pwc

Global Internal Audit Study 2023: Vietnam cut

Seeing through walls to find new horizons

Internal Audit can help companies to navigate the new risk multiverse

Our largest study ever

- **4,680** IA leaders, board members and business executives, and second line risk and compliance leaders from **81** territories, including **28** respondents in **Vietnam**

- Focuses on IA's strengths and struggles as organisations navigate a rapidly changing risk multiverse

How this study can help you

IA Leaders	Board & Business Executives	Second Line Leaders (Risk, Compliance, etc.)
Update or create your IA strategy	Generate ideas to maximise the value you get from IA	Challenge risk coverage based on new or emerging threats
Support case for investment and change initiatives	Identify blind spots or strategic areas where you may need assurance	Identify strategies for collaboration with IA
Have different conversations with stakeholders on new risks or topics	Increase collaboration between first, second, and third line to increase efficiency and effectiveness	Consider data and technology that could be shared or co-developed
Identify ways to achieve better return on investment (RoI) from technology	Have different conversations with IA on new risks or topics	Brief your team on new IA trends and identify opportunities for cooperation in talent models
Train your IA team and plan your talent strategy		

Five key findings

Our survey highlighted **five compelling findings**. Each is explored further in this report, focusing on why they matter to IA and its stakeholders, the value to the organisation, and practical tips to address them.

	Finding	Why this is new	What this means for IA
1	**Megatrends are creating a complex and interconnected risk multiverse**	Recent megatrends are creating risks in new areas that are unprecedented in scale and complexity	IA is uniquely positioned to give the organisation confidence to navigate these challenges and find a new direction—and new opportunities
2	**IA needs more involvement in strategic areas to remain relevant**	Driven by increased complexity and higher stakes, business executives are opening the door for IA to help them address more strategic areas	IA can choose to engage differently with its stakeholders to provide new strategic value, or risk becoming irrelevant
3	**IA can be a unifying force**	First and second line have 'levelled up' their capabilities and response to risk	IA can help combine expertise across the organisation to harness momentum and forge something stronger together
4	**IA's human 'superpowers' are more important than ever**	Technology has become exponentially more sophisticated, providing organisations with access to more data and opportunities than ever before	IA must continue to evolve its human capabilities to ensure it can turn data into decisions, build new relationships, and help others to see risk differently
5	**IA can boost RoI by changing its approach to technology**	Technology investment in recent years has not yielded the returns many have expected and the next wave of technology is already here	IA needs to recalibrate its approach and work with others to unlock the potential of technology; but the window is closing fast

Seeing through walls

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Whilst today's world and its risks are more connected than ever, the level of complexity and pace of change can mean it's hard to focus and see clearly what's important.

Many organisations still have functional silos that are rigid and hard to traverse, information and data that is difficult to access or trust, and communication gaps that are behavioural and tough to change. Together, these create 'walls' that restrict agility, stifle innovation, and limit the power of working as one organisation.

The interwoven themes explored in this study will show that IA's objectivity and ability to 'connect the dots' means that it has the potential to 'see through'—and ultimately break down— these walls, to create new value, and give its stakeholders the confidence to navigate the risk multiverse.

Shaun Willcocks
PwC Global Internal Audit Leader

For more than a decade, PwC has conducted global surveys with Internal Audit Leaders and their stakeholders.

Internal Audit in Vietnam is evolving much more quickly than in any other territories and in this survey, which is specific to Vietnam for the first time, are highlighted five compelling findings. Each is explored further in this report, focusing on why they matter to IA and its stakeholders, the value to the organisation, and practical tips to address them.

Xavier Potier, Partner, PwC Vietnam Risk Assurance Leader

Megatrends are creating a complex and interconnected risk multiverse

Responding to megatrends

A chance for IA to shine

Executives believe a high-performing IA function can help:

- Optimise business processes and systems

- Provide confidence to make better and faster management decisions

- Obtain trust from external stakeholders, including investors, regulators and customers

Enhanced by its organisational reach, **IA is ideally placed to help organisations connect the dots** and navigate risk and complexity

64%

respondents in Vietnam believe that the Internal Audit department can demonstrate its ability to guide businesses through complex changes
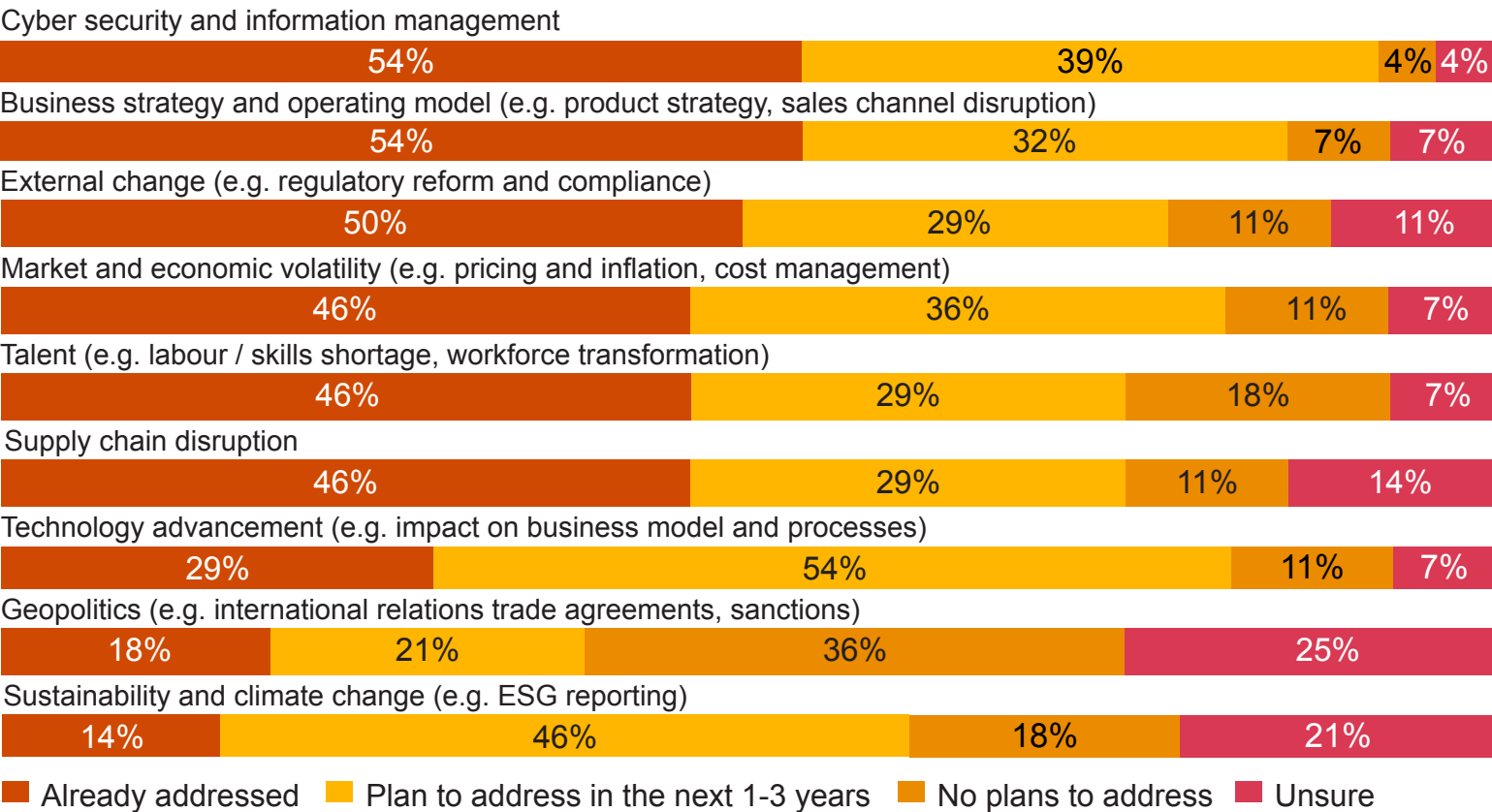
Responding to megatrends

