



ALIGNED WITH THE GLOBAL INTERNAL AUDIT STANDARDS

Competency Framework for Public Sector Internal Audit

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PREFACE AND ACKNOWLEDGEMENTS

The Competency Framework for Public Sector Internal Audit is a knowledge product for central harmonization units (CHU), boards/audit committees, public sector managers, heads of internal audit function, and human resource departments developed by the CHU Challenges Working Group of the Public Expenditure Management Peer Assisted Learning (PEMPAL) Internal Audit Community of Practice (IACOP). The Competency Framework supports strategic workforce development by aligning recruitment with required competencies, identifying training needs through skills gap analysis, standardizing human resources practices, fostering audit collaboration, and enhancing governance and accountability. It aligns with the Institute of Internal Auditors' (IIA) Global Internal Audit Standards.

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This document is one in a series of IACOP knowledge products available from www.pempal.org. Others include:

- Good Practice Internal Audit Manual Template
- Good Practice Continuing Professional Development Manual Template
- Internal Audit Body of Knowledge
- Risk Assessment in Audit Planning
- IACOP Concept Paper on Cooperation Among Public Sector Audit and Financial Inspection Entities
- Quality Assessment and Improvement Guide for Public Sector Internal Audit. A Toolkit for Quality Improvement

- PEMPAL Guidance on Internal Audit: Demonstrating and Measuring Added Value
- Key Performance Indicators for Internal Audit Function
- The Impact of COVID-19 on the Role and Activities of Internal Audit
- Assessing the Effectiveness of Internal Control: PEMPAL Guidance for Public Sector Internal Auditors
- PEMPAL IACOP Glossary of Terms: Internal Control
- Guidance on Monitoring of the Internal Audit Function by the Central Harmonization Unit
- IT audit. Practical Guidance for Internal Auditors in the Public Sector
- Audit Committees in the Public Sector
- Digital Platform for Public Internal Control and Internal Audit Monitoring and Reporting
- Guidance for Planning the Internal Audit Engagement

PEMPAL AND IACOP

The PEMPAL network facilitates the exchange of professional experience and knowledge transfer among public financial management practitioners in countries across the Europe and Central Asia Region. PEMPAL, launched in 2006, aims to contribute to strengthening public financial management practices in member countries through developing and disseminating information on good practices and their application.

PEMPAL organizes around three thematic communities of practice:

Budget Community of Practice (BCOP)

Treasury Community of Practice (TCOP)

Internal Audit Community of Practice (IACOP)

The main overall objective of the IACOP is to support its member countries in establishing modern and effective internal audit systems that meet international standards and good practices, important for good governance and accountability in the public sector.

ABBREVIATIONS

AI	Artificial Intelligence
CHU	Central Harmonization Unit
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CPD	Continuing Professional Development
HR	Human Resources
IA	Internal Audit
IACOP	Internal Audit Community of Practice
IIA	Institute of Internal Auditors
INTOSAI	International Organization of Supreme Audit Institutions
IT	Information Technology
KPI	Key Performance Indicator
PEMPAL	Public Expenditure Management Peer Assisted Learning network
SOE	State-Owned Enterprises

EXECUTIVE SUMMARY

The Competency Framework for Public Sector Internal Audit aims to support efforts to enhance the capacity, skills, and professionalism of internal auditors operating in public sector environments. It sets out the essential knowledge, skills, abilities, and behaviors to best address the unique challenges and priorities of public sector governance, including transparency, accountability, and service to the public interest. The framework is designed to align with the IIA's [Global Internal Audit Standards](#).

The framework outlines essential competencies categorized into five key areas:

- 1 Core Technical Skills:** Proficiency in budgetary controls, public sector reporting, public procurement, risk management, and information technology governance ensures auditors can identify inefficiencies, improve resource allocation, and strengthen controls across government operations.
- 2 Professional Competencies:** Emphasizing ethics, objectivity, and stakeholder trust, these competencies position auditors as stewards of public interest and accountability.
- 3 Analytical and Critical Thinking:** Data-driven evaluation, fraud detection, and root cause analysis empower auditors to deliver evidence-based insights that enhance decision-making and operational effectiveness.
- 4 Communication and Interpersonal Skills:** Effective communication, transparent reporting, and collaboration ensure audit findings translate into actionable improvements, building trust among stakeholders.
- 5 Adaptability and Continuous Learning:** Auditors are prepared to respond to emerging trends, including technological advancements, evolving regulations, and societal demands, ensuring future readiness in a dynamic environment.

