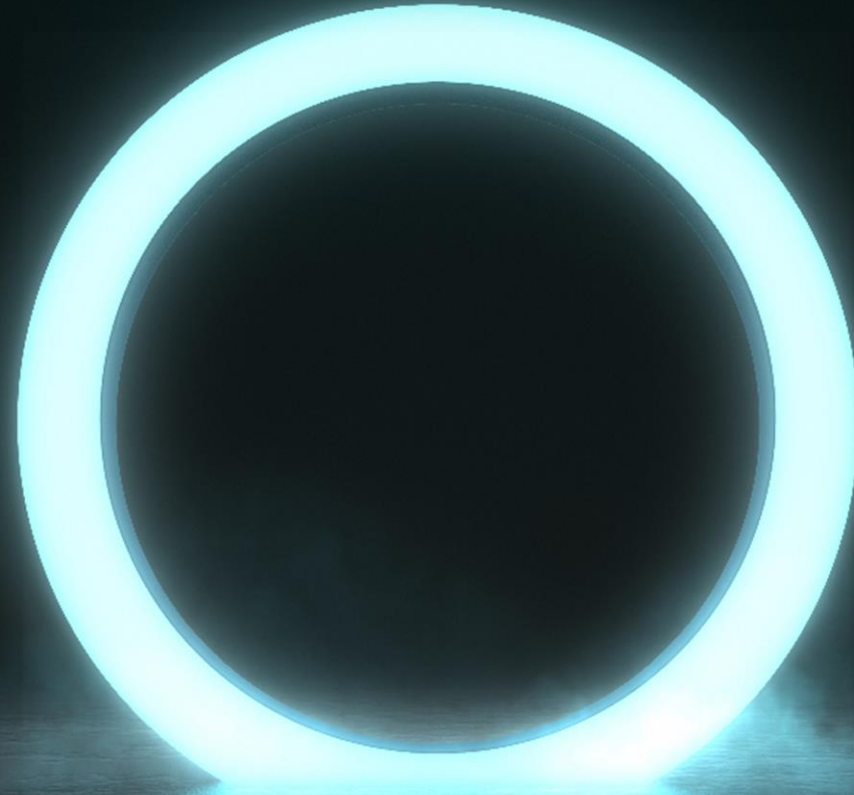


**Deloitte.**



Internal Audit 4.0

Assure. Advise. Anticipate. Accelerate



# Recap – Internal Audit 3.0

Internal Audit not only provides Assurance that the right controls and processes are in place but Advises and Anticipates risk.



We bring Agile IA to life. Agile encourages collaboration with process owners throughout the audit process, focuses audit efforts on what truly matters, enables our teams to identify opportunities more efficiently, and makes the overall IA function more efficient.



We leverage internal audit management tools (i.e., Deloitte Diamonde) and automated testing tools (e.g., Automated Control Testing Tool “ACTT”) to maximize the productivity and coverage of internal audit procedures.



We incorporate data analytics and innovative technologies into each phase of our internal audit engagements, from planning to execution to reporting. The tools enable us to work more efficiently, obtain greater coverage of risk, and provides deeper insights.



We use risk sensing and predictive risk intelligence to enable us to better find, predict and address risk themes affecting our clients. We incorporate risk sensing not only in the risk assessment process, but throughout the internal audit lifecycle.



## Assure

Assure management on the basic controls and significant risks—this is the core of internal audit.



## Advise

Advise management on control effectiveness. Internal audit is proactive, transparent, relevant and valued by the organization.



## Anticipate

Anticipate emerging risks and assist the business in understanding those risks, and craft plans to address them.

# Lessons Learned

We have moved beyond “change is the only constant” to “an environment of ongoing disruption”.



## Speed and agility are essential

Organizations need to anticipate change across the business landscape and accelerate their responses to both sudden crises and slowly unfolding events.



## Big bang approaches tend not to work

Big bang approaches often cost more, set unrealistic expectations, and treat evolution as an event rather than a process.



