DEVELOPING PROFESSIONAL COMPETENCE: CONSIDERATIONS AND STRATEGIES

WITS UNIVERSITY

Nosheena Mansoor

Student Number 966683

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University of the Witwatersrand

Supervisor: Dr Presha Ramsarup

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Nosheena Mansoor

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A research report is compiled and submitted to the Wits School of Education, Faculty of Humanities, University of the Witwatersrand in partial fulfilment of the requirements for the degree of Master of Education through a combination of coursework and research, Johannesburg, September 2020.

Nosheena Mansoor
Student # 966683

ABSTRACT

Developing professionals who are respected and acknowledged for their expertise or professional competence from a social, political and economic perspective is a complex matter. This study has been conducted within the context of the internal audit occupation in South Africa in order to determine the following: i) Competency requirements for the effective practice of internal audit in South Africa, and ii) Possible opportunity for the development of a standardised competency framework which could be utilised to improve professional competence within a profession which does not require practitioners to undertake occupation specific education.

Despite attempting to improve professional competence by utilising various resources and programmes, the internal audit occupation in South Africa is still plagued by low levels of competence amongst practitioners (Plant, 2016). The use of standardised competency models to develop professional competence in professions with no educational or legal requirements to practice is not commonly studied, and as such, availability of literature regarding professional development considerations for these types of occupations is rare.

Utilising a qualitative research approach, focus groups and interviews were selected as methods for data collection. This study provides insights into the possible experiences and challenges role players and stakeholders of professions may experience when competency standards are not standardised or formalised. Additionally, this study finds that the use of a standardised competency to develop professional competence of internal auditors in South Africa may be valuable, even in absence of formal educational and legal requirements to practice.

KEYWORDS

Competency model	Expertise	Internal Audit
Occupation	Profession	Professional Competence
	Standardisation	

DECLARATION

I declare that this research report is my own original work. Where I have used the works of someone else (printed sources, from the internet, as well as other sources) due acknowledgement has been given and reference has been made to the works as per the requirements of the university.

This research report was compiled and is being submitted for the degree of Master of Education at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other University.

The referencing method utilised for this dissertation is based on the APA 6th Edition method. As recommended, the following have been applied:

i. Table labels are placed above the table with only the table title italicised.
ii. Figure labels are placed below figures with only figure titles italicised.
iii. Numbers from one to nine are spelt out, but numerals have been used for 10 and above.
iv. Numerals have been used for percentages and all tables.

For the purposes of this paper, the use of the words "practise" and "practice" have been utilised to conform to the United Kingdom distinction of "practise" as verb and "practice" as noun. However, when referring to documentation and literature from the United States of America, the American use of "practice" is retained.

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LIST OF ACRONYMS

AQP	Assessment Quality Partner
CBOK	Common Body of Knowledge for the Practice of Internal Auditing
CCSA	Certification in Control Self-Assessment
Cert: GIA	Certificate: General Internal Auditing
CFSA	Certified Financial Services Auditor
CGAP	Certified Government Auditing Professional
CIA	Certified Internal Auditor
CIIA	Chartered Institute of Internal Auditors (United Kingdom and Ireland)
CRMA	Certification in Risk Management Assurance
Dip: TIA	Diploma: Technician: Internal Auditing
DQP	Development Quality Partner
FOUNDATION	Internal Audit Foundation
FRAMEWORK	IIA Global Internal Audit Competency Framework (only when making reference to the Framework developed by IIA Inc.)
HEQF	Higher Education Qualifications Framework
HEQSF	Higher Education Qualifications Sub-Framework
IA	Internal Audit
IAs	Internal Auditors
IAA	Internal Audit Activity
IAF	Internal Audit Function
IIA Inc.	The Institute of Internal Auditors Global
IIA AUS	The Institute of Internal Auditors Australia
IIA NA	The Institute of Internal Auditors North America
IIA SA	The Institute of Internal Auditors South Africa
IPPF	International Professional Practice Framework
IQA	Interactive Qualitative Analysis
MFMA	Municipal Financial Management Act
NQF	National Qualifications Framework
OFO	Organising Framework for Occupations
OQ: IA	Advanced Occupational Diploma: Internal Auditor
OQ: IAM	Specialised Occupational Diploma: Internal Audit Manager
PFMA	Public Financial Management Act
QAP	Quality Assurance Partner
QCTO	Quality Council for Trades and Occupations
QIAL	Qualification in Internal Audit Leadership
RBIA	Risk Based Internal Audit
SAQA	The South African Qualifications Authority
STANDARDS	International Standards for the Professional Practice of Internal Auditing (only when making reference to the Standards developed by IIA Inc.)

CHAPTER ONE: INTRODUCTION

Background and Context

Kotzee (2014) declares that expertise is a central idea within the sphere of professional education. Evers and Heijden (2017) discuss the skills and qualities required for effective practice in the workplace, and use the terms *competence* and *professional expertise* interchangeably. As such, it can be deduced that expertise, or competence is a central tenet of professional teaching and learning. Freidson (2001) corroborates this assertion indicating that an acceptable sociology of knowledge must recognise that all work assumes the presence of embedded knowledge, or in other words, expertise. The determinants of what and how knowledge can be applied is dependent on the organisation of practice at a social and economic level (Kotzee, 2014). Freidson (2001) largely posits that the origins of knowledge play a fundamental role in determining the status of an occupation in complex political economies. In order to substantiate this claim, Freidson (2001, p. 154) explains that specific tasks of an occupation, as well as standard "requirements for the performance of the tasks it claims as its own, have a fundamental impact on its success in gaining the complete political, economic and social acknowledgement and support needed for establishing professionalism." Conversely, Schön (1987) does not consider the epistemology of knowledge but instead focuses on professional practices in relation to how individuals develop skill, and what characterises the skill of a practitioner.

When considering the positions of Freidson (2001), Kotzee (2014) and Schön (1987) it becomes apparent that developing professionals who are respected and acknowledged for their expertise from a social, political and economic perspective is a complex matter. Additionally, Evers and Heijden (2017), Karseth and Nerland (2007), Mulder (2014), and Nerland and Karseth (2015) argue that developing professional competence or expertise must consider market dynamics and the context of the profession or occupation in question. For the purposes of this study, the above arguments have been considered within the context of the professional development landscape of the internal auditing occupation in South Africa. In South Africa, the Organising Framework for Occupations (OFO) is used as an occupational classification system (MICT SETA, 2020). With regard to the internal auditing profession, the OFO makes reference to two occupations i.e. internal auditor and internal audit manager. For the purposes of this study, the profession or occupation will be referred to as internal audit, or internal auditing.

Cumulatively the literature on internal audit and internal audit education highlights the substantial increase in demand for the effective and competent practice of internal audit in recent times, as well as the deficiencies in the education of internal audit graduates (EWN & Reuters, 2017; Fourie, 2014; Hassall, Dunlop, & Lewis, 1996; Ikutu Research Team, 2010; Ikutu Research Team, 2014; McCartney, Marden, & Adair, 2002; PWC, 2017). Collectively, Fourie (2014) and Plant (2016) note the following challenges being experienced by the internal audit occupation in relation to professional development:

i. Expectation gaps between what early career internal auditors are able to deliver, versus expectations from the profession, and the market.
ii. In some instances, academic graduates are not meeting the needs of employers.
iii. Uncertainty about why programmes other than the professional training programmes developed by the Institute of Internal Auditors South Africa (IIA SA) are being used.
iv. There is no documented information or research regarding the effectiveness of the IIA SA's professional programmes, or the in-house training programmes used by employers.
v. Lack of guidance from the IIA SA, as well as IIA bodies in general, concerning the professional development of internal auditors, especially those at an early stage of their careers.

The IIA SA hosts a Leaders Forum, attended by senior internal audit practitioners in South Africa. During the 2012 Leaders Forum, deliberations regarding the competence of internal auditors in South Africa were undertaken. In particular, the concern was that internal auditors are not all equally competent (i.e. not able to practice effectively), and in some cases, are not perceived to be competent by the stakeholders of internal audit. Included in the deliberations were concerns around the ability of the Certified Internal Auditor (CIA) certification being adequate to meet the needs of the internal auditing occupation in South Africa. The CIA is an international certification which is offered globally. In a study conducted by Coetzee, Erasmus, and Plant (2015, p. 13), it was noted that using a "global professional assessment to assess the level of competence required in specific countries could be inadequate." In more recent times, the increasing rate of corruption and corporate scandals has resulted in the questioning of professional competence of practitioners within the internal auditor occupation in South Africa (PWC, 2017; Ikutu Research Team, 2014; EWN & Reuters, 2017).

The Institute of Internal Auditors Global (IIA Inc.) defines internal auditing as follows:

> An independent and objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. (IIA Inc., 2017a, para. 1)

Based on the definition above, it can be deduced that internal audit is becoming a more strategic, value-add, management function. Plant and Steyn (2010) have noted that although some Internal Audit Activities (IAAs) have achieved a relatively high status, skilled internal auditors in South Africa are still in high demand. In light of the recent events in South Africa in relation to corruption and state capture (EWN Journalists, 2017; EWN & Reuters, 2017), it is anticipated that there will be mounting pressure from society to work toward reducing fraud, corruption, maladministration and incompetence (Van Staden & Barac, 2014). These factors are all indicative of the importance of having a clear understanding of the professional development landscape and needs of the internal auditing occupation in South Africa. Van Staden and Barac (2014) corroborate this by stating that corporate governance codes and reports in South Africa are increasingly highlighting the significance of internal auditing in realising organisational strategy and achieving business success. PWC (2017) support Van Staden and Barac (2014) by noting that having the right talent is vital to the internal audit occupation's value contribution. Mathur (2012, p. 452) asserts that "attracting and nurturing the right talent can effectively assist to retain the right talent." In the context of professional development, the standpoint of Mathur (2012), noted previously, could mean that professions which do not implement effective professional development practices run the risk of declining levels of expertise, and numbers of professionals who meet societal, economic and political demands and needs.

It is evident that while the demands being placed on the practitioners are increasing, the internal audit occupation in South Africa may be failing to meet expectations in practice. There is currently no shortage of internal audit qualifications (academic and professional) or certifications in South Africa (Fourie, 2014). This means that a lack of available education and development programmes cannot be the reason for the challenges being experienced with professional competence of internal auditors in the country. Which leads to the question, why haven't these qualifications and certifications capacitated internal auditors to meet stakeholder expectations? Could the variety of available qualifications and certifications point to a lack of standardisation or common framework, which is impacting the development of professional competence of internal auditors in South Africa?

Problem Statement

Due to increased acknowledgement of the role of internal auditors by the market, the overall internal audit occupation has matured into a function that attends to more comprehensive management-focussed service (iKutu Research Team, 2010). This view presented by iKutu Research Team (2010) is corroborated by Hassall et al. (1996) who argue that due to substantial internal and external forces, professions must now deal with transformation on a constant basis at a swift pace. Evetts (2003, p. 9) notes that "professions are responding to external demands for change, which can be political, economic, cultural and social." These external forces and demands have resulted in an emphasis on the need for developing competent and professional internal auditors (Plant, Barac, & De Jager, 2017). Plant et al. (2017, p. 2) confirm that this "changing profile of the internal audit occupation has resulted in increased competency expectations from the industry." With regard to expertise, or competence in general, Evers and Heijden (2017, p. 8) reason that "there is an ever-increasing need for expertise development." Studies related to the internal audit occupation (Fourie, Staden, Plant, & Coetzee, 2013; Hassall et al., 1996; iKutu Research Team, 2010; Plant et al., 2017; Sheol, Sarkis, & Lefley, 2011) have revealed that regardless of expectations from the market, the contributions and effectiveness of the profession is directly impacted by the competencies of the individual internal auditors. However, the specific competency requirements for the effective practice of internal auditing in South Africa remain unclear.

Freidson (2001) emphasises the broader work environment (the profession within which professionals practice) as the root of any form of specialised knowledge and skill. Schön (2001) acknowledges this point but argues that in order for professionalism to be established, there must be official acknowledgement and support from a social and political perspective. Additionally, while Freidson (2001) does not delve into the importance of social and political support, he does note that in certain instances, acknowledgement or support from outside the profession is a result of the problematic or precarious circumstances that could possibly be addressed by a specific discipline. Schön (2001) states that although there is great dependency on professionals in terms of societal operations, the confidence in professionals is quickly approaching a point of crisis. Evers and Heijden (2017, p. 2) argue that “confidence in professional people is based to a great extent on the assumption that these people know what is best in terms of their own profession and that it is in outsiders’ best interests to accept their opinion.” Public doubt in the ethical practices and proficiency of professionals has stemmed from various events and developments over the last decade (Schön, 2001). “There is a crisis of confidence in professional knowledge which is due to matters as wide ranging as scandals and the unintended consequences of new technologies …” (Schön as cited in Kotzee, 2014, p. 165). “At the root of these scandals is a questioning of the basis of professional knowledge and competence” (Schön as cited in Kotzee, 2014, p. 165). Schön (2001) asserts that even professionals themselves have revealed a loss of confidence in professional knowledge. This statement by Schön (2001) substantiates the argument put forth by various authors that although internal auditors must deal with overwhelming complexities their competence and abilities are increasingly questioned (Hassall et al., 1996; iKutu Research Team, 2010; Plant & Steyn, 2010). In a public sector study, the iKutu Research Team (2014) found that the level of internal auditor competence is the hindering factor in Internal Audit Activities (IAAs) taking their rightful place as governance partners. Schön (2001) stresses that various factors have contributed to the uncertainty in the adequacy of professional knowledge.

When reviewing the observations and findings noted in the studies regarding professional development and professional competence of internal auditors (Fourie, Staden, Plant, & Coetzee, 2013; Hassall et al., 1996; iKutu Research Team, 2010; Plant et al., 2017; Sheol et al., 2011) in relation to literature related to professions, professional competence and professional knowledge, skills and expertise (Freidson, 2001; Evers and Heijden, 2017; Evetts, 2003; Karseth and Nerland, 2007; Nerland and Karseth, 2015; Schön, 1987; and Schön, 2001), it is evident that professional development is being considered from differing viewpoints. Within internal audit related research, the observations emphasise individual competence, while the literature on professions and professional competence tends to emphasise the broader social and economic conditions.

Taking into account the professional competence of the individual, as well as various forces at play, this research study aims to determine what the competency requirements are for the effective practice of internal audit in South Africa. Additionally, this study aims to determine if there is an opportunity for the development of a standardised competency framework which could be utilised as a mechanism in competency development initiatives by a profession that is not regulated by the state.

In order to gain practical insights, this study will be conducted within the context of the professional development landscape of the internal audit occupation in the country.

Importance and Significance of the Research

In recent times, the internal audit occupation has experienced numerous changes resulting in a greater need for effective and competent internal auditors (Coetzee et al., 2015; Hassall et al., 1996; McCartney et al., 2002; Ojha, 2012). Chaiwong (2012) cites knowledge, skill and human relations as one group of factors which have a fundamental impact on the success of internal audit performance. The current rate of corruption, misconduct and negligence is bringing the occupation and the competence of internal auditors into the spotlight (PWC, 2017; Ikutu Research Team, 2014; EWN & Reuters, 2017). Additionally, Fourie (2014) found that the capabilities of internal auditors in the market (specifically graduates) did not meet the expectation in the market. Research conducted by Plant (2016) found that there is a need for a competency framework that guides professional development in the internal audit occupation in South Africa.

The researcher is employed by the IIA SA as the Department Head: Professional Development Pathways. The IIA SA is the only South African Qualifications Authority (SAQA) recognised professional body that solely represents the internal audit occupation in the country. The IIA SA is a voluntary professional body. This means that membership of the IIA SA is voluntary, and membership, requirements to practice internal audit, and activities of the internal auditors are not regulated by legislation.

One of the primary responsibilities of the researcher's role as an employee of the IIA SA is to develop and implement initiatives that will increase the pool of competent internal auditors within South Africa. As part of this responsibility, the researcher has encouraged and engaged in discourse related to the competent practice of internal audit.

The following concerns have been highlighted:

i. There may not be a shortage of internal auditors in South Africa, but there is a critical need for competent practitioners within the internal audit occupation i.e. not all internal auditors are able to practice internal audit competently.

ii. There is no shortage of qualifications, programmes and certifications that aim to develop the internal audit competence, but there appears to be little to no alignment between these qualifications, programmes and certifications. This means that depending on the qualification, programme or certification undertaken for development purposes, internal auditors may, or may not meet competency levels required in practice - limited research has been conducted regarding potential misalignments.

iii. There is a general sense that neither the FRAMEWORK (IIA Global Internal Audit Competency Framework) (IIA Inc., 2020a) (see discussion in Chapter Four) developed by the IIA Inc., nor the Common Body of Knowledge for the Practice of Internal Auditing (CBOK) (IIA Inc., 2020b) developed by the Internal Audit Foundation (FOUNDATION) in 2013 and 2015 respectively, have considered the nuanced context of South Africa, and as such do not fully meet the developmental needs of the South African internal auditor.

iv. Other institutes within the IIA Inc. network, such as the IIA SA, IIA Australia (IIA AUS) and the Chartered Institute of Internal Auditors (CIIA) have developed programmes or qualifications, or both, outside of the IIA Inc. offerings. These programmes were needed to meet the developmental requirements of internal auditors in their respective countries. The development of country specific training programmes alludes to a need for professions to consider different contexts and socio-economic conditions.

v. While the IIA SA has developed professional qualifications that are registered on the National Qualifications Framework (NQF) in South Africa, organisations are still spending vast sums of money on their in-house training programmes. Additionally, these organisations rely heavily on their in-house programmes for the development of internal auditor competence. There appears to have been no research in relation to why this preference for in-house programmes over the nationally registered qualifications exists.

vi. There are various institutions and organisations (including the IIA SA) developing and implementing professional development initiatives aimed at developing professional competence of internal auditors within South Africa. There is currently no evidence to suggest that these initiatives are being conducted in a manner which considers, incorporates, and meets the needs of the broader profession and the South African market.

The above concerns have also been confirmed in studies by Fourie (2014), Plant, (2016), Plant and Steyn (2010) and PWC (2017). The current discourse within the internal audit occupation in South Africa outlines the poor quality of internal auditor competence in the country. The IIA SA, as part of its responsibility as a SAQA recognised professional body, seeks to build internal audit as a profession in South Africa, in part by contributing to the development of competent and effective internal auditors. This role of the IIA SA is well aligned to the "knowledge development and knowledge regulation" activities highlighted by Nerland and Karseth (2015, p. 4) as integral to the role of professional associations.

Based on the internal audit studies regarding professional development, and professional competence of internal auditors (Fourie, Staden, Plant, & Coetzee, 2013; Hassall et al., 1996; iKutu Research Team, 2010; Plant et al., 2017; Sheol et al., 2011), as well as literature related to professions, professional competence and professional knowledge, skills and expertise (Freidson, 2001; Evers and Heijden, 2017; Evetts, 2003; Karseth and Nerland, 2007; Nerland and Karseth, 2015; Schön, 1987; and Schön, 2001), it is evident that the development of professional competence needs to consider both viewpoints. The objective of this research study aims to determine what the competency requirements are for the effective practice of internal audit in South Africa. Additionally, this study aims to determine if there is an opportunity for the development of a standardised competency framework which could be utilised to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice. It is hoped that this research will yield tangible results which will contribute to the professional development and professional competence discourse and research agendas. Additionally, it is hoped that this study will provide useful insights that can be used to inform professional competence development initiatives employed in practice.

In order to achieve the objectives of this study, the following research questions were utilised:

i. What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?
ii. Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?
iii. What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?
iv. What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?

Cumulatively the literature on internal audit highlights the substantial increase in demand for the effective and competent practice of internal audit in recent times (EWN & Reuters, 2017; iKutu Research Team, 2010; iKutu Research Team, 2014; McCartney et al., 2002; PWC, 2017). It is also evident that practitioners in the field of internal audit find that there are deficiencies in the education and training of internal audit graduates (Fourie, 2014; Hassall et al., 1996; McCartney et al., 2002). These assertions are indicative of a desperate need to close the gap between current levels of internal auditor competence and that required for professional practice of internal audit in South Africa. As noted previously, and detailed in Chapter 4, there are various guiding frameworks and standards, as well as education and training initiatives in place to develop professional competence of internal auditors in South Africa. It could be that the variety of available mechanisms as well as the variances in the approach employed could be contributing to the low level of competence noted. Determining if the lack of a standardised competency framework has played a role in creating competency deficiencies, could potentially assist internal audit stakeholders in South Africa to find a solution to the internal audit competency challenges currently plaguing the profession in the country.

CHAPTER TWO: LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

Professions, Professionalism and Occupations

Freidson (2001, p. 23) notes that professionalism is primarily established through specific institutional criteria which authorise individuals within an occupation to perform work in order to earn an income. “A different way of categorizing these occupations is to see professions as the structural, occupational and institutional arrangements for dealing with work associated with the uncertainties of modern lives in risk societies” (Evetts, 2003, p. 397). The establishment of institutional criteria also allows institutions to control the work of their members (Freidson, 2001). This “authorisation” is viewed as a privilege that cannot exist without the assumption that there is a significant difference in the work they are required to undertake in comparison to the work performed by those in other occupations (Freidson, 2001). Freidson (2001, p. 24) posits that two broad aspects reinforce professionalism: 1) confidence that individuals with specific education and experience are able to perform work that is so specialised that it is difficult to perform by those without the same background, and 2) the conviction that this type of work cannot be standardised. Kotzee (2014) corroborates the first aspect by proposing that professionals are those individuals who perform relatively specialised activities. This confidence, sense of intrinsic value and specialisations are key aspects of professional work. They underpin the social and economic prestige of professions. Hughes (1958) and Crompton (1990) (as cited in Evetts, 2003, p. 397) argue that it “no longer seems important to draw a hard definitional line between professions and other occupations but, instead, to regard both as similar social forms which share many common characteristics.” In this study the terms *profession* and *occupation* are used interchangeably.

Knowledge, Skill and Expertise in the Professional Context

From the various literature, it is evident that knowledge and skill complement each other and are both essential to complete work (Freidson, 1988; Green, 2011; Kotzee, 2014; Markowitsch & Plaimauer, 2009; Schön, 1987; Winch, 2010). Although they may complement each other, in this study a distinction is made between the two.

Attewell (as cited in Freidson, 2001, p. 30) asserts that the central components, of all definitions of skill, is the notion of proficiency and the capacity to do something well. Green (2011) suggests that skill is an individual quality with three key features: 1) the use of skill for producing value; 2) training and development to enhance skills; and 3) skills are socially determined. The colloquial use of the word *skill* usually refers to both intellectual and physical aptitude. Freidson (2001, p. 29) notes that "skill may be reserved to reference the ability to achieve a task which may be kept distinct from the fundamental knowledge related to the job itself, this idiomatic use of the term is somewhat correct." Freidson (2001) explains that skill is a type of knowledge used to determine how to apply substantive knowledge. From this, it can be deduced that in order to resolve an intangible issue, an individual must have a deep understanding of the body of knowledge required to approach a problem.

According to Freidson (2001, p. 30) "some of the skills required for applying knowledge to the performance of a task are formal in character, codified in texts, or otherwise described clearly and systematically in the course of training for work." An example here could be the need to apply critical thinking while conducting a fact finding interview. In this example, an individual would need to apply his/her mind in order to formulate a judgement based on existing knowledge, while considering the interviewee's responses. There are, however, some skills required to perform a task that are considered to be tacit in nature and do not take any formal form. Freidson (2001, p. 31) clarifies this argument by indicating that "certain skills cannot be codified or described; they must be acquired through practise." Ryan (as cited in Freidson, 2001, p. 31) explains that this "manual dexterity" can only be fully enhanced with comprehensive and lengthy practise and experience. From these observations, it can be understood that skilled intellectual practice can be substantially complex, and must be practised in order to achieve proficiency. Kotzee (2014) opposes the models put forth by Dreyfus and Schön (as cited in Kotzee, 2014, p. 166) which place great significance on the fluency of "performance over intellectual thought." Kotzee (2014) argues that while Dreyfus and Schön (as cited in Kotzee, 2014, p. 166) "stress a high quality of work, delivered swiftly and without hesitation in a way that the expert cannot explain fully" – a combination of knowledge and skill - the model diminishes the need for, and importance of intellectual proficiency. Freidson (2001) argues that although the nature of skill and substantive knowledge is entwined, their application in the work context commands that they remain distinct from each other.

In an attempt to theorise the basis and nature of the power that professions can exercise, Halliday (as cited in Freidson, 2001, p. 156) “advances the concept of the knowledge mandate which denotes the epistemological foundation of occupations.” Halliday (as cited in Freidson, 2001, p. 157) elaborates by stating that a distinction must be made between the substance “of knowledge and the authoritative application of that knowledge” in practice. Freidson (2001) emphasises that keeping to the epistemological core of professional knowledge will enable professionals to exercise moral authority in the name of proficiency, providing the opportunity to increase the breadth of influence. Essentially, professionals have the scope to apply specific principles based on the validity of the knowledge they possess. Halliday (as cited in Freidson, 2001, p. 159) asserts that there are three forms of knowledge: 1) descriptive forms which include both science and scholarship claiming technical authority; 2) prescriptive forms, secular and sacred, including law, religion, and ethics which deal with social norms and claim moral authority; and 3) the arts, which deal with aesthetic norms and claim normative aesthetic authority. Considering the arguments put forth by Freidson (2010), Halliday (as cited in Freidson, 2001, p. 157), as well Kotzee (2014), this researcher believes it is essential to consider the concept of specialisation as it relates to the knowledge and skill in the professional context.

Specialisation and Standardisation

According to Freidson (2001), specialisation is employed in intrinsic work through the use of a confined body of knowledge and skill in order to achieve a specific outcome. From this, it can be understood that in order for work to be considered specialist in nature, and for it to be considered imperative for a professional to perform, there must be a shared understanding of what the required knowledge and skills for the occupation are. Freidson (2001) argues that the amount of specialisation required in certain jobs is usually determined by the value associated with the work, as well as the degree of privilege to which a professional is allowed. Kotzee (2014, p. 176) corroborates this assertion by indicating that “one must see expertise as a real and objective ability to accomplish something in the world that enables the expert either to give advice to others or to act on others’ behalf.”

Freidson (2001) proposes that two major types of specialisation exist. Each of these specialisations is representative of the key variances in the quality of work (Freidson, 2001). These specialisations also have opposing consequences for the suppliers and consumers of these products and services (Freidson, 2001). These specialisations are “mechanical specialisation" and "discretionary specialisation" (Freidson, 2001, p. 28). For the purposes of this study both forms of specialisation will be considered. Discretionary specialisation differs from mechanical specialisation as it requires that "discretion, or fresh judgement often be exercised if they are to be performed successfully" (Freidson, 2001, p. 28). Freidson (2001) substantiates this point by adding that there must be a belief that the outcome of these tasks are so uncertain that attention to variation in individual cases must be given. This assertion is supported by Winch (2010), who proposes that the knowledge component of any form of professional education must include the disciplines and subjects required for successful operational practice. Winch (2010) elaborates on the previous point by noting that further organised knowledge – which includes a sensitivity to the extensive role that professional practice plays in the society in which it operates – should not be ignored. Freidson (2001) corroborates the argument by Winch (2010) by affirming that skilled practical thinking is marked by the flexibility to find context specific solutions to the same, or similar problems. Corroborating the previously noted assertions of Freidson (2001) and Winch (2010), Green (2011) notes that the capacity to work independently and to apply the requisite amount of discretion during work tasks - having the ability to function without being micromanaged - is a significant complement to intricacies which usually demand an advanced level of understanding. Those who execute certain tasks must understand the criticality of deviating from routine for unique situations which "require discretionary judgement and action" (Freidson, 2001, p. 29).

Perhaps important to note, is that mechanical specialisation may not necessarily take away from discretionary specialisation, but the two can in fact be present at the same time (Ponnert & Svensson, 2016, p. 587) as "expressions of mechanical specialisation such as formalised standards which guide practice." These formalised standards can be understood as a form of standardisation – for both guiding practice, and according to Timmermans and Epstein (2010) (as cited in Nerland & Karseth, 2015, p. 3), as "regulating collective knowledge." In many instances, standardisation is effected in order to elicit confidence in professionals, as well as to reinforce professional trust (Ponnert & Svensson, 2016). Providing a counter argument, Ponnert and Svensson (2016) also note that in the face of standardisation, there may be some ambiguity about how, or when to apply professional discretion. This in fact places heightened pressure on practitioners, as they are required to have the level of expertise to effectively navigate the complexity of using standardised knowledge or tools while still applying their individual discretion. According to Evans (2012) and Evans and Harris (2004) (as cited in Ponnert & Svensson, 2016, p. 587), professional discretion is situational and is unlikely to be negatively affected by standardisation of knowledge or protocols. Importantly, Nerland and Karseth (2015, p. 17) indicate that standards play a vital role in defining the competencies required to undertake professional work. "The basis for professional work today lies, as in previous times, in the capacity to perform work in ways that are informed, guided by and validated against shared knowledge and established conventions for practice" (Nerland & Karseth, 2015, p. 2).

Central to this study are the aspects of expertise, standardisation and professional competence. Having already discussed expertise and standardisation, it is essential to explore literature related to competence, and competencies.

Understanding Competence

Hoffmann (1999, p. 275) suggests that "the term competency has been defined in the literature from several different points of view", each concerned with various aspects but ultimately looking at the link between people, learning and the ability to do specific work. According to Hoffmann (1999), researchers and practitioners within the field have developed several meanings that allow them to implement the competency approach to their work. He argues that the rationale for utilising competencies will be the deciding factor in the definition attached to the term. He distinguishes between competency and competences: "The former is used to refer to the meaning expressed as behaviours; the latter has been used to refer to the meaning expressed as standards" (Hoffmann, 1999, p. 275).

While there is no evidence to suggest that the definition of competence utilised in the internal audit occupation has been informed by literature related to competence, it appears that the definition used is aligned to that put forth by Hoffmann (1999). According to the IIA Inc. (2013), competence is the capacity of a practitioner to perform work according to set standards, and in line with a set of pre-defined abilities.

