Executive Summary Report

GL BAL ASSEMBLY

Where It All Comes Together

Washington, DC 2024

Contents

Letter from The IIA's 2023-24 Chair of the Global Board of Directors and The IIA's President and Chief Executive Officer

Dear Institute Leaders,

As we reflect on the resounding success of the 2024 Global Assembly in Washington, DC, we want to express our sincere gratitude for your active participation and invaluable contributions. This year's event was a testament to the power of collaboration and shared knowledge within our global internal audit community.

Our theme, "Where It All Comes Together," resonated throughout the entire weekend, as demonstrated by the engaging discussions, insightful presentations, and vibrant networking opportunities. We were honored to gather with leaders from around the world to exchange ideas, share best practices, and collectively shape the future of our great profession.

To capture the essence of these discussions and provide actionable insights, we have compiled this comprehensive **2024 Global Assembly Executive Summary Report**. This document highlights key themes, summarizes presentations, and outlines next steps for The IIA. Your feedback and input were instrumental in shaping the agenda and content of the event, and this report is an opportunity to share the outcomes with a wider audience.

We invite you to review this Executive Summary Report. Your continued engagement is essential as we work together to advance the internal audit profession on a global scale.

Thank you once again for your dedication and support.

Sincerely,

Sally-Anne Pitt, CIA, CGAP
2023-24 Chair of the Global Board of Directors
The Institute of Internal Auditors

Anthony J. Pugliese, CIA, CPA, CGMA, CITP
President and Chief Executive Officer
The Institute of Internal Auditors

About Global Assembly

Global Assembly is the forum where National Institute representatives from around the world discuss how The IIA's global business strategy and vision tie into the long-term success — globally and locally — of the internal audit profession and our organization.

The core purpose of Global Assembly is to review and discuss strategic priorities and significant matters impacting the profession and the National Institutes on a global basis.

The annual three-day event provides a forum for global leaders to stay informed, contribute ideas, share information, and collaborate to advance the internal audit profession and The IIA globally.

Visit theiia.org/GlobalAssembly or the Institute Leader Resources webpage for more information.

Leadership Onboarding

New Institute leaders were onboarded on Friday, the day before Global Assembly officially started. The session covered a variety of topics, including:

- The IIA's global structure and business units
- The Master Relationship Agreement (MRA)
- Receiving and sharing information
- Membership management
- Navigating the Institute Leader Resources webpage

The session was well-received by the participants, who found it to be a valuable resource for learning about The IIA's programs and services.

NEXT ⟫ STEPS

The IIA is committed to providing its Institute leaders with the tools and resources they need to be successful. The new onboarding session is a valuable addition to The IIA's suite of resources for Institute leaders, which is constantly being updated to reflect the ever-evolving aspects of our organization.

New IIA National Institute leaders can participate in the onboarding program online, starting on the Institute Leader Resources webpage and concluding in-person by visiting The IIA Global Headquarters or attending Global Assembly. More Information, please contact the Director, Institute Relations Development, Victor Garcia (victor.garcia@theiia.org).

Where It All Comes Together

Global Assembly provides a unique platform for institute leaders to connect, learn, and collaborate. Through engaging plenary sessions and interactive breakout groups, attendees explored a wide range of topics critical to the profession. This section highlights key themes and insights that emerged from these discussions.

Embrace the Power of Inquiry: A Conversation with Incoming Chair of the Global Board, Terry Grafenstine, CIA, CGAP, CPA, CISSP, CISA, CRISC, CGEIT

Terry Grafenstine's presentation focused on the critical importance of a questioning mindset within the internal audit profession. She emphasized how fostering a culture of curiosity can drive innovation, deeper insights, and stronger collaboration.

Key Points:

- **The power of questioning:** Grafenstine highlighted the significance of asking probing questions to uncover underlying issues, challenge assumptions, and identify potential risks.

- **Fostering a culture of curiosity:** She emphasized the importance of creating an environment where questioning is encouraged and valued.

- **Innovation through inquiry:** Grafenstine explained how a questioning mindset can lead to new ideas, approaches, and solutions within the internal audit profession.

- **Collaboration and teamwork:** She stressed the role of questioning in building stronger relationships and partnerships within the internal audit community.

Overall, the presentation inspired attendees to embrace a more inquisitive approach to their work, emphasizing the value of questioning as a catalyst for professional growth and organizational success.
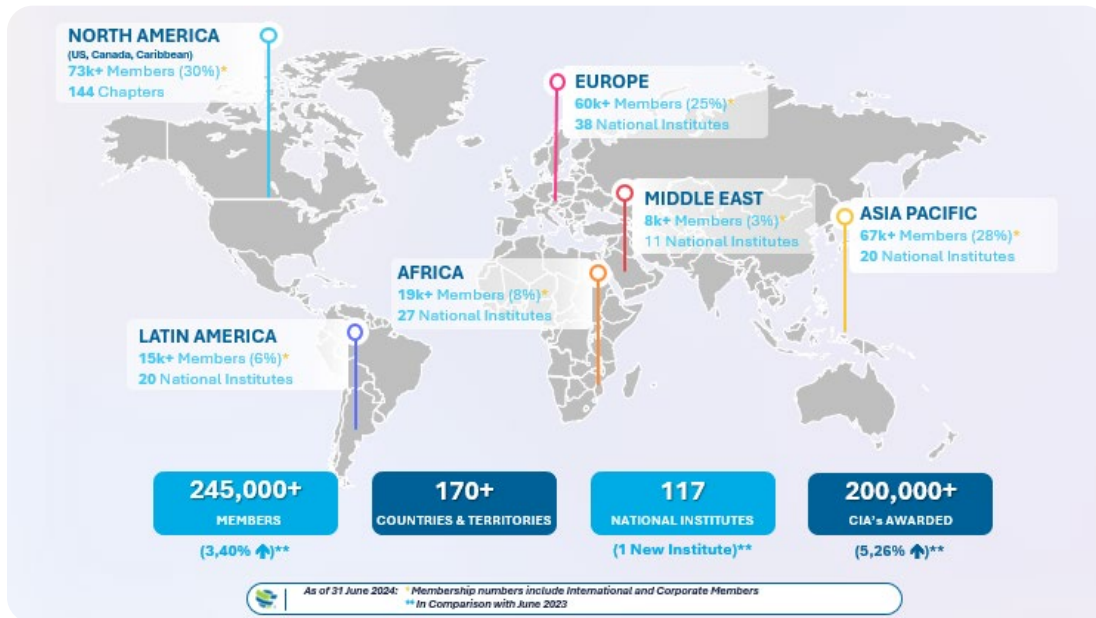
117 Ways of Getting Things Done

Javier Faleato's presentation delved into the multifaceted landscape of The IIA, emphasizing its global reach, diverse membership, and strategic initiatives. He painted a comprehensive picture of the challenges and opportunities inherent in operating a global professional association.

