The innovation imperative
Forging Internal Audit’s path to greater impact and influence

Senior executives and boards need Internal Audit (IA) to keep pace with inevitable change and disruption. That means IA needs to innovate. Is the function responding to this innovation imperative and having the impact and influence that it should? More than 1,100 chief audit executives (CAEs) from 40 countries shared their views in our 2018 Global CAE survey.

IA’s impact and influence is increasing

% of respondents who believe their IA function has strong impact and influence

...but there’s still room for improvement.

Only 33% of respondents indicate that they are perceived very positively within their organization.

Near term key priorities

Implementing analytics

Strengthening the talent pipeline

Enhancing partnerships with stakeholders

Impact and influence is tied to innovation

CAEs are applying Agile IA...

51% of functions that are currently using agile principles report having strong impact and influence

...and innovating through analytics and Robotic Process Automation (RPA).

54% of functions that are currently using advanced analytics report having strong impact and influence

63% of functions that are currently using RPA report having strong impact and influence

CAEs are embracing alternative resourcing models

74% of CAEs with strong impact and influence currently use resources external to the organization

40% of CAEs with strong impact and influence use external service providers in a co-sourced arrangement

29% of CAEs with strong impact and influence use external service providers on an ad-hoc basis

20% of CAEs with strong impact and influence use external service providers in an outsourced arrangement

Innovation is the path forward for greater impact and influence

A majority of survey respondents are investing in innovation...

59% expect to increase their function’s investment in innovation over the next 3-5 years

71% of those with strong impact and influence plan to increase their function’s investment in innovation over the next 3-5 years

...and planning to embrace it over the next 3-5 years.

Top 3 innovative developments that will impact and transform the IA function*

Data analytics

RPA/cognitive technologies

Predictive analytics

*Most commonly selected by respondents

The innovation imperative: Forging Internal Audit’s path to greater impact and influence is based on a global survey of more than 1,100 IA leaders in 40 countries to understand how IA functions are making progress toward greater impact and influence in their organizations.

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