



A chance to reframe Internal Audit: the new Global Internal Audit Standards

The new Global Internal Audit Standards Overview

The Institute of Internal Auditors (IIA) revised its Global Internal Audit Standards™ (“the Standards”) in 2023 to support the continued evolution of the profession and help organisations address today’s complex risk landscape. The new standards which are effective from 9 January 2025 represent a significant opportunity for Internal Audit (IA) functions to incorporate the latest developments in good practice and drive transformation to increase the value they can provide to their stakeholders.

Our profession is facing broader, unprecedented changes affecting all aspects of what we do:

- Macroeconomic changes are becoming more prevalent and complex
- Broader Organisational transformation imperatives are underway across many Organisations
- Expectations of stakeholders are increasing, including from management, the Board and regulators in some sectors

This series provides practical tips for internal audit and its key stakeholders, examples and PwC’s point of view on effectively and efficiently implementing the Global Internal Audit Standards while embedding Transformation elements into IA’s strategic roadmap.

Now is the time for you to take the opportunity to reframe your IA function - build greater trust, drive transformation for the business, unlock efficiencies, expand risk coverage, and enhance the value you provide - while demonstrating alignment with the IIA’s new Global Internal Audit Standards.

Why this change matters to you

For companies to realise and increase the outcomes from this change event, affected stakeholders should view this as more than a compliance exercise and use the opportunity to derive the value and benefits important to them.



Chief Audit Executive (CAE)

Increase the visibility around the risk coverage and value you provide to the Organisation.

While it’s important to focus on the tactical implementation of the new Global Internal Audit Standards for your core operations, it is the strategic enhancements of the new Global Internal Audit Standards that can hold the key to helping achieve broader impacts and serve as a catalyst for strengthening IA’s brand within the Organisation.



Chief Financial Officer (CFO)

Better understand your overall cost of assurance and risk coverage across each function contributing to that mandate.

The new Global Internal Audit Standards call for IA to help strengthen the collective coordination of assurance activities across the Organisation and drive efficiencies, to increase the transparency around how its strategic plan links to its initiatives and budget requests, and to create a mechanism to report on IA’s performance against its mandate.



Board / Audit Committee

Confirm your expectations of IA to support your growing risk oversight responsibilities.

The new Global Internal Audit Standards call on the CAE to be more transparent with the Board in its communications on areas such as its mandate, strategic plan, capabilities, budget and key performance metrics creating a tactical avenue for you to confirm alignment of those expectations with management and challenge whether IA’s efforts are spent in the areas driving the most value to you and the Organisation.

A blueprint for success

When considering your response to the new Global Internal Audit Standards change reflect on both the **strategic** and **tactical** actions to take.

Focus your efforts on the Strategic actions

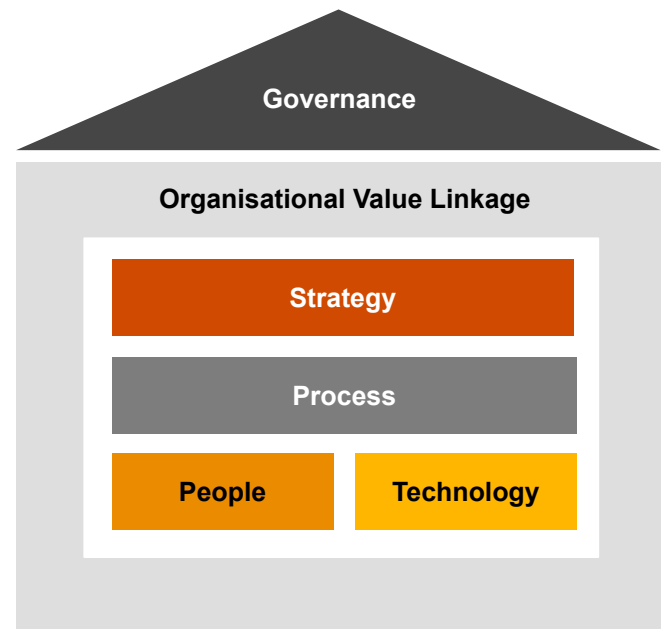
The **strategic** response can generate the greatest impact and value to the Organisation and includes confirmation of IA's mandate with stakeholders, formalisation of a strategic plan and purposeful alignment across other assurance functions. These elements can collectively promote better conversations with the Board and other stakeholders and enable IA to be more transparent on its role including its capacity to adapt alongside the Organisation's wider transformation opportunities.

Be practical about the Tactical implications

The **tactical** response will likely include more formalisation and documentation to evidence conformance with the expected activities. These changes should not be overly time-consuming and should leverage simple, repeatable actions that can be incorporated into the standard day-to-day activities of your function, where possible.