The framework is structured to support auditors at different proficiency levels - **management of internal audit functions, audit professionals, and junior staff** - ensuring a clear progression of skills and career development.

Key stakeholders, including **central harmonization units**, boards/audit committees, public sector managers, heads of internal audit function, and human resource departments, can leverage this framework to:



Align the recruitment of candidates with needed competences and skills;



Conduct skills gap analyses and design targeted training and certification programs;



Standardize job descriptions and performance evaluations;



Enhance collaboration between internal and external audit functions;



Drive improvements in governance, risk management, and accountability.

Future-focused, the framework addresses emerging areas such as **artificial intelligence and automation; sustainability auditing; and cybersecurity**, ensuring public sector auditors remain agile and capable of driving value in an increasingly complex landscape.

By adopting the **Public Sector Internal Audit Competency Framework**, public sector organizations can strengthen audit quality, foster trust in government operations, and promote the efficient, transparent use of public resources.

INTRODUCTION

The Competency Framework for Public Sector Internal Audit is a key addition to the collection of PEMPAL knowledge products, designed to strengthen the capacity and professionalism of internal audit functions across public sector institutions. It builds on and complements existing PEMPAL resources available at www.pempal.org, such as guidelines, methodologies, and benchmarking studies, creating a cohesive and practical toolkit for internal audit development. Together, these interconnected knowledge products provide member countries with actionable tools to advance internal audit practices, foster good governance, and reinforce trust in public sector institutions.

Effective internal auditing requires more than just mastering legislation and standards; it demands a well-rounded skill set that includes critical thinking, communication, and professional judgment to provide real value. The Competency Framework for Public Sector Internal Audit serves as a strategic guide for developing skilled auditors capable of navigating the unique challenges of public sector environments.

In alignment with the Global Internal Audit Standards, the Competency Framework outlines the essential technical and professional competencies required to enhance governance, accountability, and transparency in public sector operations. By addressing the unique challenges of the public sector, it ensures that internal auditors possess the skills, knowledge, and ethical principles necessary to support transparency, accountability, and the effective use of public resources. It reflects the evolving landscape of public administration, emphasizing the need for expertise in areas such as budgeting, procurement, information technology (IT) governance, sustainability, and stakeholder engagement. This Competency Framework aims to empower auditors with the knowledge and tools to drive impactful audits that uphold public trust and ensure efficient delivery of government services.

Broader Relevance of the Competency Framework

While primarily developed for public sector internal auditors, the Competency Framework offers significant value to a variety of stakeholders:

Audit Committees: By outlining the essential skills and knowledge expected of internal auditors, the Competency Framework helps audit committees better understand the capabilities required to fulfill their oversight role effectively. It can also guide committees in setting expectations, assessing internal audit performance, and identifying areas where additional support or resources may be needed. The PEMPAL knowledge product "[Audit Committees in the Public Sector](#)" provides further detail on the specifics of audit committees in the public sector.

Central Harmonization Units (CHUs): CHUs can utilize the Competency Framework to establish consistent standards across public sector entities, monitor internal audit quality, and provide targeted recommendations for capacity building. It serves as a reference point for harmonizing audit practices in alignment with global standards.

Human Resource (HR) Departments: For HR professionals managing public sector talent, the Competency Framework is a strategic tool for recruitment, continuing professional development (CPD) planning, and performance evaluation of audit staff.

External Auditors and Oversight Bodies: By understanding the competencies required of internal auditors, external auditors can better coordinate efforts and rely on internal audit work, enhancing audit coverage and efficiency.

Public Sector Managers and Executives: Senior management can leverage the Competency Framework to ensure their audit units are equipped to provide objective assurance and advisory services, contributing to improved governance and risk management practices.

