

Generative AI Opportunities for Internal Audit

Generative AI for Internal Audit

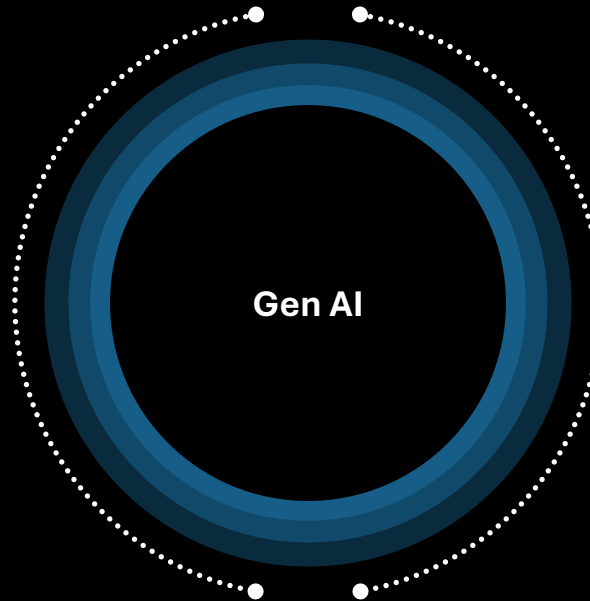
Two distinct market opportunities for Deloitte

**Internal Audit's re-assurance
and advice over the risks
presented by Gen AI to the
organisation**

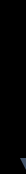


**Market
opportunity**

Protect



**Internal Audit's use of Gen
AI to deliver its purpose and
remit as a function**



Transform

&

Operate

Assuring and advising on the risks posed by AI

A pressing and immediate market demand

PROTECT

The risks from AI

Inaccuracy ("hallucination")

Explainability

Bias

Confidentiality and Privacy

IP Protection, Copyright, & Infringement

Prompt injection (targeted malicious prompts designed to mislead the AI model)

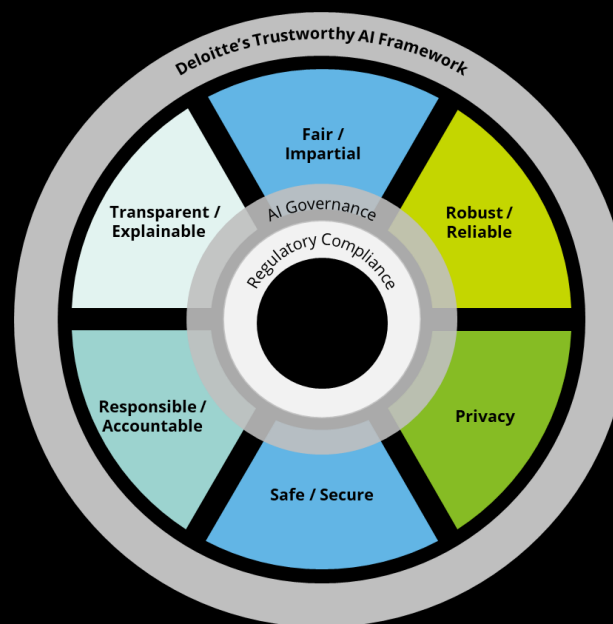
Misuse

Environmental

Regulatory Landscape

The regulations around AI and ML are rapidly evolving: the proposed EU AI Act, the UK National AI strategy, the Data Protection and Digital Information Bill and the Saudi Arabia IP Law just to name a few.

Our framework to mitigate



Our Trustworthy AI framework provides a comprehensive methodology for assessing risk and proactively implementing the required controls, where they be preventative, detective or for training and creating awareness.

Controls across delivery

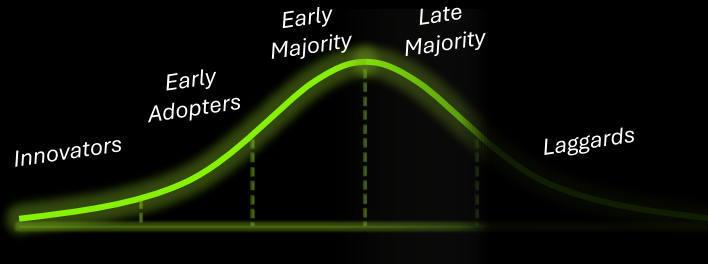


We have developed a use case development framework to ensure all the required controls and governance are included throughout the development lifecycle

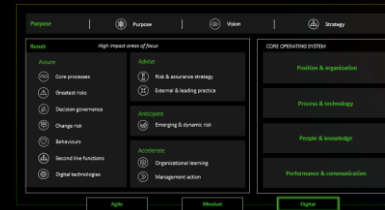
Gen AI driven digital transformation of Internal Audit

The potential to redefine the concept of re-assurance

TRANSFORM AND OPERATE



Internal Audit 4.0 Purpose driven, **digitally** powered



- Exposure to LLMs has accelerated broad market demand for digitalisation of IA
- Gen AI is the keystone that will allow Internal Audit to achieve significant time and cost savings
- Gen AI driven digital transformation has the potential to redefine the concept of re-assurance, challenge conventional thinking about the three lines model and reduce the cost of re-assurance for the organisation

What do we mean by digitalization of IA?