Supply chain disruption

46% of IA functions in Vietnam address supply chain disruption in their audit plan

29% plan to do so within three years

IA can look across the end-to-end supply chain and challenge if:

- Resilience & business continuity arrangements are robust
- Management has stress-tested the supply chain for blind spots or weaknesses

Q. Which, if any, of the following risks and challenges have been addressed in your organisation's internal audit plan?

Cyber security and information management

Already addressed	Plan to address in the next 1-3 years	No plans to address	Unsure
54%	39%	4%	4%

Business strategy and operating model (e.g. product strategy, sales channel disruption)

| 54% | 32% | 7% | 7% |

External change (e.g. regulatory reform and compliance)

| 50% | 29% | 11% | 11% |

Market and economic volatility (e.g. pricing and inflation, cost management)

| 46% | 36% | 11% | 7% |

Talent (e.g. labour / skills shortage, workforce transformation)

| 46% | 29% | 18% | 7% |

Supply chain disruption

| 46% | 29% | 11% | 14% |

Technology advancement (e.g. impact on business model and processes)

| 29% | 54% | 11% | 7% |

Geopolitics (e.g. international relations trade agreements, sanctions)

| 18% | 21% | 36% | 25% |

Sustainability and climate change (e.g. ESG reporting)

| 14% | 46% | 18% | 21% |

■ Already addressed ■ Plan to address in the next 1-3 years ■ No plans to address ■ Unsure

Base: All respondents in Vietnam (28)

Responding to megatrends

Rapid IT modernisation

- Organisations have turned to technology to **adapt strategies and operational models to remain viable**

- Recent investments such as ERP, AI, machine learning, automation and cloud solutions

- Means old IA approaches may no longer work and new skills are needed, including:

  - New approaches to new risks around 'responsible AI'

  - Collaborating with outside specialists or with guest auditors from the business

  - Co-developing with first/second line

Important that IA is bold enough to stop activity that is not adding much value

Responding to megatrends

Only **7%**

of IA functions in Vietnam have invested in RPA or AI applying in the function over the past 12 months

(Global: 27%)

AI accelerating fast

- Wide array of AI risks have already emerged

- Includes risks to: Decision making, Privacy, Cybersecurity, Regulatory compliance, Third-party relationships, Legal obligations, Intellectual property

- Addressing AI risk includes earlier involvement in the change life-cycle to assess if AI strategy is appropriate and transformation risks are mitigated

- In IA, determine how to harness the potential of AI and other technology, such as RPA, to evolve IA's capabilities and ways of working

> " Technology costs have matured to ever affordable levels. Organisations are evolving beyond manual audit procedures to use of data analytics, technology driven methodologies and AI in delivering internal audits. Technology has been used as an enabler and drive hidden insights and value supplementing professional judgement.
>
> **Yu Loong Goh, Director, IT Risk Assurance**

Responding to megatrends - Levelling up actions

01 Map to the megatrends

- Reconcile the current IA plan with the known and emerging megatrends to identify any that might not be addressed

- Agree approach with the Audit Committee, stakeholders, and second line

02 Understand the purpose, not just the process

- For transformation initiatives (e.g. AI), determine who is providing assurance over the alignment of business strategy, transformation objectives, implementation activities, and measurement of intended outcomes

- Emphasise that the ability to connect the dots and spot misalignment often requires an objective viewpoint

> " Irreversible realty of the megatrends put CAE in the front seat together with the Board and Senior management in business strategic objectives redefining; and push up the transformation of internal audit capabilities, processes and tools.
>
> **Pham Hai Au**
> **Director, Risk Assurance**

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IA needs more involvement in strategic areas to remain relevant

IA involvement in strategic areas

A door being opened

- Business leaders in Vietnam want **more strategic engagement with IA early and proactively:**

  - **79%** want IA involved during risk identification and assessment

  - **Nearly 70%** seek IA involvement in management strategy and planning

- Driven by: Complexity of today's risks, need to provide comfort to others, awareness of the benefits of better governance, and recognition of IA's value and potential

Examples of strategic areas IA functions are auditing:
- Digital transformation
- Mergers and acquisitions (M&A)
- Research and development (R&D) & product design
- Workforce transformation
- Inflation
- Macroeconomic volatility

Q. Thinking of the key risks and challenges in your organisation, at which stage(s) would you ideally like Internal Audit to get involved?

Risk identification and assessment
79%

Management strategy and planning
68%

Testing of process and control effectiveness
64%

Control design and implementation
43%

Remediation and resolution of issues
43%

Investigation when issues occur
36%

Base: All respondents in Vietnam excluding 'Not sure' responses (28)

IA involvement in strategic areas

Management wants better risk conversations

- IA has the opportunity to have more high quality, open, and frequent conversations with management about risk

- There is no indicated 'good quality and frequent interaction' across all relevant stakeholders in Vietnam, while globally this rate is only 8%

How IA can have better risk conversations

The benefits of better risk conversations include:

- New insights on emerging risks
- More focused and timely assurance
- A fresh perspective on other opportunities

Examples of how IA can have better risk conversations:

- **Offering a viewpoint** - on new or draft business strategies and plans. IA can maintain objectivity whilst still offering a perspective

- **Authoring discussion papers/presentations** - on emerging risk areas/topics, outside of regular reports

- **Summarising findings from multiple audit reports -** into broader root causes/themes at a company level

- **Bringing other expertise -** from first or second line, or external advisors, to broaden debates and offer other perspectives (e.g. in risk workshops)

- **Sharing materials from industry or technical sources or communities of interest -** this can help highlight industry-level trends or emerging risks

