Perspectives of chief audit executives on the implementation of combined assurance

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ABSTRACT
This article explores the status of current combined assurance practices as experienced by the chief audit executives (CAEs) of listed companies in the financial services industry in South Africa. The study aims to determine the status of combined assurance, to identify critical success factors for the implementation of combined assurance, to determine the role of internal audit in the implementation of combined assurance, and to identify limiting factors that may hamper the success of the combined assurance process as described in the literature and experienced by the chief audit executives (CAEs) of the companies surveyed.

The results of the study indicate that combined assurance implementation is seen as a journey, and that organisations are still at various levels of maturity in the implementation process. Organisations struggling with full implementation identified the following as limiting factors: a lack of buy-in from executive management; immature second line of defence functions; different regulatory environments, and the lack of a combined assurance champion. Key foundational areas identified as requisite for successful implementation related to appointing a combined assurance champion and an executive sponsor, mature first and second line of defence functions, formal statements of roles and responsibilities of assurance providers, and buy-in and active participation from the audit committee chairperson.

Key words
Internal auditing; combined assurance; chief audit executives; three lines of defence; financial services industry

1 INTRODUCTION
Historically, assurance providers have carried out their assurance activities in silos. This approach resulted in assurance activities being shared by management, risk management, regulatory risk management, internal audit and external audit, but without the coordinating activities and resources required to ensure the provision of effective and efficient combined assurance (IIA 2012:4). The risks affecting today’s organisations are so diverse that this approach is no longer adequate. Indeed, a silo approach has been found to result in inefficiencies in risk management, as well as a lack of consistency and transparency in assurance services (Sarens, Decaux & Lenz 2012:xi).

In order to break away from the silo approach, the third King Report on Governance for South Africa (King III) suggested, in 2009, the development of a complementary relationship between assurance providers under the coordination of the audit committee, terming this relationship ‘combined assurance’ (Institute of Directors 2009). King III defines combined assurance as the integration and alignment of assurance processes in a company in order to maximise the risk and governance oversight and control efficiencies, and to optimise the overall assurance given to the audit and risk committees, taking into account the company’s risk appetite (Institute of Directors 2009:50).

Turlea, Mocanu and Radu (2010:397) describe a complementary relationship between the audit committee, internal audit, and external audit as a relationship where each of these areas, by carrying out their respective roles and responsibilities in an organisation, complete and sustain each other as part of effective corporate governance.

The objective of combined assurance is to satisfy the audit committee that the combined efforts of all assurance providers are sufficient to provide assurance that all significant risk areas have been addressed adequately and that controls exist to mitigate these risks (PWC 2011:4; Deloitte 2012:11).

2 RESEARCH OBJECTIVES AND METHODOLOGY

2.1 Objectives and significance of this article
Literature on combined assurance is limited owing to the fact that it is a fairly new concept (introduced to
South Africa’s corporate environment in 2009) and a practice that has thus far been primarily carried out on an informal or trial basis in South Africa. In addition to analysing and summarising the available literature on combined assurance, this article aims to add to the existing literature on current practices by providing insights gained from an empirical study performed to explore the status of current combined assurance practices in the financial services industry in South Africa. The objectives of this empirical study were to establish the status of combined assurance; to identify critical success factors for the implementation of combined assurance; to determine the role of internal audit in the implementation of combined assurance; and to identify limiting factors that may hamper the success of the combined assurance process as described in the literature and experienced by the chief audit executives (CAEs) of the companies surveyed.

This article may assist companies in South Africa with their implementation of combined assurance and may help to improve the effectiveness of existing combined assurance efforts. The article can also be used to obtain a better understanding of the critical success factors that have to be present if the effective implementation of combined assurance is to take place.

### 2.2 Research methodology and limitations

The research supporting this article consisted of a combination of a literature review and an empirical study. The literature review involved a study of guidelines, informative articles, and research publications in scholarly journals on the topic of combined assurance and other related issues concerning the nature of combined assurance, as well as critical success factors in the implementation of combined assurance. The literature review served both to inform the empirical study and to supplement its findings.

The study follows a mixed methods approach, which is described by Creswell (2009:77) as a method that “brings together approaches that are included in both quantitative and qualitative research formats.” According to Creswell (2009:14), the concept of mixing different methods was introduced by Campbell and Fick in 1959, who found it to be so useful that they encouraged other researchers to also examine multiple approaches to data collection. The benefit of using a mixed methods approach is that the results of the quantitative survey can help to identify issues or questions to explore further during interviews with respondents, which then add qualitative insights to the research (Creswell 2009:14).

The quantitative side of the research involved a self-administered, cross-sectional survey that intended to collect data at a certain date and time (Creswell 2009:146). A questionnaire, specifically designed for the purpose of the study, served as the research instrument. After its initial design the questionnaire was presented to academics for their input and then tested by the researchers. Permission was obtained for the distribution of the questionnaire from the individual respondents before the questionnaires were electronically mailed to them.

The questionnaire was purposefully distributed to the CAE in each company, as they have been identified in the literature as a party that plays an important role in combined assurance. It was assumed that their role in combined assurance and their holistic view of the organisation’s operations would enable them to provide meaningful perspectives of the combined assurance practices in their organisations.

Once the completed questionnaires had been analysed, structured follow-up interviews were held with each of the respondents to obtain a more in-depth view of their experiences and perceptions regarding the implementation of combined assurance in their organisations. These interviews, fulfilling the research methodology’s requirements for a quantitative component, added valuable insight into the critical factors for implementing combined assurance and the challenges experienced in doing so.

### 2.3 Sample selection and response rate

The sample population was stratified to include only companies in the financial services industry in South Africa with either a primary listing, a secondary listing, or a dual listing on the Johannesburg Stock Exchange Limited (JSE). From this population the participants were purposefully selected to include the biggest companies in the financial services industry in South Africa, based on market capitalisation. The companies thus selected included the eight largest banking, life insurance, and general financial services companies in South Africa, representing 70.72% of the market capitalisation of the financial services industry as of 12 September 2014 (Beeld 2014:15). The companies included in the sample represented 76.40% of the market capitalisation of listed companies in the banks sector of the JSE, 77.67% of the market capitalisation of listed companies in the life insurance sector of the JSE, and 37.47% of the market capitalisation of the general financial sector on the JSE.

