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Practical Application of the 2025 Internal Auditing Competency Framework for Malaysian Internal Auditors and CAEs



PURPOSE

This document offers a concise, structured approach for Malaysian internal auditors both individuals and CAEs, to apply the 2025 Internal Auditing Competency Framework (IACF) using the provided MS Excel Template, in alignment with the Global Internal Audit Standards (GIAS). It supports competency mapping, career development, and alignment with local governance expectations including Bank Negara Malaysia (BNM), Malaysian Code on Corporate Governance (MCCG), and Treasury circulars.

COMPONENTS OF THE INTERNAL AUDITING COMPETENCY FRAMEWORK

Proficiency Levels

- Basic: Foundational knowledge and limited application
- Intermediate: Consistent, independent application
- Advanced: Strategic, advisory-level execution
- Expert: Thought leadership, coaching, and oversight

Competency Categories

1. Internal Audit Competencies
2. Professional Competencies
3. Governance & Risk Management Competencies
4. Operational Area Competencies

JOB-LEVEL EXPECTATION

JOB LEVEL	ROLE FOCUS
Entry-level / Staff Auditor	Execution under supervision
Senior Auditor (General / Specialist)	Lead specific sections, growing depth
Lead Auditor (Supervisor / Technical)	Supervise engagements, coach team

Senior Audit Manager / Director	Drive audit strategy and complex reviews
Chief Audit Executive (CAE)	Strategic leader, board advisor
Audit Committee Member	Oversight and accountability of IA
Quality Assessment (QA) Team Leader	External/internal assessor for External Quality Assessment (EQA)/Quality Assurance and Improvement Programme (QAIP)

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PRAGMATIC APPLICATION AS **INDIVIDUAL** AND **CAE**



Application: Internal Audit Practitioner (Individual Contributor)

STEP	ACTION	Notes (Malaysia Context)
1	Download the Excel Template & Framework	From IIA Global site or through IIA Malaysia
2	Self-Assessment	Rate each competency using the 4-level scale; select role that reflects your current or aspirational level
3	Identify Gaps	Focus on transitioning from "Basic" to "Intermediate", or from "Intermediate" to "Advanced" in job-relevant domains
4	Personal Development Plan	Use assessment to develop your Continuous Professional Education (CPE) goals (e.g., data analytics, ESG audit, stakeholder reporting)
5	Engage Supervisor	Share results with your line manager for performance discussions or promotion planning

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PRAGMATIC APPLICATION AS **INDIVIDUAL** AND **CAE**



Application: Application: Chief Audit Executive (CAE)

STEP	ACTION	Strategic Application
1	Team-Wide Assessment	Cascade the framework across the IA function; use Excel Template for role-based evaluations
2	Gap & Capability Mapping	Identify skill gaps at team and leadership levels; assess mix across all 4 competency categories
3	Link to IA Strategy	Align competency results with the function's 3-year audit strategy and risk outlook
4	Develop Training & Succession Plans	Address capacity gaps through training, cross-assignments, and mentoring programs
5	Report to Audit Committee	Integrate findings into annual IA performance reports or QAIP updates to demonstrate continuous improvement

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PRACTICAL IMPLEMENTATION TIPS

- *Use during mid-year and year-end reviews for both individuals and CAEs.*
- *Link to regulatory expectations: BNM (Financial Institutions), SC (listed entities), MOF (GLCs/public bodies).*
- *Embed into QAIP or EQA processes for consistent, measurable development of the IA function.*
- *Encourage self-driven learning using The IIA Malaysia and The IIA Global CPE offerings.*

SUMMARY

The 2025 IACF, when applied pragmatically, allows Malaysian internal auditors to benchmark, grow, and future-proof their competencies in a structured and globally recognised manner. For individuals, it offers a clear career pathway; for CAEs, it provides a robust tool for functional capability building and strategic alignment with governance needs.

REFERENCE:

<https://www.theiia.org/en/content/guidance/global/competency-framework/>