Federal Ministry
Republic of Austria
Finance

Good practices on IA Strategy and Strategic Planning

PEMPAL AiP and CHU Working Groups Meeting

Chisinau, 21 October 2025

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IA strategy: A holistic framework in practice (I)

Layer 1: The foundation (our mandate & environment)

Organizational strategy

Directly derived from the Austrian Ministry of Finance's vision to be a world-leading financial administration.

Legal framework

Grounded in national law (esp. the Federal Ministries Act, §7a BMG), which mandates a professional and independent IA function.

International standards

Compliant with the Global Internal Audit Standards (GIAS), ensuring global best practice

IA strategy: A holistic framework in practice (II)

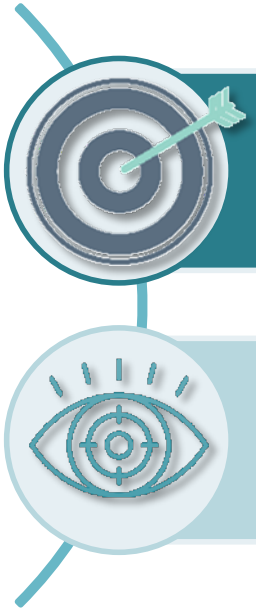
Layer 2: The core (our strategic direction)

- Mission & Vision
- Strategic priorities (four strategic pillars)

Layer 3: The execution (how we make it happen)

- Balanced scorecard (BSC):
  - Our central tool to operationalise the strategy
  - It translates our four strategic pillars into 16 concrete, measurable key performance indicators (KPIs)
- Performance audit approach

Our Strategic Foundation



Mission

Contributing to organizational success through independent, risk-based, and objective assurance and consulting services aimed at evaluating and improving governance, risk management and control processes.

Vision

Being recognized as a strategic partner that significantly contributes to making the Austrian Federal Ministry of Finance one of the world's leading financial administrations through methodological excellence, digital competence and future-oriented consulting.

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Strategic Context & Approach

Strategic Context

- Alignment with Ministry's vision to be among the world's best financial administrations
- Internationally recognized IA function (IIA, OECD, European Commission)
- Active participation in global IA networks
- Compliance with Global Internal Audit Standards

