

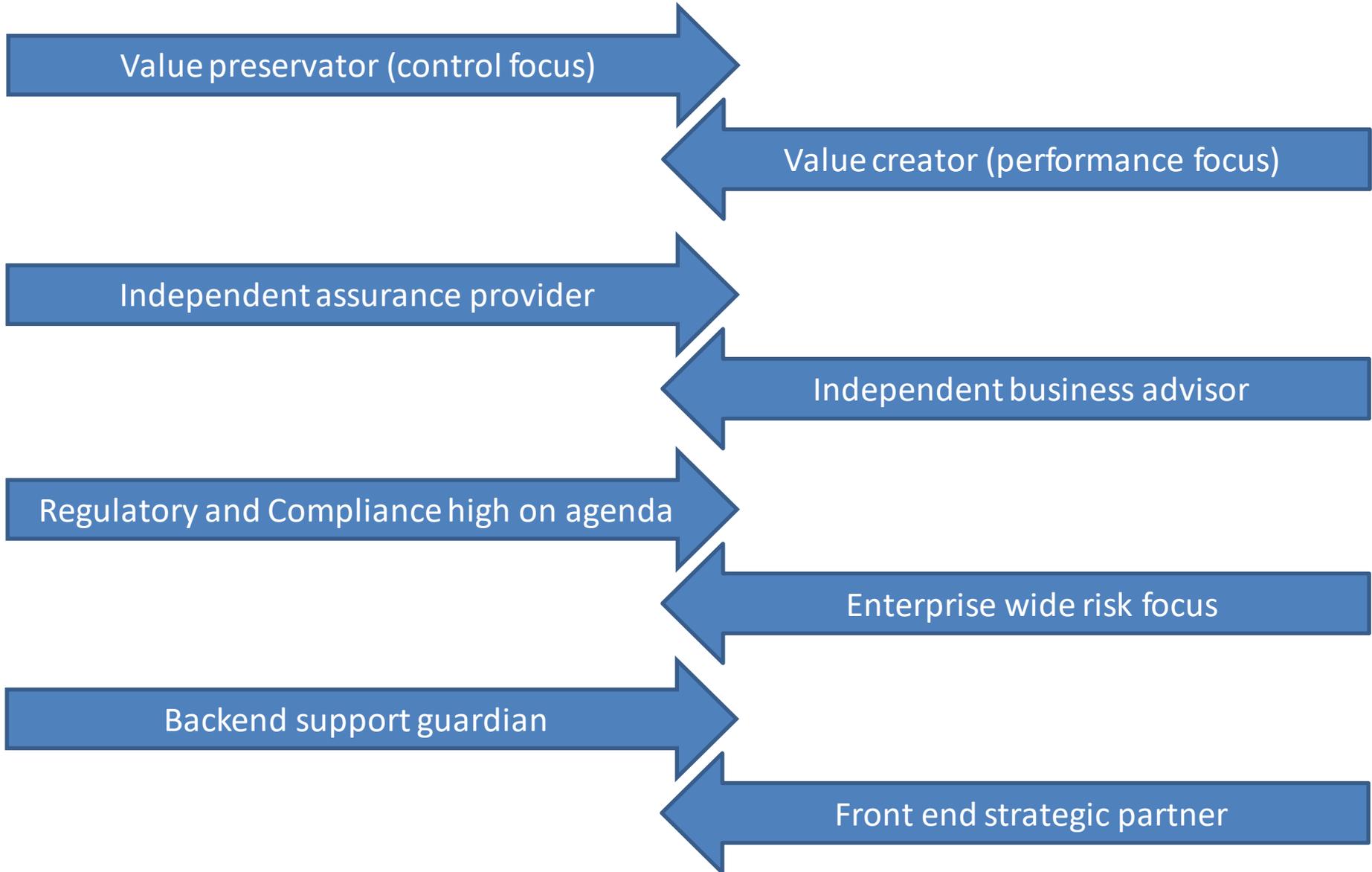


Delivering value through Internal Audit

A challenge worth accepting.

Internal audit function

Ever transforming role of Ia function



function

(Value creation avenues)

Assurance



Value

Key questions to answer



Are we positioned to respond to changing key business risks, across the business landscape especially the unprecedented digital transformation?



Are we able to leverage enterprise data efficiently to conduct risk assessments and continuous monitoring?



Have we added resources and skill sets to address increased expectations from internal and external stakeholders?



Have we started to use technology to enhance the internal audit function along with relying on existing methodologies?

