



The Institute of
Internal Auditors

Zimbabwe



STATE OF INTERNAL AUDIT ETHICS ZIMBABWE

JUNE 2024



The Institute of Internal Auditors

Zimbabwe

ABOUT THE INSTITUTE OF INTERNAL AUDITORS ZIMBABWE (IIAZ)

THE IIAZ, was established in 1988 as an affiliate chapter to the global Institute of Internal Auditors (IIA) (1941). The Institute of Internal Auditors (IIA) is the internal audit profession's global voice, recognized authority, acknowledged leader, chief advocate, and principal educator worldwide. The IIA serves members from all around the world in internal auditing, governance, internal control, IT auditing, education, risk management and security.

The world's leader in certification, education, research, and technological guidance for the profession, IIA sets the International Standards for the Professional Practice of Internal Auditing. IIA provides various levels of accompanying guidance; certifies professionals through the globally recognized Certified Internal Auditor (CIA®) and other certifications such as the Certification in Risk Management Assurance (CRMA®). The institute also presents leading-edge conferences, seminars for professional development; produces forward-looking educational products; offers quality assurance reviews, benchmarking, and consulting services; and creates growth and networking opportunities for specialty groups.

In support of quality, professionalism, and ethical practices, the IIA provides internal audit practitioners, executive management, boards of directors, and audit committees with guidance for internal auditing and governance best practices. The IIAZ is dedicated to providing extensive support and services to its members, so that they can continue to add value across the board.



VISION STATEMENT

To ensure that internal audit professionals are recognised as indispensable to effective governance, risk management and control in Zimbabwe and beyond.



MISSION STATEMENT

The mission of the IIAZ is: "To lead the internal audit profession in Zimbabwe and enhance its value to stakeholders through empowered members."



CORE VALUES

- Integrity
- Commitment
- Competence and Professional Care
- Objectivity
- Independence
- Diligence



How has becoming a CIA enhanced your understanding of auditor ethics?



Pauline Jima
Zimbabwe Consolidated Diamond Company

“Becoming a CIA has significantly improved my ethical judgement, gained from the various real life ethical scenarios that the program exposed me to and the guidance on how to navigate these dilemmas, whilst upholding my integrity. I am now fully aware that I have a mandate to make the right ethical choices each time and every time, regardless of the situation at hand.”



Izasi Mukonyerwa
People's Own Savings Bank (POSB)

“CIA does not only enhance understanding of auditor ethics, it makes any member naturally ethical. The certification has made me court respect of those charged with governance and that respect consistently reciprocally brings an obligation not to anything less. The rigorous and continuous revision of standards and updates of global implications, over the years, has continued to enhance my understanding, sensitivity to and reflection on auditor ethics in everything I do.”



Kingdom Munedzimwe
Citimed Hospital

“The journey to becoming a CIA and my experiences afterwards have taught me that auditor ethics are not simply a matter of right and wrong, good or bad business practices; but form the very essence of societal fabric, binding us together as humans who aspire for lofty goals of respect, justice and common good. Ethics have now become a part of me, and what I value.”



Daniel Kaniso
People's Own Savings Bank (POSB)

“Becoming a CIA helped me to conduct myself and discharge my duties in a manner that does not bring disrepute to my employer and the Internal Auditing Profession.”



Terero Thabe
Zimbabwe National Statistics Agency

“The CIA designation has reinforced my understanding and commitment to upholding the highest ethical standards in internal audit. I have demonstrated a strong moral character and dedication to ethics, even when faced with personal repercussions. As a CIA, I believe that choosing the ethical path may not be simple, but it is always worth it in the end.”



Bothwell Ndove
Postal & Telecommunications Regulatory Authority of Zimbabwe (POTRAZ)

“Becoming a Certified Internal Auditor has taught me to handle sensitive information safely, avoid conflicts of interest, and maintain professional judgment. I've learned to stay updated with profession requirements, acquire relevant knowledge, and avoid actions that could damage my or the audit profession's reputation. This experience has allowed me to provide high-quality services to my organization.”

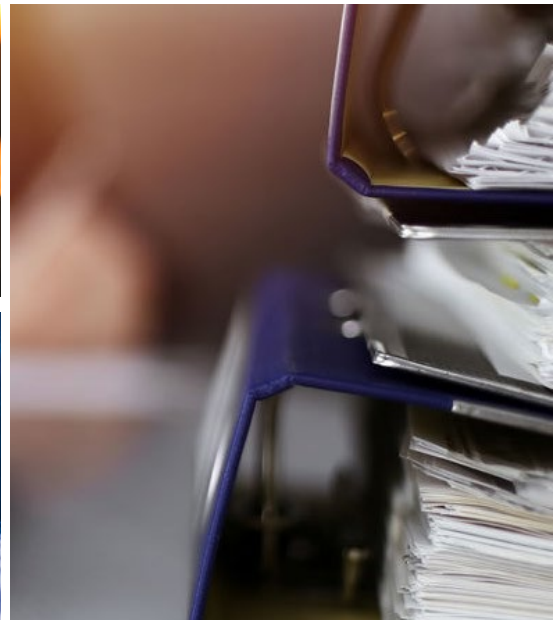


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THE PRESIDENT'S ADDRESS

It is with great pleasure and enthusiasm that I welcome the inaugural publication of the State of Internal Audit Ethics in Zimbabwe. This publication by the Institute of Internal Auditors Zimbabwe (IIAZ) aims to shed light on the ethical landscape within the internal audit profession in Zimbabwe. It also serves as a critical platform for fostering a culture of integrity and excellence.

