



## Strategic Performance Review for Internal Audit

Many organizations are increasingly relying on their internal audit function to help put their key success factors, including workforce effectiveness, business processes efficiency, and strategic positioning, into a meaningful business context. But until it has a clear picture of its own people, processes, and positioning, internal audits contribution — and, ultimately, its strategic value to the organization — can be significantly hampered. The internal audit functions that provide the greatest value to senior management will be those that have a clear picture of their own value — and a vision for rapidly increasing it.

According to the Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA Standards), periodic reviews should be performed through self-assessment or by other persons within the organization, with knowledge of internal auditing practices and the IIA Standards. In addition, an external assessment of its internal audit activity should be conducted at least once every five years by a qualified, independent reviewer or a review team from outside the organization.

### How KPMG can help

KPMG's Strategic Performance Review for Internal Audit (KSPRint) can help you build and affirm the strategic value of your internal audit function. Much more than the traditional transaction or process-oriented quality assurance review, KSPRint puts internal audits key success factors, its people, processes, and positioning, into meaningful business context. By providing a clear, in-depth, and strategic assessment of your internal audit function, KSPRint can help you:

- evaluate the value of internal audit to the business;
- identify gaps in the internal audit function and opportunities for improvement;

- align the internal audit function with the organizations business objectives;
- compare internal audit against sound industry practices; and
- create an action plan aimed at increasing internal audits value.

With K' SPRint, we undertake a review of internal audits people and processes, incorporating KPMG's experience and the Institute of Internal Auditors' internal audit standards. We also work closely with key stakeholders within the organization to create a dynamic, *quality*-based assessment of the internal audit function. Specifically, KSPRint focuses on internal audits three key success factors:

- **People** — Does internal audit have the right “people strategy” to achieve the objectives as defined by management?
- **Processes** — Are internal audits processes efficient, effective, and aligned with the organizations strategy?
- **Position** — Is internal audit viewed as a valued contributor to the business's strategy and performance?

Through its highly interactive approach and intuitive framework, KSPRint can help you answer these and other critical questions — in a powerful way.

KSPRint uses a structured, yet flexible, framework to gather, analyze, and graphically depict the results of the internal audit review. By comparing internal audits current state with the expectations of key stakeholders, collected through in-depth interviews, KSPRint's automated modeling system can identify critical performance and expectation-related gaps within the function. The results are illustrated in a series of charts, which, taken together, can provide a powerful picture of internal audits current and potential value.

### The benefits

An independent appraisal of the role and performance of the internal audit function will:

- help ensure that the internal audit function is contributing to maximize the value to the Audit Committee, management and the organization; and

- identify matters to be addressed so that the internal audit function is best placed to meet the future expectations of both the Audit Committee and management, and to provide a value added service to the organization.

### Why choose KPMG?

Working in multidisciplinary teams, our industry-trained professionals leverage technology, audit standards, and insights to help you rapidly evaluate and increase internal audits performance.

Importantly, we take a highly collaborative approach to the internal audit review. Whether we were working with your executive leadership or directly with your internal audit team, our goal is to provide the insight and strategic advice you need to enhance internal audits efficiency.

### Contact us

For more information on how KPMG can help your organization, please contact us at [mas@kpmg.com.hk](mailto:mas@kpmg.com.hk)

## Conceptual Framework of KSPRint