Key Takeaways:

- **Global footprint and diversity:** The IIA's extensive network, spanning **117 National Institutes** across the globe, underscores its position as a truly global organization. With over **245,000 members** and **200,000 CIA designations** awarded, The IIA has achieved

significant growth. The presentation highlighted the diverse composition of The IIA's staff, representing over 25 countries and speaking more than 25 languages, reflecting the organization's commitment to inclusivity.

NORTH AMERICA
(US, Canada, Caribbean)
73k+ Members (30%)*
144 Chapters

EUROPE
60k+ Members (25%)*
38 National Institutes

MIDDLE EAST
8k+ Members (3%)*
11 National Institutes

ASIA PACIFIC
67k+ Members (28%)*
20 National Institutes

AFRICA
19k+ Members (8%)*
27 National Institutes

LATIN AMERICA
15k+ Members (6%)*
20 National Institutes

245,000+	170+	117	200,000+
MEMBERS	COUNTRIES & TERRITORIES	NATIONAL INSTITUTES	CIA's AWARDED
(3,40% ↑)**		(1 New Institute)**	(5,26% ↑)**

As of 31 June 2024: * Membership numbers include International and Corporate Members
** In Comparison with June 2023

- **Navigating complexity:** Faleato acknowledged the complexities of operating in a global environment, emphasizing the influence of cultural, economic, and regulatory factors on The IIA's operations. He stressed the importance of understanding and adapting to these diverse contexts to effectively serve the membership.

- **Unifying the profession:** Despite the challenges posed by a global footprint, Faleato emphasized the shared values and goals that unite the internal audit profession. **The Global Internal Audit Standards™** and the **CIA certification** serve as powerful unifying forces.

- **Collaboration and governance:** The presentation underscored the significance of collaboration among **National Institutes**, **regional bodies**, and **The IIA Global Headquarters**. Faleato highlighted various mechanisms for fostering collaboration, such as **volunteer committees**, **regional workshops**, and **Global Assembly**.

- **Strategic direction:** Faleato outlined key strategic initiatives, including **Vision 2035**, **Topical Requirements**, and **IIA Certifications**, emphasizing the need for shared responsibility and collaboration among different levels of the organization.

Overall, the presentation provided a comprehensive overview of The IIA's global landscape, highlighting both its achievements and challenges. By emphasizing the importance of diversity, collaboration, and strategic focus, the presentation offered valuable insights into the organization's future direction.

Global Collaboration Initiatives Based on Strategic Plan

This breakout session focused on fostering collaboration among National Institutes to advance The IIA's strategic goals. By bringing together experts from various regions, the session aimed to share best practices, identify opportunities for partnership, and explore innovative approaches to addressing common challenges.

Key Initiatives Presented:

- **Unlocking Member Connection: Building a Thriving IIA Virtual Community (IIA-France):** This presentation focused on strategies for creating a vibrant online community to enhance member engagement and knowledge sharing.

- **Leadership Edge: Strategies to Engage CAEs (IIA-Argentina and IIA-Australia):** This session shared insights on effective strategies to engage and support Chief Audit Executives (CAEs) in their leadership roles.

- **Providing Board and Audit Committee Services (IIA-Spain):** This presentation explored best practices for delivering value-added services to boards and audit committees.

- **Licensing Basics: Monetizing The IIA's Intellectual Property (IIA Global Enterprise Sales and Partnerships Team):** This session provided an overview of The IIA's intellectual property and strategies for monetization.

Overall, the breakout sessions emphasized the importance of collaboration and knowledge sharing among National Institutes to achieve The IIA's strategic objectives.

Vision 2035: Creating Our Future Together (Part 1)

Anthony Pugliese's keynote presentation at the Global Assembly highlighted the findings of the Internal Audit Foundation's Vision 2035 – Creating Our Future Together research project. This highly collaborative initiative aimed to envision the future state of the Internal Audit profession and outline the steps required to turn that vision into reality. Pugliese highlighted key insights from the extensive research and outlined the challenges and opportunities facing the profession in the coming years.

Key Takeaways:

- **The Internal Auditor of the Future:** The research findings revealed that in a future shaped by technological innovation and collective efforts to address global challenges, the role of internal auditors will evolve into that of strategic advisors. Pugliese presented a compelling vision for the future, emphasizing the need for the profession to adapt to rapid technological advancements, changing business landscapes, and evolving stakeholder expectations.

- **Key Challenges and Opportunities:** The presentation identified key challenges, such as the skills gap, increasing regulatory complexity, and the need for greater data analytics capabilities. It also highlighted opportunities for internal auditors to become strategic business partners, leveraging technology to enhance their value.

- **Action Steps:** Pugliese outlined actionable steps that internal auditors, the profession, and its stakeholders can take to bring the Vision 2035 to life. These steps included investing in professional development, embracing technology, changing mindsets, advocating for the profession, and fostering a culture of innovation.

The IIA is committed to realizing the profession's ideal future through its strategic planning process and will continue to:

- **Advocate** for the profession as an indispensable part of good governance with regulators and other key stakeholder groups.

- **Elevate** the profession through the IPPF Evolution, including the Global Internal Audit Standards^{TM} and enhancing visibility of the Certified Internal Auditor® credential to become a well-known designation for those working outside the profession.

- **Educate** practitioners and stakeholders by offering world-class learning opportunities and events, as well as providing research and thought leadership publications.

- **Collaborate** with educators, students, and related academic organizations to increase awareness of the profession and its value proposition.

On top of Anthony Pugliese's keynote, Global Assembly featured a series of breakout sessions designed to delve deeper into specific aspects of the internal audit profession. Attendees had the opportunity to participate in discussions on key topics shaping the future of the profession, that will be explored in the upcoming pages of this report.

For all information about the IIA's Vision 2035 research project, please visit ia-vision2035.org/

Vision 2035: Creating Our Future Together (Part 2)

Introduction

Institute leaders had the opportunity to participate in two breakout sessions of their choice, each lasting approximately 40 minutes. These sessions focused on specific topics related to the findings of Vision 2035, including a) changing mindsets and expanding services, b) preparing for emerging technologies and risks, c) increasing stakeholder and organizational support, and d) expanding the talent pipeline and shifting perceptions.

Summary of the Presentation/Discussion

Institute leaders collaboratively explored strategies for advancing #OneIIA and preparing the profession for the future. They discussed the above-mentioned topics in relation to 1) the greatest challenges they have observed or anticipate, 2) the opportunities to consider, and 3) strategies for collaboration to address these issues and prepare the profession for 2035. Below is a summary of the key takeaways from the discussions.