Ethical standards lie at the heart of the internal audit profession, and their importance cannot be overstated. Integrity, competence, professional due care, objectivity, and confidentiality are the pillars on which ethical conduct is built. Upholding these principles ensures that Internal Auditors act with integrity, possess relevant skills and knowledge, exercise professional judgment, remain unbiased, and safeguard information. By adhering to these ethical standards, Internal Auditors contribute to the trust and credibility placed in the profession.

The study of The State of Internal Audit Ethics in Zimbabwe publication was driven by the recognition of the vital role ethics play in the success and sustainability of organizations. By assessing the state of internal audit ethics, we gain valuable insights into the profession's ethical practices, identify areas for improvement, and celebrate commendable achievements. This publication serves as a catalyst for continuous improvement, guiding Internal Auditors and organizations towards higher ethical standards and best practices.

It is important to note that the 2017 standards, which have served as the foundation for our ethical framework, will be replaced by the Global Internal Audit Standards with effect from 9 January 2025. These updated standards reflect the evolving landscape of internal auditing and incorporate emerging trends and challenges. As we embark on this new era, the IIAZ is committed to supporting its members in this transition and providing the necessary guidance and resources to ensure a smooth adoption of the new standards.

I would like to express my deepest gratitude to Dr Ivony Katsande - Zezekwa (CIA, CRMA), the chair of the Ethics Committee, whose tireless efforts and unwavering commitment have made this landmark project a reality. I would also want to take this opportunity to appreciate the rest of the Ethics committee, Charity Maduma (CIA), Casper Nduku (CIA), Skhumbuzo Moyo (CIA), and Garikayi Mbada (CIA) for answering to the call of promoting ethical practices within the internal audit profession.

In closing, the Institute of Internal Auditors Zimbabwe is proud to present the inaugural publication of the State of Internal Audit Ethics in Zimbabwe. We believe that by collectively embracing and upholding ethical standards, we can contribute to the growth, resilience, and trustworthiness of organizations across Zimbabwe. Let us continue our journey towards excellence and integrity. I leave you with these two quotes that I found both interesting and challenging to ponder on:

"A man without ethics is a wild beast loosed upon this world." - Albert Camus (1913 - 1960).

"Even the most rational approach to ethics is defenseless if there isn't the will to do what is right." - Alexander Solzhenitsyn (1918 - 2008), Russian Novelist and Historian, Awarded Nobel Prize in Literature in 1970.

Thank you!

Tafireyi Nyamazana
President (IIAZ)



EXECUTIVE SUMMARY - KEY RESEARCH FINDINGS

1

The overall index (3.96 out of 5) indicates a moderate level (amber) of ethical practices within the internal audit profession in Zimbabwe.

2

Eighty-eight percent (88%) of participants agreed with the assertion that the IIA code of ethics adequately addresses the ethical challenges faced by internal auditors.

3

Ninety-three percent (93%) of participants indicated that there was need for additional training in Auditor ethics.

4

Independence and Objectivity dimension (3.84) shows a need for improvement in maintaining independence and objectivity within the internal audit profession. In absolute terms, a significant number of functions (21/146 participants) do not have sufficient organisational independence with their CAEs reporting to the CEO/ other management personnel in the organisations.

5

Competency and Due Professional Care dimension (3.43) suggests potential gaps in skills, knowledge, or adherence to professional standards among internal auditors with 43% having conducted audits without requisite, knowledge, skills and other competencies, 46% not having obtained 40 or more CPD hours in the last year and 66% not having had an External Quality Assessment in the immediate past 5 years.

6

Integrity dimension (4.12) indicates a positive perception of integrity within the internal audit profession, although instances of conflict of interest were noted.

7

The analysis by position held shows higher scores for Chief Audit Executives (CAEs) compared to Senior Internal Auditors (SIAs) and Internal Auditors (IAs) across various ethics principles. Differences in scores between positions may be influenced by experience, seniority, leadership, oversight, and resource availability.

8

Confidentiality dimension (4.46) demonstrates strong adherence to confidentiality in the internal audit profession.

9

The analysis by industry reveals variations in ethical practices, with professional services, NGOs, and financial services demonstrating relatively high levels of ethical practices.

10

Public service, tourism and hospitality, and health and pharmaceutical industries require improvement in ethical standards. However, tourism and hospitality, and health and pharmaceutical industries may have suffered from very few participants analysed.

11

The overall organizational ethics index was moderately positive, suggesting room for improvement in ethical practices within organizations. The Index indicates variations in ethical practices within different industries, with financial services showing relatively positive scores while public service needs improvement although above average.

