

Connect › Support › Advance



2021-2023 STRATEGIC PLAN

Approved 14 October 2020

Strategic Plan Aims

Strategic planning is an organisational management activity that is used to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended outcomes/results, and assess and adjust the organisation's direction in response to a changing environment. It is a disciplined effort that produces fundamental decisions and actions that shape and guide what an organisation is, who it serves, what it does, and why it does it, with a focus on the future. Effective strategic planning articulates not only where an organisation is going and the actions needed to make progress, but how it will know if it is successful.

A strategic plan is a document used to communicate with the organisation the organisation's goals, the actions needed to achieve those goals and all the other critical elements developed during the planning exercise.

For the Board of IIA-Australia the key areas of focus are:

- 1. Member growth and services**
- 2. Building the profession of internal audit**
- 3. Building brand awareness**
- 4. Engaging effectively with strategic partners and stakeholders (to achieve 1, 2 & 3)**
- 5. Organizational sustainability**

Strategic Framework



Situation Awareness

External Environment

- Unstable geo-political environment with North Korea, Iran and the USA-China Trade War
- Governments across Australia are facing difficulties achieving genuine reform due to low majorities, vision limited to lengths of election terms, and non-cooperation between competing States
- Negative impacts of COVID-19 on short to medium term economic health and workforces
- Due to COVID-19, auditing remotely will become more the norm
- Digital and AI transformation is beginning to alter the way we work
- Traditional in-person activities are becoming obsolete as technology adoption increases

Situation Awareness

Internal Environment

- Membership is stable with little meaningful growth over recent years
- COVID-19 has adversely impacted all revenue streams in 2020, except membership, and uncertain forecasting is expected in 2021
- Reasonable financial position (\$1.09M in net assets as at 31 AUG 20)
- Reduced SOPAC 2021 revenues expected due to Brisbane location
- EQA revenue remains an important and growing financial contributor
- GradCertIA enrolments continue to see modest increases (in 2019 & 2020)
- Demand for on-line on-demand training is on the increase

SWOT Analysis

Strengths

- International affiliation with IIA-Global
- National focus (not Sydney centric) particularly with on-line Members' Meetings
- IIA brand has increasing credibility within the broader business community (with *Standards*, ethics, risk, governance, controls)
- Experienced leadership team
- Quality of volunteers
- Increasing access to influencers/stakeholders in business/government
- Effective governance structures in place
- Broad suite of training courses
- Retention rate ~ 88%

SWOT Analysis

Weaknesses

- Despite some mitigation, key person risk remains a vulnerability
- IIA-Global is North-American centric
- IA not a career choice for many
- Narrow membership universe
- Aging professional membership
- Name 'audit' has negative connotations
- Internal Audit – lack of understanding of what it is in the wider community
- Financial constraints (business model fragile)
- Too much focus on Third Line (concentration in this space)
- Penetration by IIA-Australia of the CAE community is low

SWOT Analysis

Opportunities

- Be open to merging with an organization representing the 2nd Line
- Engage more with CAEs of largest listed companies and support newly appointed CAEs
- Explore options for converting short-courses into micro-credentials
- Grow our suite of on-line, on-demand training courses
- Position IIA-Australia as a leadership hub in ACIIA
- Make on-line training attractive to affiliates across ACIIA
- Expand and leverage our digital eco-system
- Self-regulate the profession of internal auditing in Australia

SWOT Analysis

Threats

- Cyber-security threats/attacks
- Competition from IIA-Global's on-line on-demand training offerings
- Competitors - CEB (Gartner)
- Ease of access to online information (e.g. Google) weakens one part of IIA's value proposition
- Rotating CAEs means potential/actual loss of existing group memberships

Mission and Vision



Mission

To advance the profession and practice of internal auditing

Vision for the Profession

Internal audit professionals are sought after as trusted advisors to boards and executives

Vision for IIA-Australia in 2030

Internal audit is universally recognized as fundamental to good governance and the success of organizations in Australia

IIA-Australia will support this vision by:

- Defining and promoting a value proposition that links internal audit with good governance and organizational success
- Supporting our members and strengthening the profession through leadership, advocacy and professional development
- Broadening its membership from the majority of leading organizations across private and public sectors and for purpose entities
- Gaining key stakeholder recognition of the need for professional internal auditors, and the application of global professional Standards
- Managing operations in a sustainable manner, in accordance with the highest standards of governance and ethics