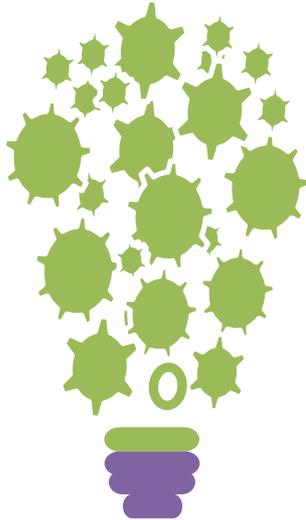


Are we still relying primarily on point-in-time risk assessments?



Are we still performing audits and reviews in the same way as in years past?

What will it call for: Game plan



Aligning with key business objectives

1

Insights on risks that matter (risk based)

2

Sustainable business improvement focus

3

Subject matter knowledge, skill & expertise

4

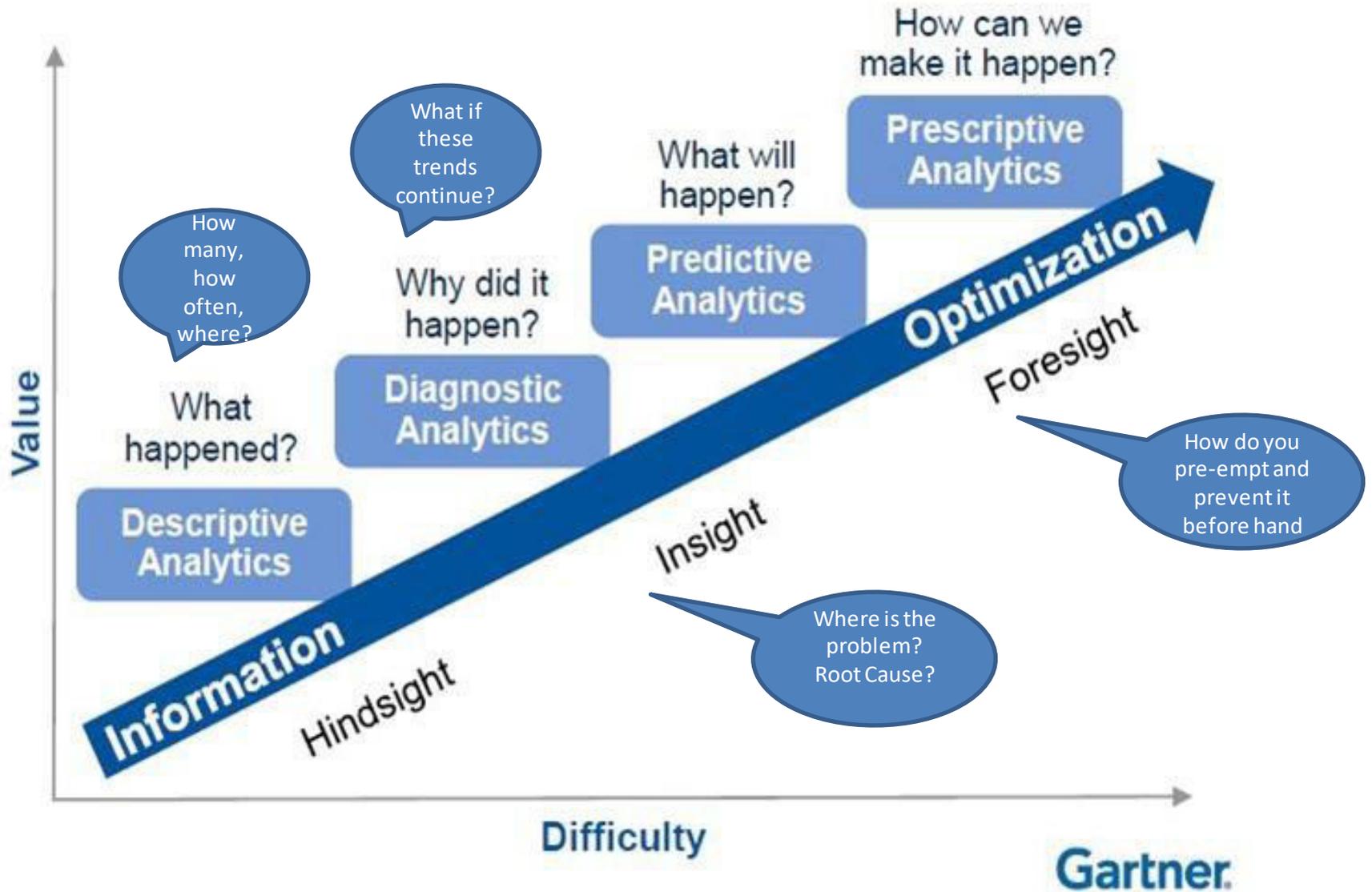
Enhance audit efficiency and effectiveness

