chapter - 2011 AGM Report, 1. President's Report

<sup>3</sup> Ottawa Chapter - 2011 AGM Report, 3.k Website Report

### **Weaknesses:**

- Limited sharing of knowledge and best practices: As highlighted in Section 3.1 above, knowledge sharing is an area of potential improvement for the Chapter. The environmental scan suggested that the Chapter was not facilitating the sharing of knowledge and best practices as effectively as it could, but that doing so was considered important by its members.
- Minimal networking and learning opportunities offered for higher-level executives: While network and learning opportunities below the executive level were noted strength areas for the Chapter, the same was not true at the executive level (e.g., Chief Audit Executive). Specifically, the Chapter was not perceived to be meeting the need for development opportunities for executive-level members.
- Highly reliant on volunteer base: As the Chapter relies heavily on volunteers to achieve its stated outcomes, challenges associated with volunteer time/effort were noted by the scan. While the scan noted that the number of volunteers was considered sufficient, the capacity of each volunteer was inherently limited. Therefore, the Chapter's capacity to deliver on proposed initiatives is limited by volunteers' available time and effort.
- Few links with other professional areas and organizations: The scan suggested that the Chapter is not connecting with other professional areas and organizations to the extent that it should. In particular, the scan suggested more links with other professional areas (e.g., Chief Audit Executives and Audit Committees) and other organizations (e.g., ISACA, FMI) would improve members' experience and support knowledge sharing.

### **3. External Factors**

External factors identified include both opportunities and threats to the Chapter and profession, many of which are interrelated. The opportunities and threats are described below:

#### **Opportunities:**

- Build a knowledge and information sharing platform: The environmental scan identified gaps in knowledge sharing and information resources in support of internal audit. Accordingly, there is opportunity for the Chapter to meet these needs for its members.
- Meet demands for technical and soft skills training: While internal audit training was perceived to be available and supported, the environmental scan suggested that technical and soft-skills training were required but less available. There is an opportunity for the Chapter to expand training offered in these areas.
- Help members navigate a changing landscape: With Chapter members largely being impacted by public service budget cuts and strategic operating reviews, the internal

audit landscape in Ottawa is changing. The Chapter may be able to support members through these transitions by providing a network for consultation, opportunities to share knowledge and experience, and thought leadership.

- Increase exposure through new marketing channels: The environmental scan suggested that marketing was an area of potential improvement for the Chapter. The scan identified untapped channels with potential for increased market penetration, such as social media.
- Advocate and promote the value of the profession and of IIA: In line with the Chapter's mandate, there is opportunity to promote the value of internal audit. Public sector budget cuts highlight this opportunity, as the value of internal audit will be essential for members to demonstrate within their organizations.
- Develop targeted networking and learning events for executive-level members: While networking and learning were Chapter strengths noted by the scan, opportunities for executive-level members were perceived to be lacking. Therefore, the Chapter has an opportunity to improve their role in connecting executives (such as Chief Audit Executives) and delivering development opportunities for these members. The scan suggested that panel discussions and interactive sessions that enable knowledge sharing among executives were of particular value.
- IIA Canada evolving mission: Because IIA Canada is in its infancy, there are both opportunities and threats associated with its evolving role. It remains uncertain what relationship the Chapter will have with IIA Canada as well as the role the Chapter will play. The scan suggested that the Ottawa Chapter could take a leading role in Canada as a strong chapter by providing advice and support. Potential opportunities for the Chapter as IIA Canada matures include:
  - Focus limited resources on key areas of interest for the local community, while IIA Canada takes on broader issues
  - Offer its members a broader professional network

While opportunities were highlighted in the scan, the importance for the Ottawa Chapter to maintain focus on members through this transition period was emphasized.

### **Threats:**

External threats were identified by the scan as follows, organized according to threats to the profession and threats to the Chapter.

### **Threats to internal audit profession in Ottawa:**

- Pressures to over-promise may lead to under-delivering, impairing reputation: With new demands on internal audit, members may be pressured to commit to unrealistic audit results and objectives (e.g., cost cutting). These commitments create a risk of under-delivering and impairing the reputation of internal audit.

- Potentially growing gap in expectations of internal audit: Closely tied to the pressures described above is a potential divergence between what internal audit is expected to offer versus what it's equipped to offer. Specifically, while internal audit shops may have the skills and experience to offer assurance, they may be expected to deliver efficiency-focused audits.
- The need to maintain auditors' relevance: With Strategic and Operating Reviews (SOR) and budget cuts, it will be imperative for internal auditors to demonstrate their relevance. There is a risk that the perception of internal audit as a valuable service may diminish as pressures to cut costs are introduced. Given that transitioning through significant cost cutting introduces new risk to organizations, internal audit may be even more important during the cost reductions. Therefore, it is essential that their relevance is demonstrated to and understood by stakeholders.
- **Threats to Chapter:**
  - New, growing pressures on education: Training is an important revenue source for the Chapter. The scan suggested that the Chapter is losing market share to new competitors and alternate training methods. There is a risk of lost revenue if the Chapter does not adapt.

The majority of threats identified were associated with public sector budget constraints and SOR, as these factors are likely to introduce new pressures on internal audit. While the threats associated with cost reductions were identified, so were associated opportunities for the Ottawa Chapter. With many members facing the same challenges, the Chapter can offer its members relevant thought leadership, knowledge sharing and a professional network to support them through transitions.