

## OPINION

# INTERNAL AUDIT IN 2026 – MOVING BEYOND COMPLIANCE TO CYBER, GOVERNANCE & RESILIENCE



**Omar Mughal**  
Partner  
[omar@raa-auditing.com](mailto:omar@raa-auditing.com)



**Bhumika Tyagi**  
Associate Director  
[bhumika@raa-auditing.com](mailto:bhumika@raa-auditing.com)

*“Compliance tells you where you’ve been; internal audit should help decide where you’re going.”*

For decades, internal audit has been synonymous with compliance - ensuring policies are followed, controls are documented, and regulatory boxes are ticked. And why not, we live in a world where its better to be compliant then non-compliant and get sanctioned!

While this topic remains essential, it is no longer sufficient. In 2026, organizations operate in an environment defined operational resilience, agility, service disruptions and evolving cyber threats. Internal audit must evolve from a retrospective compliance function into a forward-looking strategic partner - one that actively shapes governance and risk management.

## FROM CONTROL ASSURANCE TO RISK INTELLIGENCE



Traditional internal audit approach focuses on historical data and control testing. However, risks today are dynamic and often emerge faster than audit cycles can keep up. The shift now is toward *risk intelligence* - leveraging data analytics, continuous auditing, and real-time monitoring to anticipate issues before they materialize.

Internal auditors are increasingly expected to answer not just “Are controls working?” but “Are we prepared for what’s coming next?” This requires deeper engagement with business strategy, operational processes, and emerging technologies.

***"The future of internal audit lies in anticipating risks before they materialize."***

## CYBERSECURITY: NO LONGER A SPECIALIST CONVERSATION



Cyber risk has moved from the IT department to the boardroom. With increasing frequency and sophistication of cyberattacks, internal audit plays a crucial role in evaluating not only technical defences but also organizational preparedness.

This includes:

- Assessing incident response frameworks and recovery capabilities
- Evaluating third-party and supply chain cyber risks
- Reviewing employee awareness and behavioural vulnerabilities
- Ensuring alignment with global cybersecurity standards

Importantly, internal audit must bridge the gap between technical risk and business impact - translating cyber vulnerabilities into financial, operational, and reputational consequences that leadership can act upon.

## AI AND DIGITAL RISKS: THE NEW FRONTIER



The widespread adoption of artificial intelligence and automation introduces a new class of risks that many organizations are still grappling with.

These include:

- Algorithmic bias and ethical concerns
- Lack of transparency in decision-making models
- Data privacy and regulatory exposure
- Over-reliance on automated systems without adequate oversight

We continue to develop our capability to audit AI systems - not just from a controls perspective, but also from governance, fairness, and accountability standpoints. This requires new skill sets, including data science literacy and collaboration with technology teams.

## STRENGTHENING GOVERNANCE IN A COMPLEX WORLD



Good governance is no longer just about structure - it is about effectiveness. Boards and audit committees are under pressure to demonstrate oversight on a wide range of issues, from ESG commitments to digital transformation.

Our Internal audit is uniquely positioned to provide independent assurance on governance effectiveness by:

- Evaluating decision-making processes
- Assessing tone at the top and organizational culture
- Reviewing alignment between strategy, risk appetite, and execution
- Identifying gaps in accountability and reporting

By doing so, internal audit moves beyond compliance into enabling better leadership and organizational integrity.

## OPERATIONAL RESILIENCE



If the past few months have shown anything, it is that disruption is inevitable. Whether from geopolitical instability, service disruptions, cyber security attacks or economic shocks, organizations must be prepared to withstand and recover quickly.

Internal audit's role in operational resilience includes:

- Assessing business continuity and disaster recovery plans
- Stress-testing critical processes and dependencies
- Evaluating operational agility and adaptability
- Identifying single points of failure across systems and supply chains

Operational resilience is not just about surviving crisis - it is about fool-proofing yourself for any disruptions and emerging stronger. Internal audit can help organizations embed this mindset into their operations.

## THE EVOLVING SKILLSET OF INTERNAL AUDITORS



To remain relevant, internal auditors must expand their capabilities. The profession is shifting toward a hybrid skillset that combines:

- Traditional audit and accounting knowledge
- Data analytics and digital tools
- Cybersecurity awareness
- Strategic thinking and business acumen

At **RAA**, we take pride in ensuring we have the necessary skillsets to communicate and deliver effectively.

***"Operational resilience is not about avoiding disruption — it's about recovering stronger."***

## CONCLUSION: A STRATEGIC IMPERATIVE

Internal audit in 2026 is at a crossroads. Organizations that continue to view it as a compliance function risk missing out on its true value. Those that embrace its evolution will gain a powerful ally in navigating uncertainty.

By focusing on operational resilience, cyber & AI risk and governance, internal audit can move from hindsight to foresight - helping businesses not only protect value but create it.

### How can we help

At RAA Auditing, we take pride in delivering audit and assurance services which go beyond regulatory requirements. We provide expertise by, enhancing transparency, and support informed decision-making by providing reliable assurance. We offer extensive expertise and a commitment to quality, ensuring that your stakeholders can rely on your financial reporting.

### Who we are

RAA Auditing is a UAE registered audit firm which has experience in the multi jurisdictional regime, within the country, from the north of UAE at Ras Al Khaimah Economic Zone to the south at Abu Dhabi Global Market.

Our teams are internationally trained, certified auditors, who bring a breadth of skills and expertise, coupled with a personalized approach and a commitment to service excellence.

Our audits aim to help clients mitigate risk, improve operational efficiencies, and safeguard their business by providing clarity on issues that matter.

#### Dubai

Office 8, 8th Floor, Al Gurg Tower 3,  
Baniyas Road, Rigga Al Buteen  
Dubai, UAE

**+971 (0)4 294 9203**

#### ADGM

Office 3808-C5.D008, 38th Floor,  
Addax Port Office Tower, Tamouh,  
Al Reem Island, Abu Dhabi

#### Dubai

Office 1701 B-012  
Fahidi Heights, Al Hamriya  
Dubai, UAE

[www.raa-auditing.com](http://www.raa-auditing.com)