- **Agreeing 'value-based' metrics and KPIs for IA** - to measure the value IA adds to stakeholders

# IA involvement in strategic areas - Levelling up actions

Get involved early:

- Look back at previous strategic change initiatives and at what point IA became involved. Consider what additional value may have been generated if IA had been involved earlier

- Build this learning into current/future initiatives

Reconsider effort spent on strategic risks:

- Ask stakeholders what is important to them

- Use a simple matrix to plot what effort is spent on traditional versus strategic risk areas (see next page)
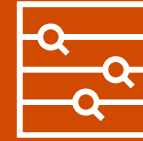
Shake up the communication style:

Some IA functions have moved from formal meetings (with agendas and minutes) with stakeholders to more agile conversations, and have become bolder in adding views not necessarily backed by audit evidence

Relook at how information is being shared in conversations and meetings:
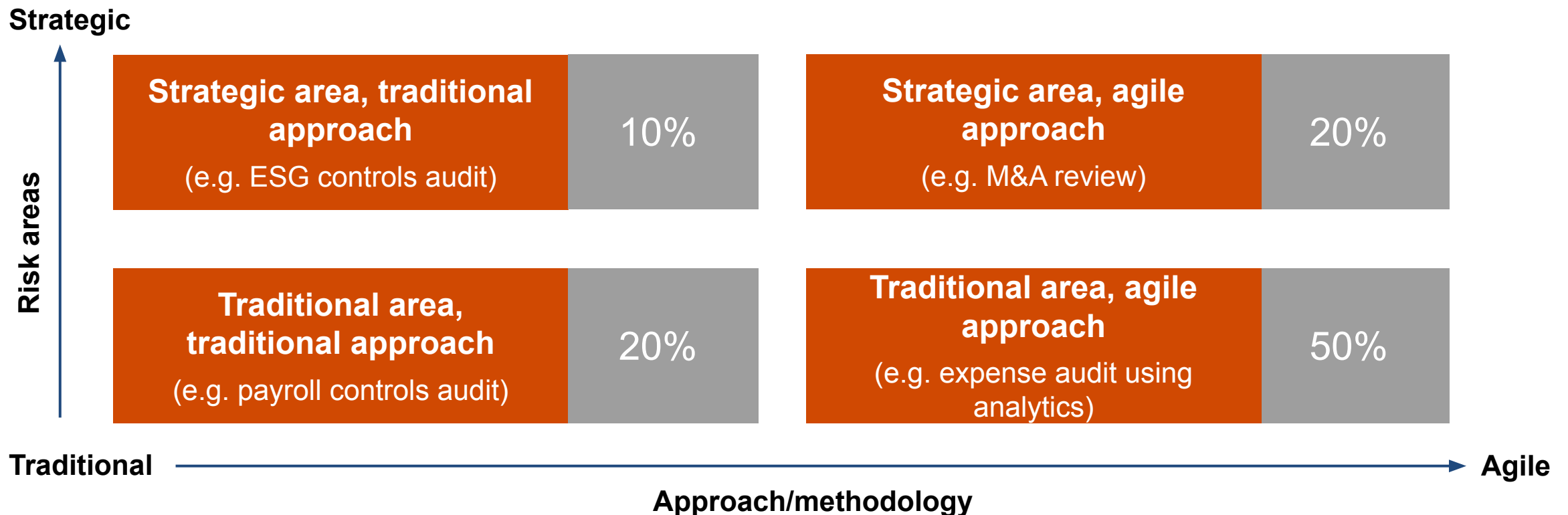
- Use visualisation tools to present elevated insights and show how IA is connecting the dots across risks

- Vary the nature, timing, and extent of reporting to fit different needs and different stakeholders

IA involvement in strategic areas - Levelling up actions

Illustrative quadrant showing IA risk focus and approach

This is a simple matrix that can be used to plot what effort is spent on traditional versus strategic risk areas, and the type of audit approach taken, to help set the right balance in the IA strategy. Percentages are illustrative only and each organisation needs to decide the right balance for them.

Strategic

Risk areas

Strategic area, traditional approach (e.g. ESG controls audit)	10%
Strategic area, agile approach (e.g. M&A review)	20%
Traditional area, traditional approach (e.g. payroll controls audit)	20%
Traditional area, agile approach (e.g. expense audit using analytics)	50%

Traditional ⟶ **Agile**

Approach/methodology

3

IA can be a unifying force

IA as a unifying force

Working alone always results in blind spots

- Risks are not always easy to see, they can be:
  - Too big - e.g. geopolitical, macro-economic, industry-wide
  - Buried in complex and multi-layered technical areas - e.g. regulatory, cyber, commercial
- IA's unique vantage point and risk-mindset makes it able to 'see through the walls of the organisation' and shine a light on areas others may not see
- IA cannot see everything, all of the time - no one function has the skills, experience and capacity to cover the diversity of all risks

The good news is that the second line has levelled up and IA has an opportunity to work together

Overall the second line has 'leveled up' in the last 3 years with the majority stating capabilities have increased, however across most areas only a minority report a 'significant' step change

ESG Management (e.g. sustainability or environmental monitoring)

Significant increase	Some increase	No change	Some decrease	Significant decrease	Unsure / Not Applicable
60%	40%				

Information / Cyber Security or other IT governance function

| 43% | 29% | 14% | 7% | 7% | |

Legal (with risk or compliance monitoring responsibility)

| 41% | 36% | 14% | 9% | | |

Enterprise Risk Management

| 36% | 50% | 7% | | 7% | |

Internal Control

| 35% | 47% | 12% | | 6% | |

Inspection functions (e.g. health and safety)

| 33% | 50% | 8% | 8% | | |

Compliance

| 24% | 57% | 10% | | 5% | 5% |

Financial Control (e.g. controllership with monitoring responsibility)

| 22% | 44% | 28% | | 6% | |

Quality management (e.g. supplier, engineering, product development program)

| 20% | 67% | 7% | 7% | | |

■ Significant increase ■ Some increase ■ No change ■ Some decrease
■ Significant decrease ■ Unsure / Not Applicable

Base: All respondents with applicable second line function in Vietnam (5-22)

IA as a unifying force

IA can harness and multiply the expertise of others to benefit everyone

- Strengthening of second line represents an opportunity for IA to harness these skills and combine capabilities

- There is work to do: Only 36% of IA functions in Vietnam show strong alignment with second line on key risks and problems

- IA can achieve a 'multiplier effect'—adding up to better risk coverage, greater efficiency, and more insights

- Can also help showcase to the Audit Committee and Board the value of integrated assurance and better engagement

Q. To what extent do you think Internal Audit currently aligns with the first and second line functions in your organisation to address risk and solve business problems together?