PwC's IA framework

The elements of an effective IA function remain constant; however, we've refined the critical building blocks outlined in PwC's IA framework in line with the new Standards. See details on those building blocks on the next page.



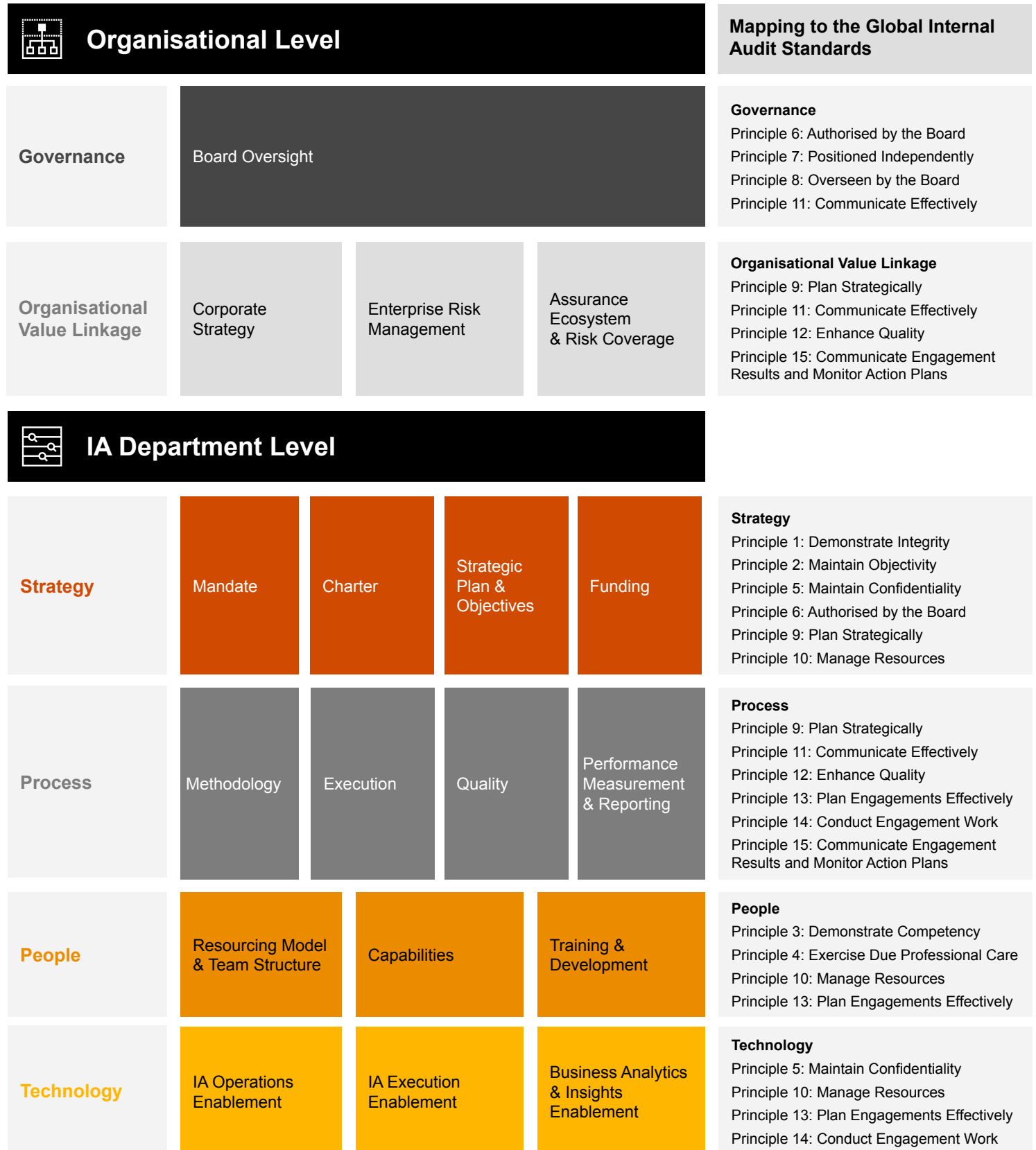
Key actions to consider

- 1 Perform a readiness assessment and decide on your desired response. You may need to designate a specific "project" in your Audit Plan to accomplish this.
- 2 If you've been waiting for the opportunity to revisit the scope and breadth of your mandate and risk coverage with management and the Board, now is your time.
- 3 Consider including broader IA maturity initiatives into this overall change event to signal that this is about more than conformance, it's about taking your IA function to the next level.
- 4 Even if your mandate and plan will remain largely unchanged, leverage this moment to reiterate IA's value and increase the exposure of your function with stakeholders.

