

Challenges & Opportunities

Building a Stronger Texas
Government Internal Audit Workforce



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Introduction

Professional development is a shared responsibility between employees and their organization's management to achieve common goals and objectives. However, there is no universal solution to enhancing employee engagement. Understanding the ability, motivation, and opportunity factors that impact employees' learning and professional development is crucial for effective training and development plans. Research indicates that some employees find motivation from the organization's mission, whereas career opportunities are primary motivators for others; additionally, there are some employees who stay in a position because of no options.¹

Insights into these orientations can help the organization understand the drivers of employee motivation. By understanding different factors that affect individual outcomes of employees, organizations can:

- Foster a culture of learning and growth
- Increase employee engagement and satisfaction
- Improve organizational performance

The study reviewed the professional development activities of internal auditors across various state agencies within the Texas Government, specifically their pursuit of industry certifications. The primary objective of this project was to examine the factors associated with pursuing the Certified Internal Auditor (CIA) certification, identify potential reasons for the declining number of CIAs within the Texas Government Internal Audit workforce, and propose strategies to address this issue.²

Research Insights

Studies on employee motivation and professional development found:

- Motivation-enhancing practices have the most significant impact on the individual performance of public sector employees (Blom et al., 2020). Herman et al. (2011) found that Mission-focused and Career-focused employees reported higher commitment, motivation, satisfaction, and support from the organization than the No-Options employees. Mission-focused employees reported higher intrinsic and lower extrinsic motivation than Career-focused employees.
- Intrinsic factors such as personal accomplishment, desire for personal growth, enhancement of job-related competencies, and professional commitment motivated employees to pursue professional certification much more than extrinsic factors such as financial and non-financial recognition and rewards (Abutabenjeh, 2015; Cumberland et al., 2018).
- Cumberland et al. (2018) study found that younger professionals were more likely to pursue certification for career advancement, whereas older professionals were motivated for personal satisfaction and a sense of accomplishment. Less-educated professionals were more likely to pursue certification for financial gain. In comparison, those with more education were more likely to pursue it to increase job-related knowledge and skills.

¹ Herman et al. (2011) study describe people who stay in their position because the organization's mission is Mission focused; Career focused, stay in the job to further their personal career; No Options stay because they currently see no other options for employment.

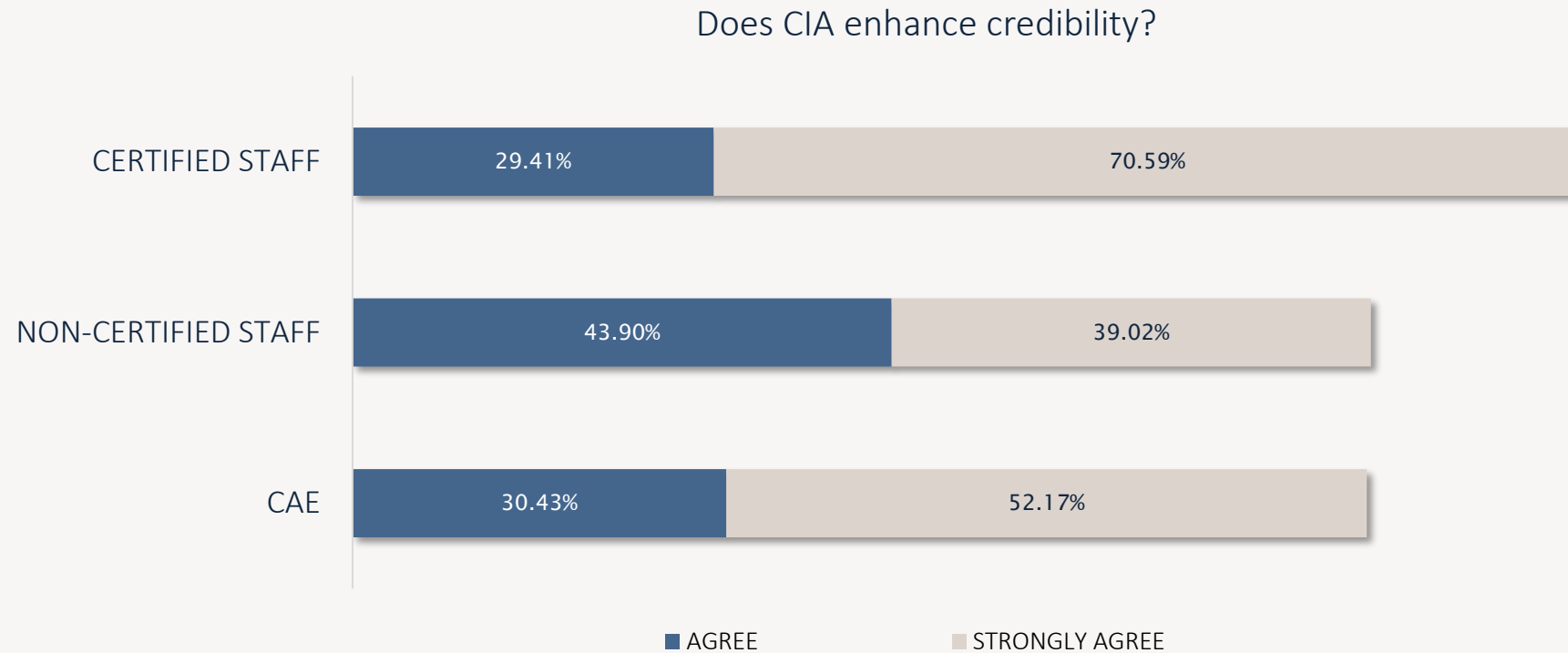
² Declining number of CIAs was anecdotal information provided in the research problem. Although several attempts were made to obtain CIA certification data for the state of Texas to identify potential trends, our requests were not fulfilled.

Key Takeaways

Overall, the Texas Government Internal Audit workforce perceives the CIA as important and valuable for the professional development of internal auditors. Survey respondents generally agreed that a CIA could enhance credibility, increase skills and knowledge, and provide career advancement opportunities for internal auditors. However, there is a mixed perception among respondents of the actual value and benefit of the CIA certification to personal and career goals.



Exhibit I: Perception of CIA Certification



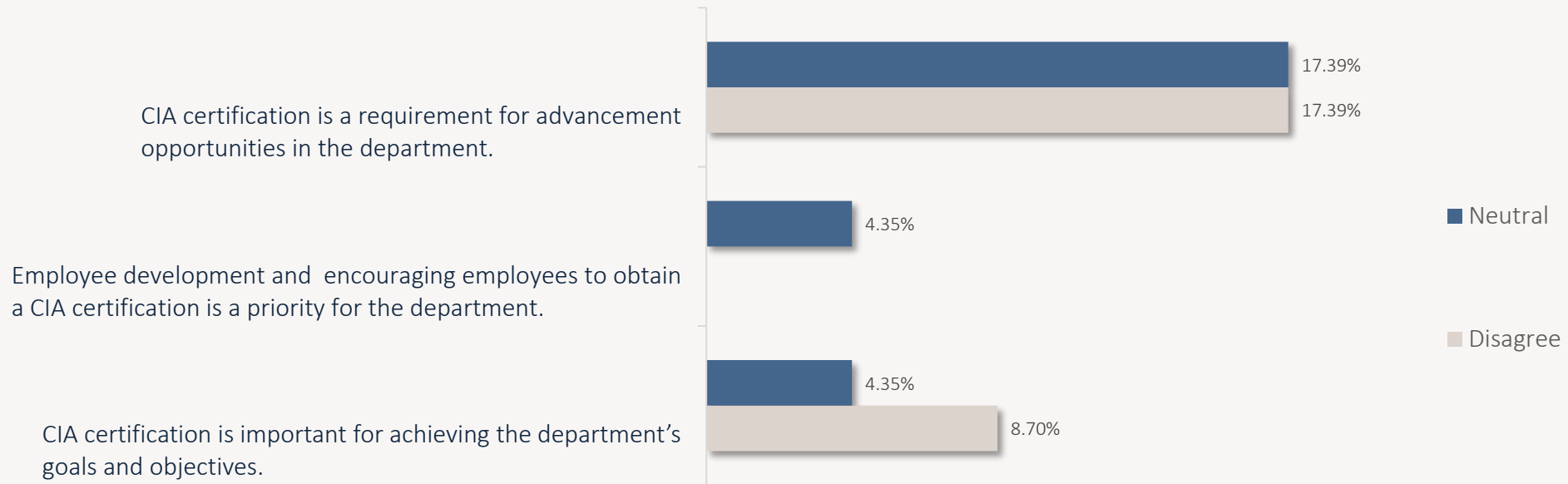
Source: Analysis of Survey Data

Key Takeaways

The Chief Audit Executives (CAEs) expressed varying views regarding the importance of staff obtaining CIA certification to achieve their departmental objectives and have differing stances for requiring the CIA for career advancement opportunities. Some non-certified audit staff expressed that they do not see the outcomes and benefits of obtaining a CIA certification as aligned with their personal and professional goals. Some certified staff believe that obtaining a CIA certification did not provide them with career advancement opportunities.

Texas Government Internal Audit departments should collaborate to develop and implement individualized training that emphasizes the value of the CIA certification to employees.

Exhibit II: CAE Perceptions of CIA Certification



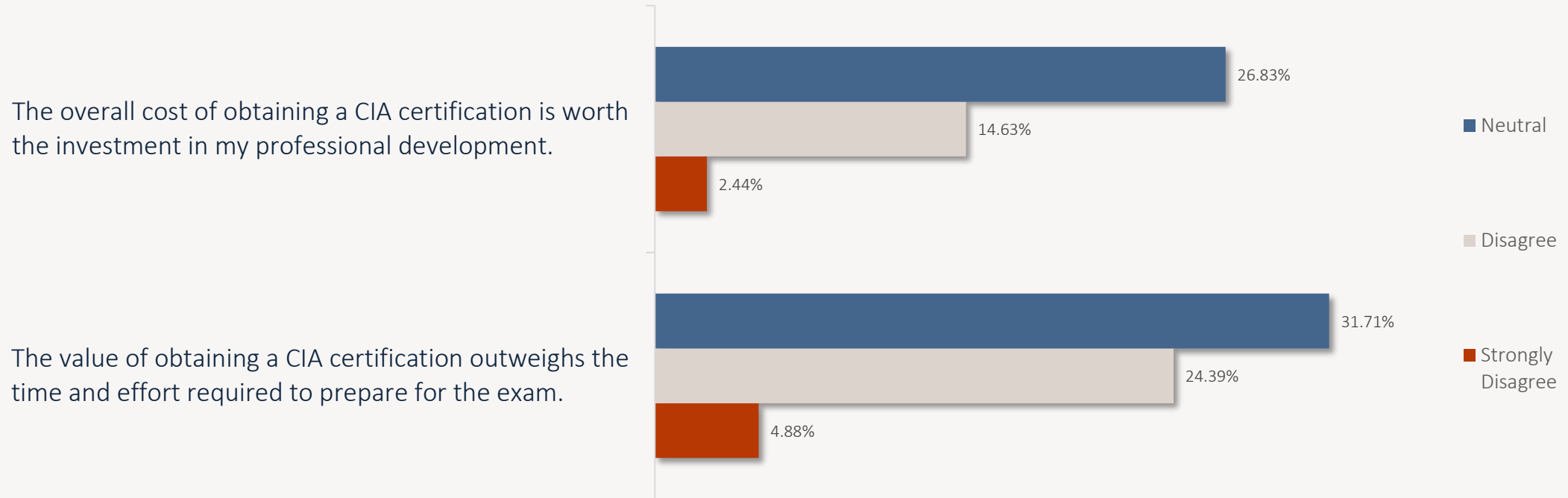
Source: Analysis of Survey Data

Key Takeaways

Some non-certified audit staff does not see the outcomes and benefits of obtaining a CIA certification as aligned with their personal and professional goals.



Exhibit III: Non-Certified Staff's Perception of CIA Benefits



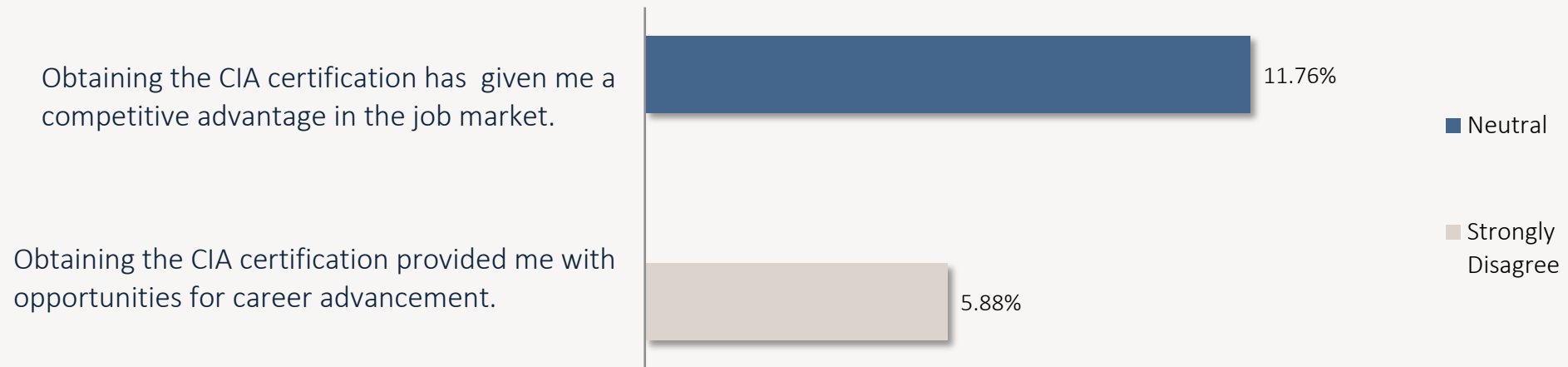
Source: Analysis of Survey Data

Key Takeaways

Some certified staff believe that obtaining a CIA certification did not provide them with career advancement opportunities.



