

# PRESIDENT'S MESSAGE

## CULTURE MATTERS

February 2018



In the coming weeks, the Lunar New Year season will bring many celebrations among families and friends. And in modern Singapore, the different races among our people enjoy the celebration together – it is **our culture**, and a successful one, at that.



A **healthy culture** keeps an organisation alive and well, and it influences how it operates - from the highest-level strategic thinking and priorities to everyday behaviour, decisions and actions.

The **cornerstone of a good corporate culture** is a set of clearly defined organisation's values that is instilled and practised throughout the organisation. Some core values are...

INTEGRITY    TRANSPARENCY    ACCOUNTABILITY  
COURAGE    HONESTY    SUSTAINABILITY

A **values-led corporate culture** stands to gain the trust of its employees and its stakeholders, including its customers and vendors. It positions the organisation for long-term growth, reinforced by common values and interests at every level.

### Major Corporate Failures have been attributed to



Unhealthy cultures and value systems that support

- ✘ The promotion of self-interests
- ✘ Irresponsible management behaviour
- ✘ Misaligned strategies

### The 3 Lines of Defence Model of Managing Culture Risks



1. Management sets the tone at the top and the appropriate structure and policies. ✓
2. Management provides oversight and establish monitoring functions. ✓
3. Internal audit provides an independent assessment of corporate culture. ✓

**Internal auditors have to consider culture in every audit as it is a key contributor to corporate performance - both positive and negative.**

As we usher the Year of the Dog, let us all *“paws”* for a moment and align the qualities of our loyal, courageous and reliable canine with the role of Internal Audit, to guarantee a *“paw-sitive”* outcome!



Yours sincerely  
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