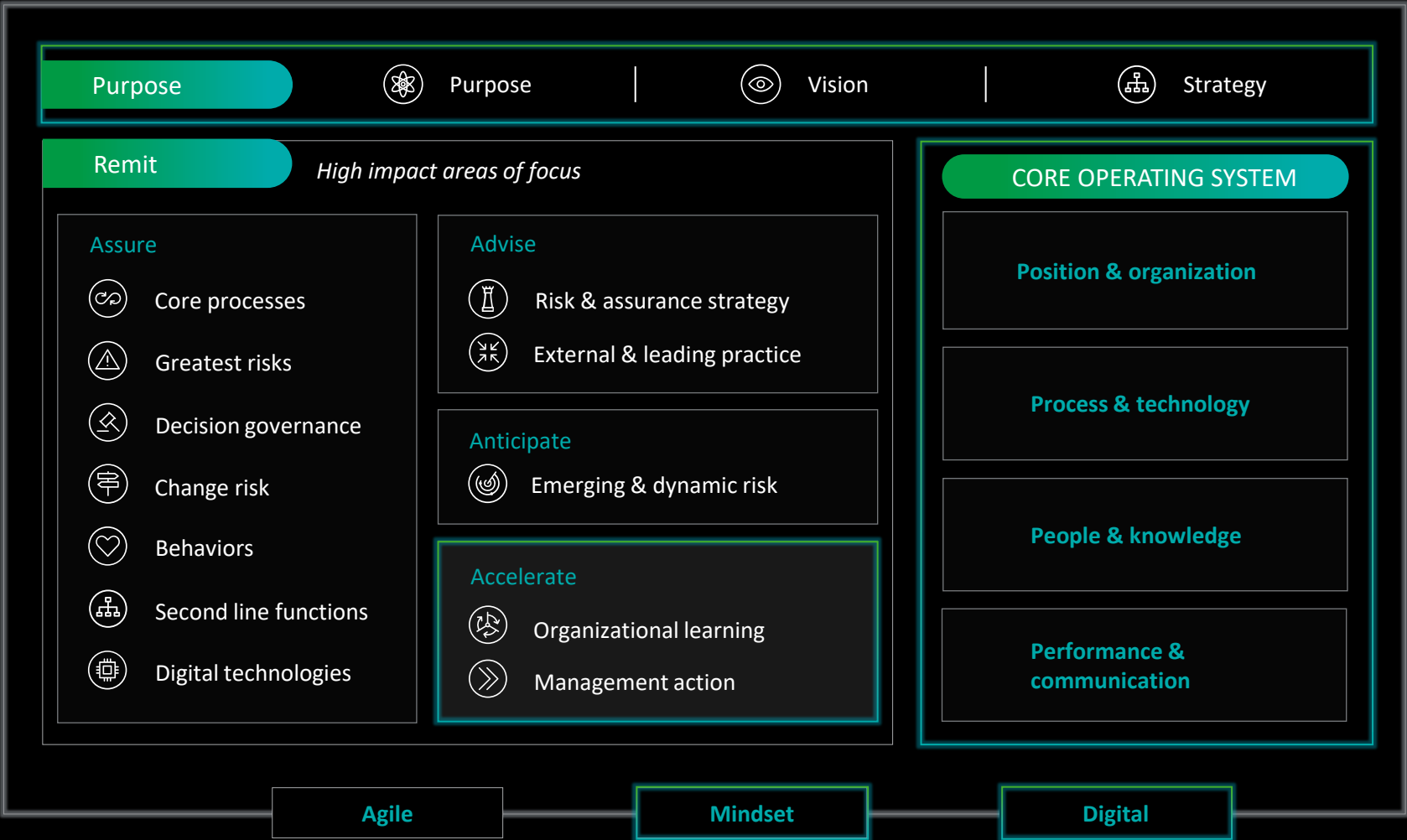
## Haphazard effort undermines progress

Such efforts can slow Internal Audit’s progress or return the function to its previous state and status. Instead, methods for continuous improvement should be embedded in day-to-day operating systems.