Breakout A: Change the Mindset and Expand Services

Greatest Challenges

- **Embracing change:** Internal auditors must demonstrate a willingness and commitment to change, overcoming any apprehension, and address the board's perceived burden of change.
- **Technological advancement and diversity:** There's resistance to adopting new technologies, a need for growth in relevant skill sets, and a lack of diversity in teams, which hampers the ability to innovate.

Opportunities to Consider

- **Strategic positioning:** Internal audit professionals, especially leaders, should advocate for internal audit to be seen as a strategic advisor.
- **Diverse talent and enhanced communication:** Encouraging a more risk-based approach over compliance, tailoring services to needs, and including non-auditors to bring fresh perspectives. Fostering a career path that combines business and audit, and engaging in dialogue with management and boards to educate.

Strategies for #OneIIA

- **Enhanced collaboration and knowledge sharing:** Foster collaboration between National Institutes to enhance efforts and encourage regular exchanges among leaders and members from different regions to gather ideas.

- **Balancing roles and enhanced business acumen:** Emphasize the need to balance the focus between advisory and assurance roles. Additionally, enhance business acumen among auditors to better align with this balanced approach.

Breakout B: Prepare for Emergent Tech/Risks

Greatest Challenges

- **Mindset shifts and securing buy-in:** Overcoming resistance to change, fostering a growth mindset, and securing stakeholder buy-in are critical for embracing agility.
- **Knowledge and training:** Addressing the knowledge gap in IT skills among professionals and providing specific training.
- **Resource allocation:** Ensuring the availability of resources, including time, budget, and talent.

Opportunities to Consider

- **Strengthening relationships:** Building and improving stakeholder relationships through networking, support and debate with the board and audit committees, and partnerships with IT departments and professional bodies.
- **Resource and talent development:** Developing frameworks and toolkits, investing in upskilling, sourcing young talent from universities, and increasing the availability of free and low-cost training on emerging technologies.

Strategies for #OneIIA

- **Collaborative platforms and innovation:** Establishing global platforms and innovation labs to foster knowledge-sharing, as well as diverse global events.
- **Unified standards and best practices:** Developing global standards and advocating best practices ensures consistency, adaptability, and a shift in stakeholder mindsets.

Breakout C: Increase Stakeholder and Organizational Support

Greatest Challenges

- **Communication and perception:** Communicating the value of internal audit, managing stakeholder expectations, and overcoming the perception that internal audit is merely backward-looking and not a strategic advisor. Internal audit is sometimes viewed as a cost center rather than a value-add.
- **Adaptability:** The head of internal audit may struggle to adapt audit plans to include strategic initiatives or effectively engagement with executive management and the board.

Opportunities to Consider

- **Advocacy and visibility:** Enhancing the profession's visibility through advocacy across various industries, including the movie industry, and educating stakeholders about internal
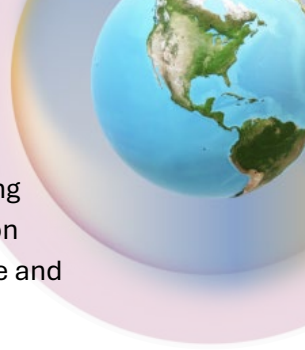
audit's role. This includes integrating internal audit into global legislation and sharing experiences to improve stakeholder awareness. Additionally, efforts should focus on incorporating CIA requirements into regulations to elevate the certification's stature and lobbying for its recognition in national legislation.

Strategies for #OneIIA

- **Knowledge sharing:** Redesign networks and websites to improve access to resources, share success stories, and create forums for the safe exchange of challenges and solutions. Promote thought leadership and mentoring and offer practical guidance for effective advocacy and communication with governments.

Breakout D: Expand the Talent Pipeline and Shift Perceptions

Greatest Challenges

- **Perception issues:** Internal audit is often seen as boring, with misconceptions about the profession being limited to routine tasks. There is a focus on compliance rather than broader business skills, making the profession less attractive.
- **Recruitment and career progression uncertainty:** Difficulty in attracting new talent, especially from diverse backgrounds, and reliance on traditional recruitment sources like the Big 4 accounting firms. The career path in internal auditing is not well-recognized or understood.
- **Awareness and education:** Lack of awareness about internal auditing among students and insufficient education on the subject in academic programs.

Opportunities to Consider

- **Embrace new technologies:** Highlight the use of new technologies in internal auditing to make the profession more appealing and relevant to younger generations.
- **Recruitment and career path:** Clearly define and promote the career progression. Develop new recruitment strategies that focus on diverse skill sets and backgrounds, including STEM fields. Strengthen academic programs and engage with universities to build a pipeline of talent.

Strategies for #OneIIA

- **Marketing and promotion:** Become good storytellers to share the human impact and success stories of internal auditors. Use new apps and social media to promote the profession in a fun and attractive way.
- **Engagement with youth:** Work closely with schools and universities to increase awareness and interest in internal auditing from a young age.
- **Ethics and public interest:** Emphasize the ethical responsibilities and public interest aspects of the profession to differentiate it from others.

NEXT ⇶ STEPS

These breakout sessions sparked discussions about the findings from Vision 2035 and provided insights from National Institute leaders on opportunities and strategies to address the challenges. IIA Global intends to align its strategic plans to Vision 2035 findings. National Institutes should use this information to build their own strategies and advance the profession.

The findings will continue to inform the 2025 strategic plan, as well as future research projects and the next steps needed to make Vision 2035 a reality.

For those who requested country-specific data, the processing of requests will begin at the end of August.

For more information:

For more information, please visit https://ia-vision2035.org/. Or contact:

- Senior Director, Internal Audit Foundation, Laura.LeBlanc@theiia.org or
- Senior Manager, Research & Insights, Nicole.Narkiewicz@theiia.org.

Standards and Guidance: Topical Requirements and Portfolio Topics

Introduction

Benito Ybarra, Katleen Seeuws, and Anne Mercer from the Standards & Guidance team engaged National Institute representatives in discussion about the new element in the IPPF, Topical Requirements, and the process for generating topics.

Part 1: Topical Requirements

The purpose of Topical Requirements was shared, along with information regarding the 90-day public comment period and themes being identified early in the process.

Summary of the Presentation/Discussion

The discussion highlighted the necessity of a risk-based approach when applying Topical Requirements. Internal auditors are expected to use their professional judgment to conduct thorough risk assessments and decide how these requirements should be implemented. The mandatory nature of the Topical Requirements establishes a global baseline and expectation for internal auditors and their stakeholders to uphold. Given the varying levels of maturity and regulation around the world, detailed guidance on a Topical Requirement's applicability will be provided in the final version to ensure clarity and proper implementation.

The presentation included the following sections:

- Reviewed what Topical Requirements are and are not.