12

Overall, the indices provide a mixed picture across dimensions, with some areas indicating very strong adherence to ethical principles (such as reporting structure and confidentiality) while others highlight potential challenges (such as withholding material facts for fear of victimization and or self-interest and lack of competencies). It is important for organizations to address these areas of concern to strengthen ethical practices within the internal audit function.

CONTEXT AND METHODOLOGY

1.0

CONTEXT - PURPOSE OF THE SURVEY

Conducting a survey on the internal audit state of ethics in Zimbabwe serves the following purposes:



Overall, the survey aims to improve ethical conduct, enhance professionalism, and strengthen internal audit practices in Zimbabwe.

1.1 METHODOLOGY

The population for the survey consisted of 146 internal audit professionals from the targeted 176 individuals on the WhatsApp IIA Members platform, at the time of the survey, giving an 83% response rate, all of whom answered all the questions. This ensured a comprehensive data set for analysis and allowed for an enhanced understanding of the state of internal audit ethics in Zimbabwe. The survey ran from the 14th to the 21st of June 2024.

The survey utilised a methodology where participants were asked to respond to each question using a five-point Likert scale to capture the participants' varying levels of agreement or disagreement with the statements given. The scale ranged from "Strongly Agree" scoring 5 to "Strongly Disagree" scoring 1 with some questions being reverse scored.

The scale provided a quantitative measure to assess the degree of consensus or divergence among the respondents. The scoring system enabled the calculation of average scores, allowing for comparisons and evaluations of the strength of agreement or disagreement on each question.

State of Ethics Index Key of meanings:

Green	Satisfactory, minimal improvements needed.	4.00-5.00
Amber	Moderate, moderate improvements needed.	2.51-3.99
Red	Unsatisfactory, major improvements needed.	0.00-2.50

Being aware of *self-reporting bias*, a subject matter expert validation was subsequently conducted through a focus group of seven Chief Audit Executives.

1.2 DEMOGRAPHICS OF THE POPULATION

Job Position:

- **Chief Audit Executives:** There were 55 participants holding this position.
- **Senior Auditors:** The survey included 39 participants in senior auditor roles.
- **Internal Auditors:** A total of 52 internal auditors took part in the survey.

Membership Status:

- **Members:** Out of the total participants, 112 individuals (76.7%) were members of the Institute of Internal Auditors (Zimbabwe).
- **Non-Members:** 34 participants (23.3%) were not members of the Institute of Internal Auditors (Zimbabwe).

Gender Distribution:

- **Females:** The survey consisted of 38.4% female participants.
- **Males:** The remaining 61.6% of participants were males.

Size of Audit Functions:

- 1 person – 2%
- 2- 5 people – 29%
- 6-10 people -31%
- More than 10 people – 38%

DEMOGRAPHICS OF THE POPULATION (CONT'D)

Sector Representation:

- **Parastatals and Local authorities:** The highest participation rate was from the parastatal and local authorities sector, accounting for 47.3% of the participants
- **Other State Enterprises:** The survey included 16.4% of participants from other state enterprises.
- **Listed Companies:** Approximately 19.2% of participants represented listed companies.
- **Non-Listed Companies and NGOs:** 17.1% of participants came from non-listed companies and non-governmental organizations (NGOs).

The majority of participants, comprising 63.7%, were auditors working within the government sector (parastatals, local authorities and other state enterprises) showing the prevalence of auditors from the government sector. Understanding these demographics helps contextualize the survey findings and provides a clearer understanding of the perspectives and experiences of the participants in relation to the internal audit state of ethics in Zimbabwe.

1.3 ETHICS FRAMEWORK (2017 and 2024 Standards)

The Survey was based on the 2017 Standards principles of Integrity, Competence and due professional care, Independence and Objectivity, and Confidentiality.

The 2024 Global Internal Audit Standards were released in January 2024 and will become effective in January 2025. Below is the Global Internal Audit Standards framework showing the five domains including the Ethics and Professionalism (Domain II).



Conformance with the principles is mandatory for all internal auditor and serves to instil trust in the profession and create a culture of good ethics with audit shops/functions and provides the basis with which auditors' work and judgement are relied on. The Chief Audit Executive remains accountable for conformance to the standards of ethics and professionalism, however, may delegate responsibilities for the management of the same within the audit shop.

Domain II – Ethics and Professionalism (IIA, 2024)

	Principle1	*Principle2	**Principle3	Principle4	Principle5
2017 Standards	Integrity	Independence and Objectivity	Competency and Due Professional Care		Confidentiality
2024 Standards	Integrity	Objectivity	Competency	Due Professional Care	Confidentiality