Exhibit IV: Certified Staff Perceptions of CIA Certification Value



Source: Analysis of Survey Data

Upskilling Texas Government Internal Auditors

The Certified Internal Auditor (CIA) certification, issued by the Institute of Internal Auditors (IIA), is the only globally recognized internal audit certification. It validates an individual's internal auditing skills, knowledge of internal control frameworks, technology, risk management, and governance.⁴ In Texas, the Internal Auditing Act mandates that a state agency's Chief Audit Executive (CAE) hold either a CIA or a Certified Public Accountant (CPA) certification.⁵

Obtaining a CIA certification facilitates the development of additional skills in internal auditing standards, risk management, audit planning, business acumen, and fraud detection and prevention proficiency. Increasing the number of CIAs in Texas Government Internal Audit departments can strengthen the competencies of the internal audit function, increase job opportunities, and enhance career advancement for internal auditors. Internal auditors with the CIA certification can position Texas Government Internal Audit departments to build rapport with agency management.

Without sufficient certified internal auditors, the Texas Government Internal Audit workforce may lack the necessary knowledge, skills, and competencies to perform their responsibilities effectively. This may result in a significant talent gap, specifically when filling vacant CAE positions, and could require agency management to outsource key internal audit responsibilities.

Research and Industry Insights

- Research on internal audit effectiveness factors showed a positive relationship with the competence and skills of internal auditors (Bednarek, 2018).
- Studies conducted by Chan & Wu (2012) and Gumussoy & Kocakulah (2018) found that internal auditors with CIA certification were associated with higher levels of internal quality and audit effectiveness.
- Society for Human Resource Management (SHRM) cited the World Economic Forum's results that reported that companies indicated that by 2020, 54 percent of all employees would require significant upskilling,
- Protiviti's 2023 Next Generation Internal Audit Survey reported that fewer than six in ten internal audit functions have access to the talent they need across any of the 12 Next-Generation Internal Audit competencies.



⁴ Several other industry certifications enhance the competency of internal auditors. However, the focus of this project was the CIA certification, and therefore, the report aims to address the research based on the information collected from various sources.

⁵ The Texas Internal Auditing Act outlines the requirements for an Internal Auditor appointed by a governing board or administrator of a state agency, which is understood to be the equivalent of a Chief Audit Executive (CAE).

A decorative graphic on the left side of the slide. It features a large orange hexagon at the top left, a light blue hexagon at the bottom left, and a white hexagon with a thin orange outline to its right. In the center, overlapping these hexagons, is a photograph of several documents or reports with charts and graphs, suggesting data analysis or reporting.

Results

Analyses of responses collected from Texas Government Internal Auditors suggest that the perceived value and benefits of obtaining a CIA certification do not align with their personal and professional aspirations. The results are presented in four key themes in this report:

- Organizational support and resources
- Career prospects
- Exam content and cost
- Alternative career options

Observation 1: Organizational Support and Resources

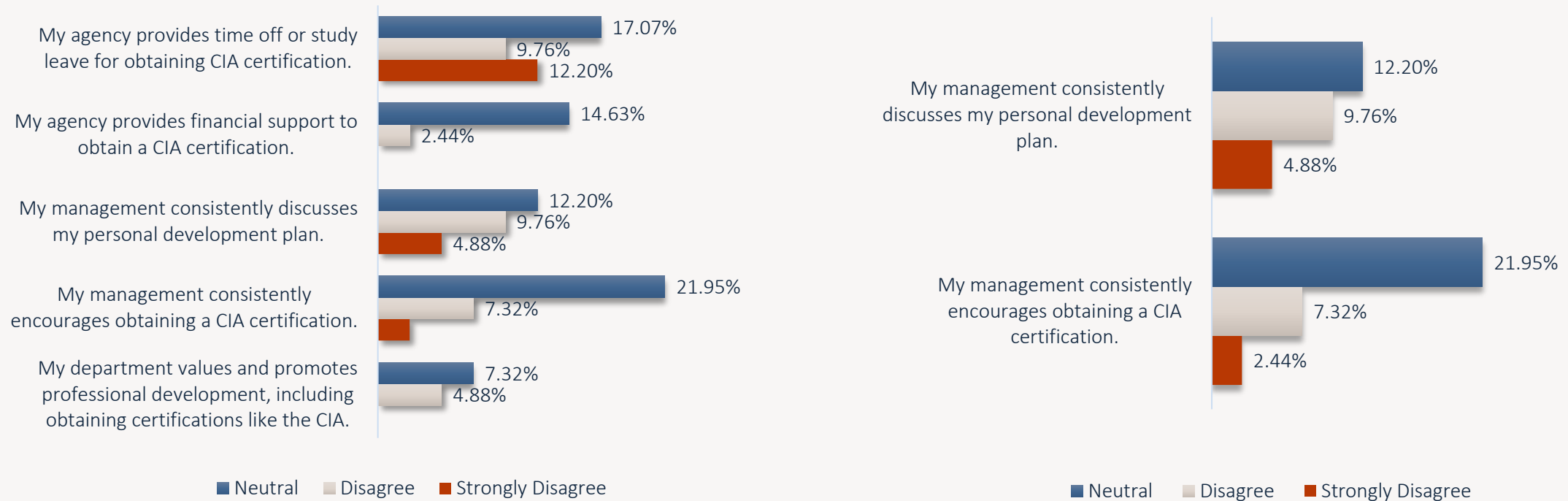
The absence of well-defined employee development plans and insufficient organizational resources may lead to decreased employee participation in professional development programs. Responses from staff indicate that there may be insufficient management support and resources encouraging employees to obtain the CIA certification.

Although most audit staff perceive their agencies value and promote obtaining the CIA, they also expressed uncertainties about their plans to pursue the certification.

Observation 1: Organizational Support and Resources

Survey responses indicated that while 88% of staff feel that their management promotes professional development and values certifications such as the CIA, additional responses suggest that some employees feel that the support and incentives provided are inadequate to motivate them to pursue the CIA.

Exhibit V: Departmental Support

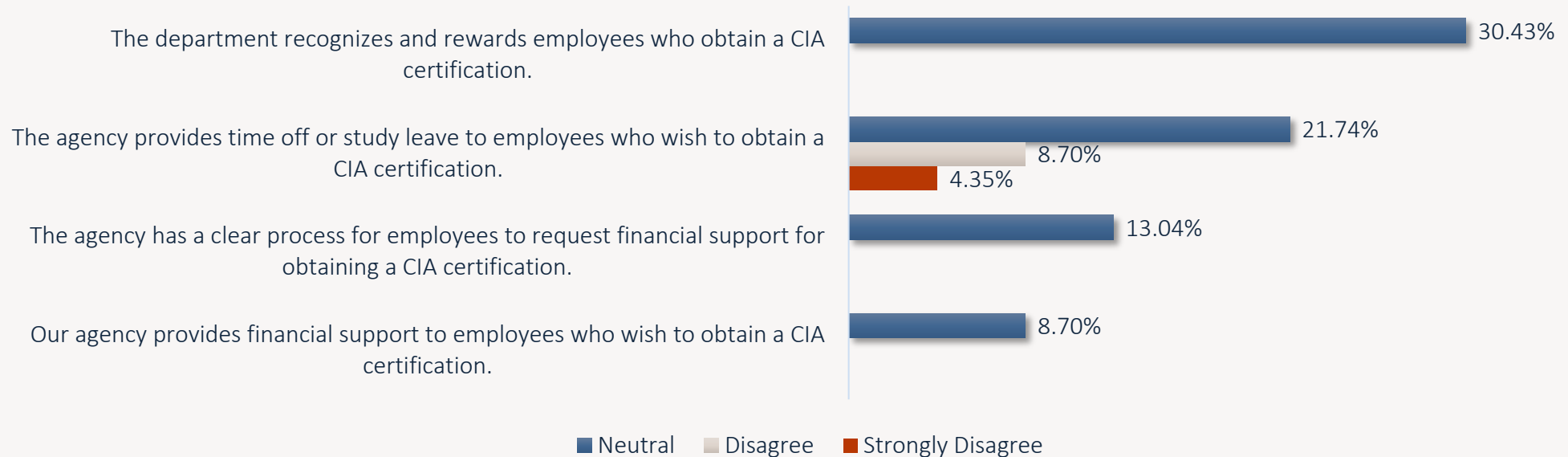


Source: Analysis of Survey Data

Observation 1: Organizational Support and Resources

The CAE responses seemed to align with the staff's perceptions and understanding of the management support and resources provided for professional development. CAE responses suggest that employee development and CIA certification are considered a priority for their department. However, some CAEs also appeared uncertain or seemed to disagree with the impact of the CIA certification on the quality of their staff's work. Furthermore, while the majority of CAEs indicated that financial support was available for professional development and certification endeavors, some CAEs expressed a neutral position on additional resources such as study time, leave, and incentives.

Exhibit VI: CAEs Vision and Perceptions of the CIA

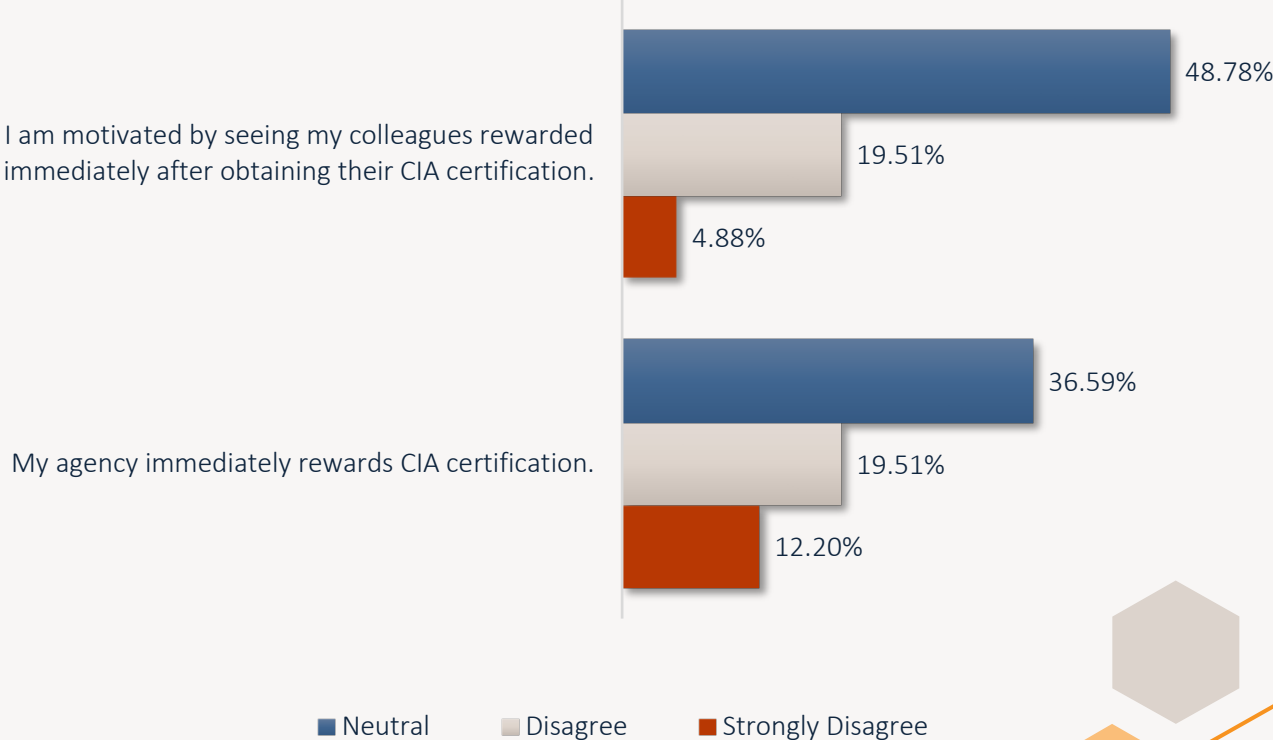


Source: Analysis of Survey Data

Observation 1: Organizational Support and Resources

Without adequate management support and resources to assist with exam costs and preparation, some staff may be unable to attempt the CIA certification. Moreover, staff may only perceive CIA certification as necessary for professional development or providing an added benefit to their professional roles if management support and resources for learning and development fall within the expectations. The staff may view the discrepancy between management’s views and actual processes as further evidence of the lack of benefit of CIA to internal auditors and, therefore, may not pursue the certification.