7%

36%

57%
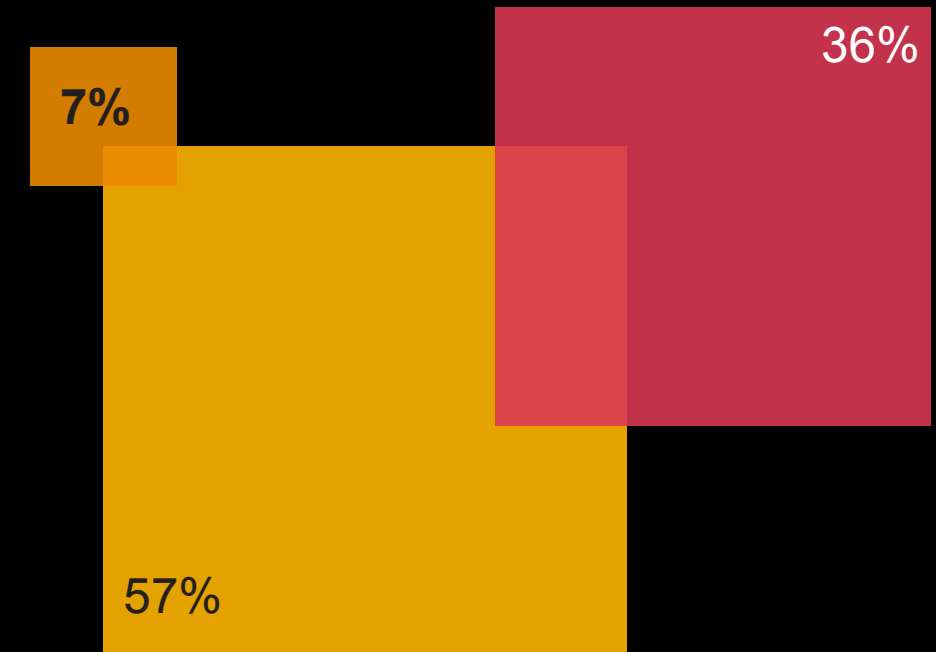
- No alignment
- Some alignment (e.g. on certain topics, but ad hoc and not sufficient)
- Strong alignment on key risks and problems

Base: All respondents in Vietnam (28)

IA as a unifying force

Q. Which of the following activities do you think would benefit from more Internal Audit involvement and/or increased Internal Audit alignment with the first and second line functions in your organisation?

Risk monitoring and assessment
79%

Design of governance and enterprise-wide risk management framework
61%

Development of business policies and control procedures
50%

Process re-engineering and optimisation initiative
43%

Input into risk appetite and risk tolerance
43%

Training and upskilling activities
43%

IT system implementation
36%

Crisis planning and response
32%

Back office modernisation
14%

4% think all activities would benefit from more IA involvement

Base: All respondents in Vietnam excluding 'Not sure' responses (26)

IA as a unifying force

Examples of working together

- Jointly preparing assurance map and aligning plans
- Ensuring the links between mission statements, charters, and strategies are clear
- Authoring risk papers together to update stakeholders
- Sharing risk taxonomies, control libraries, other materials
- Co-investing in tech (e.g. eGRC, analytics, visualisation)
- Co-developing or sharing automation and scripts
- Talent sharing (e.g. secondments, guest auditors)
- Communities of interest on specialist or topical matters

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An internal audit function can act as a unifying force to combine expertise, it has the potential to break down silos, create new value and give stakeholder the confidence to navigate today's' risk multiverse.

Xavier Potier, Partner, PwC Vietnam Risk Assurance Leader

A 'risk shield' around the organisation

Organisations need to look differently at how the three lines work together to increase agility, break down silos, and remove blind spots to 'see through walls'.

This should consider: where activities intersect/overlap, how communication flows between them, and what this means for the organisation's resilience as a whole.
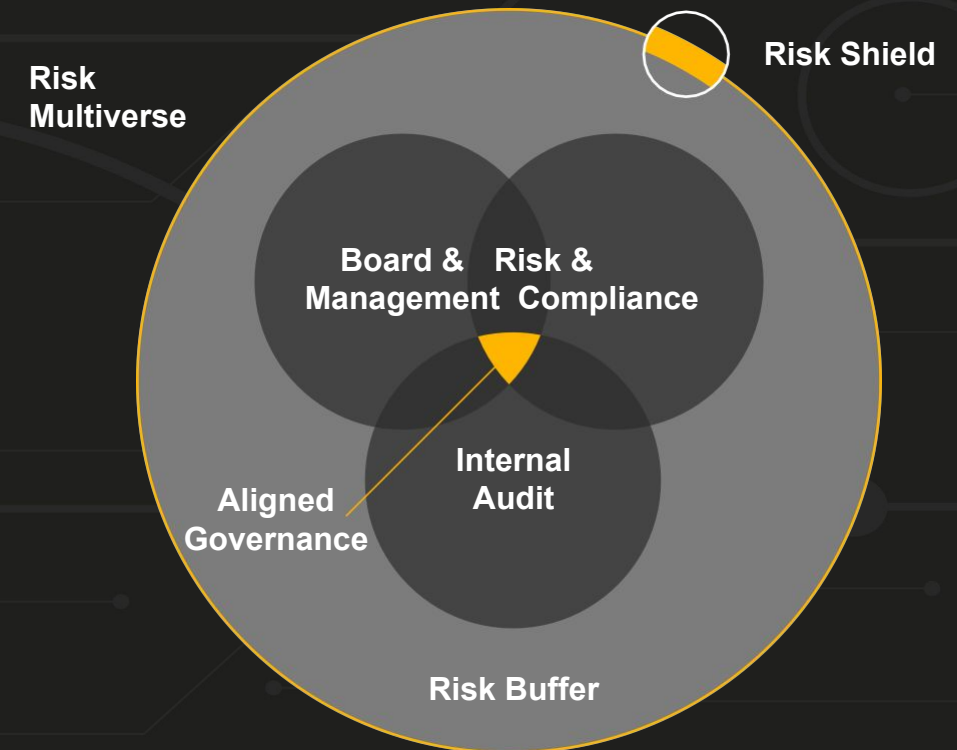
IA as a unifying force - Levelling up actions

01 **Map your assurance:**
- Work with the other lines to map the different control and assurance activities to determine where there is duplication, blind spots, and opportunities to collaborate
- Make the output visible to others to help close any gaps and support investment

02 **Tap into Centres of Excellence (CoEs):**
- Identify and collaborate with any CoEs/similar pools of experience that may exist
- Examples include cyber security, data, and operational excellence groups. These can provide economies of scale, optimise methodologies, and promote innovation