Using digital assets to maximise IA's impact, value, quality and insight using a combination of the below technologies....



Artificial Intelligence



Automation



Cloud & platforms



Process mining



Analytics



Visualisation

Deloitte's market opportunity

New, high margin advisory revenue streams

Step change in how we differential our IA delivery services (outsource and co-source)

Routes to value

Strategy – Advising Internal Audit functions on their digital and Gen AI strategy

Skills and capabilities – Raising digital fluency through our learning and development offerings

Technology – Helping Internal Audit functions to identify, design, build and operate digital use cases

Digital transformation - of Deloitte's outsource and co-source models, providing a compelling ROI for strategic outsourcing and broader re-assurance transformation of in-house functions

Generative AI for Internal Audit

How it could help...

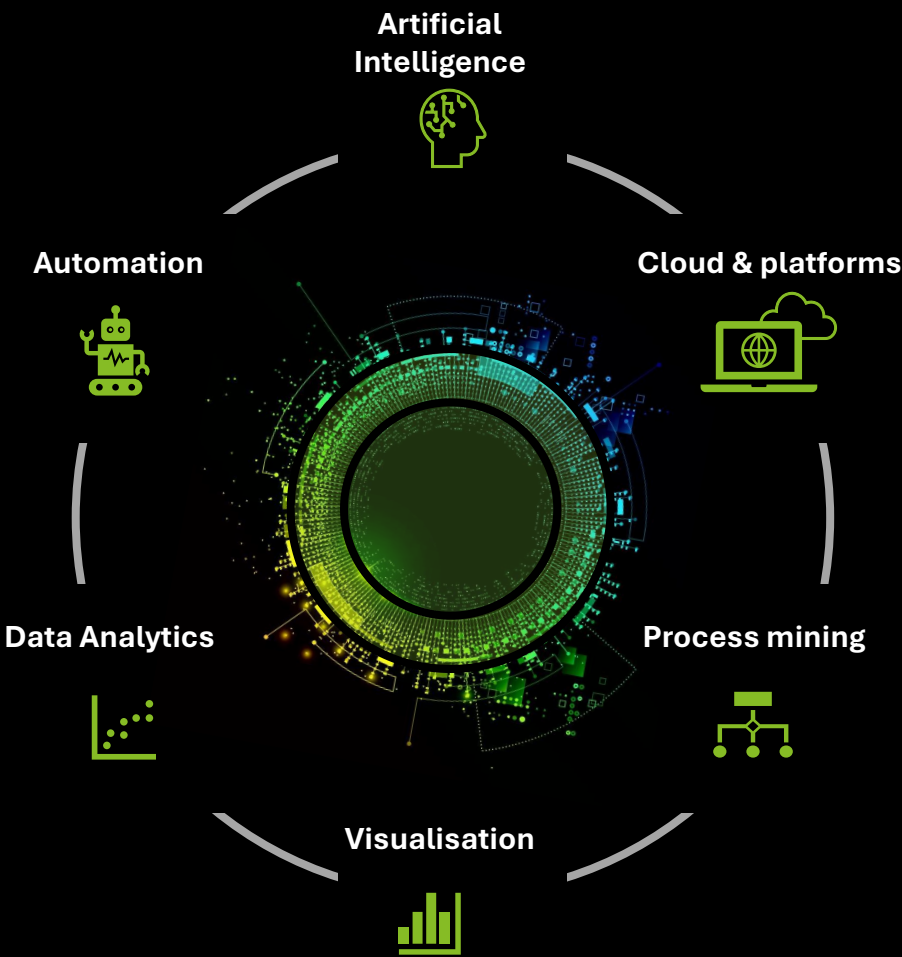
Generative text, code and video technologies, including Large Language Models like ChatGPT, can offer a vast range of possibilities for Internal Audit. Their use is only limited by the imagination and creativity of teams. However, we have outlined some example use cases of how Internal Audit groups can embrace these across the audit lifecycle below.



Leveraging the full power of digital

Combining AI with other technologies...

By combining the power of AI with other technologies such as automation, analytics, visualisation, process mining and platforms including the Audit Management System, third party SaaS and enterprise systems, the potential for new capabilities that will drive greater efficiencies, quality, and impact is huge. A small range of potential capabilities unlocked through digital are below.



Predictive text to help drive consistency and quality	Intelligent interview analysis to identify risk, themes and insight	Intelligent analytics; suggested and self-service analytics	Outlier detection with machine learning	AI supported control design through digital twins and synthetic data	Personalised exception workflow management
Optimising risk coverage through intelligent plan development	Resource and schedule optimisation	Automated workpaper creation and QA	Continuous and automated control testing	Automated follow up process and reporting	Text mining & sentiment analysis
Automated skills and capabilities management	Customised L&D pathways and just in time training	Professional practices chatbots to advise on methodology and QA topics	Personalised co-pilot assistants	AI supported quality review	Interactive and visual reporting



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