

IIA Audit Tool

Global Internal Audit Standards Performance Measurement



This document contains explanations and examples intended to assist with establishing performance measures for the internal audit function. It contains four main sections:

- A. **Purpose of Performance Measurement** – explains why understanding and implementing performance measurement is necessary to achieve conformance with the Global Internal Audit Standards™.
- B. **Design Process** – outlines the methodological structure of proper performance measurement and describes the key characteristics that individual measures must have.
- C. **Implementation Process** – shows practical ways to implement performance measurement in the organization to ensure participation and commitment.
- D. **Performance Measurement Examples** – provides a list of performance measures from which to choose and modify, two examples of reporting options, and stakeholder survey questions. These examples should be adapted to the unique contexts of individual internal audit functions before they are adopted.

Terminology

Performance measures are also known as “performance metrics,” “key performance indicators,” “KPIs,” and “key performance measures.” This tool aligns with the Global Internal Audit Standards by consistently using the term “performance measures” while recognizing the other terms as synonyms.

A. Purpose of Performance Measurement

According to Standard 12.2 Performance Measurement, the purpose of performance measurement is to monitor the internal audit function’s operations effectively. Establishing performance objectives is critical to determining whether an internal audit function is fulfilling its mandate in alignment with the board’s expectations, the Standards, the internal audit charter, and the function’s strategy.

Chief audit executives must develop a performance measurement methodology to assess the alignment between the internal audit function’s strategy and organizational objectives as well as the internal audit function’s performance and progress toward achieving its objectives. Therefore, the methodology requires creating and using data that covers the varied success criteria of the internal audit function. Measuring performance promotes continuous improvement, which the quality assurance improvement program requires, and contributes to clear and complete communication with stakeholders.

Performance measurement directly links and is a central tool that facilitates the implementation of standards in addition to 12.2. For example:

- The requirement of Standard 8.3 Quality for the chief audit executive to communicate the results of the internal quality assessment to the board and senior management at least annually depends on many factors. As outlined in the “considerations for implementation” section of Standard 8.3, quality is understood as the combined result of conformance and performance and can only be adequately assessed based on suitable and dedicated measurements.
- Under Standard 8.4 External Quality Assessment, performance measures are key for concluding on the internal audit function’s performance and continuous improvement as part of a quality assessment review. As noted in The IIA’s Quality Assessment Manual, such measures affect the internal audit function’s rating.



- Linking performance objectives with the strategic objectives described in Standard 9.2 Internal Audit Strategy enables an assessment of the degree to which an internal audit strategy has been implemented. Such linking facilitates measuring progress on strategic goals. It also creates transparency, enables a data-based control of the auditing process, and indicates a need for suitable countermeasures if objectives are not achieved.
- Some performance objectives play an important role in the ongoing monitoring of the internal audit function, as described in Standard 12.1 Internal Quality Assessment. Related measures should be systematically incorporated into ongoing monitoring, such as through automation.