03 **Connect to communities of interest:**
- Bigger organisations may have the capacity to pull together cross-functional teams or interest groups on key risk or technical areas, such as ESG, AI, or cyber
- Encourage those in the second and third line to get involved with professional or industry groups to build experience and get fresh ideas
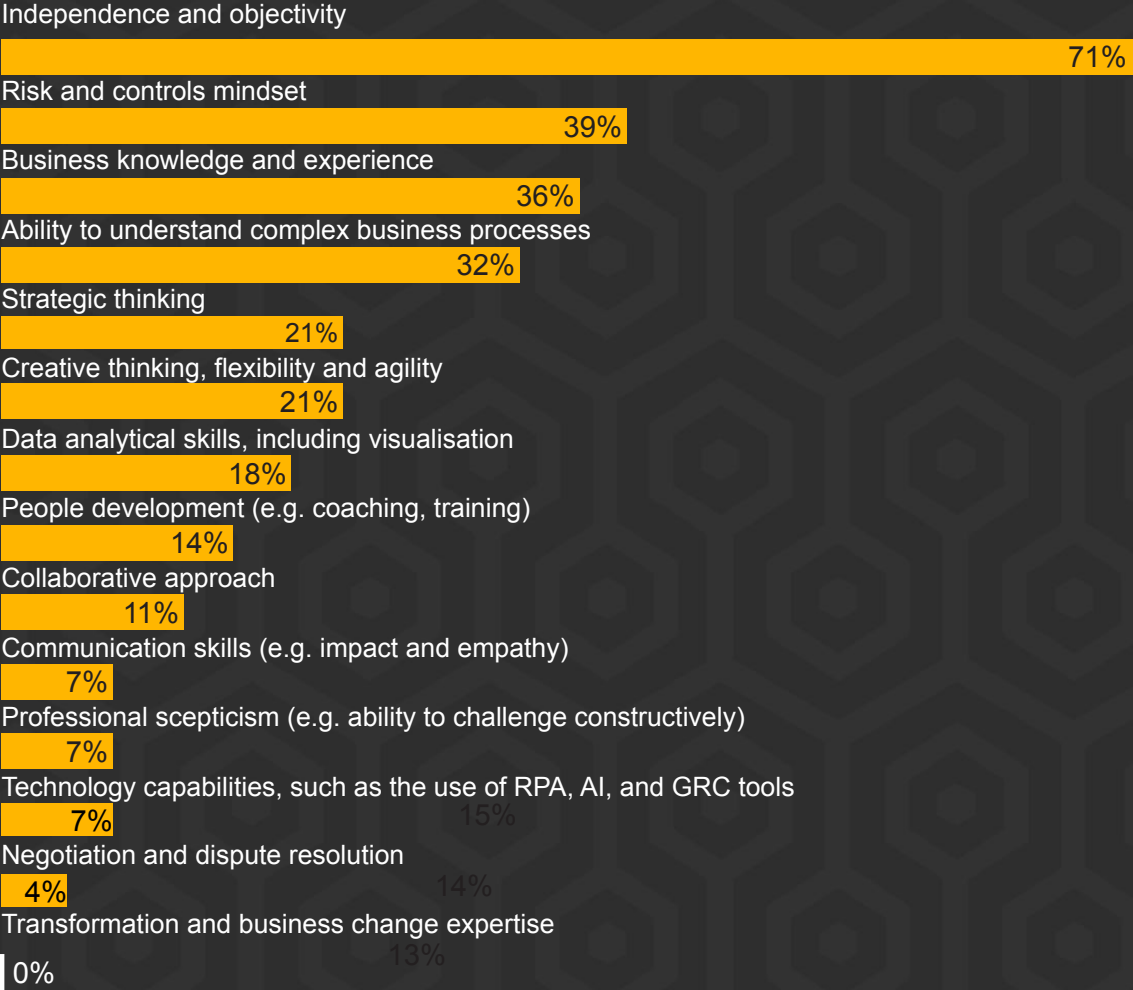
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IA's human 'superpowers' are more important than ever

Q. Which of the following do you consider to be the strongest attributes of your Internal Audit department? (ranked top 3)

Independence and objectivity
71%

Risk and controls mindset
39%

Business knowledge and experience
36%

Ability to understand complex business processes
32%

Strategic thinking
21%

Creative thinking, flexibility and agility
21%

Data analytical skills, including visualisation
18%

People development (e.g. coaching, training)
14%

Collaborative approach
11%

Communication skills (e.g. impact and empathy)
7%

Professional scepticism (e.g. ability to challenge constructively)
7%

Technology capabilities, such as the use of RPA, AI, and GRC tools
7%

15%

Negotiation and dispute resolution
4%

14%

Transformation and business change expertise
0%

13%

Base: All respondents in Vietnam (28)

IA's human superpowers

The human touch

- Professional scepticism, a risk and controls mindset, and objectivity are core IA skills

- **Only 7% of Vietnam executives say IA is proficient at technology capabilities, such as the use of RPA, AI, and GRC tools, compared to 17% globally**

- **Only 7% rate IA's ability to challenge constructively as strong, compared to 23% globally**

- As the scale and complexity of risks change, IA will need more nuanced human skills to have meaningful and strategic conversations

IA's human superpowers

IA Superpowers

Listening
to hear and understand what really matters so we can focus and prioritise

Empathy
being able to put ourselves in the shoes of our stakeholders to make our work relevant
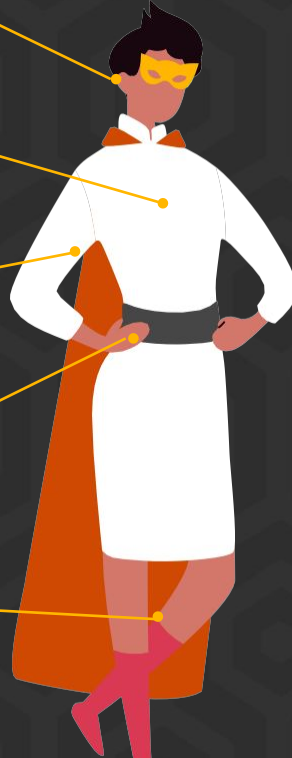
Collaboration
to reach out across the organisation, because the risk multiverse is too complex to tackle alone

Tech-enabled/analytical skills
being able to use technology and data practically to optimise efficiency and offer new insights

Agility
to be nimble and adapt to ways of working so IA remains fit for purpose

Strategic/critical/creative thinking
to tackle transformation and change and add value in more strategic areas

Professional scepticism and objectivity
foundational to the objectivity that allows IA to see things differently and provide confidence to others

Social and communication skills
to forge the relationships that build trust to earn a seat at the table, and have others listen when it matters

'Risk-sensing'
to remain alert to internal and external data and trends that can highlight and avoid risks before they are seen

Business acumen
to bring experience that supports the organisation's strategic objectives, underlying processes, and external market in which they operate

Confidence
to speak up and address risks that others in the organisation may not yet see before it's too late

Continual evolution

Like the world around us, IA's skills and capabilities need to keep evolving and adapting. This requires a continual focus on professional growth and an open mind. It may also mean changing how IA recruits, retains, and develops talent.