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Four Strategic Pillars

Strategic Partnership

Collaboration with top management to achieve organizational goals

International Excellence

Global benchmarking, participation and knowledge exchange

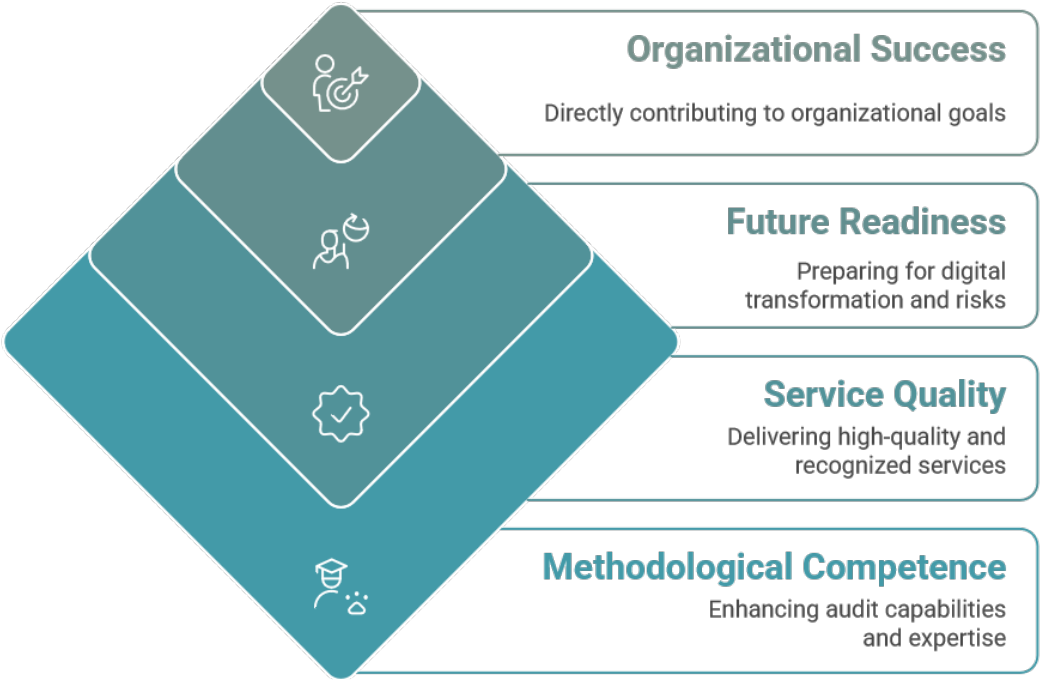
Future Readiness

Anticipating and preparing for future challenges

Quality Excellence

Implementing high standards and innovation

Strategic Objectives



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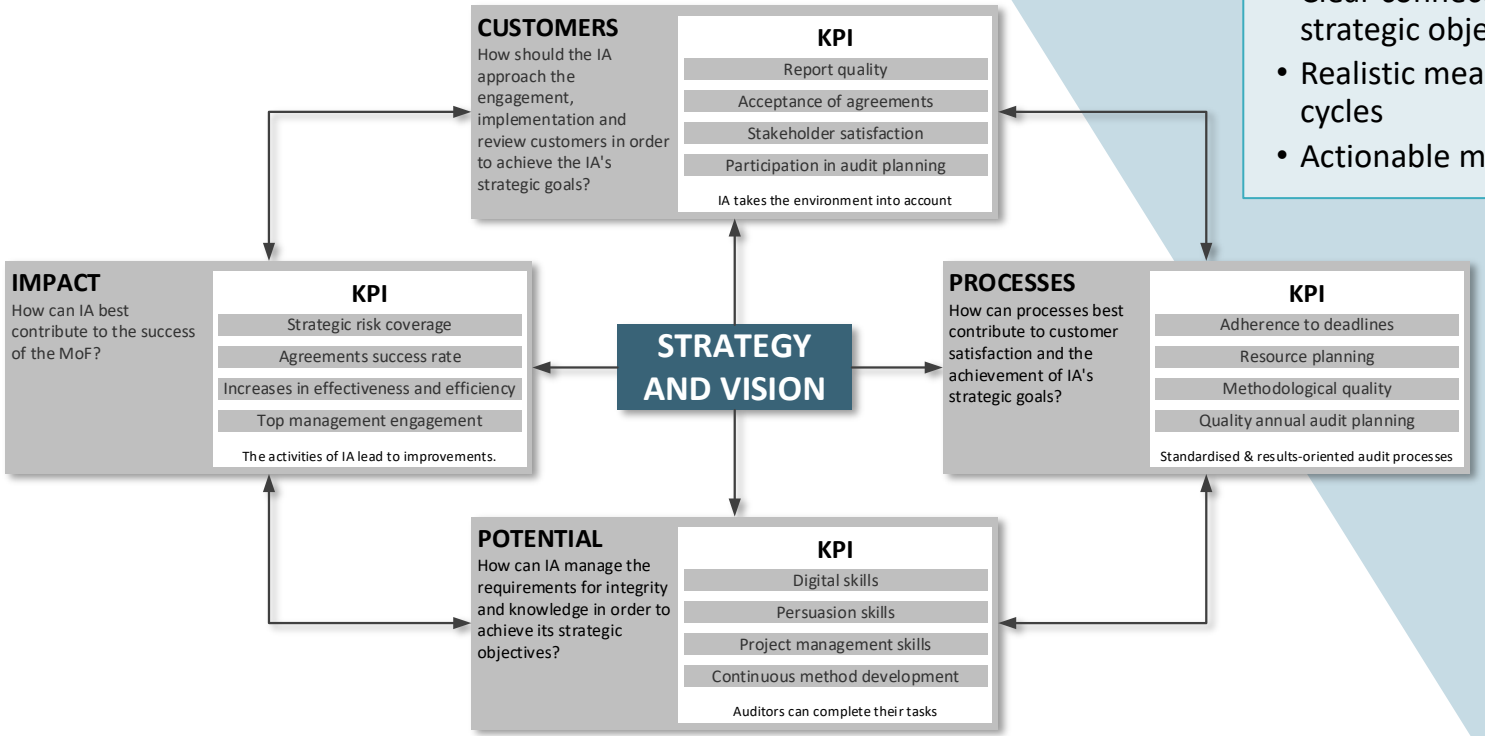
Balanced Scorecard Implementation



