

## **CHAPTER SEVEN**

### **CONCLUSION**

Change does not come easily to any well-established business function and internal audit is no exception. Traditionally, the internal audit's roles and functions have focused on well-defined issues revolving around controls and compliance. As a result, many internal audit groups have only limited experience in managing risk or offering business consulting advice on improving processes or best practices. This once-narrow focus is now changing. More companies are challenging their internal audit departments to move beyond compliance and controls and to embrace a broader, more consultative agenda. For many internal audit departments, adopting a risk-based auditing approach in their audits is the next line of strategy in order to create more value in their organizations. However, the biggest challenge in this new approach is not in learning the new methodology. The biggest challenge is changing the mindset – unlearning the old ways and relearning the new methodology and consolidating what has been taught in a more structured and systematic way of auditing. As a result, many internal audit staff may feel threatened and hence the resistance faced by organizations in the implementation of the RBA approach. However, like any other professions, internal auditors' roles are evolving. More and more is expected from the internal auditing profession in order to align itself with the expectations of management and shareholders as well as other stakeholders. These ever increasing expectations from various stakeholders make the internal audit profession more challenging than ever. Having said that, leading internal audit organization had propounded that risk-based auditing approach is the winds of change enveloping the profession. In Malaysia, its time for the internal audit departments to begin this transformation and start by redefining its overall mission and priorities in relation to the organizations its serves.