***Change 1 – Independence and Objectivity is just now Objectivity.**

****Change 2 – Competency and Due professional care was split.**

DETAILED ANALYSIS

2.0 OVERALL INDEX

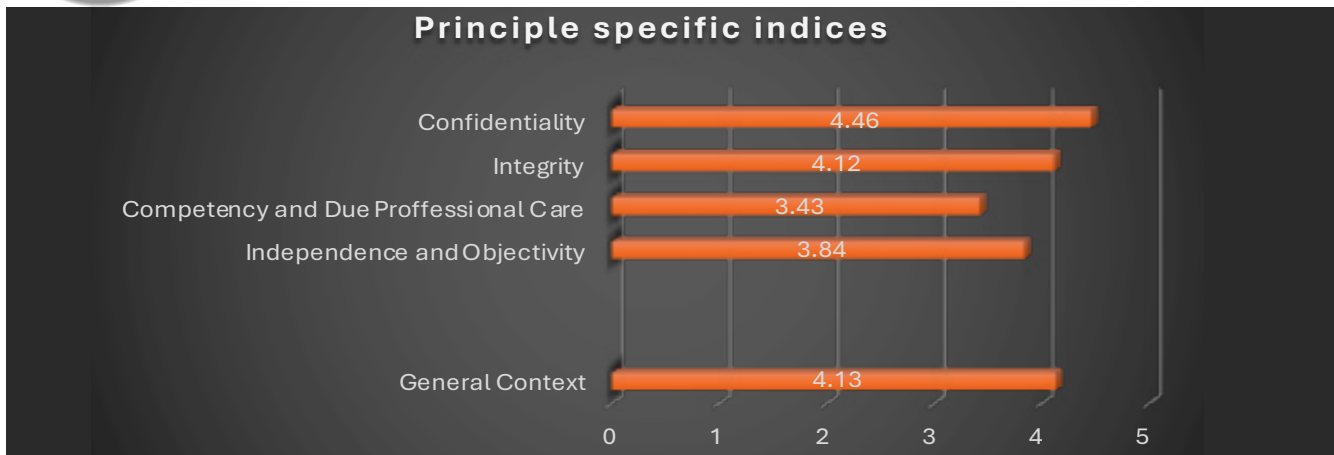
The data provided represents the survey responses on the internal audit state of ethics in Zimbabwe. Each dimension is rated on a scale of 1 to 5, with 5 being the highest score.

General Context: The dimension of General Context received a score of 4.13 out of 5. This indicates a relatively good understanding of the IIA code of ethics and familiarity with enforcement mechanisms and disciplinary actions (IIA Bylaws- the Process for Disposition of Code of Ethics Violation, and the Process for Disposition of Certification Violation) associated with breaches of the IIA Code of Ethics

Overall Index: The overall index received a score of 3.96 out of 5. This indicates a moderate level of ethical practices within the internal audit profession in Zimbabwe, as perceived by the participants. While there are areas that require improvement, particularly in the dimensions of Independence and Objectivity, and Competency and Due Professional Care, the overall score suggests a relatively positive state of ethics

Overall Organisational Ethics Index: The organizational ethics score of 3.58 out of five indicates that there is room for improvement in ethical practices within the organization as perceived by internal auditors. While above average, the score suggests that certain ethical issues or concerns have been identified.

2.1 ETHICS INDICES BY PRINCIPLE CATEGORY



Independence and Objectivity

The dimension of Independence and Objectivity received a score of 3.84 out of 5. This suggests that there is room for improvement in maintaining independence and objectivity within the internal audit profession in Zimbabwe.

The participants indicated that in the course of their work, they have encountered personal conflict of interest, restrictions on access to records/personnel/properties, and or resource limitations, this question received the lowest score at 2.92. Of note, positively was that most of the audit functions report to the Board through the Audit Committee, which received a score of 4.54. About 21% of the participants, however, have audit functions that still report to either the CEO or Finance Director/Manager, which limits internal audit independence. The survey also revealed that there might be instances where material facts are withheld due to fear of repercussions, and or victimization receiving a score of 3.60.

The ethical dilemma presented under this principle *'You have been requested to investigate a high-ranking executive who happens to be a close personal friend or relative of your family. How would you handle the situation?'* was answered appropriately by the generality of the participants, receiving a score of 4.77, demonstrating an understanding of the application of the principle.

Competency and Due Professional Care

The dimension of Competency and Due Professional Care received a score of 3.43 out of 5. This suggests that there may be gaps in skills, knowledge, or adherence to professional standards among internal auditors in Zimbabwe, with some indicating that they have carried audits in areas they did not have sufficient knowledge on (3.38). It should also be noted that a considerable number of audit functions have not gone through a Quality Assessment and Improvement program in the last five years, with a score of 2.77.

While the scores were relatively low as given in the last paragraph, the participants demonstrated a very good understanding of the best course to follow in the ethical dilemma presented under this

principle, *'You have been assigned to audit a complex financial transaction that requires specialized knowledge and expertise, what would you do?'* receiving a score of 4.26.

Integrity

The dimension of Integrity received a score of 4.12 out of 5. This indicates a very positive perception of integrity within the internal audit profession in Zimbabwe. Participants view integrity as an important aspect of their work and believe that ethical behavior is valued and practiced to a significant extent. Of concern, however, was that there have been instances where some of the participants have exhibited lack of integrity by prioritizing their personal interests resulting in conflict of interest in their work (3.95).

The ethical dilemma presented, *'You uncover evidence of intentional financial manipulation by your company's management during an audit. How would you handle this situation while upholding your professional integrity as an auditor?'* received a score of 3.84 indicating that there is a moderate understanding of the application of this principle which might then affect auditor integrity in real terms.

