PSIA
CONFERENCE 2017
PUBLIC SECTOR INTERNAL AUDIT

RISING TO THE CHALLENGES OF THE FUTURE
VENUE MARINA BAY SANDS, SANDS EXPO & CONVENTION CENTRE
DATE 20 - 21 APRIL 2017 **TIME** 9.00 AM - 5.30 PM **CPE HOURS** 16

PSIA 2017 Conference Panel Discussions - Key Takeaways

On the 20 and 21 April, IIA Singapore hosted close to 250 delegates and guests at the 5th PSIA Conference with the theme "Rising to the Challenges of the Future". In addition to the various plenary sessions, two panel discussions formed part of the program with the topics "Challenges of Digital Governance in the Public Sector" and "Internal Audit Rising to the Challenges of the Future". Through the animated discussions by the panellists on the respective topics, some of the key takeaways are detailed below:

- *IA to be at the forefront* - With digitisation being the process of conversion of information from the form of object, image, document to the digital format; the use of digital technologies changes business models, generates both opportunities and risks. With the adoption of digitisation, for the public sector that is increasingly providing e-services, the new processes will generate new risks, and require new governance structure including system of internal controls. IA needs to be at the forefront. It needs to be proactively involved in discussions of the organisation's new initiatives and be involved at early stages of key projects. It was shared by various panellists that it is important for IA to be in management meetings, to be kept updated and also to contribute in giving their input on issues of risks and controls. For the rapidly emerging risks areas like cybersecurity and privacy, IA can help the organisation understand the risks, help them to frame how controls can be put in place. IA can play a role in helping organisations determine the effectiveness of the digital projects that have been undertaken and also if the set objectives were met. The IA activity must assess the digital governance of the organisation to support the organisation's strategies and objectives. Digital governance is the framework for establishing accountability, roles and decision making authority for an organisation's digital presence. The digital governance will not only involve cyber, security and privacy, it would also involve process and people. It was highlighted in the panel discussion that the three lines of defence should act as the three pillars of defence. With continuous auditing, IA can provide assurance in a continuous manner. Thus, collectively with operational management, risk management and compliance functions, IA could form the three pillars of defence.

- *IA to upskill* - With digitisation, there would be high volume of data being generated. IA need to work closely with operations on the data policy on the collection, protection, disposal of data. Examples of data are those captured by sensors from the SMART nation platform and complaints data received by public agencies. Internal audit

need to upskill itself to adopt technology in the form of tools like data analytics and continuous auditing. IA needs to continuous learn and upskill.

- ***Mindset of IA*** - Internal audit need to develop the mindset of being inquisitive and wanting to understand the strategic objectives, strategic initiatives and the resources put into the initiatives. They have to be courageous and on occasion challenge the status quo (diplomatically). They need to ask questions, to learn, and to relook at the traditional way of doing things to see how value can be added to the stakeholders especially with the rapid changes that are taking place and the new risks that have emerged. In the environment that is increasingly volatile, uncertain and complex, to rise to the challenges of the future, IA can diligently work towards some of the relevant Core Principles, to "align with the strategies, objectives, and risks of the organisation", and aim to be "insightful, proactive, and future-focused".

It was acknowledged by a panellist that public sector internal auditors are doing a job that is often times difficult. Through the conference, IIA Singapore hope that the delegate can ponder on some of the takeaways and ascertain if they can be applied in their organisation.

IIA Singapore is thankful to the panellists/moderators:

> *Tan Shong Ye, Partner, Cyber Risk Management, PWC Singapore*
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> *Uantchern Loh, Governor, IIA Singapore & CEO, Asia Pacific Black Sun*
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> *Jessica Tan, Chairman of Public Accounts Committee*
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> *Keith Kawashima, MD, Protiviti*
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> *Nagaraj Sivaram, AC Chairman, Urban Redevelopment Authority*
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> *Jacqueline Liau, Director, IA, Land Transport Authority*
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> *Debbie Goh, SVP, Group IA, Frasers & Neave Group*
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> *Jonathan Ho, Governor, IIA Singapore & Partner, Risk Consulting, KPMG Singapore*
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> *Tom McLeod, Managing Consultant, McLeod Consulting*
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> *Jimmy Ng, MD, Head of Group Audit, DBS Bank*
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> *Bruce Turner AM, Chair, IIA Australia Audit & Risk Committee.*