Are 👍
- Required when providing assurance on a specified risk area.
- Subject to applicability as determined by risk-based internal audit plan. Limitations must be documented.
- Baseline for engagement performance when the risk area is subject to review.
- Inclusive of aspects of governance, risk management, and control processes.
- Subject to external quality assessment.

Are Not 👎
- Requirements to perform an engagement on the topic.
- Comprehensive work programs.
- Designed to address emerging topics.
- Substitutes for risk assessments or professional judgment.
- Designed to circumvent or supplant legal and regulatory requirements.

- Explained *why* they were developed and *how* they are developed.

Why
- Strengthen the ongoing relevance of the **IPPF** by addressing pervasive and evolving risks.
- Ensure consistency and quality of engagement performance.
- Increase focus on cybersecurity resource investments required for internal audit functions.

How
- Developed by experts and internal audit leaders globally representing various sectors and industries.
- Includes broad proactive stakeholder outreach and feedback through a public comment period.
- Involves ongoing oversight of due process by IPPF Oversight Council, an independent body comprising representatives of global organizations.

- Summarized the elements of the Cybersecurity Topical Requirement and how its use will be integrated into the EQA. **Elements Include:**
    - Requirements.
        - Mandatory - cover essential organizational objectives.
    - Appendix A: Considerations.
        - Not mandatory - best practices for evaluating the design and implementation of organizational objectives.
        - Considerations are examples to validate the requirements.
    - Appendix B: Tool to Document Conformance with Topical Requirement.
        - Not mandatory.
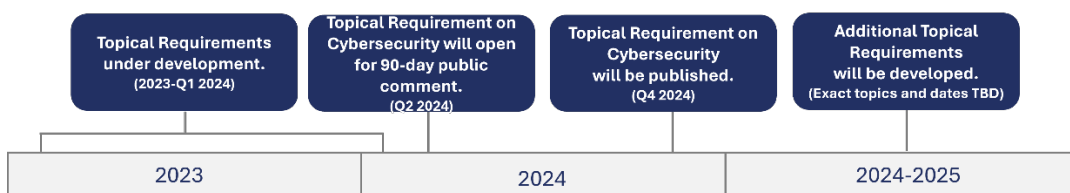- **Topical Requirements and EQA**
    - Reviewers will look for conformance or an explanation.
    - Use of Topical Requirement is first driven by risk to your organization, which is determined by a robust risk assessment.
    - Documentation explaining why certain requirements do not apply, such as for:
        - Risk: results of periodic risk assessment.
        - Resources/expertise: evidence of communication to the board of deficiencies and potential risks and impacts to the organization (in conformance with Domain III).

- Showed how input on topics is gathered and what additional future topics are approved. Topics Approved by Global Guidance Council on March 2024:
    - Cybersecurity (in process – pilot project)
    - Third-party Risk Management
    - Culture
    - Business Resiliency
    - Anti-Corruption/Bribery*
    - People Management*
    - Fraud Risk Management*
    - Sustainability: ESG*

    * Scope to be refined

Timeline:

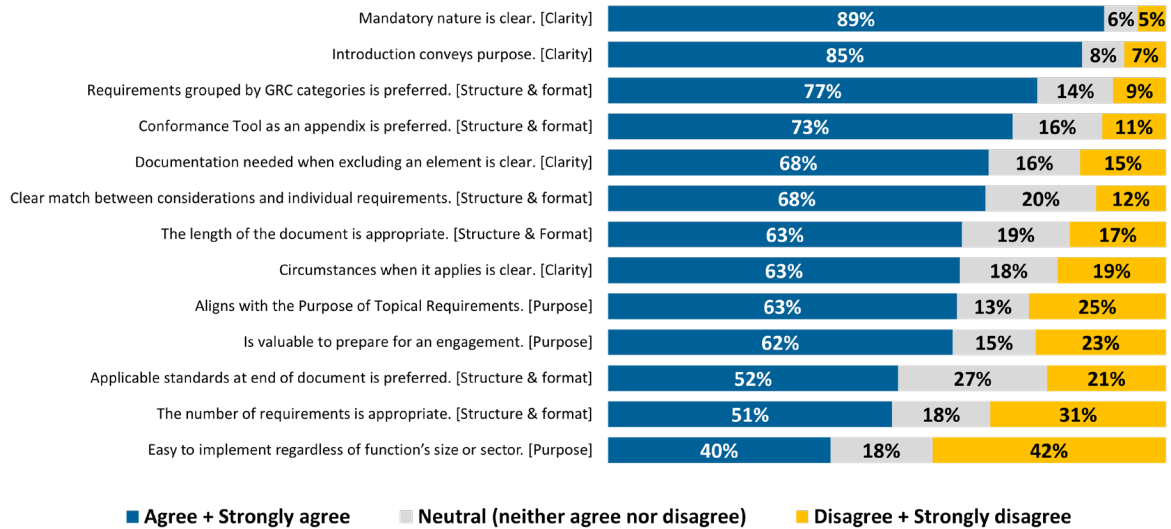| Topical Requirements under development. (2023-Q1 2024)	Topical Requirement on Cybersecurity will open for 90-day public comment. (Q2 2024)	Topical Requirement on Cybersecurity will be published. (Q4 2024)	Additional Topical Requirements will be developed. (Exact topics and dates TBD)
2023	2024		2024-2025

Preliminary Results of the 90-Day Exposure Draft Survey

Global delegates were shown that, overall, there is strong agreement in several areas on the use of Topical Requirements, by looking at the summary of the 913 completed surveys submitted. The lower levels of agreement are being considered, along with the more than 1,500 comments in the creation of the second version by the Global Guidance Council.

Statement	Agree + Strongly agree	Neutral (neither agree nor disagree)	Disagree + Strongly disagree
Mandatory nature is clear. [Clarity]	89%	6%	5%
Introduction conveys purpose. [Clarity]	85%	8%	7%
Requirements grouped by GRC categories is preferred. [Structure & format]	77%	14%	9%
Conformance Tool as an appendix is preferred. [Structure & format]	73%	16%	11%
Documentation needed when excluding an element is clear. [Clarity]	68%	16%	15%
Clear match between considerations and individual requirements. [Structure & format]	68%	20%	12%
The length of the document is appropriate. [Structure & Format]	63%	19%	17%
Circumstances when it applies is clear. [Clarity]	63%	18%	19%
Aligns with the Purpose of Topical Requirements. [Purpose]	63%	13%	25%
Is valuable to prepare for an engagement. [Purpose]	62%	15%	23%
Applicable standards at end of document is preferred. [Structure & format]	52%	27%	21%
The number of requirements is appropriate. [Structure & format]	51%	18%	31%
Easy to implement regardless of function's size or sector. [Purpose]	40%	18%	42%