Exhibit VII: Staff Perceptions



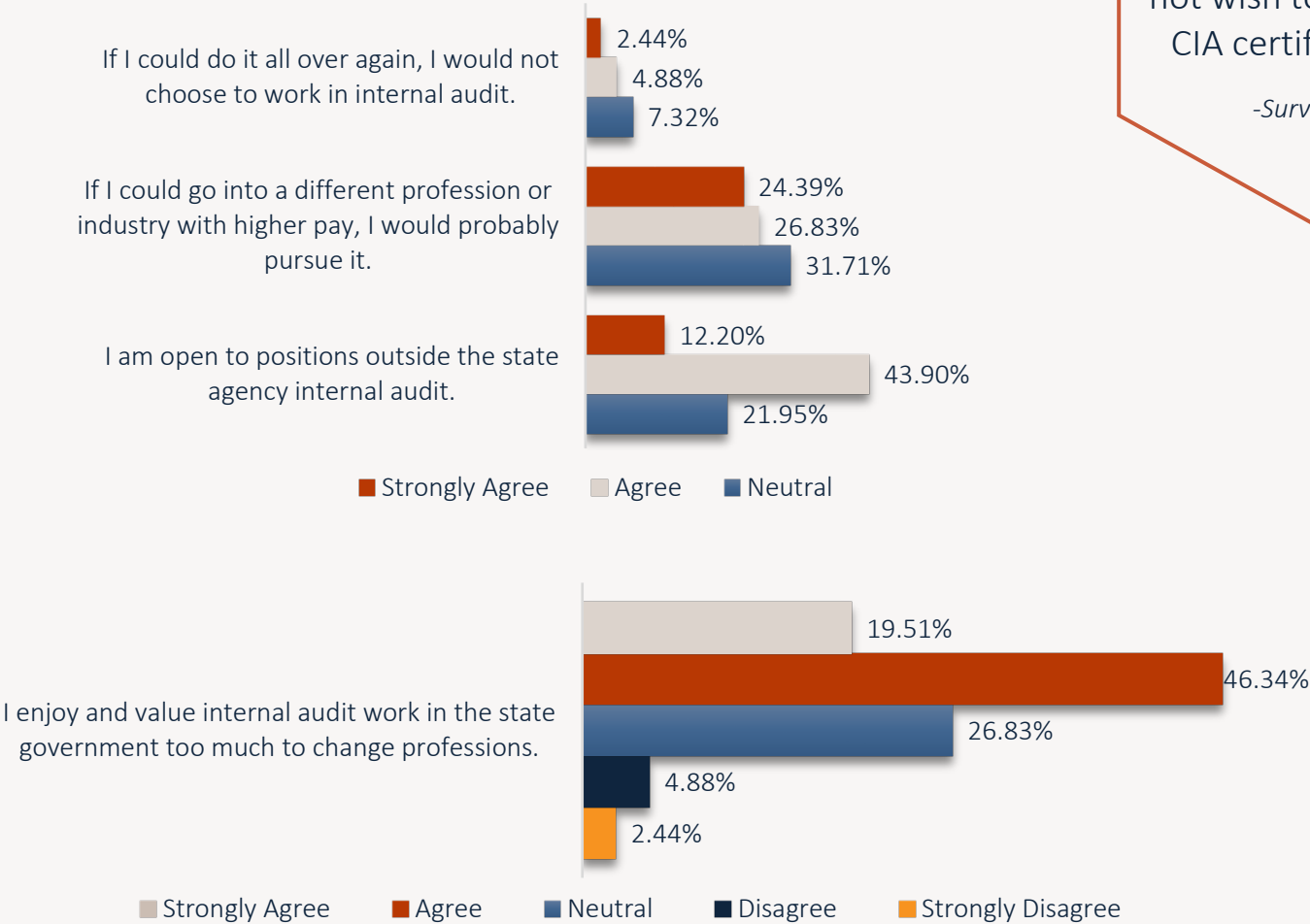
Source: Analysis of Survey Data

Observation 2: Career Prospects

Employees are more likely to engage in professional development programs that have the potential to enhance their personal career prospects. Employees may not obtain the CIA if they do not envision a long-term future in internal audit, do not see the relevance of the certification to their career goals, or do not view it as essential for career advancement opportunities.

Similarly, employees who are close to retirement do not see the value or benefit of obtaining a CIA certification. While the data suggests that most respondents seem to enjoy working in Texas Government Internal Audit, it also indicated that some employees would consider positions outside of Texas Government, including opportunities in different professions or industries.

Exhibit VIII: Career Outlook



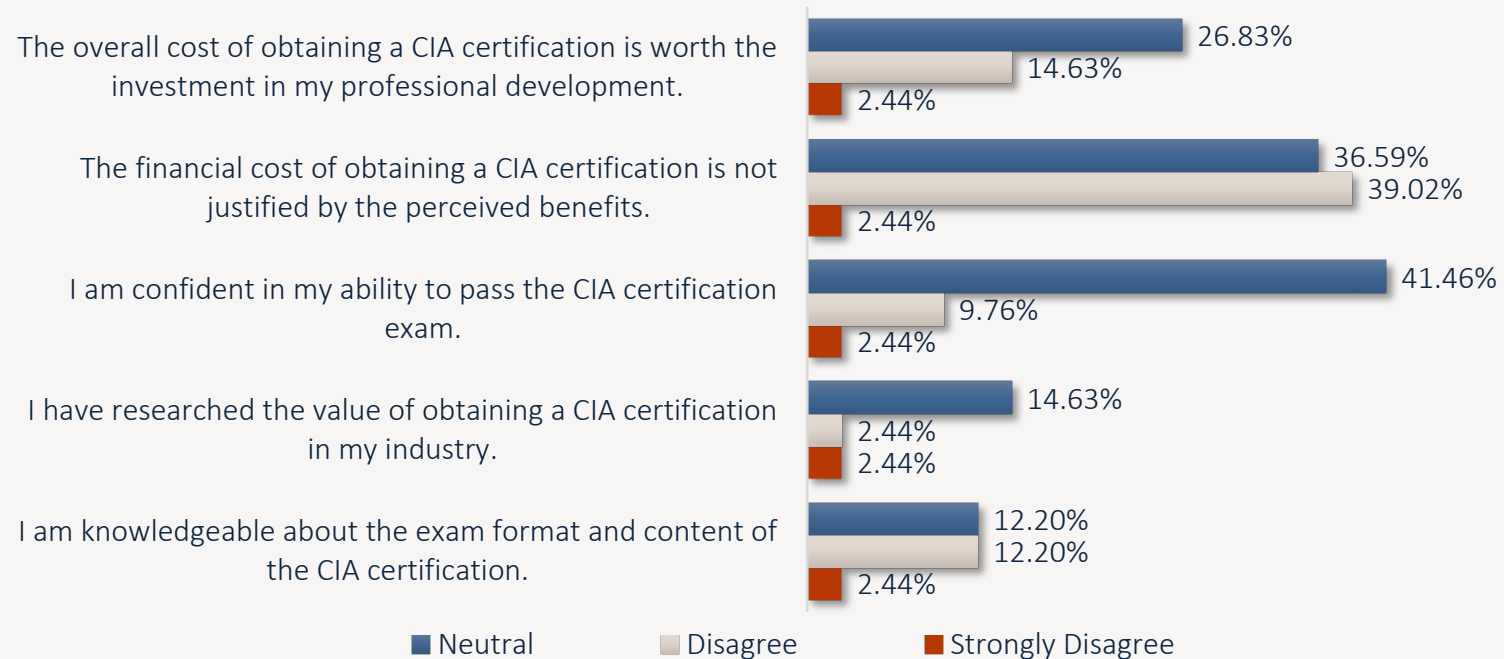
“I am five years from retirement and do not wish to pursue a CIA certification.”
-Survey Respondent

Source: Analysis of Survey Data

Observation 3: Exam Cost and Content

The cost and structure of the CIA exam may be a significant barrier for some Texas Government internal auditors.⁶ The total cost of exam fees and study materials can be prohibitively expensive for some individuals, especially for staff working in departments with limited financial resources to assist with certification expenses.

Exhibit IX: Staff Perceptions of the CIA Exam



Source: Analysis of Survey Data

⁶The estimated cost for the traditional three-part CIA exam for Governmental IIA members varies from \$1,200-\$1,500.

Observation 3: Exam Cost and Content

The CIA exam consists of three parts that test an internal auditor’s competency across a diverse range of topics including governance, risk management, fraud, financial management, information systems, and business acumen.⁷ Exam content, low passing rates, and perceived exam difficulty may discourage some employees, many of whom may opt to pursue other audit-related certifications or abandon their professional certification aspirations.

“The cost of application, exam prep, and exam is extremely high - for government agencies.”
-Survey Respondent

Table 1: CIA Exam Facts

Exam	Exam Content	Pass Rate
CIA Part 1: Essentials of Internal Auditing	Tests knowledge, skills, and abilities related to the foundation of internal auditing; independence and objectivity; proficiency and due professional care; quality assurance and improvement programs; governance, risk management, and control; and fraud risk.	45%
CIA Part 2: Practice of Internal Auditing	Tests knowledge, skills, and abilities particularly related to managing the internal audit activity, planning the engagement, performing the engagement, and communicating engagement results and monitoring progress.	50%
CIA Part 3: Business Knowledge for Internal Auditing	Tests knowledge, skills, and abilities related to business acumen, information security, information technology, and financial management.	54%

⁷The CIA Challenge Exam is a one-part, 150-question alternative exam offered to candidates with other certifications such as CGAP, CISA, or CPA.

Observation 4: Alternative Career Opportunities

Employees may also consider external job opportunities or alternative professions, resulting in a decreased interest in the CIA certification. Additionally, some Texas Government Internal Audit departments classify their internal audit staff as project managers, independent audit reviewers, information technology auditors, and other class titles provided in the table below.

Table 2: Auditor Classification Codes ⁸

Occupational Category	Class Title	Salary Group
Information Technology	Information Technology Auditor I, II, III, IV	B21, B23, B25, B27
Accounting, Auditing, and Finance	Auditor I, II, III, IV, V	B17, B19, B21, B23, B25
Accounting, Auditing, and Finance	Internal Auditor I, II, III, IV, V	B17, B19, B21, B23, B25
Accounting, Auditing, and Finance	Tax Auditor I, II, III, IV, V, VI	B18, B20, B22, B24, B25, B26
Accounting, Auditing, and Finance	Tax Auditor Supervisor	B27
Accounting, Auditing, and Finance	Tax Auditor Manager	B28
Accounting, Auditing, and Finance	Independent Audit Reviewer I, II, III, IV	B25, B26, B27, B28
Information and Communication	Management Analyst I, II, III, IV, V	B18, B20, B22, B24, B26
Program Management	Project Manager I, II, III, IV, V	B20, B22, B24, B26, B28

While this flexibility allows CAEs to structure their departments, wide variations in the pay range may also present challenges in retaining and recruiting talent due to pay. Lastly, non-internal audit departments offer comparable career opportunities with similar, or sometimes greater, pay for positions that may not be required to adhere to professional standards or require certifications.

⁸ This table is not an exhaustive list of the positions. See <https://hr.sao.texas.gov/CompensationSystem/JobDescriptions> for a complete list of search results for the word "audit".

Observation 4: Alternative Career Opportunities

The internal auditing profession has historically faced challenges in achieving public recognition and establishing a distinct role separate from an internal monitor or external auditor. As a result, some employees may perceive accounting certifications, such as the Certified Public Accountant (CPA)⁹ or the Certified Fraud Examiner (CFE), and other technology certifications, such as the Certified Information Systems Auditor (CISA), to be more relevant and valuable for their personal and professional development.

The smaller exam content and lower costs associated with the CFE and CISA certifications may make them more attainable than the Certified Internal Auditor (CIA) certification. Additionally, employees with a CISA certification may receive higher compensation in Information Technology occupation salary groups compared to CIA-certified internal auditors.

Table 3: Comparison Between CIA, CPA, CFE, and CISA Certification Exams

Certification	CIA	CPA	CFE	CISA
Exam Content	Internal audit, risk management, governance, fraud, IT, etc.	Accounting and auditing, taxation, business law, and ethics	Fraud prevention and deterrence, financial transactions and fraud schemes, investigation, law, and ethics	IT governance, systems and infrastructure life cycle management, IT service delivery and support, IT asset protection, and more
Price	\$1,245-\$1,495 (depending on location)	Varies by state; typically, between \$800-\$1,500	\$300-\$475 (depending on membership status and exam location)	\$575-\$760 (depending on membership status and exam window)
Time	3 years to complete 3 parts	18 months to complete 4 parts	No time limit; 4 hours to complete 4 sections	No time limit; 4 hours to complete 150 questions
Earning Potential	Median salary for internal auditors: \$76,730 (US)	Median salary for accountants and auditors: \$73,560 (US)	Median salary for fraud examiners: \$72,030 (US)	Median salary for IT auditors: \$85,660 (US)
Number of Certified People	Over 170,000 globally (as of 2021)	Over 700,000 in the US (as of 2021)	Over 85,000 globally (as of 2021)	Over 150,000 globally (as of 2021)
Career Outlook	The CIA certification can lead to a career in internal auditing, risk management, and governance. According to the Bureau of Labor Statistics, employment of internal auditors is projected to grow 6% from 2019 to 2029, faster than the average for all occupations (BLS, 2020).	The CPA certification can lead to a career in accounting, auditing, and taxation. According to the Bureau of Labor Statistics, employment of accountants and auditors is projected to grow 4% from 2019 to 2029, about as fast as the average for all occupations (BLS, 2020).	The CFE certification can lead to a career in fraud prevention and investigation. According to the Association of Certified Fraud Examiners, median salaries for CFEs are typically higher than those for non-certified fraud examiners (ACFE, 2020).	The CISA certification can lead to a career in IT auditing and security. According to the Bureau of Labor Statistics, employment of information security analysts is projected to grow 31% from 2019 to 2029, much faster than the average for all occupations (BLS, 2020).

