



On the CAE Agenda - First half of 2024

The role and focus of internal audit (IA) is ever-evolving. This installment of the *KPMG On the CAE Agenda* series provides quick insights into what IA leaders were hearing, doing, and discussing with their stakeholders across the core elements of their business agendas during the final quarter of 2023, and the trends they believe will continue to drive discussion throughout the first half of 2024.



Hot topics in IA and key focus areas

- Cybersecurity (e.g., Securities and Exchange Commission ruling/disclosure, ransomware incident response, phishing, data theft)
- Third-party risk management
- Auditing digital platforms and complex artificial intelligence (AI) models
- Risks and opportunities from impact of generative AI (i.e., operations, products)
- Business continuity and disaster recovery
- Information technology (IT) resiliency (ability of an organization to maintain acceptable service levels when there is upskilling a disruption of critical operations, IT ecosystem)
- Business transformation support (e.g., ERP or EPM implementation, digitization)
- ESG strategy and reporting (e.g., data governance)
- Climate change impact on the business
- Economic and geopolitical uncertainties
- Auditing in an inflationary environment (e.g., cost recovery audits and risk prioritizations)
- Fraud risk assessment
- Global Internal Audit Standards (Released January 2024 by Institute of Internal Auditors)

Spotlight on:

New ways of working



- Need for more specialized or mature capabilities around technology, data analytics, and insights (generative AI)
- Overall shift in competencies and skill sets needed given shifts in IA delivery model (e.g., enterprise acumen and cultural and behavioral awareness)
- Upskilling IT and enterprise technology acumen

Data, analytics, and insights



- Adoption/use of AI technologies in IA
- Data-driven enterprise and IA risk assessment
- Need for more specialized or mature capabilities around technology, data, and insights
- IA's role in the company's data quality and governance journey
- Challenging IA's operational model (e.g., centers of excellence, data and analytics, transformation)

Operating model agility



- Creating more concise, impactful reporting
- Responding quickly, timely, and efficiently to stakeholder/business trigger events (e.g., impact from global events)
- Exploring opportunities for cost reduction through shared services or offshore resources while not reducing coverage or quality Shared services

Read our latest insights in risk assurance:



- [KPMG Future of Internal Audit](#)
- [On the CAE Agenda library](#)

Visit our risk insights page at [visit.kpmg.us/RiskAssurance](https://www.kpmg.us/RiskAssurance)

Contact us

Michael Smith
Partner, Internal Audit & Enterprise Risk, Internal Audit Solution Leader
E: michaelasmith@kpmg.com

Richard Knight
Principal, Technology Risk Management, IT Internal Audit Solution Leader
E: raknight@kpmg.com

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

Learn about us:



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2024 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization. USCS011869-3A