The response rate achieved for this study was 100%, although usable responses in the form of completed questionnaires and follow-up interviews represented 87.5% of the population surveyed, as depicted in Table 1. One of the CAEs of the eight companies selected indicated that their company had not implemented combined assurance entirely and they would therefore not complete the questionnaire. A limited follow-up interview was subsequently held with this CAE.

### 2.4 Limitations of the empirical study

The study was limited to the financial services industry in South Africa. Within this industry the study focused on the banking, life insurance, and general finance sectors, as defined by the JSE. The findings may therefore not be representative of all life insurance and banking institutions in South Africa, and may also not be representative of the state of combined assurance in other industries in South Africa.

Another limitation is that the study only measured the views and perceptions on the state of combined assurance, as provided by the CAEs of the
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companies included in the study, and no other stakeholders or participants in the three lines of defence were included. The views of other participants in the combined assurance process, for example non-executive directors, audit committee members, and the audit committee chairman, as well as the other assurance providers may therefore differ from those expressed by the CAEs.

Table 1: JSE sector classification of companies selected for the survey and questionnaires completed

<table>
<thead>
<tr>
<th>JSE Sector</th>
<th>Number of companies selected</th>
<th>% of companies selected</th>
<th>Number of surveys completed</th>
<th>% usable responses from companies selected</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Financial</td>
<td>1</td>
<td>12.50</td>
<td>1</td>
<td>12.50</td>
</tr>
<tr>
<td>Banks</td>
<td>4</td>
<td>50.00</td>
<td>4</td>
<td>50.00</td>
</tr>
<tr>
<td>Life Insurance</td>
<td>3</td>
<td>37.50</td>
<td>2</td>
<td>25.00</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>100.00</td>
<td>7</td>
<td>87.50</td>
</tr>
</tbody>
</table>

3 LITERATURE REVIEW

During the study of the available literature on the topic of combined assurance three predominant themes for discussion were identified: introducing the concept of combined assurance and clarifying its purpose in organisations; determining roles and responsibilities for combined assurance efforts, and identifying critical success factors for the implementation of combined assurance.

3.1 Introducing the concept of combined assurance and clarifying its purpose in organisations

In 2009, King III introduced the concept of combined assurance to the South African governance landscape with the inclusion of principle 3.5. This principle states that the audit committee should ensure that a combined assurance model is applied so as to provide a coordinated approach for all assurance activities (Institute of Directors 2009:33). Also in 2009, the Institute of Internal Auditors Global (IIA) introduced the principle of combined assurance with the release of Practise Advisories 2050-1: Coordination, and 2050-2: Assurance maps (IIA 2009). These standards of practice primarily require the CAE to share information and coordinate activities with other internal and external providers of assurance, to ensure proper coverage and minimise the duplication of effort.

The coordination of activities between internal auditors and other assurance providers, such as external auditors, has been a point of discussion for quite some time (Brody, Golen & Reckers 1998:161; Tapestry Networks 2004:6; Sarens & De Beelde 2006:67; Porter 2009:178; Schneider 2009:41). This practice is addressed in the professional standards of both internal and external audit disciplines. Internal Auditing Standard 2050: Coordination states that the CAE should share information and coordinate activities with other internal and external assurance providers to ensure adequate coverage and to minimise duplication of effort (IIA 2009:133). International Standard on Auditing 315 – Identifying and assessing the risk of material misstatement through understanding the entity and its environment (IIA 2013:305) – allows external audit to reduce the extent and to modify the nature and timing of audit procedures on the basis of the assurance activities conducted on the entity’s financial reporting controls by internal audit. International Standard on Auditing 610 – Using the work of internal auditors (IIA 2013:637) – allows external auditors to rely on the work performed by the internal audit function, depending on whether the function’s level of competency is adequate and whether it applies a systematic and disciplined approach to assurance.

Factors that necessitate a greater emphasis on the integration of internal and external audit include the understanding that effective corporate governance can minimise the risk of corporate collapse. In addition, it can curb the increase in assurance costs, and the need for high-quality auditing (Munro & Stewart 2010:466; Mihret & Admassu 2011:67). Research conducted by Felix, Audrey, Gramling and Maletta (2001:514) concluded that the coordination of the activities of internal and external auditors increases the effectiveness of overall assurance and minimises duplication of effort. Mihret and Admassu (2011:68) add that coordination between internal and external audit should also result in lower audit risk. According to guidance on the 8th EU Company Law Directive, provided by the European Confederation of Institutes of Internal Audit (ECIIA) and the Federation of European Risk Management Associations (FERMA), internal and external auditors should meet regularly to discuss their scopes of work, methodologies, and audit coverage (ECIIA FERMA 2010:17).

However, combined assurance, as described in King III, requires the coordination of all assurance providers and, as such, is a fairly new concept. While external auditors provide the company’s shareholders with reasonable assurance that the financial statements are free from material misstatements (IIA 2013:679), internal auditors are required to attest to the reliability of the internal control system, including the financial controls (IOD 2009:45), and the maturity of risk management in the organisation (Fraser & Henry 2007:396; IOD 2009:45; IIA 2012:2). The role of other assurance providers – such as management – involves identifying, assessing, evaluating, controlling, and managing risks (Sarens & De Beelde 2006:65; IIA 2013:3), while the risk management and regulatory risk management functions facilitate and monitor both the effective implementation of risk management practices and non-compliance with applicable rules and regulations (IIA 2013:4).

3.2 Determining roles and responsibilities for combined assurance efforts

From the literature study it is clear that a combined and coordinated approach is recommended for the effective implementation of combined assurance. In
combined assurance all the role-players are considered equally important and include the stakeholders, assurance providers, and coordinators of the process.

3.2.1 Stakeholders

The board and the audit committee are the primary stakeholders in combined assurance (IOD 2009:33). It is therefore vital for them to be involved in the implementation of frameworks and processes for combined assurance (IIA 2013:2).

Roles that have been identified for the board in combined assurance are: to provide oversight and direction to management by setting the risk appetite and risk tolerance levels (IOD 2009:36; ECIIA FERMA 2010:7; Sarens et al 2012:12); to set organisational objectives and define strategies, and to implement them by establishing appropriate governance structures to manage risk (IIA 2013:3); to be aware of the significant risks in the organisation (ECIIA FERMA 2010:7); and to monitor the way in which management responds to these significant risks (ECIIA FERMA 2010:7; PWC 2013:7).