Maclure and Norris (as cited in Hassall et al., 1996, p. 30) derived their own method of characterising competence. The four characteristics of competence put forth by Maclure and Norris (as cited in Hassall et al., 1996, p. 30) are supportive of this stance: 1) competence is based on an interpretation of the actions, conduct or results in a manner that allows for demonstration, observation and evaluation; 2) it is viewed as wide-ranging groups of ability linked together; 3) it is a general ability which has the potential to develop; and 4) competence is situationally specific. Important to note is that the manner in which practitioners understand, express and give legitimacy to competency often differs (Pinnington, 2011). The use of the term "competence development" is sometimes used to define and describe the process through which competence is developed (Kock & Ellstrom, 2011, p. 73). The various observations mentioned above (Hoffmann, 1999; Maclure and Norris (as cited in Hassall et al., 1996, p. 30) and Pinnington, 2011), corroborate the argument of Markowitsch and Plaimauer (2009) that the meaning of competence has several possible applications. However, from a systematic and distinctive point of view, the three definitions put forth by Hoffman (1999, p. 276) stand out:

i. ***Performance of an individual*** – "This refers to observable performances or the outputs of learning processes. The focus was on the output, or tasks, to be completed" or, according to Markowitsch and Plaimauer (2009), to describe learning outcomes of education and training.
ii. ***Competence in relation to a specified standard*** - This considers "competency as a standard, or quality of the outcome. A standard could refer to the need to standardise performances across parts of a company." According to Nerland and Karseth (2015, p. 6) "standards can have different origin, take different forms, vary in the degree of flexibility and be directed towards different aspects of work."
iii. ***Underlying knowledge, skills and abilities*** - The use of this definition creates "a focus on the required inputs of individuals in order for them to produce competent performances." According to Markowitsch and Plaimauer (2009), this could be used for recruitment, selection and development of staff.

Van der Heijden (1998) (as cited in Evers & Heijden, 2017, p. 2) believes competence and professional expertise refer to the personal qualities and capabilities that are needed in the present-day workforce. Evers and Heijden (2017, p. 3) construe the same meaning from both expertise and professional competence, arguing that "professional expertise can only achieve its potential in a situation where an employee is able to exploit or sell the knowledge and skills with which he or she is equipped and where the degree of intensity, amount of time available, degree of difficulty of the task and the amount of personal responsibility are sufficiently challenging." Based on interpretations of Evers and Heijden (2017), in this study expertise and professional competence will be understood to have similar meanings, and as such, will be used interchangeably.

As mentioned previously (in the section titled Specialisation: Utilising Knowledge and Skill), within the context of the internal audit occupation, the term competence is commonly used when discussing the requisite combination of knowledge, skills and behaviour of professionals (IIA Inc., 2020a).

Conceptual Framework

Figure 1 depicts the key concepts from the literature review discussed in this chapter and provides a diagrammatic view of the role of a profession in determining the standardised competency areas which must be developed in a practitioner in order for them to achieve expertise or professional competence and the ability to apply discretionary specialisation.

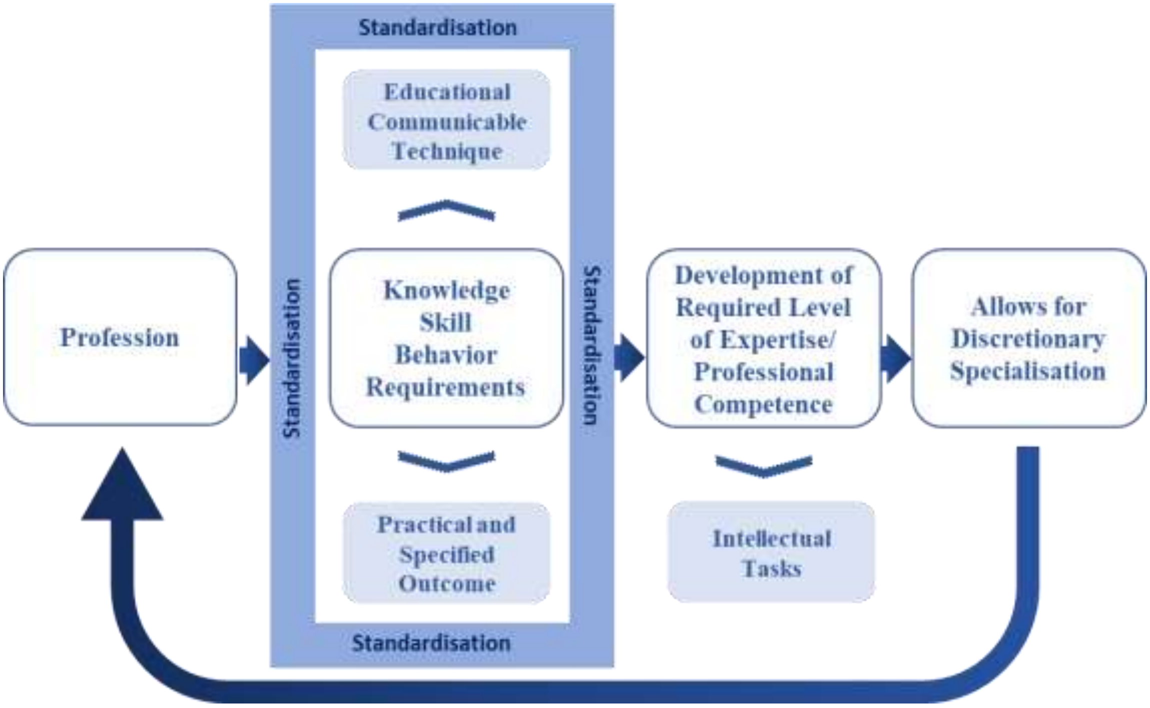

Figure 1: ***Conceptual framework***

Source: Original Design based on the works of Hoffman (1999), Freidson (2001), Nerland and Karseth (2015) and Ponnert and Svensson (2016)

Flexner (2001) argues that practitioners within the occupation must perform work that requires a high level of intellect, they must be responsible for making decisions regarding their work, and for the actions to be taken in the process of conducting the said work. It seems appropriate to consider standardisation of competencies (knowledge, skills and behaviour requirement) as the factors which inform the required level of expertise (professional competence). According to Freidson (2001), professionalism includes a specific level of expertise that allows for discretionary specialisation i.e. the ability to apply judgement in complex situations within differing contexts. Expertise, according to Freidson (2001), has a direct impact on discretionary specialisation. Standardisation, which can be as "expressions of expressions of mechanical specialisation" (Ponnert & Svensson, 2016, p. 587), also plays a critical role in developing expertise i.e. what knowledge, skills and behaviours must be developed, or be present in order for someone to be considered to be professionally competent.

i. The profession and its stakeholders determine what competencies (knowledge, skill and behaviours) form the core of professional practice.
ii. These competencies would ideally form part of a standardised model which, in the form of curricular and associated pedagogy, as well as guidelines, will be used to develop the required level of expertise or professional competence.
iii. Individuals having attained the required level of professional competence would have the autonomy to apply professional discretion.
iv. The professional competence, or expertise within the profession, would ideally assist the profession to evolve practices, increase standards and ultimately inform the competency review process.

Summary of Chapter

The literature related to internal audit emphasises the demand for knowledgeable and skilled internal auditors in South Africa (Fourie et al., 2013; iKutu Research Team, 2014; Plant, Barac, & De Jager, 2017; PWC, 2017; Van Staden & Barac, 2014). Based on the assertions by Fourie, (2014), Hassall et al. (1996), Markowitsch and Plaimauer (2009) and McCartney et al. (2002), it is evident that challenges are being experienced in the education and training of internal audit graduates. As mentioned in Chapter One, these challenges include:

i. Expectation gaps exist between what early career internal auditors are able to deliver, versus expectations from the profession and the market.
ii. In some instances, academic graduates are not meeting the needs of employers.
iii. Uncertainty about why programmes other than the professional training programmes developed by the IIA SA are being used.
iv. Information regarding the level of effectiveness of the IIA SA's professional programmes, as well as the in-house programmes used by employers is deficient.
v. There is a lack of guidance from the IIA SA, as well as IIA bodies in general, concerning the professional development of internal auditors, especially those at an early stage of their careers.

When considering the above challenges in relation to the literature related to professions, expertise, specialisation (Flexner, 2001; Freidson, 2001; Kotzee, 2014; Schön, 1987; and Schön, 2001) and competence (Hoffmann, 1999; Kock and Ellstrom, 2011; Pinnington, 2011), it becomes evident that perhaps the internal audit occupation may have emphasised competence on an individual level to such as extent, that building the profession and advocating for it needs to receive dedicated attention and focus.

It appears that occupations need to be cognisant of their professional status when considering the development of practitioners. Not only does professional status impact on professional competence, but the two are also interdependent and inextricably linked.

CHAPTER THREE: RESEARCH METHODOLOGY

Introduction

In the previous chapters, the context was provided for the study by reviewing literature related to professions, expertise, specialisation, standardisation and professional competence. This research study seeks to determine if a standardised competency framework would be considered a suitable method of trying to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice. In order to gain practical insights, this study will focus on the professional development landscape within the internal audit occupation in South Africa.

The purpose of this chapter is to discuss the research approach undertaken to achieve the objective of this study. This chapter describes the research approach, the sampling technique applied, the target group, the process of data collection and analysis, as well as the ethical considerations of this study.

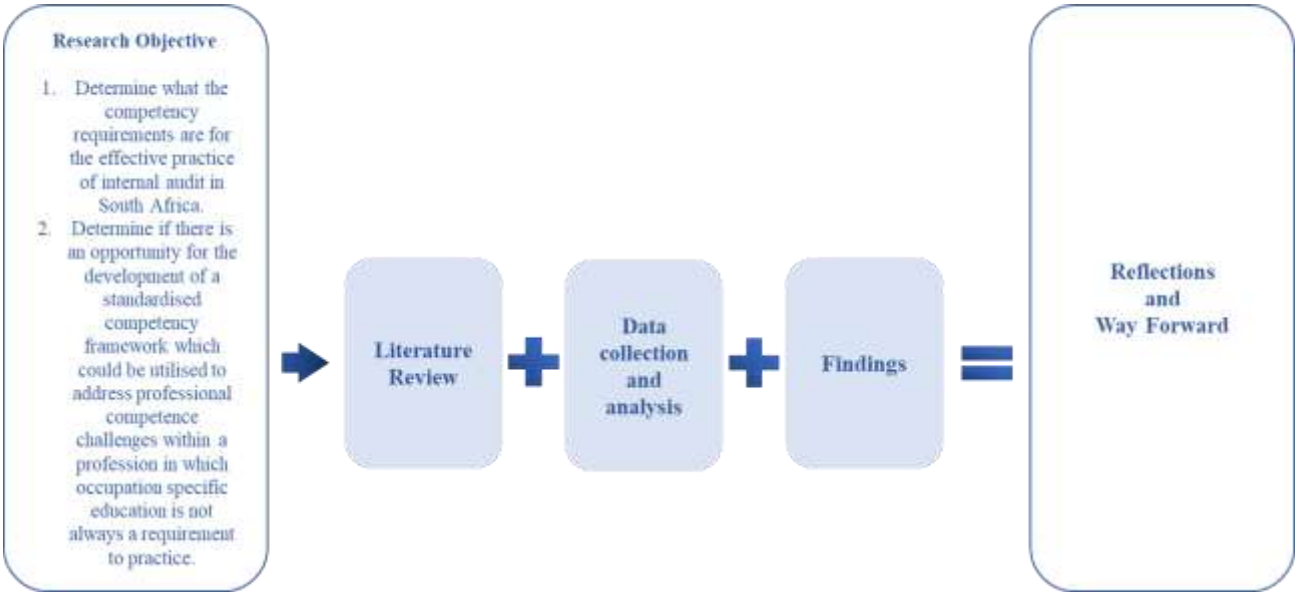

Figure 2: ***Research process***

Source: Original Design

Research Approach

This empirical study has followed a qualitative research approach. Qualitative research strengthens research studies by considering and utilising user contribution to the phenomenon being studied (Pathak, Jena, & Kalra, 2013). Additionally, Johnson and Onwuegbuzie (2004, p. 20) note that being "responsive to local situations, conditions and stakeholder needs" is a strength of utilising a qualitative approach in research. This research study seeks to determine if a standardised competency framework would be considered a suitable method of trying to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice. In order to gain practical insights, this study will focus on the professional development landscape within the internal audit occupation (taking into consideration current conditions and stakeholder needs) in South Africa (local situation).

Research Paradigms

When planning a research study, it is important to consider the "nature of knowledge (epistemology) and the nature of being or reality (ontology)" (Schwandt, 1998, p. 410). The answers to the above, in relation to the research questions, can assist the researcher to determine the paradigm or paradigms most appropriate to the research being conducted (Ponterotto, 2005). Determining the paradigm or paradigms most applicable to the study will ensure that the correct research methods and data collection tools are selected for the study (Ponterotto, 2005). In order to achieve the objective of this study, within the selected context, the researcher needs to analyse participants' interpretations of their social world i.e. their everyday experiences within the internal audit professional development landscape: "In social research, knowledge is concerned not with generalisation, prediction and control but with interpretation, meaning and illumination" (Usher, 1996, p. 18). Considering the objective of this study - i.e. to determine if a standardised competency framework would be considered a suitable method of trying to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice – the researcher needs to understand the meaning participants have assigned to their experiences. As such, this research study is positioned within the interpretivist paradigm.

Interpretivists believe that social agents actively assign meaning to multiple, context dependent realities (Schwandt, 1998). Interpretivists place emphasis on "social practices" as it is assumed that all "human action" has meaning (Usher, 1996, p. 18). Usher (1996) elaborates on the previous argument by noting that in order to understand the social world, we must understand the meanings constructed, and ascribed to the social world by those who experience it. An individual's response to specific events is impacted by their unique life experiences, and ultimately the manner in which they process, perceive and interpret information and their environment (Scott, 2002). Qualitative research methods are often selected by interpretivists to collect research data in order to construct deep and thick meaning of the topic of study (Johnson & Onwuegbuzie, 2004), rather than create linear, cumulative knowledge (Usher, 1996).

In line with the theory underpinning the interpretivist paradigm, focus group sessions and semi-structured interviews were employed to collect data for this research study.

Sampling

Categories of Research Participants

It must be noted that the internal audit occupation has many different role players and stakeholders groups. These include audit committee members, external auditors, directors and senior executives. For the purposes of this study the researcher aimed to obtain data from internal audit role players most likely to be involved in the employment, development and education of internal auditors, or those involved in standard setting within the internal audit occupation.

i. ***Stakeholder category one***: Practitioners of internal audit who provide audit and advisory services, and who are involved in the recruitment, selection, and development or mentoring of internal auditors. These internal auditors are from internal functions outsourced and co-sourced internal audit functions. Practitioners selected for this study are employed or provide services within the following sectors: banking, retail, education, risk and public sectors.
ii. ***Stakeholder category two***: Educators of internal audit for academic, occupational and professional qualifications.

iii. ***Stakeholder category three***: Standard setters for the internal audit occupation, who are employed by the professional body representing the internal audit occupation in South Africa i.e. IIA SA.

Table 1 depicts the criteria used in the selection of research participants for the focus group phase and the interview phase.

Table 1: ***Criteria for participant selection***

Stakeholder Category	Criteria for Selection	Participation in Study
Stakeholder category one: ***Practitioners***	• Currently working as an internal auditor OR practicing as an internal audit consultant • A minimum of five years internal auditing experience • Involved in, or responsible for the professional development or supervision of internal auditors	Focus Groups: 11 Interviews: 4
Stakeholder category two: ***Educators***	• Currently working as an internal audit educator (higher education or occupational or professional education) • A minimum of five years internal auditing or internal audit education experience • Must have engaged with internal auditors or employers of internal auditors regarding professional development, as well as experienced in practice	Focus Groups: 4 Interviews: 3
Stakeholder category three: ***Standard Setters***	• Experienced as a standard setter for the internal audit occupation in South Africa • A minimum of three years of employment as a standard setter for the internal audit occupation in South Africa • Must have engaged with internal auditors or employers of internal auditors regarding professional development, as well as experienced in practice	Focus Groups: 3 Interviews: 1

Population/Target Group

As this research study is considering the context of the internal audit occupation, with the purpose of understanding professional competence development needs, the target population for this research study includes internal audit practitioners, educators and standard setters in South Africa (Refer to Table 1*:* Criteria for participant selection).

Sampling Method

Considering that internal audit is a cross-sectoral profession i.e. internal auditors are employed in all sectors, the researcher endeavoured to include research participants – for the focus groups and interviews – from all, or as many sectors as possible. The inclusion of stakeholders from various sectors assists the researcher to consider the participants' realities (lived experiences) (Schwandt, 1998) in order to obtain deep and rich insights which enable the analysis of interpreted meaning (Usher, 1996). Additionally, and importantly, Seidman (2006) reasons that it is important to determine if the sample population selected will be able to provide information and insights that can be generalised to the entire population.

When selecting focus group participants, the researcher considered the importance of having the different stakeholder categories participate in the study, the sector in which participants were employed, as well as the location of participants in proximity to the venue where the focus group sessions would be held. As such, a non-probability, convenience sampling method was utilised to select focus group participants.

When selecting interview participants, the researcher needed to consider the importance of having experienced individuals from the different stakeholder categories participate in the study and the sector in which participants were employed. As such, a purposive sampling method was utilised to select interview participants. The researcher opted to make use of a secure online platform to ensure the location of potential participants would not be a limiting factor.

Gaining Access to Participants

Currently, there is a lack of reliable data of the total population of internal auditors in South Africa. The researcher, therefore, applied the following options of gaining access to, and requesting the participation of internal auditors in the research study:

i. The researcher placed a description of the study with a request for participation on the LinkedIn social media platform.
ii. The researcher obtained permission to make use of the IIA SA's consultant, academic and committee member databases. Permission to utilise the IIA SA's database was granted, as the researcher is an employee of the IIA SA, and the research study is related to the internal auditing occupation.

The call for research participation via LinkedIn, unfortunately, did not yield any potential participants.

The IIA SA's consultant, academic and committee member databases holds demographic and professional information, as well as contact details, and data related to participation within the IIA SA committee and consultant structures.

In order to obtain relevant and sufficient data, the researcher made use of the database to select a sample population that met the criteria for participant selection, and that would be representative of practitioners in the internal audit occupation in South Africa. In the case of the focus groups, the potential participants were selected from the Gauteng province, whereas in the case of the interviews, the geographic locations were not a factor. In the case of interviews, the researcher selected potential participants based on their previous interest in practices related to the development of professional competence of internal auditors in South Africa.

Overall, this research study consisted of twenty-six participants – eighteen focus group participants and eight interview participants. An overview of the number of individuals who participated in this research study, as well as the categories of participants, is provided in Table 3. The table provides an overview of the research design and sample sizes in the study.

Table 2: ***Stakeholder categories and sample size for each method***

Stakeholder Category	Focus Group	Semi-structured Strategic Interviews
Stakeholder category one: Practitioners	16 invited 11 participated	6 requested 4 interviews conducted
Stakeholder category two: Educators	4 invited Four participated	3 requested 3 interviews conducted
Stakeholder category three: Standard Setters	3 invited 3 participated	1 requested 1 interview conducted

Below is an overview of the total number of individuals who participated in this research study.

Table 3: ***Overview of research participant numbers and categories***

Stakeholder Category	Focus Group	Semi-structured Strategic Interviews
Stakeholder category one: Practitioners	**11 participants**	**4 Interviews**
Banking sector	*1 participant*	*1 participant*
Retail sector	*2 participants*	*0 participants*
Education sector	*2 participants*	*1 participant*
Risk sector	*1 participant*	*0 participants*
Public sector	*3 participants*	*0 participants*
Consultant (across sectors)	*2 participants*	*2 participants*
Stakeholder category two: Educators	**4 participated**	**3 interviews**
Academic	*1 participant*	*3 participants*
Occupational / Professional	*3 participants*	*0 participants*
Stakeholder category three: Standard Setters	**3 participated**	**1 interview**

Data Collection

Primary data was collected for this research study in two phases. Two methods of data collection can assist to include depth and additional dimensions to the research study (Mason, 1996). During the first phase of this study, data was collected through focus group discussions, while data was collected by conducting semi-structured strategic interviews during the second phase of the study. Focus group discussions were utilised, as this method of data collection is, according to Kitzinger (1995), more suitable than one-on-one interviews when wanting to motivate participants to explore and explain their opinions. Interviews were selected as an additional method of data collection in order to achieve an in-depth understanding of the context within which the phenomenon (development of professional competence) being studied is taking place (Seidman, 2006). Focus groups sessions, as well as semi-structured strategic interviews, were conducted with participants from all three stakeholder categories (details regarding categories of participants are provided in Table 3).

Phase One: Focus Groups

The researcher utilised focus groups as one of the data collection methods in order to encourage the sharing of insights regarding the professional competencies required within the internal audit occupation in South Africa. The intent of the focus group sessions was to have the participants put forth their own thoughts (individual realities) while drawing on the group's collective experience and expertise to clarify the resultant concepts (Kitzinger, 1995). The resultant data was then used to cross-analyse the curriculums from the existing professional qualifications and certification (which is said to be aligned to the existing Global Competency Framework), as well as the newly registered professional qualifications. This analysis was conducted to validate whether there is a gap between the current Global Competency Framework, qualifications and certifications, and what is actually required by the internal auditing profession in South Africa. It is important to note that for the remainder of the study, the affinities, and sub-affinities which emerged from the focus group sessions, will be referred to as competency areas, and competencies respectively.

Focus Group Consent and Composition

The researcher contacted potential focus group participants (criteria for selecting participants was discussed above in the sections titled Criteria for Participant Selection and Sampling Method) via e-mail (contact details obtained from the IIA SA's consultant, academic and committee member databases). Information regarding the research study was provided to all prospective participants and the facilitator by means of a participant information letter prior to the focus group session being scheduled (see Appendix A and Appendix B). All eighteen focus group participants, as well as the independent facilitator, signed an informed letter of consent before the focus group sessions. (See Appendix C, Appendix D, Appendix E and Appendix F).

The researcher obtained confirmation and consent for the Focus group sessions from twenty-three participants. The researcher divided the participants into two groups. Practitioners and standard setters were grouped together for the first focus group session, while the second focus group session was comprised of practitioners and educators. To ensure the homogeneity of the focus groups each of the participants selected were experienced internal auditors from one of the stakeholder categories i.e. in practice (across various sectors), educators of internal audit, or employed by the IIA SA. Additionally, and as per the work of Northcutt and McCoy (2004), selection of focus group participants was based on their willingness to avail themselves, their ability to respect focus group dynamics and actively participate in the focus group session.

Table 4: ***Focus group composition and size***

Focus Group One: Practitioners and Standard Setters	**Focus Group Two: Practitioners and Educators**
11 participants invited (via e-mail)	12 participants invited (via e-mail)
9 participated in the full session	9 participated in the full session
Practitioners: 6 attended	Practitioners: 5 attended
Standard setters: 3 attended	Standard setters: 4 attended

Focus Group Challenges

The researcher received last minute cancellations from some of the individuals who had previously committed to participate in the focus groups. At the time of cancellations being received, many of the participants had already arrived at the venue. It would have been unreasonable to expect these participants to make additional arrangements for an alternate date. Having confirmed with the facilitator that there were enough participants to be able to continue with the process, the researcher opted to continue with the focus group as planned.

Focus Group Process

Both focus group sessions were hosted at the Leadership Academy for Guardians of Governance premises in Edenvale, Johannesburg. The first focus group session was conducted over two hours and forty-five minutes and the second session lasted for two hours and thirty minutes. The researcher opted to make use of an independent facilitator, experienced in the facilitation of focus groups, which allowed the researcher to observe the focus group interactions and take notes during the process.

The Interactive Qualitative Method (IQA) process was utilised for the focus group sessions. The IQA process allows for data to be generated through both inductive and deductive reasoning (Northcutt & McCoy, 2004). The IQA process allows for data generation and data analysis to take place in the same process (Northcutt & McCoy, 2004). Focus group participants actively identified affinities (competency areas) and sub-affinities (competencies), and created the meaning required to understand the phenomenon being researched (Northcutt & McCoy, 2004). The stages of the IQA process, as noted by Northcutt and McCoy (2004, p. 47), are as follows:

i. Focus group participants generate data using the IQA process;
ii. Focus group participants organise the data "into groups of meaning" (inductive coding);
iii. The focus group participants then revise the data and determine names for each of the groups generated (axial coding).

Each focus group session began with the researcher welcoming all the participants, as well as ensuring that venue and safety information was provided. The researcher also re-iterated the information provided in the focus group participant letter before introducing the independent facilitator. Additionally, the researcher explained that although the sessions would be facilitated by another person, the researcher would be present during the full duration of the sessions in order to observe and take notes. The independent facilitator, who is an internal auditor and expert researcher, began both focus group sessions by explaining the process that would be followed. She then initiated exercises aimed at getting the participants to relax and began focussing on the topic to be discussed i.e. competency requirements for internal auditors in South Africa. As the researcher was employing the IQA process which allows for data generation and data analysis to take place in the same process (Northcutt & McCoy, 2004), the researcher opted to utilise only one question. The facilitator then asked the question: **"What competencies are required for early career internal auditors to effectively practice internal audit in South Africa?"** which had been predetermined by the researcher. The researcher opted to have the focus group participants answer this question in order for the resultant data to be analysed against existing professional qualifications and certifications, as well as against the soon to be implemented professional qualifications. The researcher opted to utilise an opinion type question as Rosenthal (2016, p. 510) notes that “these types of questions are employed when the desired effect is to ‘elicit’ participants’ understanding of a particular phenomenon or experience.” Refer to Appendix L, Appendix M, and Appendix N to review the focus group data analysis. Participants were asked to remain silent and encouraged to think about the question for a few minutes before being asked to write their views on small sheets of paper. Participants were only allowed to write one thought on their sheet of paper. Viewpoints could be expressed in words or phrases. The facilitator then asked the participants to paste their sheets of paper on the wall and encouraged them to consider what had been pasted on the wall and sort the sheets into groupings as required (inductive coding). The process was repeated several times with the facilitator repeating the initial question each time. After the last cycle of pasting and sorting sheets on the wall, the facilitator asked the group to confirm that they were comfortable with the manner in which the sheets were grouped. Participants were afforded the opportunity to add more views to the wall if required.

Participants were then given an opportunity to view and familiarise themselves with all the concepts pasted on the wall. The facilitator then opened the floor for discussions. Each participant was required to provide an explanation of each of the thoughts they pasted on the wall. This allowed the group to understand and discuss the applicability or validity of each participant’s contribution to the wall and subsequently begin grouping the thoughts into competency areas (affinities). The participants were given an opportunity to discuss and clarify the groupings and related concepts and if required, add, merge or remove thoughts from the wall (axial coding). Any additions, mergers or removals were only allowed if agreed by the group. The entire process took just over two hours. Once complete, the facilitator thanked all the participants and explained the way forward. The researcher, who was present for the entire duration of both focus group sessions, listened and made notes.

After each of the focus group sessions, the researcher photographed the groupings before removing the pasted sheets of paper from the wall. The researcher then captured each of the competency areas (affinities) and competencies (sub-affinities) and compiled a description of each. The competency areas and competencies, with descriptions, were sent via e-mail to each of the participants for review. The participants provided clarity where required and agreed that descriptions provided were an accurate reflection of the group’s discussions.

Overall, the researcher was confident that the procedure utilised for the focus groups was sufficient to allow participants to formulate the competence areas and competencies.

The competency areas and competencies were used to conduct an analysis of current professional qualifications and certification, as well as the newly developed professional qualifications (Refer to Appendix P and Appendix Q to review the analysis). This analysis was conducted to validate whether there is a gap between the current Global Competency Framework, qualifications and certifications, and what is actually required by the internal auditing profession in South Africa.

Advantages and Limitations of Focus Groups in Research

The use of focus groups as a means of data collection in research has both advantages and limitations. Some of the advantages of focus groups include:

i. Focus groups are a convenient technique for obtaining insights regarding knowledge held by, and experiences of, individuals (Kitzinger, 1995) – participants in this study provided several thoughts in relation to the question asked and the discussions that ensued provided insights regarding the experiences that resulted in each though being out forward.
ii. Being involved in a discussion in a group setting has the potential to encourage participants to share thoughts they may be reluctant to share if they were being interviewed in a one-on-one session (Kitzinger, 1995) – it was evident during the sessions that thoughts put forward encouraged others to voice their opinions regarding the same or related matters.
iii. Focus group sessions may include discussions that allow for the creation of "shared models" (Morgan & Spanish, 1984, p. 262) – the technique utilised for the focus group sessions encouraged the discussion of thoughts and required that the group make decisions regarding additions amendments in a collaborative manner.

Some of the limitations of utilising focus groups in data collection include:

i. The researcher has limited control over the discussions (Morgan & Spanish, 1984) – in the case of the focus group sessions held for the purposes of this research study, the sessions were facilitated by an independent facilitator while the researcher acted solely as an observer and note taker.

ii. Group discussions are time consuming which could limit the number of individuals willing and able to participate in the focus group session (Kitzinger, 1995) – in this study, the researcher was faced with a situation where participants cancelled on the day of scheduled sessions. The researcher considered the participants who were already present and made the decision to continue with the session as scheduled.

iii. Some participants' personalities may hinder the contributions from others (Creswell, Hanson, Clark, & Morales, 2007) – the independent facilitator utilised for the focus groups in this study managed to encourage participation and obtain insights from all participants.

Phase Two: Semi-Structured Strategic Interviews

Semi-structured strategic interviews were conducted with participants from each of the three stakeholder categories. In order to simplify the collection and analysis of data, the researcher used standardised, semi-structured questions that were open-ended (Seidman, 2006). This also ensured that similar questions were asked in all eight interviews. This method of interviewing still allowed for the collection of deep and authentic insights to be collected from participants. This qualitative method of collecting data allowed for probing and attainment of detailed information regarding how and why the phenomena occur (Johnson & Onwuegbuzie, 2004) – in this case, experiences regarding competency of internal auditors, and competency requirements for internal auditors in South Africa.

Interview Participants

Via e-mail, the researcher provided the prospective interviewees with background information to the research (see Appendix G) and asked if they would be willing to participate in the research project. The researcher conducted interviews with four participants from Stakeholder Category One, three from Stakeholder Category Two, and one from Stakeholder Category Three. Interviewing participants from each of the three categories allowed for the collection of rich insights due to the participants' experience within, and of, the internal audit occupation in South Africa. According to Seidman (2006), interviewing is an excellent method to use when wanting to understand a phenomenon from individuals who have experiences of the phenomenon itself. In this research study, interview participants were asked questions about their experiences within the professional development landscape of the internal audit occupation (see Appendix K).