Our updated IA 4.0 framework brings three new features to the forefront. By aligning Internal Audit’s outcomes with the organization’s **purpose**, helping **accelerate** organizational change and learning, and further embracing **digital**, we believe Internal Audit can upgrade and maximize its impact and the value it delivers.

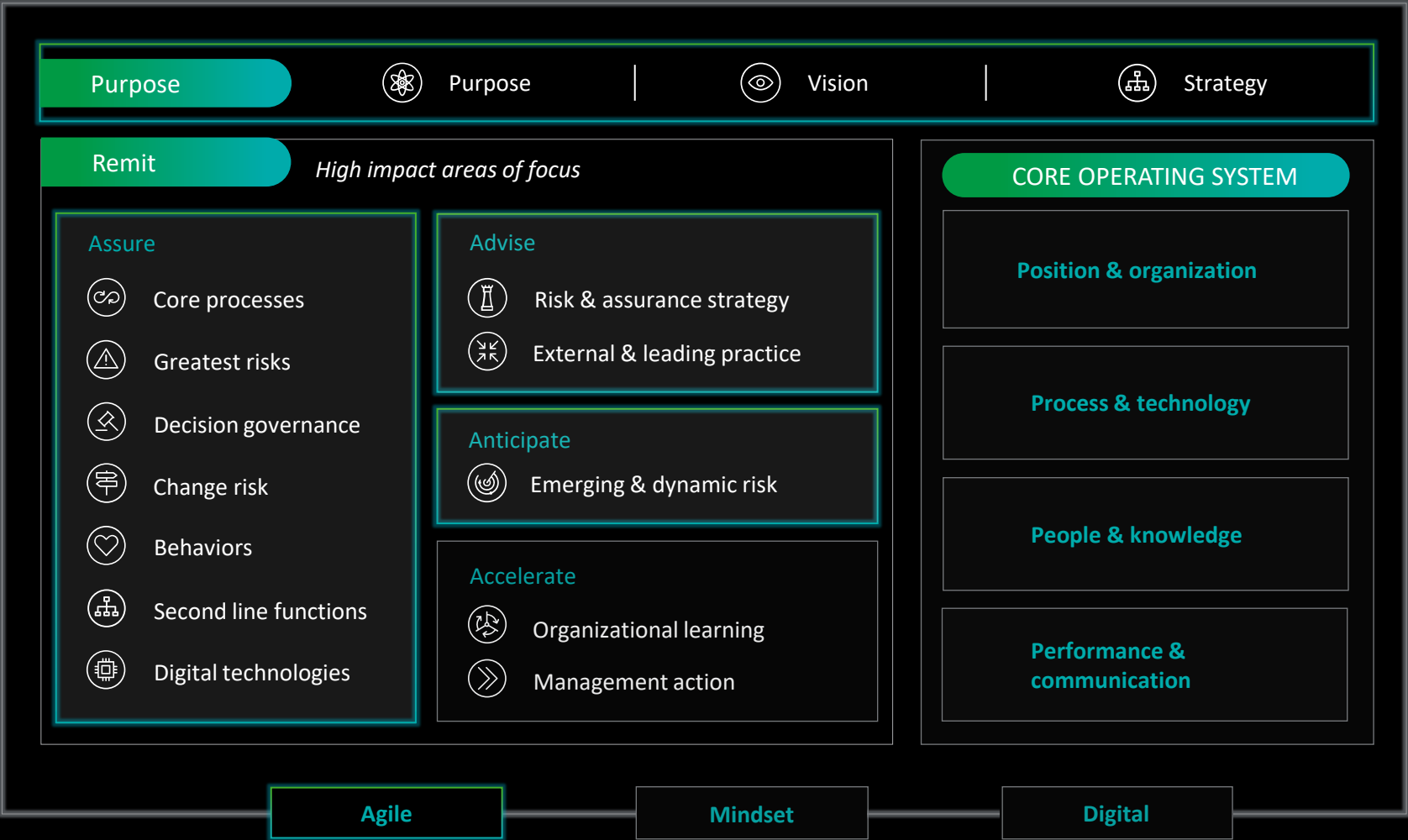
# Internal Audit 4.0 – Purpose Driven, Digitally Powered