Training Institutions: The Competency Framework offers a clear structure for designing and delivering targeted training programs that address both technical and professional skill gaps within public sector auditing.

Potential Uses of the Competency Framework

The **Competency Framework for Internal Audit** is a versatile tool that can drive improvements in multiple areas of public sector governance and internal audit management. Its primary applications include:

1

Development of Job Descriptions: It can be used as a foundational reference for drafting or refining job descriptions for internal audit staff at all levels. It ensures alignment with evolving global standards and sector-specific needs.

2

Performance Appraisal and Evaluations: By providing a clear outline of expected competencies, managers can conduct fair and objective evaluations of internal audit staff. It supports constructive feedback, goal-setting, and identification of professional development opportunities.

3

Training and CPD: Training providers and internal audit managers can use it to design or renew CPD programs that address both current and emerging competencies. This includes technical areas like IT governance, sustainability auditing, and data analytics, as well as professional skills like stakeholder engagement and communication.

4

Audit Capability Assessments: Organizations can use it to assess the maturity of their internal audit functions and identify gaps in capacity or expertise in relation to the needs reflected in annual and strategic audit plans. It can serve as a benchmark for achieving excellence in public sector auditing. In this respect, the framework can serve as an additional benchmark tool for internal and external quality assessment of the internal audit function.

5

Succession Planning and Talent Management: By defining competencies for different levels of auditors, it supports succession planning by identifying skills requirements for future leadership roles. It ensures a pipeline of well-prepared audit professionals.

6

Enhancing Collaboration: It fosters a shared understanding of internal audit competencies among audit committees, external auditors, and managers. This facilitates better collaboration, oversight, and integration of audit functions within broader governance processes.

7

Input for Capacity-Building Projects: For international development partners or technical assistance programs, it can serve as a reference for designing capacity-building initiatives aimed at strengthening public financial management.

8

Benchmarking and Standardization: CHU's can use it to benchmark their internal audit practices against international standards, driving consistency and quality across institutions.

9

Empowering Non-Audit Stakeholders: For public managers and governance bodies unfamiliar with internal audit processes, it provides transparency into the skills and expertise required for impactful audit work. This enhances understanding, trust, and reliance on internal audit outputs.

While most competencies outlined in this Competency Framework are intended to be developed and maintained in-house to preserve the independence, contextual understanding, and integrity of the internal audit function, some specialized or technical competencies may be suitable for outsourcing. These include advanced IT audit and cybersecurity assessments, the use of emerging technologies such as artificial intelligence (AI) and blockchain, sustainability auditing, data analytics for

fraud detection, and certain aspects of third-party risk management.

Additionally, policy impact analyses and performance evaluations may benefit from external expertise, particularly when they require advanced economic or statistical modeling. Strategic communication support and change management facilitation may also be outsourced selectively, especially during complex reforms. Outsourcing in these areas can provide access to up-to-date tools and specialist knowledge, but should always be managed carefully to ensure alignment with public sector values, confidentiality requirements, and the overarching responsibility of internal auditors to serve the public interest.

A CHU can use the **Public Sector Internal Audit Competency Framework** to address disparities in the skills and knowledge of internal audit teams across government entities. It can be used by the CHU to:

- 1** Conduct a **skills gap analysis** to assess auditors' proficiency in areas such as **risk assessment, sustainability auditing, and IT governance**.
- 2** Develop targeted **training programs** to address identified gaps, ensuring alignment with international standards.
- 3** Update **job descriptions** and performance evaluation criteria for internal audit staff, ensuring consistency across institutions.
- 4** Design a **succession planning strategy** to prepare junior auditors for leadership roles by mapping competencies to career pathways.

These actions can lead to improved audit quality, greater stakeholder trust, and enhanced capacity to address emerging challenges in public sector governance.

By leveraging the Competency Framework across these diverse applications, public sector organizations can drive professionalism, efficiency, and accountability in their internal audit functions, ultimately strengthening public governance and trust.

