

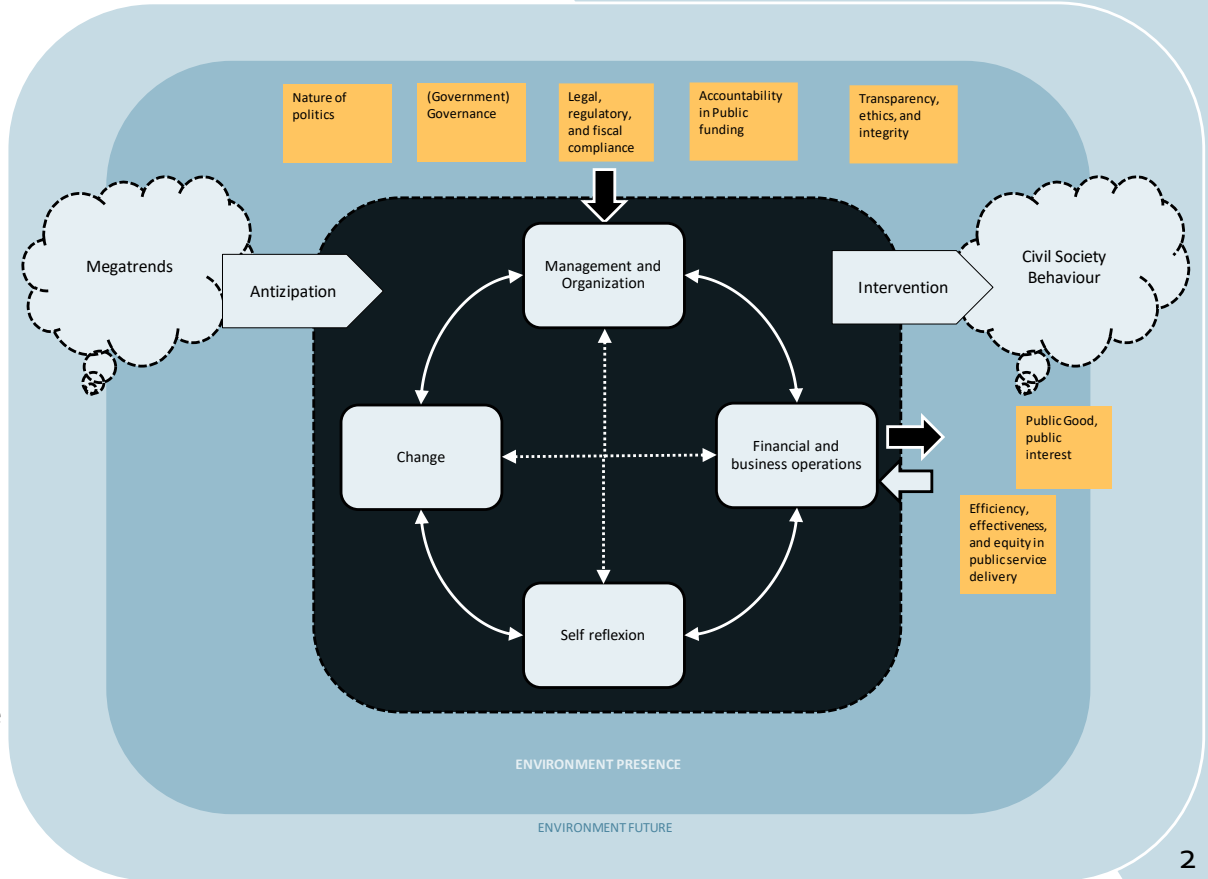
# Current Challenges in the Use of KPIs

Internal Audit Department of the  
Federal Ministry of Finance, Austria

Hannes Schuh  
Chief Audit Executive, June 2020

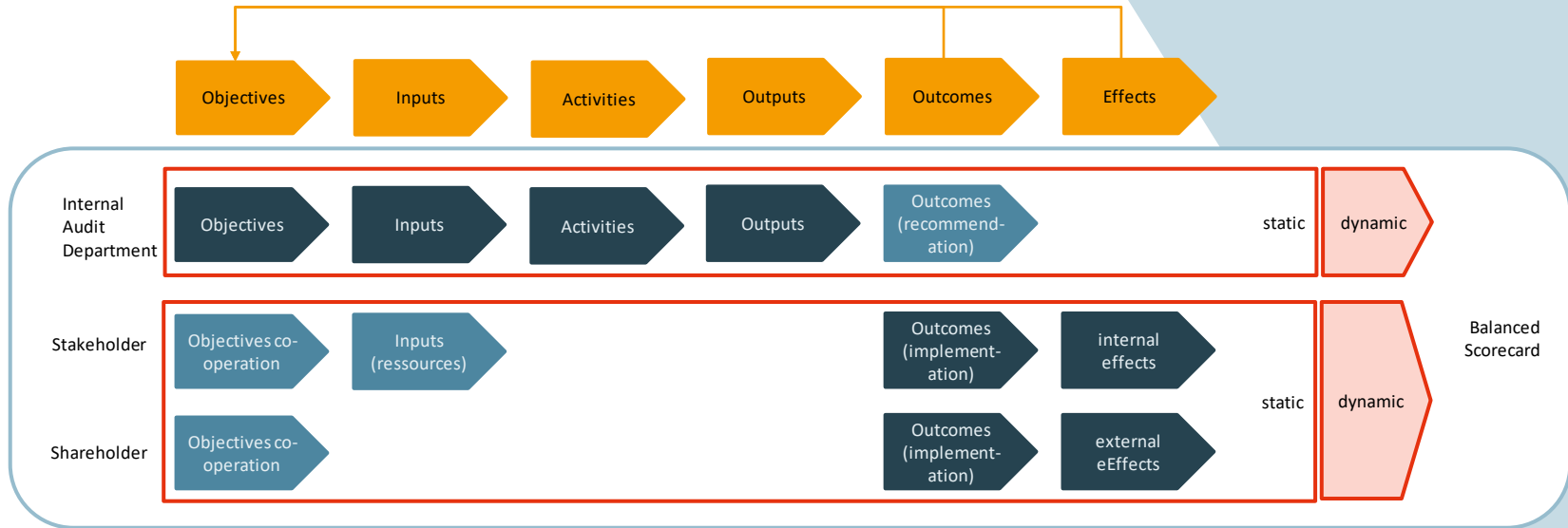


# Audit Universe



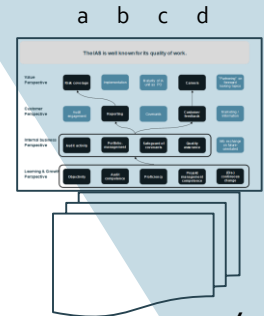
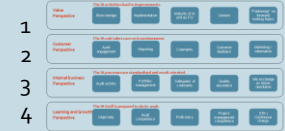
Disclosure:  
Environment areas (orange squares) are taken from IIA Global: Unique Aspects of the Internal Auditing In the Public Sector, 2020)