Interview Challenges

Two of the 10 participants – both from Stakeholder Category One – who confirmed their participation and submitted signed consent forms did not part-take in the interview process. One participant did not log-in for the interview at the scheduled time and did not respond to communication sent via several different channels. The second participant who did not part-take in the interview process did not respond to any communication sent concerning scheduling the interview. As the researcher had conducted eight interviews – including four from Stakeholder Category One – she believed that sufficient insights could be obtained from the data. Participants were allowed the option to opt out in line with ethical considerations, and, due to time constraints and difficulty obtaining consent from new participants, the decision was made not to conduct further interviews unless essential.

Interview Process

Semi-structured strategic interviews were conducted with eight participants – four from Stakeholder Category One, three from Stakeholder Category Two and one from Stakeholder Category Three (Refer to Table 3: Overview of research participant numbers and categories). Prior, during and after the interviews the researcher considered the works and guidelines of Creswell et al. (2007), Gall et al. (2007), Rosenthal (2016) and Seidman (2006):

i. **Identifying and contacting potential interviewees**
   As previously mentioned, the researcher utilised a purposive sampling method to select interview participants. Interviewees were selected from the IIA SA member database utilising predetermined specific criteria (Refer to Table 1*:* Criteria for participant selection). Individuals who agreed were asked to provide details regarding their availability for the interview. Ten participants initially agreed to be interviewed, but only eight interviews were conducted – four interviewees from Stakeholder Category One, three participants from Stakeholder Category Two and one participant from Stakeholder Category Three.

ii. **Interview location**
   Interviewees were informed that all interviews would take place via an online meeting platform called Zoom (see Appendix H). This information was provided to them prior to their consent being received. The online meeting platform allowed for the interviews to be scheduled by the interviewer, who was the researcher, in advance. All meeting links were secure and only accessible to the researcher and the specific interviewee.

Interviewees could select their preference in terms of having video turned on or off. The online meeting platform allowed for automatic audio-recording.

iii. Obtaining consent from interviewees

Written consent to participate in the research study was obtained from each interviewee (via-e-mail) in advance of the scheduled interview date (see Appendix I). Consent for audio recording was also obtained from all interviewees before the interview date, (see Appendix J), and confirmed with each interviewee prior to the commencement of their scheduled interview.

iv. Conducting the interview

Interviews were conducted using a pre-planned, semi-structured interview protocol (see Appendix K). Several interview questions were included in the protocol as a means of obtaining richer data and in depth insights regarding the themes and descriptions that emerged from the focus groups. In order to put the interviewees at ease, and to build rapport with the individuals, the interviewer engaged in light discussion at the beginning of the interviews and assured the interviewees of their anonymity. In order to encourage authentic responses from interviewees, the researcher ensured that her own views and opinions were not made known during the interviews. The interview duration ranged from fifty to sixty-five minutes.

v. Recording of interviews

The researcher ensured that interviewees were aware that the interviews would be audio recorded in order to transcribe the interviews, and for record keeping purposes. Consent to audio record was obtained from the interviewees prior to the interviews in writing and verbally confirmed prior to activating the record function. The researcher ensured that notes were taken during the interviews even though audio recordings would be available later.

vi. The way forward

Once the interviewee had answered the last question and provided any additional information they believed was pertinent, the researcher expressed gratitude to the interviewees for participating in the study and explained that the interview would be transcribed and sent to them to confirm that their views had been represented accurately. This would reduce the risk of bias and subjectivity (McMillan & Shumacher, 2010).

Advantages and Limitation of Interviews in Research

As noted by Creswell et al. (2007), Mason (1996) and Seidman (2006), some of the advantages of utilising interviews in research include:

i. Individual accounts of a phenomenon provide insight into intricate societal structures and issues. For this study, meaningful insights were required from individuals who were thoroughly familiar with the internal audit occupation in South Africa.
ii. Interviews can provide extensive insight and depth to a research study. The interviewees were able to contribute their thoughts, as well as provide context in relation to some of the themes that emerged from the focus group sessions.
iii. The semi-structured interview technique allows for flexibility in the interview process, thereby allowing the interviewer to probe for further information and clarity.

Interviewing as a method of data gathering does have limitations, some of which are considered here:

i. Interviewing could be a labour intensive and expensive data collection method (Seidman, 2006). By conducting the interviews online, there was no travel time required for the researcher or the interviewees – this assisted in saving time, and eliminated the need to incur travel expenses. The duration of each interview ranged from fifty to sixty-five minutes. The researcher, utilising personal funds, employed a transcriber to compile transcripts for all the interviews. All transcripts were quality assured and checked for accuracy by the researcher.
ii. The researcher's presence may influence the interviewees' responses (Creswell et al., 2007). In an effort to put the interviewees at ease, the researcher engaged in light conversation before commencing the interviewees. Additionally, the researcher conveyed to each interviewee the importance of the research and the need for them to be as forthcoming as possible. The researcher also assured the interviewees of their anonymity.

Data Handling and Storage

All information and data pertaining to the research study were sorted and securely stored in hard copy and digital files. The researcher created a folder (hard copy and digital) for each individual participating in the study. All e-mail communication, participant consent forms and notes per participant were stored in individual folders. For ease of reference, the researcher categorised participant folders into focus group participants and interview participants.

In the case of the focus groups, the researcher stored the photographs of the sheets of paper on the wall (themes) in the focus group folder. The researcher ensured that all the themes and related sub-themes per focus group were captured electronically and stored in the relevant focus group's folder.

In the case of interviewees, audio recordings and transcripts were also added to the relevant participant's folder. The interview audio-recordings were transcribed verbatim and verified by the researcher prior to the transcripts being sent to interviewees for confirmation of accuracy.

All hard copy files have been locked in a safe which is only accessible by the researcher, and all digital files and folders have been password protected.

Data Analysis

All data collected during the focus group sessions and semi-structured interview processes were qualitatively analysed by the researcher. Qualitative data analysis is undertaken in order to determine and define matters related to processes and implementation in practice (Flick, 2013) – in this case, the competence areas and competencies that emerged from the focus groups. The final competence areas and competencies were analysed against the existing professional qualifications and the certification, as well as the newly registered professional qualifications (refer to Appendix P and Appendix Q to review the analysis).

In both focus group sessions, participants generated data and subsequently grouped the data into themes (coding). With the guidance of the independent facilitator, the focus group participants labelled the competence areas and competencies respectively. The researcher captured all the competence areas and competencies and then went through the process of organising, evaluating and refining them by combining overlaps and removing duplicates. The analysis process can be reviewed in Appendix L, Appendix M and Appendix N. As recommended by Saunders, et al. (2018), the researcher undertook this process to confirm data saturation to ensure that no further information needed to be added to the focus group data. The final result was 15 competence areas and 104 competencies. The final competency areas and competencies were then analysed in order to validate whether there is a gap between the current Global Competency Framework, qualifications and certifications, and what is actually required by the internal auditing profession in South Africa. (Refer to Appendix P and Appendix Q to review the analysis).

In order to facilitate the analysis of the semi-structured interviews, audio-recordings were transcribed. In Microsoft Excel, the researcher created an interviewee identification code for each interviewee, as well as a stakeholder category code for each stakeholder group, i.e. practitioner – P, educator – E and standard setter – S. By way of example, a participant from the practitioner category who was interviewed third is referenced as PP3. Table 5 outlines the Interview Participant Identification Codes.

Table 5*: Interview participant identification codes*

Participant Code	Category Code	Participant	Description
P1	E	EP1	Educator who was interviewed first
P2	P	PP2	Practitioner who was interviewed second
P3	P	PP3	Practitioner who was interviewed third
P4	P	PP4	Practitioner who was interviewed fourth
P5	E	EP5	Educator who was interviewed fifth
P6	E	EP6	Educator who was interviewed sixth
P7	S	SP7	Standard Setter who was interviewed seventh
P8	P	PP8	Practitioner who was interviewed eighth

The researcher then proceeded to capture each respondent’s answer to each question in Microsoft Excel. Interviewees’ responses to each of the questions were captured into the relevant column on the sheets which were labelled with the interviewee identification code and the stakeholder category code. This separation of the data into relevant questions simplified the identification of themes per question for the researcher (Bree & Gallagher, 2016). Once themes were identified, they were each allocated a colour code (refer to Appendix R for the full analysis). The colour coding was done for ease of analysis – interviewees responses that related to emergent themes were allocated the same colour. This colour coding process simplified the selection of quotes to be used in the write-up of this study. Guided by the work of Bree and Gallagher (2016), which relates to analysing data utilising Microsoft Excel, the following process for analysis of the interviewee responses was applied:

i. Interviewee responses were matched to the themes by allocating the relevant colour code to them. The same process was repeated for each question. Utilising the sort tool in Microsoft Excel, the responses were then sorted by theme thereby allowing the researcher to group all responses and themes using the filter function in Excel.

ii. In order to combine similar data from the different questions together, the researcher then proceeded to cross-analyse the themes and related responses per question. This was done by analysing responses and themes from each question with the responses and themes related to other questions. Where required, themes were merged or added, and additional sub-themes were identified. The combined data from that analysis was then copied to a separate sheet and used to conduct further analysis. This process was repeated until the researcher had analysed and grouped the themes and responses from all the questions and was left with five themes and twenty-one sub-themes. In some instances, interview responses directly correlated to the competency areas and competencies that emerged from the focus groups, and as such were added to the relevant section in the competency and competence data (this is discussed in Section 2 of Chapter Five). No interview responses were deleted or removed from the original data set during the analysis process. The full interview data analysis process can be viewed in Appendix R.

Ethical Considerations

In relation to ethical considerations during this study, the researcher was cognisant of the following:

i. ***Declaration of interest*** – The researcher, who is currently an employee of the IIA SA, obtained permission from the Chief Executive Officer of the IIA SA to conduct this study. Information regarding the researcher’s employment and confirmation of permission to conduct the study were provided to all research participants prior to receiving their consent to participate in the study. Additionally, the researcher did advise that as an employee of the IIA SA who is directly involved in setting standards and guidelines for the education and development of internal auditors in South Africa, the researcher might make use of the findings to inform future initiatives of the IIA SA.

ii. ***Informed consent*** – Each prospective participant was sent an information letter via e-mail. The letter detailed the reasons for the research, the method of data collection, the expectations from each participant and the need for audio-recording (applicable to interviewees). Prospective participants were also informed that they would have the option to opt out at any time with no disadvantage to them. With this information in hand, individuals who chose to participate in the study provided written consent in advance of the data collection process.

iii. ***Confidentiality*** – Focus group participants and interviewees were assured of their anonymity in all notes, recordings and write-up of the research before the data collection process, at the beginning of the focus group sessions, and at the beginning of each interview. All data is stored securely (hard copies are locked in a safe, and digital copies are password protected). In order to maintain the anonymity of interviewees, the researcher has codified participant names i.e. no names are utilised, only codes.

Research Limitations

It is important to note that this study has limitations.

i. ***Access to the target population*** – As noted earlier, there is currently no data available regarding the total population of internal auditors in South Africa. As such, the researcher utilised LinkedIn to request participation in the study. This public call for participation yielded no results, so the researcher accessed the member database of the IIA SA to contact potential research participants.

ii. ***Population representation*** – To ensure that relevant and sufficient data was collected, the researcher needed to select a sample population that would be representative of the internal audit occupation in South Africa, both for the focus groups, as well as for the interviews. Internal audit is a cross-sectoral occupation which meant that ideally, the sample population should have included participants from every employment sector in South Africa. Although the researcher was able to obtain consent to participate from individuals in all three stakeholder categories – practitioners, educators and standard setters – she was only able to obtain consent from practitioners in Gauteng from the following sectors: banking, retail, education, risk and public sectors. Fortunately, the researcher was able to include consulting practitioners in the study. These consultants provide internal audit services in various sectors, in various provinces, and as such, were able to provide some insight regarding the practices and needs of other sectors. Due to the poor response from the LinkedIn post requesting study participants, the researcher could only access contact details of potential participants who are members of the IIA SA.

iii. ***Participant observer*** – Being an employee of the IIA SA, the researcher has access to information that is not in the public domain. As such, the researcher was, to an extent, a participant observer. Importantly, the researcher's employment provided access to the participants and information that would not have otherwise been readily available. Additionally, participants were all comfortable providing their insights and thoughts to the researcher even though (and possibly because) they were aware of her employment by the IIA SA.

Strength of Method

i. ***Experienced participants*** – Experienced individuals with a wealth of insight participated in the study. Participants were all able to provide insights and thoughts in relation to their contexts and experiences. The researcher was fortunate to have participants from all three stakeholder categories participate in the research study.

ii. ***Detailed data*** – The data collected in this study provided detailed and extensive insights. These insights have the potential to prompt and inform further research into the development of professional competence, as well as future development initiatives for the internal audit occupation in South Africa.

Summary of Chapter

This chapter outlined the methodology employed by the researcher, and provided a description of the research participants, ethical considerations, limitations and strengths of the study. The following chapter will focus on the research findings.

CHAPTER FOUR: EXISTING DEVELOPMENTAL SYSTEM FOR INTERNAL AUDIT

Introduction

Considering the focus of this research study (development of professional competence), it is important to have an understanding of the current system being used within the internal audit occupation to guide and develop professional competence. This chapter provides some insight regarding the existing frameworks, standards, qualifications and certifications available to internal auditors in South Africa (early-career, as well as more experienced internal auditors).

Guiding standards and frameworks

There are existing STANDARDS (see below) and frameworks aimed at providing direction and guidelines regarding the knowledge, skill and competence required for the effective and competent practice of internal audit. There are also several academic qualifications as well as professional qualifications and professional certifications (Fourie, 2014) aimed at developing internal audit knowledge, skills and competence in South Africa. There is, however, no evidence that indicates that there is alignment between the various resources, nor is there evidence that these guiding documents, qualifications and certifications have encapsulated the competency requirements deemed by practitioners as essential for the effective and competent practice of internal auditors in South Africa.

STANDARDS

The "IIA's International Standards for the Professional Practice of Internal Auditing (STANDARDS) is crucial in meeting the responsibilities of internal auditors and the Internal Audit Activity (IAA)" (IIA NA, 2017, para. 2). The IIA Inc. (2016, p. 1) indicates that there are four main purposes of the STANDARDS:

> "i) Guide adherence with the mandatory elements of the International Professional Practices Framework (IPPF); ii) Provide a framework for performing and promoting a broad range of value-added internal auditing services; iii) Establish the basis for the evaluation of internal audit performance; iv) Foster improved organizational processes and operations."

When considering the structure and content of the STANDARDS it is evident that it consists of specific mandatory requirements that include:

> "i) Statements of core requirements for the professional practice of internal auditing and for assessing the effectiveness of performance that are internationally applicable to the individual internal auditor and to the IAA; ii) Interpretations and clarifying of terms or concepts within the STANDARDS" (IIA Inc., 2016, p. 1).

According to the IIA Inc. (2016, p. 1) the "STANDARDS coupled with the Code of Ethics, incorporate all mandatory components which includes the Attribute Standards; Performance Standards and Implementation Standards, with focus placed on the first two."

Based on this description of the STANDARDS, it is evident that the IPPF is intended to inform the requisite knowledge and skill required for the effective practice of internal audit.

Competency Framework

The development of the IIA Competency Framework (FRAMEWORK) was commissioned by the IIA Global and was compiled by volunteers from within the internal audit occupation. IIA Inc. (2020a) indicates that the FRAMEWORK highlights the requisite competencies to adhere to the IPPF fully. The purpose of the FRAMEWORK is to provide structured guidance which can assist in identifying, evaluating and developing the competence of individual internal auditors (IIA Inc., 2020a).

"The FRAMEWORK outlines the 10 core competencies proposed for internal audit staff, internal audit management, and the chief audit executive" (IIA Inc., 2020a, para. 3) (see Table 6 for competency areas and descriptions). "Each core competency is reinforced by a list of comprehensive competencies" (IIA Inc., 2020a). It is important to note that although each competency is defined individually, there is a link and an interdependency between competencies (IIA Inc., 2020a). The FRAMEWORK was developed with input from internal auditors globally.

Table 6: ***The 10 core competencies included in the FRAMEWORK***

	Competency	Description
1.	Professional ethics	Promotes and applies professional ethics
2.	Internal Audit management	Develops and manages the internal audit function
3.	IPPF	Applies the International Professional Practices Framework (IPPF)
4.	Governance, risk and control	Applies a thorough understanding of governance, risk, and control appropriate to the organisation
5.	Business acumen	Maintains expertise of the business environment, industry practices, and specific organisational factors
6.	Communication	Communicates with impact
7.	Persuasion and collaboration	Persuades and motivates others through collaboration and co-operation
8.	Critical thinking	Applies process analysis, business intelligence, and problem solving techniques
9.	Internal audit delivery	Delivers internal audit engagements
10.	Improvement and innovation	Embraces change and drives improvement and innovation

Source: Derived from the FRAMEWORK (IIA Inc., 2020a)

Common Body of Knowledge

In an effort to identify the required elements of internal audit education and training, the IIA Inc. commissioned a study that resulted in the Common Body of Knowledge for the Practice of Internal Auditing (CBOK) (Hassall et al., 1996). According to IIA Inc. (2015) CBOK is a continuous study of the internal audit occupation and is conducted on a global scale. The study takes a two phase approach, entailing a practitioner survey and a stakeholder survey (IIA Inc., 2020b). The objective behind the CBOK study is to provide deep insight into current practices and anticipated future needs. Although the existence of the CBOK is acknowledged, Hassall et al. (1996) contend that the perceptions and needs of internal auditors are situational in character.

Development of Internal Auditors in South Africa: Existing Qualifications, Programmes and Certifications

Academic Qualifications

Although academic institutions operate within the parameters of the "Higher Education Qualifications Framework (HEQF), the Higher Education Qualifications Sub-framework (HEQSF), the Higher Education Act, 1997 (Act 101 of 1997) and the directives of the SAQA", (Fourie, 2014, p. 4) the teaching practices employed are unique to each institution. There is currently no legislation that dictates the curriculum design process or the standardisation of the technical content included in internal audit qualifications (Fourie, 2014). The IIA Inc. does provide guidance to tertiary institutions wanting to obtain the Internal Audit Education Partnership (IAEP) endorsement, but those who have no desire in obtaining this endorsement or do not meet the minimum requirements continue to develop and utilise their own frameworks. Although university curricula are developed through a consultative process with industry, Fourie (2014) found that graduates are not able to meet the competency demands of the profession.

Professional Qualifications

The IIA SA is a SAQA recognised Professional Body (SAQA, 2017a). As the professional body representing the internal audit occupation, the roles of Development Quality Partner (DQP), Quality Assurance Partner (QAP) and Assessment Quality Partner (AQP) have been delegated to the IIA SA by the Quality Council for Trades and Occupations (QCTO) (IIA SA, 2017). This effectively means that the IIA SA is responsible for developing the curricula of internal audit occupational qualifications in consultation with all stakeholders, as well overseeing the quality assurance of training and the national assessment process for these qualifications.

There are currently four internal audit occupational qualifications registered on the National Qualifications Framework (NQF) (SAQA, 2017b) – two current qualifications and two newly developed qualifications aligned to the QCTO model of knowledge, practical and experience. These occupational qualifications also serve as the internal audit professional qualifications as they include an experiential component. The two current qualifications – Diploma: Technician: Internal Auditing (Dip: TIA) (NQF Level 7) and the Certificate: General Internal Auditing

(Cert: GIA) (NQF Level 8) – will soon be replaced by the new occupational qualifications[1] – Advanced Occupational Diploma: Internal Auditor (OQ: IA (NQF Level 7) and Specialised Occupational Diploma: Internal Audit Manager (OQ: IAM) (NQF Level 8) - that were designed to meet the extended practical requirements as set out by the QCTO (IIA SA, 2017). Many organisations have registered learners for the current occupational qualifications, but no formal study has been conducted to determine the efficacy of the professional qualifications in developing the level of professional competence required in practice.

Professional Certifications and Designations

There are several international certifications available to South African Internal Auditors (IIA Inc., 2017b). The following certifications are offered by the IIA Inc. and can be obtained by successfully passing specific online assessments:

i. Certified Internal Auditor (CIA) – IIA Inc. (2017) proposes that the CIA is the international standard for excellence. In South Africa, the CIA is registered with SAQA as a designation.
ii. Certification in Risk Management Assurance (CRMA) – A certification for those who aim to provide risk and governance assurance advice to the audit committee and executive management (IIA Inc., 2017c).
iii. Qualification in Internal Audit Leadership (QIAL) – This programme is aimed at individuals who are in, or aspire to be in leadership positions within the internal audit profession. Though this programme is referred to as a qualification globally, the QIAL does not meet the criteria as set out in the SAQA policy and criteria for registration of qualifications and part qualifications on the NQF (SAQA, 2013).

The CRMA and QIAL are specialist certifications. The CIA is considered as the premier designation for internal auditors globally (IIA Inc., 2017c). Pickett (2000) asserts that an examination can be passed by employing good examination technique and not necessarily through the understanding or competence in the audit task. Coetzee, Erasmus and Plant (2015,

[1] Qualification types as per revised Occupational Qualification Sub-Framework as Gazetted in February 2020

p. 13) found that using a "global professional assessment to assess the level of competence required in specific countries could inadequate."

The IIA SA confers the following SAQA registered designations onto individuals who pass the final assessment for the internal audit occupational qualifications, and are members of the IIA SA:

i. Internal Audit Technician (IAT) – Linked to the Dip: TIA qualification.
ii. Professional Internal Auditor (PIA) – Linked to the Cert: GIA qualification.

Summary of Chapter

Evidently, there are several guiding and developmental tools available to internal auditors in South Africa, yet, as mentioned in Chapter One of this report, the level of competence of internal auditors is still being questioned. There is currently no data to indicate the number, or percentage of internal auditors who make use of tools currently available, or if the FRAMEWORK, STANDARDS, qualifications, certifications and designations meet the developmental needs of the occupation.

In the following chapter, the findings of this research study will be presented.

CHAPTER FIVE: RESEARCH FINDINGS AND ANALYSIS

Introduction

The purpose of this chapter is to consider the findings of the study. As mentioned in Chapter Three of this paper, data was collected in two phases: Phase One included data collection from two focus group sessions and Phase Two included eight semi-structured interviews. This chapter details the findings from the focus group data, as well as the analysis thereof. Additionally, the analysis of the interview data, and the themes and sub-themes which emerged from the interview data are discussed. To provide a detailed view of the research outcomes, the findings and themes that emerged from the study have been presented in individual sections that relate to one of the four research questions:

i. What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?
ii. Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?
iii. What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?
iv. What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?

Table 7 provides an overview of the research questions utilised in this study, and the phase of the study (focus groups sessions and semi-structured strategic interviews) that was used to obtain data.

Table 7: ***Research questions and applicable phase of the study***

Research question	Phase of Study
What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?	Focus Groups and Interviews
Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?	Data from research question 1 was used to conduct a desktop analysis
What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?	Interviews
What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?	Interviews

Each section of this chapter is dedicated to a specific research question, and the related data that emerged from this study. Where applicable, the findings have been linked to existing literature related to professions, professional competence and standardisation.

Section 1: What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?

In this section, the competency areas, and competencies that emerged from the focus group sessions are presented. Competency areas and competencies noted by interviewees were included in the final competency areas and related competencies, and are also discussed in this section.

Focus group participants were asked the question: **"What competencies are required for early career internal auditors to effectively practice internal audit in South Africa?"** Interviewees were asked the same question, with the objective of taking an integrated approach to the data collection process, as well as to provide supportive insights regarding the competency areas and competencies that emerged from the focus group phase of the study.

The table in Appendix O depicts the final internal audit competency areas and competencies that are deemed essential for internal auditors to be considered professionally competent. In order to provide a holistic view of competency areas and competencies, focus group data was combined and analysed (Refer to Appendices L, M, N and O for the full analysis and final list of competency areas and competencies). Where applicable, interview responses contributed to the final list of competency areas and competencies which were used for the cross-analysis i.e. the resultant competency areas were analysed against the existing professional qualifications and certification (discussed in Section 2 of this chapter).

Details regarding the competency areas that emerged from the focus group sessions, as well as corresponding interview responses will be provided in this section. The full list of competency areas and competencies can be found in Appendix O.

i. ***Professionalism*** – This competency area relates to the expectation that internal auditors conduct themselves in a professional manner, as well as the requirements to be considered a professional. Holding a base qualification, being a member of a professional body and being held accountable against a code of ethics, as well as holding a professional designation and adhering to continuous professional development requirements set by the professional body, are all elements that are considered to be highly regarded.

   Except for one interviewee, the interview participants did not mention professionalism or any of its related competencies. **Participant EP6** noted the following in relation to professionalism**:** "… It's important, especially for early career auditors, to ensure that they build competency as fast as possible on what is professionalism and ethical professionalism…"

   Based on the focus group discussions, as well as the interview responses, it appears that either differing levels of importance are placed on professionalism and its related competencies, or there is an assumption that professionalism is an explicit requirement.

ii. ***Internal Audit: Professional and Personal Attributes*** – This competency area emerged on the basis of the need for professional work ethic, capabilities, personality and behavioural elements required in an internal audit professional. Although some of the competencies do appear to overlap, the focus group participants strongly motivated for them to be separate elements in order for the correct level of focus to be given to each. This is concerning, in terms of needing to take an integrated approach to competency development, but this can be addressed in curricula development, and implementation.

Amongst interview participants, the emphasis was placed on independence, critical thinking, and analysing competencies.

Participant PP2: "I think one of the things that one comes across is obviously a good grounding in language skills, good analytical skills, good problem solving, good report writing, a very strong and good grounding on ethical standards and requirements, and appreciation of the issues around objectivity and independence…"
Participant EP6: "… Critical thinking skills, because that enables you to identify problems but also to identify solutions to problems and to move away from a scenario that because a textbook says it must be like this, it must be like that because real life is never like a textbook."
Participant SP7: "I think that your ability to, to, to critically analyse and deep application of mind, to bring you to a point of insight is something that needs to be developed fairly early on, at entry level already…"

It must be noted that although the need for Internal Audit: Professional and Personal Attributes inclusion emerged in both focus group sessions, the majority of the competencies emerged from the focus group comprising of practitioners. The rigorous discussion during the focus group sessions, as well as the extensive list of competencies that emerged, highlights the emphasis placed on practical application of these attributes. The lack of discussion regarding these competencies in the focus group consisting of educators and standard setters, could be indicative of the group not understanding the challenges being experienced in relation to these competencies, or the emphasis of these in practice. Important to note is that some of the competencies mentioned under Internal

Audit: Professional and Personal Attributes (desire to keep abreast of knowledge and being energetic and hardworking), are personality traits and innate qualities a person would possess – pointing to the need to make these requirements clear in order to attract individuals with these competencies to the occupation.

iii. ***Effective Communication*** – The communication competency area is centred on an internal auditor's ability to communicate effectively through, and within, various channels. Internal auditors need to communicate with each other, auditees and clients, and as such, should possess exceptional ability to receive and convey information both verbally and through written communication. Effective Communication was discussed by both focus groups.

Competencies related to effective communication were mentioned by three interview participants.

Participant EP1: "The one that is lacking and I think they're battling these days with most of the time, is actually how to relate to people, the interaction, the staff skills, communication. These days they've become so devoid from face to face interaction they have actually lost confidence in the ability to ask questions."
Participant PP3: "The normal skills, you know that you've got to have communication skills and you can interact with people and you can write a nice letter... all that stuff I think remains."
Participant PP4: "More and more internal auditors are being requested to put presentations forward, to chair meetings, to be involved in meetings and they need to be able to put out and communicate in those spaces…"

Based on the focus group discussions, as well as the interview responses, it appears that there is a general consensus regarding the importance of internal auditors having the knowledge, skill and ability to effectively communicate in practice.

iv. ***Business Insights*** – This competency area emerged in relation to the need for internal auditors to understand and function effectively in the business environment. Internal auditors must have an in-depth appreciation of business and business practices in order to effectively provide a value-add function within organisations.

Both focus groups discussed this competency area and related competencies, and two interview participants provided additional insights regarding the need for internal auditors to possess the competencies related to business insights.

Participant PP3: "I think for me, the main thing is that they've got to have, they have to have the basic skills and understanding or not the skills, but the basic understanding… of how a business runs, how a business operates, how all the parts fit together. So your business acumen, that basic business sense in terms of how a business operates and runs and works together because if you don't understand that, how can you go and audit?"

Participant PP4: "Also they need to have research skills because I think more and more we're finding that there's a huge amount of information that is coming out on a daily basis both for internal auditors and for business, and if you aren't in the position where you're able to go and find and assimilate that information it prevents you from being able to add value in the space that you're working…"

Although both the focus groups emphasised Business Insights as a requirement during their discussions, only two interview participants discussed this as a required competency area for internal auditors. Additionally, it was noted that no distinction was made between the competency needs in the private sector versus the public sector, and is something that would definitely need to be considered in future studies, as well as in practice.

v. ***Information and Communication Technology*** – This competency area includes the understanding of information technology, and security thereof, as well as the need to be knowledgeable about all current and emerging technologies, as well as the ability to utilise technology to automate audit processes.

Both focus groups discussed Information and Communication Technology, but only two interview participants discussed this competency area when asked about required competencies for early career internal auditors.

Participant EP6: "Digitization also coming in very strongly and, so they, that's, how do you use technology but also how do you audit technology will be a continuous process that they need skills on and, in that aspect, is more and more important is actually data safety."
Participant SP7: "How do you teach internal auditors right from the beginning to work with the robot? Not using the robot … that's a mind shift."

The requirement for internal auditors to have insight in terms of information and communications technology, as well as the skill and ability to apply the knowledge, appears to be a priority for the occupation. This has not translated well into the professional qualifications, nor the certification (refer to Section 2 in this chapter). It must be noted that the professional qualifications Dip: TIA and Cert: GIA are earmarked to be phased out. The new professional qualifications which will replace them include a specialisation which focuses on information and communication technology.

vi. ***Risk Management*** – This competency area refers to the overall need to understand risk management and an organisation's risk management structures. Additionally, the theme includes the ability of internal auditors to recognise and effectively play their role in organisational risk management.

The need for risk management to be included as a requirement was only discussed by Focus Group One, which was comprised of internal audit practitioners and standard setters. During the interview phase, only one participant mentioned risk management (within the context of risk based internal audit planning). The interview participant who mentioned risk management is from the practitioner category of participants.

Participant PP4: "Unless they're able to identify risks in the business process analysis in which they are doing their planning they won't focus on the correct risks and so that's an essential skill that they need to learn in the first five years."

Risk management appears to have importance to the occupation, but based on the analysis of data, as well as interview responses, different stakeholders within the occupation seem to place differing levels of attention on this requirement.

vii. ***Project Management for the Internal Audit Function*** – This competency area is centred on knowledge, skills, and abilities to effectively manage project based work within the internal audit function; however, some of the sub-themes mentioned i.e. time management, administration skills, flexibility and accountability are skills that would prove useful in day-to-day operations within all internal audit functions.