This Competency Framework is tailored specifically to the **public sector internal audit environment**, recognizing the sector's emphasis on **transparency, accountability, and service to the public interest**. While private sector auditors focus mainly on shareholder value and compliance, public sector auditors safeguard taxpayer funds and promote good governance that builds trust in public institutions.

THE PEMPAL PUBLIC SECTOR COMPETENCY FRAMEWORK FOR INTERNAL AUDIT

The following framework is organized into **five categories** that cover the essential competences (skills and knowledge) for public sector internal auditors:



CORE TECHNICAL SKILLS

Sector-specific audit and governance expertise



PROFESSIONAL COMPETENCIES

Ethics, objectivity, and public interest focus



ANALYTICAL AND CRITICAL THINKING

Data-driven evaluation and decision-making



COMMUNICATION AND INTERPERSONAL SKILLS

Clear reporting, collaboration, and stakeholder engagement



ADAPTABILITY AND CONTINUOUS LEARNING

Embracing change, new technologies, and ongoing professional development

EXPLANATION OF COMPETENCY LEVELS

The competencies in this framework are graded according to the level of proficiency expected for different roles within public sector internal audit functions:

- 1 Essential:** Required proficiency level for effective performance of tasks and responsibilities at this role. Demonstrates a critical, non-negotiable skill or knowledge area that must be mastered.
- 2 Recommended:** Encouraged for further development and professional growth. While not strictly mandatory, possessing these competencies enhances performance and adds value to audit activities.
- 3 Basic:** Foundational understanding or skills required for entry-level roles. Provides the building blocks for further competency development.

The framework applies the following levels of grading for competencies based on role:

- 1 Management of Internal Audit:** Competencies critical for those leading internal audit functions, responsible for strategy, oversight, and governance of audit activities.
- 2 Internal Audit Staff:** Competencies expected of internal audit professionals performing audit engagements and providing assurance services.
- 3 Junior Staff:** Basic competencies required for entry-level auditors as they develop their skills and gain experience in the public sector environment.

While competencies are described at the individual level, it is essential to recognize that an effective internal audit unit must possess a comprehensive set of competencies at the team level. Given the broad scope of public sector activities - including healthcare, education, infrastructure, and regulatory functions - internal audit teams may require sector-specific expertise (e.g., engineers, doctors, or education professionals) to fully address the audit universe. Ensuring collective team capacity across these domains enhances audit relevance, responsiveness, and the ability to provide value-added assurance and advice to management.

The structured approach through competency grading ensures clarity and consistency across all levels of public sector internal audit functions. By differentiating between **Essential**, **Recommended**, and **Basic** proficiencies, the framework provides a clear pathway for professional growth and performance enhancement. It not only supports targeted **skills development** but also facilitates **succession planning** and **capacity building** within audit teams. The graded levels ensure that senior roles, such as **internal audit management**, focus on strategic oversight and leadership, while **internal audit staff** concentrate on delivering high-quality assurance services. For **junior staff**, the framework serves as a roadmap for developing foundational skills, fostering a culture of continuous improvement and readiness for more advanced responsibilities.

1. CORE TECHNICAL SKILLS

The **Core Technical Skills** address the unique operational and financial dynamics of the public sector. Public sector internal auditors require competencies in areas like **budgetary controls, public sector reporting, public procurement processes, risk assessment, and IT governance**, which often differ from private sector practices due to **regulatory frameworks, fiscal policies, and public accountability requirements**. These skills enable auditors to evaluate the efficiency, transparency, and compliance of government operations, ensuring public resources are well-managed and aligned with national priorities.

Competency	Description	Management of IA	IA Staff	Junior Staff
Manage resources in public sector internal auditing	<p>Understanding of concepts and techniques to effectively manage public sector internal audit resources.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Optimize use of financial, human, and technological resources. 	Essential	Basic	N/A
Understand public sector budgetary processes	<p>Knowledge of budget formulation, approval, execution, and reporting cycles.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Evaluate adherence to fiscal policies and budgetary controls. - Identify inefficiencies or irregularities in public spending. 	Essential	Essential	Recommended
Understand public procurement processes	<p>Familiarity with public procurement laws, procedures, and guidelines.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Evaluate procurement processes for fairness, transparency, and value for money. - Identify red flags for fraud or collusion in contracts and within the procurement process as such. 	Essential	Essential	Recommended