5

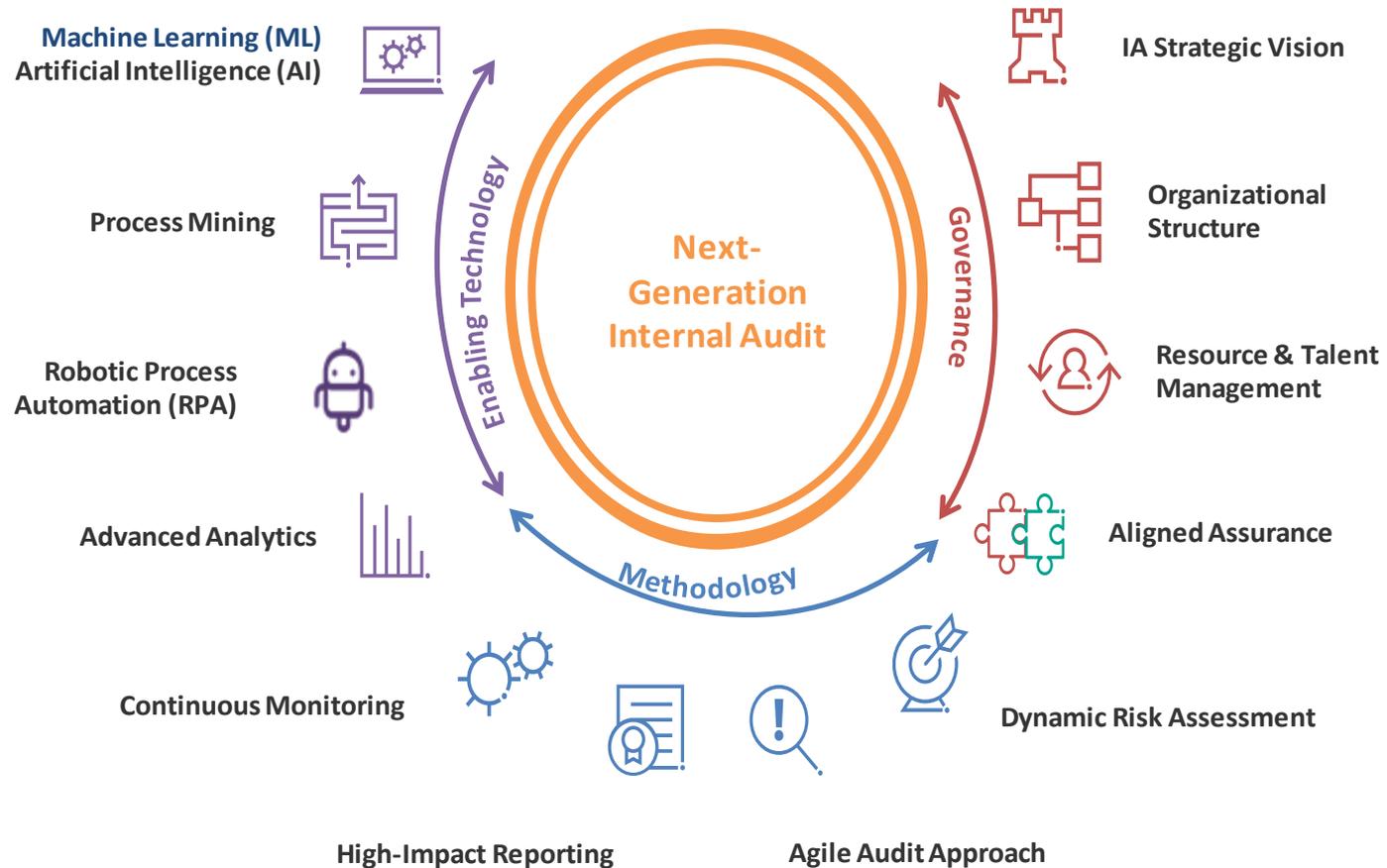
Embrace and leverage next gen technology & tools

6

Hindsight to foresight



Vision For Next-Generation Internal Auditing



How can value be added



By seeking form the 'Management', what would you like us to look at? (Seek)



By recognizing improvements and streamlined efforts of the process owners (Acknowledge)



By enabling a single consolidated view of business issues, from all sources (Accumulate)



By establishing enterprise wide risk based areas, trends supporting the same and deliver theme based audits



Tools and technology for value discovery



Use of subject matter experts

How can value be added



Periodically providing a report on insights gathered from several completed and ongoing reports