The audit committee’s roles include overseeing the work performed by, and the coordination between, internal and external audit, reviewing and receiving feedback on audit reports that identify weaknesses in the control environment, and reviewing management’s responses (Porter 2009:176; Turlea et al 2010:396; Sarens et al 2012:13). Audit committees also have to provide reports on compliance with the organisation’s statutory duties, assess the independence of external audit in providing a view on the financial statements and the application of accounting practices, ensure the integrity of integrated reporting, and assess whether internal financial controls have been effective (IOD 2009:32; ECIIA FERMA 2010:8; Roos 2012:31; PWC 2013:26).

Shareholders have also been identified as a stakeholder group because, as legal owners, they are protective of their investments in the organisation (Lyons 2011:7). Shareholders cannot control the board or the audit committee directly, but exert their influence as a collective by exercising their rights through the annual general meeting. Shareholder activism has in recent times become an effective tool for demanding changes. This is accomplished through exercising shareholder rights at the annual general meeting (Lyons 2011:7).

3.2.2 Assurance providers

Combined assurance formalises the roles and responsibilities of the various assurance providers in relation to each other in terms of three lines of defence. In January 2013 the IIA released their position paper on this matter, entitled *The three lines of defence in effective risk management and control*. This position paper states that specific roles and responsibilities should be assigned to the various assurance groups to ensure that there are no gaps in or duplication of the assurance activities (IIA 2013:1).

The literature review indicates that the Bank for International Settlements (BIS) was the first to introduce the concept of three lines of defence in the effective risk management practices for banks (BIS 2011:3). Accordingly, BIS identified business’ line management as the first line of defence, an independent operational risk management function as the second line, and an independent review function as the third line. The IIA position paper (IIA 2013:3) recommends classifying the lines of defence according to the related functions; thus owning and managing risk (first line), overseeing risk (second line), and providing assurance on controls implemented to mitigate risk (third line).

The IIA position paper further claims that the basic objective of the three lines of defence in combined assurance is to ensure that collectively, all three lines of defence will identify and mitigate the organisation’s critical risks before they penetrate the organisation. It is essential therefore that the boundaries of each assurance provider’s role be clearly understood, as well as the way in which their position fits into the organisation’s overall control structure (IIA 2013:7).

Management ultimately owns and manages risks within the organisation and is commonly seen as the first line of defence (Sarens et al 2012:18; IIA 2013:3). The inclusion of management in the first line of defence acknowledges management’s ownership and recognises its importance in setting the “tone at the top” in relation to good corporate governance (Gramling, Maletta, Schneider & Church 2004:198).

Management identifies, assesses, controls, and mitigates risk by developing policies and procedures and by implementing controls that ensure that risk is reduced to levels that are acceptable to the risk appetite of the organisation (ECIIA FERMA 2010:3; Lyons 2011:2; Daugherty & Anderson 2012:39; IIA 2013:3).

The second line of defence typically consists of functions such as enterprise risk management, regulatory risk management, fraud risk management, Sarbanes-Oxley (SOX) compliance officers, health and safety officers, and environmental review officers, as well as insurance, ethics and legal functions (PWC 2010:7; IIA 2013:2; Corporate Executive Board 2013:3). Assurance providers in the second line of defence monitor and facilitate the implementation of effective risk management practices, and assist in the adequate reporting of risks through the governance structures (ECIIA FERMA 2010:4). Their role is therefore to assist management in monitoring and managing risk. Second-line defenses also assist in the implementation of risk responses and monitor effective risk management practices across the organisation (IIA 2013:4). Additional responsibilities such as training, policy and framework setting, and control assessments may also be assigned to the second line of defence (Daugherty & Anderson 2012:39).

The third line of defence generally consists of the internal and external audit functions (PWC 2010:14; Sarens et al 2012:19; EY 2013:4). In some approaches external audit is not considered to be part of the third line of defence, as it is independent of the organisation; nevertheless it is still regarded as delivering a core assurance service in the organisation, aligning and coordinating its assurance efforts with
the other internal assurance providers (Lyons 2011:6; ECIIA 2012:4; IIA 2013:6).

In most organisations internal audit would be the primary assurance provider in the third line of defence (PWC, 2010:14; Sarens et al 2012:19; EY 2013:4). Spira and Page (2003:649) support this view, maintaining that internal audit is in the best position to understand the entire organisation’s internal control systems and control environment. Indeed, Practise Advisories 2050-1: Coordination and 2050-2: Assurance maps (IIA 2009) require the CAE to be part of the organisation’s assurance provider framework, and the practice guide Coordinating Risk Management and Assurance issued by the Institute of Internal Auditors (IIA 2012) requires internal audit to report to the board on the effectiveness of the risk management function. King III’s principle 7 also recommends that internal audit should provide the board with an annual written assessment of the internal control and risk management systems and, in addition, provide the audit committee with an assessment of internal financial controls (IOD 2009:45). Fraser and Henry (2007:396) note that this responsibility requires the internal audit function to have an in-depth understanding of enterprise risk management, while PriceWaterhouseCoopers (PWC) (2010:11) holds the view that internal audit will not be able to meet this responsibility without aligning with, and placing reliance on, testing that has been performed by other assurance providers.

3.2.3 Coordinators

The literature agrees that a combined assurance champion needs to be appointed to drive and implement combined assurance (PWC 2011:6; Lyons, 2011:5; Sarens et al 2012:29; Daugherty & Anderson 2012:41). The most popular nominations for this position are the audit committee and internal audit.

King III recommends that the audit committee should coordinate combined assurance in organisations. Thus, Principal 3.5 states:

“The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities.

3.5.1. The audit committee should ensure that the combined assurance received is appropriate to address all the significant risks facing the company.

3.5.2. The relationship between the external assurance providers and the company should be monitored by the audit committee.” (Institute of Directors 2009)

Coordinating combined assurance implies that the audit committee will have a dual responsibility in combined assurance, namely, as a primary stakeholder and as the coordinator. Coordinating combined assurance adds the following to those responsibilities identified earlier for the audit committee in an organisation: reviewing the effectiveness of and cooperation between the three lines of defence (Lyons 2011:5); periodically reviewing the assurance structure to ensure that all the needs of the various stakeholders are met, and ensuring that all critical business risks are mitigated (KPMG 2012:6).