Competency	Description	Management of IA	IA Staff	Junior Staff
Proficiency in IT concepts for the public sector	<p>Understanding of public sector-specific IT systems, such as e-government platforms.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Assess IT governance frameworks and cybersecurity protocols. - Understand the works of general IT controls and application controls. - Audit the alignment of IT investments with public service objectives. 	Recommended	Recommended	Basic
Assess the adequacy of internal controls within public sector operations	<p>Understanding of internal controls within public sector operations.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Analyze the design and effectiveness of internal control systems in public sector operations. - Identify gaps or weaknesses in controls that may lead to inefficiencies, fraud, or noncompliance. - Recommend improvements to strengthen internal controls and align them with public sector objectives. - Utilize frameworks such as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) or International Organization of Supreme Audit Institutions (INTOSAI) guidance tailored for public sector environments. 	Recommended (essential in case of small internal audit units)	Essential	Recommended
Understand performance-based auditing	<p>Familiarity with key operational processes in public sector environments.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Analyze and assess public sector operations with an eye on efficiency and effectiveness. 	Essential	Essential	Basic

Competency	Description	Management of IA	IA Staff	Junior Staff
Proficiency in sustainability auditing in public sector	<p>Knowledge of sustainability initiatives and how to evaluate their impact.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Assess the alignment of public sector projects and policies with national and international sustainability reporting frameworks. - Audit government initiatives for environmental compliance. - Evaluate the social impact of public sector policies. - Review governance practices to ensure transparency, ethical decision-making, and accountability in sustainability-related initiatives. - Identify risks and opportunities related to sustainability factors and recommend improvements to enhance public sector sustainability performance. 	Essential	Essential	Basic
Conduct risk assessments in public sector budgetary programs	<p>Understanding of the regulatory landscape and political environment that influences budgetary programs, as well as proficiency in using risk assessment tools and frameworks to support decision-making.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Identify, evaluate, and prioritize risks unique to public sector programs, including operational, strategic, compliance, and reputational risks. 	Essential	Recommended	Basic
Apply public sector specific compliance and regulatory knowledge	<p>Comprehensive knowledge of laws, regulations, and compliance requirements applicable to public sector organizations.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Proficiently navigate sector-specific regulations. - Understand public sector compliance obligations. - Implement policies to ensure regulatory adherence and accountability. 	Essential	Essential	Basic

Competency	Description	Management of IA	IA Staff	Junior Staff
Provide budget and financial analysis for government entities	<p>Expertise in analyzing government budgets, expenditures, and financial statements to assess financial health, resource allocation, and compliance with budgetary guidelines.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Provide budget forecasting, cost-benefit analysis, and identification of areas for financial improvement within the scope of public sector requirements and limitations. 	Essential	Recommended	Basic
Evaluate public sector financial statements	<p>Skills in reviewing and interpreting financial statements of government entities to ensure accuracy, transparency, and compliance with relevant accounting standards to maintain fiscal responsibility and public trust.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Apply financial audit techniques and public sector accounting principles. - Identify irregularities or areas needing corrective actions. 	Essential	Recommended	Basic
Apply knowledge and skills related to fraud risk management	Competence in detecting, mitigating, and responding to fraud risks in public sector operations.	Essential	Essential	Basic
Understand the essentials of third-party risk management	Skills to assess risks associated with outsourcing, partnerships, or contracted services in public procurement.	Essential	Essential	Basic
Use emerging technologies	Proficiency in applying tools like AI, automation, data-analytics' tools, and blockchain for audit efficiency and transparency.	Recommended	Essential	Basic

OUTCOME:

Mastering core technical skills ensures public sector internal auditors can identify inefficiencies, improve resource allocation, and strengthen controls in critical areas such as budgeting, procurement, and IT governance. These competencies lead to **efficient public spending, enhanced IT security, and improved transparency in government operations.**

2. PROFESSIONAL COMPETENCIES

Professional competencies emphasize the **public sector auditor’s role as a steward of public trust and accountability**. With competencies like **adherence to public sector ethics, risk management in government institutions, and stakeholder trust-building**, auditors ensure that their work upholds principles of transparency, integrity, and fairness. Unlike the private sector, where the focus is often on financial performance, public sector auditors prioritize **serving the public interest and strengthening governance systems**.

