



# Advanced Risk-based Auditing

## About This Instructor-Led Course

The need to manage risks is increasingly recognized as essential to effective corporate governance and to maintaining an effective system of internal control. Internal audit plays a key role in providing assurance that risks to the organization are properly managed. Risk-based auditing links the internal audit department's planning activity to an organization's overall risk management framework.

This course provides participants with the knowledge to develop an audit universe and complimentary risk-based internal audit department audit plan. This course also addresses emerging and advanced risk management topics such governance risk, strategic risk, fraud risk, information technology-related risk, and provides insight into auditing the organization's risk management processes. During this course, you will participate in interactive activities and real-life scenarios. Be prepared to walk away with concepts and tools to develop a value-added, risk-based department audit plan for your organization.

## Who will benefit from this course?

This course will enhance the skills of experienced internal audit leaders who want to build on their knowledge and increase their value to the organization by developing effective risk-based department audit plans that address emerging risks based on organizational and internal audit risk assessments, interviews, and research. This course is designed for chief audit executives (CAE), audit directors, audit managers, and senior internal audit practitioners.

## Course Objectives

- Apply knowledge of IIA Global Internal Audit Standards and Topical Requirements to risk management concepts and risk assessment activities.
- Apply risk management principles and common risk frameworks (COSO, ISO 31000) necessary for risk assessment.
- Understand the importance of risk governance, enterprise risk management (ERM), Three Lines Model and internal audit's role in assessing strategic risk management and governance.
- Learn strategies for assessing emerging risks, high-risk areas, complex business processes such as third-party risk management, AI, and business continuity.
- Learn strategies for assessing common risk areas, including data governance and data management risks, fraud risk, IT governance, and cybersecurity.
- Assess the coordination, reliance and reliability of internal and external assurance providers through assurance maps and other techniques.
- Apply risk assessment methodologies to create an audit universe, identify and prioritize risk, then assess and analyze risks.
- Understand agile traditional risk-based auditing methodologies to assess and report on risk management.



## Course Topics

### Unit 1: Risk Management Principles and Concepts

- Risk definitions.
- Global Internal Audit Standards.
  - Governance.
  - Strategic planning and strategic risk.
- Risk and control frameworks.
- Risk assessment criteria.
- Three Lines Model.
  - Coordination and reliance.

### Unit 2: Leveraging Data Analytics and Technology

- Data-related terminology and definitions.
- Global Internal Audit Standards.
- Effective data governance practices.
- Data gathering and validation overview.
- Use of data analytics to assess control effectiveness.
- Use of data analytics in highly communicative systems.
- Data analytics, continuous auditing, and monitoring.

### Unit 3: Fraud Risk Assessment

- Fraud definitions and the Fraud Triangle.
- Types of fraud.
- Global Internal Audit Standards.
- Fraud risk assessments.
- Anti-fraud programs.
- The role of internal audit in fraud.

### Unit 4: IT and Cybersecurity Risks

- IT (Information Technology) and security terms.
- Global Internal Audit Standards associated with IT and security risks.
- IT and information security frameworks.
- IT governance.
- IT risk assessment.
- Cybersecurity risks.
  - Topical requirement overview.
- IT and Information security audit approaches.



## Unit 5: Auditing High-Risk and Complex Business Processes

- Risk overview.
- Global Internal Auditing Standards.
  - Topical requirements.
- Strategies for new lines of business/first-time audits.
  - Development of risks, controls, and audit plans.
- Complex and high-risk audit areas of focus:
  - Artificial intelligence.
  - Third-party risk management.
  - Business continuity planning.

## Unit 6: Emerging Risks

- Global Internal Audit Standards.
- Resources and techniques for identifying emerging risks:
  - PESTLE Analysis.
  - SWOT Analysis.
  - Horizon scanning.
  - Forecasting.
  - War Gaming.
  - Going Concern Test.
  - Threat Intelligence.
- Risk in Focus Reports.
- Area of focus: Emerging technologies.
- The role of internal audit and emerging risks.
- Reporting on emerging risks.

## Unit 7: Assessing the Risk Management Process

- Risk management audit considerations and Global Internal Audit Standards.
- The relationship between internal audit and Enterprise Risk Management (ERM).
- Assessing the risk management process.
- Comprehensive assessment approach.
- Maturity assessment approach.
- Coordination and reliance on risk management or assurance providers.



## Unit 8: Risk-based Auditing, Agile Auditing, and Dynamic Planning

- Global Internal Audit Standards.
- Approach to risk-based auditing:
  - Overview.
  - Audit Universe.
  - Risk identification, measurement, and analysis.
  - Risk prioritization.
  - Audit selection factors.
- Risk-based auditing methodologies:
  - Agile Auditing.
  - Dynamic audit planning.

## Course Information

*Course Duration:* 2 Days

*CPE Hours Available:* 16

*Knowledge Level:* Intermediate

*Field of Study:* Auditing

*Prerequisites:* Participants should be senior internal audit practitioners or internal audit managers. Completion of the *Fundamentals of Risk-based Auditing* course is recommended.

*Advance Preparation:* None

*Delivery Format(s):* eLearning (Group-Internet-Based); On-Site Training (Group-Live); Seminar (Group-Live); Livestream.

*IIA Competency Framework Topic:* Performance.

*IIA Competency Framework Level:* Applied Knowledge.

*Topic (IIA Website Taxonomy):* Audit Methodology.