Source: *I Pass the CPA Exam*, Best Accounting Certifications

⁹According to the Texas Internal Auditing Act, either a CPA or CIA is required to be a CAE in Texas Government Internal Audit. The focus of this study was CIA certification only, and although inquiries about the different types of certifications were made, the survey only focused on obtaining information related to CIA Certification.

Industry and Research Insights for Upskilling

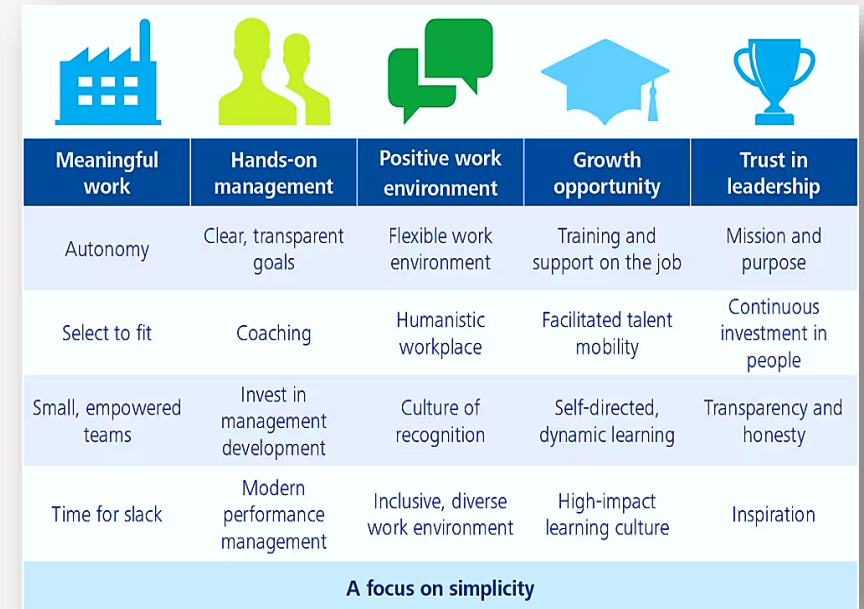
Employee engagement research suggests that job-related factors should be designed appropriately to convey the value and meaning of work. Employees reported higher levels of commitment and performed better in positions where they shared common values and purpose with the organization. Employee-organization fit influences engagement and positively influences an employee's behavior and work performance. Analyzing and understanding an employee's different motivational drivers can help develop targeted professional development plans.

Best practices highlighted by several studies to improve employee participation include:

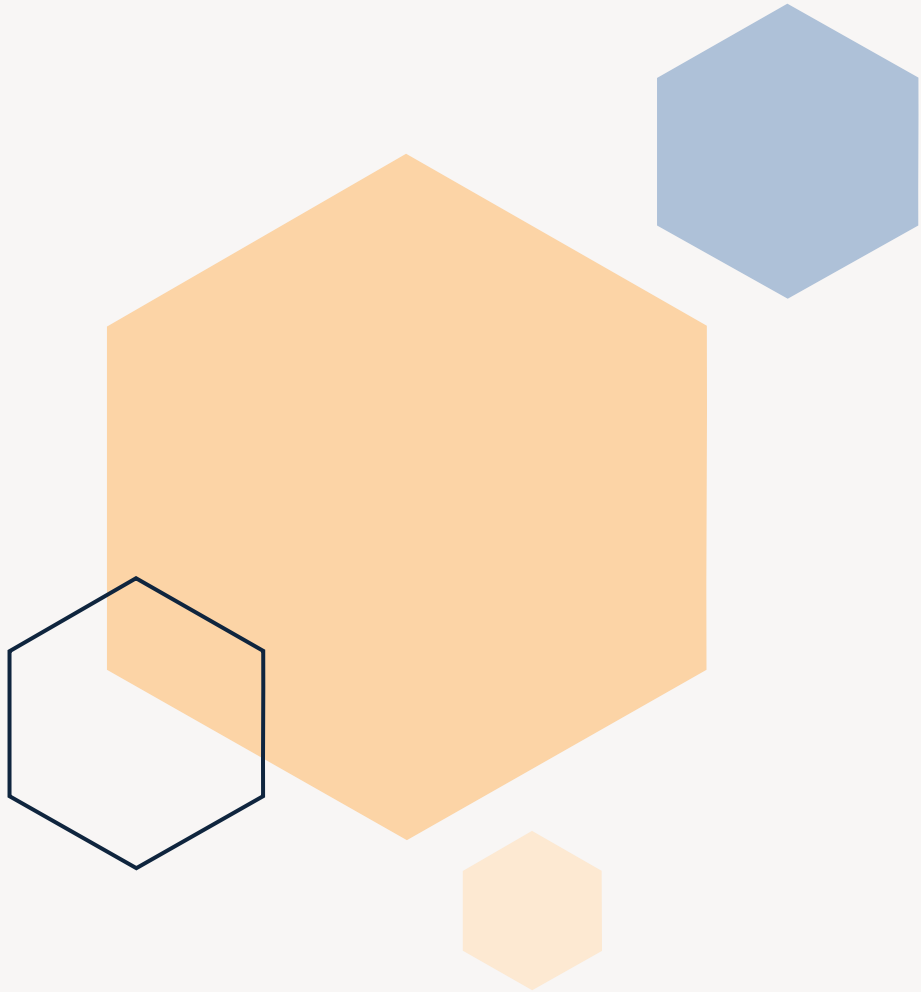
1. Clear communication about the expectations, purpose, and objectives of the position
2. Safe working conditions
3. Adequate support and resources to perform duties and responsibilities
4. Feeling of contribution to the organization
5. A sense of belonging to something beyond the self
6. A feeling that there are opportunities to discuss career progress and receive support to grow
7. Belief in the objectives and mission of the organization

Effective professional development plans are essential for enhancing employee engagement and encouraging participation in training and certification programs. The plans should incorporate a thorough employee needs assessment that is aligned with department goals and objectives. Professional development programs should be ongoing and include continuous feedback to provide employees with the necessary tools and resources to remain motivated and engaged. Organizations may offer resources such as providing financial support, creating awareness programs, providing study materials and training, establishing mentoring programs, and offering incentives to enhance employee participation in the development programs.

Figure A: Model for Employee Engagement



Source: Deloitte Insights

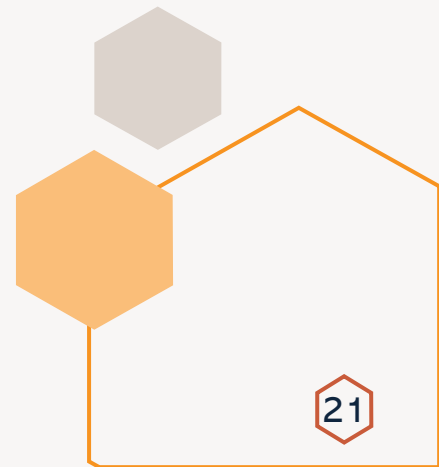


Strategies to Consider

Based on the survey results and follow-up discussions with respondents, there is an opportunity for Texas Government Internal Audit departments to address issues related to low employee engagement and the declining pursuit of the CIA certification. Several statewide and departmental initiatives may be implemented to increase interest in the CIA within the internal audit community.

Statewide Initiatives

1. Develop a statewide initiative to promote professional development programs identified through periodic assessments of the internal audit community.
2. Assess the talent needs and gaps of the Texas Government Internal Audit departments and consider establishing consistency in professional certification requirements for career advancement opportunities.
3. Develop a CIA certification task force that promotes programs and activities to assist staff pursuing the CIA. Possible task force activities include:
 - a. Encouraging internal audit departments to create professional certification training programs incentivizing staff to pursue the CIA.
 - b. Creating a mentorship program to pair internal auditors pursuing the CIA with experienced CIAs who can provide guidance and support.
 - c. Conducting CIA exam preparation workshops to help prepare for the exam.
 - d. Partnering with the local IIA chapter to offer CIA exam preparation resources, training, and networking opportunities.
4. Advocate for an increase in the current salary group for the Internal Auditor state classification to differentiate Internal Auditors from Auditors. This suggested enhancement is based on Internal Audit's requirements to adhere to professional standards in conducting audit work and to hold professional certifications.
5. Establish metrics to measure the success of the CIA certification task force, such as the number of CIAs in Texas Government Internal Audit departments, employee satisfaction, and career growth.



Suggestions From Survey Respondents

“Combination of the high-tech-focused environment today, low pay, and lack of financial incentives from the state agencies, the CIA certification appeals to only some internal auditors. However, people do not work for a government agency just for financial incentives. Therefore, if there is a way to tie the certification to one’s desire to make a positive difference, it could motivate people to obtain a CIA certification.”

- Audit Manager

“If the CIA were more related to what we do as internal auditors, it would increase the motivation to obtain it. More flexibility during the work week to study, and other incentives, like a one-time merit for obtaining the certification would also help.”

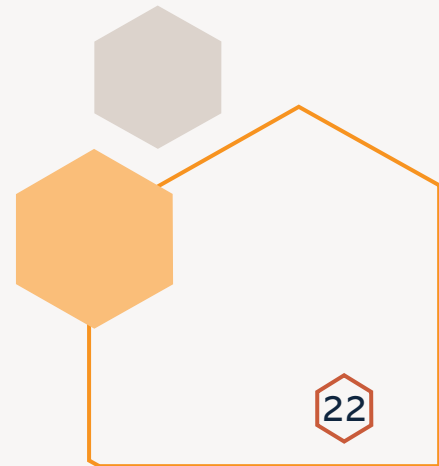
- Deputy Director

“Time to study and the cost of exams have been the biggest challenges. Time to study at work would be helpful and maybe will use the training budget for CIA courses.”

- Internal Auditor IV

“Financial support the costs of study material and exam fees as well as provide study time to prepare for the exam. Include obtaining certifications for audit staff in the vision and strategic plans of the organization.”

- CAE



Departmental Initiatives

1. Consider including audit staff in select SAIAF activities, such as the CIA certification task force.
2. Communicate and highlight the benefits of the CIA to employees, considering their ability, motivation, and opportunity factors.
3. Discuss the significance of the CIA in career advancement during performance reviews.
4. Develop a CIA certification program that aligns with the needs, gaps, and resources available to the department.



Suggestions From Survey Respondents

“The cost of exams and study material and the thought of failing is intimidating. The agency reimburses employees for some of the fees (study, registration, test), but not all, which happen through paycheck merit increases. Reimbursement of all the costs would be helpful.”

- Internal Auditor III

“The function supports it already. They encourage certifications, but the costs are on the employees and getting the certifications themselves.”

- Internal Auditor IV

“Consistency among state agencies in job descriptions, expectations, and pay scales to apply the rules consistently. Some of the issues are caused due to inconsistency and huge differences among state agencies where staff can obtain a specific position and pay without certain requirements. This has also created a retention and recruitment challenge at his agency.”

- CAE

“Send staff to IIA training to make the staff believe it's "doable" and "take the mystery out of it." Increase staff involvement with IIA and attendance at IIA training.”

- Internal Auditor V

“Would be helpful if the state agency paid for courses and training, and established goals where a CIA certification would be beneficial to one’s career.”

- Internal Auditor V

Additional Items for Consideration

1. Increase engagement within the Internal Audit community to better communicate and demonstrate the value, meaning, and purpose alignment of the IA departments and workforce.
2. Strategic Plan for the Future of Texas Governmental Internal Audit Departments.
3. Promote internal audit function to inform the purpose, function, and next steps of the profession.
4. Knowledge, information, and resource sharing within the departments.
5. Assess, evaluate, and update the staff requirements (certifications, education, etc.) to align with the current industry needs.

Conclusion

The survey of Texas Government Internal Auditors suggested that the CIA certification is perceived as valuable and important for professional development. However, there is a mixed perception of its actual value and benefit to the personal and professional goals among certified and non-certified audit staff. Texas Government Internal Audit should work collaboratively to develop and implement needs-based employee training and development resources that effectively communicate the value of CIA certification.

By showing how the CIA aligns with the objectives of the agency and the employees, they can be motivated to obtain the certification to enhance their internal audit competencies, credibility, and career advancement opportunities. Only a small set of Texas Government Internal Audit agencies participated in the study, which limits the sample size and may not represent all Texas agencies.

However, continuous reinforcement of value, meaning, and purpose may help all agencies foster a culture of high employee engagement.



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Appendices

Appendix A: The Research Process

Problem Statement and Project Assignment

The Institute of Internal Auditors (IIA) states on its website, "As the IIA's premier designation for more than 40 years, the CIA sets the standard for excellence within the profession. Earning the CIA is an important step toward demonstrating your core internal audit skills and knowledge." Incidentally, the CIA is also the only globally recognized internal audit certification. However, anecdotally, CAEs in state government increasingly have stated that fewer and fewer of their staff are CIAs. Whereas professional certification (specifically, the CIA) was a requirement in the past to advance, we see fewer internal audit shops require CIA certification for their higher-level internal audit positions.