- **Agree + Strongly agree** ■ **Neutral (neither agree nor disagree)** ■ **Disagree + Strongly disagree** ■
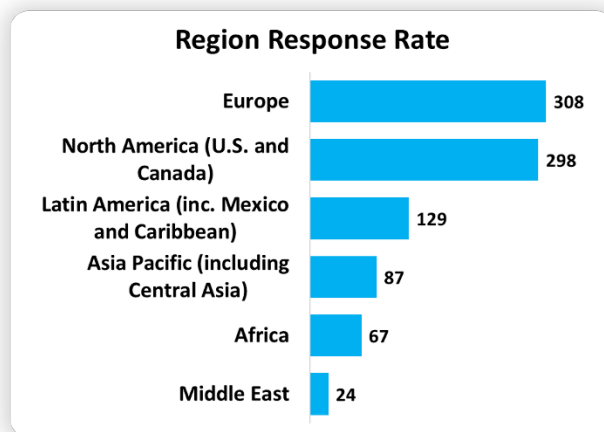
- Delegates were provided with a special link to the closed survey to add additional comments. The 90-day survey closed on 3 July.
- Preliminary key themes were presented, under which the comments are being sorted.
- Statistics on the region responses were shared. See below the Total Survey Responses. The survey solicited feedback on the pilot concept, the structure of the document, and the cybersecurity details.

913
Surveys Completed
1,576
Comments Provided

104
Countries*
Represented
*Including territories and areas of special sovereignty

Region Response Rate

Region	Responses
Europe	308
North America (U.S. and Canada)	298
Latin America (inc. Mexico and Caribbean)	129
Asia Pacific (including Central Asia)	87
Africa	67
Middle East	24

Part 2: Potential Topics for Global Guidance, Topical Requirements, and Tools

The presentation highlighted a broader shift towards increased collaboration and content diversification for Standards & Guidance. Key areas covered included:

Maturity Spectrum for IIA Content:
A comprehensive slide that showcased the various methods of content delivery, emphasizing the spectrum's diversity and maturity levels.

Collaboration and Content Development:
Efforts are being broadened and formalized to ensure shared global content development. This involves:

- Meeting the global perspective needs of members regarding all Standards & Guidance publications.
- Leveraging resources effectively to develop guidance that minimizes overlap and inefficiencies.

Concrete Projects and Initiatives:
Several specific initiatives were highlighted:

- **Artificial Intelligence Guidance:** Developed by IIA-Spain, this guidance is now being translated and marketed globally in collaboration with IIA Global.
- **ESG Guidance Development:** The creation of new ESG guidance is initiated with the involvement of National Institutes from the start, overseen by IIA Global.
- **Global Outreach:** Instituting a structured outreach to National Institutes for planned guidance to align, receive input, and publish efficiently.

Future Collaborations:
Standards & Guidance is actively seeking collaboration with National Institutes to focus on new global guidance projects, including a significant initiative to update the Competency Framework. We will be formalizing our approach over the next several months.

NEXT ⨠ STEPS

Based on the conversation and discussion feedback, Standards & Guidance will work to:

- Finalize the review of the comments from the survey.
- Based on the input received, adjust the Cybersecurity Topical Requirement.
- Communicate the dispositions of comment themes with National Institutes including development of clarifications on applicability and documentation requirements.
- Share any resources we create for implementation, and IIA Global-created training on Topical Requirements.
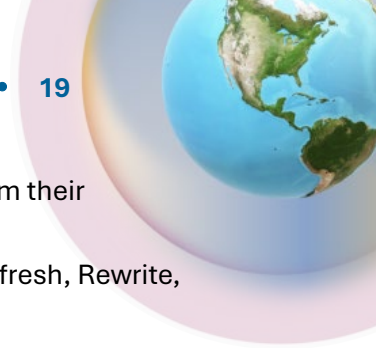
- Revisit at Institute briefing the discussion on how National Institutes learn from their members about desired topics for guidance and collect feedback.
- Communicate with National Institutes the next review of guidance for the "Refresh, Rewrite, Retire Process" as to what is in the pipeline.
- Update web pages to include all boards and committee members with their National Institutes identified to better show regional coverage and add members where needed. Include information on committee nominations and how to inform members to apply.

For more information:

For more information, please visit the Standards Knowledge Center or contact the Vice President, Standards and Guidance katleen.seeuws@theiia.org. For general requests contact our team Standards-Guidance@theiia.org.

Strengthening The IIA's Certifications Together

Introduction

During Global Assembly, delegates discussed options under consideration for Strategy 2. One strategy being considered by the Professional Certifications Board (PCB) is to remove the current 3-year expiration date on the Internal Audit Practitioner (IAP) certification and structure it towards the CIA exam. Options include a permanent designation intended to raise standards and strengthen the credential's value.

Option 1: Use CIA Part 1 exam as the IAP certification exam

- Use the CIA Part 1 exam as the IAP certification exam.
- Award a permanent credential to those who pass the CIA Part 1 exam.
- This option involved consideration toward removing the bachelor's degree entry requirement for the CIA exam.

Option 2: Update the IAP certification exam to align with CIA Part 1 content and structure it towards the CIA exam

- Update the current IAP exam to align with the content of the CIA Part 1 exam.
- Maintain the bachelor's degree requirement.
- This option aims to better assess prerequisite knowledge while providing a clear distinction between the IAP and CIA exams. However, it may also reduce demand for the CIA exam and increase costs.

Summary of the Presentation/Discussion

During Global Assembly, these two options were presented to the delegates for their feedback and insights. The discussion was guided by the following questions:

- Can you think of additional pros and cons to each option?
- Which option do you prefer and why?
- How will individuals seeking the IAP certification in your country be impacted by this decision?
- Will this change be regarded as a positive or negative change by your members? Why?
- What support or resources will you need to help implement either of these changes?

The informal polling conducted during the Global Assembly indicated that 73% of all delegates selected Option 1: Use CIA Part 1 as shown below.

Global Assembly Vote

Now that you've had a chance to discuss both options at your table, which option do you prefer?
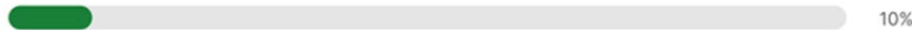
Multiple Choice Poll ☑ 93 votes 👥 93 participants

Use CIA Part 1 - 68 votes
73%

Create a standalone test - 16 votes
17%

No preference - 9 votes
10%

Here is a summary of the discussion at the Global Assembly for each option:

Option 1: Use the CIA Part 1 Exam

The discussion on using CIA Part 1 as the IAP certification was divided among delegates. Some groups support this approach, believing it will attract more interest and enhance professionalism in some regions. However, concerns were raised about the exam's narrow focus and high costs. There is also apprehension that this approach may dilute the CIA's value, impact its reputation, or lower its perceived worth.