The ECIIA (ECIIA 2012:2) recommends that audit committee oversight should rely on an all-embracing structure that incorporates all elements of corporate governance, risk, and controls. This view is supported by Lyons (2011:8), thus highlighting the necessity for a corporate oversight framework to ensure that the interests of all stakeholders are safeguarded by the various lines of defence. Such a framework will reassure stakeholders that the organisation is fulfilling its fiduciary, regulatory, and legal obligations, while creating and sustaining long-term shareholder value (Lyons 2011:8).

Some authors, however, suggest that internal audit should coordinate the combined assurance efforts in organisations. Mihret and Admassu (2011:67) identify internal audit as the primary resource that should be used to manage the need for increased interaction between the four areas responsible for ensuring effective corporate governance, that is, between the board, management, internal audit and external audit. Daugherty and Anderson (2012:41) state that combined assurance provides internal audit with a unique opportunity to act as the assurance coordinator in the organisation, and that internal audit is a perfect candidate for this role, especially in the initial stages of combined assurance implementation. The role of assurance coordinator will consist of: identifying the assurance providers in the organisation; assigning the assurance providers to risks; assessing the reliance that can be placed on each assurance provider; analysing the areas where significant assurance gaps have been identified, and lastly, reporting to the governance structures (Daugherty & Anderson 2012:41). Because internal audit has knowledge and experience of the organisation’s governance structure, policies and frameworks, operational processes, risks and controls, it is therefore in the best position to drive the implementation of a combined assurance process (PWC 2010:11). Gramling et al (2004:196) warn, however, that the presence of appropriate skills and quality resources in the internal audit function are prerequisites for ensuring that this role can be fulfilled effectively in the organisation.

In the combined assurance process, taking on the coordinating role together with that of the third line of defence also implies a dual role for internal audit. Therefore, the roles assigned to internal audit should be carefully considered as they may affect their independence. For instance, internal audit should not take on any of the functions categorised under the first and second lines of defence (Christopher, Sarens & Leung 2009:203; De Zwaan, Stewart & Subramaniam 2011:587; IIA 2012:10; ECIIA 2012:6).

3.3 Critical success factors when implementing combined assurance

The third theme of discussion in the literature review revolves around the critical success factors when implementing combined assurance. It is clear that certain critical factors need to be present if combined assurance implementation is to be successful (PWC 2011:6; Sarens et al 2012:90-98; EY 2013:3). These factors can be broadly categorised as follows:
3.3.1 Proper risk management

Mature risk management processes should be present (Sarens et al 2012:90-98). These should ensure the provision of relevant and accurate risk information (PWC 2011:6), by following a standardised approach for identifying and compiling a key risk universe (EY 2013:3). Each risk has to have risk owners assigned to it (EY 2013:3). In addition, a common risk language and rating methodology needs to be agreed on (PWC 2011:6; Sarens et al 2012:90-98; EY 2013:3).

3.3.2 Leadership and buy-in from management

Sarens et al (2012:90-98) identify cultivating the correct “tone at the top”, a strong culture of risk awareness, and executive management buy-in as critical success factors for combined assurance. Accordingly, the board or the audit committee should act as an executive sponsor for combined assurance and should determine, on the basis of the risk appetite and tolerance levels set by the board, the desired level of assurance needed (PWC 2011:6; EY 2013:3).

3.3.3 Proper planning and coordination

The effective planning and coordination of assurance activities are critical for implementing combined assurance successfully (KPMG 2012:16). In many organisations special assurance committees are being set up to drive and implement coordination between assurance providers, to enhance information sharing, and to monitor assurance activities effectively (KPMG 2012:16; Sarens et al 2012:97-98). KPMG has noted a strong correlation between satisfaction with assurance planning and coordination, and the existence of such an assurance committee (KPMG 2012:16).

The literature also points out some challenges with regard to the coordination of assurance services. KPMG (2012:6) remarks that the understanding of key risks, coordinated planning and joint audits between assurance providers is limited, and warns that, in a combined assurance approach, a lack of clear leadership and coordination between internal and external audit may result in redundancy and inefficiency (KPMG 2012:15). Sarens et al (2012:75) note the challenges faced by global organisations in coordinating the different assurance providers and explain that in global organisations various interfaces and additional points of coordination may be identified between assurance providers, thus increasing the difficulty of coordinating the activities.

Practise Advisory 2050-2: Assurance maps (IIA 2009) promotes assurance maps as a valuable tool for coordinating risk management and assurance activities, and enhancing the effectiveness of risk management efforts. Furthermore, assurance maps can identify duplication and overlaps in assurance activities related to key risks, assist in defining and limiting the scope of, and assigning roles and responsibilities to, the various assurance providers, and assist in identifying any gaps in assurance coverage.

3.3.4 Clarified roles and responsibilities

Roles and responsibilities need to be identified and agreed to between the assurance providers (Porter 2009:172; KPMG 2012:6). The amount of reliance that can be placed on the assurance provided should be assessed on the basis of the assurance providers’ maturity level (IIA 2011:4; PWC 2011:6). Such maturity should be assessed annually, taking into account the skills and experience levels of the assurance provider, the scope and frequency of the assurance activities, the methodology applied, whether or not there are any conflicts of interest in the function, and whether there is an annual independent quality review of the function (PWC 2011:6).

Regular communication and interaction between the internal and external audit functions reinforces the strength of the combined assurance process (ECIIA 2012:6). Clear and open communication lines should exist between the various assurance providers and the stakeholders (Porter 2009:172; Sarens et al 2012:90-98). Communication is not only essential for obtaining an understanding of the roles and responsibilities of the different assurance providers in providing assurance on key risks and objectives, but also assists in identifying duplications and omissions, thus ensuring adequate coverage of key risks (Sarens et al 2012:98).

4 RESEARCH FINDINGS AND INTERPRETATIONS

In the following sections, specific aspects of the state of combined assurance in the financial services industry in South Africa are discussed, based on the results of the empirical study and with reference to the literature review.