# Basis for KPIs of Internal Audit Department

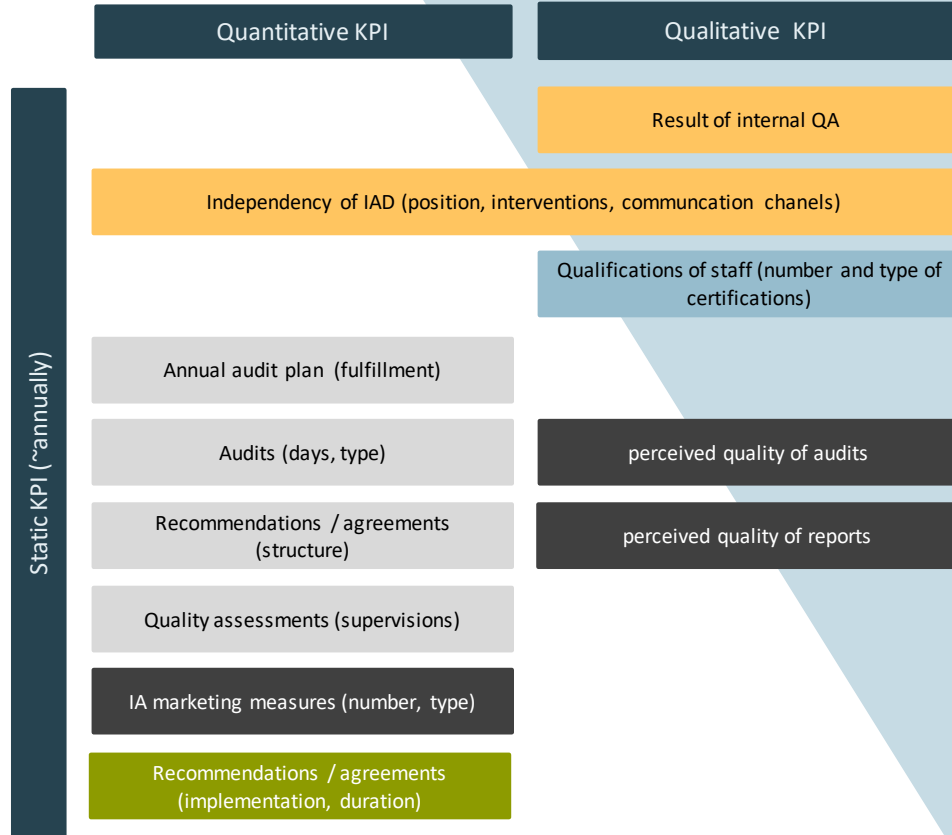
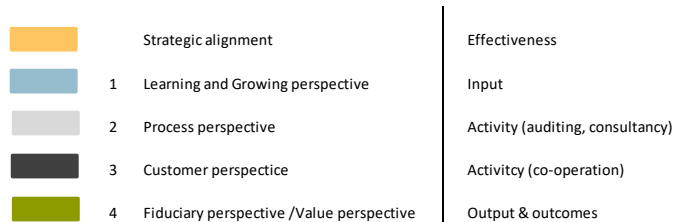


# BSC of Internal Audit Department of Ministry of Finance

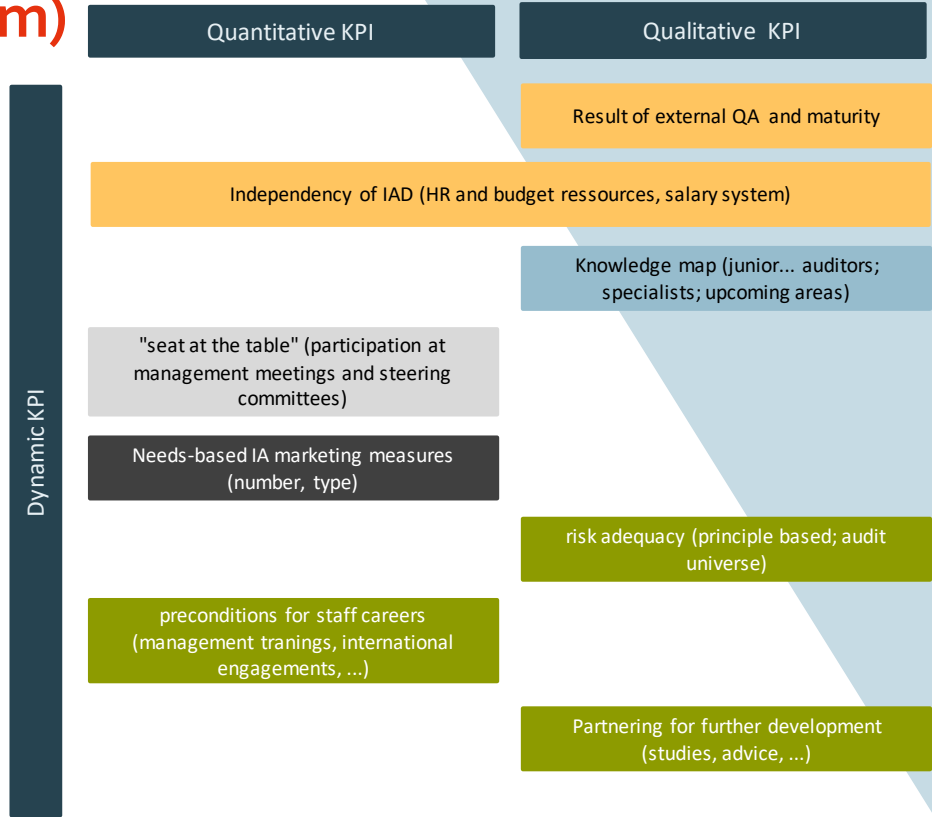
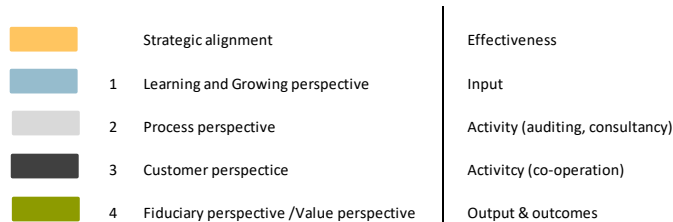
- Strategic perspectives
  1. IAD Staff is prepared to do its work
  2. IAD processes are standardised and result oriented
  3. IAD takes care on its environments
  4. IAD activities lead to improvements
- Strategic goals
  - a. IAD creates value added for its public administration
  - b. IAD cooperates with management for the “fit for future” of the public administration
  - c. IAD is well known for its quality of work
  - d. IAD improves its maturity