This theme emerged from discussions in Focus Group One which was comprised of practitioners and standard setters. Focus Group Two did not discuss project management; however, they did mention flexibility and continuous leading in the context of Internal Audit: Professional and Person Attributes.

This competency area did not emerge during the interview phase of the study. Project Management for the Internal Audit Function appears to be important for some, specifically amongst practitioners and standard setters. There is insufficient data to determine the importance of this requirement to the educator category of participants.

viii. ***Combined Assurance*** – This competency area refers to a process where both internal and external assurance providers provide collective assurance on the effectiveness of governance, risk and control-related processes within the organisation. Overall, the competency area includes the planning and quality assurance of the combined assurance process. Additionally, this theme includes the assessment of the control environment at all level within the organisation.

Combined assurance was only discussed by the focus group comprised of practitioners and standard setters; however, Focus Group Two discussions touched on combined assurance when they discussed the three lines of defence in the Risk Based Internal

Audit (RBIA) Methodology competency area. This competency area did not emerge during the interview phase of the study; however, it appears to be an essential requirement for practitioners and standard setters.

ix. ***RBIA Methodology*** – This competency area focusses on the need for internal audit functions to take a risk based approach to Internal Audit Activities (IAAs). Taking this approach would require an understanding of organisational risks, and preparing a risk-based audit plan. Although very similar to the Risk Management theme, there are some nuances between the two. Risk Management focusses on understanding organisation wide risk management and structures, while RBIA Methodology focusses on the audit approach from internal audit functions.

RBIA Methodology as a competency area emerged from Focus Group Two discussions; however, Focus Group One did also briefly discuss RBIA. Although Risk Management was mentioned by one interview participant (as per quote under Risk Management), RBIA Methodology did not emerge during the interview phase of the study.

x. ***Governance, Risk and Control Frameworks*** – Relates to the understanding of, and ability to interpret and apply, governance and control frameworks in relation to risk management within and across strategic and operational functions of an organisation. All applicable frameworks would need to be understood.

This competency area emerged from Focus Group Two discussions. Focus Group One did, however, mention governance, risk and control when discussing Internal Audit: Professional Personal Attributes, and they mentioned governance in the context of Stakeholder Interaction and relations.

Based on Focus Group Two discussions, knowledge, skill and ability in relation to governance, risk and control are essential for the effective, competent and professional practice of internal audit. However, it was noted that Focus Group One did not place emphasis on this competency area, and it was only mentioned by one interview participant.

Participant PP3: "Now I know you look at governance risks and controls but governance risk and controls needs to be seen in the context of the organisation and the industry in which the organisation works."

xi. ***Information Analytics*** – This competency area focusses on the need for internal auditors to understand, utilise and interpret information analytics within the internal audit function in order to take a proactive approach and increase internal audit efficacy.

This competency area emerged from Focus Group One discussions, and was not mentioned, or discussed at all by Focus Group Two. Information analytics was only mentioned by the focus group comprising of practitioners and standard setters and did not emerge during the interview phase of the study. The differing level of focus placed on this competency area, and related competencies, could be indicative of broader requirements and readiness for change in practice.

xii. ***Fraud*** – This competency area encompasses the ability to have knowledge of, understand, and be able to apply fraud detection and prevention strategies and techniques.

Fraud related competencies emerged as a requirement from Focus Group One discussions. Focus Group Two did, however, mention fraud within the context of RBIA Methodology. Inputs from Focus Group Two were merged into the overall Fraud requirement. Although there were two interview participants who mentioned fraud, only one explicitly stated that knowledge of fraud was a required competency area.

Participant PP4: "I think that they do need to know more about fraud: they need to know what the red flags are that they need to look at, they need to know how to identify fraud schemes and then they also need to know how to react, because one or two fraud investigations have gone horribly wrong because an internal auditor has asked a very innocent question of the fraudster themselves."

Knowledge of, and ability to apply knowledge of fraud, appears to be a thread that internal auditors need to carry through every Internal Audit Activity. In comparison to the other requirements, this was one of the requirements commonly mentioned and discussed by practitioners in the focus group sessions.

xiii. ***Data Analytics*** – This competency area entails the need for internal auditors to understand and utilise automated data analysis techniques in order to interpret and take a pre-emptive approach to internal audit plans and engagements.

This competency area emerged during Focus Group One discussions; however, Focus Group Two did discuss Computer Assisted Audit Tools (CAATS). Focus Group Two discussions were absorbed into the overall Data Analytics requirement. It is important to note that both Information Analytics, as well as Data Analytics, emerged from Focus Group One discussions. Although there appear to be overlaps between the two requirements, the participants of Focus Group One strongly believed that they should remain separate in order for the required level of emphasis to be placed on developing professional competence in both competency areas.

Two participants mentioned data analytics during the interview phase of the study.

Participant PP4: "Internal auditors now need to know about data analysis and this is something they should have the basics of in their tertiary qualification but that they certainly need to build on when they come into the new environment."
Participant EP5: "Okay so definitely data analytics, although, although we have data analytics I'm also going to still put this in there."

It appears that educators, practitioners and standard setters are all in agreement that data analytics is an essential competency area that must be emphasised when developing professional competence of internal auditors.

xiv. ***Financial Acumen*** – This competency area refers to the internal auditor understanding and interpreting financial and auditing concepts and information in order to provide assurance to management.

This requirement of Financial Acumen as a competency area emerged from Focus Group Two discussions. Financial acumen as a competency area came across quite strongly from two participants during the interview phase of the study.

Participant PP4: "… In the past whereas I said, a lot of the audit trainees are being faced with this huge amount of focus on financial accounting and cost and management accounting. We need to move to a point where they're able to apply what they've learnt in financial accounting and cost and management accounting, to actually analyse in the finances of the areas that they're auditing…"

Participant PP8: "If you're a person between one to five years' experience I would expect you to have gained at least an understanding of what a trial balance comprises, understanding the difference between balance sheet items and income statement items… So even if it means exposing them to a simple accounting package to know how transactions get generated – because I can tell you, if you don't have that understanding it makes your life in the practical world a lot more difficult: people can, can sort of pull the wool over your eyes and you won't know any better."

There appears to be some degree of acknowledgement from some educators and practitioners that financial acumen is an important requirement for an internal auditor to develop.

xv. ***Stakeholder Interaction and Relations*** – This competency area is focussed on the softer skills required to interact with, and build valuable, trusting relations with stakeholders.

This competency area emerged from Focus Group One discussions, and the group strongly believed that it should be a stand-alone requirement. During analysis, the researcher did merge some of the competencies e.g. ethics, governance and culture from the initial inputs, with other, more appropriate competencies. Although Focus Group Two did discuss governance, ethics and culture, they did not mention stakeholder interaction and relations.

During the interview phase of the study, stakeholder interaction and relations, and related competencies were not mentioned. This requirement did come across strongly from practitioners within Focus Group One, indicating a high level of importance and need in practice.

Focus Group One which was comprised of practitioners and standard setters appeared to focus mostly on the technical competencies that need to be developed in internal auditors, while Focus Group Two which was comprised of practitioners and educators focused more on the softer skills and attributes required in an internal auditor. The interview responses regarding the competencies that need to be developed in internal auditors also varied. This may be indicative of a need to conduct further research to determine the level of professional competence required for each competency area and related competencies.

In addition to the question of competency development requirements for early career internal auditors, interview participants were also asked the following question: **Based on what you have said, do you believe the competency requirements for an experienced internal auditor would be different in comparison to an internal auditor in years 1-5 years (first five years)?**

Responses to this question indicated that although there is no expectation that experienced internal auditors should be professionally competent in additional for competency areas, there is an expectation that the level of competence would be significantly higher. Some of the responses to this question are noted below.

Participant PP3: “I think the, the competencies will, the baseline competencies needs to be the same. I think it’s the level of operation that will differ, so I would expect the internal auditor on the baseline to be able to understand all the areas but I would not expect a person to actually operate at, operate at exactly the same level of an experienced auditor.”
Participant EP5: “No, the only difference is the level of difficulty, so as you, as you progress you might perform more advanced.”
Participant PP8: “I wouldn’t expect them to be on the same level in terms of competencies, I would think that there should be a definite difference in that.”

In general, the interview participants were all in agreement regarding the need for more experienced internal auditors to have deep knowledge and understanding of internal audit practices.

The variation in the requirements, competence areas, and competencies put forward by the different stakeholder categories indicates a tension between education and work. This does indicate that a collaborative approach to determining competency areas would be beneficial, and one could say, essential to closing the gap between actual professional competence and the expectation in practice.

The findings in this section of the study indicate that the professional competency requirements are complex, and the expectations are high. It is also evident that each role player group has much to offer in terms of input and guidance regarding the competency areas, and competencies that should be developed in internal auditors in order for them to be considered professionally competent. Additionally, the findings indicate that an integrated and holistic approach to developing a professional competence model would minimise gaps, and would be of benefit to all stakeholders. Studies by McCartney et al. (2002) and Fourie (2014) highlight the importance of closing the gaps between observations, expectation and reality. As noted in Chapter Two of this research report, Freidson (2001) argues that specialisation is employed in intrinsic work through the use of a confined body of knowledge and skill in order to achieve a specific outcome. The internal audit occupation would need to collectively determine the knowledge, skill and behaviours a professional would need in order to develop expertise, and the resultant professional competence, as is required by all stakeholders.

Section 2: Is there alignment between the requirements noted by internal audit professional development role players in South Africa and the current guidelines and offerings that make up the professional competence development model in the country?

This section presents key findings related to the alignment between required competency areas noted by internal audit role players, and those covered within the current professional competence model employed. As noted in Chapter Three, as well as the previous section in this chapter, the focus group phase of this study resulted in the majority of data related to the competency areas and competencies essential for internal auditors to be considered professionally competent. Using the final focus group data, and related data from the interview phase of this study (refer to Appendix O), an analysis was conducted to determine if there is alignment between professional competence requirements in practice, and those included in professional qualifications and certifications (the CIA certification is said to be aligned to the FRAMEWORK) currently available to internal auditors in South Africa. (Refer to Appendix P and Appendix Q for the detailed analysis).

i. ***Professionalism*** – The analysis of this competency area (Five competencies pertaining to Professionalism) against the professional qualifications and the certification indicates the following:

a. Dip: TIA covers all five competencies.
b. Cert: GIA covers all five competencies.
c. CIA covers all five competencies.
d. OQ: IA covers all five competencies.
e. OQ: IAM covers all five competencies.

ii. ***Internal Audit: Professional and Personal Attributes*** – The analysis of this competency area (19 competencies pertaining to Internal Audit Professional and Personal Attributes) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not explicitly cover six competencies, does not cover an additional six competencies at all, and covers the remaining seven sufficiently.
b. Cert: GIA does not explicitly cover eight competencies, does not cover one competency at all, and covers the remaining 10 sufficiently.
c. CIA does not explicitly cover eight competencies, does not cover one competency at all, and covers the remaining 10 sufficiently.
d. OQ: IA partially covers one competency, does not explicitly cover six competencies, does not cover two competencies at all, and covers the remaining 10 sufficiently.
e. OQ: IAM does not explicitly cover three competencies, does not cover one competency at all, and covers the remaining 15 sufficiently.

iii. ***Effective Communication*** – The analysis of this competence area (Eight competencies pertaining to Effective Communication) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not explicitly cover one competency, does not cover an additional two competencies at all, and covers the remaining five sufficiently.
b. Cert: GIA does not explicitly cover three competencies, does not cover one competency at all, and covers the remaining four sufficiently.

c. CIA does not explicitly cover six competencies, and covers the remaining two sufficiently.
d. OQ: IA covers all eight competencies.
e. OQ: IAM covers all eight competencies.

iv. ***Business Insights*** – The analysis of this competency area (16 competencies pertaining to Business Insights) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not explicitly cover one competency, does not cover an additional nine competencies at all, and covers the remaining six sufficiently.
b. Cert: GIA partially covers one competency, does not cover six competencies at all, and covers the remaining nine sufficiently.
c. CIA partially covers one competency, does not explicitly cover one competency, does not cover an additional four competencies at all, and covers the remaining 10 sufficiently.
d. OQ: IA partially covers one competency, does not cover three competencies at all, and covers the remaining 11 sufficiently.
e. OQ: IAM partially covers one competency, does not cover four competencies at all, and covers the remaining 11 sufficiently.

v. ***Information and Communication Technology*** – The analysis of this competency area (15 competencies pertaining to Information and Communication Technology) against the professional qualifications and the certification indicates the following:

a. Dip: TIA partially covers five competencies, does not explicitly cover two competencies, does not cover an additional five competencies at all, and covers the remaining three sufficiently.
b. Cert: GIA partially covers three competencies, does not explicitly cover two competencies, does not cover an additional eight competencies at all, and covers the remaining two sufficiently.
c. CIA partially covers one competency, does not explicitly cover three competencies, does not cover an additional three competencies at all, and covers the remaining eight sufficiently.

d. OQ: IA[2] partially covers three competencies, does not explicitly cover one competency, does not cover five competencies at all, and covers the remaining six sufficiently.
e. OQ: IAM[3] does not explicitly cover two competencies, does not cover 12 competencies at all, and covers the remaining one sufficiently.

vi. ***Risk Management*** – The analysis of this competency area (Four competencies pertaining to Risk Management) against the professional qualifications and the certification indicates the following:

a. Dip: TIA partially covers one competency, and sufficiently covers the remaining three competencies.
b. Cert: GIA sufficiently covers all four competencies.
c. CIA sufficiently covers all four competencies.
d. OQ: IA does not explicitly cover two competencies, does not cover one competency at all, and covers the remaining one sufficiently.
e. OQ: IAM does not explicitly cover one competency, and covers the remaining three sufficiently.

vii. ***Project Management for the Internal Audit Function*** – The analysis of this competency area (Seven competencies pertaining to Project Management for the Internal Audit Function) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not cover four competencies at all and covers the remaining three sufficiently.
b. Cert: GIA does not explicitly cover one competency, does not cover three competencies at all, and covers the remaining three sufficiently.

[2] The Advanced Occupational Diploma: Internal Auditor (Information and Communication Technology Auditor) specialisation is linked to this qualification, and covers the required competencies.

[3] Completing the OQ: IA is a requirement to gain entry to the OQ: IAM; therefore the content covered in OQ: IA is not covered again in OQ: IAM. There is, however, a process for Recognition of Prior Learning (RPL).

c. CIA does not explicitly cover two competencies, does not cover one competency at all, and covers the remaining two sufficiently.
d. OQ: IA partially covers one of the competencies, does not cover one competency at all, and covers the remaining five sufficiently.
e. OQ: IAM sufficiently covers all the competencies.

viii. ***Combined Assurance*** – The analysis of this competency area (Five competencies pertaining to Combined Assurance) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not cover four competencies at all.
b. Cert: GIA partially covers two competencies and covers the remaining three sufficiently.
c. CIA sufficiently covers all the competencies.
d. OQ: IA does not cover two competencies and covers the remaining three sufficiently.
e. OQ: IAM partially covers one competency and covers the remaining four sufficiently.

ix. ***RBIA Methodology*** – The analysis of this competency area (Five competencies pertaining to RBIA Methodology) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not cover three competencies at all and covers the remaining two sufficiently.
b. Cert: GIA partially covers two competencies, does not explicitly cover one competency, and covers the remaining two sufficiently.
c. CIA does not explicitly cover two competencies, and covers the remaining three sufficiently.
d. OQ: IA partially covers one competency and covers the remaining four sufficiently.
e. OQ: IAM partially covers one competency and covers the remaining four sufficiently.

x. ***Governance, Risk and Control Frameworks*** – The analysis of this competency area (Two competencies pertaining to Governance, Risk and Control) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not cover one competency at all and covers the remaining one sufficiently.
b. Cert: GIA partially covers one competency and covers the remaining one sufficiently.
c. CIA partially covers one competency, and does not cover one competency at all.
d. OQ: IA does not cover one competency at all and covers the remaining one sufficiently.
e. OQ: IAM does not cover one competency at all and covers the remaining one sufficiently.

xi. ***Information Analytics*** – The analysis of this competency area (Five competencies pertaining to Information Analytics) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not explicitly cover one competency, does not cover three competencies at all and covers the remaining one sufficiently.
b. Cert: GIA partially covers two competencies, does not explicitly cover one competency, does not cover one competency at all, and covers the remaining one sufficiently.
c. CIA partially covers one competency, does not explicitly cover one competency, and covers the remaining three sufficiently.
d. OQ: IA partially covers two competencies, does not explicitly cover one competency, and covers the remaining two sufficiently.
e. OQ: IAM does not explicitly cover one competency and covers the remaining four sufficiently.

xii. ***Fraud*** – The analysis of this competency area (Three competencies pertaining to Fraud) against the professional qualifications and the certification indicates the following:

a. Dip: TIA covers the three competencies sufficiently.
b. Cert: GIA covers the three competencies sufficiently.
c. CIA covers the three competencies sufficiently.
d. OQ: covers the three competencies sufficiently.
e. OQ: covers the three competencies sufficiently.

xiii. ***Data Analytics*** – The analysis of this competency area (Two competencies pertaining to Data Analytics) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not cover one competency at all and covers the remaining one sufficiently.
b. Cert: GIA does not cover one competency at all and covers the remaining one sufficiently.
c. CIA partially covers one competency and covers the remaining one sufficiently.
d. OQ: IA partially covers one competency and covers the remaining one sufficiently.
e. OQ: IAM partially covers one competency and does not cover one competency at all.

xiv. ***Financial Acumen*** – The analysis of this competency area (Two competencies pertaining to Financial Acumen) against the professional qualifications and the certification indicates the following:

a. Dip: TIA covers the two competencies sufficiently.
b. Cert: GIA does not cover the two competencies at all.
c. CIA covers the two competencies sufficiently.
d. OQ: IA covers the two competencies sufficiently.
e. OQ: IAM covers the two competencies sufficiently.

xv. ***Stakeholder Interaction and Relations*** – The analysis of this competency area (Three competencies pertaining to Stakeholder Interaction and Relations) against the professional qualifications and the certification indicates the following:

a. Dip: TIA does not explicitly cover one competency, and covers the remaining two sufficiently.

b. Cert: GIA does not cover one competency at all and covers the remaining two sufficiently.
c. CIA does not explicitly cover one competency, and covers the remaining two sufficiently.
d. OQ: IA covers the three competencies sufficiently.
e. OQ: IAM does not explicitly cover one competency, and covers the remaining two sufficiently.

Evidently, the professional qualifications, and the certification on offer, do not fully cover the full spectrum of competencies noted by internal audit professional development role players as essential to the professional practice of internal auditing in the country. With regard to the Dip: TIA and Cert: GIA qualifications, the deficiencies may be due to the fact that the qualifications were developed several years ago, and no longer meet the needs of the profession. The CIA, although recently revised, is said to be aligned to the FRAMEWORK which was developed in 2013. As such, the CIA, like the two legacy qualifications mentioned above, may no longer meet the needs of the profession. With regard to the CIA, this analysis is aligned to the findings of the study conducted by Coetzee et al. (2015, p. 13) in which it was noted that competency needs differ between countries, and using a "global professional assessment to assess the level of competence required in specific countries could be inadequate." The OQ: IA and OQ: IAM were developed through a consultative process in 2016. The fact that these, more recently developed qualifications have deficiencies when compared to competency requirements that emerged from this study indicates that the needs of the profession are evolving at a relatively fast pace, and that professional qualifications may need to be revised more often than every five years, and perhaps broader consultation is required during the curricular revision process. Professional qualifications and certifications that form part of the professional development system need to be able to meet the demands in practice. The following section considers the experiences of role players with the existing system used to develop professional competence of internal auditors in South Africa.

Section 3: What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?

Presented in this section are key findings related to the experiences of role players in relation to the existing system used to develop professional competence of internal auditors in the country. Interviewee responses informed the findings in this section. Ten interview questions were asked in order to answer the research question: What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?

Based on the analysis of the interview responses, three themes and thirteen related sub-themes emerged. The detailed analysis of interview data can be found in Appendix R. In order to present the findings in a coherent manner that can be easily understood, this section is divided per theme that emerged. The interview questions, as well as the themes and sub-themes applicable to the research question, have been tabulated and then summarised and discussed.

Theme 1: Competence Level in South Africa (SA)

Table 8 depicts the interview question, as well as the theme and related sub-themes that emerged from the analysis of the interview data.

Table 8: ***Theme: Competence level in SA and related sub-themes***

Interview Question	Theme	Sub-themes
How would you describe the general view of internal audit competence in South Africa?	Competence Level in SA	• Negative perception • Low level of competence • Inability to apply theory in practice

Below are some of the participant responses in relation to the interview question: **How would you describe the general view of internal audit competence in South Africa?**

Of the eight participants, only one indicated a positive view of internal audit competence in South Africa: **Participant EP1:** "…I believe the South African competencies are fairly strong especially when we have students leaving the varsity and also as soon as they enter industry they adapt fairly quickly…" This same participant did, however, note a concern regarding the lack of understanding in the market regarding the mandate of internal audit.

In general, the view of the remaining seven participants was that the competence level of internal auditors in South Africa leaned toward the negative side. The following quotes are the responses received from interview participants in relation to the question mentioned above.

Participant PP2: "I will simply say it's average…"

Participant PP3: "…What I think is worrying to me is the fact that I think the level of competence is declining. So I think that we've got a very good level of competence, and I think a lot of that competence sits with more of the older generation, and I think the younger generation that's coming through is struggling to actually, fully embrace internal auditing … it's not a black and white science where you can go and learn a textbook and then you're an internal auditor. It's about having the theory and then being able to apply it."

Participant PP4: "Unfortunately I think it's fairly dim."

Participant SP7: "…Vast numbers of internal auditors who are not yet where one would expect internal auditors to be… if I were to give a percentage, on it, I would say that you're probably sitting with about sixty to seventy percent of internal auditors not quite being at the level where they need to be."

The above quotes from the interview participants support the assertions of Fourie (2014, p. 171) that there is a gap "between the expected and actual level of capabilities of internal auditors entering the workplace." It is evident from both the existing literature, as well as the primary data that emerged from the interview phase of this study, that there is a concern regarding the level of competence of internal auditors in South Africa. According to Ganser (2000) and Fielding and Schalock (1985) (as cited in Villegas-Reimers, 2003, p. 9), "When looking at professional development, one must examine the content of the experiences, the processes by which the professional development will occur, and the contexts in which it will take place."

Theme 2: Professional development challenges

Table 9 depicts the interview questions, as well as the theme and related sub-themes that emerged from the analysis of the interview data.

Table 9: ***Theme: Professional development challenges and related sub-themes***

Interview Questions	Theme	Sub-themes
What challenges have been experienced while trying to implement competency development initiatives?	Professional Development Challenges	• Lack of resources • Lack of clarity regarding internal audit mandate • Lack of formal requirements • Impact of SA's historical context • Low adoption rate of internal audit OQs • Outdated content and pedagogy • Lack of buy-in
Based on desktop research, and according to existing literature, there are no formal competency requirements for internal auditors specific to the South African context. Is this correct?		
In your view, has the absence of clear competency requirements for internal auditors in South Africa negatively impacted the profession in any way?		

Below are some of the participant responses in relation to the question: **What challenges have been experienced while trying to implement competency development initiatives?**

All the interview participants voiced concerns regarding professional development challenges experienced within the internal auditor occupation in South Africa. The challenges noted revolved around resources, voluntary education, and professional membership requirements and stakeholder buy-in, amongst other aspects.

Participant PP2: "They sit around lack of skilled trainers in the various places, work places and the funding gaps… the level of understanding in terms of the mandate that we have and the kind of independence and objectivity that we should execute is not coming through…"

Participant PP3: "I think the universities and the technikons are there … I consider it their task to actually train the people, but I also find that they tend to be very old school in their thinking… I think that part of the challenge is that very often we don't think that if we can't give a person that experience in a workplace environment because we don't have that, that you could actually then try and do case studies with your people, where you actually expose them in a simulated environment to those same problems and let them experience it so that they can bring that skill set into their work and their capabilities…"

Participant EP5: "… The one that I can highlight that stands out is lack of buy-in, lack of buy-in by either the chief audit executive, the people in charge, the leadership of the internal audit function or it is a lack of buy-in by the, the practicing internal auditors…"

Participant SP7: "…Just anybody can become an internal auditor and where there's a lack of understanding within the organisation of the mandate of internal audit…in the institute's interventions, in terms of building competence amongst internal auditors, although adopted by many, are not adopted by nearly enough…"

Participant PP8: "…What I find challenging is to make an assessment in terms of what type of training would enable or enhance an internal auditor's role from a practical application point of view…"

Below are some of the participant responses in relation to the question: **Based on desktop research and according to existing literature, there are no formal competency requirements for internal auditors specific to the South African context. Is this correct?** Participants were asked this in the form of a closed question in order to elicit a quick, honest and direct response. Although some of the participants indicated that there are some guidelines, there was general agreement from all the participants that there were no clearly defined, formal competency requirements for internal auditors in South Africa.

Participant PP2: "Yes, we have not got there, we need to get there and by doing so I think we will be able to then raise the level and standards of our, I mean our auditors."

Participant PP3: "…Actually I couldn't find anything so I might have missed it but I can't really find anything that is very specific South African context based."

Participant PP5: "There's, there's, there is like a general overarching guideline, but it doesn't define it from A to Z."

Participants were then asked the following question: **In your view, has the absence of clear competency requirements for internal auditors in South Africa negatively impacted the profession in any way?** Below are some of the participant responses in relation to the question.

Two of the three participants from the educator category noted that they did not feel like the absence of clear competency requirements has necessarily impacted the internal auditing professional negatively:

Participant EP1: "I won't say the absence of a formal competency framework has impacted negatively, I think it's due to the pro-activeness of educators and what is available from the standards, to some extent the competencies have been already considered in the offerings."
Participant EP6: "… For me the core competence that internal auditors need to have comes from the standards and the code of ethics. You have to be able to do things in a professional manner and that is standard in the code of ethics, and the competency you need to manage an internal audit function, then you just need to apply the standards otherwise. So to some extent although there's not a clear competency requirements it does allude to principles and the types of competencies you need to have…"

One of the above participants, **Participant EP6**, did add the following to their response: "…The challenge, because there's not a clear requirement, is that you might get internal auditors that actually call themselves internal auditors that don't necessarily abide by the standards and that can have a negative impact on the profession."
The remaining six participants all indicated that the absence of clear competency requirements did in fact have an adverse impact on the development of professional competence within the context of internal auditing.

Participant PP2: "… It has definitely impacted that, that's why you then find the level of delivery and the quality of work that comes from the various places one can actually maybe even go to, you then find some of the skill sets in there don't even deserve to be auditors… if you look at the value chain, competencies is a key component of that whole process."
Participant PP3: "… It is impacting the competency development, and I think part of it is that we need to look at the historic situation in the country, not everybody has had the same exposure as children… I really think that if we look at it from a South African context you've

got to look at what do you want the internal auditor to have and what competencies do you want to have…"

Participant SP7: "Absolutely, hugely so. I think that we're sitting with a situation where a lot of internal auditors are not adding value, because they don't have the right level of competence."

Participant PP8: "… It feels like it's a little bit blurred, a little bit vague… and it makes it difficult to almost assess the abilities or skills, I think it is, it has negatively affected."

The above quotes provide possible reasons for the low competency levels of internal auditors that was discussed in Chapter One, as well as in Theme 1 of this section. Hassall et al. (1996) assert that due to substantial internal and external forces (increased demands, political influence, and social pressures) professions must now deal with transformation on a constant basis at an extremely fast pace. The challenges noted by the interview participants support the findings of Fourie (2014), Plant, (2016), Plant and Steyn (2010) and PWC (2017) that internal auditors are not always able to meet the professional competency standards required in practice. It is evident that there needs to be a more concerted effort for internal audit professional development stakeholders to collaboratively develop, and agree on, a solution to overcome them. Supporting this previous statement is Fernandes et al. (1995) who assert that very little interaction between practitioners, students and educators usually results in graduate internal auditors being unable to meet the expectations of the occupation. Additionally, Woods (1994) (as cited in Villegas-Reimers, 2003, p. 15) notes that "professional development has to be considered within the framework of social, economic and political trends and events." This means that the professional competence of internal auditors, as well as the level thereof, will need to evolve as social, economic and political environments transform.

Important to note is that the responses from interviewees in relation to the last question in this section allude to the fact that the absence of clearly defined, formal professional competency requirements for internal auditors in South Africa may be contributing substantially to the challenges being experienced. In any profession, there needs to be authoritative guidance regarding the development of professional competence (as noted in the established professions such as Law and Medicine). Supporting this analysis, Freidson (2001, p. 199) notes that "the institutions of professionalism organise and advance disciplines by controlling training, certification, and practice on the one hand, and by supporting and organising the creation and refinement of knowledge and skill on the other.” In interpreting this, we could understand it to mean that in the case of the internal audit occupation in South Africa, it is the IIA SA’s responsibility (as the body representing the profession) to ensure that it builds the occupation and gains the authority to control, support (and be supported) and organise the development of professional competence (Freidson, (2001, p. 199).

The next theme that will be discussed relates to the impact of existing professional development system on the development of internal audit professional competence in South Africa.

Theme 3: Impact of the existing professional development system

The interview responses from six interview questions resulted in emergence of theme three and its related sub-themes.

Table 10 depicts the interview questions, as well as the theme and related sub-themes that emerged from the analysis of the interview data.

Table 10*: Theme: Impact of existing professional development system and related sub-themes*

Interview Questions	Theme	Sub-themes
What processes are you aware of that have attempted to investigate and improve competencies of internal auditors in South Africa?	Impact of existing professional development system	• Inconsistent use of existing guidance/ frameworks • Inability to practically apply knowledge • Lack of clarity regarding internal audit mandate
What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?		
Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of internal auditors in South Africa?		
What impact have these local and international guidelines and/or frameworks had on developing competencies of internal auditors in South Africa?		
Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?		
How do you believe this (answer to question above) impacts the education, training and development of internal auditors in South Africa?		

Below are some of the participant responses in relation to the question: **What processes are you aware of that have attempted to investigate and improve competencies of internal auditors in South Africa?**

In relation to processes aimed at investigating the competency of internal auditors in South Africa, the majority of the participants indicated that they did not believe there were any formal investigations conducted in relation to internal audit competencies. The iKutu Projects (iKutu Research Team, 2010; iKutu Research Team, 2014) were mentioned by **Participants: PP4, EP6 and SP7**, and research articles of academic educators were mentioned by **Participants: PP4, EP5 and EP6**.