4.1 Introducing the concept of combined assurance and clarifying its purpose in organisations

Respondents were asked to indicate whether their organisations had introduced any combined assurance practices, and if so, when they had commenced with the implementation of combined assurance in their organisations. What is remarkable here is that the majority of companies (five of the eight surveyed) commenced with the implementation of combined assurance between 2009 and 2010 – the two-year period immediately after King III had introduced combined assurance as a principle of corporate governance in South Africa. A sixth company started with implementation in 2012. This, and the fact that listed companies are compelled to either comply with King III recommendations or to explain why they don’t (IOD 2013:2), emphasises the importance of governance and reporting regulations, and the value placed on such regulations by leading organisations in South Africa. A more cynical interpretation of the response may be that organisations obey such regulations for the sake of compliance, without considering the value that may be derived from such compliance. One response indicated that the company had started with the implementation of combined assurance prior to the release of King III. In the follow-up interview, this respondent revealed the perception that the practice of combined assurance in its simplest form includes cooperation between internal and external audit, a situation that has existed prior to the publication of King III.
Although all the respondents indicated that their companies had started with the implementation of combined assurance, the follow-up interviews revealed that most are still on the way to the full implementation required in terms of King III. One of the responses indicated that the company is about a year away from full implementation and compliance with King III. During the interviews one of the respondents remarked that "the implementation of combined assurance is seen as a journey". Another commented that "combined assurance should be seen as a philosophy rather than a methodology", and explained that their organisation had put a lot of effort into formalising the philosophy in terms of a methodology with frameworks and standards, without deriving real value from the process. This resulted in a divergence of effort in that their combined assurance process eventually focused on inherent risk, while the organisation's management focused on residual risk.

One respondent commented that, although management believed that combined assurance had been implemented, the process was still immature as it lacked formalisation through combined assurance charters, frameworks, and the formalisation of roles and responsibilities. Another interviewee also expressed concerns about the immaturity of combined assurance in their company, owing to it being limited mainly to the interaction between internal and external audit, without any interaction being extended to the other assurance providers.

Respondents were requested to indicate any global affiliation, and to state whether or not the primary listing of their company was on the JSE. The responses to these questions, combined with the responses discussed above, indicate a positive correlation between the primary listing of the organisation and the progress made with the implementation of combined assurance. One of the eight companies selected for the survey had not commenced with the implementation of combined assurance as it had its primary listing on a foreign stock exchange, where adherence to King III is not required. Hence, this company did not complete the questionnaire. All the other companies that indicated global affiliations also indicated that they had already started with the implementation of combined assurance.

One of the difficulties for global organisations is that the concept of combined assurance has not been introduced elsewhere in the world. The fact that combined assurance has not found its way onto the international scene was raised by one respondent as a concern. This respondent referred particularly to recommendations by the Committee on Internal Audit Guidance for Finance Services in the United Kingdom (Chartered Institute of Internal Auditors 2013:12), which the respondent perceived to be in direct conflict with the combined assurance approach practised in South African organisations, and who expressed the view that "if not accepted internationally, the practice of combined assurance may become difficult to sustain in South Africa".

Companies that indicated global affiliation other than a primary JSE listing (that is, companies with global parent companies and/or subsidiaries) nevertheless responded positively with regard to the effect that combined assurance has had on their international ties, commenting that through their efforts combined assurance had been recommended to their international holding companies, where the value has been noticed by global investors. Similarly, some African subsidiaries of organisations interviewed had realised the benefits associated with combined assurance and had also started implementing it voluntarily in their organisations. One respondent perceived the most significant contributions their combined assurance efforts had made to their African subsidiaries to be the enhancing of the process of risk identification and encouraging a holistic view of risk.

4.2 Roles and responsibilities in the combined assurance process

From the literature review it is evident that a coordinated and combined approach is necessary for the effective implementation of combined assurance. This approach demands that all the parties involved should realise the importance of their respective roles in the process.

Stakeholders

Responses confirmed the importance of adequate buy-in from the key stakeholders. Six of the seven respondents (85.7%) regarded buy-in from key stakeholders and the audit committee chairman, as well as executive management setting the "tone at the top", to be extremely important foundational areas for the successful implementation of combined assurance (see Table 5).

The importance of the buy-in of the audit committee chairman (and his/her focus on the process) for the successful implementation of combined assurance was further emphasised during the interviews. One CAE interviewed mentioned that their organisation was struggling to implement combined assurance effectively, with the lack of an executive sponsor being highlighted as one of the main barriers.

As emphasised by the literature review, the audit committee is one of the primary stakeholders of combined assurance and it is therefore vital for it to be involved. Two of the questions included in the questionnaire prompted reflection on this issue. In response to one of the questions, all respondents indicated that their audit committees receive a report on long-outstanding audit findings, including the management actions taken to address them, and that these are then actively monitored by the audit committee. The responses to the other question indicated that, in the majority of companies surveyed (85.7%), the timeous implementation of combined assurance actions and findings is actively monitored by executive management.

Respondents were required to indicate whether or not the audit committees play an active role in combined assurance. The response to this question is reflected in Table 2. In five of the companies surveyed (71.42%) the audit committee played an active role in overseeing combined assurance efforts in the company.
Another question required respondents to indicate the proportion of agenda time audit committees spend on assurance matters. An analysis of the responses to this question indicated that, on average, the audit committees spend about 8.81% of overall agenda time on combined assurance matters. Internal audit takes up the greatest allocation of agenda time (22.37%), followed by financial analysis (21.19%), external audit (15.59%), and then regulatory risk management (11.57%) (see Table 3).

Further analysis of these responses was performed, comparing those companies that responded that the audit committee is perceived to play an active role in combined assurance to those companies that did not respond affirmatively to this question. Interestingly, this analysis points out that, for companies where the audit committee plays an active role in combined assurance, the agenda time of audit committee meetings is more evenly spread between the various topics dealing with different assurance providers, as opposed to companies where the audit committee does not play an active role in combined assurance. For the latter, more than half (55.26%) of the agenda time is spent on internal audit and external audit, as opposed to a third (29.75%) of the agenda time spent where the audit committees are reported to play an active role (see Table 3).

Table 3 clearly illustrates the difference in the time allocated to the various aspects of combined assurance on the agenda of audit committee meetings, where audit committees play either an active or an inactive role in combined assurance.

