



International Professional
Practices Framework

Implementation Guide 2420

Standard 2420 – Quality of Communications

Communications must be accurate, objective, clear, concise, constructive, complete, and timely.

Interpretation:

Accurate communications are free from errors and distortions and are faithful to the underlying facts. Objective communications are fair, impartial, and unbiased and are the result of a fair-minded and balanced assessment of all relevant facts and circumstances. Clear communications are easily understood and logical, avoiding unnecessary technical language and providing all significant and relevant information. Concise communications are to the point and avoid unnecessary elaboration, superfluous detail, redundancy, and wordiness. Constructive communications are helpful to the engagement client and the organization and lead to improvements where needed. Complete communications lack nothing that is essential to the target audience and include all significant and relevant information and observations to support recommendations and conclusions. Timely communications are opportune and expedient, depending on the significance of the issue, allowing management to take appropriate corrective action.

Revised *Standards*, Effective 1 January 2017

Getting Started

Communication occurs throughout the engagement. Therefore, Standard 2420 is applicable at all stages of the engagement, including planning and performing the engagement, communicating results, monitoring progress, and communicating the acceptance of risk. Because high-quality engagement communications are critical, internal auditors pay great attention to detail when drafting communications and consider the characteristics of quality communications outlined in the Interpretation of Standard 2420.

To ensure conformance with Standard 2420, internal auditors should understand the organization's expectations for communication, including stakeholder expectations regarding communication deadlines. These typically are addressed by a pre-established communication plan, as explained in Implementation Guide 2410 – Criteria for Communicating.

Internal auditors may review the internal audit activity policies and procedures, which are often compiled in an internal audit manual, to identify any templates that should be used; templates generally help ensure proper, consistent communication during all phases of the engagement. Reviewing the writing style guidelines used by the organization before drafting the final communication may help internal auditors present the final communication in alignment with the organization's accepted writing style.

Considerations for Implementation

The Interpretation of Standard 2420 defines specific characteristics of quality communications: accurate, objective, clear, concise, constructive, complete, and timely. Internal auditors may consider the following additional information related to each:

- **Accurate** – The Interpretation notes that accurate communications are free from errors and distortions and faithful to the underlying facts. To maintain accuracy, it is important to use precise wording supported by evidence gathered during the engagement. Additionally, according to The IIA's Code of Ethics, internal auditors are required to “disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.” If an error in communications does occur, the



chief audit executive (CAE) must communicate the corrected information, as described in Standard 2421 – Errors and Omissions.

- **Objective** – To ensure objectivity in communications, internal auditors use unbiased phrasing and focus on deficiencies in processes and their execution. Objectivity begins with the unbiased mental attitude that internal auditors should possess when performing engagements. Objectivity is an ethical principle described in The IIA’s Code of Ethics and Standard 1120 – Individual Objectivity. The Core Principles for the Professional Practice of Internal Auditing also highlight the importance of objectivity and specify that for an internal audit activity to be considered effective, the internal auditors and the internal audit activity should be objective and free from undue influence (independent).
- **Clear** – Clarity in communications is increased when internal auditors use language that is easily understood by the intended audience and is consistent with terminology used in the industry and by the organization. Furthermore, clear communications avoid unnecessary technical language. The Interpretation of Standard 2420 also points out that clear communications are logical, a hallmark of the systematic, disciplined, and risk-based approach of internal audit work. As such, clarity is enhanced when internal auditors communicate important observations and findings and logically support recommendations and conclusions for a particular engagement.
- **Concise** – Internal auditors ensure that communications are appropriately concise by avoiding redundancies and excluding information that is unnecessary, insignificant, or unrelated to the engagement.
- **Constructive** – It is helpful for internal auditors to use a constructive tone throughout the communication that reflects the severity of the observations. Constructive communications enable a collaborative process for determining solutions that facilitate positive change in the subject of the engagement and/or the organization. Ultimately, as indicated by the Definition of Internal Auditing, internal auditors seek to help the organization accomplish its objectives.
- **Complete** – To ensure completeness of communications, it is helpful for internal auditors to consider any information essential to the target audience. Complete



written communications generally enable the reader to reach the same conclusion as the internal audit activity did.

- **Timely** – Finally, it is important that internal auditors submit all communications by the deadlines established during the planning phase. Timeliness may be different for each organization. To determine what is timely, internal auditors often benchmark and conduct other research relative to the engagement subject. Additionally, the CAE or the internal auditor may establish key performance indicators that measure timeliness.

Considerations for Demonstrating Conformance

Materials that may demonstrate conformance with Standard 2420 include final communication documents approved by the chief audit executive, as well as supporting documents. Internal auditors should be able to show that such documents align with the final communication plan. In the case of communications that occur without a written report, meeting minutes may provide evidence of conformance.



About The IIA

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About Implementation Guidance

Implementation Guidance, as part of The IIA's International Professional Practices Framework® (IPPF®), provides recommended (non-mandatory) guidance for the internal audit profession. It is designed to assist both internal auditors and internal audit activities to enhance their ability to achieve conformance with the *International Standards for the Professional Practice of Internal Auditing (Standards)*.

Implementation Guides assist internal auditors in applying the *Standards*. They collectively address internal audit's approach, methodologies, and consideration, but do not detail processes or procedures.

For other authoritative guidance materials provided by The IIA, please visit our website at www.globaliia.org/standards-guidance or www.theiia.org/guidance.

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