B. Design Process

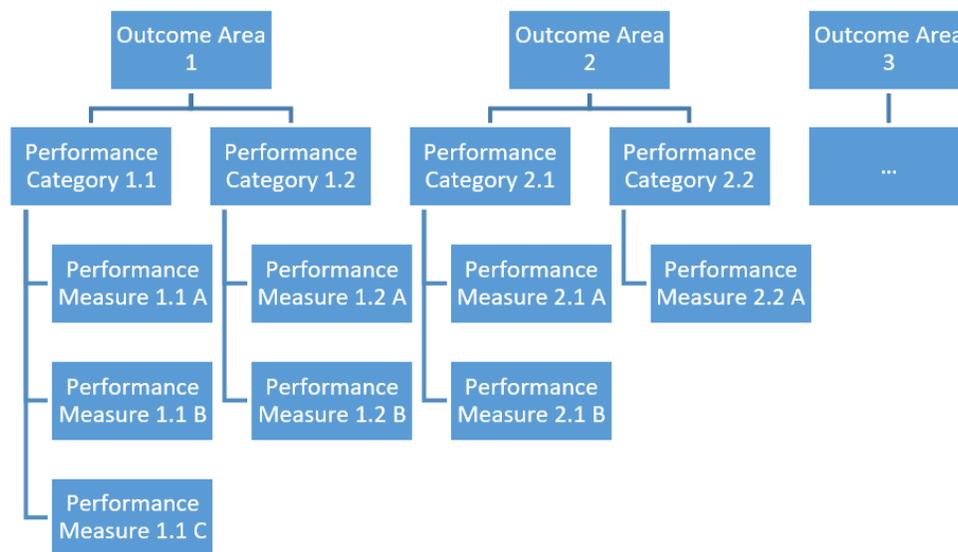
According to Standard 12.2 and its Considerations for Implementation, performance measurement is structured along three levels. At the top are outcome areas, followed by performance categories and performance measures.

Outcome areas classify performance measurement at the most fundamental stage. To be complete and representative, performance measures for the internal audit function may be compiled in such a way that they are balanced across the following outcome areas:

1. Extent of Coverage of Organizational or Business Unit Conclusions.
2. Stakeholder Expectations.
3. Financial and Operational Efficiency.
4. Human Resource Needs.
5. Learning and Development.

These outcome areas can be subdivided into performance categories, which may bundle multiple related performance measures. Finally, there are individual performance measures. Figure 1 illustrates the resulting relationships.

Figure 1. Design of Performance Measurement



Source: The Institute of Internal Auditors.

Each performance measure corresponds to a criterion that is monitored and evaluated over time. The measure is developed in the context of a predetermined performance target, which is a value that has been set as desirable. According to Standard 12.2, chief audit executives must solicit feedback from the board and senior management as appropriate when setting these targets.

Developing performance measures and targets follows several rules and principles. Performance measures can be quantitative or qualitative and provide a concrete basis for measuring the degree of fulfillment of the performance target.

- Quantitative performance measures are often based on numeric data and are easily understood (for example, the percentage of completed versus planned audit engagements). These measures may require less effort to collect and tend to be readily comparable across different organizations.
- Qualitative performance measures involve collecting unique, often subjective, information through manual methods such as surveys or interviews. They offer a broad view of a range of topics, providing deeper insight and background.

Moreover, five qualities that characterize well-designed measures are often represented by the acronym SMART:

- Specific, with each measure serving a distinctive informative purpose and relation to an objective.
- Measurable, in terms of time, effort, and resources, helping to monitor progress in relation to goals, identify challenges, and enable foresight.
- Achievable, with underlying target values that are realistically attainable.
- Relevant, in terms of being logically linked to the current and future objectives and producing accurate reporting.
- Timely, with a clear reference period that is appropriately close to the reporting date, utilizing frequent updates for tracking the performance of operations and strategies.

Additionally, the chief audit executive may identify a set of focused performance objectives specifically for top-level stakeholders like the board, while maintaining a broader set of indicators for managing the internal audit function.

C. Implementation Process

Implementing Performance Measures for the Internal Audit Function

In the Standards, Domain III: Governing the Internal Audit Function begins with a required dialogue between the chief audit executive, the board, and senior management. The introduction to this domain states: “While the chief audit executive is responsible for the requirements in this domain, activities of the board and senior management are essential to the internal audit function’s ability to fulfill the Purpose of Internal Auditing. These activities are identified as ‘essential conditions’ in each standard and establish a necessary foundation for an effective dialogue between the board, senior management, and the chief audit executive, ultimately enabling an effective internal audit function.”

The creation of performance measures should begin with close collaboration between the internal audit function, the board, and senior management. Effective communication during this stage helps ensure that the internal audit function’s performance measures reflect the input of key stakeholders, align with the organization’s strategic objectives and priorities, and clearly reflect stakeholders’ expectations for the internal audit function.