With regard to processes aimed at improving competencies of internal auditors in South Africa, participants mentioned several known initiatives, as well as initiatives undertaken on a smaller scale.

Participant PP2: "… The only intervention that is some levels of formality is the interventions through the institute that then gave rise to all the interventions with courses like IAT the PIA…"
Participant PP4: "I know that the IIA issued a competency framework a couple of years ago but I do think it's outdated now…"
Participant EP6: "Well there will always be small processes because everybody has a form of process, of performance management, and continuous professional development… your organisations and firms might have more formal training opportunities to enable you to address the competencies that you want to improve upon."

The above interview responses indicate that there has been minimal investigation into professional competence of internal auditors in South Africa, and that where investigations have been conducted, they are not well publicised. In Chapter One of this study, various studies related to internal audit competence were mentioned. This means that unfortunately, information and research regarding the state of the occupation, research finds, and recommendations are not reaching the broader stakeholder group. Additionally, the interview responses indicate that there are some attempts to implement initiatives related to the development of professional competence, but these are also not well publicised, and the uptake is low.

Below are some of the participant responses in relation to the question: **What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?**

It appears that role players within the internal audit occupation have differing views regarding which guidelines or frameworks to utilise when it comes to the development of professional competence. Some participants made reference to the STANDARDS (**Participants: EP1; PP2; EP5; EP6; SP7; PP8**), while others spoke about the FRAMEWORK (**Participants: PP2; PP3, PP4; EP5; SP7**) and the remaining participants mentioned the CBOK (**Participants: PP4; EP6**). It is important to note that two out of the five interview participants (**Participants: PP4 and SP7**) who mentioned the FRAMEWORK as a tool in the development of professional competence also noted that the FRAMEWORK is outdated as it was published in 2013. Additionally, it is important to note that the STANDARDS are regarded as the requirements for practice within the internal audit profession (IIA Inc., 2016 and IIA NA, 2017).

Below are some of the responses related to the question: **Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of internal auditors in South Africa?** This question is very similar to the previous question and was reframed in order to try to prompt thought and discussion regarding professional development guidelines and frameworks utilised in South Africa. Rather than provide a different perspective, the views below confirmed the finding related to the previous question i.e. What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?

Participant EP1: "In terms of competency frameworks specifically, if you look at internal audit we have the standards currently as it stands that provides guidance to internal auditors as to how they should be engaging, first of all with industry, with clients, with the organisations, and at the same time also what and how to react to certain situations which they find themselves in a work space. Then you have the Higher Education Act which also speaks to competencies of students after entering the work place and being industry ready."

Participant PP2: "At the moment we don't have much, one can say, again one would go back to the international guidance through the IIA Inc. and so forth. But again there isn't much that one can talk to. Again I will go back to the national government level where the department of public services has developed various frameworks, but they are not specific to internal audit."
Participant PP4: "So the sad part is that it looks like a lot of our competency frameworks are based on what is done by global, so there is the global internal auditor survey that came through the CBOK in 2012. Then there's the global internal audit competency framework which was put out by global in 2013…"

Below are some of the responses related to the question: **What impact have these local and international guidelines and/or frameworks had on developing competencies of internal auditors in South Africa?**

Participant PP2: "They've had quite some impact in some areas where they've been applied, and some entities have actually used that to try and develop some kind of gap analysis, but again, it's the application of that which is not widespread."
Participant PP3: "I actually think it's, the IIA global one is, it's pretty wide, so I think the fact that it does exist and that it is available does help with the competency development. So without that nobody would have had any guideline in terms of what to do and what's required of you."
Participant PP4: "I don't think that there are very many Internal Audit Activities that are specifically using a competency framework in either recruiting or training their internal auditors."
Participant PP8: "Well it depends to what extent, as an individual, I think you are making use of it, and referring back to it for areas you may not feel comfortable in, but I think it's got a positive impact and a significant impact…"

The responses to this question indicate that the guidelines and frameworks that are being used to inform professional competency development for internal auditors in South Africa may have had a positive impact when they have been used. Considering the responses to this question, in relation to statements about the FRAMEWORK being outdated, the occupation should be concerned about the relevance of the FRAMEWORK to the professional competency requirements in the current and future internal audit landscape. Tutlys and Spöttl (2017, p. 54) indicate that "identification of holistic competencies" is becoming increasingly important as the world of work becomes more complex. This argument by Tutlys and Spöttl (2017, p. 54) signifies the need to keep abreast of the changing requirements of complex business environments and processes – something a 2013 FRAMEWORK may not be able to provide in the year 2020 and beyond.

Below are some of the participant responses in relation to the question: **Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?**

In response to this question, six interview participants indicated that that they believed that the FRAMEWORK was being used, while one participant (**Participant: PP2**) noted that things are done differently in different areas, and another participant (**Participant: SP7)** only made mention of the STANDARDS.

Participant PP2: "Different areas do things differently and some don't even acknowledge the existence of the FRAMEWORK and guidance of the institute, so there is no structured way right across, whether it's public sector, private sector and so forth…"

Participant PP4: "I think if you're looking at tertiary qualifications, so at the universities I am aware that they are using the competency frameworks as a basis for determining what they're going to teach and what their outcomes should be, but I don't know how closely they are actually monitoring, whether they are matching those competency frameworks at the end of the qualification…"

Participant EP5: "… If I have to answer this in accordance with the IAEP (Internal Audit Education Partnership) participating universities than the answer should be yes…"

The responses above indicate that in instances when guidelines or frameworks are being used, it would most likely be the FRAMEWORK that would be employed to guide competency development of internal auditors in South Africa. It was also noted (by **Participant: EP5**) that departments within Higher Education Institutions who have been accredited by the IIA Inc. as an IAEP school, should all be using the FRAMEWORK as it forms part of the curriculum requirements these departments must meet.

If educational institutions (Higher Education and Occupational Education) are all using different guidance, frameworks and/or standards to develop their curricular, it is evident that there is no standard foundation on which professional competence of internal auditors can be developed.

Below are some of the responses related to the question: **How do you believe this (answer to the question related to stakeholders who offer/provide development opportunities for internal auditors using the same guidance/frameworks/standards) impacts the education, training and development of internal auditors in South Africa?**

Participant PP2: "I think it impacts that, I think from a stand point that we have professionals that are affiliated to our institute and they are rendering services in our name at a general – but their training and skilling is not sort of guided by a generic kind of approved framework that everybody buys into…"
Participant EP5: "… If we are not working from a common base it certainly impacts it in a negative manner, because you know there's the trade-off between having knowledge, and being competent…"
Participant SP7: "… What we are seeing now I think because it's so disjointed, I think you, you are getting a mixed bag in terms of quality, you know, and you can clearly see it, so people coming out of different tertiary institutions sitting at different levels, which is not in the interest of the profession."

The interview responses indicate that although there are several tools, resources, qualifications and certifications which make up the professional development system, the understanding and use of these is fragmented at best. This inconsistency in the use of the available resources has resulted in differing standards being applied to the development of professional competence of internal auditors in the country. Freidson (2001, p. 154) explains that specific elements of an occupation, as well as "standard requirements for the performance of the tasks it claims as its own, have a fundamental impact on its success in gaining the complete political, economic and social acknowledgement and support needed for establishing professionalism." This argument made by Freidson (2001) highlights the need for the internal audit occupation in South Africa to collectively, and with authority, determine what professional competence actually means to them, and what the standard should be in terms of developing professional competence of internal auditors.

The next section will focus on the expectations in relation to the development of professional competence of internal auditors.

Section 4: What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?

Presented in this section are key findings associated with considerations for inclusion in the internal audit professional competence model in South Africa. Interviewee responses informed the findings in this section. Five interview questions were asked in order to answer the research question: What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?

Based on the analysis of the interview responses, one theme and six related sub-themes emerged. The detailed analysis of interview data can be found in Appendix R. In order to present the findings in a coherent manner that can be easily understood, this section is divided per theme that emerged. The interview questions, as well as the themes and sub-themes applicable to the research question have been tabulated and then summarised and discussed.

Theme 4: Expectations

Table 11 depicts the interview questions, as well as the theme and related sub-themes that emerged from the analysis of the interview data.

Table 11: ***Theme: Expectations in relation to the development of professional competence of internal auditors and related sub-themes***

Interview Questions	Theme	Sub-themes
Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?	Expectations	• Need for formal and compulsory requirements • International comparability • Buy-in from all role players and stakeholders • Stakeholder involvement • Advocacy • Standing of IA
In your view, how should competency requirements for internal auditors in South Africa compare to practices internationally?		
How would the establishment of formal competency requirements that are specific to the internal audit profession in South Africa impact on competency development initiatives?		
What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?		
Is there anything else you would like to add with regard to competency development of internal auditors in South Africa?		

In order to obtain insight regarding what role players in the internal audit occupation believed should be considerations for inclusion in the internal audit professional competence development model in South Africa, interview participants were asked five questions. The responses received in relation to these questions have revealed several expectations related to the development of professional competence of internal auditors in South Africa. Expectations include the need to advocate for the occupation and its developmental needs, improving the standing of the occupation in the market, the need for internationally comparable professional development standards, and the implementation of compulsory requirements.

Below are some of the participant responses in relation to the question: **Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?**

Participant EP1: "I would say definitely yes, because that will sort of cast in stone and it will definitely contribute then to the focus area for actually developing training modules, developing course work for the South African market."

Participant PP3: "I don't think it's going to be that easy to develop it, to be quite honest, but I think there's a dire need to do that and I think that, if we can do that it would make a huge difference…"

Participant PP4: "… I think that on the one hand if we had a global requirement for what our competencies should be it would put the overall internal audit occupation in a very good space, but I think if we look at the environment in which South African internal auditors apply their trade, there are a number of factors that would make it a requirement to have specific requirements here."

Participant SP7: "Absolutely, I think that there are, there are a number of issues where there's an overlap, which would be the same everywhere in the world. But if you were to take things like governance for example, which is one of the areas that internal audit should focus on, in the South African context you have got King, the King Code, which would be different to other countries. But you also would expect that internal auditors understand the, the very peculiar dynamics of, in the South African context, and being able to respond to that…"

Participant PP8: "Yes, I think so. It feels like South Africa, I think the global sort of aspects take care of the global environment and I think South Africa has some unique situations or sort of circumstances that it would be useful to have something that is specific to South Africa…"

Interview participants have indicated a need for a South African competency development framework – not because they believe there should be something completely different to the global landscape, but because there are certain nuances within the South African context (including, but not limited to the political landscape, historical context and legislative requirements) that requires something different, or additional to the requirements globally.

Five out of the eight interview participants were in full support of having South African specific competency requirements for internal auditors in the country. The three remaining interviewees were not against the idea, but did have some reservation regarding what that would look like, and not wanting to deviate from global requirements too much.

Participants were also asked about international comparability of a South African competency framework. Below are some of the responses to the question: **In your view, how should competency requirements for internal auditors in South Africa compare to practices internationally?**

All the participants indicated that a competency framework for internal auditors in South Africa should be on par with internal frameworks, while some participants noted that, if possible, the requirements should be higher in South Africa.

Participant EP1: “For me there’s almost no question in my mind that we should be aligned because we need to provide internal auditors that are internationally recognised, internationally competent to allow for cross border interaction.”
Participant PP4: “There is an opportunity to create a world class competency framework from the South African environment.”

The overall view regarding international comparability of a South African competency framework for internal auditors was that it should compare favourably with international frameworks. The following was importantly noted by **Participant: SP7**, “I think when it comes to comparing internationally, I think it, it is important, to look at global trends and align where appropriate, but also to be able to understand when it is not appropriate… It is about assessing whether what is right for this environment, for this context.”

In order to determine why there is a need for a South African competency framework for internal auditors, participants were asked the following question: **How would the establishment of formal competency requirements that are specific to the internal audit profession in South Africa impact on competency development initiatives?** Some of the interview responses to this question are noted here.

Participant PP2: "I think for me it becomes very key because at the end of the day it provides a very well thought out, formalised structure that becomes an authoritative reference for the skills that are required and the training that should then ensue in the internal auditing space."
Participant PP3: "I think what would help with that is that it would actually give whoever wants to develop the competencies a clear, a clear road map of what to do and how to develop the people, because at the moment I don't think there's a clear road map of how to develop people …"
Participant EP5: "I think that will be very positive and it will certainly, well let me say, hopefully it will improve the, the internal audit offering and, in my mind it should elevate the, the importance of the internal audit function and the value that it adds."

Interview participants, in general, noted they believe that a South African competency framework for internal auditors would have a positive impact on the development of professional competence, with **Participant: EP5** also noting that it could impact on the overall standing and value of the profession. This highlights the need to consider the South African context in discourse related to the development of the overall occupation, and the development of professional competence of internal auditors.

Participant: EP6 noted the following, "So once you have a standard set, because business is continually changing it is important to repeat the process just like we do with the common body of knowledge, and just to make sure that it stays up to date and stays relevant…"

In order to determine what factors would need to be considered in order to obtain buy-in from the market in relation to the development of a South Africa competency framework, interview participants were asked the following question: **What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?**

Responses from participants indicated a general need to have all stakeholders involved in the process, with constant, open communication regarding the objectives and the process overall.

Below are some of the responses to this question.

Participant PP1: "In terms of buy-in I would say that obtaining representation from various sectors within the economy and the various stakeholders will make the transition or the development of a formalised competency framework a bit easier, and also it will enhance the buy-in because it's something they've had a hand in developing."
Participant PP4: "So I think the first thing is advocacy, if we don't market the requirement it won't become a requirement… partnering with the tertiary institutions and those people that are providing academic qualifications to our internal auditors and making sure that they consider those competency requirements in terms of their planning for their syllabi in training our future internal auditors."
Participant SP7: "… There needs to be a clear demonstration as to the return on that investment… educating the market in terms of what they should be expecting of internal audit would increase the pressure on internal auditors to up their game…"

It is evident that there is a need for collaborative efforts within the internal audit occupation aimed at profession building. It appears that in order for competency development initiatives to be successful, the collaboration, work and investment of various stakeholders of the occupation would be required – not only in terms of developing competence, but also in terms of building the occupation, and its standing within society.

In addition to the previous questions that were asked (as discussed in this chapter), interview participants were also asked the following question: **Is there anything else you would like to add with regard to competency development of internal auditors in South Africa?**

In addition to contributing to other themes that emerged in this study (Section 1 – Section 3 of this chapter), some of the responses to this question contributed to the overall theme and sub-themes that have been discussed in this section as they correlated to expectations in relation to the development of internal auditor professional competence. Additional comments regarding expectation were also noted in participant responses to other questions. Some of the responses are noted here.

Participant PP1: "I want to support the fact that there is a need for a formalised framework which has been influenced by industry, the education sector and all relevant parties so that it will allow us all to be working and teaching from a standard platform, so that there is alignment throughout – I would say – a national level but at the same time try and progress to an international alignment which will make the cross border auditing and the cross border placement of South African internal auditors far easier."

Participant PP2: "The element of regulation – I think that is something that we can't run away from and this should be done, I think at a national level as a way to ensure that you enforce certain kind of behaviour, a certain level of professionalism and force training, and make sure that there is accountability for the kind of service we provide and the potential negative impact on, not only individuals, but even the country at large."

Participant PP4: "I think the second thing that we need to take into account is the impact of regulation on the occupation. If internal audit is going to be regulated in future and you're going to have to be licensed to do the job that you're going to have do, to get that license you're going to have to meet certain competency requirements. I think that there is a good possibility that licensing will have a huge impact, both positive in terms of increasing the standard but negative in terms of reducing the numbers of internal auditors who meet those competency requirements in at least the first one to three years."

The responses noted above are indicative of a more in-depth, rigorous conversation that needs to be had within the internal audit occupation. Although the matter of regulating internal audit has been discussed informally within the occupation, there is currently no formal documentation outlining what regulation will mean for the occupation in terms of competency requirements or in practice.

Summary of Key Findings

This chapter presented the findings, themes and sub-themes as they relate to each of the research questions. These findings have provided insight regarding the system employed to develop professional competence of internal auditors in South Africa, as well as gaps and possible reasons for these. Included in the findings were current experiences and challenges of role players, as well as their expectations. These findings could potentially inform future studies related to developing professional competence in various sectors and industries.

Some of the key findings of this study include:

i. There is a lack of shared insight regarding experiences, challenges and expectations within the occupation. Although the participants in this study are all from the internal audit profession, the sectors in which they operate and their experiences are different – indicating complexity. The lack of shared insight alludes to poor engagement within the profession regarding these nuanced experiences and needs. These gaps have contributed to fragmented development and implementation of tools, resources, qualifications and certifications aimed at developing professional competence.

ii. The current competency development system is not utilised by all stakeholders involved in the development of professional competence amongst internal auditors in South Africa. In some cases, no training and development takes place. This fragmented use has resulted in differing levels of competence within the profession.

iii. Internal audit is a cross-sectoral occupation i.e. internal auditors work in all sectors of the economy. This means that internal auditors enter the profession from various sectors without needing to undertake any education or training related to internal auditing e.g. an engineer could become an internal auditor. Consideration may need to be given to how developing foundational internal audit knowledge can become common practice.

iv. There appears to be a general view that there is poor understanding within the political, economic and social landscape regarding the mandate of internal audit. The advocacy efforts of the occupation (professionals and the body representing the internal audit profession) have not had the desired impact on improving awareness and gaining support for internal auditing within society.

v. The occupation suffers from resource constraints (including skilled trainers, funds and opportunities for simulated learning and practical application of theory knowledge).

vi. Due to the voluntary nature of education and professional membership for internal auditors in South Africa (requirements to practice internal audit is not legislated), it has not been possible to enforce minimum education requirements, certification or credentialing.

vii. Various resources (guidelines, frameworks, standards, qualifications and certifications) make up the current competency development system within the profession, but these do not appear to be well aligned to each other, and are not fully aligned to the competence areas and competencies that emerged from this study. This indicates a gap between what the current system has to offer, and what is required in practice. The participants in this study appear to be open to having a more formal, and standardised competency model for South African internal auditors.

viii. Some of the current resources (guidelines, frameworks, standards, qualifications and certifications) that make up the current competency development system within the profession have been developed more than three years ago. As mentioned in Chapter One of this study, the profession has been evolving at a relatively fast pace, resulting in increased demands on practitioners. The current competency development system has not evolved at the same rate, and has resulted in outdated resources being used to develop internal audit competence.

ix. There seems to be a need for broader consultation regarding formalising the educational requirements (through regulation or legislating) for individuals to practice as an internal auditor in South Africa.

x. There appears to be a sense that higher levels of competence amongst internal auditors within the profession will assist to improve the standing of the profession in society. Perhaps this needs to be studied further in order to determine if in fact a causal relationship does in fact exist.

Summary of Chapter

The findings in this chapter focussed on the insights of individuals within the internal audit occupation in relation to requirements, challenges, experiences and expectations regarding the development of professional competence of internal auditors in South Africa. It is evident that the competency requirements for the internal audit profession are substantial and complex, and deep consideration may need to be given to what are considered as a core competencies. Aside from the complexity of the competency requirements, the profession must also deal with the nuances of the various sectors in which internal auditors are employed. There appears to be a common view that the level of competence of internal auditors in South Africa is poor, and that the problem is related to lack of standardisation, fragmented use of available resources, as well as the outdated status of some of these resources. The findings suggest that the competency model for internal auditors in South Africa needs to be reconsidered with special attention given to formalising educational requirements, standardisation and licence to practice.

CHAPTER SIX: DISCUSSION AND CONCLUDING REMARKS

Introduction

The objective of this study has been to determine what the competency requirements are for the effective practice of internal audit in South Africa. Additionally, this study aimed to determine if there is an opportunity for the development of a standardised competency framework which could be utilised to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice. As outlined in Chapter One and Chapter Two of this study, several studies have noted concerns regarding the low level of competence (knowledge, skill, abilities and attributes) of internal auditors in South Africa: (Fourie (2014); Hassall et al. (1996); PWC (2017); Plant (2016); Plant & Padotan (2017); Plant et al. (2017); iKutu Research Team (2010); iKutu Research Team (2014). In order to gain practical insights into the aspects that impact on the development of professional competence, this study was conducted within the context of the internal audit occupation in South Africa.

This chapter will reflect on the findings of this study, as well as provide concluding remarks. This chapter is presented in two sections: i) Findings in relation to the objective of the study, and ii) Concluding remarks.

Findings in relation to the objective of the study

The objective of this study was twofold:

i. Determine what the competency requirements are for the effective practice of internal audit in South Africa.
ii. Determine if there is an opportunity for the development of a standardised competency framework which could be utilised to address professional competence challenges within a profession in which occupation specific education is not always a requirement to practice.

The findings in this study are indicative of an occupation that requires professional competence from its members while using qualifications and certifications which may not be aligned to current competency requirements in practice. The competency areas and related competences that emerged from the study are not well reflected in the current occupational qualifications, or the global certification being utilised to develop professional competence of internal auditors in South Africa. The findings related to competency areas and competencies are suggestive of a need for further research, or broader engagement with all stakeholder groups in order to confirm competency requirements in practice. Additionally, in order for the work of internal auditors to remain relevant, the system utilised needs to be considerate of requirements and roles of all stakeholders, as well as the current and future needs of the profession. As Mulder and Winterton (2017, p. 15) so aptly put it, "the sometimes weak connection between the worlds of education and work can be made stronger by using agreed competence frameworks which reflect the demand for qualification in the labour market, or more broadly in society, and the supply of educational programmes offered by educational institutions."

Participants in this study highlighted that the tools, guidance, qualifications and certifications currently being used to develop professional competence of internal auditors in South Africa are ill aligned to the needs of the occupation in the country, and in many instances, are outdated. The variety of available resources within the professional development system appear to contain similar competencies, but do not appear to be fully aligned to each other, or the competency areas and competencies that emerged from this study.

Very much in line with the work of Hassall et al. (1996), participants in this study have noted the need to use professional judgement in context. In addition to the situational nature of competency application, Fourie (2014), Hassall et al. (1996) and Plant (2016) have noted the rapid evolution of the profession, and increasing demands for internal auditors to be professionally competent. These aspects could pose a challenge to developing a standardised competency model for the profession. However, as alluded to by one of the participants in this study (quote by Participant EP6 on page 84), these challenges can be overcome by taking a "lead" approach to competency model development i.e. take a future focus approach, and ensuring ongoing review of the model. Mulder and Winterton (2017, p. 16) note that "when qualification levels have to rise because primary processes are becoming more and more complex, whole groups of employees may need further education and training or face the risk of redundancy." Professional schooling with a clear understanding of what the "practitioner of the profession must master" (Flexner, 2001, p. 155), and standardisation in training (Marsden, 1986 as cited in Freidson, 2001, p. 92) are prospective options for consideration in the effort to develop professional competence of internal auditors in South Africa.

Even in the absence of legislated requirements to practice internal auditing in South Africa, the findings in this study suggest that a standardised competency model may assist to overcome the current competency challenges being experienced in the internal audit profession. The findings in this study further illustrate that possible consideration may need to be given to developing and introducing a more standardised and robust approach to developing professional competence of internal auditors in the country, while at the same time taking cognisance of the nuances of the different sectors in which internal auditors operate. Kerchner (2001), Forrester (2004) and Nerland and Jensen (2007) (as cited in Karseth & Nerland, 2007, p. 336) propose that "the ambiguity and increasing complexity characteristic of today's professional work underline the need for providing practitioners with profound support, both where continuous learning and professional standards are concerned." This is supported by some of the sub-themes that emerged from this study: i) Inability to apply theory in practice, 2) Lack of formal requirements, and 3) Outdated content and pedagogy.

Concluding Remarks

The findings of this study have brought to the fore some the factors that affect, and impact on the development of professional competence in occupations or professions where little, to no formal and compulsory educational requirements exist. The experiences, challenges and requirements noted in these types of occupations may differ. In many instances, the context and operating environment of the profession and its practitioners, as well as the level of competence demanded from the profession, would need to be factored into any professional competence discourse. It is important to remember that any proposed system or model of developing professional competence within a profession or occupation which has no legal basis or state support to introduce statutory educational requirements, will have opportunities and benefits, but may also pose additional challenges that will need to be addressed. What is evident is that there is unlikely one standard approach that can be applied across all professions and occupations. Professions and occupations need to determine the best professional competence strategy to undertake based on discourse and demand, both internal to and external to the profession. Future research agendas, which pay more attention to the professional development landscape of professions and occupations with little to no formal educational or legal requirements to practice, would add great value and stimulate the discourse in this regard.

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APPENDICES

Appendix A - Focus Group: Facilitator Letter

[Date]

Dear [Insert facilitator name]

RE: INFORMATION LETTER TO PROSPECTIVE FOCUS GROUP FACILITATOR TO REQUEST SERVICES

My name is Nosheena Mansoor, and I am a MEd student at the School of Education at the University of the Witwatersrand. I am currently employed by the Institute of Internal Auditors South Africa as the Department Head: Professional Development Pathways. As a requirement of my degree, I am conducting research to determine the competency requirements for the effective practice of Internal Audit in South Africa. My research is titled "Competency requirements for the effective practice of Internal Audit in South Africa" and aims to establish what the requirements for the effective practice of Internal Audit in South Africa are, as well as how these competency requirements can effectively be included or integrated into competency development processes nationally.

As a student at the University of the Witwatersrand, I am obligated to conduct research that is in line with the ethical protocols of the University of Witwatersrand and as such it is important that any person requested to assist and/or participate in the research study should not feel obliged to participate due to my current role as the Department Head: Professional Development Pathways at the Institute of Internal Auditors South Africa (IIA SA).

As the study focuses on the competency requirements for Internal Auditors in South Africa, I am seeking the assistance of an Internal Audit subject matter expert who has expertise in focus group facilitation. You are receiving this letter as you possess the above mentioned expertise. As such, I am requesting your services on a voluntary basis for the duration of this study. If you agree, your role will involve the following:

- Meeting with me prior to the focus group sessions so that we can go through the objectives of research as well as the research methodology and focus group questions I intend to use.
- You will be required to facilitate three focus group sessions between November and December. Each focus group session will be conducted over 180 minutes. Refreshments will be available throughout the 180 minute session. The session will break every 30 minutes for 5 minutes and will break for 15 minutes after the first 90 minutes. Bathroom facilities will be available at the venue. It is important to note that you may opt out of the focus group and the study at any time with no disadvantage to you.
- The focus group will be held at the Leadership Academy for Guardians of Governance in Edenvale, Gauteng. With your permission, I would like to make use of the Zoom meeting platform, which is an online meeting facility (please find attached information regarding the platform). The Zoom facility will only be used for audio-recording purposes i.e. there will be no online meeting participants and the video facility will be disabled.
- The focus groups, with your permission, will be audiotaped to ensure that accurate information is captured.
- The dates and times of the focus group sessions can be agreed upon in advance in order to ensure your availability.

Your services will be rendered on a volunteer basis and will assist in obtaining an understanding of the professional development landscape of the Internal Audit occupation in South Africa. It is hoped that this research will contribute to the body of knowledge pertaining to professions, professional development practices and the development of professional competence of professionals.

The data collected will be kept confidential and your details will be anonymised in all notes, recordings and write-up of the research. Data will be analysed and documented in a research report. The research findings will be used for academic purposes which might include books, journals and conference proceedings and may inform the national competency development processes in future.

All research data will be stored electronically in password protected folders and will be completely destroyed 5 years after completion of the research study.

Should you require further information throughout the course of the research, please do not hesitate to contact me on [Insert Cell Number] or [Insert Researcher email]. A summary of the research report and findings can be made available to you electronically upon finalisation should you wish to receive same.

A meeting with yourself can be set up to take you through the study and the information required from yourself for the purpose of the study. I look forward to your response at your earliest convenience.

Yours sincerely,

Nosheena Mansoor
MEd student at the University of the Witwatersrand

Supervisor: Dr Presha Ramsarup (Email: presha.ramsarup@wits.ac.za

Appendix B - Focus Group: Participant Letter

[Date]

Dear [Participant's full name]

RE: INFORMATION LETTER TO FOCUS GROUP PARTICIPANT TO REQUEST PERMISSION TO CONDUCT RESEARCH

My name is Nosheena Mansoor, and I am a MEd student at the School of Education at the University of the Witwatersrand. I am currently employed by the Institute of Internal Auditors South Africa as the Department Head: Professional Development Pathways. As a requirement of my degree, I am conducting research to determine the competency requirements for the effective practice of Internal Audit in South Africa. My research is titled "Competency requirements for the effective practice of Internal Audit in South Africa" and aims to establish what the requirements for the effective practice of Internal Audit in South Africa are, as well as how these competency requirements can effectively be included or integrated into competency development processes nationally.

As a student at the University of the Witwatersrand, I am obligated to conduct research that is in line with the ethical protocols of the University of Witwatersrand and as such it is important that the participants in this research should not feel obliged to participate due to my current role as the Department Head: Professional Development Pathways at the Institute of Internal Auditors South Africa (IIA SA).

As the study focuses on the competency requirements for Internal Auditors in South Africa, you have been purposively selected to participate in a focus group session. You are receiving this letter as you are intimately familiar with the Internal Audit practices, processes and requirements in South Africa. As such, I would like to invite you to participate in this research study. If you agree, participation will involve the following:

- You will be involved in a focus group in November which will last 180 minutes. Refreshments will be available throughout the 180 minute session. The session will break every 30 minutes for 5 minutes and will break for 15 minutes after the first

90 minutes. Bathroom facilities will be available at the venue. It is important to note that you may opt out of the focus group and the study at any time with no disadvantage to you.

- The focus group will be held at the Leadership Academy for Guardians of Governance in Edenvale, Gauteng. In order to include individuals who live outside the Gauteng province in this study, and with your permission I would like to make use of the Zoom meeting platform which is an online meeting facility (please find attached information regarding the platform). The Zoom platform will be used only to audio-record the meeting i.e. there will be no online meeting participants and the video-recording functionality will be disabled.
- Focus group sessions will be facilitated by [facilitator's name], who is a [job title] at the [employer]. [Facilitator's name] has expert knowledge in Internal Audit and focus group facilitation. Although the focus group will be facilitated by [facilitator's name], I am the researcher and will plan, manage and administer all aspects of the study including focus groups sessions, development of questions and processing and analysing of data. I will be present at all times during the focus group as an observer and note taker. I am making use of the facilitator for the focus group as I am not an Internal Audit subject matter expert and need to ensure I minimise the risk of influencing the focus group process in any way. The use of a facilitator will also assist to ensure that I am able to document all discussions during the focus group session as they happen.
- The focus group, with your permission, will be audiotaped to ensure that accurate information is captured.
- You will not be forced to answer any questions you are not comfortable answering.

