



The Institute of  
**Internal Auditors**  
Latvia

**“How to approach and develop an internal audit of ethics in an organization?”**

**Date:** 06.12.2022.

**Language:** English

**Lecturer :** dr. Matej Drašček

**Contacts :** [iai@iai.lv](mailto:iai@iai.lv) , [valde@iai.lv](mailto:valde@iai.lv)

**PROGRAM**

**COURSE CONTENT:**

**IIA' Code of Ethics:**

- The Code of Conduct: why it is important and its implementation in practice
- The Implementation Guidance of Code of Ethics: how well do we know it?
- The dilemmas: Is everything in the Guidance usable in my/our circumstances?

**How to develop an internal audit plan to audit audit ethics?**

- The scope and goals of internal audit of ethics
- The most important areas of ethics in organizations
- Blind spots of ethics in internal audit

**How to collect evidence?**

- Wishful thinking vs. reality
- Importance of observations
- The role of behavioral experiments in auditing of ethics

| DATE        | TIME  | THEME  |
|-------------|---|--|
| 06.12.2022. | First part:<br>10.00 – 11.30<br>Duration 90 min | <p>In the first part we will analysis the IIA Code of Ethics. Code of Ethics presents one of four major pillars of our profession, others being The Standards, Definition and Mission. As the Code of Ethics is short and concise, this can also lead to a lot of open questions when faced with moral dilemmas at work.</p> <p><u>COURSE OBJECTIVES:</u></p> <p>In the first part we will go through Code of Ethics as well Implementation Guidance of Code of Ethics, which should help internal auditors with using the Code in practice. At the same time, we will check some of the demands that may seem right at first glance, but are difficult to implement in practice. We will also try to solve some ethical dilemmas that internal auditors may face.</p>   |
|             | Coffee break 11.30-11.45 15 min                 |  |
|             | Second part:<br>11.45-13.15<br>Duration 90 min  | <p>The second part will be about providing assurance of an organization’s ethical practices. As the ethical scandals and low public trust in government and business have persisted, it is imperative for the internal auditing profession to keep pace with the changing environment and help organizations to become more ethical in their doings. So, one of the main roles of internal auditors is to assess the ethics of an organization and give recommendations that will protect the organizations from unethical behavior.</p> <p><u>COURSE OBJECTIVES:</u></p> <p>The Standard defines that the internal audit function is expected to assess the ethical climate at their organization as it is the auditor’s job to pull apart, test, and challenge an organization’s code of ethics. However, internal auditors should be very careful when tackling this problem. The politics, the confusions about ethics etc. can cause that internal auditors are not looking at the right things thus giving a false assurance to the board. So, in the second part we will go through the role of ethics in the organization and then we will tackle the problem of what to look for in the organization regarding ethics, what and how to collect the evidence and at the end touch some special and sensitive topics.</p> |