Measuring Internal Audit Performance

A mix of quantitative and qualitative measures provides a balanced view of performance. Quantitative performance measures, such as rates of completion of audit engagements or the number of implemented recommendations, offer clear, objective data but may not fully capture the broader value of the internal audit function’s impact. Qualitative performance measures, such as board satisfaction, provide a greater, though more subjective, understanding of the efficiency of the internal audit function. Qualitative measures are essential, but ensuring consistency in evaluations using such measures is challenging. Ongoing measurement is key, with performance measures monitored regularly to track trends, identify areas for improvement, and adapt to changing organizational risks and priorities.



Reporting and Continuous Improvement

According to Standard 8.3, the chief audit executive must communicate the results of the quality assurance and improvement program, including reporting on the internal audit function’s conformance with the Standards and achievement of performance objectives. Performance measures should also be linked to the broader internal audit strategy. Once performance measurement reporting is embedded in the internal audit strategy, it becomes an ongoing process that informs both the board and senior management, supporting continuous improvement. Regular reviews and adjustments of performance measures help ensure they remain relevant and aligned with organizational objectives.

D. Potential Approaches to Performance Measurement and Examples

Internal Audit Performance Measures

Following the approach described in the guide, Figure 2 presents outcome areas, performance categories, and examples of related performance measures. The list is not exhaustive nor intended to suggest that certain performance measures are fundamentally better than others. Rather than expecting to apply all the measures, chief audit executives should consider the examples as a starting point or source of inspiration and select the measures most suited to the unique needs of the individual internal audit function and organization. Some performance measures will suit certain internal audit functions better than others, and measures not in the examples may be added to better address function-specific objectives. Chief audit executives should customize the measures as necessary.

Figure 2. Examples of Performance Measures for the Internal Audit Function

1. Outcome Area: Extent of Coverage of Business Unit or Organizational Conclusions	
Performance Category 1.1 Coverage of engagement objectives expected to be reviewed according to the internal audit mandate.	
<p>Examples of Related Performance Measures</p> <p>A. Coverage of high-risk auditable units: Ensure that the audit plan covers the targeted mix of risks with a particular focus on high-risk auditable units.</p> <p>B. Percentage coverage of the internal audit function’s mandate: comparison of the internal audit plan and assurance coverage by other providers to the scope and types of internal audit services described in the charter (probably with a rolling multiyear or perennial view).</p>	<p>Reference: Standards 6.1 Internal Audit Mandate, 9.4 Internal Audit Plan, 9.5 Coordination and Reliance.</p> <p>Context: This category addresses the internal audit function’s effectiveness.</p>
Performance Category 1.2 The extent to which the internal audit conclusions at the level of the business unit or organization address significant objectives of the organization.	
<p>Examples of Related Performance Measures</p> <p>A. Number or percentage of findings and/or recommendations that originate from engagements with a direct link to organizational strategy.</p> <p>B. Number or percentage of significant (based on risk) objectives (included in a formal business or strategic plan) at the business unit or organization level for which the internal audit function concluded on the adequacy of governance, risk management, and/or controls.</p>	<p>Reference: Standard 11.3 Communicating Results.</p> <p>Context: This category requires professional judgment on the relative significance of conclusions at the business unit or organizational level.</p>
Performance Category 1.3 The percentage of recommendations or action plans completed by management that result in desired outcomes, as monitored by the internal audit function.	
<p>A. Number or percentage of recommendations and/or action plans implemented by the stated date or earlier than planned.</p> <p>B. Number or percentage of findings and recommendations addressed or action plans implemented before the final engagement communication is issued.</p>	<p>Reference: Standard 15.2 Confirming the Implementation of Recommendations or Action Plans.</p>



C. Number or percentage of engagements that included process improvement recommendations.	
D. Number or percentage of engagements that included recommendations for cost reductions and other savings.	
E. Number or percentage of engagements that included recommendations for cost reductions and other savings.	
F. Measurable value of cost reductions and savings identified through engagements.	
G. Percentage of implemented recommendations that achieved the desired results (such as effectively reducing the risk), as assessed by the internal audit function.	