Confidentiality

The dimension of Confidentiality received a score of 4.46 out of 5. This suggests a strong adherence to confidentiality in the internal audit profession in Zimbabwe, which might not be surprising given the nature of the internal audit job. Participants perceive that there are robust measures in place to protect sensitive information and maintain confidentiality in their audit processes.

The ethical dilemma *'You discover that your organization is planning to retrench employees (which might also include you) during the normal conduct of your audit work. Leaking the information has the potential of halting the retrenchment through worker industrial action before announcement. How would you navigate the ethical dilemma of maintaining confidentiality while balancing self-interest?'* was responded very well receiving a score of 4.56.

36%

generally agreed that they have found themselves withholding some material facts due to fear of victimization/intimidation.

60%

have encountered personal conflict of interest, restrictions on access to records/personnel/properties/resource limitations in the conduct of their work.

43%

have carried out an audit in an area that they did not have sufficient knowledge, skills, and other competencies required for effectiveness.

46%

have not had 40 or more CPD hours for continuous professional development in the last year.

66%

have not had an external quality assessment in the last 5 years.

8%

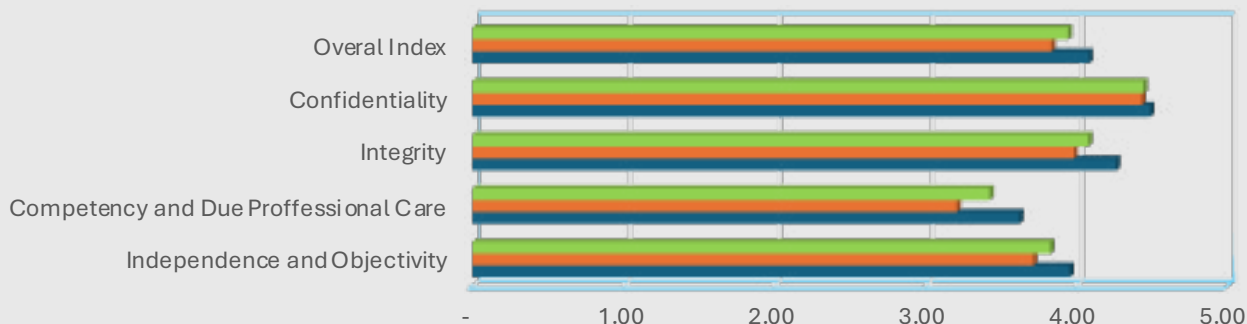
have knowingly, been party to an illegal activity, or engage in acts that are discreditable to the profession.

10%

have leaked, deliberately or not, critical information acquired in the course of normal duties.

2.2 ETHICS INDICES BY POSITION HELD

Ethics Index by Position



	Independence and Objectivity	Competency and Due Professional Care	Integrity	Confidentiality	Overall Index
SIA	3.83	3.43	4.08	4.45	3.95
IA	3.72	3.21	3.99	4.44	3.84
CAE	3.96	3.63	4.27	4.49	4.09

■ SIA ■ IA ■ CAE

Independence and Objectivity: The CAEs have an average score of 3.96 for Independence and Objectivity with SIA having an average score of 3.83 which is slightly lower than the CAEs and IAs, 3.72 which is the lowest among the three positions.

Competency and Due Professional Care

The CAEs have an average score of 3.63 for Competency and Due Professional Care, 3.43 for SIAs and 3.21 for IAs, being the lowest.

Integrity

Average scores of 4.27, 4.08 and 3.99 for Integrity for CAEs, SIAs and IAs respectively with CAEs being the highest among the three positions.

Confidentiality

For confidentiality, the attained average scores were 4.49, 4.45 and 4.44 respectively.

Overall Score

The CAEs have an average overall score of 4.09. The SIAs have an average overall score of 3.95. The IAs have an average overall score of 3.84.

Based on these figures, the CAEs generally have the highest scores across most of the indices, indicating a relatively higher level of performance in terms of Independence and Objectivity, Competency and Due Professional Care, Integrity and Confidentiality. The SIAs typically have scores that fall between the CAEs and the IAs. The IAs have the lower indices across the principles.

There could be several reasons for this pattern:

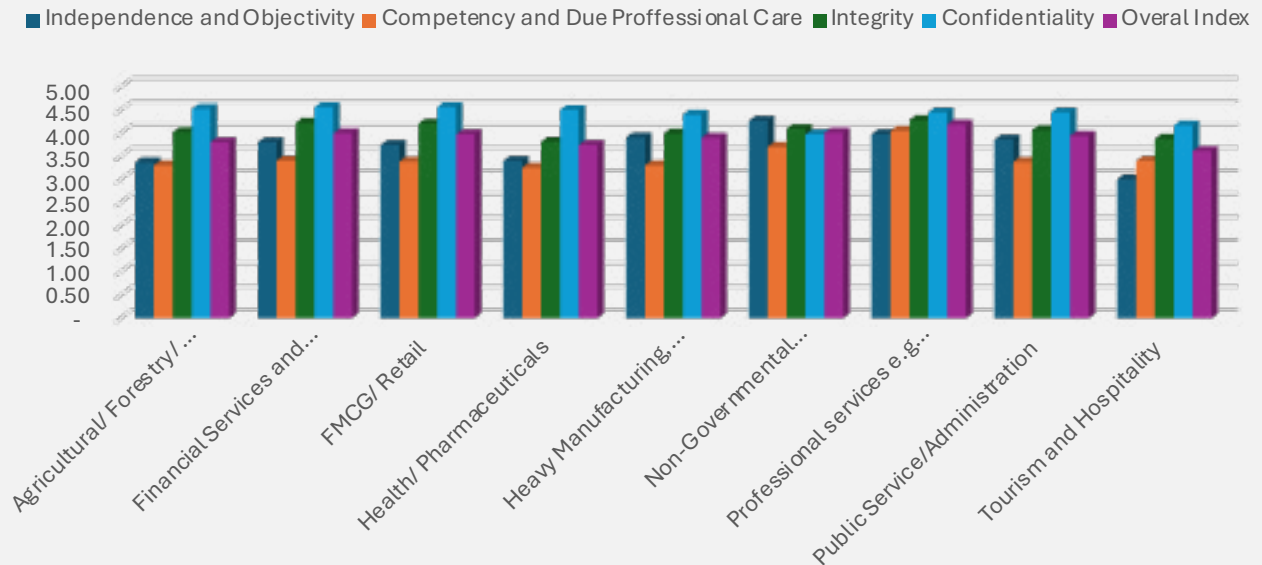
- 1. Experience and seniority:** Chief Audit Executives (CAEs) are typically more experienced and hold higher-level positions within the organization. Their seniority and experience may contribute to a higher level of expertise, knowledge, and understanding of ethical principles and practices.
- 2. Leadership and influence:** CAEs often play a crucial role in setting the tone at the top and establishing ethical standards within the organization. Their influence and leadership may result in a stronger emphasis on ethical behavior and adherence to ethical principles.
- 3. Oversight and accountability:** CAEs are responsible for overseeing the internal audit function and ensuring its effectiveness and compliance with relevant standards. This responsibility may lead to a higher level of scrutiny and accountability, motivating CAEs to prioritize and maintain strong ethical practices within their teams.
- 4. Resources and support:** CAEs may have access to more resources, including training and development opportunities, which can enhance their knowledge and skills related to ethical practices.

General Context

The CAEs have an average score of 4.20 with SIAs having 4.22 and IAs, 4.00 for the general context. More or less same scores across positions can be noted, which scores are very positive being above 4.0. This could be due to the fact that most participants were members of the Institute and therefore are aware of the IIA code of ethics and related by-laws.

2.3 ETHICS INDICES BY INDUSTRY

Domain Specific Indices by Industry



Most participants, in absolute terms, were from Public service and Administration (56), Financial Services (40) and Heavy metals and energy (17).

From the analysis, the following can be observed:

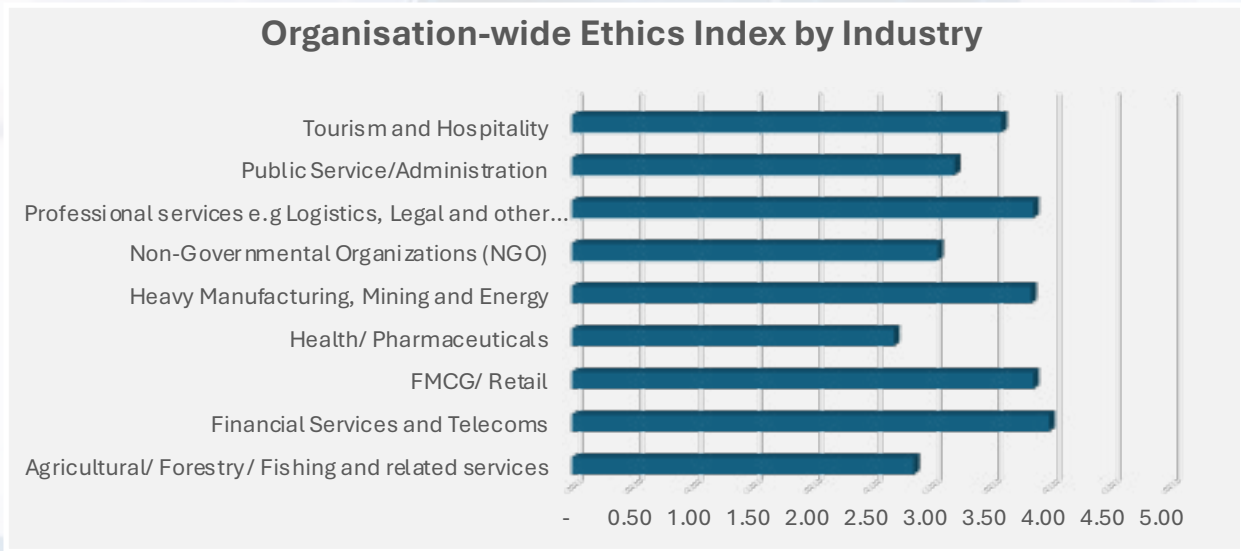
- The industry with the highest Overall Index of above 4.0 is Professional services (4.19), followed by NGOs (4.41) then Financial Services (4.0) indicating a relatively high level of ethical practices. This could be that these industries are highly regulated.
- The industry with the lowest Overall Index scores are Tourism and hospitality (4.01), which only had one participant, and Health and Pharmaceuticals (3.74), which had 2 participants suggesting the need for improvement in ethical standards.
- The Public Service and Administration including Local Authorities had a score of 3.94, which is a moderate score.