Several groups emphasized maintaining educational standards, such as the bachelor's degree requirement, though some suggest eliminating this to increase accessibility. The need for effective marketing, online training materials, and enhanced study resources is also highlighted as crucial to supporting this transition. Furthermore, Continuing Professional Education (CPE) requirements, and the expiration of the IAP certification if candidates do not proceed to earn a CIA were mentioned.

Option 2: Use a Standalone Exam

Some groups preferred a separate IAP exam, viewing it as a way to create a clearer professional pathway and address practical needs and regional requirements. This option is favored by those concerned that using CIA Part 1 may not adequately reflect the diversity of regional qualifications and could undermine the perceived value of the CIA certification.

Recurring themes across both options included the need for practical localized credentials to meet specific regional needs and addressing language barriers. Reducing costs and ensuring adequate

implementation time are mentioned as critical factors for the success of the program regardless of the option chosen.

NEXT ⧉⧉ STEPS

With invaluable feedback from the Global Assembly, the Professional Certifications Board (PCB) further discussed this solution during the July 2024 meeting. PCB has passed a resolution to designate the CIA Part 1 exam as the IAP exam. As the next step, PCB will discuss the eligibility requirements for all certifications, including for the new IAP. This discussion will cover details such as eligibility requirements, including education, work experience, Continuing Professional Education (CPE) requirements, and eligibility period, at the next PCB meeting.

For more information:

For more information, please contact Vice President, Global Certifications, Liann.Kuan@theiia.org.

Artificial Intelligence and The IIA

Introduction

Artificial Intelligence (AI) was a significant and recurring topic during the 2024 Global Assembly.

On Saturday, Anthony Pugliese presented key findings from the Vision 2035 project. The report outlines the large impact that emergent technologies, including AI, will have on the profession. Following his presentation, National Institute leaders collaboratively explored strategies for preparing the profession for the future. The key takeaways from this discussion can be found in the Vision 2035 section under Breakout B: Prepare for Emergent Tech/Risks.
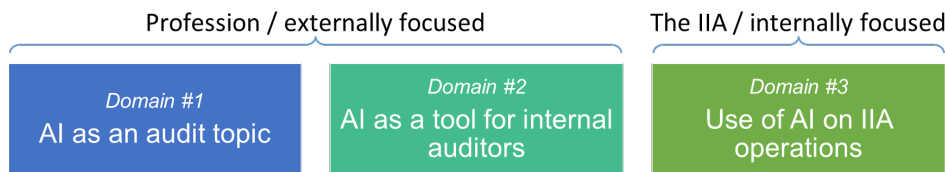
On Sunday, Alfonso Olaiz presented on IIA Global's efforts to enable and support the profession on the topic of AI. Following the presentation, National Institute leaders collaboratively explored strategies for supporting their members and remaining relevant as professional organizations. The key takeaways from this discussion can be found below.

In all, over 100 people participated in the breakout discussions related to AI.
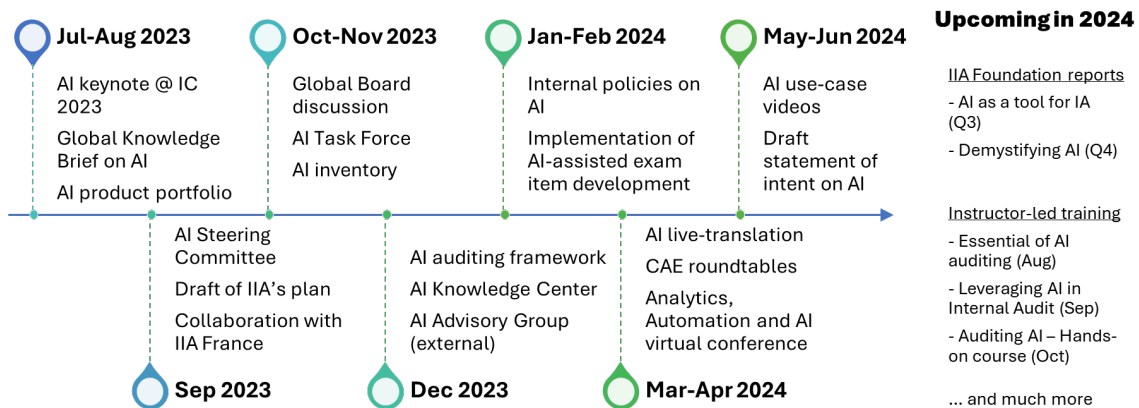
Summary of the Presentation/Discussion

The presentation on Sunday covered the following:

- IIA Global has adopted a three-domain framework to think about AI and internal audit

Profession / externally focused   The IIA / internally focused

| Domain #1 AI as an audit topic	Domain #2 AI as a tool for internal auditors	Domain #3 Use of AI on IIA operations

- Since 2023, IIA Global has been actively working to drive awareness of AI in the profession, develop valuable resources for members, and explore ways to adopt AI to drive productivity and efficiency. Key milestones in this journey, as well as future steps, were shared.

Jul-Aug 2023
AI keynote @ IC 2023
Global Knowledge Brief on AI
AI product portfolio

Oct-Nov 2023
Global Board discussion
AI Task Force
AI inventory

Jan-Feb 2024
Internal policies on AI
Implementation of AI-assisted exam item development

May-Jun 2024
AI use-case videos
Draft statement of intent on AI

Sep 2023
AI Steering Committee
Draft of IIA's plan
Collaboration with IIA France

Dec 2023
AI auditing framework
AI Knowledge Center
AI Advisory Group (external)

Mar-Apr 2024
AI live-translation
CAE roundtables
Analytics, Automation and AI virtual conference

Upcoming in 2024

IIA Foundation reports
- AI as a tool for IA (Q3)
- Demystifying AI (Q4)

Instructor-led training
- Essential of AI auditing (Aug)
- Leveraging AI in Internal Audit (Sep)
- Auditing AI – Hands-on course (Oct)

... and much more

- Key resources for internal auditors were highlighted:
  - The IIA's Updated AI Auditing Framework (member log-in required)
  - AI use-cases. Five short videos are available as of August 2024 (member log-in required)
    - AI Overview Video: GenAI
    - Prompt Engineering for Internal Audit
    - How to Use ChatGPT to Identify Potential Audit Objects
    - Use Case: Operational Plan
    - Use Case: Risk Assessment
- The five components of the IIA Global plan on artificial intelligence were shared. National Institutes can use these components to develop their own plans.