Performance Category 1.4 Percentage of the organization’s key risks and controls reviewed.

<p>Examples of Related Performance Measures</p> <p>A. Coverage of high-risk audit objectives: Number or percentage of engagements on the audit plan with objectives assessed at high risk.</p> <p>B. Compare the internal audit plan, including assurance coverage from external assurance providers, to key risks and controls to assess percentage coverage.</p>	<p>Reference: Standards 9.1 Understanding Governance, Risk Management, and Control Processes, 9.4 Internal Audit Plan.</p> <p>Context: A matrix of key risks and controls as referenced in the “Considerations for Implementation” section of Standard 9.1 may be useful. A rolling multiyear view may be considered.</p>
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2. Outcome Area: Stakeholder Expectations

Performance Category 2.1 Stakeholder satisfaction regarding the understanding of engagement objectives, timeliness of engagement work, and clarity of engagement conclusions.

<p>Examples of Related Performance Measures</p> <p>A. Number or percentage of activities in the organization (business units) requesting assistance from the internal audit function on key initiatives.</p> <p>B. Responsiveness to special requests: number of special requests completed and reported on in relation to the number of requests received.</p> <p>C. Average time taken to respond to management’s requests: time between receiving requests and communicating results.</p> <p>D. Satisfaction survey: comprehensive, qualitative feedback about the quality of interactions and the internal audit function’s activities, including from the board, senior management, and key personnel of the activity under review.</p> <p>E. Clarity of communications, according to the board and personnel of the activity under review.</p> <p>F. Number or percentage of conclusions or findings with which management disagreed in the final engagement communication.</p> <p>G. Number or percentage of recommendations and/or action plans with which management disagreed in the final engagement communication.</p> <p>H. Length of time to produce the final engagement communication, measured from the start of the engagement and/or the end of engagement performance.</p> <p>I. Number or percentage of findings removed from the draft report.</p> <p>J. Number or percentage of repeat findings.</p>	<p>Reference: Standard 14.4 Recommendations and Action Plans.</p> <p>Context: Stakeholder satisfaction is typically measured using surveys with questions about topics listed in the examples and response options with a predefined scale. Surveys may be issued by engagement or periodically. (See “Examples of Stakeholder Survey Questions” section for examples.)</p>
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3. Outcome Area: Financial and Operational Efficiency

Performance Category 3.1 Percentage of internal audit plan (as adjusted and approved) completed on time.

Examples of Related Performance Measures

- A. Evaluation of progress against the audit plan, such as assurance and advisory engagements completed, with final engagement communication issued, versus scheduled or planned engagements; the number of engagements completed per staff auditor.
- B. Audit plan budget compared to actual hours per assurance or advisory engagement.
- C. Staff utilization: percentage of direct versus indirect time, such as time involved with the activities of organizational committees and task forces versus time spent planning and performing engagements; comparison of budgeted to actual hours.

Reference: Standard 9.4 Internal Audit Plan.

Performance Category 3.2 Balance of assurance and advisory engagements in the internal audit plan relative to the internal audit strategy.

Examples of Related Performance Measures

- A. Ratio of assurance to advisory engagements in the internal audit plan compared to the goal.

Reference: Standards 9.2 Internal Audit Strategy, 9.4 Internal Audit Plan.

Context: Target figure relative to the internal audit strategy.

Performance Category 3.3 External quality assurance reviews confirming the internal audit function’s conformance with the Standards.

Examples of Related Performance Measures

- A. Completion of a comprehensive external quality assessment within the required timeframe, with achievement of a rating equivalent to at least “generally conforms.”
- B. The results of quality assurance assessments with evidence that timely actions were taken on opportunities for improvement.