IA's human superpowers

Talent sourcing and retention will need more innovative approaches

- Only 29% of executives in Vietnam are very confident that IA has the talent and skills the function will need in the next three to five years, compared to 45% globally

- Lack of IA resources, skills and expertise to cover key risk areas is seen as the top barrier that could prevent IA from achieving the outcomes the organisation wants

- While turnover and re-skilling remain challenging, creativity in the talent model will play a critical role in differentiating leading IA functions of the future

> **"** In the digital era and proliferation of fourth Industrial Revolution, cybersecurity and data privacy risks become more challenging and sophisticated, continue to fiercely havoc on companies' brand and reputation, resulting in heavy financial impacts. With emerging technology trends and innovation, internal auditors are expected to be cyber and privacy savvy as well as actively incorporate with professionals to sufficiently assess companies' capabilities to manage cyber and privacy threats that might cause business disruption.
>
> **Pho Duc Giang**
> **Director, Cybersecurity & Data Privacy Services**

IA's human superpowers - Levelling up actions

01 Identify skills gaps:
- Conduct a current and future state skills assessment
- Determine how auditor capabilities can be aligned to support organisations' future vision and strategy, and risk profile

02 Establish a talent strategy:
- Create an upskilling and sourcing strategy. Consider including guest auditor, leadership development, and rotation and secondment (internal and external) programs, to create diversity and new thinking
- Consider co- developing this strategy with the second line

03 Consider succession:
- Plan for succession and transition of key talent
- Use this as a way of setting development paths and promoting different skills and experience (in line the strategy)

04 Incentivise self-driven learning:
- Create learning pathways for different roles and ensure there is recognition/incentives (and celebrate accomplishments)
- Tap into the organisation's training programmes around leadership and soft-skills

05 Assemble other superheroes:
- Identify individuals in the first & second line with the right mindset and have the right skills to augment those of IA
- Obtain support from business leaders for rotational programs

5

IA can boost RoI by changing its approach to technology

Boost RoI from technology

Technology investment is not delivering desired benefits

- Organisations have undertaken a lot of initiatives and activity in technology (e.g. RPA, analytics, IA workflow)

- The return on that investment (RoI) has not been realised

Only

5%

IA functions in Vietnam have achieved the desired benefits from their technology and data investments over the last twelve months

(Global: 20%)

Why RoI might be falling short

- **Strategy:** Technology is driving the strategy, rather than the strategy driving the technology

- **Measurements for success:** IA has not defined the right KPIs to measure success. The outcomes might be there, but no one is measuring them

- **Status quo:** The technology changes, but people's way of working remains the same. Resistance to change is common and can stop teams from reaping the full benefits of technology

- **Siloed:** Technology is operated in isolation, not connected to other data sources in the organisation, or accessible and visible to others

- **Duplication (and confusion):** Investment in similar or competing technology is made in different parts of the organisation

Boost RoI from technology

Q. Which, if any, of the following outcomes have been achieved as a result of Internal Audit's investment in technology and data over the last 12 months?

Increased risk coverage (across audit plan or individual audits)

7%	32%	29%	4%

Able to provide more insights to the organisation

7%	36%	29%

More efficient and impactful reporting (e.g. dashboards, visualisation)

7%	29%	32%

Increased efficiency (e.g. less audit effort to execute same testing)

4%	39%	25%	7%

Better risk targeting and scoping (e.g. less judgmental, data-led scoping)

4%	39%	29%	7%

- ■ Already achieved ■ Partially achieved ■ Expect to achieve in next 1-3 years
- ■ Do not expect to achieve

Base: All respondents in Vietnam (28). Note: 'Unsure / Not applicable' responses not shown
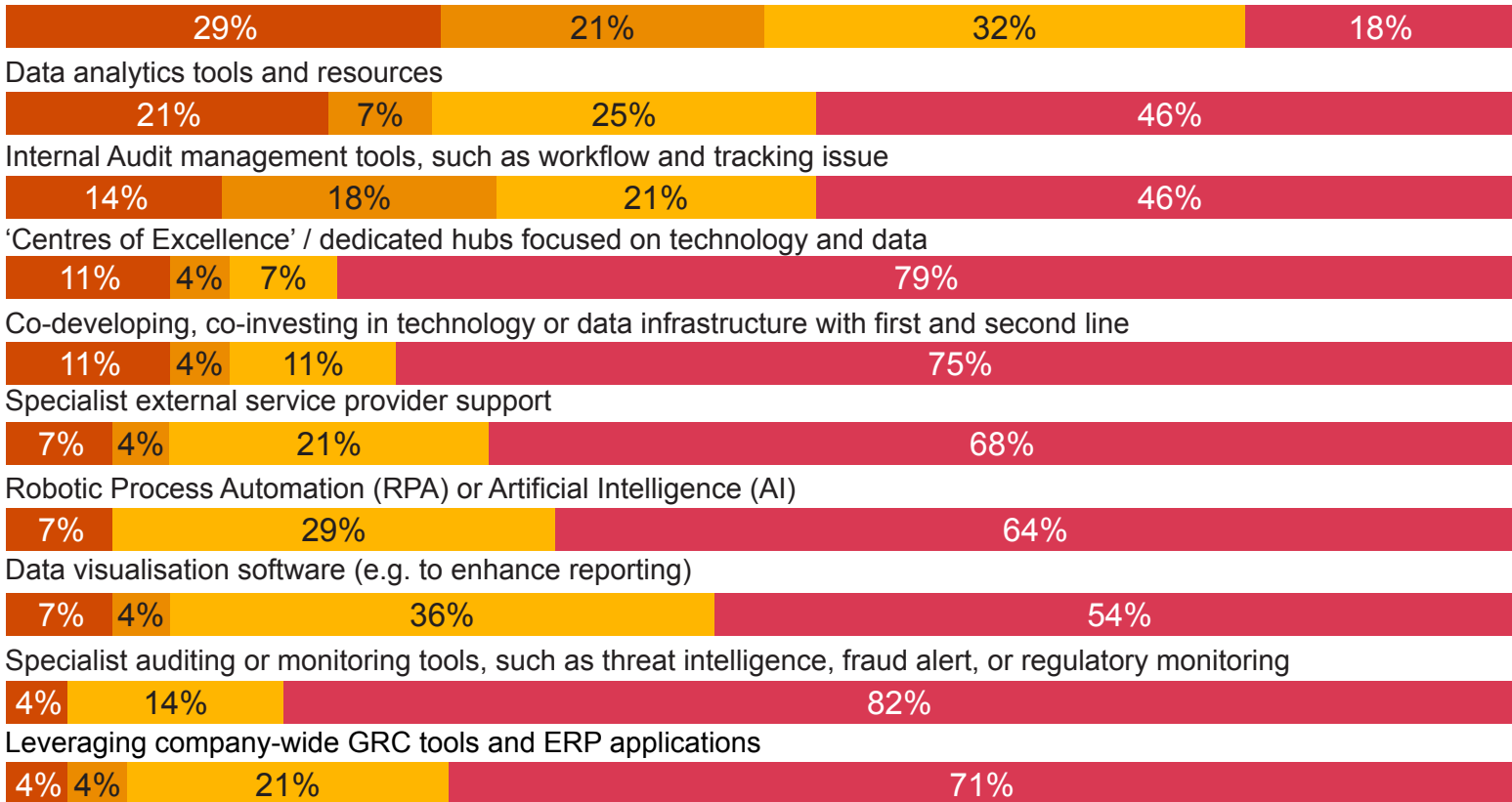
Boost RoI from technology