The Texas Internal Auditing Act requires the CAE to carry either a CIA or a CPA. As this is a requirement to advance to the CAE chair in the Texas state government, is the community of state government internal audit professionals adequately positioned to fill CAE vacancies in the next 5 to 10 years?

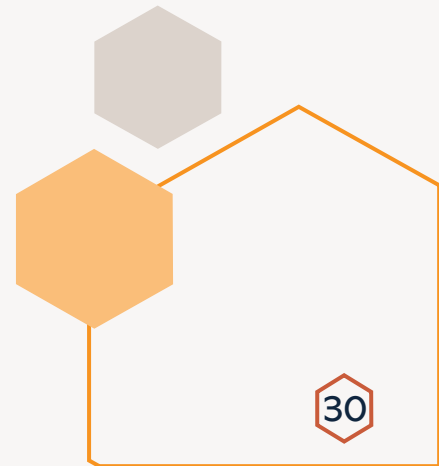
As a team, research the following:

- Causes/reasons preventing or hindering CIA pursuit among Texas state government internal auditors
- Best practices and innovative ideas in increasing the number of Certified Internal Auditors

Based on your research, develop a strategy to increase the number of Certified Internal Auditors in Texas state government.

Some key thoughts:

- Innovation - Fresh ideas and out-of-the-box thinking is encouraged
- Solutions-oriented - While root cause analysis is needed, the focus of your project should be on proposing solutions
- Scalability- Solutions to address smaller audit shops versus larger audit shops may need to be considered
- Long-term vs. Short-term - Consider the need to propose not just short-term fixes, but a true strategy that will help build and prepare a better state government internal audit workforce 5-10 years from now



Appendix A: The Research Process

Methodology

The study aimed to examine the factors affecting the pursuit of a CIA certification among the Texas Government Internal Auditors to develop possible strategies to increase the number of CIA certifications within the Texas Government Internal Audit. The study methodology included a survey administered via SurveyMonkey, targeting internal audit personnel of all Texas entities. The survey included demographic questions and questions pertaining to the attitudes and beliefs of the survey respondents regarding the CIA certification. In addition, a follow-up interview was conducted with respondents who agreed to participate.

The survey was sent to all Texas Government Internal Audit Directors, obtained from the SAO's (Texas State Auditor's Office) website. The SAO's website provided a comprehensive list of Texas Government Internal Audit Directors enabling a complete coverage of the target population. A total of 70 Internal Audit Directors (35 State Agencies and 35 Higher Education Institutions) were contacted to participate in the study and were also requested to send the survey to their staff members to participate. The email included an explanation of the research objectives, the importance of their participation, and an assurance of confidentiality.

The survey was designed to obtain information on the perceptions, attitudes, and beliefs of the Texas Government Internal Audit Workforce relating to the benefits and value of the CIA certification. The demographic questions were aimed to collect background information about the respondents, including their position, years of experience, certifications held, and organizational affiliation. Three sets of questionnaires measured in five-point Likert scale responses were administered to three sets of samples: CAE, CIA non-certified staff, and CIA-certified staff. The questionnaires aimed to obtain information on the motivation and employee engagement factors influencing the CIA certification of Texas Government Internal Auditors. Victor Vroom's Expectancy Theory was utilized as a foundational framework for the questionnaires. Expectancy Theory focuses on the relationship between an individual's effort, performance, and outcomes. The theory suggests that individuals are motivated by their belief that effort will lead to good performance, which will result in desired outcomes or rewards. The theory emphasizes the importance of valence (perceived value of outcomes), expectancy (belief in the link between effort and performance), and instrumentality (belief in the link between performance and outcomes) in determining motivation.

Respondents who agreed to participate in follow-up interviews were contacted individually. The interviews were conducted to gain a deeper understanding of the survey responses and to gather additional insights. The interviews were conducted either via phone or video conferencing tools, based on the convenience of the participants. The interview questions were designed to explore specific aspects of the respondents' attitudes and to elicit further information about their experiences as certified internal auditors.

The data collected from the survey and interviews were compiled, organized, and reviewed for analysis. The analysis of both quantitative and qualitative data provided a comprehensive understanding of the research objectives. In addition to the survey and interview data, other relevant sources, such as literature reviews and industry reports, were consulted to support the conclusions drawn from the research. The anonymity and confidentiality of respondents' information were maintained throughout the study.

The study methodology relied on self-reported data from the survey and interviews which introduces the possibility of response bias. Some care must be exercised in interpreting the findings of this study recognizing that our analyses examine beliefs and attitudes of internal auditors, not actual behaviors. Additionally, the study focused solely on the Texas Government Internal Audit agencies limiting the generalizability of the findings.

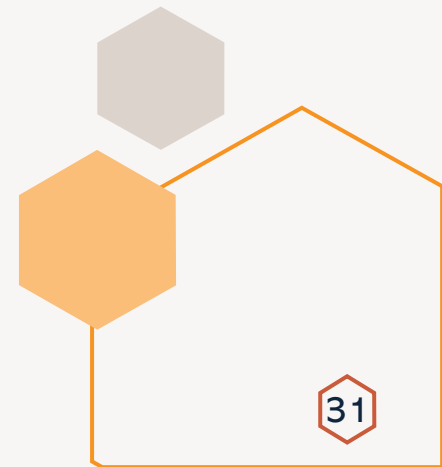


Exhibit A:
Survey Respondents Summary

Position	No. of Responses	Incomplete / Blanks	Final Sample	Higher Ed Sample	State Agency Sample
CAE	29	6	23	8	15
CIA Certified Staff	23	6	17	2	15
CIA Non-Certified Staff	56	15	41	9	32
Total	108	27	81	19	62

One survey respondent did not provide their agency of employment. This number is included in the state agency count in this table.