# KPIs, static (~ annually)



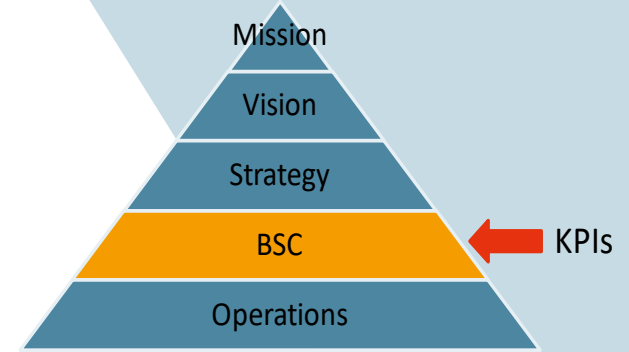
# KPIs, dynamic (~mid term)



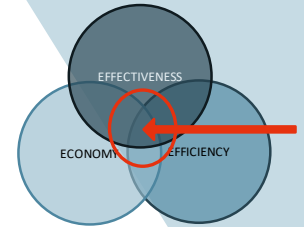
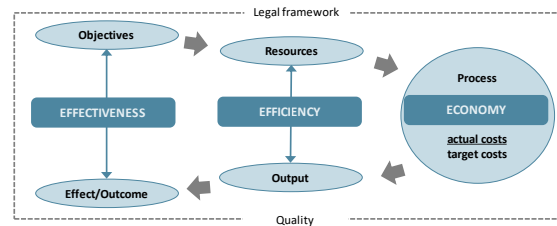
## Q&A

What are the most important or key elements of the performance of internal auditors that should be measured?

What is the range of data that may be available to measure these key elements IA performance?



What are the main differences between indicators of the economy, efficiency and effectiveness of IA work?



## Q&A

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How reliable is the data used to generate Performance Indicators? Can the data be manipulated to present the performance of IA units in the most favourable light?

How can Internal Auditors best capture data on the level of client satisfaction with the results of IA examinations? How relevant are the views of IA clients?

How many indicators are needed to provide an accurate and balanced summary of the effectiveness of an IA Unit?

Data of a single parameter always can be manipulated (directly or indirectly), but not the whole picture (= mixture of quantitative & qualitative data + annual and mid-term data + internal & external data, data with regard to different strategic aspects, etc.)

Feedbacks (different types) – very important

Only 2 !

- Result of external quality assessment
- Grade of maturity



## Current (KPI-)Challenges

- QUALITY always is a challenge
- Resilience
- Agility
- Continuous auditing
- Consultancy
- Cooperation / networking with other IADs
  - actually regarding disaster management