



## **Launch of the Internal Audit Ambition Model**

In a globally connected world, there is a growing need for Internal Audit Functions (IAF) to deliver added value to their organisations. Stakeholders expect more from their IAFs and also in the application of good governance. Therefore, advocacy is critical in elevating the image, and it starts with ourselves. To meet the needs of the IAFs and their stakeholders, a taskforce of internal auditors developed the Internal Audit Ambition Model (IA AM).

The IA AM was introduced at the IIA Netherlands Conference in June 2016 as a self-assessment tool. Users were enthusiastic and provided useful comments for further improvement. In 2017, the model developed into a communication and benchmarking instrument. It supports IAFs in getting up to standard with the IPPF and setting their ambition level. In the meantime, auditors from 20 different countries had also read about the IA AM and contacted IIA Netherlands in order to receive the model. That was an unexpected success!

The model was a game changer for our professional association in the Netherlands. Several IAFs have been using the model as a strategy and team building activity. By examining the current state of their IAF and discussing the scoping and ambitions, the teams experienced a greater-shared vision of the future of their IAF. Some CAEs also discussed the outcome with the Audit Committee. With the launch of the IA AM at the ECIIA in Madrid on 4<sup>th</sup> October 2018, a new milestone has been reached. The Internal Audit Ambition Model is ready for all the members of IIA Global.

### **What is the aim of using the IA AM?**

The ambition model has five levels to define your current and ambition level. It contains concrete, good practices that gives the CAE guidance and inspiration when he/she aims for the audit services to go beyond compliance with the IPPF. The model supports the CAE formulating strategic objectives, evaluating the current level of the IAF and defining a roadmap to achieve the stated objectives. Furthermore, the spider web/dashboard can help in the dialogue with the Audit Committee and/or Supervisory Board to determine which aspects should be taken into account when assessing the internal audit mandate and ambitions.

We aim for the following three objectives:

- For CAEs: Dare to express your ambitions and check if you comply with the IPPF standards. The IA AM supports the development of a clear roadmap to realize your ambitions and it is an easy tool to compare your ambition and achievements with your peers.
- For board members: The IA AM supports your dialogue with the CAE in a clear and simple way by providing you with the relevant themes and topics.
- For professional bodies: Use the IA AM as a benchmark tool to gain insight into the current state and ambition levels of IAFs in your country. Encourage the sharing of good practices through meetings/round tables/publications. Set up a coaching or mentor program for CAEs and their internal auditors to at 'least' get up to standard with IPPF.

Our aim is to substantively enhance the practice of the internal auditing profession and to challenge colleagues around the world to continue on their way to further professionalization.

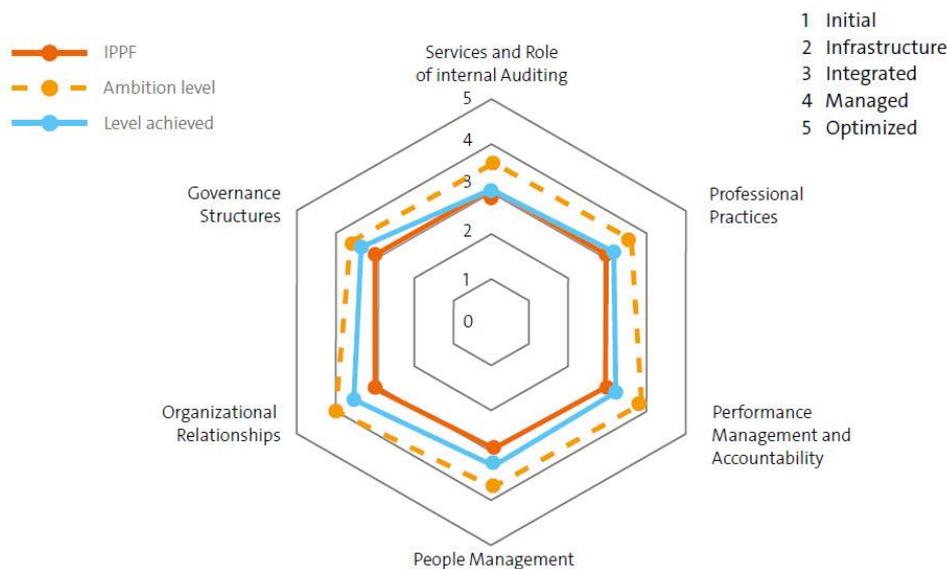
### IA AM in a brief overview

The IA AM consists of the following three columns which are explained below:

1. Themes: Six themes are identified for an IA activity.
2. Subthemes and topics: To further detail and clarify the specific aspects that should be addressed by the IAF in order to progress to the next ambition level, the six themes have been divided into eleven subthemes and thirty-eight topics.
3. Essential activities: The activities, that must be performed, are defined as essential activities for each of the topics.

In addition, the levels illustrate the stages through which an IAF can evolve as it defines, implements, measures, controls and improves its processes and practices to meet its ambitions.

The outcome of the IA AM questionnaire results in a spider web (dashboard) that enables high level communication with the executive and supervisory board and other stakeholders. In the spider web, the blue line shows the level achieved. The orange dotted line is the desired ambition level which is set by the CAE/IAF. Based on our experience, level 3 should give you an indication on compliance with the IPPF standards, but of course, a final assessment as to whether an IAF generally complies with the IPPF is to be determined via an External Quality Review done by the professional body in your country.



The dashboard above reflects the results of the 2017 benchmark and gives an initial insight into the current state and ambition levels of the IAFs in the Netherlands, in this demanding environment. Given the relatively small number of benchmark participants, it was too early to conclude that the results were statistically representative of the internal audit profession in the Netherlands. However, during the discussion of the results in the CAE Forum, this initial insight was acknowledged.

**Let's take a step into a broad, professional dialogue amongst auditors by sharing experiences, insights and good practices. Be the game changer. Use the IA AM!**



**Instituut van Internal Auditors**

Nederland

Are you curious about the achieved level of your IAF and are you willing and ready to set your ambition level by using the IA AM? The model is free of charge. It is only your feedback, which we strongly encourage you to send us, that will enable us to regularly further develop and improve the model.

Send us an email and you will receive a soft copy of the model: [ambition@iia.nl](mailto:ambition@iia.nl)

For further information on the Internal Audit Ambition Model or the 2017 Dutch Benchmark please visit: <https://www.iia.nl/vaktechniek/ambition-model>

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