Aim to capture the 'first mover' opportunity that defines 'pioneers' as described in our [Global Internal Audit Study 2023](#) by not waiting to act but looking at what strategic and commercial opportunities can be unlocked with a strong IA function that can provide confidence and foresight to its stakeholders in managing - and taking - risk.

A look at what's inside the House

PwC's IA framework incorporates several building blocks at the Organisational and IA department levels that can be used to assess IA's performance and shape IA's strategic and transformation roadmap. We've highlighted a mapping to the new Global Internal Audit Standards to illustrate that what's inside the house considers each principle. There are interdependencies across the principles by design with the below image capturing the primary linkages between the IIA's principles and PwC's IA framework building blocks.

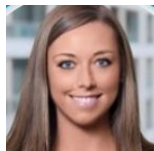


Contact us:



Andy Banks

Partner, PwC Ireland Internal Audit Lead
Andy.j.banks@pwc.com



Marian Barry

Director, Internal Audit
Marian.x.barry@pwc.com



Aoife Finnegan

Director, Internal Audit
Aoife.finnegan@pwc.com



Fiona Leahy

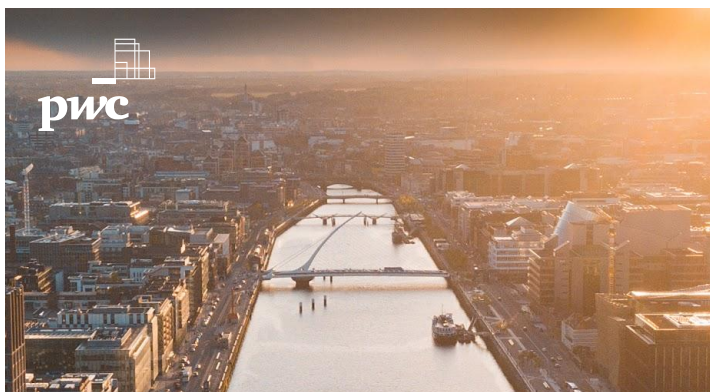
Manager, Internal Audit
fiona.e.leahy@pwc.com



Key Resources

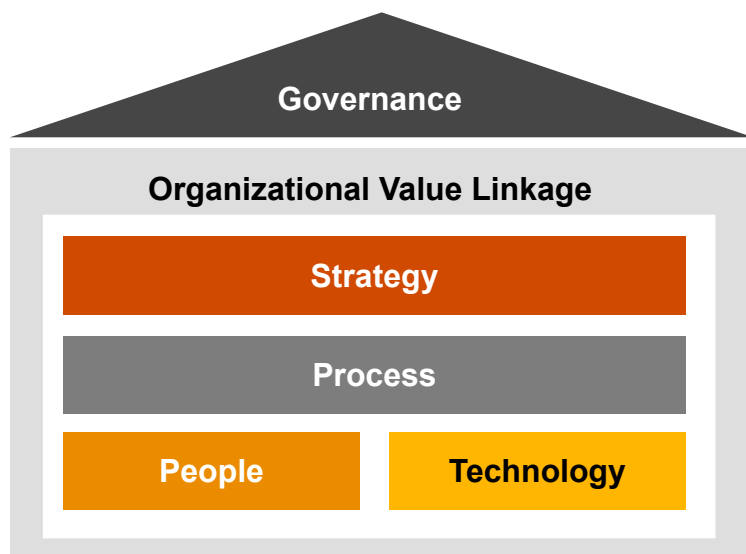
- Resources from the IIA:
 - [Global Internal Audit Standards™](#)
- [PwC Global Internal Audit Study 2023](#)
- [PwC Ireland Internal Audit Study 2023](#)
- [Governance Insights Center website](#)

Certain links in this material connect to other Web Sites maintained by third parties over whom PwC has no control. PwC makes no representations as to the accuracy or any other aspect of information contained in other Web Sites.



Reframe IA Series

Practical ways to implement the IIA's new Global Internal Audit Standards and IA transformation.



- 1 [A chance to reframe Internal Audit](#)
- 2 [Mandate](#)
- 3 [Strategic Plan](#)
- 4 [Board \(Audit Committee\) Engagement](#)
- 5 [Assurance Ecosystem](#)
- 6 [Performance Measures](#)
- 7 [Risk Assessment and Coverage](#)
- 8 [Audit Spectrum](#)
- 9 [Reporting and Communication](#)
- 10 [Capabilities](#)