References: Standards 8.3 Quality and 8.4 External Quality Assessment.

Performance Category 3.4 Additional performance measure examples in this outcome area.

Examples of Related Performance Measures

- A. Number or percentage of engagements that use technology (applications and systems), such as for data analytics, which may could be compared to the internal audit function’s strategic plan objectives.
- B. Number of engagements that include IT general controls objectives.
- C. Adherence to the internal audit function’s financial budget (budget to actual expenses).
- D. Quality assurance and improvement program: periodic completion of an internal assessment with favorable results (generally or fully conforms).
- E. Timely actions taken on opportunities for improvement identified during internal assessments and other QAIP activities.
- F. Number or percentage of engagements with documented reviews of workpapers (as part of the QAIP).

References: Standards 8.3 Quality, 10.1 Financial Resource Management, 10.3 Technological Resources, 12.1 Internal Quality Assessment.



4. Outcome Area: Human Resource Needs

Performance Category 4.1 Quality assurance reviews confirming that adequate competencies are in place to perform the scheduled internal audit engagements.

Examples of Related Performance Measures

- A. Skills matrix, identifying key internal audit skills and competencies needed to fulfill the audit plan, compared to those held by current and outsourced staff.
- B. Percentage completion of the internal audit function's training and development plan in relation to the internal audit function's strategy.

Reference: Standard 10.2 Human Resources Management.

5. Outcome Area: Learning and Development

Performance Category 5.1 Internal auditor learning and development plans linked to the internal audit strategy and an organization's developing risks.

Examples of Related Performance Measures

- A. Tracking of completion of the development plan (planned versus actual hours or courses of training).
- B. Percentage of time per auditor spent in development activities annually.
- C. Achievement of minimum training hours required for the length of time in each position.
- D. Relevant training hours per auditor, as reflected in the percentage of risks that are covered by planned training.
- E. Number of training opportunities to develop or acquire new skills provided to internal audit staff.
- F. Number or percentage of employee development plans that include opportunities for continuous development and acquisition of relevant skills, implemented according to plan.
- G. Percentage of training budget spent on relevant courses that align with objectives of the competency plan.
- H. Staff years of experience in internal auditing or similar evidence of sufficient knowledge of internal auditing processes.
- I. Staff years of experience in the organization's industry or sector.
- J. Average years of internal audit experience.

Reference: Standards 3.2 Continuing Professional Development, 9.2 Internal Audit Strategy, 9.4 Internal Audit Plan, 12.3 Oversee and Improve Engagement Performance.

Context: Linking existing, available competencies or those needed to complete the audit plan is another potential measure for Outcome Area 1 Extent of Coverage of Organizational and Business Unit Conclusions.

It is important that the chief audit executive ensure the competency plan aligns with the audit plan and implements a tracking system for competencies and training to adequately track competency measures.

Performance Category 5.2 Staff holding at least one recognizable professional certification relevant to internal auditing.

Examples of Related Performance Measures

- A. Number or percentage of auditors with relevant professional certifications.
- B. Number of opportunities offered to internal audit staff for obtaining professional certifications.
- C. Number or percentage of internal audit staff pursuing additional credentials.

Reference: Standards 3.1 Competency.

Performance Category 5.3 Additional performance measure examples in this outcome area.

Examples of Related Performance Measures

- A. Percentage of auditors with relevant advanced degrees.
- B. Number of staff rotations in the organization into and out of the internal audit function; number or percentage of auditors transferred or promoted to other functions in the organization versus the number leaving the organization.

Reference: Standards 3.1 Competency, 10.2 Human Resources Management.



