

Comments from IIA Norway to the Proposed Enhancements to the International Professional Practices Framework (IPPF)



Date: November the 1st 2014.

EXPOSURE DRAFT SURVEY QUESTIONS

1. MISSION OF INTERNAL AUDITING

1.1 To what extent do you support the addition of a Mission of Internal Auditing to the IPPF?

Scale: 5

Comment: It could be useful with a mission statement that catches the essence of the internal audit profession.

1.2 To what extent do you agree that the proposed Mission of Internal Auditing captures what internal audit strives and/or aspires to accomplish in organizations?

Scale: 1

Comment: What is proposed is too long and far less effective than its potential. A mission statement should be short & sweet and be able to endure the passing of time and fashions; and at the same time capture what internal audit is about.

Proposes revised mission statement:

- Internal Audit provides independent assurance that the organization is well governed and controlled.
- To provide independent assurance and insight to enhance organizational value.
- To provide independent and objective verification and assurance that the state of governance, risk management and control in the organization is as expected by its stakeholders; and to provide advice, insight and recommendations if needed.

2. CORE PRINCIPLES FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING

2.1 To what extent do you support adding Core Principles for the Professional Practice of Internal Auditing as an element of the IPPF?

Scale: 2

Comment: The idea of adding core principles is good. But for them to work as core principles they need to be pure principles that reflect the basic/essential of the entire mandatory part of the IPPF. Several of the proposed principles do not really capture this. They are universal in nature and could be describing "almost any profession". Also it would be beneficial having fewer of them.

However, principle 4 organizational position, principle 5 strategically alignment and goal, and principle 1 integrity, are recognized as principles which evolve around these basic issues. One should add "to follow the code of ethic" and the principles should also reflect an obligation towards adherence to the standards.

2.2 Do you agree with the three "input-related" Principles as proposed?

Scale: 1

Comment: The division of principles into different sequences is unnecessary complicated and doesn't serve or help understanding or support the principles. The main focus should exclusively be on formulating good principles that captures the framework and the profession.

2.3 Do you agree with the six "process-related" Principles as proposed?

Scale: 1

Comment: Please see the comment on 2.2.

2.4 Do you agree with the three "output-related" Principles as proposed?

Scale: 1

Comment: Please see the comment on 2.2.

2.5 Do you agree with the order of the 12 Principles as proposed?

Scale: 1

Comment: No. We think there is room for improving the proposed principles, as well as reflections about which principles to include.

2.6 To what extent do you agree with the view that all Principles must be “present and operating effectively” for an internal audit function to be considered effective?

Scale: 5

Comment: In regard to purpose of the principles, then naturally yes.

2.7 Do you agree that the Principles, if adopted, would require guidance to help demonstrate to practitioners what the Principles might look like in practice?

Scale: 1

Comment: With well-designed principle this shouldn't be necessary. The standards themselves would naturally provide the next level of guidance. The principles and the standards should therefore be aligned.

3. IMPLEMENTATION GUIDANCE & SUPPLEMENTAL GUIDANCE

3.1 To what extent do you support the restructure of guidance elements from “Practice Advisories” to a more comprehensive layer entitled “Implementation Guidance” as part of the framework?

Scale: 4

3.2 To what extent do you support the restructure of guidance elements from “Practice Guides” to “Supplemental Guidance” as part of the framework?

Scale: 4

Comment: The change of name is not that important, as long as the content is good and useful.

4. ADDRESSING EMERGING ISSUES

4.1 To what extent do you support the introduction of a new IPPF element to address emerging issues?

Scale: 5

4.2 To what extent do you agree that Emerging Issues Guidance, due to its quicker development process, should be less authoritative than Supplemental Guidance as part of the framework?

Scale: 4

5. POSITION PAPERS

5.1 To what extent do you support the deletion of “Position Papers” as an element of the IPPF?”

Scale: 5

6. REVISION OF WORDS

6.1 To what extent do you support revision of the words “Mandatory” and “Strongly Recommended” to “Required” and “Recommended,” respectively?

Scale: 4

7. OVERALL & PICTORIAL

7.1 Overall, to what extent do you support the changes regarding the IPPF as detailed on the previous page?

Scale: 2

Comment: Overall good structural changes. The most overarching and the fundamental/basic – the mission and the principles still need a lot of work.

7.2 To what extent do you agree that the pictorial representation adequately depicts the hierarchy and interrelationships of each element of the new proposed IPPF?

Scale: 5

7.3 To what extent do you agree that the pictorial representation of the proposed new IPPF is visually appealing?

Scale: 5