- Confidentiality scores were generally high across all industries, indicating a strong emphasis on protecting sensitive information.

** It's important to note that the number of participants may impact the reliability and representation of the Organizational Ethics Indices. Industries with a larger number of participants, such as Public Service/Administration (56), may offer a more comprehensive reflection of the overall ethical performance compared to industries with fewer participants, such as Health/Pharmaceuticals (2).*

2.4 ORGANISATIONAL ETHICAL CULTURE INDEX BY INDUSTRY

The Organizational Ethics Index provides an overall measure of ethical performance within each industry as perceived by internal auditors.



The resultant Organizational Ethics Index shows variations in ethical practices within different industries with Public Service with the highest participants scoring 3.87 compared to Financial Services with the highest score 4.0. The high indices in Financial Services could be due to the nature of industry being highly regulated to protect depositor funds therefore requiring high levels of ethics inherently.

There is a need for concerted efforts to inculcate ethics into the culture of organisations as well as incorporate ethics in corporate strategy.

49%

responded that
their Organisation's
culture is above
average.

58%

agreed that their
organisation is
committed to a strong
ethical and control
environment to include
the protection of
whistleblowers.

56%

agreed that their
organisation
has an effective
whistleblowing facility.

70%

agreed that
their Leadership
consistently
demonstrates
ethical leadership.

74%

agreed that their
Organisation has a very
good code of ethics/
conduct.

2.5

CHIEF AUDIT EXECUTIVE FOCUS GROUP VALIDATION

To counter possible systemic biases that come with self-reporting, a focus group with seven Chief Audit Executives to discuss the results was held. The results were held plausible with the main reason being that 76.7% of the population was IIA(Z) members: -

- General Context: 4.13 out of 5. Internal Auditors are expected to have a general to moderate appreciation of the Code of ethics and its prescriptions due to availability of resources to IIA members.
- IA Ethics Index: 3.96 out of 5. Fair representation as in Zimbabwe, the focus group members were not aware of any issues raised in newspapers that implicated Internal Auditors in fraud and or unethical behavior.
- The government sector dominance influenced to a greater extent the indices, however, this was reflective of the composition of membership within IIA (Z).

LOOKING AHEAD

There are several key considerations and recommendations in relation to this report that can be proffered:

- 1. Invest in Competency Development:** The analysis revealed potential gaps in skills, knowledge, and adherence to professional standards among internal auditors. To address this the following should be considered: -
 - The Institute and member organisations should prioritize targeted training and development programs that focus on enhancing competency, promoting continuous learning and enhancing auditor ethics in accordance with the needs of a specific group of auditors.
 - Audit functions should consider outsourcing/insourcing/co-sourcing in areas of inadequacy of skills and other competencies.
 - Mentorship programs should be prioritized within audit functions as the survey revealed that ethical awareness and conduct across all four of the dimensions measured increased with the rise in position of internal auditors.
 - There is a need to leverage Technology and Data Analytics to include artificial intelligence tools such as ChatGPT, to enhance the efficiency and quality of audit work.
 - In order to promote External quality assessments, the Institute should promote self-assessments within audit functions of member organisations in preparation for external assessments.
- 2. Strengthen Independence and Objectivity:** Given the identified areas of improvement in maintaining independence and objectivity, it is crucial for internal audit professionals and organizations to enhance their practices in these areas. This can be achieved through robust governance structures, clear reporting lines that allow for organisational independence, and the establishment of ethical guidelines within organisations that promote independence and objectivity.
- 3. Thought leadership and Collaboration with other professional bodies:** Internal audit professionals and organizations should actively engage in knowledge sharing and collaboration initiatives. This can include collaboration with other professional bodies such as IoDZ, ACCA, ICAZ among others to share best practices, and learn from experiences of others across networks. Collaboration will foster a collective effort to raise ethical standards, not just within the internal audit profession but across organizations nationwide.
- 4. Knowledge Sharing with stakeholders:** This can be done through targeted workshops by the Institute with stakeholders such as Audit Committees. Information such as the need to demand External Quality Assessment from Audit functions can then be imparted.
- 5. Foster a Culture of Ethics within organisations:** Organizations should prioritize the development of a strong ethical culture that permeates throughout the entire organization. This can be achieved through integrating ethics into corporate strategy and performance management. Other measures include effective communication of ethical standards, regular training sessions, and the establishment of clear mechanisms for reporting unethical behavior in organisations including the protection of whistleblowers. This initiative can be facilitated by Internal Auditors.
- 6. Sector/Industry-Specific Focus:** Given the variations in ethical practices across sectors and industries, it is important for each sector or industry to address its specific challenges. Sector-specific codes of conduct and guidelines can be developed to ensure ethical behavior is aligned with the unique characteristics and requirements of each industry.
- 7. Member support on ethical challenges:** The Institute should establish a channel for assisting members with ethical challenges encountered in the normal course of audit work.