Exhibit B:
Survey Respondents Positions

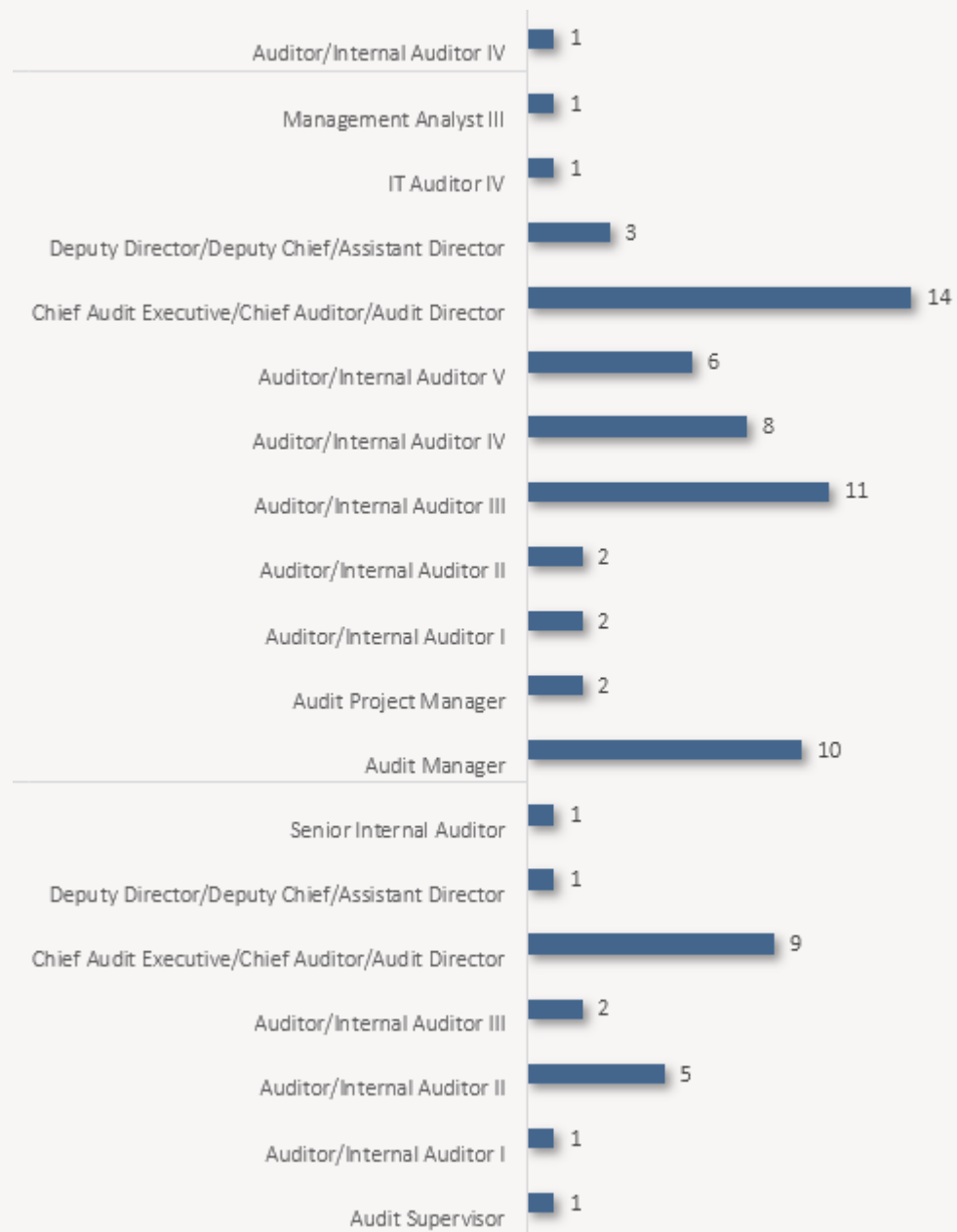


Exhibit C:
Education Summary for Survey Respondents

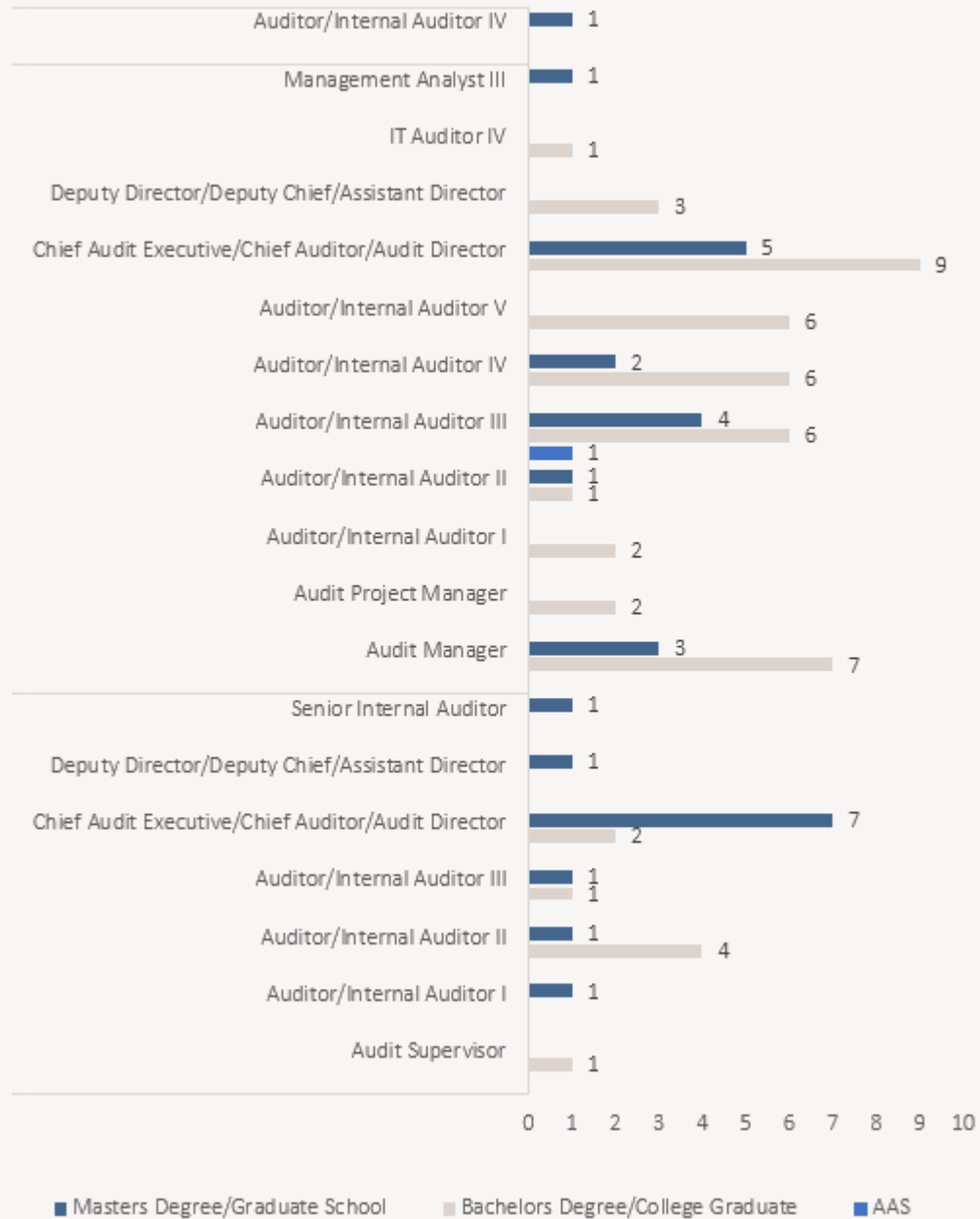


Exhibit D: Certification Summary

Table D.1 - CAE Certifications

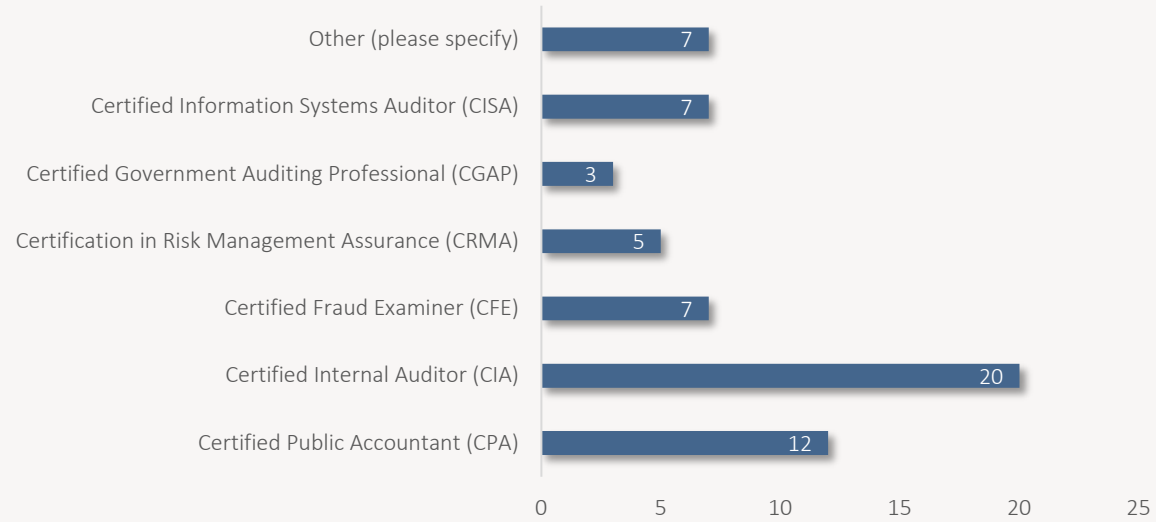


Table D.2 - Audit Staff Certifications

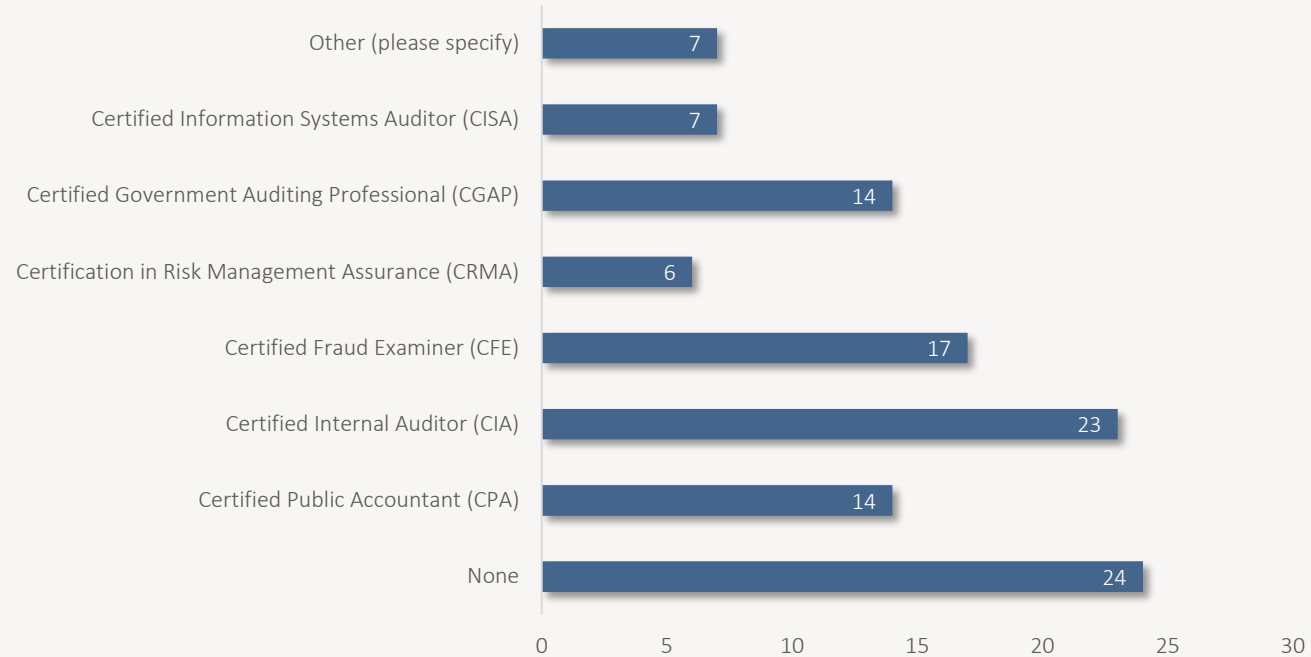


Table A: Agency Staffing and Certification Summary

Agency	Current Staffing	Certified Public Accountant (CPA)	Certified Internal Auditor (CIA)	Certified Fraud Examiner (CFE)	Certification in Risk Management Assurance (CRMA)	Certified Government Auditing Professional (CGAP)	Certified Information Systems Auditor (CISA)	Other	Positions that require CIA
Higher Ed	1	0	1	0	0	0	1	0	Auditor/Internal Auditor III
Higher Ed	1	0	1	0	0	0	0	0	V, PM, Sup, Manager, Asst Dir
Higher Ed	4	2	3	1	0	0	1	0	Audit Project Manager Auditor/Internal Auditor V
Higher Ed	5	4	3	1	0	0	0	0	Staff are required to hold CPA, CIA, CFE or CISA certification.
Higher Ed	6	5	4	0	1	0	1	0	Assistant Audit Director/Deputy Director Audit Manager We require Senior Auditors and above to have a certification. If we hire a Senior and they don't have it, we give them 1.5 years to get it. If they don't get it, they can't work for us after the 1.5 year grace period.
Higher Ed	7	2	1	3	0	0	1	0	Audit Manager Auditor/Internal Auditor IV All positions that are Senior Auditor and above
Higher Ed	10	2	4	1	2		1		Asst Dir, Manager, Sup, PM
Higher Ed	13	1	2	8	0	0	1	5	Assistant Audit Director/Deputy Director
Higher Ed	16	9	6	1		1	2	2	Positions Audit Manager, Audit Director, Asst CAE and CAE require either CIA or CPA. Staff Auditor and Senior Auditor positions don't require certification.
State Agency	1	1	1	0	0	0	0	0	My position required either a CIA or CPA. I'm a team of one.
State Agency	1	0	1	1	0	0	0	0	Assistant Audit Director/Deputy Director Auditor/Internal Auditor V
State Agency	1	0		1	0	0	0	0	None
State Agency	3	1	3	3	1	1	0	3	IV, V, PM, Sup, Manager, Asst Dir
State Agency	3	0	0	1		1	0	2	None
State Agency	3	2	1	1	1	0	1	0	All entering the department would need to be able to become a CIA within 6 months to a year.
State Agency	4	1	2	1	0	1	0	0	Audit Manager
State Agency	6	1	5	0	1	2	0	0	Assistant Audit Director/Deputy Director
State Agency	6	0	1	2	0	0	1	1	None
State Agency	7	2	2	0	0	0	3	2	Auditor/Internal Auditor V
State Agency	14	3	2	5	0	1	2	1	Assistant Audit Director/Deputy Director Audit Supervisor Clarification - at the TCEQ, Internal Auditor V serves as an Audit Manager/Audit Supervisor
State Agency	14	1	2	0	1	4	3	2	Internal Auditor IV and above require an audit-related certification, but not specifically CIA. IT Auditors II and above require CIA or IT-related certification.
State Agency	18	2	3	1	1	2	0	0	Assistant Audit Director? Deputy Director Audit Manager Auditor/Internal Auditor V 2nd level of the Senior Internal Audit Analyst (Mgmt Analyst IV) and the Asst Audit Manager (Auditor V) require certification
State Agency	20	0	7	1	0	4	0	0	IV, V, PM, Sup, Manager, Asst Dir

Appendix B: Survey Questions

1. What is your current position?

CAE Survey Questions

2. Which State agency do you work for?
3. Which of the following certification(s) do you hold?
4. What is the highest level of education you have completed?
5. How long have you worked for State government?
6. How long have you worked for Internal Audit within State government?
7. How many full time audit staff does your department have? Please indicate the number of audit staff by position in your department.
8. Which of the following certification(s) does your audit staff have? Please indicate the total number of staff in your department who have the following certifications.
9. Which of the following audit positions, other than the CAE, require a CIA certification? Please select all that apply.

Staff (No CIA and CIA certified) Survey Questions

12. Which of the following certification(s) do you hold?
13. What is the highest level of education you have completed?
14. How long have you worked for State government?
15. How long have you worked for Internal Audit within State government?
16. Which of the following certification(s) do you hold?

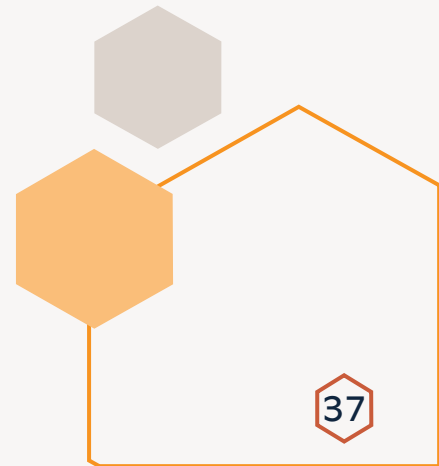


Table B.1: CAE Survey Results

Q10: Please select the response that best fits your level of agreement with the following statements:

ATTRIBUTE	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total Survey Respondents
	%	Count	%	Count	%	Count	%	Count	%	Count	
CIA certification is important for achieving the department's goals and objectives.	0.00%	0	8.70%	2	4.35%	1	30.43%	7	56.52%	13	23
The department has sufficient resources and staff to meet its goals and objectives.	0.00%	0	21.74%	5	8.70%	2	47.83%	11	21.74%	5	23
Employee development and encouraging employees to obtain a CIA certification is a priority for the department.	0.00%	0	0.00%	0	4.35%	1	30.43%	7	65.22%	15	23
CIA certification is a valuable investment in our employees' professional development.	0.00%	0	0.00%	0	0.00%	0	30.43%	7	69.57%	16	23
CIA certification significantly improves the quality of work and enhances credibility of the department.	0.00%	0	8.70%	2	8.70%	2	30.43%	7	52.17%	12	23
CIA certification is a requirement for advancement opportunities in the department.	0.00%	0	17.39%	4	17.39%	4	26.09%	6	39.13%	9	23
The department maintains and updates a clear employee development and succession plan.	0.00%	0	4.35%	1	13.04%	3	34.78%	8	47.83%	11	23
CIA certification is consistently discussed during employee performance evaluations.	0.00%	0	0.00%	0	30.43%	7	39.13%	9	30.43%	7	23
Our management team actively encourages employees to obtain a CIA certification.	0.00%	0	0.00%	0	13.04%	3	34.78%	8	52.17%	12	23
Our agency provides financial support to employees who wish to obtain a CIA certification.	0.00%	0	0.00%	0	8.70%	2	26.09%	6	65.22%	15	23
The agency has a clear process for employees to request financial support for obtaining a CIA certification.	0.00%	0	0.00%	0	13.04%	3	30.43%	7	56.52%	13	23
The agency provides time off or study leave to employees who wish to obtain a CIA certification.	4.35%	1	8.70%	2	21.74%	5	30.43%	7	34.78%	8	23
The department recognizes and rewards employees who obtain a CIA certification.	0.00%	0	0.00%	0	30.43%	7	34.78%	8	34.78%	8	23

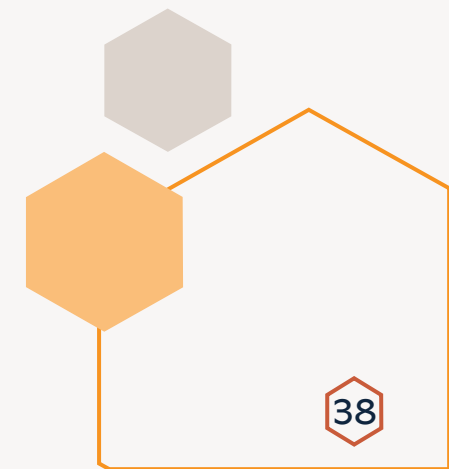


Table B.2: Survey Responses

Q11: Please provide any additional feedback regarding the survey in the comment box below:

Respondent ID	Responses
I.	First, all certifications show a level of interest by the candidate to develop personally and professionally. CPA is generally more desirable because it offers career flexibility in a way that the CIA doesn't and comes at additional effort. That said, the CIA has been adopted as a strong contender in the Internal Audit profession and a credential all of us are proud to hold.
II.	Do not have a current requirement for Assistant Director position, but this could change to better align with succession planning strategies.
III.	Encouragement to obtain the CIA certification is documented on annual performance appraisals. Financial support for employees who wish to obtain a CIA certification includes purchase of test prep materials.
IV.	We require certification, whether CGAP, CISA, or CIA, to move up the ladder, but we do not necessarily restrict it to just the CIA.
V.	All of the answers in Question 10 apply to all certifications pursued by our staff, not just CIA. We consider the CPA certification to be of equal value to the CIA. We also support other certifications under the same policies (CISA, CISSP, CFE) although they do not replace CPA or CIA in being required for promotion to Audit Manager or above.