<p>C. Percentage of internal audit staff compared to total staff in the organization.</p> <p>D. Percentage of staff involved in professional organizations (such as The IIA or other related professional organizations).</p> <p>E. Number of coaching sessions in a year or percentage of time spent by the chief audit executive or supervisor coaching individual audit staff members.</p>	
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Considerations When Using Performance Measures

Whatever performance measures are used by an internal audit function, it is essential to carefully consider the potential drawbacks of relying too heavily on certain measures as a direct indication of the internal audit function's value, efficiency, and effectiveness. By adopting a balanced and holistic approach, where performance measures complement one another, the internal audit function can focus on delivering meaningful recommendations that add value to the organization and avoid the unintended consequences that may arise from misaligned or overly simplistic performance measures.

When selecting performance measures, the focus should be on quality over quantity. Having too many performance measures can make tracking and reporting cumbersome, diminishing the value they provide. Each performance measure should align with the internal audit function's strategic objectives. Factors like organizational maturity, industry specifics, and the size of both the internal audit function and the broader organization play a critical role in determining which performance measures will be the most impactful. Additionally, the performance measurement priorities of one internal audit function may differ significantly from those of another function.

Challenges with Performance Measure Examples

Chief audit executives should understand the risks and challenges associated with the various measures presented in Figure 2.

Time-Limited Applicability: The utility of some performance measures is limited to a certain point in time. For example, the measures related to Performance Category 1.1 – coverage of engagement objectives expected to be reviewed according to the internal audit mandate – are relative to the most current risk assessment or audit planning period. The same concern applies to performance measures from Performance Category 3.3 on external quality assurance; while they are very important, they may only be applicable when an external quality assurance review has been performed, which is likely once every five years.

Recommendation Implementation Rate: There may be challenges when implementing measures related to Performance Category 1.3 – the percentage of recommendations or action plans completed by management that result in desired outcomes, as monitored by the internal audit function. The implementation rate can reflect the quality and feasibility of recommendations or action plans in mitigating risks and improving conditions, an important feature for maximizing the value added by the recommendations (Standard 14.4 Recommendations and Action Plans). However, unintended consequences may result because the implementation of recommendations and action plans is solely management's responsibility and beyond the internal audit function's control. Therefore, this measure may unfairly penalize internal auditors if management fails to act promptly. Additionally, this performance measure may incentivize internal auditors to avoid making challenging yet necessary recommendations in favor of those that are easier to implement, which could ultimately undermine the internal audit function's impact and diminish its value to the organization.

Disagreement with Management: While measuring the percentage of recommendations disagreed with by management may seem like a straightforward way to gauge the reception of audit findings, it presents risks to the internal audit function's independence and objectivity. Overemphasizing management's agreement with audit recommendations may lead to the perception that findings are negotiable and engagements can be influenced or revised to align with management's preferences. This situation can undermine the integrity of the audit process and erode the trust placed in the internal audit function.

Standard 14.4 describes how to handle disagreements about engagement recommendations and/or action plans. Standard 8.1 Board Interaction describes how the chief audit executive must handle disagreements with senior management or other stakeholders that threaten the internal audit function's ability to execute its responsibilities.



Recommendations Related to Reducing Costs: While some internal audit recommendations aim to reduce costs, others involve investments that improve efficiency, increase the quality of one or more controls, or mitigate long-term risks. For example, adding control mechanisms to enhance process efficiency might initially increase costs. Using cost-saving performance measures could discourage internal auditors from making recommendations unrelated to cost reductions, even though such recommendations may offer significant long-term benefits.

Monetary Value of Savings: Quantifying the monetary value of savings identified through internal audit recommendations can be challenging. The internal audit function often provides valuable insights into process improvements, strengthened controls, and risk mitigation. These recommendations may not directly result in immediate cost reductions but prevent future losses and inefficiencies. Additionally, demonstrating the impact may not be worth the time and effort required to calculate it. Setting financial targets for savings might oversimplify the internal audit function's impact and fail to capture its broader value.