Guiding Principles

IIA-Australia must:

- focus on delivering value to members in everything we do
- represent the profession and promote its interests
- enhance the Internal Audit brand (raise awareness of the Profession and the importance it plays in governance, risk and controls)
- aim to operate in surplus
- leverage technology to gain operational efficiency, effectiveness and economy
- remain closely aligned to IIA-Global
- operate according to appropriate values, ethical standards and codes of conduct
- aim to have a majority of internal audit professionals (PMIIA) as members

Strategic Challenges

- The profession is relatively small and ill-defined making it difficult to create a critical mass of membership (~5K)
- We are competing with other professional bodies for members, in part due to the ill-defined nature of the IA profession
- There is no legislative or other mandate for our profession
- Pathways into the profession (including education) are ill-defined
- Internal audit is not necessarily a 'job for life' creating a transient profession (and membership)
- Internal audit is misunderstood by many in the community
- Ensure specified outputs are met within defined timeframes and resources
- Advanced technologies and agility are required more than ever to maintain value, relevance and support to members

Our Objectives

IIA-Australia will:

1. Grow membership by delivering an enhanced and relevant member experience (through member services)
2. Build the profession of internal audit (through education, training and insights)
3. Build brand awareness (through marketing and media campaigns)
4. Engage effectively with strategic partners and stakeholders (through advocacy) to achieve 1, 2 & 3 above
5. Ensure sustainability of the whole organization (by optimizing our technological, financial and people resources)

Our Strategies



1. Position IIA-Australia for a possible merger with an aligned institute (Obj 1)
2. Develop an Engagement Strategy for CAEs including support to newly appointed CAEs (Obj 1 & 2)
3. Continue the investment in on-line training and education (Obj 2)
4. Invest in the GradCertIA to ensure its content remains highly relevant to the profession (Obj 2)
5. Enhance and build the IA Brand Awareness Strategy to company directors (Obj 3)
6. Build a value added and collaborative working relationship with ACIIA through leadership, training, and shared learning initiatives (Obj 4)
7. Pursue self-regulation of the internal audit profession through the development and promotion of a Code of Conduct (Obj 4)
8. Expand and leverage our digital eco-system with APT Solutions' Stratum as the baseline product (Obj 5)

Performance Indicators

Goal 1: Grow membership by delivering and enhanced and relevant member experience (through member services)

- Year-on-year increase in the number of Associate and Professional Members of IIA-Australia
- Year-on-year increase in the overall level of member satisfaction as recorded in the Annual Beaton Consulting Member Benchmarking Survey

Goal 2: Build the profession of internal audit (through education, training and insights)

- Year-on-year increase in the number of graduates who complete the GradCertIA
- GradCertIA graduands rate the overall program 4.0 or better out of a maximum score of 5.0
- Year-on-year increase in the number of participants who attend public training courses through IIA-Australia
- Two new Whitepapers are released each year
- 10 new Fact Sheets are released per year

Performance Indicators - continued

Goal 3: Build brand awareness (through marketing and media campaigns)

- The release of Best Practice Guidance for Internal Audit in the Financial Services Industry generates media coverage and tangible support by APRA
- Year-on-year increase in the volume of references to internal audit on social media
- Regular promotion of internal auditing in *AICD's Company Director* magazine

Goal 4: Engage effectively with strategic partners and stakeholders (through advocacy) to achieve 1, 2 and 3 above

- Effective delivery of the IIA-Australia Advocacy and Stakeholder Relations Plan

Goal 5: Ensure sustainability of the whole organization (by optimizing our technological, financial and people resources)

- Progress with implementing IIA-Australia's Technology Plan
- Achievement of the annual budget
- Financial reserves are adequate, in the view of the Board, to meet the medium-to-long-term objectives of IIA-Australia

Performance Indicators - continued



- Investments in initiatives we are doing are positively impactful on members
- Annual average rating of all staff is 4.0 or higher out of a maximum score of 5.0 for alignment with IIA-Australia's Values and Teamwork, as measured by independent HR specialists Wentworth Advantage
- Annual staff retention rate is 75% or better