



2018 Global Council

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THE IIA GLOBAL FOOTPRINT AND INTERNAL AUDITORS' IMPERATIVES FOR 2018 AND BEYOND

OVERVIEW

- The IIA
 - Global Footprint
 - IIA Global HQ Goals and Objectives
 - The View from Here
- Imperatives for 2018 and Beyond
 - Maintain a laser focus on the horizon
 - Take the offense in the competition for talent
 - Sharpen and deploy the best navigation tools
 - Be a beacon for transformation
 - Sail *toward* the storm
- Parting Thought

Global Footprint in 2018

Members

190,000+

International Affiliates

107

Countries/Territories

170+

N. American Chapters

161





Membership by Region

(Through November 2017)

Region	Members	YOY change
Africa	14,565	+10%
Asia Pacific	34,532	+4%
Europe	50,058	+1%
Latin America	13,988	-3%
Middle East	7,031	-6%
North America	74,153	+1%
Int'l members	1,524	+4%

Global Certifications & Qualifications



149,083

(Total awarded through 12 January 2018)

**Total certifications
183,985**



15,023



7,367



6,824



5,138



550

CIAs by Region

(Through 12 January 2018)



IIA Global Headquarters Key Goals & Objectives



Our 4 Pillars for Success

Value

We strengthen our position as the global leader in enhancing the internal audit profession.

Service

We leverage the power of our global organization to enhance the service provided to our members, affiliates, customers, and other stakeholders.

Our 4 Pillars for Success

Performance

We sustain prudent financial stability and viability that foster growth, strategic investment, and fiscal discipline in the best interest of our members.

Culture

We foster a culture by “walking the talk” of our values, demonstrating principles-based leadership in all we do.



IIA Core Assets

*Prioritizing our resources,
enhancing our value*

- Standards
- Membership
- Training
- Certification



The View From Here

How IIA Affiliates See the World in 2018

- IIA affiliates around the world recently ranked the top risks CAEs are facing in 2018

	The Top Challenges
1	Talent management in internal audit
2	Cybersecurity audit coverage
3	Regulatory compliance
4	Internal audit's use of data analytics and technology
5	Innovation
6	Internal audit budgets

How CEOs See the World in 2018

- A majority of CEOs believe global economic growth will improve in 2018
- Top 6 risks keeping them up at night:

Risks	Response
1. Over-regulation	42%
2. Terrorism	41%
3. Geopolitical uncertainty	40%
4. Cyber threats	40%
5. Availability of key skills	38%
6. Speed of technological change	38%

- Neither terrorism nor cyber threats was in the top 5 at the beginning of 2017

Source: PwC's 21st Annual CEO Survey: The Anxious Optimist in the Corner Office © 2018 PwC

Internal Audit Imperatives: 2018 and Beyond

Maintain a Laser Focus On the Horizon



Focus on the Horizon

The Challenge

- Risks are emerging at warp speed. A keen focus on the horizon is essential to avoiding the post-crisis question:

***“WHERE WERE THE
INTERNAL AUDITORS?”***

The Imperative

- Great internal audit departments:
 - Continuously assess risks
 - Identify and swiftly respond to the risks that do emerge
 - Deploy Doppler radar to identify approaching storms

Potential Roles For Affiliates

- Create awareness of the challenge
- Develop timely and relevant thought leadership on emerging risks
- Develop and deliver training on continuous risk assessment
- Keep antennas high on emerging risks

The Competition

For Talent



Taking the Offense In the Competition for Talent

The Challenge

- New risks mandate expertise
- Experts are in high demand
- And they seek only the best opportunities

The Imperative

- Great internal audit departments:
 - Understand stakeholder needs and expectations
 - Assess existing competencies
 - Develop and deploy strategies:
 - » Talent sourcing
 - » Talent development
 - » Succession
 - Continuously motivate and reward talent

Potential Roles For Affiliates

- Be a resource for besieged CAEs
- Develop and deploy training that will bridge the skills gap:
 - Cybersecurity
 - Data mining and analytics
 - Analytical/critical thinking
 - Communication
 - Risk management assurance
 - Innovation
- Offer a candidate-referral or job-search site for members



Sharpen and Deploy the Best Navigation Tools



Deploying the Best Navigation Tools

The Challenge

- The pace of growth for internal audit resources has slowed
- The environment internal audit must cover is more complex
- Expectations for internal audit are at an all-time high

The Imperative

- Constantly strive to audit smarter, better, and faster – and deliver impact
- Deploy technology and leading practices to enhance capacity and value

Potential Roles For Affiliates

- Be a resource for besieged CAEs
- Deliver timely and relevant insights on leading practices
- Deploy training that will enable leading practices:
 - Technology tools
 - Data mining and analytics
 - Innovative technology solutions

Be a Beacon For Transformation





Support Enterprise Innovation

The Challenge

- New market and value networks are disrupting at record pace
- Established market-leading firms, products, and alliances are facing lethal risks
- Innovation is often the only path forward

The Imperative

- Champion transformation built on innovative thinking and actions
- Provide stakeholders insight into the best innovation processes/frameworks
- Shine a light on:
 - Disruptive threats
 - Targets for transformation
 - Risks and controls throughout transformation processes

Potential Roles For Affiliates

- Create awareness of the opportunities for internal audit
- Develop timely and relevant thought leadership on internal auditing and innovation
- Deploy training that will enable leading practices:
 - Critical thinking
 - Innovative culture
 - Communication
 - Navigating disruption

Sail Toward The Storm



Sail Toward the Storm

The Challenge

- There's an instinct to avoid examining controversial topics, such as:
 - Executive compensation
 - Legal compliance
 - Enterprise culture
 - Harassment (gender, ethnicity, etc.)
- Looking the other way compounds risks
- Internal auditors experience “courage deficit”

The Imperative

- Internal auditors must:
 - Follow the risks – wherever they are
 - Be willing to push on closed doors
 - Summon the courage to sail toward storms
 - Be the “storm chasers,” when necessary

Potential Roles For Affiliates

- Be an advocate for internal audit tackling taboo risks
- Call out retaliation against courageous internal auditors
- Deploy training that will enable courageous practices:
 - Leadership skills
 - Ethics and courage
 - Communication and diplomacy

Parting Thoughts

Looking back, we should
have looked ahead.

Looking ahead, don't look
back with any regrets.

Thank You

The Institute of Internal Auditors

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