Competency	Description	Management of IA	IA Staff	Junior Staff
Adhere to public sector ethics standards	<p>Commitment to uphold and promote ethical standards specific to the public sector, ensuring transparency, fairness, and integrity in audit practices.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Understand and apply ethical codes. - Avoid conflicts of interest. - Foster an ethical culture within government audit activities. 	Essential	Essential	Recommended
Maintain objectivity in public sector internal audits	<p>Skills to conduct audits impartially and free from personal or external influences that could compromise judgment to ensure fair and unbiased audit outcomes in line with public sector mandates.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Recognize potential biases. - Safeguard objectivity. - Maintain independence. 	Essential	Essential	Essential
Uphold public interest responsibility	<p>Focus on serving the public good, with a deep understanding of the responsibilities and impact of audit activities on the community and society at large.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Prioritize actions and decisions that align with the public interest. - Maintain accountability. - Enhance trust in government processes. 	Essential	Essential	Basic

Competency	Description	Management of IA	IA Staff	Junior Staff
Assess governance and risk management in public institutions	Competence in assessing governance practices and risk management frameworks specific to public sector entities (e.g.: specific governance arrangements related to legislative compliance, governance of state-owned enterprises, and risk management frameworks tailored to the public sector).	Essential	Essential	Basic
Build and maintain stakeholder trust	Commitment to build and maintain trust with various stakeholders, including government officials, agencies, and the public. Ability to: <ul style="list-style-type: none"> - Communicate effectively. - Be transparent about findings. - Foster a positive relationship through consistent and reliable audit practices that promote confidence in the audit function. 	Essential	Essential	Basic
Manage internal audit quality assurance and improvement programs	Skills in developing, maintaining, and improving the quality of internal audit activities. Ability to: <ul style="list-style-type: none"> - Manage structured internal audit quality assurance and improvement frameworks and assessments. 	Essential	Recommended	N/A
Engage with audit committees/ boards	Engagement with governance bodies, including audit committees, to report and provide strategic insights and communicate risks. Ability to: <ul style="list-style-type: none"> - Communicate effectively. - Be transparent about risks. - Foster a positive relationship. 	Essential	Recommended	Basic

OUTCOME:

Professional competencies empower internal auditors to act with integrity, maintain objectivity, and build stakeholder trust, which are essential in a public sector environment where transparency and accountability are paramount. These skills foster **stronger governance systems, enhanced public trust, and accountability in the use of taxpayer resources.**

3. ANALYTICAL AND CRITICAL THINKING

Analytical and critical thinking are fundamental skills for internal auditors, essential for **identifying and mitigating risks, evaluating systems and processes, and making informed decisions**. These competencies enable auditors to **report effectively, communicate risks, and provide strategic insights** to governance bodies, including audit committees. Additionally, proficiency in **analyzing the effects of policies** on public programs and services, **evaluating policy outcomes, assessing potential risks and benefits, and providing recommendations** to enhance policy effectiveness are key aspects of these skills.

Competency	Description	Management of IA	IA Staff	Junior Staff
Conduct policy impact analyses	<p>Proficiency in analyzing the effects of policies on public programs and services.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Evaluate policy outcomes. - Assess potential risks and benefits. - Provide recommendations to enhance policy effectiveness and alignment with government objectives and the public good. 	Essential	Recommended	Basic
Use data analytics for public sector fraud detection	<p>Expertise in utilizing advanced data analytics tools and techniques to detect and prevent fraud within public sector operations.</p> <p>Skills include:</p> <ul style="list-style-type: none"> - Statistical analysis. - Anomaly detection. - Proficiency in using software tools for data analysis to identify irregular patterns indicative of potential fraud or abuse. 	Essential	Recommended	Basic