| Category	Description
Governance	Internal: AI Steering Committee, AI Task Force. New Generative AI Policy External: AI Advisory Group
Input forums	Who: members, national institutes, volunteer leaders. How: surveys, roundtables, 1-1 interviews
Resources	All major resource categories: guidance, training, IIA Foundation research, magazine articles, conferences, webinars, podcast, etc.
Advocacy	Monitoring AI legislation in key markets (e.g., US, European Union)
Internal efforts	Implemented: cybersecurity, live event translation, AI-assisted exam-item generation Planned: Microsoft CoPilot, staff training

- Levels of AI adoption by internal audit functions globally were shared.
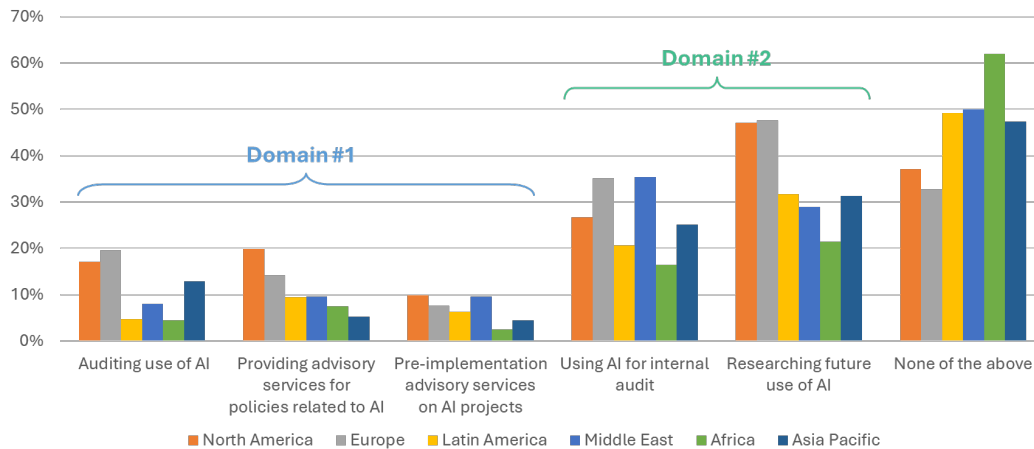
Breakout Discussion – How can you support your members in navigating the opportunities presented by AI?

- **Training Resources:**
  - Develop learning resources on AI implementation, auditing, and governance. Consider certification programs.
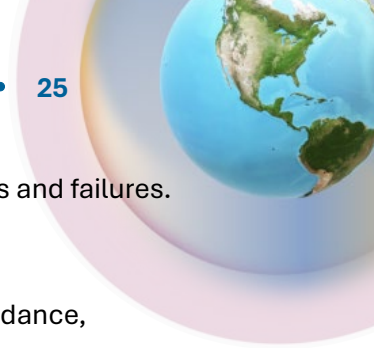
- o Collect and share real-world AI use cases, highlighting both successes and failures. Encourage members to share their experiences with AI.
- **Global Best Practices and Resources:**
    - o Enhance the existing Knowledge Center with more comprehensive guidance, including sample materials and case studies.
    - o Offer resources tailored for board members on AI safety and practical applications.

Breakout Discussion – What strategies do you plan to adopt to stay relevant as a professional association in light of new AI technology?

- **Internal Adoption of AI and Strategy:**
    - o Utilize AI to translate resources and make them accessible to local audiences, ensuring they are culturally and linguistically appropriate.
    - o Use AI to analyze membership demographics, survey results, etc.
    - o Leverage IIA Global's AI plan to assist National Institutes in adopting AI, ensuring alignment and consistency across the global network.
- **Global Collaboration:**
    - o Encourage the sharing of success stories and failures related to AI between National Institutes.
    - o Promote existing AI resources from IIA Global and National Institutes, and help members be aware of what is available.
    - o Foster collaboration through forums and regional groups, allowing National Institute leaders to discuss AI concerns, advances, and ideas.
    - o Create a database of AI experts and professionals available who can offer AI training and advice in local markets.

NEXT ⫸ STEPS

The input and feedback from National Institute leaders will shape and inform the next steps IIA Global will take to enable the global profession in the topic of AI.

Based on input from National Institute leaders, IIA Global will make available resources for National Institutes to create, refine, and align their AI effort and strategies. These resources will be based on the key component of the IIA Global IA plan shared during the Global Assembly.

IIA Global will also explore how to identify resources and best practices developed by National Institutes and discuss ways in which these could be made available for the benefit of the global network.

IIA Global will continue to develop resources, learning, and guidance related to AI, including development of practical use cases. We will continue to track adoption of AI by internal audit functions globally, and share these resources with National Institutes.

For more information:

For more information, please visit https://www.theiia.org/en/resources/knowledge-centers/artificial-intelligence/ or contact Senior Director, Global Strategy, alfonso.olaiz@theiia.org.

Corporate Governance Codes

Introduction

Throughout 2024, a Corporate Governance Engagement (CGE) task force consisting of IIA Global representatives and profession leaders representing from around the world have been reviewing prominent corporate governance codes/principles from various governments and global NGOs to identify common shortcomings/missed opportunities where internal audit could be better positioned/explained.

During Global Assembly, a panel of representatives from the task force shared preliminary observations from their research and engaged the Global Assembly in discussion on the role of these documents in promoting positive outcomes for internal auditing.

Summary of the Presentation/Discussion

This session was hosted by Harold Silverman, The IIA's senior director of audit committee and corporate governance engagement. Harold was accompanied by three members of the global task force: Jose Esposito, Nora Kelani, and David Toh. The session involved a discussion among panel members, polling of Global Assembly participants, and a Q&A opportunity.

The topics covered during the hour-long session included:

- An overview of the project
- Opportunities for improvement in corporate governance codes
- Feedback from the Global Assembly

Project Overview

During the session, attendees were provided with an overview of the ongoing project. The following is a list of all members of the global task force:

Jose Aldo Esposito Li Carrillo	Peru	Chief Audit Executive, Creditcorp Professional Certifications Board
John Bendermacher	Netherlands	Chief Internal Auditor, Euroclear Chair, ECIIA
Gavin Hayes	UK	Senior Public Affairs, Policy and Campaigns Leader, Chartered Institute of Internal Auditors
Richard Dyason	Singapore	Executive Director, IIA-Singapore
David Toh	Singapore	GRC & IA Leader, PwC

Nora Kelani	Jordan	Group Head of Audit Trust Holding IAF Board Member & Global Advocacy Advisory Council
Scott Page	Canada	Director, Internal Audit, MDA
Shirley Machaba	South Africa	Chief Executive Officer, PwC – South Africa
Logan Wamsley	IIA Global	Manager, Content Strategy and Development
Harold Silverman	IIA Global	Senior Director, AC & Corporate Governance Engagement

The task force selected corporate governance codes and corporate governance principles from around the world to review for opportunities for improvement and best practices, with the goal of providing National Institutes with a tool for advocating for proper recognition in local corporate governance codes.

