

**SUMMARY OF OUTCOMES RELATED TO THE 2018 TFIAP RESEARCH PROJECT (extract from the CBC guide on developing pathways for professional development of auditors in an SAI, with a section relevant to this project marked in yellow)**

When the TFIAP received its mandate, part of it was to conduct research to inform the envisaged roadmap towards the development/adoption of INTOSAI professional pronouncements (standards and guidance) on auditor competence. During 2018, a research project<sup>1</sup> of this nature was commissioned, with specific emphasis on the following points:

- Identifying global professionalisation pathways that speak to the needs of public sector auditing, initially covering options available in both the private and public sectors, but then evaluating these against the unique public sector audit function,
- Understanding what underpins these pathways (competency frameworks, methodology, standards, rulebooks, processes, etc.),
- Linking the above understanding to the current work done at the level of the TFIAP, and
- Identifying commonalities in these pathways and the thinking that underpins them, so as to identify a globally applicable process guide towards pathway development.

Over and above these four steps, the researchers were also requested to endeavour to express a view, at the end of the research project, as to the following:

- The scope of what needs to be addressed at the level of possible standards and guidance (professional pronouncements) for INTOSAI (global public sector) auditor competence, and
- Proposal of a roadmap on how to move from the current state of affairs to the establishment of professional pronouncements for INTOSAI auditor competencies, clearly indicating the need for development by INTOSAI versus the option of adopting existing standards and/or practices.

The full outcomes of the independent research project are available on the website of the INTOSAI CBC ([www.intosaicbc.org](http://www.intosaicbc.org)).

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<sup>1</sup> This research was commissioned and funded by the GIZ, on behalf of the INTOSAI CBC and the TFIAP. It is referred to in the remainder of the document as "the independent research project".

In engaging with the research outcomes, the TFIAP considered these 10 points:

1. Confirmed the completeness of options for pathways for professional development identified in the guide on pathways for professional development. It was clear from the research that the options presented have many variations (which confirms the statement at the start of the related chapter in the guide that the options listed should not be seen as mutually exclusive), but that the essence of these was captured in the section of the chapter on frequently asked questions.
2. Confirmed the availability of a substantial number of credible global and local partnering options, especially focused on financial audit, to enable the development and implementation of pathways for professional development.
3. Highlighted the need for specific quality considerations and processes that should underpin the appointment of and partnering with global and local PAOs, universities and/or training providers.
4. Confirmed the need for extensive SAI-specific case studies to supplement the guide, which will be made available on the INTOSAI CBC website.
5. Concluded that there is a real and urgent need for INTOSAI professional pronouncements on auditor competence and agreed with the research finding that, in the current INTOSAI environment, the focus should be on a higher level of flexibility, compared to traditional approaches.
6. Took note that the majority of pathways for professional development were based on professional pronouncements of some sort, covering certain principle/process considerations (such as the pronouncements by the International Accounting Education Standards Board) and more specific competency requirements (such as the frameworks used by the ACCA, AICPA, IAA, etc.).
7. Agreed with the view that INTOSAI has already created a solid foundation for work towards professional pronouncements on auditor competencies through the INTOSAI competency framework, the SAI PMF, the IFPP and a number of INTOSAI CBC position papers on the topic of further professionalisation.
8. Confirmed that the principle of "global profession, local solution" should determine the level and extent of standards and guidance provided at INTOSAI versus what is being done at the level of INTOSAI Regional Organisations and/or SAIs. The development of the INTOSAI competency framework, which focused only on formalising the unique universally applicable competency requirements for public sector auditing, was cited as an ideal "global-level" development.
9. Agreed with the research findings that INTOSAI should take note of, successfully implemented professional pronouncements that are available in the market (as flagged by the research). At

the same time, also noted that INTOSAI should not hesitate to boldly define its own principles and needs in working towards the development of INTOSAI professional pronouncements on auditor competence.

10. Agreed with the researchers that given limited resources typically available for the development of pathways for professional development at INTOSAI, assistance should be sought with the development of globally available support material and technology-based tools. Providers could be approached at Regional Organisation and/or SAI level, IDI and/or others. The current development around the IDI's Professional Education for SAI Auditors (PESA) programme was cited as an example in this regard.

The TFIAP also noted the research finding that most of the feedback was based on the pronouncements and practices of well-developed global standard-setters in the area of financial auditing, and that little was available in the areas of compliance and performance auditing beyond the INTOSAI competency framework and SAI best practices. The task force expects that in respect of compliance and performance auditing, there will be global similarities in education and training practices at a principle level but acknowledges the need for more work to be done in these areas.

INTOSAI should consider options available to create and strengthen an environment that promotes a common language, common understanding and a common credibility linked to public sector auditing, internal and external to INTOSAI.

It is clear that there are many examples of significantly different pathways for professional development in INTOSAI. For this reason, the SAI's development efforts should be rigorous and thorough, encompassing:

- The process of understanding the SAI's mandate,
- Developing an SAI strategic plan,
- Confirming SAI-specific competency requirements, and
- Assessing available options for recruitment and development of staff, and constructive partnering with global and/or local PAOs and/or training providers (in addition to internal resourcing).

In this way, the SAI leadership should arrive at a solution to meet its professionalisation needs which serves its own uniqueness and speaks to the essence of public sector auditing, as defined in the IFPP and reduced to core competencies in the INTOSAI competency framework.

The independent research project further highlighted the following facts:

- The various maturity levels of member SAIs may require a stepped approach to professionalisation pathways.
- Professionalisation pathways can be stepped according to the recruitment entry points and/or linked to roles within the SAI.
- Professionalisation pathways can be flexed (tailored) to meet national statutory and regulatory requirements.