

2021 NORTH AMERICAN PULSE OF INTERNAL AUDIT

Many Sides of Crisis – Fact Sheet

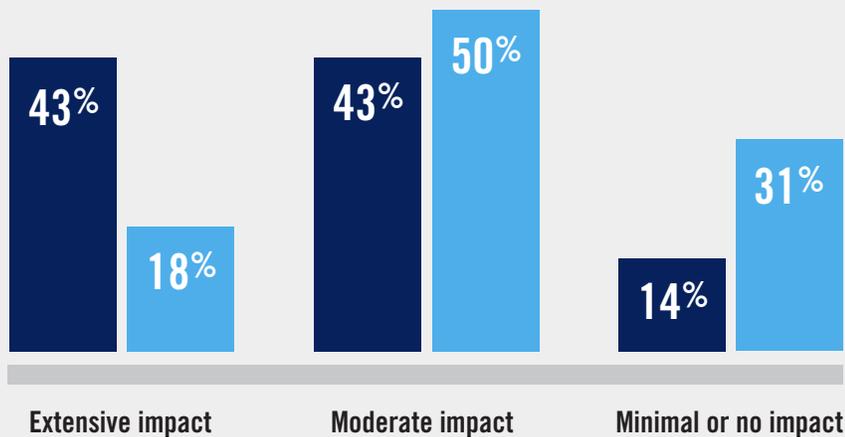


AUDIT EXECUTIVE CENTER



COVID-19's impact on every conceivable facet of human interaction elevated it to historic, world-changing status. Despite its clearly harmful effects on business and society, the pandemic also offered opportunities for many. *The 2021 North American Pulse of Internal Audit: Many Sides of Crisis* reflects that disparity in the opportunities the pandemic produced as well as the costs it extracted.

COVID-19 Impact on the Organization and Internal Audit



ORGANIZATION

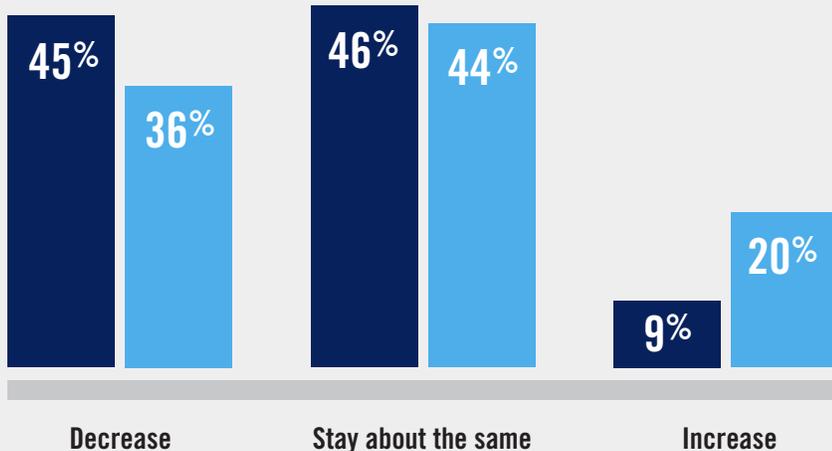
For the organization as a whole, 4 out of 10 CAEs said COVID-19 caused “extensive impact.”



INTERNAL AUDIT

Only 2 in 10 CAEs said internal audit has experienced “extensive impact” from COVID-19.

COVID-19 Impact on Internal Audit Budget



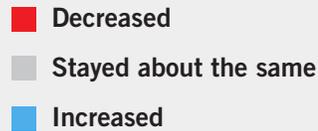
■ June 2020 expectation

■ November 2020 actual

STAFFING CHANGES

Internal Audit Budget Compared to Staff Change - Past 12 Months

OVERALL BUDGET



STAFF



Top 3 Reasons for Staff Decreasing

Budget cut	47%
Staff voluntarily resigned	17%
Layoff (not due to performance)	16%

Top 3 Reasons for Staff Increasing

Taking on more assurance responsibilities	41%
Adding to the skillset of my team	22%
Taking on more non-traditional audit work (e.g., ERM)	14%

RISK AND AUDIT PLANNING

Top 5 Highest Risks

1. Cybersecurity	65%
2. IT (not covered in other choices)	51%
3. Third-party relationships	41%
4. Compliance/regulatory (excluding ICFR)	41%
5. Operational	33%

Percentage who rated the audit area as "high" or "very high" risk.

Top 5 Audit Plan Allocation Areas

1. Financial reporting (including ICFR)	17%
2. Operational	15%
3. Compliance/regulatory (excluding ICFR)	14%
4. IT (not covered in other choices)	9%
5. Cybersecurity	8%

Percentage of the audit plan allocated to the audit area.

DOWNLOAD

the full report of *The IIA's 2021 Pulse of Internal Audit*

www.theiia.org/Pulse



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