



International Professional
Practices Framework

Implementation Guide 2210

Standard 2210 – Engagement Objectives

Objectives must be established for each engagement.

Revised *Standards*, Effective 1 January 2017

Getting Started

Standard 2210 clearly states that internal auditors must establish objectives as a part of planning for each engagement. Objectives typically are developed based on key risks that have been identified related to the area or process under review.

Generally, internal auditors begin the process of establishing engagement objectives by reviewing the planning considerations (see Implementation Guide 2201 – Planning Considerations) and the annual internal audit plan to attain a complete understanding of why the engagement is being conducted and what the organization aims to achieve. Internal auditors may find it helpful to begin with an understanding of the organization’s mission, vision, and short-term and long-term goals, as well as key policies and procedures and how they relate to the area or process under review. Additionally, it is important for internal auditors to attain a thorough understanding of the strategies, mission, and objectives of the area or process under review, as well as its inputs and outputs.

Prior to establishing the engagement objectives, it is helpful for internal auditors to determine whether a risk assessment was performed during the engagement’s planning phase and to

attain a thorough understanding of the risks of both the organization and the area or process under review. In addition, it is critical to understand the expectations of stakeholders including senior management and the board.

Considerations for Implementation

Internal auditors can formulate preliminary objectives of engagements through a review of the annual internal audit plan and prior engagement results, discussions with stakeholders, and consideration of the mission, vision, and objectives of the area or process under review. The preliminary objectives are further enhanced through risk assessment exercises to cover the governance, risk management, and controls of the area or process under review. The engagement objectives articulate what the engagement is specifically attempting to accomplish and determine the engagement scope (see Implementation Guide 2220 – Engagement Scope).

Engagement objectives help internal auditors determine which procedures to perform. They also help internal auditors prioritize risk and control testing of processes and systems during the engagement. Risk and control testing generally provides assurance regarding design adequacy, operating effectiveness, compliance, efficiency, accuracy, and reporting.

It is important for internal auditors to establish objectives that have a clear purpose, are concise, and link to the risk assessment. Often, internal auditors utilize best practices and frameworks, such as The Committee of Sponsoring Organizations of the Treadway Commission's frameworks or ISO 31000, when establishing objectives to address risks and controls.

During engagement planning, it is helpful for internal auditors to develop a planning memo, where they can document the objectives, scope, risk assessment, and prioritized areas for testing. The planning memo is also an important document to communicate engagement objectives, scope, and other important background information to audit team members.

Implementation Guide 2300 – Performing the Engagement provides additional guidance on how to achieve the engagement objectives.

Considerations for Demonstrating Conformance

Documents that may demonstrate conformance with Standard 2210 include the planning memo containing the engagement objectives, as well as the approved audit work program, which also lists the objectives. The engagement objectives should be articulated in the final engagement communication as well.

Additional documentation that may illustrate conformance includes supporting records for the engagement, such as meeting minutes or discussion notes from interactions with stakeholders. These documents may show how the engagement objectives were derived. Additionally, internal audit policies and procedures that describe which steps internal auditors should take during an engagement may help demonstrate conformance with Standard 2210.

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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.

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