Your services will be rendered on a volunteer basis and will assist in obtaining an understanding of the professional development landscape of the Internal Audit occupation in South Africa. It is hoped that this research will contribute to the body of knowledge pertaining to professions, professional development practices and the development of professional competence of professionals.

The data collected will be kept confidential and your will be anonymised in all notes, recordings and write-up of the research. Data will be analysed and documented in a research report. The research findings will be used for academic purposes which might include books, journals and conference proceedings and may inform national competency development processes in future.

All research data will be stored electronically in password protected folders and will be completely destroyed 5 years after completion of the research study.

Should you require further information throughout the course of the research, please do not hesitate to contact me on [Insert Cell Number] or [Insert Researcher email]. A summary of the research report and findings can be made available to you electronically upon finalisation should you wish to receive same.

A meeting with yourself can be set up to take you through the study and the information required from yourself for the purpose of the study. I look forward to your response at your earliest convenience.

Yours sincerely,

Nosheena Mansoor
MEd student at the University of the Witwatersrand

Supervisor: Dr Presha Ramsarup (Email: [Insert Supervisor email])

Appendix C - Focus Group: Facilitator Agreement and Consent Form

Research Study related to developing professional competence of Internal Auditors in South Africa in South Africa

FACILITATORS INFORMED AGREEMENT AND CONSENT FOR FOCUS GROUPS

The facilitator, ____ (facilitator's full name)

Please circle either the Yes/No to show that you the facilitator understand what it will mean to consent and provide facilitation services for the focus groups:

As the facilitator, I have read and I understand the information sheet.	Yes / No
I agree to provide facilitation services for the focus group sessions for this research study	Yes / No
I agree to meet with the researcher prior to the focus group sessions.	Yes / No
My services will be rendered on a voluntary basis and I understand that I may choose not to provide my services for the study at any time without incurring any negative consequences.	Yes / No
As the facilitator, I will also not be advantaged, disadvantaged or paid for my services	Yes / No
As the facilitator, I understand that I will not be planning, managing or driving the research study in any way.	Yes / No
As the facilitator, I understand that I may not influence focus group sessions in any way.	Yes / No
A pseudonym will be used to ensure anonymity in all academic writing including books, journal, conferences and debate.	Yes / No
I agree to the use of the Zoom meeting facility during focus group sessions for audio-recording purposes.	Yes / No
I agree to the focus group sessions being audiotaped.	Yes / No
I agree to keep the identities of all participants confidential.	Yes / No
I agree to keep all focus group discussions confidential.	Yes / No

The facilitator has been informed before agreeing to render their services that their identity will be kept anonymous. The report will not use your name but may refer to your title and organisation.

By signing below I, the facilitator agree and give consent to facilitate the focus group sessions for this research project.

Signature: .... **Date:** ....

Appendix D - Focus Group: Participant Consent Form

Research Study related to developing professional competence of Internal Auditors in South Africa

PARTICIPANTS INFORMED CONSENT FOR FOCUS GROUPS

The participant, ____ (*participant's full name*)

Please circle either the Yes/No to show that you the participant understand what it will mean to consent and participate:

As the participant I have read and I understand the information sheet.	Yes / No
My participation is completely voluntary and I understand that I may choose not to participate or to withdraw from the study at any time without any punishment or negative consequences.	Yes / No
As the participant, I will also not be advantaged, disadvantaged or paid for participating.	Yes / No
As the participant, I do not have to answer any questions I don't feel comfortable answering.	Yes / No
I understand that a pseudonym will be used to ensure anonymity in all academic writing including books, journal, conferences and debate.	Yes / No
As a participant, I agree to keep all the identities of all other participants confidential.	Yes / No
As a participant, I agree to maintain the required level of confidentiality regarding focus group discussions.	Yes / No
I agree to the use of a facilitator for the focus group session.	Yes / No
I agree to the use of the Zoom meeting platform during the focus group session.	Yes / No
The participant has been informed before agreeing to participate that their identity will be kept anonymous. The report will not use your name but may refer to your title and organisation.	Yes / No

By signing below I, the participant give consent to participate in the research project and focus group sessions.

Signature: .... **Date:** ....

Appendix E - Focus Group: Facilitator Audio Recording Consent Form

Research Study related to developing professional competence of Internal Auditors in South Africa in South Africa

FOCUS GROUP FACILITATOR INFORMED CONSENT FOR AUDIO RECORDING AND TRANSCRIBING FOCUS GROUPS

I, ____ (*facilitator's full name*)

Please circle either the **Yes/No** to show that you understand what it will mean to consent and participate:

My services for this research study is completely voluntary and I may choose not to render my services for the study at any time without any punishment or negative consequences.	Yes / No
I will also not be advantaged, disadvantaged or paid for facilitating the focus group sessions.	Yes / No
A pseudonym (e.g. facilitator) will be used to ensure anonymity in all academic writing including books, journal and conferences.	Yes / No
The audio recordings will be used to make sure the researcher uses exactly what transpired and was said during the focus group sessions.	Yes / No
All audio-taped and transcribed responses will be stored electronically in password protected folders and completely destroyed 5 years after completion of the research project.	Yes / No

By signing below, I give consent for focus group sessions to be audio-taped and transcribed.

Signature: .... **Date:** ....

Appendix F - Focus Group: Audio Recording Consent Form

PARTICIPANTS INFORMED CONSENT FOR AUDIO RECORDING AND TRANSCRIBING FOCUS GROUPS

I, ____ (*participant's full name*)

Please circle either the **Yes/No** to show that you understand what it will mean to consent and participate:

My participation is completely voluntary and I may choose not to participate or to withdraw from the study at any time without any punishment or negative consequences	Yes / No
I will also not be advantaged, disadvantaged or paid for participating.	Yes / No
A pseudonym (e.g. participant 1) will be used to ensure anonymity in all academic writing including books, journals and conferences.	Yes / No
The audio recordings will be used to make sure the researcher uses exactly what I answered during the focus group session.	Yes / No
All audio-taped and transcribed responses will be stored electronically in password protected folders and completely destroyed 5 years after completion of the research project.	Yes / No

By signing below, I give consent for focus group sessions to be audio- taped and transcribed.

Signature: ……………………………… **Date:** ………………………………

Appendix G - Interviewee Letter

[Date to be filled in]

Dear [Participant's full name]

RE: INFORMATION LETTER TO INTERNAL AUDIT REGULATORY /PROFESSIONAL BODY REPRESENTATIVE TO REQUEST PERMISSION TO CONDUCT RESEARCH

My name is Nosheena Mansoor, and I am a MEd student at the School of Education at the University of the Witwatersrand. I am currently employed by the Institute of Internal Auditors South Africa as the Department Head: Professional Development Pathways. As a requirement of my degree, I am conducting research to determine the competency requirements for the effective practice of Internal Audit in South Africa. My research is titled "Competency requirements for the effective practice of Internal Audit in South Africa" and aims to establish what the requirements for the effective practice of Internal Audit in South Africa are, as well as how these competency requirements can effectively be included or integrated into competency development processes nationally.

As a student at the University of the Witwatersrand, I am obligated to conduct research that is in line with the ethical protocols of the University of Witwatersrand and as such it is important that the participants in this research should not feel obliged to participate due to my current role as the Department Head: Professional Development Pathways at the Institute of Internal Auditors South Africa (IIA SA).

As the study focuses on the competency requirements for Internal Auditors in South Africa, you have been purposively selected to participate in an interview session. You are receiving this letter as you are intimately familiar with the Internal Audit practices, processes and requirements in South Africa. As such, I would like to invite you to participate in this research study. If you agree, participation will involve the following:

- You will be interviewed between September - November on a date suitable to you. The interview will be scheduled for 60 minutes. I am able to conduct the interview at your office or any venue suitable to you.

- The interview, with your permission, will be audiotaped to ensure that accurate information is captured.
- You will not be forced to answer any questions you are not comfortable answering.

Your services will be rendered on a volunteer basis and will assist in obtaining an understanding of the professional development landscape of the Internal Audit occupation in South Africa. It is hoped that this research will contribute to the body of knowledge pertaining to professions, professional development practices and the development of professional competence of professionals.

A copy of the transcribed interview will be made available to you. The data collected will be kept confidential and your will be anonymised in all notes, recordings and write-up of the research. Data will be analysed and documented in a research report. The research findings will be used for academic purposes which might include books, journals and conference proceedings, and may inform national competency development processes in future.

All research data will be stored electronically in password protected folders and will be completely destroyed 5 years after completion of the research study.

Should you require further information throughout the course of the research, please do not hesitate to contact me on [Insert Cell Number] or [Insert Researcher email]. A summary of the research report and findings can be made available to you electronically upon finalisation should you wish to receive same.

A meeting with yourself can be set up to take you through the study and the information required from yourself for the purpose of the study. I look forward to your response at your earliest convenience.

Yours sincerely,

Nosheena Mansoor
MEd student at the University of the Witwatersrand

Supervisor: Dr Presha Ramsarup (Email: [Insert Supervisor email])

Appendix H - Zoom Information

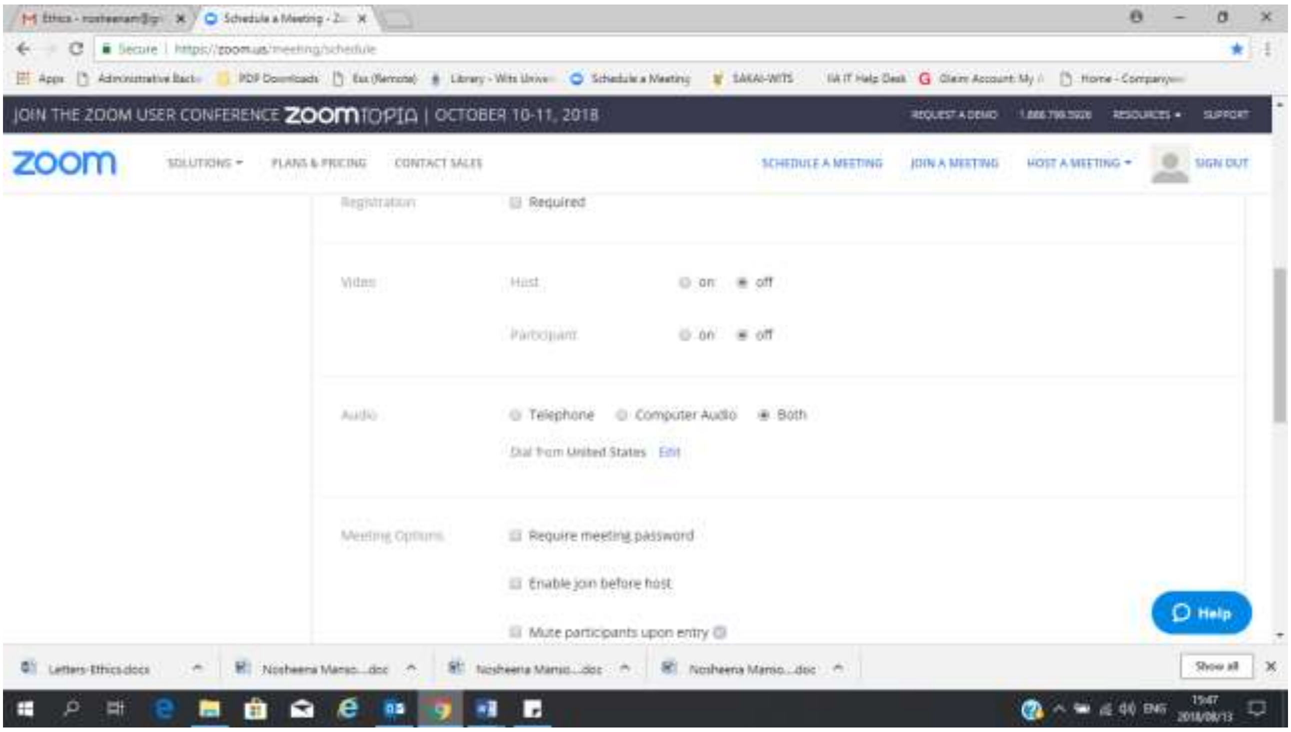
"Zoom is the leader in modern enterprise video communications, with an easy, reliable cloud platform for video and audio conferencing, collaboration, chat, and webinars across mobile devices, desktops, telephones, and room systems. Zoom Rooms is the original software-based conference room solution used around the world in board, conference, huddle, and training rooms, as well as executive offices and classrooms. Founded in 2011, Zoom helps businesses and organizations bring their teams together in a frictionless environment to get more done." (Zoom Video Communications, Inc., 2018)

Zoom is a private company headquartered in San Jose, California.

	Zoom	Other Web Meeting Providers	Other Video Conferencing Providers
Quality			
Video, audio, screen sharing quality	Best		
Stability of connection	Best		
Ease of use			
Feature parity across devices	Yes	No	No
One touch to start or join	Yes	No	No
Revolutionary Features			
Screen sharing any iPhone/iPad app	Yes	No	No
Zoom Rooms	Yes	No	No
Other Cool Features			
Simultaneous Screen Sharing	Yes	No	No
Group messaging and presence	Yes	No	No
H.323/SIP room systems integration	Yes	No	Limited
Share computer audio during screen sharing	Yes	No	No
MPEG 4 client recording and cloud recording	Yes	No	No
Mobile collaboration with co-annotation	Yes	No	No
Mobile app screen sharing	Yes	No	No
Linux and Chrome OS support	Yes	No	No
Broadcast Webinars to Facebook or YouTube	Yes	Limited	No
Virtual Backgrounds	Yes	No	No

(Zoom Video Communications, Inc, 2018)

Zoom Meeting Facility – Turn off Video for All Functionality



Appendix I - Interviewee Consent Form

RESEARCH STUDY RELATED TO DEVELOPING PROFESSIONAL COMPETENCE OF INTERNAL AUDITORS IN SOUTH AFRICA IN SOUTH AFRICA

PARTICIPANTS INFORMED CONSENT FOR INTERVIEW

The participant, ____ (*participant's full name*)

<u>Please circle either the **Yes/No**</u> to show that you the participant understand what it will mean to consent and participate:

As the participant I have read and I understand the information sheet.	Yes / No
My participation is completely voluntary and I understand that I may choose not to participate or to withdraw from the study at any time without any punishment or negative consequences.	Yes / No
As the participant, I will also not be advantaged, disadvantaged or paid for participating	Yes / No
As the participant, I do not have to answer any questions I don't feel comfortable answering.	Yes / No
A pseudonym (e.g. interviewee 1) will be used to ensure anonymity in all academic writing including books, journal and conferences, but understand that my title and/or organisation may be named.	Yes / No
The participant has been informed before agreeing to participate that their confidentiality will be respected. The report will not use your name but may refer to your title and organisation.	Yes / No

By signing below I, the participant give consent to participate in the research project and interview.

Signature: .... **Date:** ....

Appendix J - Interviewee Audio Recording Consent Form

Research Study related to developing professional competence of Internal Auditors in South Africa in South Africa

PARTICIPANTS INFORMED CONSENT FOR AUDIO RECORDING AND TRANSCRIBING INTERVIEW

I, ____ (*participant's full name*)

Please circle either the **Yes/No** to show that you understand what it will mean to consent and participate:

My participation is completely voluntary and I may choose not to participate or to withdraw from the study at any time without any punishment or negative consequences.	Yes / No
I will also not be advantaged, disadvantaged or paid for participating.	Yes / No
A pseudonym (e.g. interviewee 1) will be used to ensure anonymity in all academic writing including books, journal and conferences.	Yes / No
The audio recordings will be used to make sure the researcher uses exactly what I answered during the interview.	Yes / No
All audio-taped and transcribed responses will be stored electronically in password protected folders and completely destroyed 5 years after completion of the research project.	Yes / No

By signing below, I give consent for the interview to be audio- taped and transcribed.

Signature: .... **Date:** ....

Appendix K – Interview Protocol

INTERVIEW SCHEDULE

NAME OF INTERVIEW RESPONDENT:

DATE:

PROPOSED INTERVIEW QUESTIONS:

1. How would you describe the general view of Internal Audit competence in South Africa?
2. What processes are you aware of that have attempted to investigate and improve competencies of Internal Auditors in South Africa?
3. What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?
4. Do stakeholders who offer/provide development opportunities for Internal Auditors use the same guidance/frameworks/standards?
5. How do you believe this (answer to question above) impacts the education, training and development of Internal Auditors in South Africa?
6. What challenges have been experienced while trying to implement these competency development initiatives (any that you are aware of)?
7. Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of Internal Auditors in South Africa?
8. What impact has these local and international guidelines and/or frameworks had on developing competencies of Internal Auditors in South Africa?
9. Based on desktop research, and according to existing literature there is no formal competency requirements for Internal Auditors specific to the South African context. Is this correct?
10. In your view, has the absence of clear competency requirements for Internal Auditors in South Africa negatively impacted the profession in any way?
11. Is there a need for clearly defined competency requirements for Internal Auditors specific to the South African context?

12. In your view, how should competency requirements for IAs in South Africa compare to practices internationally?
13. What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?
14. How would the establishment of formal competency requirements that are specific to the Internal Audit profession in South Africa impact on competency development initiatives?
15. What are the competencies you would want see developed in early career Internal Auditors (1-5 years)?
16. Based on what you have said, do you believe the competency requirements for an experienced Internal Auditor would be different in comparison to and Internal Auditor in years 1-5 years?
17. Is there anything else you would like to add with regard to competency development of Internal Auditors in South Africa?

Appendix L – Focus Group Analysis 1: Affinities (Competence Areas)

Group 1 Analysis

*Analysis and changes have been tracked by means of strikethroughs and change notes

Competency Area	Competency	Description
Effective Communication	Effective communication	Listening, verbal and written skills. Two-way communication from Internal Auditor to auditee and vice versa. This includes being attentive, good listening skills, good verbal skills, good writing skills, good presentation skills and being a persuasive communicator. Std. 2410, and Std. 2420 Concise and effective ensuring all pertinent information has been captured and communicated professionally and in a timely manner.
	~~Effective Listening skills~~	*Merge with effective communication*
	Positive and negative reporting	Internal Auditors are good at raising audit findings, but do not report when things are going well i.e. do not report positive findings but should.
	~~Persuasive and attentive communicator~~	*Merge with effective communication*
	~~Facilitation~~ Workshop facilitation skills	Facilitate risk and control workshops. Must be able to identify the risks and controls and facilitate a discussion with the client in order to extract key risk and control related information.
	Negotiation skills	Relates to engagement close-out and discussing and agreeing on audit findings with auditees and obtaining input and buy-in from auditees.
	Interactive communication skills	Managing the conversation, being able to probe and encourage participation from others, both at group and individual levels. Must understand the auditees' business in order to effectively interact.
	~~Writing skills~~	*Merge with effective communication*
	Interviewing skills	Being able to extract information while ensuring comfort of interviewee and encouraging the offering of information. Open ended questions, no leading questions etc.
Risk Management	Risk management skills	Relates to an understanding of risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.
	Enterprise risk management	Refers to the organisation's comprehensive risk management structure or framework which includes the risk management unit, the risk management plan or strategy and the risk management process.

Competency Area	Competency	Description
Risk Management (cnt)	Risk based planning	Refers to the Internal Audit Activity's ability to prepare risk based Internal Audit plans.
	Real time risk management approach	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive.
Project Management for the Internal Audit Function	Time management	Ability to plan engagements and ensure they are completed on time.
	Project management skills	Understanding the impact of project related risks i.e. delays, changes in priorities, obtaining approval and buy-in.
	Administration skills	Includes time-keeping, documentation, communication, record keeping etc.
	Leadership (start-to-end)	Refers to the ability to manage people and teams, motivate teams to achieve objectives by guiding and influencing. Individuals at this stage in their careers should begin developing and honing their leadership skills and abilities, not necessarily be proficient.
	~~Responsibility~~ Responsibility and accountability (Start to end)	Understanding the difference between project management responsibility and accountability – i.e. senior management is accountable, responsibility lies in operational execution.
	~~Accountability~~	*Merge with responsibility and accountability above*
	Flexibility (Start to end) ~~including flexibility IA is affected by strategic changes~~	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive As IAFs are affected by environmental, operational and strategic changes.
	Mentoring (transferring of skills in workplace)	The ability to provide guidance in the form of knowledge and/or skills transfer to others.
Combined Assurance	Combined assurance	Refers to a process where both internal and external assurance providers provide collective assurance on the effectiveness of governance, risk and control-related processes within the organisation.
	Audit	Encompassed in overall competency area
	Effective planning	Refers to the effective planning of the combined assurance process.
	Risk based IA	Understand operations of an organisation and prepare a related risk-based Internal Audit plan.

Competency Area	Competency	Description
Combined Assurance (cnt)	Quality Assurance	Refers to the quality control function within an organisation (for Internal Audit and other assurance providers) which facilitates the rendering of excellent and worthy assurance services.
	Control assessment	Relates to the ability to evaluate the control environment and control activities (at a strategic, systems and operational level) effectively.
IA Attributes	Confidentiality	Always treat all Internal Audit work and information as strictly private – All Internal Audit information should never be shared, discussed or divulged outside of the Internal Audit team.
	Assertive	Linked to effective communication. Additionally not be swayed or moved by auditees.
	Adaptability	The nature of Internal Audit engagements requires IAs to be adaptable. Engagement plans need to be adaptable and Internal Audit needs to be agile.
	Analytical	Performing the work with an analytical mind, looking for linkages, gaps, red flags, concerns etc. Analytical in this sense refers to taking an integrated approach i.e. Std. 2320 – Analysis and evaluation
	Ability to exercise professional scepticism	This is linked to the Internal Audit Attribute Std. i.e. Std. 1220 link back to individual objectivity and due professional care i.e. Std. 1220
	Critical thinking	Analysing and evaluating all matters independently, objectively and rationally in order to formulate a conclusion.
	Application of mind	Reasoning skills – considering various options and making meaningful decisions based on facts.
	Independent (not soft skills)	Std. 1120 - Internal Audit must avoid collusion and be unbiased i.e. individual objectivity and first sentence of Std. 1210
	Attention to detail	All tasks must be approached in a thorough manner, taking time to ensure accuracy of all work.
	~~Multi-skilled~~ Multi-skilled in relation to risk, internal control, quality assurance, governance, fraud, and investigation)	Working knowledge of Risk and IC, understanding of governance, QA. IAs should develop fraud awareness skills and the ability to effectively extract information when required.
	Knowledge contributor (CBOK)	Have an appreciation of the fact that continuous learning is required and over time assist to create a knowledge base within organisations. This links to IT structures and knowledge management.

Competency Area	Competency	Description
Information Analytics	Interpretation	Having an understanding of how information analytics is used by Internal Audit to increase audit efficiency and effectiveness. Standard 2300 – analysis and interpretation of information.
	Monitoring trends	Be able to interpret information to identify trends and patterns.
	Proactive assurance	Providing assurance that is pro-active and not re-active, for example using continuous auditing tools (automated information analytics).
	Insight and ability to apply insight	Having the knowledge and skills to meaningfully interpret information and make impactful decisions based on the information.
	Foresight (predictive modelling)	Having the knowledge and skills to meaningfully interpret information by making predictions and forecasts.
Stakeholder Relations	Governance	Refers to ethical and effective leadership by an organisation's governing body to achieve an ethical culture, good performance, effective control and legitimacy (King IV). IAF acts as assurance provider and consultant.
	Ethics	Refers to organisational ethics as part of governance. This includes the organisation's ethics management framework (its code of conduct and related policies, social and ethics committee, ethics or integrity office or unit). IAF acts as assurance provider and consultant.
	Understand people and behaviour (reading people i.e. psychological theory	Refers to being able to recognise and interpret facial and body language cues, appearance, posture and even tone when speaking and being able to determine their meanings and applicability to the matter at hand.
	~~Psychological theory~~	*Merge with understanding people and behaviour above*
	Understanding of culture	Appreciation of organisational culture and diversity in the workplace and the impact of such on strategic objectives and operational matters.
	Managing client relations	Facilitate and build rapport with clients.
	Ability to not succumb to external pressure	Refers to assertiveness, negotiation skills and independence of the IA.
	People skills (open approach to receive honest information)	Refers to ability to build rapport, and engage in conversations that allow for honest communication.

Competency Area	Competency	Description
Professionalism	~~Education – Formal and Continuous~~ Continuing professional development	Acquiring and maintaining the necessary knowledge, skills and experience to perform Internal Audit engagements effectively – Std. 1230.
	Knowledge of IIA Standards IPPF	All engagements are undertaken with full consideration and application of the Internal Audit core principles, standards and related implementation guides at all times.
	Ethics	Always act ethically and professionally and adhere to the IIA Code of ethics principles and rules of conduct.
	~~Understanding of, and application of IPPF)~~	Must have theoretical knowledge and begin learning to apply *Merge with IPPF above*
	Professional conduct	Always act in a professional manner with due professional care – Std. 1220.
	~~Designations (IAT/PIA etc.)~~ Designations (IAT/PIA etc.) and IIA professional membership	Obtain an Internal Audit-related professional designation, qualification and certification. **INDICATE IN WHICH YEAR** an Internal Auditor should: - Be a member of the profession (use acronym – PM) - Obtain the IAT designation (use acronym – IAT) - Obtain the PIA designation (use acronym PIA) - Obtain the CIA certification (use acronym CIA)
	IIA professional membership	*Merge with designations above*
Fraud	Fraud prevention and detection	Understand fraud prevention and detection strategies.
	Basic investigative skills	Haver the ability to extract information required and make links between information and findings.
	Fraud risk indicators	Be able to identify the indicators of fraud /red flags.
Data Analytics	Data analysis techniques	Should have an appreciation of Computer Assisted Audit Tools (CAATS) and the knowledge and ability to use these effectively.
	Foresight and predictive modelling	Be able to analyse and interpret data and information and make relevant predictions.
Information and Communication Technology	Information Technology General Controls (ITGC)	Understand ITGC such as access controls, program change management controls, computer operation controls, back-up and recovery controls data centre physical controls etc.
	IT application controls	Understand information technology application controls such as input, processing and output controls.

Competency Area	Competency	Description
Information and Communication Technology (cnt)	Understanding business and IT alignment (scorecard)	Relates to how IT infrastructure and governance supports organisational structures - IT is not a standalone department but integrated with all business units.
	Cyber related risk	Understanding of digital and IT risks that could result in resource, reputation, financial etc. losses for the organisation.
	Cyber security	Understanding of mechanisms used to prevent and protect malicious attack of electronic, digital and IT systems, software and devices from malicious attack.
	Advanced ITC understanding	Specialised knowledge and skills (such as coding skills and penetration testing).
	Automated Applications	Automation of applications or functions within the business environment.
	Embedded continuous auditing	Refers to – continuous monitoring (management's responsibility) linked to continuous auditing – need to be knowledgeable and able to programme test data (where possible automated) and where there are exceptions analyse and make recommendations.
	Technology savvy	Have an understanding of technology and its use when performing engagements and also how technology impacts the auditee's business environment.
	Information and Communication Technology (ITC) global regulation and law	ICT laws and regulations that impact the global business environment.
	Advanced understanding of ~~everything tech~~ emerging technologies	Have an understanding of emerging technologies e.g. Artificial intelligence and blockchain and how these technologies impact the business environment.
	Robotics	Have an understanding of the automation of functions and activities (such as robotics) and how it impacts the business environment.
Business Insights	Business acumen	Industry knowledge and insight into business practices and operations.
	Strategy analysis and assessment	Ability to analyse and evaluate and organisation's strategies and plans.
	Trusted advisor (insight and foresight)/ risk recommendations	The ability to provide reliable and useful advice regarding governance, risk and control to auditees to enable them to make impactful decisions.
	Advisor	*Merge with trusted advisor above*
	Conduct research	The ability to obtain and synthesise relevant information.

Competency Area	**Competency**	**Description**
Business Insights (cnt)	Global business regulation and law	Refers to laws and regulations that are applicable to the global business environment.
	Ability to align to a complex, volatile business landscape	Refers to the ability to function effectively as a trusted advisor within a complex and volatile business environment.
	Business process	Refers to the methods or procedures used in business to facilitate operations.
	Consulting regarding lack of controls	Refers to providing advice or training on the weaknesses (lack of control) within the business processes or systems.
	Experts	Within a specific business environment or industry, have an expert level of knowledge about how business is conducted.