Table 2: Responses to Question 7 of the questionnaire

<table>
<thead>
<tr>
<th>Active role played by audit committee in combined assurance</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>5</td>
<td>71.42</td>
</tr>
<tr>
<td>No</td>
<td>1</td>
<td>14.29</td>
</tr>
<tr>
<td>Not answered</td>
<td>1</td>
<td>14.29</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Table 3: Analysis of responses to Questions 7 and 8 of the questionnaire

<table>
<thead>
<tr>
<th>Aspects of combined assurance in the agenda of audit committee meetings</th>
<th>% of time allocated (all companies included in the survey)</th>
<th>% of time allocated (audit committee plays an active role)</th>
<th>% of time allocated (audit committee does not play an active role)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory Risk</td>
<td>11.57</td>
<td>12.06</td>
<td>10.53</td>
</tr>
<tr>
<td>Information Governance</td>
<td>7.33</td>
<td>8.31</td>
<td>5.26</td>
</tr>
<tr>
<td>Internal Audit</td>
<td>22.37</td>
<td>15.50</td>
<td>36.84</td>
</tr>
<tr>
<td>External Audit</td>
<td>15.59</td>
<td>14.25</td>
<td>18.42</td>
</tr>
<tr>
<td>Combined Assurance</td>
<td>8.81</td>
<td>10.50</td>
<td>5.26</td>
</tr>
<tr>
<td>Financial Analysis</td>
<td>21.19</td>
<td>23.75</td>
<td>15.79</td>
</tr>
<tr>
<td>Social and Environmental</td>
<td>3.24</td>
<td>4.78</td>
<td>0.00</td>
</tr>
<tr>
<td>Governance</td>
<td>6.95</td>
<td>6.50</td>
<td>7.89</td>
</tr>
<tr>
<td>Other</td>
<td>2.95</td>
<td>4.35</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Assurance providers

Respondents were required to identify the role players in combined assurance and to allocate them to the first, second, or third line of defence. All of the companies surveyed indicated the presence of information technology (IT) risk management, internal audit, and external audit as assurance providers in their combined assurance process. In addition, management, enterprise risk management, regulatory risk management, and legal departments were identified as assurance providers in six of the organisations (85.7%). It is interesting to note that the legal department was seen by some organisations as an assurance provider in the first line of defence and by others as a second-line defence assurance provider. Only one of the respondents (14.3%) considered the ethics department, regulators, quality control, health and safety officers, and rating agencies to be assurance providers.

Coordinators

The literature review indicated that the audit committee and the internal audit function are the most popular nominations for a champion for the combined assurance process. In the survey, respondents were requested to indicate who chairs the combined assurance forum or committee in their organisation. In the majority of organisations surveyed, internal audit, through the CAE, performed this role of combined assurance champion. It is interesting to note the exceptions in two organisations: in one this role is performed by the chief risk officer, and in the other by the corporate governance function. Nevertheless, internal audit did assist the chief risk officer in defining and identifying the various assurance providers, and in formulating and drafting the assurance frameworks and standards. None of the respondents identified the audit committee as the combined assurance champion. Probing the role of internal audit as a champion of the combined assurance process during the interviews revealed that this role has significantly elevated the profile of internal audit. One of the respondents commented that the chief executive officer, in recognising the specific role internal audit had played in the implementation of combined assurance, had realised the power that can be created from the alignment of the three lines of defence.

4.3 Critical success factors in the implementation of combined assurance

Three questions were used to shed light on the critical success factors for combined assurance implementation.
The first question (question 9 of the survey) identified sixteen initiatives that have been associated with combined assurance in the literature (see Table 4). Respondents were asked to rate the level of implementation of each of these aspects in their organisations according to a rating scale where 1 represents that the initiative has been implemented, 2 represents implementation within the next 12 months, 3 represents implementation within the next 24 months and 4 represents that the initiative is not considered for implementation in the near future.

Two organisations responded that their organisations had already implemented thirteen of the initiatives and that they intended to implement the remaining three within the next 12 to 24 months. One of the organisations had implemented ten of the initiatives and was not considering implementing any of the others. Three organisations had implemented fewer than half of the initiatives, while one of the organisations had not implemented any of the initiatives, but indicated that the organisation intended to implement thirteen of the initiatives over the next 24 months.

The initiatives implemented by most organisations, as shown in Table 4, were 1, 4, 7, 8, and 14. In addition to those initiatives, all organisations intended to have implemented initiatives 3 and 11 within 24 months (see Table 4). The initiatives least frequently implemented were 5 and 12 (implemented by only one organisation). Three respondents (43%) indicated that joint audits between different assurance providers had not been considered by their organisations (initiative 15 in Table 4).

Table 4: List of possible initiatives to be implemented in the combined assurance process, used in Question 9 of the questionnaire

<table>
<thead>
<tr>
<th>Combined assurance initiatives</th>
<th>Average weighting, taking into account all responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishing a combined assurance framework</td>
<td>4.86</td>
</tr>
<tr>
<td>Establishing a combined assurance charter</td>
<td>4.86</td>
</tr>
<tr>
<td>Developing specific agreements between all assurance providers on their respective roles and responsibilities</td>
<td>4.86</td>
</tr>
<tr>
<td>Creating a common risk language</td>
<td>4.71</td>
</tr>
<tr>
<td>Implementing an Enterprise Governance Risk and Compliance (GRC) platform to manage risk throughout the organisation</td>
<td>4.71</td>
</tr>
<tr>
<td>Performing integrated risk assessments with the input of all assurance providers</td>
<td>4.71</td>
</tr>
<tr>
<td>Creating a risk coverage map, linking risks to processes and controls</td>
<td>4.71</td>
</tr>
<tr>
<td>Linking risk coverage maps to control owners (assurance maps)</td>
<td>4.71</td>
</tr>
<tr>
<td>Linking risk coverage maps to internal and external audit assurance provided on key risks</td>
<td>4.71</td>
</tr>
<tr>
<td>Creating and conducting maturity assessments for assessing assurance provider maturity</td>
<td>4.71</td>
</tr>
<tr>
<td>Providing the audit committee with a combined assurance report</td>
<td>4.71</td>
</tr>
<tr>
<td>Using an aligned, coordinated and standardised reporting format that is used by all combined assurance providers</td>
<td>4.71</td>
</tr>
<tr>
<td>Presenting consolidated combined assurance results to the audit committee</td>
<td>4.71</td>
</tr>
<tr>
<td>Using combined risk assessments/maps to inform the annual internal audit plan</td>
<td>4.71</td>
</tr>
<tr>
<td>Internal audit conducting joint audits with other assurance providers</td>
<td>4.71</td>
</tr>
<tr>
<td>Creating a combined assurance forum/committee to coordinate combined assurance</td>
<td>4.71</td>
</tr>
</tbody>
</table>