Culture surveys



Competition mapping, benchmarking across core business areas for efficiency



Drive and rejuvenate need for innovation through



Moderate and rationalize strategic decisions through professional skepticism



Be open to constructive criticism, as a function, on aspects of objectivity and independence

value creation stories: there is always room for more

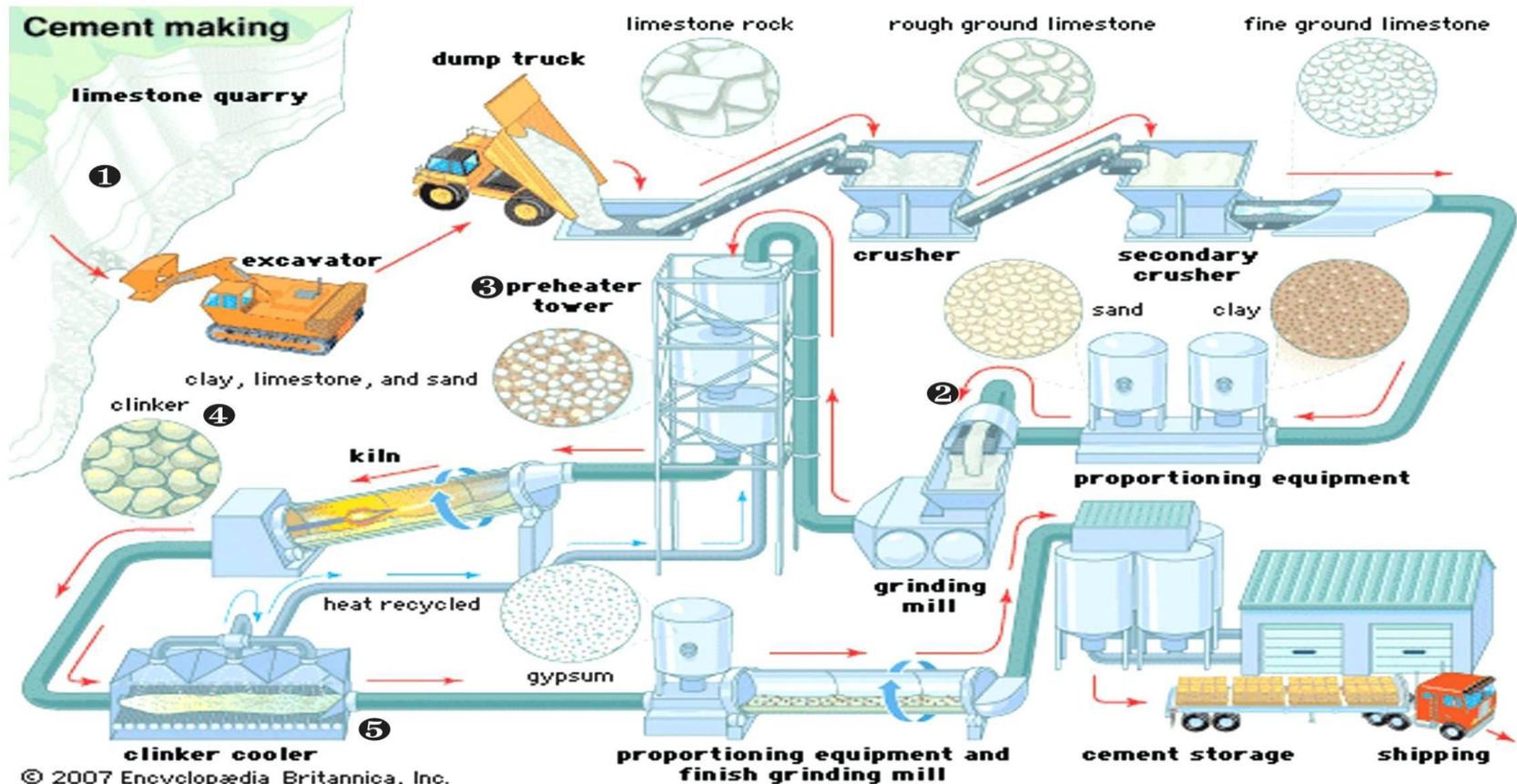
1. “Value can be created, even in case of the Companies, who invest heavily into leading processes, implement cutting edge technology, stringent commercial practices, create cut-throat market place and perform heavy weight negotiations and who claim to be well covered on all aspects.” – A manufacturing company’s case
2. “Inquisitiveness in getting to greater depths in understanding the business and practices holds key to reaching real observations” – A developer’s case
3. “Resist the opposition and resistance to scrutiny. Push the barriers and take a first hand account of grass-root level activities – A mining company’s case
4. “Observation is the first and the fundamental gateway to larger insights. ” - A construction company’s case
5. “Every data dump and subsequent trend analysis has a story to tell” - A manufacturing company’s case

Let's hear more value creation stories

(Its time for some participation)

Interaction: Case study

You are the CAE of a cement manufacturing company. The Company has regional footprints and is barely making profit. The plant is ageing and the productivity has fallen. Increasing input costs (especially power) is a problem. The Management is always facing risks of a hostile takeover from the larger Groups aiming acquisitions for a larger market share. You are expected to table the Audit plan for the next year. What would be your approach and areas of focus:



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