Speeding up

- AI advancement is redefining what is possible for organisations, business functions and individuals

- Yet **64% of executives in Vietnam say IA has not invested in AI** and has no plans to do so in the next three years

Q. Which, if any, of the following technology and data capabilities has your Internal Audit department invested in during the last 12 months? Which, if any, does your Internal Audit department plan to invest in during the next 1-3 years?

IA team member training and upskilling on technology and data

| 29% | 21% | 32% | 18% |

Data analytics tools and resources

| 21% | 7% | 25% | 46% |

Internal Audit management tools, such as workflow and tracking issue

| 14% | 18% | 21% | 46% |

'Centres of Excellence' / dedicated hubs focused on technology and data

| 11% | 4% | 7% | 79% |

Co-developing, co-investing in technology or data infrastructure with first and second line

| 11% | 4% | 11% | 75% |

Specialist external service provider support

| 7% | 4% | 21% | 68% |

Robotic Process Automation (RPA) or Artificial Intelligence (AI)

| 7% | 29% | 64% |

Data visualisation software (e.g. to enhance reporting)

| 7% | 4% | 36% | 54% |

Specialist auditing or monitoring tools, such as threat intelligence, fraud alert, or regulatory monitoring

| 4% | 14% | 82% |

Leveraging company-wide GRC tools and ERP applications

| 4% | 4% | 21% | 71% |

Only 2% have invested across ALL tech/data capabilities during the last 12 months

- Have invested in the last 12 months and have plans to in next 1-3 years
- Have invested in the last 12 months but have no plans to in next 1-3 years
- Have not invested in the last 12 months but have plans to in next 1-3 years
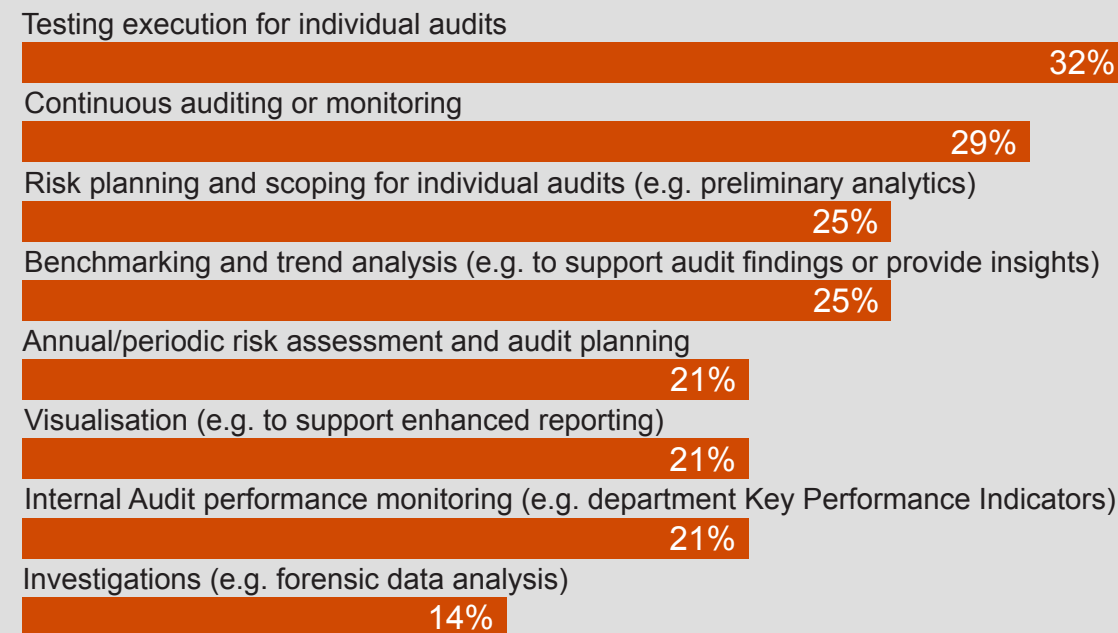- Have not invested in the last 12 months and have no plans to in next 1-3 years

Base: All respondents in Vietnam (28). Note: 1% difference due to rounding

Boost RoI from technology

IA needs to evolve in parallel with AI

- Only 7% of IA functions in Vietnam are using a full range of technology and data techniques to a great extent

- Possible reasons for lack of IA investment in AI:
  - Fatigue from other technology investments
  - IA leaders don't know how or where to start

- Risk of inaction - becoming irrelevant as others move forward

- Uncertain future - No one knows for sure where AI will lead, but many have an educated view, and IA needs to be at the forefront of that thinking

The percentage of Internal Audit departments using technology and data techniques (e.g. analytics and automation) to a great extent to increase efficiency and effectiveness in the following areas:

Testing execution for individual audits
32%

Continuous auditing or monitoring
29%

Risk planning and scoping for individual audits (e.g. preliminary analytics)
25%

Benchmarking and trend analysis (e.g. to support audit findings or provide insights)
25%

Annual/periodic risk assessment and audit planning
21%

Visualisation (e.g. to support enhanced reporting)
21%

Internal Audit performance monitoring (e.g. department Key Performance Indicators)
21%

Investigations (e.g. forensic data analysis)
14%

Base: All respondents in Vietnam (28)

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Technology investments free up valuable human resources to professional judgement, value generating decision making and activities that matter. In addition, human limitations can be overcome with low margin of errors and significant efficiencies maximising the organisation's most critical assets, namely data.