The second question (survey question 13) used a Likert-type scale approach to assess the importance of fourteen foundational areas in ensuring the effectiveness of combined assurance. For each of the areas, respondents had to rate its significance as being not important (1), somewhat important (2), important (3), very important (4), or extremely important (5). Analysis of the responses to this question indicated that executive management setting the “tone at the top”, buy-in from key stakeholders, and buy-in from the chairman of the audit committee were considered to be the most important foundational areas in ensuring the effectiveness of combined assurance. This was followed by a strong risk culture across the company, effective corporate governance structures, and buy-in from the audit committee. Performance reward systems, formalised and documented policies and procedures, and having employees sign a code of conduct were rated least important (see Table 5).

Table 5: Importance of the foundational items for effective combined assurance (response to Question 13 of the questionnaire)

<table>
<thead>
<tr>
<th>Foundational areas to ensure the effectiveness of combined assurance</th>
<th>Average weighting, taking into account all responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive management setting the ‘tone at the top’</td>
<td>4.86</td>
</tr>
<tr>
<td>Buy-in from key stakeholders</td>
<td>4.86</td>
</tr>
<tr>
<td>Buy-in from chairman of the audit committee</td>
<td>4.86</td>
</tr>
<tr>
<td>Effective corporate governance structures</td>
<td>4.71</td>
</tr>
<tr>
<td>Strong risk culture across the company</td>
<td>4.71</td>
</tr>
<tr>
<td>Buy in from audit committee</td>
<td>4.57</td>
</tr>
<tr>
<td>Risk appetite – clear definition and communicated throughout the company</td>
<td>4.43</td>
</tr>
<tr>
<td>Strong organisational culture across the company</td>
<td>4.43</td>
</tr>
<tr>
<td>Board training on combined assurance</td>
<td>4.14</td>
</tr>
<tr>
<td>Uniform risk language and rating methodology across the company</td>
<td>4.14</td>
</tr>
<tr>
<td>Buy in from chairman of the board</td>
<td>4.14</td>
</tr>
<tr>
<td>Performance reward systems linked to effective risk management</td>
<td>4.00</td>
</tr>
<tr>
<td>Formalised, documented and updated policies and procedures</td>
<td>3.57</td>
</tr>
<tr>
<td>Code of conduct signed by all employees in the company</td>
<td>3.43</td>
</tr>
</tbody>
</table>
The third question shedding light on critical success factors (survey question 15) identified nine critical success factors from the literature and requested respondents to select the five most critical factors that needed to be present to ensure the effective implementation of combined assurance (see Table 6). Although responses varied significantly, combined assurance champion received the most ‘first’ ratings, while a combined assurance framework and methodology received the second-most ‘first’ ratings, and was also the factor rated by the highest number of respondents. Although not awarded any first ratings, evaluation of assurance provided was also rated by six of the respondents (85.7%).

Table 6: Critical success factors for the successful implementation of combined assurance (used in Question 15 of the questionnaire)

<table>
<thead>
<tr>
<th>Critical success factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive sponsor</td>
</tr>
<tr>
<td>Combined assurance champion</td>
</tr>
<tr>
<td>Mature risk management function</td>
</tr>
<tr>
<td>Defined risk appetite and tolerance</td>
</tr>
<tr>
<td>Combined assurance framework and methodology</td>
</tr>
<tr>
<td>Common risk language</td>
</tr>
<tr>
<td>GRC platform</td>
</tr>
<tr>
<td>Communication and training on combined assurance throughout the company</td>
</tr>
<tr>
<td>Evaluating the quality and effectiveness of assurance provided by the various assurance providers</td>
</tr>
</tbody>
</table>

The literature review identified four broad categories in the discussion of the critical success factors for combined assurance implementation. The results of the empirical study revealed the following with regard to each category:

Proper risk management

During the follow-up interviews with the CAEs, the adequacy and effectiveness of a risk management function was highlighted as a critical success factor. One of the respondents commented during the interview that “combined assurance can only be as strong as the risk management foundation”. The interviews further revealed that a contributing factor to the immaturity of combined assurance at one company was the lack of an effective and mature risk management function, including the absence of a common risk taxonomy, risk frameworks and standards.

However, it is interesting to note that the maturity of the risk management function was only rated as critical by one of the companies (see Table 6). This in direct contrast to the responses received from the CAEs during the interviews, where the lack of a mature risk management function was highlighted as one of the challenges for the successful implementation of combined assurance by several of the respondents.

Another challenge experienced by one of the companies related to getting the first line of defence to understand its roles and responsibilities as risk owners. The respondent commented that management, as the first line of defence, needs to understand that they own and manage risk and are ultimately accountable for that risk and that the second line is there only to assist in managing those risks. The respondent further remarked that in their organisation this shift in focus was “a massive process that needs to be driven from the top”. In another organisation the separation of the risk management function between the first and second lines of defence was said to be blurred. This had resulted in conflicting duties for risk management, as they might be seen to be fulfilling management responsibilities, which affected the maturity of the function and ultimately the reliance placed on them by the third line of defence.

Leadership and buy-in from management

The response to survey Question 13 highlights the importance of leadership and buy-in from management in ensuring the effective implementation of combined assurance. Six of the seven CAEs regarded buy-in from key stakeholders and the chairman of the audit committee as being extremely important foundational areas for effective combined assurance (see Table 5). In addition, executive management setting the “tone at the top” was identified as the most critical foundational factor by six of the seven CAEs.

The follow-up interviews revealed that a lack of buy-in from the audit committee chairman, together with the insufficient maturity of assurance providers, were the most important factors preventing one of the organisations from implementing effective combined assurance. Another organisation interviewed was struggling to implement combined assurance effectively and the lack of an executive sponsor was highlighted as one of their main barriers. A third respondent commented that the main challenge faced by their organisation related to obtaining management buy-in. This respondent commented that, in order to obtain executive buy-in, the value proposition had to be effectively communicated to management.