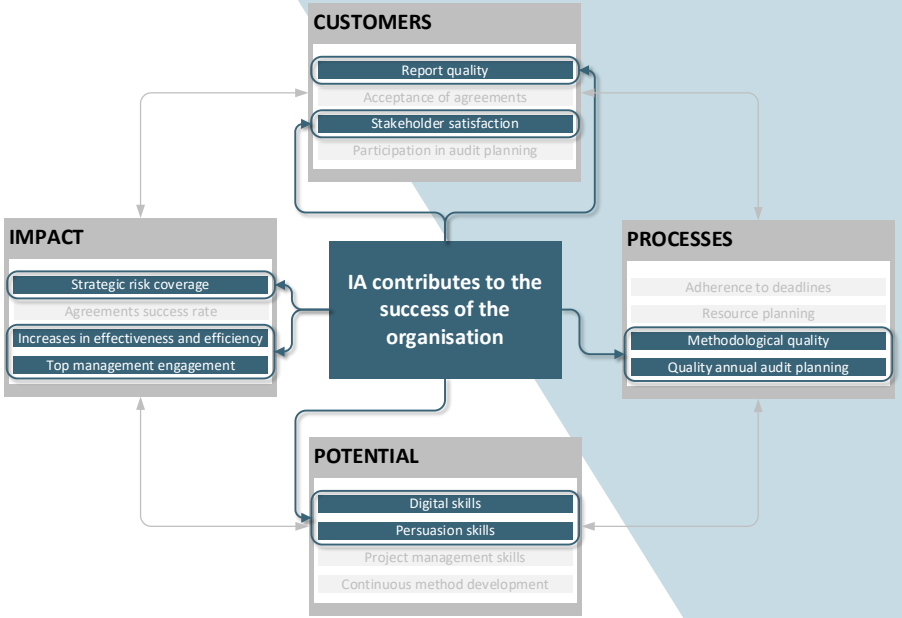
Key Features

- 4 KPIs per dimension (16 total)
- Clear connection to strategic objectives
- Realistic measurement cycles
- Actionable metrics

BSC Example: Impact Dimension

KPI	Measurement	Target
Strategic Risk Coverage	% of strategic risks covered in annual audit plan	90%
Agreements success rate	% of agreements implemented	85%
Increases in effectiveness and efficiency	% of agreements that achieve at least maturity level 2 (strategic contribution).	> 60%
Top management engagement	% of audit planning meetings with top management	100%

Indicators for measuring Objective 1



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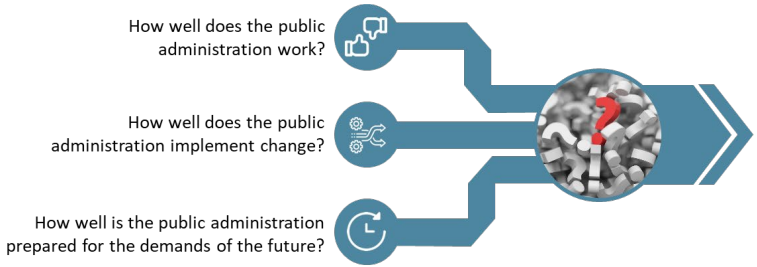
Key Lessons Learned

Challenges to Address

- Managing increasing stakeholder expectations
- Securing adequate resources
- Keeping pace with digital transformation
- Balancing global standards with local requirements



Critical Success Factors

Digital Competencies

Highlights the necessity of digital skills for future relevance

Alignment with Strategy

Ensures all efforts support the organization's goals

Human Resources

Recognizes the importance of people in achieving success

International Benchmarking

Drives excellence by comparing with global standards

Balanced Scorecard

Provides a framework for effective operationalization

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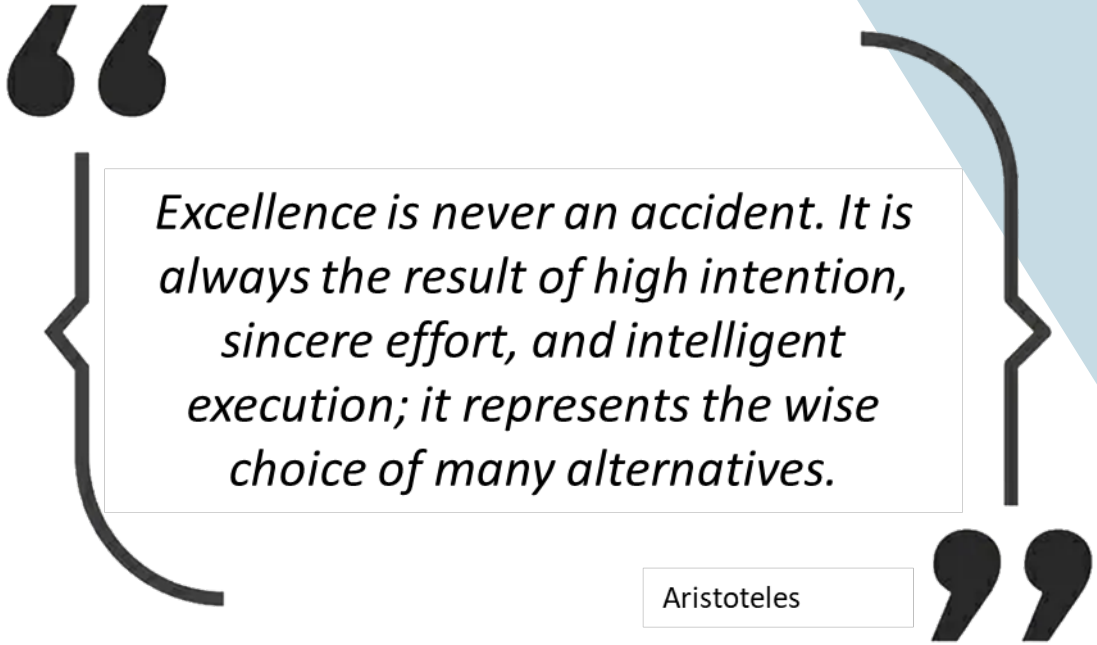

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