Competency	Description	Management of IA	IA Staff	Junior Staff
Apply professional skepticism in the public sector	<p>Skills to critically assess the reliability of information, recognizing political and bureaucratic pressures that may compromise transparency.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Question policy assumptions and their impact on public programs. - Identify risks of bias in data presented by government agencies. - Apply skepticism to validate compliance with regulatory and legal standards. 	Essential	Essential	Recommended
Provide evidence-based decision support aligned with public interest	<p>Competence to support decision-making based by providing rigorous evidence, prioritizing the public interest in all recommendations.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Effectively gather, analyze, and interpret data to make informed recommendations that support transparent and accountable public sector governance. 	Essential	Recommended	Recommended
Apply critical thinking for budget program and public sector operations evaluations	<p>Skills to critically evaluate the efficiency and effectiveness of budget programs and public sector operations to provide recommendations that enhance program outcomes for the public sector.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Assess program objectives. - Identify areas for improvement. - Apply logical reasoning and analytical methods. 	Essential	Essential	Basic
Conduct root cause analyses	<p>Proficiency to systematically analyze the root causes of systemic issues behind audit findings.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Explore underlying causes of problems. - Identify and address issues for sustainable improvements. 	Essential	Essential	Recommended

Competency	Description	Management of IA	IA Staff	Junior Staff
Conduct performance measurement	Competence to conduct performance measurement. Ability to: <ul style="list-style-type: none"> - Evaluate key performance indicators. - Analyze program outcomes. - Assess the efficiency of public operations. 	Essential	Recommended	Basic

OUTCOME:

Analytical and critical thinking skills enable auditors to evaluate policies, detect fraud, and analyze complex data to provide evidence-based recommendations. This results in **better-informed decision-making, prevention of fraud, and improved effectiveness of public programs and services.**

4. COMMUNICATION AND INTERPERSONAL SKILLS

Effective communication is vital in the public sector, where **multiple stakeholders - government agencies, oversight bodies, and citizens - rely on audit insights**. Competencies like **transparent reporting, advisory skills, and stakeholder engagement** help auditors bridge the gap between audit findings and actionable improvements. Public sector auditors must convey complex audit outcomes in clear, accessible language to promote understanding, trust, and accountability among diverse audiences.

Competency	Description	Management of IA	IA Staff	Junior Staff
Report effectively to government and public stakeholders	Competence to prepare clear, concise, and accessible reports that meet the informational needs of government officials, public stakeholders, and the general public. Ability to: - Convey complex audit findings in a manner that is understandable and actionable for decision-makers.	Essential	Essential	Recommended
Ensure transparent communication of audit findings	Commitment to present audit findings openly, ensuring transparency and accountability to facilitate understanding and trust among stakeholders involved in or affected by the audit process (including the board/audit committee). Ability to: - Communicate honestly. - Use straightforward language and avoid jargon.	Essential	Essential	Recommended
Provide advice to aid public sector improvement	Proficiency to provide well-informed, constructive advice aimed at improving efficiency and effectiveness in public sector operations. Ability to: - Identify areas for enhancement. - Offer practical solutions. - Support stakeholders in implementing changes to improve government functions.	Essential	Essential	Recommended

Competency	Description	Management of IA	IA Staff	Junior Staff
Communicate with stakeholders	<p>Engagement to build trust with public sector audit stakeholders including politically diverse oversight and governing bodies (like audit committees).</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Engage with diverse public sector stakeholders effectively and transparently. 	Essential	Essential	Basic
Build relationships and cross-agency collaboration	<p>Commitment to work collaboratively with other government agencies and build strong professional relationships across departments to ensure cohesive public sector audit efforts and interagency alignment.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Resolve conflict. - Build team-oriented communication. - Foster a spirit of cooperation. 	Essential	Essential	Recommended
Support change management	<p>Engagement to support the implementation of audit recommendations.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Address resistance. - Communicate effectively with stakeholders. 	Essential	Recommended	Basic
Engage with governance bodies on complex audit findings	<p>Competence to provide strategic reporting to audit committees/boards that presents complex audit insights and aligns findings with strategic risks.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Communicate effectively. - Meaningfully connect audit findings and strategic risk. 	Essential	Essential	Recommended