Proper planning and coordination

The significance of proper planning and coordination in combined assurance is indicated by the response to Question 15, where two-thirds of respondents (or 5 companies) indicated the presence of a combined assurance champion as the most important success factor, and three of the respondents perceived a combined assurance framework and methodology to be a critical success factor (see Table 6). Only two of the companies surveyed had progressed to the point where they had appointed a specific forum or committee to coordinate combined assurance. In one company, this committee was chaired by the CAE, while in the other it was chaired by the head of operational risk management. In response to Question 9, all respondents indicated their organisation’s intention to implement a coordinating committee.
within the next 12 to 24 months; this emphasises the importance of coordinating the combined assurance process properly. Some CAEs indicated in the interviews that this coordinating committee would form part of the current governance committees, so as to avoid the establishment of yet more committees and forums.

With regard to the planning of combined assurance efforts, assurance maps seem to be a commonly accepted tool. All of the respondents indicated in response to Question 9 that their organisations were using, or were intending to use, assurance maps and/or risk coverage maps in the near future to link risks to processes and controls, and to link risk coverage maps to control owners. All respondents indicated that combined risk maps are used to inform the annual internal audit plan, or that they intend using them in the near future to do so.

**Clarified roles and responsibilities**

In response to Question 9 (see Table 4), only three of the organisations surveyed indicated that they had established a separate charter for combined assurance. One of these respondents commented that establishing a combined assurance charter is a challenge, as the roles and responsibilities of the different assurance providers first need to be established. Two other organisations indicated that they were not considering establishing a separate charter for combined assurance.

Nevertheless, all respondents indicated that they had drawn up, or intended to draw up, specific agreements between all assurance providers recording their respective roles and responsibilities. Further discussion during the interviews revealed that there were still some areas of duplication of assurance activities and that the first line of defence was still experiencing audit fatigue. One respondent commented that “due to the different assurance providers belonging to different institutions and having to abide by different standards there will be some duplication and you will not be able to eradicate duplication completely”.

One organisation commented that the biggest challenge was for the different assurance providers to value each other’s work. This was mainly as a result of the immaturity of the assurance functions within the three lines of defence, thus resulting in a lack of trust in the quality of work produced by the assurance providers which, in turn, affected the reliance placed on the work performed.

One of the respondents commented that the sharing of assurance results between the assurance providers could be improved because in their company not all assurance reports were yet shared. Another respondent raised the reluctance on the part of external audit to share detailed scope documents and working papers as an issue that was hampering reliance decisions from other assurance providers, especially internal audit, resulting in the reduced leveraging of external audit’s work. On the question of why it is so difficult for different assurance functions to work together, one CAE commented that “It is about a loss of control because you don’t have distinct lines anymore, you have people working together to enhance the control environment. It probably becomes an insecurity matter or that they are worried that their inadequacies might be revealed with this type of approach. The purpose is as a collective to enhance the control fabric of the organisation”.

**5 CONCLUSION**

This article presented the findings of a study conducted to establish the status of combined assurance implementation in organisations in the financial services industry in South Africa. The study followed a mixed method approach which consisted of a literature review and an empirical study comprising a survey and structured interviews. The companies surveyed represent 71% of the market capitalisation of companies in the banks, life insurance, and general finance sectors of the JSE, and the survey obtained the responses of the CAEs in those organisations.

The study found that most organisations in the financial services industry in South Africa had started implementing combined assurance practices as required by King III, and noted that such implementation had commenced in the two years following the publication of the King III report. Implementation is, however, a journey and organisations are still at various levels of maturity in terms of their stages of implementation of combined assurance practices. Many organisations are still struggling with various barriers to effective implementation; these include a lack of buy-in by executive management and the audit committee, immature second-line risk management functions, different regulatory environments for JSE-listed and foreign-listed companies, the lack of a combined assurance champion within the organisation, and limited sharing of scope documents and working papers by external audit. Implementing a GRC platform in the organisation to ensure that there is just one view of the risk environment is currently not a priority in most organisations.

The study further found that organisations with primary listings outside South Africa, or with dual listings, have not yet completely implemented combined assurance, owing to the different regulatory requirements in their “other” countries.

The study identified certain fundamental and key areas that are important for ensuring that combined assurance is successfully implemented in an organisation. It was accordingly found that the identification (and appointment) of a combined assurance champion is a critical success factor for combined assurance. This champion should be supported by an executive sponsor, which ideally should be the chief executive officer. Organisations should furthermore ensure that the first and second lines of defence functions are mature in their risk management practices. Moreover, the roles and responsibilities of the various assurance providers should be formalised in a combined assurance framework. Buy-in and active participation by the chairman of the audit committee and the audit committee as a whole is also vital for combined assurance. In organisations where the audit committee plays an active role in combined assurance, it was found that the focus at audit committee meetings was
broader, with the audit committee’s agenda time more evenly shared across all assurance providers.

In the organisation, the internal audit function, through the CAE, is in an ideal position to perform the role of combined assurance champion because internal audit has a holistic view of the risk and control environment in the organisation. Most of the organisations surveyed indicated that the CAE does indeed play the role of combined assurance champion in the organisation. If this role is undertaken successfully, it is believed that this improves the stature of internal audit in the organisation. However, in this role the internal audit function should take care not to take on operational risk management duties. Thus, a clear understanding of the role and responsibility of internal audit, as a third line of defence, is also critical in ensuring that the lines between its various roles and responsibilities do not become blurred.

6 RECOMMENDATIONS FOR FUTURE RESEARCH

Further studies could expand on the views and perceptions of additional role players, other than the CAEs, in the three lines of defence. Studies could also expand on the current state of combined assurance practices of organisations listed on the JSE in sectors other than the financial services industry.

The impact that a foreign primary listing or dual listing has for South African companies on the implementation of combined assurance could also be studied further. Finally, the benefits of combined assurance could be articulated and used by combined assurance advocates to obtain stakeholder buy-in and to serve as a motivation for the implementation of combined assurance in more organisations.

REFERENCES


BIS, see Bank for International Settlement.


ECIIA, see European Confederation of Institutes of Internal Audit.


Perspectives of chief audit executives on the implementation of combined assurance


FERMA, see Federation of European Risk Management Associations.


IOD, see Institute of Directors.

IIA, see Institute for Internal Auditors.


IAASB, see International Auditing and Assurance Standards Board.


PWC, see PriceWaterhouseCoopers.