Table B.3: Staff (NO CIA) Survey Results

Q17: Please select the responses that best fits your level of agreement with the following statements:

ATTRIBUTES	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
I enjoy and value internal audit work in the state government too much to change professions.	2.44%	4.88%	26.83%	46.34%	19.51%	41
I am open to positions outside the state agency internal audit.	4.88%	17.07%	21.95%	43.90%	12.20%	41
If I could go into a different profession or industry with higher pay, I would probably pursue it.	4.88%	12.20%	31.71%	26.83%	24.39%	41
If I could do it all over again, I would not choose to work in internal audit.	41.46%	43.90%	7.32%	4.88%	2.44%	41
Obtaining a CIA certification would enhance my professional credibility.	0.00%	4.88%	12.20%	43.90%	39.02%	41
Obtaining a CIA certification would increase my knowledge and skills and add value to my career.	0.00%	9.76%	19.51%	39.02%	31.71%	41
Obtaining a CIA certification would provide me with opportunities for career advancement.	0.00%	4.88%	9.76%	36.59%	48.78%	41
Obtaining a CIA certification would give me a competitive advantage in the job market.	0.00%	4.88%	12.20%	41.46%	41.46%	41
Obtaining a CIA certification is important for my long-term career aspirations.	4.88%	4.88%	29.27%	26.83%	34.15%	41
Obtaining a CIA certification would increase my earning potential.	0.00%	4.88%	9.76%	46.34%	39.02%	41
Obtaining a CIA certification would provide immediate rewards in my career.	2.44%	9.76%	29.27%	34.15%	24.39%	41
I am knowledgeable about the exam format and content of the CIA certification.	2.44%	12.20%	12.20%	48.78%	24.39%	41
I have researched the value of obtaining a CIA certification in my industry.	2.44%	2.44%	14.63%	58.54%	21.95%	41
I am confident in my ability to pass the CIA certification exam.	2.44%	9.76%	41.46%	26.83%	19.51%	41
I have previously considered obtaining a CIA certification but did not follow through for various reasons.	21.95%	24.39%	12.20%	31.71%	9.76%	41
I have considered obtaining other audit certifications.	2.44%	7.32%	12.20%	34.15%	43.90%	41
My department values and promotes professional development, including obtaining certifications like the CIA.	0.00%	4.88%	7.32%	31.71%	56.10%	41
My management consistently encourages obtaining a CIA certification.	2.44%	7.32%	21.95%	21.95%	46.34%	41
My management consistently discusses my personal development plan.	4.88%	9.76%	12.20%	39.02%	34.15%	41
I have a clear understanding of how obtaining a CIA certification fits into my overall professional goals.	0.00%	2.44%	14.63%	43.90%	39.02%	41
My agency provides financial support to obtain a CIA certification.	0.00%	2.44%	14.63%	41.46%	41.46%	41
My agency provides time off or study leave for obtaining CIA certification.	12.20%	9.76%	17.07%	34.15%	26.83%	41
My agency immediately rewards CIA certification.	12.20%	19.51%	36.59%	24.39%	7.32%	41
I am motivated by seeing my colleagues rewarded immediately after obtaining their CIA certification.	4.88%	19.51%	48.78%	12.20%	14.63%	41
The financial cost of obtaining a CIA certification is not justified by the perceived benefits.	2.44%	39.02%	36.59%	14.63%	7.32%	41
The time and effort required for obtaining a CIA certification is too great for me to commit.	19.51%	34.15%	21.95%	17.07%	7.32%	41
The value of obtaining a CIA certification outweighs the time and effort required to prepare for the exam.	4.88%	24.39%	31.71%	31.71%	7.32%	41
The overall cost of obtaining a CIA certification is worth the investment in my professional development.	2.44%	14.63%	26.83%	43.90%	12.20%	41
Obtaining a CIA certification is a challenge that I am motivated to undertake.	7.32%	7.32%	36.59%	26.83%	21.95%	41

Table B.5: Survey Results

Q18: Please provide any additional feedback regarding the survey in the comment box below:

Respondent ID	Responses
A	I am five years from retirement and do not wish to pursue a CIA certification.
B	Currently working on my CIA certification.
C	n/a
D	Already passed part 1 and taking part 2 tomorrow.
E	I don't think people have obtained the CIA since I have been working where I work, so a couple of the questions did not really apply. I am working on it and have passed one exam so far.
F	I've started to study for the first part of the CIA.
G	The companies that provide study material for the CIA are not aligned with the knowledge of all topics required to know to pass the CIA exam. I was able to use Gleim to pass part one and two but was not successful in passing part three with Gleim. The amount of information that is expected to be learned to take a test where a fraction of the material might actually be encountered is overwhelming. I feel the CIA needs to be taught like a college course with multiple (more than 5) in-person/online class days to complete the study required to pass an exam. Taking on this journey with a family and small children is a challenge and overwhelming. Translating the real-world experience of auditing to passing part 3 of the exam doesn't seem to align.
H	I am too close to retirement to pursue the CIA to be beneficial for my future career. However, I answered as if I had more time to work for the state
I	I am currently reviewing for the CIA exam.
J	n/a
K	The cost of application, exam prep, and exam is extremely high - for government agencies.

Table B.6: Survey Results - Staff (CIA certified)

Q19: Please select the response that best fits your level of agreement to the following statements:

Attributes	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total
Obtaining the CIA certification enhanced my professional credibility.	0.00%	0	0.00%	0	0.00%	0	29.41%	5	70.59%	12	17
Obtaining the CIA certification increased my knowledge and skills and added value to my career.	0.00%	0	0.00%	0	11.76%	2	41.18%	7	47.06%	8	17
Obtaining the CIA certification provided me with opportunities for career advancement.	5.88%	1	0.00%	0	0.00%	0	23.53%	4	70.59%	12	17
Obtaining the CIA certification has given me a competitive advantage in the job market.	0.00%	0	0.00%	0	11.76%	2	29.41%	5	58.82%	10	17
Obtaining the CIA certification was important for my long-term career aspirations.	0.00%	0	0.00%	0	5.88%	1	11.76%	2	82.35%	14	17
Obtaining the CIA certification has increased my earning potential.	0.00%	0	0.00%	0	5.88%	1	35.29%	6	58.82%	10	17
Obtaining the CIA certification provided immediate rewards in my career.	5.88%	1	0.00%	0	35.29%	6	41.18%	7	17.65%	3	17
My agency provided financial support for obtaining my CIA certification.	0.00%	0	5.88%	1	5.88%	1	64.71%	11	23.53%	4	17
My agency provided time off or study leave to obtain my CIA certification.	5.88%	1	17.65%	3	17.65%	3	29.41%	5	29.41%	5	17
The overall cost of obtaining a CIA certification was worth the investment in my professional development.	0.00%	0	0.00%	0	0.00%	0	41.18%	7	58.82%	10	17
My department consistently encouraged me to obtain my CIA certification.	5.88%	1	0.00%	0	5.88%	1	35.29%	6	52.94%	9	17

Table B.6: Survey Results - Staff (CIA certified)

Q20: Please provide any additional feedback regarding the survey in the comment box below:

Respondent ID		Responses
A	N/A	
B		At the time I obtained my CIA, I worked for a different state agency (the OAG).
C		For full disclosure, I earned my CIA while working in The University of Texas at Austin Internal Audit Division, so the support received was while I worked there.
D	N/A	

Appendix C: Survey Follow-Up Questions

Position Questions

New Staff

1. What is your understanding of the role of internal audit and internal auditor?
2. What is your understanding of CIA certification?
3. Do you plan to obtain any certifications? If yes, which?
4. What are your professional goal(s)?
5. What is the biggest driving factor (pay, benefits, work life balance, challenging work, etc.) for career related decisions?
6. How can the management/organization support and encourage more internal audit staff to obtain CIA certification?

Experienced Staff [No CIA or None]

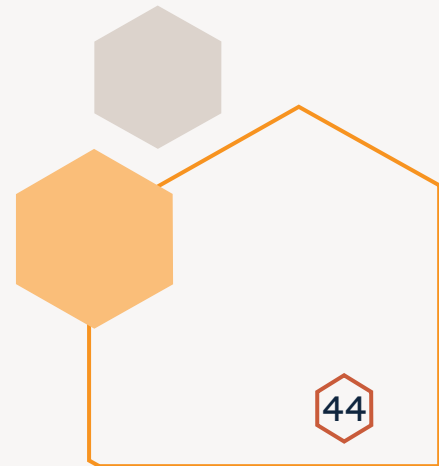
1. Are you currently in the process of obtaining a CIA?
2. Are you considering or in the process of obtaining any other certifications? [If yes, inquire about the reason(s) for going for this certification]
3. What are your professional goals/ambitions?
4. Would you pursue a CIA if there were no incentives/support?
5. What has been the biggest challenge to pursuing a CIA?
6. What would motivate you to obtain a CIA?
7. Do you see a difference in the quality of work between a CIA and non-CIA audit staff?
8. How could your management assist you in obtaining the CIA?

Experienced Staff [With CIA]

1. What was the primary reason for obtaining the CIA certification?
2. What kind of support (if any) did your organization provide?
3. How much of your professional success do you attribute to the CIA?
4. What was the biggest benefit of obtaining the CIA?
5. Do you see a difference in the quality of work between a CIA and non-CIA audit staff?
6. How can the management/organization support and encourage more internal audit staff to obtain CIA certification?

CAE

1. What has been the biggest challenge for you to motivate your staff to obtain a CIA?
2. What type of incentives are you able to offer?
3. Are there any commitments related to the incentives?
4. What is the timeline for the staff to receive the incentive?
5. Is there a difference in the quality of work between staff with and without CIA certification?
6. How could your agency/board assist audit personnel in obtaining the CIA?



Appendix C: Survey Follow-Up Questions

Table C.1: CIA Certified Staff Responses

Questions	Responses
1. What was the primary reason for obtaining the CIA certification?	<p>CIA certification was promoted by management at the time, and the employer paid for the exam costs. They wanted to have some professional certification that would provide them with opportunities to advance.</p> <p>When they started working in internal audit, everyone was either a CIA or was preparing to take the exam. Everyone was working on their CIA, which was a motivator for her. Additionally, they wanted to ensure they had the professional certifications they would need for any career opportunity that may come their way.</p> <p>As a CPA, it was a bit more redundant but gave a bit more credibility within the internal audit.</p> <p>Acquired CIA about one year ago; took advantage of the one-part challenge exam as they had a CPA already. Has gotten more involved in the local IIA where the CIA is preferred for their officers. Has been in the Internal Audit profession for over 10 years and wanted to show the upper management that they were committed.</p>
2. What kind of support (if any) did your organization provide?	<p>Costs were paid by the employer.</p> <p>There were no incentives provided by the organization. They pursued the certification because of their long-term career aspirations and want to make themselves more marketable.</p> <p>Gleim books were available but had to purchase question & answer bank separately.</p> <p>The office paid the IIA membership costs that gave discounts on the exams. CPE-eligible costs are also covered by the employer.</p> <p>Was able to get some interviews; however, does not think the CIA made a huge difference in their career.</p>
3. How much of your professional success do you attribute to the CIA?	<p>CIA helped them take advantage of the opportunities and advance in their career.</p> <p>Could have survived with just CPA but gave them more credibility as an internal auditor.</p> <p>Was already a manager and CPA before taking the exam. Certifications in general, have been attributed to looking good on a resume, Senior level and above must be CISA, CPA, or CIA in their agency. Have seen different things over the years; some want it, some don't, and it all comes down to each employee's motivation. They have tried to get staff motivated to study for the exam by offering CPE and by having conversations about it in staff evaluations. Thinks more staff are working towards a CISA in the last few years as it is only one test, and you can make good money with it. Their office promotes getting a certification, not necessarily promoting the CIA.</p> <p>He was able to get some interview opportunities, so does think it provided flexibility and opened up some jobs.</p>
4. What was the biggest benefit of obtaining the CIA?	<p>Was able to take advantage of opportunities that otherwise would not have been able to. They described a past position where they stepped in for the CAE which they would not have been able to do without the CIA.</p> <p>Credibility within the internal audit community.</p> <p>Credibility with their team as a manager was worth it to them. If they are going to tell their staff to pursue the CIA, it looks better when they have one.</p>
5. Do you see a difference in the quality of work between a CIA and non-CIA audit staff?	<p>The quality of work of non-CIA is sometimes better than that of the CIA. Having the certification does not indicate the quality of work one produces.</p> <p>Does not see a difference in the quality of the work between someone with CIA vs. no CIA; however, does view CIA as enhancing one's professional credibility.</p> <p>People with CIAs are more fundamentally sound in their approach to the audit process.</p> <p>As far as the quality of work, no difference. However, has found that staff with a CIA have become more dedicated to the profession. Have had some high performers that were CPAs, but not CIAs, and the employees have moved on from Internal Audit. Better retention rates, in their opinion, with CIAs.</p>
6. How can the management/organization support and encourage more internal audit staff to obtain CIA certification?	<p>Believes that the environment today is very tech-focused. Combined with the low pay and lack of financial incentives from state agencies, the CIA appeals to only a few internal auditors. However, also thinks people do not work for a government agency just for financial incentives. Therefore, if there is a way to tie the certification to one's desire to make a positive difference, we can motivate people to obtain a CIA.</p> <p>Thinks it may be a job vs. mentality thing, and staff may not be thinking about the long-term plans. Also thinks IIA could do better in positioning the CIA as the internal audit professional designation to demonstrate the value it holds.</p> <p>Send staff to IIA training to make the staff believe it's "doable" and "take the mystery out of it." Increase staff involvement with IIA and attendance at IIA training.</p> <p>Paying the exam fees.</p>