**What's new?**

- Starts with purpose**  
aligning Internal Audit's role and remit with the organization's purpose, a new orientation for many functions
- Challenges Internal Audit functions to add Accelerate** (a fourth "A") to the remit to support organizational learning and management action in ways that match today's pace of change
- Fully embraces the use of digital technologies across the lifecycle**  
to help drive insights, collaboration, quality and productivity
- Promotes a continuous improvement mindset**  
that enables agility and digitalization through encouraging purposeful and structured focus on incremental improvement
- Outlines the key principles and building blocks**  
that functions need to consider as they design, build, and evolve their operating models

# Internal Audit 4.0 – Purpose Driven, Digitally Powered



## What stays the same?

- Assurance**  
at the core of Internal Audit’s role, remit and value; providing organisations the confidence to grow responsibly
- Advice**  
timely and helpful advice to help management through challenge, insight, external perspectives and an objective point of view
- Anticipation**  
Forward looking, driving sustainable and future focused improvements in risk, governance and control
- Agility**  
embracing agile principles, values and mindsets to drive high performance, continuous improvement, innovation and stakeholder engagement
- Skill, capabilities and enablers**  
maintaining a focus on learning and development, top-flight teams, soft skills, high impact reporting and how IA works within the three lines model

# Key Considerations

## How clearly defined is your function's purpose?

*...and can your team and stakeholders articulate this?*



## What should Internal Audit's remit be in helping to accelerate organizational learning and action?



## What more can and should Internal Audit functions do to digitalize?



## How we help

Internal Audit 4.0 informs our differentiated approach to providing outsource and co-source Internal Audit support.

For in-house functions looking to set their future vision, elevate their impact and enhance their performance, Deloitte offers a comprehensive suite of Internal Audit Advisory services for functions to draw upon regardless of where they are on their journey to internal audit excellence.

These services enable adoption of IA 4.0 by supporting internal audit functions from initial design, build of functional processes, assessment of performance and improvement through strategies such as digital, agile, and learning and development.

- Purpose, vision and strategy labs
- Digitalization
- Function set-up
- Learning and development
- Methodology design and build
- Benchmarking
- Agile Internal Audit
- External quality assessment

Individually or collectively, these services enable functions to take coherent steps to enhancing their performance, relevance, and impact, designing their own version of a purpose driven and digitally powered function.



Get in touch



**Siah Weng Yew**  
Executive Director  
Deloitte Risk Advisory  
[wysiah@deloitte.com](mailto:wysiah@deloitte.com)



**Cheryl Lim**  
Executive Director  
Deloitte Risk Advisory  
[cherylim@deloitte.com](mailto:cherylim@deloitte.com)



**Lim Kim Hwee**  
Executive Director  
Deloitte Risk Advisory  
[kimhlim@deloitte.com](mailto:kimhlim@deloitte.com)



**Andy Wee**  
Director  
Deloitte Risk Advisory  
[awe@deloitte.com](mailto:awe@deloitte.com)



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

#### About Deloitte Singapore

In Singapore, risk advisory services are provided by Deloitte & Touche Enterprise Risk Services Pte. Ltd. and other services (where applicable) may be carried out by its subsidiaries and/or affiliates. Deloitte & Touche Enterprise Risk Services Pte. Ltd. (Unique entity number: 197800820D) is a company registered with the Accounting and Corporate Regulatory Authority of Singapore.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.