Six country-related codes and two principles published by NGOs were selected by the task force to have global representation and perspectives from where internal audit is well-recognized and where opportunities exist.

The country-related codes selected were:

- Singapore Code of Corporate Governance
- King IV Report on Corporate Governance for South Africa
- 2024 UK Corporate Governance Code
- Swiss Code of Obligations
- Dutch Corporate Governance Code
- Hong Kong Exchange Corporate Governance Code

The NGO-published corporate governance principles were:

- G20/OECD Corporate Governance Principles
- ICGN Corporate Governance Principles

Opportunities for Improvement

Task force panel members shared that during the review of corporate governance codes and principles, the following general observations were made:
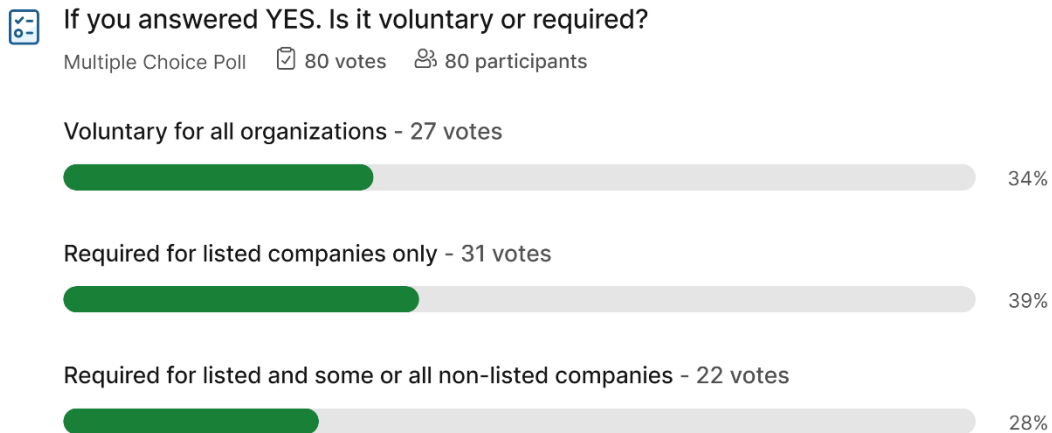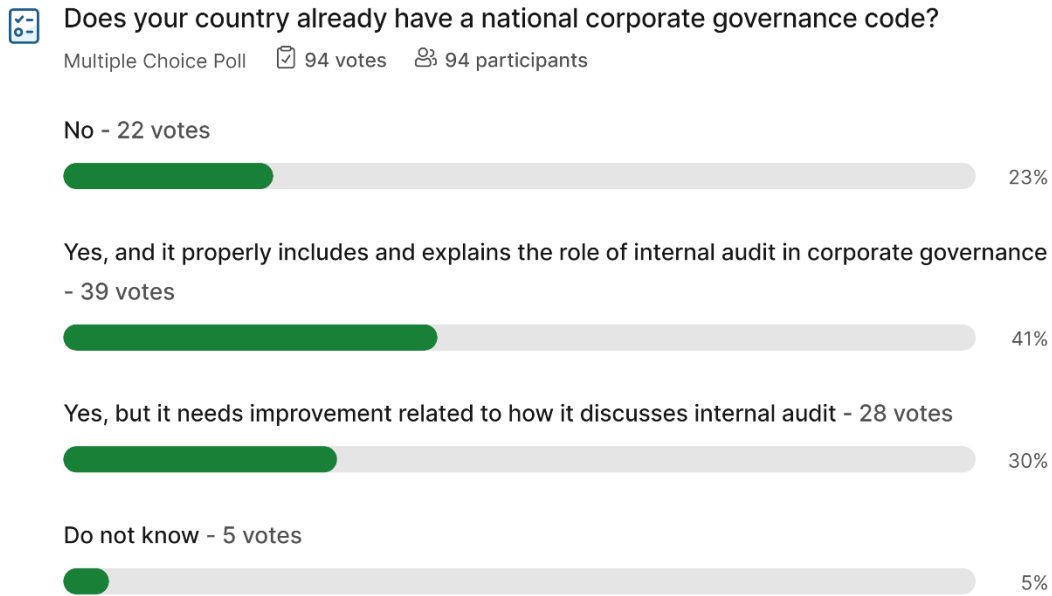
- Significant variation in how internal audit is captured in corporate governance codes/principles
- Requirement for internal audit function is often missing from corporate governance codes/principles
- Commonality of components missing from corporate governance codes/principles
- Ambiguity of difference between external and internal audit

- Correlation between local advocacy efforts and how well internal audit is portrayed

Global Assembly Feedback

Before the event, Global Assembly attendees were given a series of questions to consider with members of their National Institutes. During the session, the task force utilized polling technology to obtain feedback from attendees on the questions. Below are the results:

Does your country already have a national corporate governance code?

Multiple Choice Poll   94 votes   94 participants

No - 22 votes

23%

Yes, and it properly includes and explains the role of internal audit in corporate governance - 39 votes

41%

Yes, but it needs improvement related to how it discusses internal audit - 28 votes

30%

Do not know - 5 votes

5%

If you answered YES. Is it voluntary or required?

Multiple Choice Poll   80 votes   80 participants

Voluntary for all organizations - 27 votes

34%

Required for listed companies only - 31 votes

39%

Required for listed and some or all non-listed companies - 22 votes

28%

Do you feel that a national corporate governance code is valuable to have for advocating for internal audit?

Multiple Choice Poll   78 votes   78 participants

Yes - 76 votes
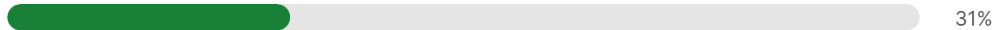
97%

No - 2 votes

3%

Is corporate governance a priority of policymakers in your country?

Multiple Choice Poll   80 votes   80 participants

Yes - 32 votes

40%

No, but I believe that they would be receptive/interested in learning more - 25 votes

31%

No, not at this time. - 23 votes

29%

NEXT ⟫ STEPS

During the Q&A portion of the session, task force and Global Assembly members emphasized that advocacy for proper inclusion of internal audit in local corporate governance codes is best achieved if led by local advocates being driven by the National Institutes. Hence, the goal of the task force is to continue to provide resources for National Institutes.

The task force is in the process of developing a global "recommended best practices" report for including internal audit in these codes/principles. The report is intended to be a reference tool for National Institutes to leverage should they wish to evaluate and recommend changes to their national corporate governance codes and principles.

For more information:

For more information, please contact, Senior Director, Director, Corp. Governance & Audit Committee Engagement, harold.silverman@theiia.org.