

Internal Audit: An expanding business line in a time of crisis

Business line

The Group Internal Audit department at Calyon, the Crédit Agricole Group's corporate and investment bank, is an exemplary control body and one of the banking sector's rare business lines to offer rapid access to cross-functional postings and managerial responsibility. Below, an interview with **Michel le Masson (H.80)**, Calyon's General Inspector since 2005.

How is Calyon's internal audit department organized?

It is an integral part of Crédit Agricole SA's Audit Inspection business line. It is made up of 230 employees based at head office and in the audit units of the group's overseas branches and subsidiaries. The head office teams comprise mainly employees who have just graduated from school or have some initial experience in the auditing field, working under managers with broad experience of the Bank's business lines.

Group Internal Audit is often presented as a training ground for managers. Why is that?

The first reason is that inspectors get involved quickly and fully on the ground, both in France and abroad, with audits spanning a whole range of different areas. This requires a very high level of self discipline and a good sense of management allowing them to handle high-level contacts, as well as the ability to perform well on a team. In contrast to the more specialized profiles of the other business lines, however, they have an opportunity to get an in-depth picture of an international corporate and investment bank's various business lines and operate within highly diverse cultural environments.

What is the general view of the Group Internal Audit business lines?

Group Internal Audit often conjures up an austere image on account of the rigor required by this function. At Calyon, the role of inspector generally falls to young employees with a generalist background, who have to counterbalance their relative lack of experience by their motivation and ability to take on new areas. In this environment, where your work is constantly called into question by more experienced managers, you need humility, good communication skills and a highly developed sense of professionalism.

Has the financial crisis affected the department's organization?

We did not wait for the crisis to kick in to increase the resources allocated to the audit function. They have been on an upward curve for the last three years, as they have become an essential part of governance, which is also why Group Internal Audit will continue to recruit in the future. That said, it will also demand increasingly high levels of professionalism and discipline, just as regulatory developments will inevitably involve consolidation of audit functions in the future.

On that point, what are your recruitment needs for 2009?

These remain unchanged, and will undoubtedly be higher than in other departments. We will be hiring between 15 and 20 people in Paris this year. At the moment Group Internal Audit is the field of greatest opportunity for recent graduates.

What is the ideal profile for someone wishing to join your unit?

We aim for a mix of graduates from business schools, engineering schools and universities to give the Internal Audit unit a diverse culture. Accordingly, our current staff comprises 42% former business school students, 32% graduates from engineering schools and 26% from universities.

Whatever their educational background, what we look for first and foremost in candidates is openness, adaptability and an enquiring mind.

Michel Le Masson(H.80)



ABOUT CALYON, CRÉDIT AGRICOLE'S CIB ARM

Calyon Crédit Agricole CIB is the Crédit Agricole group's corporate and investment banking arm, formed in 2004. Today Calyon has nearly 13,000 employees in 57 countries.

SNAPSHOT CV

Michel Masson worked in numerous fields and positions within the bank before becoming General Inspector for Calyon: Risks; Chief Financial Officer for the subsidiaries; Structured Finance; Head of Management Control; Country Officer (based in London); Regional Director, Europe; Head of Private Banking; and most recently International Investments Director at Crédit Agricole S.A..