By implementing these recommendations, the internal audit profession in Zimbabwe can work towards further strengthening ethical practices and ensuring effective governance across industries.

LIMITATIONS

The demographics of the participants in the survey can impact the findings in several ways:

Job Titles

Different job roles may bring varying perspectives and experiences, influencing responses and providing insights into ethical practices at different levels within the internal audit profession.

Membership Status: Differentiating between members and non-members of the professional association can affect the findings, as members may be more familiar with professional standards and ethical guidelines.

Gender Distribution

Varied gender representation can offer insights into potential differences in perspectives and experiences related to ethics within the internal audit profession.

Sector Representation

Participation from different sectors introduces sector-specific dynamics, reflecting unique ethical challenges, regulatory frameworks, and organizational cultures.

Government Sector Dominance

Overrepresentation of auditors from the government sector may bias the findings towards government-related ethical issues and may not fully capture ethics in other sectors.

Considering these demographic influences is crucial for accurately interpreting the survey findings and understanding the specific contexts and dynamics shaping the state of ethics within Zimbabwe's internal audit profession.



ACKNOWLEDGEMENTS

- Sincere appreciation to Dr. Ivony Katsande-Zezekwa for her diligent efforts towards this project.
- The Institute would like to express its gratitude to all the 146 internal auditors who answered to the call of ethics and professionalism advancements within the profession and participated in the survey.
- Our heartfelt thanks to the Chief Audit Executives that participated in the focus group, Barbra Svosve, Godwin Kudumba, Joseph Mujongodi, Sydney Faifi, Tomson Zvidzai, Docas Makusha and Reginald Gumbo, for their invaluable contributions, which greatly enhanced the quality and impact of this project on the state of ethics in Zimbabwe's internal audit profession.

APPENDIX – THE SURVEY QUESTIONNAIRE

General Context

I am familiar with the IIA's Code of Ethics for internal auditors?	I am familiar with the enforcement mechanisms and disciplinary actions (IIA Bylaws- the Process for Disposition of Code of Ethics Violation, and the Process for Disposition of Certification Violation) associated with breaches of the IIA Code of Ethics?	Index
4.47	3.80	4.13

Independence and Objectivity

The Chief audit executive in my organization has a direct (functional) reporting line to the Audit Committee/ Board.	In my normal conduct of work, I have found myself withholding some material facts known to me that, if not disclosed, may distort the reporting of activities under review due to fear of victimization/ intimidation?	I have encountered personal conflict of interest, restrictions on access to records/ personnel/properties, and or resource limitations in the conduct of my work?	With reference to the above, if yes, I disclosed such to my superiors and or the Board (if you are a CAE)? If N/A, choose 3.	You have been requested to investigate a high-ranking executive who happens to be a close personal friend or relative of your family How would you handle the situation?	Index
4.54	3.60	2.92	3.37	4.77	3.84

Competency and Professional Due Care

I have carried out an audit in an area that I did not have sufficient knowledge, skills, and other competencies required for effectiveness?	My audit function has declined an advisory engagement or obtained competent advice and assistance before, based on lack of required knowledge, skills, or other competencies required e.g. IT, ESG, Specific technical operations?	In the last year, I have had 40 or more CPD hours for continuous professional development?	My audit function has had at least one External Quality Assessment in the past 5 years?	You have been assigned to audit a complex financial transaction that requires specialized knowledge and expertise. How would you handle the situation?	Index
3.38	3.25	3.47	2.77	4.26	3.43

Integrity

I am comfortable about raising ethical concerns within my organization?	In my career, I have, once or more times, not disclosed material regulatory or policy breaches because of possible personal or organisational conflict of interest?	I have knowingly, been party to an illegal activity, or engage in acts that are discreditable to the profession of internal auditing or to the organization.	You uncover evidence of intentional financial manipulation by your company's management during an audit. How would you handle this situation while upholding your professional integrity as an auditor?	Index
4.25	3.95	4.42	3.84	4.12

Confidentiality

In my career, I have leaked, deliberately or not, critical information that I would have acquired in the course of my duties?	I have taken advantage of situations for personal gain based on the information that I would have acquired in the course of my duties?	You discover that your organization is planning to retrench employees (which might also include you) during the normal conduct of your audit work. Leaking the information has a potential of halting the retrenchment through worker industrial action before announcement. How would you navigate the ethical dilemma of maintaining confidentiality while balancing self-interest?	Index
4.41	4.41	4.56	4.46

Organisational Ethics

The overall ethical culture within my organization is Excellent (5).	My organization has a very good code of ethics/ conduct. Choose 1, if it does not have one in place.	I believe that ethical behavior is consistently demonstrated by the leadership team in my organisation.	My organization has an effective whistle blowing facility? Choose 1 if it does not have.	I am satisfied with my organization's efforts to promote ethical behavior and maintain a strong internal control environment including the protection of whistleblowers and internal auditors?	Index
3.54	3.77	3.73	3.34	3.51	3.58

IIAZ IN PICTURES





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