KEEPING PACE WITH QUALITY

All internal audit departments, even those outsourced or co-sourced, should undergo both internal and external quality assessments (QA). As an organization grows, its operations are refined, and its internal processes change and evolve. So its quality monitoring process must keep pace. Having recently undergone an external QA, Dr. Luis Arturo Penagos Londoño, vice president of internal audit at **Grupo Bancolombia**, shares advice on promoting quality throughout your audit function.

As an experienced chief audit executive, your view of quality clearly sets the tone for your internal audit activity. How do you ensure your function is the best it can be?

First, I have to set the example and become the central axis of continuous improvement. I strive to remain current on best practices and adopting them in my leadership role. Secondly, I find it very important to "walk the walk" and obtain my staff's commitment for continuous improvement; helping them to understand that they all gain professionally if they execute their work in accordance with The Institute of Internal Auditors' (IIA's) *Standards*.

How do internal and external quality assessments affect the operations of your internal audit function?

External quality assessments have been crucial in our continuous improvement process, helping transform all issues raised in corrective or preventive actions. The corrective actions allowed us to ensure compliance with the *Standards* or to introduce improvements that add efficiency and productivity to our processes. The preventive actions originated from the analysis of changes in the environment and helped us introduce innovations and updates to our processes based on changing circumstances. It is important to highlight that these assessments became an integral part of our process management. They are performed regularly and are assigned utmost importance and significance.

Why do you think the Standards insist upon an external QA every five years and what value does this bring to your organization?

For improvement to exist, it is important to perform continuous evaluations. Moreover, I believe that an external quality assessment should be performed more frequently – every three years. Also, the development and strengthening of our professional practice requires this type of assessment because it leads to process standardization and gives internal auditing a global dimension. Furthermore, undergoing an external QA contributes to an enhancement of internal auditing's image to executive management, which, by the way, values this practice as an effective method to improve processes.

Having undergone an external quality assessment, what would you like to share with others regarding this process?

This experience has been very important to us at Grupo Bancolombia, not only because of its evident contribution to the improvement of our processes, but it also presented an opportunity for us to analyze trends, practices, and other approaches offered by the experienced IIA assessment team. They assumed the role of advisor and assisted us with alternatives and leading practices to comply with the *Standards*. Additionally, obtaining an external QA increased the prestige of the internal audit department as well as recognition of our work.

Visit **www.theiia.org/quality** to learn more about QAs, submit an inquiry for an external QA, obtain guidance, learn about successful practices, and learn how to set up your own quality assurance and improvement program.

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