Yu Loong Goh, Director, IT Risk Assurance

Boost RoI from technology - Levelling up actions

01 **Co-develop and co-invest in technology:**
- Explore opportunities with other functions to co-invest in technology and leverage data sources and tools that may already exist or could be co-developed (e.g. eGRC, analytics, workflow, and visualisation tools)
- Share assurance techniques and automation, such as monitoring routines and analytics scripts

02 **Connect the pipes:**
- Work with the business and second line to establish connections to ERP and other systems to facilitate the efficient and effective extraction of data into risk, compliance, and audit tools to support audits and monitoring

03 **Shift to continuous auditing:**
- Create a strategy for more proactive continuous auditing and monitoring from discrete, point-in-time audits
- Look for opportunities to connect data across end-to-end processes to provide broader/more strategic insights

04 **Build AI into IA's technology strategy:**
- Define the roadmap for how AI—and AI auditing—will be implemented
- Find ways to collaborate with the broader organisation to upskill together and jointly consider associated risks

05 **Start, stop, continue:**
- When evaluating or implementing new technology, list the activities in IA and beyond that you will start, stop or continue. This is important so the real benefits can be considered
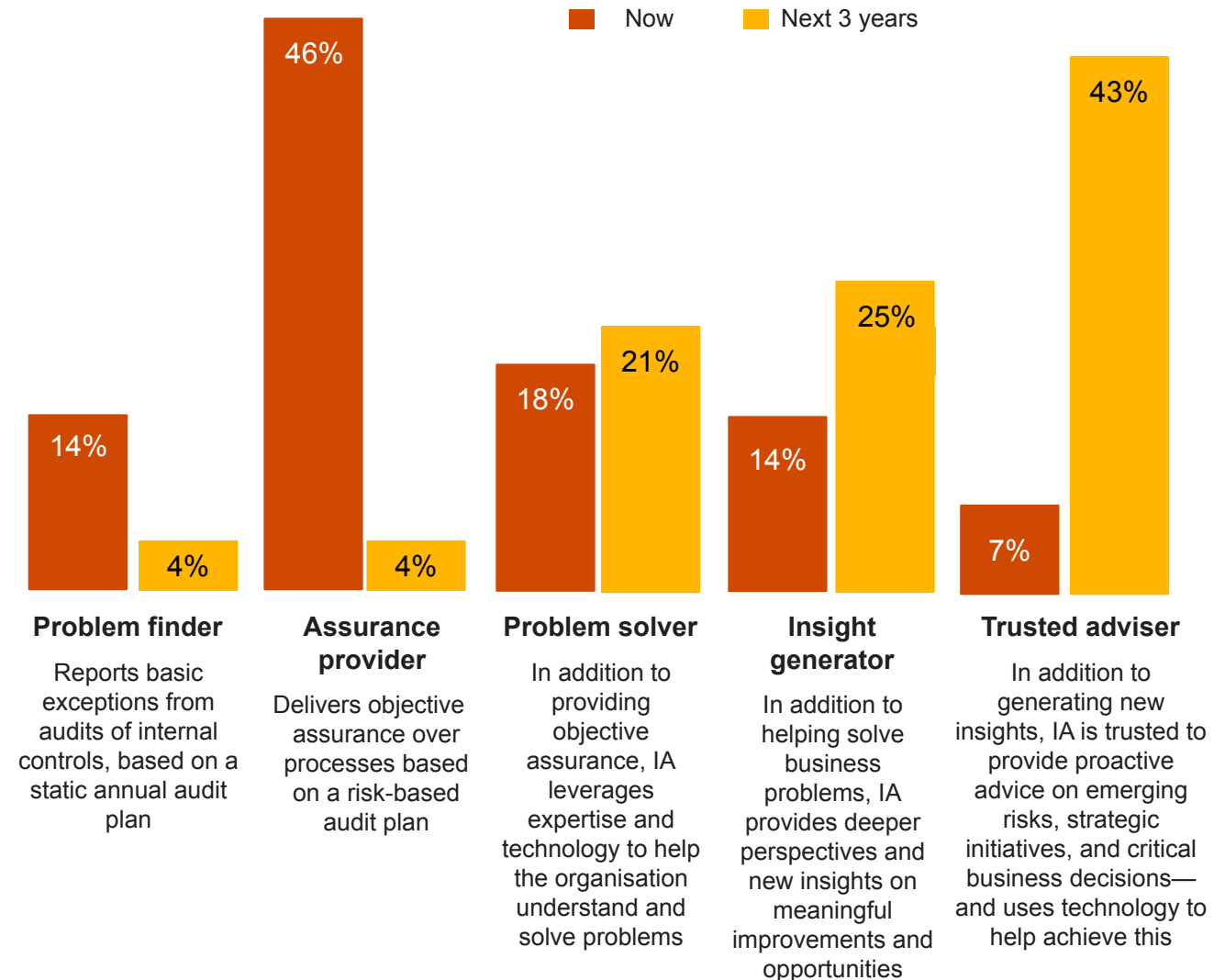
Speed up and shine, or slow down and fade away

Pioneers rarely have a template

- Most respondents place their IA maturity as 'Assurance Provider', 'Problem Solver', or 'Problem Finder'

- Nearly half (43%) want to elevate IA department to become a 'Trusted Advisor' within 3 years — providing advice in strategic areas, and using technology to do so

- Difference between IA being irrelevant and adding value may depend on how well it can:
  - Understand stakeholder needs
  - Shine a light on areas not seen or understood
  - Break down barriers to connect the right technology and capabilities across the organisation

Q. Which of the following statements best describes the overall value and maturity of your Internal Audit department? Where would you ideally like your Internal Audit department to be within the next 3 years?

Legend: ■ Now (dark red) ■ Next 3 years (yellow)

Category	Now	Next 3 years
Problem finder	14%	4%
Assurance provider	46%	4%
Problem solver	18%	21%
Insight generator	14%	25%
Trusted adviser	7%	43%

Problem finder
Reports basic exceptions from audits of internal controls, based on a static annual audit plan

Assurance provider
Delivers objective assurance over processes based on a risk-based audit plan

Problem solver
In addition to providing objective assurance, IA leverages expertise and technology to help the organisation understand and solve problems

Insight generator
In addition to helping solve business problems, IA provides deeper perspectives and new insights on meaningful improvements and opportunities

Trusted adviser
In addition to generating new insights, IA is trusted to provide proactive advice on emerging risks, strategic initiatives, and critical business decisions—and uses technology to help achieve this

Base: All respondents in Vietnam (28) Note: 'Unsure' responses not shown

Staying relevant

- Respondents see the imperative to keep their strategy viable. IA has the same obligation to evolve and remain relevant

- Stronger governance and risk awareness, and more robust and efficient internal controls are outcomes from high-performing IA functions

Q. What are the most important outcomes your organisation could achieve by having a high performing Internal Audit department? (ranked top 3)

Stronger governance and risk awareness
68%

More robust and efficient internal controls, with less frequent failures
50%

Increased trust from external stakeholders, including investors, regulators, and customers
43%

Increased management confidence to make better and faster decisions
36%

Better corporate culture to deliver on the organisation's value and purpose
29%

Optimised business processes and systems
29%

New strategic business opportunities (i.e. cost reduction or revenue generating initiatives)
11%

Greater resiliency and ability to predict or manage disruption
11%

Greater success in transformation programmes (i.e. digital and workforce transformation)
0%

Base: All respondents in Vietnam (28)

Contacts

Our Internal Audit team in Vietnam is part of our global network.

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