Repeated Findings: Findings that recur in multiple engagements may indicate systemic issues within the organization. This performance measure could highlight whether root causes are being addressed, but it may also simply reflect management's failure to implement previous recommendations, which is beyond the internal audit function's control.

Satisfaction Survey and Communication Clarity: While these metrics aim to measure important qualities, satisfaction surveys can be influenced by internal audit engagement results. When engagements uncover unfavorable issues, such as major control weaknesses or instances of noncompliance, management may react with defensiveness or frustration, which could lead to rating the internal audit function poorly, even when the engagement is performed with thoroughness and objectivity and provided valuable insights.

Number of Engagements Completed per Staff Auditor: This performance measure may provide the chief audit executive with useful insights about the accuracy of audit planning and resource allocation and the function's overall performance when annual comparisons are made. However, this measure is of limited use to the board. Reporting on the number of engagements completed could be misleading because it does not account for variations in the scope or quality of engagements. For example, a complex audit engagement may require more time and resources than a routine one.

Staff Years of Experience / Average Years of Internal Audit Experience: The experience level within the internal audit function ensures that recommendations are based on a solid understanding of both internal audit principles and the organization's processes. Experienced auditors may be more likely to make relevant, actionable recommendations. However, the effectiveness of the internal audit function depends on more than just the length of time in the profession. It's important to consider that a function with high levels of experience and low turnover might not always be the most effective. In some cases, a lack of fresh perspectives or innovation could limit the function's ability to adapt to changing organizational needs.

Performance Measure Reporting Approaches

Figures 3 and 4 provide contrasting examples of performance measure reporting. Comparing the dashboard and weighted scorecard approaches demonstrates the influence of the design when communicating with the board and senior management. The design can emphasize certain measures and how they are communicated (for example, a range versus specific values), making it a strategic choice. Chief audit executives should compare the approaches, consider which works best for their organizational context and reporting needs, and customize the example. Internal audit functions can combine these approaches or choose from numerous other options. The stated target values and applied formulas are only for the purpose of providing examples and should not be viewed as recommendations or used without customization.



Figure 3: Performance Measures Reporting Dashboard

#	Performance Measure	Objective/target	Evaluation range	Basis for calculation	Actual value and result
1	Coverage of high-risk auditable units.	50% of scheduled (regular) engagements included in the audit plan for the next year* shall be focused on high-risk auditable units.	<ul style="list-style-type: none"> Transgression plus/minus 5%: <i>good</i> Transgression plus/minus 10%: <i>caution</i> Transgression plus/minus 15%: <i>alert</i> 	Number of engagements of high-risk auditable units divided by total number of engagements.	The approved audit plan for the coming year aims at a 42% share of high-risk auditable units.
2	Number of days from start of engagement to final engagement communication.	No more than 60 business days shall pass from the start of an engagement to final communication.	<ul style="list-style-type: none"> 60 days or less: <i>good</i> 61 - 65 days: <i>caution</i> 66 days or more: <i>alert</i> 	Average number of business days passed from start of engagement to final communication.	The average number of days from the start of an engagement to final communication is 72 days.
3	Percent of auditors with relevant advanced degrees.	At least 27% of auditors shall hold advanced degrees.	<ul style="list-style-type: none"> 27% or more: <i>good</i> 22% - 26%: <i>caution</i> 21% or less: <i>alert</i> 	Percent share of auditors holding advanced degrees divided by total number of auditors.	28% of auditors currently hold advanced degrees.
4	Percent of engagements that took advantage of data analytics tools.	At least 75% of all engagements shall take advantage of data analytics tools.	<ul style="list-style-type: none"> 75% or more: <i>good</i> 65% - 74%: <i>caution</i> 64% or less: <i>alert</i> 	Percent share of audits utilizing data analytics tools divided by total number of engagements.	Data analytics tools were used in 62% of all engagements.

Legend

Good: Threshold met.
Caution: Threshold slightly unmet.
Alert: Threshold clearly unmet.

