

Governing the Internal Audit Function.

Why Internal Audit Needs a Strategic Roadmap – and Why You Should Ask About It

In today's evolving governance landscape and rapidly changing markets, the audit committee's role in overseeing and supporting internal audit has never been more critical. With the release of the Global Internal Audit Standards™ (Standards), internal audit functions are now required to develop and implement a strategy – one that defines a long-term vision that supports the enterprise's strategy and success. This is not a compliance exercise; it's a governance imperative.

A well-crafted internal audit strategy provides the audit committee with a clear roadmap of where the function is headed for the next three to five years. The strategy should:

- ✓ **Support the organization's ability to create, protect, and sustain value.**
- ✓ **Evolve to meet stakeholder expectations.**
- ✓ **Deliver on the audit committee's mandate for internal audit.**

Strategy shifts the internal audit function from a reactive assurance provider to a proactive strategic advisor – one that adds value by providing independent, risk-based, and objective assurance, advice, insight, and foresight. An internal audit plan is different from the strategy, as the audit plan is how the chief audit executive (CAE) delivers value, and the strategy is what enables the internal audit function to be successful in delivering value.

Strengthen Governance. Elevate Oversight.

By engaging in these conversations and providing robust support, the audit committee can ensure the internal audit function achieves the new Standards and drives meaningful value across the enterprise to benefit stakeholders and the public interest.

To ensure your internal audit function is positioned for success, consider asking your CAE, at least annually:

- **Vision & Alignment:** What is the long-term vision for the internal audit function, and how does it align with our organization's strategic priorities?
- **Talent Strategy:** What skills and competencies does your team need to address evolving risks? How are you shifting the mindset of auditors to be strategic advisors?
- **Process Improvement:** How are you measuring and improving the efficiency and effectiveness of our audit processes?
- **Technology Enablement:** How are you leveraging automation, AI, and data analytics to enhance audit quality and coverage?
- **Strategic Advisory Role:** How does the internal audit function provide real-time insight and foresight to be a catalyst for change within the organization?
- **Quality Assessment:** How are internal and external quality assessment results being used to strengthen and advance the internal audit function?
- **Maturity Assessment:** How are you advancing the maturity of the internal audit function and contributing to advancing the maturity of the organization?



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