Seminário

O controle interno governamental no Brasil
Velhos Desafios, Novas Perspectivas

International Experiences: 3. Lessons Learned Challenges and Opportunities

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Iguassu Resort – Foz do Iguaçu - Paraná
Lessons Learned: Challenges & Opportunities

Some important factors which underpin internal control environment reforms:

• Political will
• A strong Ministry of Finance (or equivalent)
• Having clear objectives and strategic plans
• Defining clear policies and expected performance
• Effective accountability – managerially and politically
• Design of any technical support or intervention chosen including change management considerations and integration with wider reforms
Challenges & Opportunities Identified

• Overall strategic observations and learning
• Internal control objectives within different jurisdictions and environments (context)
• How IC fits within organizational and governance structures of an entity & culture
• Professional practices – processes & practices which enable effective control activities
• Human resources & people management
Overall Strategic Observations & Learning

• Takes time & is a significant change management process... and reform continues
• Variable speeds of reform & progress
• Concepts & mentality are hard to change
• Understand the principles
• Reform is ongoing
• Most sustainable success combined efforts
• Good planning & robust monitoring essential
Different Jurisdictions and Environments

• How control functions are established within different countries and entities
• During reforms changes to structures possible
• Be aware of context and history
• Law and regulation *plus* shared vision needed
• Legal gap analysis and harmonization
Organizational & governance structures & culture of an entity

- Relationships & organization’s internal culture
- High level endorsed Policy statement
- Independence of auditor & well understood control roles. Audit Committees?
- Extent of centralization or decentralization
- Response to audit recommendations
- Sequencing of related reforms
Professional practices which enable effective control activities

- Internal audit / internal control
- Move from compliance to risk based approach
- Annual report on performance
- Audit reports
- Technical and management skills
- Resources, manuals, IT
- Communication strategy
Human resources, people management & training

• Proper recognition of control & audit roles
• Approach to professional qualifications
• Elevation of audit and risk assessment roles
• Working conditions and resources
• Staff turnover and loss of capacity
Summary

• Context – any reforms need to be tailored
• Start from understanding principles
• External support and partnerships
• Implementation gap between law and stated practices