*Note: some internal audit functions may perform audit planning on a rolling calendar basis rather than just annually, in which case this performance measure and target should be modified accordingly.



Figure 4: Weighted Scorecard for Performance Measures Reporting

#	Performance Measure	Objective/target	Actual value	Basis for calculation	Score	Weight	Scaled average
<i>Calculation</i>					<i>Score = (Actual Value*100)/Target</i>		<i>Scaled Average = Score*Weight</i>
1	Coverage of high-risk auditable units.	50% of scheduled (regular) engagements included in the audit plan for the next year shall have a particular focus on high-risk auditable units.	The approved audit plan for the coming year aims at a 42% share of high-risk auditable units.	Relevant ratio: number of audits of high-risk audit objects divided by total number of engagements.	$42*100/50 = 84$	0.4	33.6
2	Number of days from start of engagement to final engagement communication.	No more than 60 business days shall pass from the start of an engagement to final communication.	The average time was 72 days from the start of an engagement to final communication.	Relevant value: deviation of the average number of days passed from the start of an engagement to final communication from the target.	60 days = 100 %; 72 days = 12 days or 20% overrun, target achievement = 80	0.2	16
3	Percent of auditors with relevant advanced degrees.	More than 30% of auditors shall hold advanced degrees.	28% of auditors are currently holding advanced degrees.	Relevant ratio: percent share of auditors holding advanced degrees divided by the total number of auditors.	$28*100/30 = 93$	0.1	9.3
4	Percent of engagements that used data analytics tools.	At least 75% of all engagements shall take advantage of data analytics tools.	Data analytics tools are currently used in 62% of all engagements.	Relevant ratio: percent share of audits utilizing data analytics tools divided by the total number of engagements.	$62*100/75 = 83$	0.3	24.9
	TOTALS					1.0	Total success score: 83.8 out of 100



Examples of Stakeholder Survey Questions

This section presents examples of questions that could be used to develop surveys gauging stakeholder satisfaction with completed internal audit engagements or the function's overall performance. Internal audit functions should feel free to customize the questions below for their own use.

Depending on the question, the response options can be designed in scale formats. For example:

- Verify satisfied, satisfied, neutral, dissatisfied, very dissatisfied.
- Excellent, good, fair, poor, very poor.
- Numerical scales ranging from 10 to 1 or 5 to 1.
- Yes, no, somewhat, sometimes.
- Very, reasonably, neutral, somewhat, not.

Satisfaction

1. **Overall Satisfaction:** How satisfied are you with the overall audit process? How likely are you to recommend the internal audit function to colleagues or other business units as a valuable and effective partner to help them achieve their goals?
2. **Add Value:** Did the internal audit function add value to the organization or activity under review? For example, did the internal audit function help the activity under review to be more efficient, reduce costs, or improve its ability to address risks. (Note: value should be defined as the organization's defines it and can vary between organizations.)
3. **Expectations:** Did the internal audit function meet your expectations for the engagement?
4. **Communication:** Was the communication from the internal audit function clear, concise, and appropriate?

Audit Process

5. **Clarity of Objectives:** Were the objectives of the engagement clearly communicated?
6. **Timeliness:** Was the engagement completed within the expected timeframe?

Audit Function

7. **Professionalism:** How would you rate the professionalism of the audit function?
8. **Knowledge and Expertise:** How would you rate the audit function's knowledge and expertise related to the activity under review?

Audit Findings, Recommendations, and Conclusions

9. **Results:** Were the engagement results, such as findings, recommendations, and conclusions clearly communicated?
10. **Actionability:** How actionable do you find the engagement recommendations?

Improvement Areas

11. **Well-Performed Areas:** Which aspects of the internal audit engagement do you feel were performed well?
12. **Suggestions for Improvement:** Do you have any suggestions for improving the engagement process?
13. **Future Engagements:** Are there any specific activities or areas you would like to see included in future engagements?



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