OUTCOME:

Effective communication and interpersonal skills ensure that internal auditors can convey findings clearly, engage stakeholders, and provide actionable advice. These competencies drive **improved understanding of audit insights, stronger collaboration with stakeholders, and greater trust in the internal audit function.**

5. ADAPTABILITY AND CONTINUOUS LEARNING

The public sector is dynamic, shaped by **regulatory changes, emerging technologies, and evolving societal expectations**. This category includes competencies such as **adapting to new legislation, embracing technological advancements, and committing to CPD**. Public auditors must stay updated on innovations like **e-governance, sustainability reporting, and AI** to remain effective and relevant in delivering value to citizens.

In addition to formal training and certification, **relevant prior working experience** - such as roles in procurement, budgeting, or sector-specific programs - can significantly enhance an auditor's effectiveness. Practical exposure equips auditors with a deeper contextual understanding and allows for more informed risk identification and recommendations.

Competency	Description	Management of IA	IA Staff	Junior Staff
Commit to CPD	<p>Commitment to ongoing learning and improvement.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Undertake self-guided learning and self-assessment. - Pursue relevant certifications. - Stay updated on the latest public sector audit practices and standards. 	Essential	Essential	Recommended
Adapt to emerging public sector regulatory changes	<p>Adaptability to quickly engage with new regulations and policies affecting public sector audits.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Keep informed of legislative changes. - Understand implications of change for auditing practices. - Adjust audit approaches to ensure compliance and relevance. 	Essential	Recommended	Recommended

Competency	Description	Management of IA	IA Staff	Junior Staff
Adapt to technological changes in government audits	<p>Competence to adopt and proficiently use relevant and new technologies that enhance public sector audit efficiency, accuracy, and scope (e.g. AI).</p> <p>Ability to:</p> <ul style="list-style-type: none"> - use audit management software, data analytics tools, and emerging technologies. 	Essential	Essential	Recommended
Understand and apply public finance innovations	<p>Engagement to recognize and apply innovative approaches in public finance management that improve government accountability and resource management.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Evaluate and implement financial innovations such as program/performance-based budgeting, accrual accounting, blockchain for transparency, and other modern practices. 	Essential	Recommended	Recommended
Use change management skills	<p>Skills to effectively lead and manage audit teams.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Apply organizational, technological, or regulatory change management techniques. 	Essential	Recommended	N/A
Maintain future trends awareness	<p>Commitment to stay aware of developments in areas like AI auditing, sustainability reporting frameworks, and cybersecurity risks.</p> <p>Ability to:</p> <ul style="list-style-type: none"> - Use professional publications, networks, and learning events to monitor future trends. 	Essential	Essential	Recommended

Emerging Trends and Future Competency Needs (supplement to competency block 5):

As public sector environments evolve, internal auditors must adapt to address emerging challenges and opportunities. Future competency development will increasingly focus on:

- 1 AI and automation:** Proficiency in leveraging AI-powered tools for risk assessment, fraud detection, and real-time data analysis will be essential to improve audit efficiency and accuracy.
- 2 Sustainability:** Auditors will need advanced skills to evaluate sustainability initiatives, measure environmental compliance, and assess the social impact of government policies in alignment with global frameworks.
- 3 Cybersecurity and digital auditing:** With rising digital threats, internal auditors must strengthen their expertise in IT governance, cybersecurity risk assessment, and auditing digital systems such as e-governance platforms.
- 4 Data visualization and communication:** The ability to present complex audit insights using data visualization tools will help bridge communication gaps and increase the impact of audit findings for stakeholders.

By anticipating these trends and incorporating relevant competencies, the Competency Framework ensures that public sector internal auditors remain agile, future-ready, and equipped to drive value in a rapidly changing landscape.

OUTCOME:

A focus on adaptability and continuous learning prepares auditors to respond to emerging challenges, such as regulatory changes, technological advancements, and evolving public expectations. This helps ensure a **future-ready internal audit function capable of addressing new risks and maintaining compliance with evolving standards.**

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