Table C.2: CIA Non-Certified Staff Responses

Questions	Responses
<p>1. Are you currently in the process of obtaining a CIA?</p>	<p>No</p> <p>Yes, but might pivot to obtaining CISA first to try doing the truncated CIA exam.</p> <p>No</p> <p>Passed the first test, currently working on studying for the 2nd, but been a big gap between both.</p> <p>Yes, I have taken part 1 of 3.</p> <p>Wants to get CFE first, then in the next three years get the CIA. Has had some family issues which has kept them from fully pursuing certification.</p> <p>Yes, the beginning phase.</p> <p>No</p> <p>Yes, however, they have not yet signed up to take Part 1.</p>
<p>2. Are you considering or in the process of obtaining any other certifications? [If yes, inquire about the reason(s) for going for this certification]</p>	<p>No</p> <p>Yes, CISA</p> <p>No</p> <p>No, just CIA for now.</p> <p>Yes, I am interested in obtaining a CFE and a CRMA certification to improve my knowledge and experience as well as gaining professional credentials. I would also be interested in obtaining a CISA to better my understanding of IT related auditing as industries are relying more on technology.</p> <p>CFE - Director recommended they pursue the CFE first because it is "easier" to obtain. They said they wanted to "get their feet wet" by obtaining the CFE. With any professional certification, they would get a "smaller" promotion, to Auditor IV; however, the pay increase does not provide much incentive.</p> <p>Yes, my goal is to become a CFE as well.</p> <p>No</p> <p>No. The CIA certification best suits my career plans in the auditing field.</p>
<p>3. What are your professional goals/ambitions?</p>	<p>Already retired once and came back as a senior auditor. Will probably stay on the same level unless something opens up and allows them to go higher in the next few years.</p> <p>Eventually would like to lead a shop and become a manager.</p> <p>Wants to work where they can contribute, but no longer on a full-time basis. Not on a career ladder anymore.</p> <p>Wants to become CIA, then use that to be an associate director at an internal audit function somewhere.</p> <p>I would like to continue to develop myself as an internal auditor, specifically in the criminal justice field.</p> <p>Has really enjoyed learning the audit profession, which has allowed them some flexibility with work and home life as they have small children. Doesn't know if they would want the director's position; they live around the coast and would not want to live in Austin. They would consider going back to the State Parks division in the agency, if it's the right job and pay.</p>

Table C.2: CIA Non-Certified Staff Responses

	<p>I have over 22 years of audit, information technology, and accounting experience and aspire to become an internal audit director for a state government entity in the near future.</p> <p>Would like to continue in my current role (not currently in Internal Audit - Monitoring).</p> <p>My professional goals are to continue to grow as an auditor and learn as much as I can about the agency and become a manager within the division.</p>
<p>4. Would you pursue a CIA if there were no incentives/support?</p>	<p>Has thought about it, and definitely not something they would rule out. Believes that if you aren't growing, you're not doing what you should.</p> <p>No</p> <p>No</p> <p>Yes</p> <p>Without incentives/support, I would likely not obtain certifications until I was in the financial position to do so.</p> <p>Probably not. Need a CIA to be an Auditor V at their office. They have been told the exams are more difficult than the state bar exam and, in their opinion, would be worthless to get something so difficult with little to no value.</p> <p>Yes, although having a support system is extremely motivational, encouraging, inspiring, boost confidence, offers helpful feedback, and promotes positivity.</p> <p>Yes, if it were what I thought would advance my career</p> <p>Yes, obtaining a CIA certification would enhance not only my reputation as an auditor but that of the division and agency I work for.</p>
<p>5. What has been the biggest challenge to pursuing a CIA?</p>	<p>Has the CPA. Was hard to divide time between studying for that and having a family and other obligations.</p> <p>Time to study on your own.</p> <p>Hasn't made any attempt to pursue a CIA</p> <p>Time to study. Cost of exams as well</p> <p>The biggest challenge in obtaining the CIA is that I rely on my continued auditing experience to understand concepts as I did not have any previous experience/knowledge of auditing.</p> <p>Intimidated by it as they are so new to the profession. Wants real-world experience before testing for it. They are more of a hands-on learner. The cost of exams and study material and the thought of failing is intimidating.</p> <p>Having the time to commit to study which is no longer a concern.</p> <p>No plans to obtain CIA</p> <p>Adequate study time has been the largest obstacle to obtaining my CIA. It has been almost a year since I applied but have not taken any of the tests due to lack of studying.</p>
<p>6. What would motivate you to obtain a CIA?</p>	<p>Did not answer</p> <p>If the CIA was more related to what we do as internal auditors.</p> <p>If they were 40, what skills could they develop to enhance their own knowledge</p> <p>Wanted to have a certification to show that they're professional and knowledgeable in their field and show they know what they're doing.</p> <p>Learning the fundamentals of internal auditing as well as being a strong contestant for promotions or a job candidate</p> <p>If the CIA wasn't so expensive and had so many stipulations on failing. Eliminate barriers that cause fear of failing.</p> <p>Having a support system and/or obtaining feedback from someone who has studied for and passed the exam.</p>

Table C.2: CIA Non-Certified Staff Responses

<p>7. Do you see a difference in the quality of work between a CIA and non-CIA audit staff?</p>	<p>Nothing, currently not considering the CIA.</p>
	<p>Promoting the career ladder and enhancing my knowledge would motivate me to obtain a CIA.</p>
	<p>No real difference in their mind, but their office is mostly CPA/CIAs and CIAs</p>
	<p>No</p>
	<p>Never worked with a CIA or thought they had not. Has worked as director of internal controls at a Fortune 500 company and at their own firm and does not recall ever working with a CIA.</p>
	<p>No</p>
	<p>Yes, my peers with a CIA display their knowledge and confidence in internal auditing more than noncertified staff.</p>
	<p>Yes. Only has CPA audit staff. Only CIA-certified staff are the director, and Auditor V. CPAs seem to look more into ledgers and the details of accounting-type work, even if it's not in the scope of the audit. CIA Auditor V does a great job of keeping audits within scope and geared to the internal audit profession.</p>
	<p>I have worked with both CIA and non-CIA audit staff who have produced great quality work.</p>
	<p>No difference.</p>
<p>Management has CIA certifications and experience, but I cannot conclude whether the quality of work is due to the certification or experience.</p>	
<p>8. How could your management assist you in obtaining the CIA?</p>	<p>The function supports it already. They encourage CEs and certifications, but the costs are on the employees and getting the CEs themselves.</p>
	<p>More flexibility during the work week to study. Maybe provide other incentives, like one-time merit for obtaining.</p>
	<p>Again, if they were 40, time to pursue it. Would be helpful as well if they paid for courses and training. Also establishing goals where a CIA would be beneficial to their career.</p>
	<p>Time to study at work would be helpful. Maybe use their training budget for CIA courses.</p>
	<p>I believe that my management has adequately supported me by financially supporting and incentivizing any certifications/continuing education. I also feel supported more by management allowing us to study during work hours.</p>
	<p>They stated that employees in their office can get reimbursed for some of the fees (study, registration, test) but not all. The reimbursements happen through paycheck merit increases. They would like to see all fees get reimbursed.</p>
	<p>By offering support, encouragement, and maybe some helpful study tips to prepare for the exam.</p>
	<p>By assisting with study materials and the cost of sitting for the exam.</p>
	<p>Management has assisted significantly with providing study materials and the IIA annual membership; however, study time has not been a priority as project deadlines override all. Even when I was scheduled (calendar) to study, management questions and meetings are prioritized first.</p>

Table C.3: CAE Responses

Questions	Responses
<p>1. What has been the biggest challenge for you to motivate your staff to obtain a CIA?</p>	<p>They indicated that their agency does not have any challenges for motivating their staff to obtain a CIA certification.</p> <p>Carving time to study. Doesn't want to dictate what people do in their personal lives. Also tries to take into consideration if employees really want to become audit leaders.</p> <p>Professional creditability and career advancement.</p> <p>Currently, all staff has the CIA certification. A previous employee was offered the opportunity to obtain the CIA. I had sufficient budgeted funds to cover exam review costs, test-taking costs, and allot time to study, but it wasn't enough for them to pursue it. In this case, I do not think there was anything else that could have been used as an incentive.</p> <p>All individuals I've hired so far have had the CIA, but in my experience for other certifications, the biggest challenges are 1) time to prepare 2) cost of materials 3) Cost and time for exam.</p> <p>The biggest challenge is that they don't get any money to obtain the certification (like a bonus). They do have to get a certification to be promoted to a Senior Auditor, but they can stay at an Auditor I, II, or III without certification.</p> <p>They provide reimbursements for the certification costs and have a career ladder that staff can move up to upon obtaining a CIA certification.</p> <p>Pay for study and testing. Try to offer time at work to study before taking the exam.</p> <p>My organization provided some time to study and take exams and paid for training material. They also reimbursed me for the cost of the exam when I passed.</p>
<p>2. What type of incentives are you able to offer?</p>	<p>TFC's budget for Internal Audit was approved to include re-certification/renewal costs and CPE training for licenses and certifications, including the CIA. In addition, the staff is encouraged to volunteer (peer reviews, item writing, etc.) and attend CIA meetings/training.</p> <p>Preparation time, cost of materials, time for exam. I think we may compensate for the exam if passed.</p> <p>None.</p> <p>They weren't entirely certain but think there is a 6-month commitment required from the staff to be reimbursed for the exam costs. Additionally, the funding for the exam costs has to be pre-approved based on the available budget.</p>
<p>3. Are there any commitments related to the incentives?</p>	<p>No. Not in the policy.</p> <p>N/A</p> <p>No.</p> <p>If the auditor is an Auditor II, I would consider a promotion to Auditor III if a salary increase is approved, available, and experience requirements were met.</p> <p>No.</p>

Table C.3: CAE Responses

Questions	Responses
<p>4. What is the timeline for the staff to receive the incentive?</p>	<p>They did not provide a set timeline, however, indicated that incentives/promotions are provided based on the funding and appropriate approvals.</p> <p>Depends on financial services and when the employee passes.</p> <p>For me, it was the career opportunities that open up for me, and the jobs that I have had that were the most beneficial to me.</p> <p>Not applicable.</p> <p>Once certification requirements are completely met.</p> <p>N/A</p>
<p>5. Is there a difference in the quality of work between staff with and without CIA certification?</p>	<p>There is no significant difference between the quality of work between a CIA and non-CIA staff, but the CIA-certified staff may be more knowledgeable about the audit standards and professional matters.</p> <p>Yes, but not the function of certification. The differences are more due to experience.</p> <p>I think the quality of work has little to do with certification as it does with the skills of the auditor performing the work. Although there is some good debate on whether studying and passing the exam makes you a better auditor, I am of the opinion that there is a considerable amount of learning about IA through the studies that makes you a stronger auditor. That said, being a stronger auditor as a result of studying and passing the exam, I do feel that I was a stronger auditor and had more success as an auditor as a result of obtaining the CIA designation.</p> <p>Absolutely. Folks with a CIA, in my experience, understand audit vernacular and use it easily in discussions about the work. In addition, they seem more aware of the use and applicability of standards. I've managed junior staff with a CIA and junior staff without a CIA in other larger Internal Audit departments. I generally have to spend more time explaining tasks to individuals without the CIA when assigning work.</p> <p>Quality is something that comes through training, experience, and understanding. However, an individual with a certification tends to have a stronger grasp of the controls, audit risk, procedures, report writing, etc.</p> <p>Definitely a difference. Typically, we cannot afford to pay the market rates for any staff levels, so we typically don't get auditors that are high achievers. When we do, they get their certification and move on to a corporate environment that sometimes can pay \$30K more per year.</p> <p>They think there should be consistency among state agencies in job descriptions, expectations, and pay scales to apply the rules consistently. They think some of the issues are due to inconsistency and huge differences among state agencies where staff can obtain a specific position and pay without certain requirements. This has also created retention and recruitment challenges at their agency.</p>
<p>6. How could your agency/board assist audit personnel in obtaining the CIA?</p>	<p>Do a decent job; not sure what else we could ask for. No requirement to obtain a certification, but it could be something the agency could institute to address succession planning.</p> <p>Financial support for the costs of study material and exam fees as well as provide study time to prepare for the exam. Include obtaining certifications for audit staff in the vision and strategic plans of the organization.</p> <p>Not applicable.</p> <p>I'll think about this one and get back to you.</p> <p>Probably by starting out by paying higher salaries, giving bonuses for passing the exams.</p>

Thank You

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