



Seminário

O controle interno governamental no Brasil

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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