Group 2 Analysis

*Analysis and changes have been tracked by means of strikethroughs and change notes

Competency Area	Competency	Description
RBIA Methodology	Governance, risk management and controls	Relates to an understanding of governance and control frameworks in relation to risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.
	Risk based audits and business risk alignment	Understand operations of an organisation and prepare a related risk-based Internal Audit plan.
	3 lines of defence	This refers to a management and assurance function where three key role-players in an organisation provide assurance that risks are being managed. The first line refers to senior management, the second line to risk, legal and compliance functions and the 3rd line to Internal Audit.
	Combined assurance	Refers to a process where both internal and external assurance providers provide collective assurance on the effectiveness of governance, risk and control-related processes within the organisation.
	~~Truly understand RBIA~~	*Encompassed in overall competency area*
	Quantitative Risk Management	Refers to the use of a control matrix to quantify risk exposure (both impact and likelihood) and post control exposure (impact and likelihood) i.e. inherent and residual risk e.g. financial, time, operational hours etc.
	~~Business risk alignment~~	*Merge with risk based audits and business risk alignment above*
	Integrated audits	This refers to an integrated approach to performing audit engagements with different experts or a multi-disciplinary team of assurance providers to provide a holistic view and approach to the engagement.
	Fraud	This refers to the identification of red flags and understanding the fraud diamond, as well as fraud prevention and detection strategies.
~~Soft Skills~~	~~People skills~~	Merge with professional and personal attributes below
	~~Assertiveness~~	
	~~Strong personality~~	

Competency Area	Competency	Description
Communication	Communication skills	Listening, verbal and written skills. Two-way communication from Internal Auditor to auditee and vice versa. This includes being attentive, good listening skills, good verbal skills, good writing skills, good presentation skills and being a persuasive communicator. Std. 2410, and Std. 2420 Concise and effective ensuring all pertinent information has been captured and communicated professionally and in a timely manner.
	~~Communicator~~	*Combine with Communication skills above*
	~~Communication and other soft skills~~	*Combine with Communication skills above and soft skills below*
	Presentation skills	Must be able to present risk and control workshops, as well as present findings to clients in a professional and effective manner.
	Soft skills - ~~Communication and People~~	This refers to the ability to understand people and know how to engage effectively with people, including fellow auditors, supervisors and auditees.
IPPF	Code of Ethics	This refers to the ethical principles (integrity, objectivity, confidentiality, competence) and related rules of conduct that all professional Internal Auditors should always apply.
	Standards	This refers to the universal, international standards for the practice of Internal Auditing and related implementation guidance that all professional Internal Auditors should always apply.
	Core principles	This refers to the fundamental principles underpinning the practice of Internal Auditing.
Professional and Personal Attributes	People skills	This refers to the ability to understand people and know how to engage effectively with people, including fellow auditors, supervisors and auditees.
	Assertiveness	Linked to effective communication. Additionally not be swayed or moved by auditees.
	Strong personality	Need not be concerned with what others think if a controversial statement is made i.e. not influenced by others thoughts and actions
	Common sense	Refers to having sound judgement in all matters.
	Critical thinking	Analysing and evaluating all matters independently, objectively and rationally in order to formulate a conclusion.
	Analytical ability	Performing the work with an analytical mind, looking for linkages, gaps, red flags, concerns etc. Analytical in this sense refers to taking an integrated approach i.e. Std. 2320 – Analysis and evaluation

Competency Area	Competency	Description
Professional and Personal Attributes (cnt)	Logic	Reasonable approach to all matters i.e. considers the validity of information.
	Strategic thinking	Applying a specific method of thinking with the aim of achieving objectives and goals of an organisation.
	Inquisitive mind	Eagerness to learn new things and need to seek further understanding.
	Professional scepticism	This is linked to the Internal Auditing Attribute Std. i.e. Std. 1220 link back to individual objectivity and due professional care i.e. Std. 1220
	Innovative focus on risk	Refers to thinking about risk from new and different perspectives.
	Analytical	Combine with Analytical ability above
	Trusted advisor	The ability to provide reliable and useful advice regarding governance, risk and control to auditees to enable them to make impactful decisions.
	Integrity and moral standards	Being honest and being guided by good ethics and the greater good.
	Focus – add value	Refers to concentrating on adding value through every tenement and every interaction.
	Ability to practically apply the following:	
	Professionalism	Conducting all Internal Audit Activities in a knowledgeable and skilled manner as required in a business environment.
	Continuous leading	Ongoing show of team support and leading when required.
	Continuous improvement	Actively seeking to improve processes on an ongoing basis.
	Objective mind-set	Refers to focussing on the facts i.e. removing all internal and external influences.
	Flexibility to improve as environment changes	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive as Internal Audit Activities are affected by environmental, operational and strategic changes.
	Desire to keep abreast in terms of knowledge and trends	Actively seeking to improve self and Internal Audit Activity and processes through gaining of new knowledge and skills.
	All rounded knowledge – knowledge, practical, technical, soft, strategy	Internal Auditor who has knowledge and skills to conduct all Internal Audit engagements from start to finish.
	Energetic and hardworking	Refers to showing drive and commitment to the work and to the team on an ongoing basis.

Competency Area	Competency	Description
Professional and Personal Attributes (cnt)	Quality	Ensuring the highest standards in all deliverables.
	P-D-C-A Cycle	Plan – Do – Check – Act attitude
	Good practice	Using acceptable methods to achieve objectives and conduct engagements.
	Ethics and Morals	Refers to organisational ethics as part of governance. This includes the organisation's ethics management framework (its code of conduct and related policies, social and ethics committee, ethics or integrity office or unit).
Information and Technology	Information Technology (IT)	How IT infrastructure and governance supports organisational structures - IT is not a standalone department but integrated with other business units.
	~~Knowledge of CAATS~~ Tools that automate the Audit process including CAATS	Should have an appreciation of Computer Assisted Audit Tools (CAATS) and the knowledge and ability to use them.
	Data interpretation skills	Refers to the act of making sense of data collected in order to determine the course of action.
	~~Data analytics~~	*Combine with Tools that automate the Audit process including CAATS above*
	Big DATA and AI	Big data – understanding of how Big data can inform organisational strategic imperatives, operational imperatives and Internal Audit planning and activities. Have an understanding of artificial intelligence and how it impacts the business environment.
	Continuous auditing	Refers to continuous monitoring (management's responsibility) linked to continuous auditing – need to able to programme test data (where possible automated) and where there are exceptions analyse and make recommendations.
	~~Tools that automate the audit process~~	*Combine with Tools that automate the Audit process including CAATS above*
	Technology centric	Refers to focussing on technology and related risks, controls and protective measures.
Understanding of Business Environment	Knowledge of business and business processes	Refers to all business related operations and tasks and their link to each other in relation to achieving the organisational strategy.
	~~Business processes~~	*Combine with Knowledge of business and business processes above*
	Business acumen	Understanding various business situations with the ability to see risks and opportunities.

Competency Area	Competency	Description
Understanding of Business Environment (cnt)	Knowledge of topical issues – local and global	Be well versed in current affairs, especially those that affect business activities.
	~~Business knowledge~~	*Combine with Knowledge of business and business processes above*
	Understanding of various industries	Must understand the industries which Internal Audit serves in order to provide assurance.
	~~Holistic view~~	*~~Encapsulated in other competencies within this competency area~~*
	Understanding of business objectives	Must understand the importance of having a holistic view of the business. Refers to understanding the purpose for organisational objectives - Must have knowledge of the direction being taken in order to align audits.
	Laws and regulations	Refers to laws and regulations that are applicable to the global business environment.
	Internal controls	Working knowledge and understanding of IC. The above should be well developed after 5 years of practicing IA.
	Organisational governance	Refers to ethical and effective leadership by an organisation's governing body to achieve an ethical culture, good performance, effective control and legitimacy (King IV).
	Fourth industrial revolution	Refers to current and emerging disruptive technologies and their impact on the manner in which we live and work.
	Fraud	*Merge with fraud in RBIA Methodology competency area*
Financial Acumen	Financial skills	Refers to the ability to use financial knowledge and understanding to interpret information to solve problems and assure processes.
	Accounting knowledge	Refers to understanding various accounting concepts in order to interpret information to solve problems and assure processes.
Governance, Risk and Control Frameworks	Relevant organisational best practice frameworks e.g. COSO, KING etc.	Refers to the understanding of, and ability to consider and apply relevant frameworks in all Internal Audit Activities.
	Integrated reporting	This refers to a method of reporting on organisational sustainability by highlighting the organisation's performance in respect of six capitals (human, manufactured, financial, environmental etc.).

Appendix M - Focus Group Analysis 2: Focus Group One Vs Focus Group Two

*Analysis and changes have been tracked by means of strikethroughs and change notes

	Focus Group One			Focus Group Two	
	Competency Area	**Comments**		**Competency Area**	**Comments**
1	Effective Communication	*Include communication from FG 2*	1	Risk Based Internal Audit Methodology	
2	Risk Management		2	~~Communication~~	*Merge with Professionalism in FG 1*
3	Project Management for the Internal Audit Function		3	~~IPPF~~	*Merge with effective communication in FG 1*
4	Combined Assurance		4	~~Professional and Personal Attributes~~	*Merge with Internal Audit Attributes in FG 1*
5	Internal Audit Attributes	*Include Professional and Personal Attributes from FG 2*	5	~~Technology and Information~~	*Merge with Information Technology in FG 1*
6	Information Analytics		6	~~Understanding of Business Environment~~	*Merge with Business Insights in FG 1*
7	Stakeholder Relations		7	Financial Acumen	
8	Professionalism	*Include IPPF from FG 2*	8	GRC Frameworks	
9	Fraud				
10	Data Analytics				
11	Information Technology	*Include Technology and Information from FG 2*			
12	Business Insights	*Include Understanding of Business Environment from FG 2*			

Appendix N – Focus Group Analysis 3: Merge of Competence Areas (Affinities) and Competencies (Sub-Affinities)

*Analysis and changes have been tracked by means of strikethroughs and change notes

Focus Group One: Technical		Focus Group Two: Practitioners		Comments
Competency Area	**Competency**	**Competency Area**	**Competency**	
Effective Communication	Effective communication	**Communication**	~~Communication skills~~	*Merge with Effective communication in FG 1*
	Positive and negative reporting			
	Workshop facilitation and presentation skills			
	Negotiation skills			
	Interactive communication skills			
	Interviewing skills			
	Presentation skills		~~Presentation skills~~	*Include in Effective communication in FG 1*
	Soft skills		~~Soft skills~~	*Include in Effective communication in FG 1*
Professionalism	Continuing professional development	~~IPPF~~		
	IPPF		~~Standards~~	*Merge with IPPF in FG 1*
	Ethical conduct		~~Code of Ethics~~	*Merge with Ethical conduct in FG 1*
	Professional conduct			

Focus Group One: Technical		Focus Group Two: Practitioners		Comments
Competency Area	**Competency**	**Competency Area**	**Competency**	
Professionalism (cnt)	Designations (IAT/PIA etc.) and IIA professional membership		~~Core principles~~	*Encompassed in overall Professionalism in FG1*
Internal Audit: Professional and Personal Attributes	Confidentiality	~~Professional and Personal Attributes~~	~~People skills~~	*Encompassed in soft skills competency under Effective Communication in FG1*
	Assertive		~~Assertiveness~~	*Merge with Assertive in FG 1*
	Adaptability		~~Strong personality~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Analytical		~~Common sense~~	*Merge with Application of mind in FG 1*
	Ability to exercise professional scepticism		~~Critical thinking~~	*Merge with Critical thinking in FG 1*
	Critical thinking		~~Analytical ability~~	*Merge with Analytical in FG 1*
	Application of mind		~~Logic~~	*Merge with Application of mind in FG 1*
	Independent (not soft skills)		~~Strategic thinking~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Attention to detail		~~Inquisitive mind~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Multi-skilled in relation to risk, internal control, quality assurance, governance, fraud, and investigation)		~~Professional scepticism~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*

Focus Group One: Technical		Focus Group Two: Practitioners		Comments
Competency Area	**Competency**	**Competency Area**	**Competency**	
Internal Audit: Professional and Personal Attributes (cnt)	Strong personality	~~Professional and Personal Attributes (cnt)~~	***Ability to practically apply the following:***	
	Strategic thinking		~~Professionalism~~	*Encompassed in overall Internal Audit: Professional and Personal Attributes and Professionalism FG 1*
	Inquisitive mind		***Ability to practically apply the following:***	
	Professional scepticism		~~Continuous leading~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Knowledge contributor (CBOK)		~~Continuous improvement~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Continuous leading		~~Objective mind-set~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Continuous improvement		~~Flexibility to improve as environment changes~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Objective mind-set		~~Desire to keep abreast in terms of knowledge and trends~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Flexibility to improve as environment changes		~~All rounded knowledge – knowledge, practical, technical, soft, strategy~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Desire to keep abreast in terms of knowledge and trends		~~Energetic and hardworking~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*

Focus Group One: Technical		Focus Group Two: Practitioners		Comments
Competency Area	**Competency**	**Competency Area**	**Competency**	
Internal Audit: Professional and Personal Attributes (cnt)	All rounded knowledge – knowledge, practical, technical, soft, strategy	~~Professional and Personal Attributes (cnt)~~	~~Quality~~	*Include in Internal Audit: Professional and Personal Attributes in FG 1*
	Energetic and hardworking		~~P-D-C-A Cycle~~	*Encompassed in overall Internal Audit: Professional and Personal Attributes and Project Management for the Internal Audit Function in FG 1*
	Quality work		~~Good practice~~	*Encompassed in overall Internal Audit: Professional and Personal Attributes and Professionalism in FG 1*
			~~Ethics and Morals~~	*Encompassed in ethical conduct competency under professionalism in FG 1*
Information and Communication Technology	Information Technology General Controls (ITGC)	~~Information and Technology~~	~~Information Technology (IT)~~	*Merge with Understanding business and IT alignment in FG 1*
	IT application controls		~~Tools that automate the Audit process including CAATS~~	*Merge with Data analysis techniques competency in Data Analytics in FG 1*
	Understanding business and IT alignment (scorecard)		~~Data interpretation skills~~	*Include in Information and Communication Technology in FG 1*
	Cyber related risk		~~Big DATA and AI~~	*Include in Information and Communication Technology in FG 1*
	Cyber security		~~Continuous auditing~~	*Merge with Embedded continuous auditing in FG 1*
	Advanced ITC understanding	~~Information and Technology (cnt)~~	~~Technology centric~~	*Include in Information and Communication Technology in FG 1*
	Automated Applications			

Focus Group One: Technical		Focus Group Two: Practitioners		Comments
Competency Area	**Competency**	**Competency Area**	**Competency**	
Information and Communication Technology (cnt)	Embedded continuous auditing			
	Technology savvy			
	Information and Communication Technology (ITC) global regulation and law			
	Advanced understanding of emerging technologies			
	Robotics			
	Data interpretation skills			
	Big DATA and AI			
	Technology centric			

Appendix O - Final List of Competence Areas (Affinities) and Competencies (Sub-Affinities)

Competency Area	Competencies
Professionalism	Continuing professional development
	IPPF
	Ethical conduct
	Professional conduct
	IIA professional membership and Designations
Internal Audit: Professional and Personal Attributes	Confidentiality
	Assertive
	Adaptability
	Analytical
	Ability to exercise professional scepticism
	Critical thinking
	Application of mind
	Independent (not soft skills)
	Attention to detail
	Multi-skilled in relation to risk, internal control, quality assurance, governance, fraud, and investigation)
	Knowledge contributor (CBOK)
	Ability to apply the following:
	Continuous leading
	Continuous improvement
	Objective mind-set
	Flexibility to improve as environment changes
	Desire to keep abreast in terms of knowledge and trends
	All rounded knowledge – knowledge, practical, technical, soft, strategy
	Energetic and hardworking
	Delivery of quality work
Communication	Effective communication
	Positive and negative reporting

Competency Area	Competencies
Communication (cnt)	Workshop facilitation skills
	Negotiation skills
	Interactive communication skills
	Interviewing skills
	Presentation skills
	People skills
Business Insights	Business acumen
	Strategy analysis and assessment
	Trusted advisor (insight and foresight)/ risk recommendations
	Conduct research
	Understanding and application of South African law and legislation e.g. PFMA, MFMA, King Code, Companies Act
	Global business regulation and law
	Ability to align to a complex, volatile business landscape
	Business process
	Consulting regarding lack of controls
	Specific business expertise
	Knowledge of business and business processes
	Knowledge of topical issues – local and global
	Understanding of various industries
	Understanding of business objectives
	Internal controls
	Organisational governance
	Understanding of culture, including diversity
	Understanding of business from an entrepreneurial point of view
	Understanding of the operational requirements of Small and Medium enterprises
Information and Communication Technology	Information Technology General Controls (ITGC)
	IT application controls
	Understanding business and IT alignment (scorecard)
	Cyber related risk
	Cyber security

Competency Area	Competencies
Information and Communication Technology (cnt)	Advanced ITC understanding
	Automated Applications
	Embedded continuous auditing
	Technology savvy
	Information and Communication Technology (ITC) global regulation and law
	Advanced understanding of emerging technologies
	Robotics
	Data interpretation skills
	Big DATA and AI
	Technology centric
Risk Management	Risk management skills
	Enterprise risk management
	Risk based planning
	Real time risk management approach
Project Management for the Internal Audit Function	Time management
	Project management skills
	Administration skills
	Leadership
	Responsibility and accountability (Start to end)
	Flexibility (Start to end)
	Mentoring (transferring of skills in workplace)
Combined Assurance	Combined assurance
	Effective planning
	Quality Assurance
	Control assessment
RBIA Methodology	Governance, risk management and controls
	Risk based audits and business risk alignment
	3 lines of defence
	Quantitative Risk Management
	Integrated audits

Competency Area	Competencies
Governance, Risk and Control Frameworks	Relevant organisational best practice frameworks e.g. COSO, KING etc.
	Integrated reporting
Information Analytics	Interpretation
	Monitoring trends
	Proactive assurance
	Insight and ability to apply insight
	Foresight (predictive modelling)
Fraud	Fraud prevention and detection
	Basic investigative skills
	Fraud risk indicators
Data Analytics	Data analysis techniques
	Foresight and predictive modelling
Financial Acumen	Financial skills
	Accounting knowledge
Stakeholder Interaction and Relations	Understand people and behaviour (reading people i.e. psychological theory)
	Managing client relations
	People skills (open approach to receive honest information)

Appendix P - Competencies Mapped to Current Qualifications and Certification

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Professionalism	Continuing professional development	Yes	Yes	Yes	Acquiring and maintaining the necessary knowledge, skills and experience to perform Internal Audit engagements effectively – Std. 1230.
	IPPF	Yes	Yes	Yes	All engagements are undertaken with full consideration and application of the Internal Audit core principles, standards and related implementation guides at all times.
	Ethical conduct	Yes	Yes	Yes	Always act ethically and professionally and adhere to the IIA Code of ethics principles and rules of conduct. This includes the organisation's ethics management framework (its code of conduct and related policies, social and ethics committee, ethics or integrity office or unit). IAF acts as assurance provider and consultant.
	Professional conduct	Yes	Yes	Yes	Always act in a professional manner with due professional care – Std. 1220.
	IIA professional membership and Designations	Linked to membership and a designation	Linked to membership and a designation	Linked to membership in SA and a designation	Obtain an Internal Audit-related professional designation, qualification and certification. Specifications should be provided regarding when an Internal Auditor should: Be a member of the profession Obtain the IAT designation Obtain the PIA designation Obtain the CIA certification
Internal Audit: Professional and Personal Attributes	Confidentiality	Yes	Yes	Yes	Always treat all Internal Audit work and information as strictly private – All Internal Audit information should never be shared, discussed or divulged outside of the Internal Audit team.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Internal Audit: Professional and Personal Attributes (cnt)	Assertive	Not explicit	Not explicit	Not explicit	Linked to effective communication. Additionally, not be swayed or moved by auditees.
	Adaptability	No	Not explicit	Not explicit	The nature of Internal Audit engagements requires IAs to be adaptable. Engagement plans need to be adaptable and Internal Auditing needs to be agile.
	Analytical	Yes	Yes	Yes	Performing the work with an analytical mind, looking for linkages, gaps, red flags, concerns etc. Analytical in this sense refers to taking an integrated approach i.e. Std. 2320 – Analysis and evaluation
	Ability to exercise professional scepticism	Yes	Yes	Yes	This is linked to the Internal Auditing Attribute Std. i.e. Std. 1220 link back to individual objectivity and due professional care i.e. Std. 1220
	Critical thinking	Not explicit	Yes	Yes	Analysing and evaluating all matters independently, objectively and rationally in order to formulate a conclusion.
	Application of mind	Not explicit	Not explicit	Not explicit	Reasoning skills – considering various options and making meaningful decisions based on facts.
	Independent (not soft skills)	Yes	Yes	Yes	Std. 1120 - Internal Auditors must avoid collusion and be unbiased i.e. individual objectivity and first sentence of Std. 1210
	Attention to detail	Not explicit	Not explicit	Not explicit	All tasks must be approached in a thorough manner, taking time to ensure accuracy of all work.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Internal Audit: Professional and Personal Attributes (cnt)	Multi-skilled in relation to risk, internal control, quality assurance, governance, fraud, and investigation)	Yes	Yes	Yes	Working knowledge of Risk and IC, understanding of governance, QA. IAs should develop fraud awareness skills and the ability to effectively extract information when required.
	Knowledge contributor (CBOK)	Yes	Not explicit	Not explicit	Have an appreciation of the fact that continuous learning is required and over time assist to create a knowledge base within organisations. This links to IT structures and knowledge management.
	Ability to apply the following:				
	Continuous leading	No	Yes	Yes	Ongoing show of team support and leading when required.
	Continuous improvement	No	Yes	Yes	Actively seeking to improve processes on an ongoing basis.
	Objective mind-set	Not explicit	Not explicit	Not explicit	Refers to focussing on the facts i.e. removing all internal and external influences.
	Flexibility to improve as environment changes	No	Not explicit	Not explicit	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive as Internal Audit Activities are affected by environmental, operational and strategic changes.
	Desire to keep abreast in terms of knowledge and trends	Not explicit – a requirement of CPD	Not explicit – a requirement of CPD	Not explicit – a requirement of CPD	Actively seeking to improve self and Internal Audit Activity and processes through gaining of new knowledge and skills.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Internal Audit: Professional and Personal Attributes (cnt)	All rounded knowledge – knowledge, practical, technical, soft, strategy	No	Yes	Yes	Internal Auditor who has knowledge and skills to conduct all Internal Audit engagements from start to finish.
	Energetic and hardworking	No	No	No	Refers to showing drive and commitment to the work and to the team on an ongoing basis.
	Delivery of quality work	Yes	Yes	Yes	Ensuring the highest standards in all deliverables.
Effective Communication	Effective communication	Yes	Yes	Yes	Listening, verbal and written skills. Two-way communication from Internal Auditor to auditee and vice versa. This includes being attentive, good listening skills, good verbal skills, good writing skills, good presentation skills and being a persuasive communicator. Std. 2410, and Std. 2420 Concise and effective ensuring all pertinent information has been captured and communicated professionally and in a timely manner.
	Positive and negative reporting	Not explicit	Not explicit	Not explicit	Internal Auditors are good at raising audit findings, but do not report when things are going well i.e. do not report positive findings but should.
	Workshop facilitation skills	No	Yes	Not explicit	Facilitate risk and control workshops. Must be able to identify the risks and controls and facilitate a discussion with the client in order to extract key risk and control related information.
	Negotiation skills	No	Yes	Yes	Relates to engagement close-out and discussing and agreeing on audit findings with auditees and obtaining input and buy-in from auditees.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Effective Communication (cnt)	Interactive communication skills	Not explicit	No	Not explicit	Managing the conversation, being able to probe and encourage participation from others, both at group and individual levels. Must understand the auditees' business in order to effectively interact.
	Interviewing skills	Not explicit	Not explicit	Not explicit	Being able to extract information while ensuring comfort of interviewee and encouraging the offering of information. Open ended questions, no leading questions etc.
	Presentation skills	Yes	Yes	Not explicit	Conduct presentations in a professional manner, while ensuring the effect communication and transfer of pertinent information.
	People skills	Not explicit	Not explicit	Not explicit	This refers to the ability to understand people and know how to engage effectively with people, including fellow auditors, supervisors and auditees.
Business Insights	Business acumen	Yes	Yes	Yes	Industry knowledge and insight into business practices and operations.
	Strategy analysis and assessment	No	Yes	Yes	Ability to analyse and evaluate and organisation's strategies and plans.
	Trusted advisor (insight and foresight)/ risk recommendations	No	Yes	Yes	The ability to provide reliable and useful advice regarding governance, risk and control to auditees to enable them to make impactful decisions.
	Conduct research	No	No	Yes	The ability to obtain and synthesise relevant information.
	Global business regulation and law	No – includes SA Legislation	No – includes SA Legislation	No – Generic	Refers to laws and regulations that are applicable to the global business environment.
	Ability to align to a complex, volatile business landscape	No	No	Not explicit	Refers to the ability to function effectively as a trusted advisor within a complex and volatile business environment.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Business Insights (cnt)	Business process	Yes	Yes	Yes	Refers to the methods or procedures used in business to facilitate operations.
	Consulting regarding lack of controls	Yes	Yes	Yes	Refers to providing advice or training on the weaknesses (lack of control) within the business processes or systems.
	Specific business expertise	No – Generic, but can be customised per organisation	No – Generic, but can be customised per organisation	No – Generic	Must develop expertise and understanding of the business, its strategy and operations.
	Knowledge of business and business processes	Yes	Yes	Yes	Refers to all business related operations and tasks and their link to each other in relation to achieving the organisational strategy.
	Knowledge of topical issues – local and global	No	No	No	Be well versed in current affairs, especially those that affect business activities.
	Understanding of various industries	No	No	No	Must understand the industries which Internal Audit serves in order to provide assurance.
	Understanding of business objectives	Not explicit	Yes	Yes	Refers to understanding the purpose for organisational objectives and must have knowledge of the direction being taken in order to align audits.
	Internal controls	Yes	Yes	Yes	Working knowledge and understanding of IC. The above should be well developed after 5 years of practicing IA.
	Organisational governance	Yes	Yes	Yes	Refers to ethical and effective leadership by an organisation's governing body to achieve an ethical culture, good performance, effective control and legitimacy (King IV).

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Business Insights (cnt)	Understanding of culture	No	Partial	Partial	Appreciation of organisational culture and diversity in the workplace and the impact of such on strategic objectives and operational matters.
Information and Communication Technology	Information Technology General Controls (ITGC)	Partial	Partial	Yes	Understand ITGC such as access controls, program change management controls, computer operation controls, back-up and recovery controls data centre physical controls etc.
	IT application controls	Yes	Partial	Yes	Understand information technology application controls such as input, processing and output controls.
	Understanding business and IT alignment (scorecard)	Not explicit	Not explicit	Not explicit	Relates to how IT infrastructure and governance supports organisational structures - IT is not a standalone department but integrated with all business units.
	Cyber related risk	Partial	No	Yes	Understanding of digital and IT risks that could result in resource, reputation, financial etc. losses for the organisation.
	Cyber security	Partial	No	Yes	Understanding of mechanisms used to prevent and protect malicious attack of electronic, digital and IT systems, software and devices from malicious attack.
	Advanced ITC understanding	No	No	No	Specialised knowledge and skills (such as coding skills and penetration testing).
	Automated Applications	Yes	No	Yes	Automation of applications or functions within the business environment.
	Embedded continuous auditing	Yes	No	Yes	Refers to – continuous monitoring (management's responsibility) linked to continuous auditing – need to be knowledgeable and able to programme test data (where possible automated) and where there are exceptions analyse and make recommendations.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Information and Communication Technology (cnt)	Technology savvy	Not explicit	Not explicit	Not explicit	Have an understanding of technology and its use when performing engagements and also how technology impacts the auditee's business environment.
	Information and Communication Technology (ITC) global regulation and law	No	No	No	ICT laws and regulations that impact the global business environment.
	Advanced understanding of emerging technologies	No	No	Partial	Have an understanding of emerging technologies e.g. Artificial intelligence and blockchain and how these technologies impact the business environment.
	Robotics	No	No	No	Have an understanding of the automation of functions and activities (such as robotics) and how it impacts the business environment.
	Data interpretation skills	Partial	Partial	Yes	Refers to the act of making sense of data collected in order to determine the course of action.
	Big DATA and AI	Partial	No	Not explicit	Big data – understanding of how Big data can inform organisational strategic imperatives, operational imperatives and Internal Audit planning and activities. Have an understanding of artificial intelligence and how it impacts the business environment.
	Technology centric	No	No	Yes	Refers to focussing on technology and related risks, controls and protective measures.
Risk Management	Risk management skills	Yes	Yes	Yes	Relates to an understanding of risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Risk Management (cnt)	Enterprise risk management	Yes	Yes	Yes	Refers to the organisation's comprehensive risk management structure or framework which includes the risk management unit, the risk management plan or strategy and the risk management process.
	Risk based planning	Partial	Yes	Yes	Refers to the Internal Audit Activity's ability to prepare risk based Internal Audit plans.
	Real time risk management approach	No	Not explicit	Not explicit	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive.
Project Management for the Internal Audit Function	Time management	Yes	No	Not explicit	Ability to plan engagements and ensure they are completed on time.
	Project management skills	No	No	Yes	Understanding the impact of project related risks i.e. delays, changes in priorities, obtaining approval and buy-in.
	Administration skills	Yes	Yes	Yes	Includes time-keeping, documentation, communication, record keeping etc.
	Leadership	No	Yes	Yes	Refers to the ability to manage people and teams, motivate teams to achieve objectives by guiding and influencing. Individuals at this stage in their careers should begin developing and honing their leadership skills and abilities, not necessarily be proficient.
	Responsibility and accountability (Start to end)	Yes	Yes	Yes	Understanding the difference between project management responsibility and accountability – i.e. senior management is accountable, responsibility lies in operational execution.
	Flexibility (Start to end)	No	Not explicit	Not explicit	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive As IAFs are affected by environmental, operational and strategic changes.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Project Management for the Internal Audit Function (cnt)	Mentoring (transferring of skills in workplace)	No	No	No	The ability to provide guidance in the form of knowledge and/or skills transfer to others.
Combined Assurance	Combined assurance	No	Yes	Yes	Refers to a process where both internal and external assurance providers provide collective assurance on the effectiveness of governance, risk and control-related processes within the organisation.
	Effective planning	Yes	Yes	Yes	Refers to the effective planning of the combined assurance process.
	Risk based IA	No	Partial	Yes	Understand operations of an organisation and prepare a related risk-based Internal Audit plan.
	Quality Assurance	No	Yes	Yes	Refers to the quality control function within an organisation (for internal audit and other assurance providers) which facilitates the rendering of excellent and worthy assurance services.
	Control assessment	No	Partial	Yes	Relates to the ability to evaluate the control environment and control activities (at a strategic, systems and operational level) effectively.
RBIA Methodology	Governance, risk management and controls	Yes	Yes	Yes	Relates to an understanding of governance and control frameworks in relation to risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.
	Risk based audits and business risk alignment	No	Partial	Yes	Understand operations of an organisation and prepare a related risk-based internal audit plan.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
RBIA Methodology (cnt)	3 lines of defence	Yes	Yes	Yes	This refers to a management and assurance function where three key role-players in an organisation provide assurance that risks are being managed. The first line refers to senior management, the second line to risk, legal and compliance functions and the 3rd line to internal audit.
	Quantitative Risk Management	No	Partial	Not explicit	Refers to the use of a control matrix to quantify risk exposure (both impact and likelihood) and post control exposure (impact and likelihood) i.e. inherent and residual risk e.g. financial, time, operational hours etc.
	Integrated audits	No	Not explicit	Not explicit	This refers to an integrated approach to performing audit engagements with different experts or a multi-disciplinary team of assurance providers to provide a holistic view and approach to the engagement.
Governance, Risk and Control Frameworks	Relevant organisational best practice frameworks e.g. COSO, KING etc.	Yes	Yes	Partial - (does not include KING)	Refers to the understanding of, and ability to consider and apply relevant frameworks in all Internal Audit Activities.
	Integrated reporting	No	Partial	No	This refers to a method of reporting on organisational sustainability by highlighting the organisation's performance in respect of six capitals (human, manufactured, financial, environmental etc.).
Information Analytics	Interpretation	Not explicit	No	Not explicit	Having an understanding of how information analytics is used by Internal Audit to increase audit efficiency and effectiveness. Standard 2300 – analysis and interpretation of information.
	Monitoring trends	No	Partial	Yes	Be able to interpret information to identify trends and patterns.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Information Analytics (cnt)	Proactive assurance	Yes	Not Explicit	Yes	Providing assurance that is pro-active and not re-active, for example using continuous auditing tools (automated information analytics).
	Insight and ability to apply insight	No	Yes	Yes	Having the knowledge and skills to meaningfully interpret information and make impactful decisions based on the information.
	Foresight	No	Partial	Partial	Having the knowledge and skills to meaningfully interpret information by making predictions and forecasts.
Fraud	Fraud prevention and detection	Yes	Yes	Yes	Understand fraud prevention and detection strategies.
	Basic investigative skills	Yes	Yes	Yes	Haver the ability to extract information required and make links between information and findings.
	Fraud risk indicators	Yes	Yes	Yes	Be able to identify the indicators of fraud /red flags.
Data Analytics	Data analysis techniques	Yes	No	Yes	Should have an appreciation of Computer Assisted Audit Tools (CAATS) and the knowledge and ability to use these effectively.
	Foresight and predictive modelling	No	No	Partial	Be able to analyse and interpret data and information and make relevant predictions.
Financial Acumen	Financial skills	Yes	No	Yes	Refers to the ability to use financial knowledge and understanding to interpret information to solve problems and assure processes.
	Accounting knowledge	Yes	No	Yes	Refers to understanding various accounting concepts in order to interpret information to solve problems and assure processes.

Competency Area	Competency	Dip: TIA	Cert: GIA	CIA	Description
Stakeholder Interaction and Relations	Understand people and behaviour (reading people i.e. psychological theory)	Not explicit	No	Not explicit	Refers to being able to recognise and interpret facial and body language cues, appearance, posture and even tone when speaking and being able to determine their meanings and applicability to the matter at hand.
	Managing client relations	Yes	Yes	Yes	Facilitate and build rapport with clients.
	People skills (open approach to receive honest information)	Yes	Yes	Yes	Refers to ability to build rapport, and engage in conversations that allow for honest communication.

Appendix Q - Competencies Mapped to New Qualifications

Competency Area	Competency	IA	IAM	Description
Professionalism	Continuing professional development	Yes	Yes	Acquiring and maintaining the necessary knowledge, skills and experience to perform internal audit engagements effectively – Std. 1230.
	IPPF	Yes	Yes	All engagements are undertaken with full consideration and application of the internal audit core principles, standards and related implementation guides at all times.
	Ethical conduct	Yes	Yes	Always act ethically and professionally and adhere to the IIA Code of ethics principles and rules of conduct. This includes the organisation's ethics management framework (its code of conduct and related policies, social and ethics committee, ethics or integrity office or unit). IAF acts as assurance provider and consultant.
	Professional conduct	Yes	Yes	Always act in a professional manner with due professional care – Std. 1220.
	IIA professional membership and Designations	Yes	Yes	Obtain an internal audit-related professional designation, qualification and certification. Specifications should be provided regarding when an internal auditor should: Be a member of the profession Obtain the IAT designation Obtain the PIA designation Obtain the CIA certification
Internal Audit: Professional and Personal Attributes	Confidentiality	Yes	Yes	Always treat all Internal Audit work and information as strictly private – All Internal Audit information should never be shared, discussed or divulged outside of the Internal Audit team.

Competency Area	Competency	IA	IAM	Description
Internal Audit: Professional and Personal Attributes (cnt)	Assertive	Yes	Yes	Linked to effective communication. Additionally, not be swayed or moved by auditees.
	Adaptability	Not explicit	Yes	The nature of Internal Audit engagements requires Internal Auditors to be adaptable. Engagement plans need to be adaptable and Internal Auditing needs to be agile.
	Analytical	Yes	Yes	Performing the work with an analytical mind, looking for linkages, gaps, red flags, concerns etc. Analytical in this sense refers to taking an integrated approach i.e. Std. 2320 – Analysis and evaluation
	Ability to exercise professional scepticism	Yes	Yes	This is linked to the Internal Auditing Attribute Std. i.e. Std. 1220 link back to individual objectivity and due professional care i.e. Std. 1220
	Critical thinking	Yes	Yes	Analysing and evaluating all matters independently, objectively and rationally in order to formulate a conclusion.
	Application of mind	Not explicit	Not explicit	Reasoning skills – considering various options and making meaningful decisions based on facts.
	Independent (not soft skills)	Yes	Yes	Std. 1120 - Internal Auditor must avoid collusion and be unbiased i.e. individual objectivity and first sentence of Std. 1210
	Attention to detail	Not explicit	Yes	All tasks must be approached in a thorough manner, taking time to ensure accuracy of all work.
	Multi-skilled in relation to risk, internal control, quality assurance, governance, fraud, and investigation)	Yes	Yes	Working knowledge of Risk and IC, understanding of governance, QA. IAs should develop fraud awareness skills and the ability to effectively extract information when required.

Competency Area	Competency	IA	IAM	Description
Internal Audit: Professional and Personal Attributes (cnt)	Knowledge contributor (CBOK)	Not explicit	Not explicit	Have an appreciation of the fact that continuous learning is required and over time assist to create a knowledge base within organisations. This links to IT structures and knowledge management.
	Ability to apply the following:			
	Continuous leading	No	Yes	Ongoing show of team support and leading when required.
	Continuous improvement	Yes	Yes	Actively seeking to improve processes on an ongoing basis.
	Objective mind-set	Yes	Yes	Refers to focussing on the facts i.e. removing all internal and external influences.
	Flexibility to improve as environment changes	Not explicit	Yes	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive as Internal Audit Activities are affected by environmental, operational and strategic changes.
	Desire to keep abreast in terms of knowledge and trends	Not explicit	Not explicit	Actively seeking to improve self and Internal Audit Activity and processes through gaining of new knowledge and skills.
	All rounded knowledge – knowledge, practical, technical, soft, strategy	Partial	Yes	Internal Auditor who has knowledge and skills to conduct all Internal Audit engagements from start to finish.
	Energetic and hardworking	No	No	Refers to showing drive and commitment to the work and to the team on an ongoing basis.
	Delivery of quality work	Yes	Yes	Ensuring the highest standards in all deliverables.

Competency Area	Competency	IA	IAM	Description
Effective Communication	Effective communication	Yes	Yes	Listening, verbal and written skills. Two-way communication from internal auditor to auditee and vice versa. This includes being attentive, good listening skills, good verbal skills, good writing skills, good presentation skills and being a persuasive communicator. Std. 2410, and Std. 2420 Concise and effective ensuring all pertinent information has been captured and communicated professionally and in a timely manner.
	Positive and negative reporting	Yes	Yes	Internal Auditors are good at raising audit findings, but do not report when things are going well i.e. do not report positive findings but should.
	Workshop facilitation skills	Yes	Yes	Facilitate risk and control workshops. Must be able to identify the risks and controls and facilitate a discussion with the client in order to extract key risk and control related information.
	Negotiation skills	Yes	Yes	Relates to engagement close-out and discussing and agreeing on audit findings with auditees and obtaining input and buy-in from auditees.
	Interactive communication skills	Yes	Yes	Managing the conversation, being able to probe and encourage participation from others, both at group and individual levels. Must understand the auditees' business in order to effectively interact.
	Interviewing skills	Yes	Yes	Being able to extract information while ensuring comfort of interviewee and encouraging the offering of information. Open ended questions, no leading questions etc.
	Presentation skills	Yes	Yes	Conduct presentations in a professional manner, while ensuring the effect communication and transfer of pertinent information.
	People skills	Yes	Yes	This refers to the ability to understand people and know how to engage effectively with people, including fellow auditors, supervisors and auditees.

Competency Area	Competency	IA	IAM	Description
Business Insights	Business acumen	Yes	Yes	Industry knowledge and insight into business practices and operations.
	Strategy analysis and assessment	Yes	Yes	Ability to analyse and evaluate and organisation's strategies and plans.
	Trusted advisor (insight and foresight)/ risk recommendations	Yes	Yes	The ability to provide reliable and useful advice regarding governance, risk and control to auditees to enable them to make impactful decisions.
	Conduct research	Yes	Yes	The ability to obtain and synthesise relevant information.
	Global business regulation and law	No	No	Refers to laws and regulations that are applicable to the global business environment.
	Ability to align to a complex, volatile business landscape	No	Yes	Refers to the ability to function effectively as a trusted advisor within a complex and volatile business environment.
	Business process	Yes	No	Refers to the methods or procedures used in business to facilitate operations.
	Consulting regarding lack of controls	Yes	Yes	Refers to providing advice or training on the weaknesses (lack of control) within the business processes or systems.
	Specific business expertise	Partial	Partial	Must develop expertise and understanding of the business, its strategy and operations.
	Knowledge of business and business processes	Yes	Yes	Refers to all business related operations and tasks and their link to each other in relation to achieving the organisational strategy.
	Knowledge of topical issues – local and global	No	No	Be well versed in current affairs, especially those that affect business activities.
	Understanding of various industries	No	No	Must understand the industries which Internal Audit serves in order to provide assurance.

Competency Area	Competency	IA	IAM	Description
Business Insights (cnt)	Understanding of business objectives	Yes	Yes	Refers to understanding the purpose for organisational objectives and must have knowledge of the direction being taken in order to align audits.
	Internal controls	Yes	Yes	Working knowledge and understanding of IC. The above should be well developed after 5 years of practicing IA.
	Organisational governance	Yes	Yes	Refers to ethical and effective leadership by an organisation's governing body to achieve an ethical culture, good performance, effective control and legitimacy (King IV).
	Understanding of culture	Yes	Yes	Appreciation of organisational culture and diversity in the workplace and the impact of such on strategic objectives and operational matters.
Information and Communication Technology	Information Technology General Controls (ITGC)	Yes	No	Understand ITGC such as access controls, program change management controls, computer operation controls, back-up and recovery controls data centre physical controls etc.
	IT application controls	Partial	No	Understand information technology application controls such as input, processing and output controls.
	Understanding business and IT alignment (scorecard)	Yes	No	Relates to how IT infrastructure and governance supports organisational structures - IT is not a standalone department but integrated with all business units.
	Cyber related risk	Partial	No	Understanding of digital and IT risks that could result in resource, reputation, financial etc. losses for the organisation.
	Cyber security	Partial	No	Understanding of mechanisms used to prevent and protect malicious attack of electronic, digital and IT systems, software and devices from malicious attack.
	Advanced ITC understanding	No	No	Specialised knowledge and skills (such as coding skills and penetration testing).

Competency Area	Competency	IA	IAM	Description
Information and Communication Technology (cnt)	Automated Applications	Yes	No	Automation of applications or functions within the business environment.
	Embedded continuous auditing	Yes	No	Refers to – continuous monitoring (management's responsibility) linked to continuous auditing – need to be knowledgeable and able to programme test data (where possible automated) and where there are exceptions analyse and make recommendations.
	Technology savvy	Yes	Not explicit	Have an understanding of technology and its use when performing engagements and also how technology impacts the auditee's business environment.
	Information and Communication Technology (ITC) global regulation and law	No	No	ICT laws and regulations that impact the global business environment.
	Advanced understanding of emerging technologies	No	No	Have an understanding of emerging technologies e.g. Artificial intelligence and blockchain and how these technologies impact the business environment.
	Robotics	No	No	Have an understanding of the automation of functions and activities (such as robotics) and how it impacts the business environment.
	Data interpretation skills	Yes	Yes	Refers to the act of making sense of data collected in order to determine the course of action.
	Big DATA and AI	No	No	Big data – understanding of how Big data can inform organisational strategic imperatives, operational imperatives and Internal Audit planning and activities. Have an understanding of artificial intelligence and how it impacts the business environment.
	Technology centric	No explicit	Not explicit	Refers to focussing on technology and related risks, controls and protective measures.

Competency Area	Competency	IA	IAM	Description
Risk Management	Risk management skills	Yes	Yes	Relates to an understanding of risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.
	Enterprise risk management	No	Yes	Refers to the organisation's comprehensive risk management structure or framework which includes the risk management unit, the risk management plan or strategy and the risk management process.
	Risk based planning	Not explicit	Yes	Refers to the internal audit activity's ability to prepare risk based internal audit plans.
	Real time risk management approach	Not explicit	Not explicit	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive.
Project Management for the Internal Audit Function	Time management	Yes	Yes	Ability to plan engagements and ensure they are completed on time.
	Project management skills	Yes	Yes	Understanding the impact of project related risks i.e. delays, changes in priorities, obtaining approval and buy-in.
	Administration skills	Yes	Yes	Includes time-keeping, documentation, communication, record keeping etc.
	Leadership	Yes	Yes	Refers to the ability to manage people and teams, motivate teams to achieve objectives by guiding and influencing. Individuals at this stage in their careers should begin developing and honing their leadership skills and abilities, not necessarily be proficient.
	Responsibility and accountability (Start to end)	Yes	Yes	Understanding the difference between project management responsibility and accountability – i.e. senior management is accountable, responsibility lies in operational execution.
	Flexibility (Start to end)	Partial	Yes	Understanding that the Internal Audit plan needs to be flexible, dynamic and adaptive as IAFs are affected by environmental, operational and strategic changes.

Competency Area	Competency	IA	IAM	Description
Project Management for the Internal Audit Function (cnt)	Mentoring (transferring of skills in workplace)	No	Yes	The ability to provide guidance in the form of knowledge and/or skills transfer to others.
Combined Assurance	Combined assurance	No	Yes	Refers to a process where both internal and external assurance providers provide collective assurance on the effectiveness of governance, risk and control-related processes within the organisation.
	Effective planning	Yes	Yes	Refers to the effective planning of the combined assurance process.
	Risk based IA	Yes	Yes	Understand operations of an organisation and prepare a related risk-based internal audit plan.
	Quality Assurance	No	Partial – included in QA specialisation	Refers to the quality control function within an organisation (for internal audit and other assurance providers) which facilitates the rendering of excellent and worthy assurance services.
	Control assessment	Yes	Yes	Relates to the ability to evaluate the control environment and control activities (at a strategic, systems and operational level) effectively.
RBIA Methodology	Governance, risk management and controls	Yes	Yes	Relates to an understanding of governance and control frameworks in relation to risk management and how different risks (strategic and operational) are managed or mitigated within an organisation.
	Risk based audits and business risk alignment	Yes	Yes	Understand operations of an organisation and prepare a related risk-based internal audit plan.
	3 lines of defence	Yes	Yes	This refers to a management and assurance function where three key role-players in an organisation provide assurance that risks are being managed. The first line refers to senior management, the second line to risk, legal and compliance functions and the 3rd line to internal audit.

Competency Area	Competency	IA	IAM	Description
RBIA Methodology (cnt)	Quantitative Risk Management	Partial	Partial	Refers to the use of a control matrix to quantify risk exposure (both impact and likelihood) and post control exposure (impact and likelihood) i.e. inherent and residual risk e.g. financial, time, operational hours etc.
	Integrated audits	Yes	Yes	This refers to an integrated approach to performing audit engagements with different experts or a multi-disciplinary team of assurance providers to provide a holistic view and approach to the engagement.
Governance, Risk and Control Frameworks	Relevant organisational best practice frameworks e.g. COSO, KING etc.	Yes	Yes	Refers to the understanding of, and ability to consider and apply relevant frameworks in all Internal Audit Activities.
	Integrated reporting	No	No	This refers to a method of reporting on organisational sustainability by highlighting the organisation's performance in respect of six capitals (human, manufactured, financial, environmental etc.).
Information Analytics	Interpretation	Yes	Yes	Having an understanding of how information analytics is used by Internal Auditing to increase audit efficiency and effectiveness. Standard 2300 – analysis and interpretation of information.
	Monitoring trends	Partial	Yes	Be able to interpret information to identify trends and patterns.
	Proactive assurance	Yes	Yes	Providing assurance that is pro-active and not re-active, for example using continuous auditing tools (automated information analytics).
	Insight and ability to apply insight	Not explicit	Not explicit	Having the knowledge and skills to meaningfully interpret information and make impactful decisions based on the information.
	Foresight (predictive modelling)	Partial	Yes	Having the knowledge and skills to meaningfully interpret information by making predictions and forecasts.

Competency Area	Competency	IA	IAM	Description
Fraud	Fraud prevention and detection	Yes	Yes	Understand fraud prevention and detection strategies.
	Basic investigative skills	Yes	Yes	Haver the ability to extract information required and make links between information and findings.
	Fraud risk indicators	Yes	Yes	Be able to identify the indicators of fraud /red flags.
Data Analytics	Data analysis techniques	Yes	No	Should have an appreciation of Computer Assisted Audit Tools (CAATS) and the knowledge and ability to use these effectively.
	Foresight and predictive modelling	Partial	Partial	Be able to analyse and interpret data and information and make relevant predictions.
Financial Acumen	Financial skills	Yes	Yes	Refers to the ability to use financial knowledge and understanding to interpret information to solve problems and assure processes.
	Accounting knowledge	Yes	Yes	Refers to understanding various accounting concepts in order to interpret information to solve problems and assure processes.
Stakeholder Interaction and Relations	Understand people and behaviour (reading people i.e. psychological theory)	Yes	Not explicit	Refers to being able to recognise and interpret facial and body language cues, appearance, posture and even tone when speaking and being able to determine their meanings and applicability to the matter at hand.
	Managing client relations	Yes	Yes	Facilitate and build rapport with clients.
	People skills (open approach to receive honest information)	Yes	Yes	Refers to ability to build rapport, and engage in conversations that allow for honest communication.

Appendix R - Research Data Analysis

First Analysis

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference
Q1	What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?	What are the competencies you would expect to see in a competency framework for early career internal auditors (1-5 years)?	None – where applicable, responses informed overall competency areas and competencies that emerged from focus groups	Q15; Q17
Q2	Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?	None – a document analysis was conducted	None	n/a
Q3	What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?	How would you describe the general view of Internal Audit competence in South Africa?	Competence Level in SA	Q1; Q4
		What challenges have been experienced while trying to implement competency development initiatives?	Professional Development Challenges	Q2; Q6
		Based on desktop research, and according to existing literature there is no formal competency requirements for internal auditors specific to the South African context. Is this correct?		Q6, Q9
		In your view, has the absence of clear competency requirements for Internal Auditors in South Africa negatively impacted the profession in any way?		Q6, Q10; Q17

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference
Q4	What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?	What processes are you aware of that have attempted to investigate and improve competencies of Internal Auditors in South Africa?	Existing professional development system	Q2
		What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?		Q2; Q3
		Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of Internal Auditors in South Africa?		Q3
		Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?	Impact of existing professional development system	Q6
		How do you believe this (answer to question above) impacts the education, training and development of internal auditors in South Africa?		Q4 (also linked to CL)
		What impact has these local and international guidelines and/or frameworks had on developing competencies of Internal Auditors in South Africa?		Q2; Q3; Q4, Q5, Q7; Q8
		Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?	Buy-in Need for Competency framework International Comparability Stakeholders	Q11, Q14, Q17
		In your view, how should competency requirements for IAs in South Africa compare to practices internationally?		Q12
		How would the establishment of formal competency requirements that are specific to the Internal Audit profession in South Africa impact on competency development initiatives?		Q13
		What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?		Q13

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference
Q4 (cnt)		Based on your response about competency requirements for IAs withy 1-5 years' experience, do you believe the competency requirements for an experienced IA would be different in comparison to and IA in years 1-5 years?		Q13 Q17
		Is there anything else you would like to add with regard to competency development of internal auditors in South Africa?	Regulation	Q11, Q13

Second Analysis

*Analysis and changes have been tracked by means of strikethroughs and change notes

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference	Change Notes
Q1	What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?	What are the competencies you would expect to see in a competency framework for early career internal auditors (1-5 years)?	None – where applicable, responses informed overall competency areas and competencies that emerged from focus groups	Q15; Q17	
Q2	Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?	None – a document analysis was conducted	None	n/a	
Q3	What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?	How would you describe the general view of internal audit competence in South Africa? (Q1)	Competence Level (CL) in SA	Q1; Q4	
		What challenges have been experienced while trying to implement competency development initiatives? (Q6)	Professional Development Challenges	Q2; Q6	
		Based on desktop research, and according to existing literature there is no formal competency requirements for internal auditors specific to the South African context. Is this correct?		Q6, Q9	

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference	Change Notes
Q3 (cnt)		In your view, has the absence of clear competency requirements for Internal Auditors in South Africa negatively impacted the profession in any way?		Q6, Q10; Q17	
Q4	What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?	What processes are you aware of that have attempted to investigate and improve competencies of Internal Auditors in South Africa?	Existing professional development system	Q2	
		What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?		Q2; Q3	
		Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of Internal Auditors in South Africa?		Q3	
		Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?	Impact of existing professional development system	Q6	
		How do you believe this (answer to question above) impacts the education, training and development of internal auditors in South Africa?		Q4 (also linked to CL)	
		What impact has these local and international guidelines and/or frameworks had on developing competencies of Internal Auditors in South Africa?		Q2; Q3; Q4, Q5, Q7; Q8	
		Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?		Q11, Q14, Q17	Changed theme name to Expectations

	Research Questions	Interview Questions	Theme/s	RQ and Theme Reference	Change Notes
Q4 (cnt)		In your view, how should competency requirements for IAs in South Africa compare to practices internationally?	~~Buy-in~~ ~~Need for Competency framework~~ ~~International Comparability~~ ~~Stakeholders~~ Expectations	Q12	
		How would the establishment of formal competency requirements that are specific to the Internal Audit profession in South Africa impact on competency development initiatives?		Q13	
		What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?		Q13	
		Based on what you have said, do you believe the competency requirements for an experienced IA would be different in comparison to and IA in years 1-5 years?	Regulation	Q13 Q17	

Final Analysis

*Analysis and changes have been tracked by means of strikethroughs and change notes

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q1	What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?	What are the competencies you would expect to see in a competency framework for early career internal auditors (1-5 years)?	None – where applicable, responses informed overall competency areas and competencies that emerged from focus groups	n/a	n/a	n/a

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q2	Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?	None – a document analysis was conducted	None			

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q3	What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?	How would you describe the general view of internal audit competence in South Africa?	Competence Level in SA (CL)	~~Lack of clarity reading IA mandate~~	~~Q1; Q4~~	Merged with Lack of clarity regarding IA mandate in Professional Development Challenges
				~~Average~~	~~Q1~~	Merged into low level of competence
				~~Not bad~~	~~Q1~~	Merged into low level of competence
				Inability to apply theory in practice	Q1	
				~~Dim~~	~~Q1~~	Merged into low level of competence
				~~Second choice~~	~~Q1~~	Merged into Negative perception
				~~IAs do not understand business~~	~~Q1~~	Merged into negative perception
				Negative perception	Q1	
				Low level of competence	Q1	
		What challenges have been experienced while trying to implement competency development initiatives?	Professional Development Challenges	~~Under skilled trainers~~	~~Q6~~	Merged into lack of resources
				~~Inability of workplaces to provide f on-job training and coaching~~	~~Q6~~	Merged into Lack of practical training opportunities
				~~Funding gaps~~	~~Q6, Q17~~	Merged into lack of resources
				Lack of resources	Q6	
				~~Lack of buy-in from decision makers and senior managers in the workplace~~	~~Q6, Q17~~	Merged in lack of buy-in with one other sub-theme

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q3 (cnt)		Based on desktop research, and according to existing literature there is no formal competency requirements for internal auditors specific to the South African context. Is this correct?		~~IAs being forced to undergo PD resulting in lack of their buy-in~~	~~Q6~~	Merged in lack of buy-in with one other sub-theme
				Lack of clarity regarding IA mandate	Q6, Q9	
				~~Training to enhance practical application~~	~~Q6~~	Merged into Lack of practical training opportunities
				Lack of formal requirements	Q6, Q10	
				SA historical context	Q10	
		In your view, has the absence of clear competency requirements for Internal Auditors in South Africa negatively impacted the profession in any way?		Low adoption rate of IA OQs ~~which were developed by the IIA SA~~	~~Q2~~	
				~~Old school thinking from universities and Technicon's~~	~~Q2~~	Renamed
				Outdated content and pedagogy		
				Lack of buy-in	Q6; Q17	
				~~Lack of practical training opportunities~~	~~Q6~~	Merged into lack of resources

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q4	What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?	What processes are you aware of that have attempted to investigate and improve competencies of Internal Auditors in South Africa?	~~Existing professional development system~~	~~Collaboration between IIA SA and universities~~ ~~International studies~~ ~~IIA SA designations~~ ~~Out-date international CF~~ ~~CPD~~ ~~In-house training~~ ~~IAEP~~	~~Q2~~ ~~Q2~~ ~~Q2~~ ~~Q2; Q3~~ ~~Q3~~ ~~Q3~~ ~~Q3~~	Merge entire theme into Impact of existing professional development system sub-theme: Inconsistent use of existing guidance/ frameworks
		What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?		~~IIA Standards~~ ~~NQF~~ ~~CBOK~~ ~~Studies~~ ~~Frameworks~~	~~Q3~~ ~~Q3~~ ~~Q3~~ ~~Q2; Q3~~ ~~Q2; Q3~~	
		Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of Internal Auditors in South Africa?		~~Programs~~ ~~Differing levels of ability to practically apply knowledge even when from same institution~~ ~~Lack of clarity reading IA mandate~~	~~Q2~~ ~~Q6~~ ~~Q4 (also linked to CL)~~	
				~~Inconsistent use of existing guidance/ frameworks~~	~~Q4, Q5, Q7; Q8~~	

	Research Questions	Interview Questions	Theme/s	~~Sub-themes~~	~~RQ and Theme Reference~~	Change Notes
Q4 (cnt)		Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?	Impact of existing professional development system	~~Differing levels of~~ Inability to practically apply knowledge ~~even when from same institution~~	Q6	
		How do you believe this (answer to question above) impacts the education, training and development of internal auditors in South Africa?		Lack of clarity regarding IA mandate	Q4 (also linked to CL)	
		What impact has these local and international guidelines and/or frameworks had on developing competencies of Internal Auditors in South Africa?		Inconsistent use of existing guidance/ frameworks	Q2; Q3; Q4, Q5, Q7; Q8	
		Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?	Expectations	~~Need for SA CF~~	~~Q11, Q14, Q17~~	Merged into new added sub-theme - Need for formal and compulsory requirements
		In your view, how should competency requirements for IAs in South Africa compare to practices internationally?		International comparability	Q12	

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference	Change Notes
Q4 (cnt)		How would the establishment of formal competency requirements that are specific to the Internal Audit profession in South Africa impact on competency development initiatives?	**Expectations**	Buy-in from all role players and stakeholders	Q13	
		What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?		Stakeholder involvement	Q13	
		What are the competencies you would expect to see in a competency framework for early career internal auditors (1-5 years)?		~~ROI of PD~~	~~Q13~~	Merged into Buy-In from all role players
		Based on what you have said, do you believe the competency requirements for an experienced IA would be different in comparison to and IA in years 1-5 years?		Advocacy Standing of IA Need for formal and compulsory requirements	Q13 Q17 Q9; Q10; Q11, Q13; Q14; Q17	
		Is there anything else you would like to add with regard to competency development of internal auditors in South Africa?	~~Regulation~~	~~Need for formal requirements~~	~~Q11, Q13~~	Merged into Expectations theme

Final Themes

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference
Q1	What are the competencies noted by internal audit professional development role players in South Africa as essential to the professional practice of internal auditing in the country?	What are the competencies you would expect to see in a competency framework for early career internal auditors (1-5 years)?	None – where applicable, responses informed overall competency areas and competencies that emerged from focus groups	n/a	n/a
Q2	Is there alignment between the requirements noted by internal audit professional development role players in South Africa (practitioners, educators, professional body) and the current guidelines and offerings that make up the professional competence development model in the country?	None – a document analysis was conducted	None	n/a	n/a

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference
Q3	What are the experiences with the existing system used to develop professional competence of internal auditors in South Africa?	How would you describe the general view of internal audit competence in South Africa? (Q1)	Competence Level in SA	Inability to apply theory in practice	Q1
				Negative perception	Q1
				Low level of competence	Q1
		What challenges have been experienced while trying to implement competency development initiatives? (Q6)	Professional Development Challenges	Lack of resources	Q6; Q17
		Based on desktop research, and according to existing literature there is no formal competency requirements for internal auditors specific to the South African context. Is this correct?		Lack of clarity regarding IA mandate	Q1, Q4, Q6, Q9
		In your view, has the absence of clear competency requirements for Internal Auditors in South Africa negatively impacted the profession in any way?		Lack of formal requirements	Q9; Q10
				Impact of SAs historical context	Q10
				Low adoption rate of IA OQs	Q2
				Outdated content and pedagogy	Q2
				Lack of buy-in	Q6; Q17
Q4	What aspects should be considered for inclusion in the internal audit professional competence development model in South Africa?	What processes are you aware of that have attempted to investigate and improve competencies of Internal Auditors in South Africa?	Impact of existing professional development system	Inability to practically apply knowledge	Q6
		What are the guiding frameworks/standards that inform competency development processes and initiatives in South Africa?		Lack of clarity reading IA mandate	Q4 (also linked to CL)

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference
Q4 (cnt)		Which local and international guidelines and/or frameworks have played a role in assisting to develop competencies of Internal Auditors in South Africa?		Inconsistent use of existing guidance/ frameworks	Q2; Q3; Q4, Q5, Q7; Q8
		Do stakeholders who offer/provide development opportunities for internal auditors use the same guidance/frameworks/standards?			
		How do you believe this (answer to question above) impacts the education, training and development of internal auditors in South Africa?			
		What impact has these local and international guidelines and/or frameworks had on developing competencies of Internal Auditors in South Africa?			
	What are the expectations in relation to the development of professional competence of internal auditors?	Is there a need for clearly defined competency requirements for internal auditors specific to the South African context?	Expectations	International comparability	Q12
		In your view, how should competency requirements for IAs in South Africa compare to practices internationally?		Buy-in from all role players and stakeholders	Q13

	Research Questions	Interview Questions	Theme/s	Sub-themes	RQ and Theme Reference
Q4 (cnt)		How would the establishment of formal competency requirements that are specific to the Internal Audit profession in South Africa impact on competency development initiatives?		Stakeholder involvement	Q13
		What factors would need to be considered in order to obtain buy-in for clearly defined and formalised competency requirements in South Africa?		Advocacy	Q13
		Based on your response, do you believe the competency requirements for an experienced IA would be different in comparison to and IA in years 1-5 years?		Need for formal and compulsory requirements	Q9; Q10; Q11, Q13; Q14; Q17
		Is there anything else you would like to add with regard to competency development of internal auditors in South Africa?			