

10 High Impact Auditing Practices *For Every Audit Project*

Session W-304

The Conference That Counts
May 24, 2023

John J. Hall, CPA

John@JohnHallSpeaker.com

(312) 560-9931

www.JohnHallSpeaker.com



TriCounty
TECHNICAL COLLEGE

Spring 2023 Academic Calendar

revised: 07/14/22



[2023 EVALUATIONS](#)

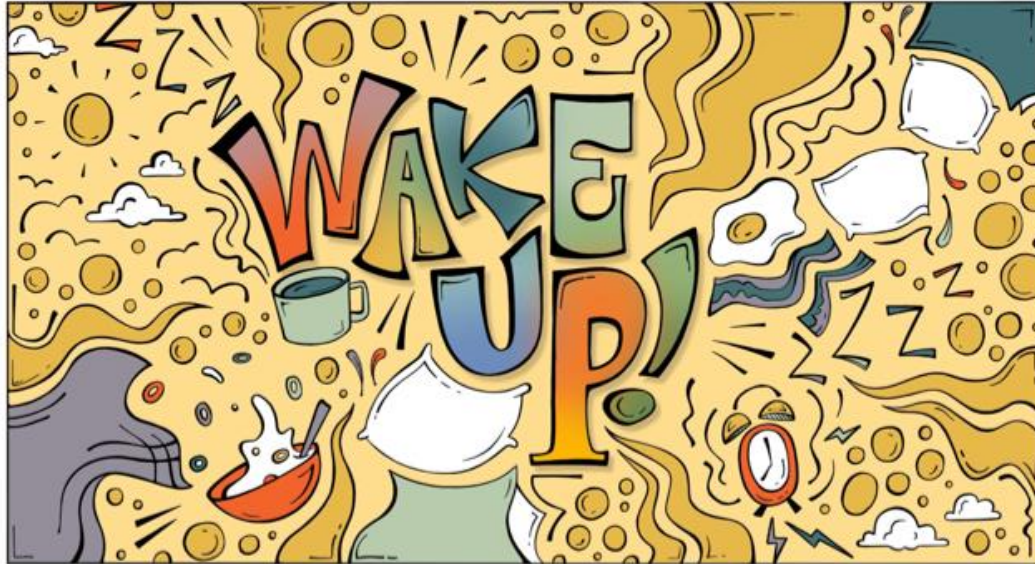
[LEADER RESOURCES](#) ▾

[TCTC MISSIONS](#) ▾

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Saturday Afternoon, April 29

3:15 pm - 4:30 pm

W103: CIS Critical Security Controls ⓘ

Valecia Stocchetti, Speaker • Salon H

Add to My Agenda

W203: Up to the Challenge: Addressing Fraud Risk in Government Benefit Programs ⓘ

James Ruotolo • Randa Abdelhamid • Tanya LeClair

Add to My Agenda

W304: 10 High Impact Auditing Practices ⓘ

John J. Hall, Speaker • Salons F & G

Sold Out

Registration Change ⓘ

Add to My Agenda

My Agenda **16**

Intention



IMPACT

The power of an
event or idea
to educate, encourage,
move the feelings and
produce changes

Transition Experience

PRIOR
RESULTS →

INTERACTION →

BETTER
RESULTS

Transition Experience

PRIOR
RESULTS →

AUDIT →

BETTER
RESULTS

Post-Covid Normal



Post-Covid Normal



10 High Impact Practices

1. Be Much More Consultative

Skills Framework

Level 3: Internal Consulting Skills

Level 2: Interpersonal and
Communication 'Soft Skills'

Level 1: Core Competencies

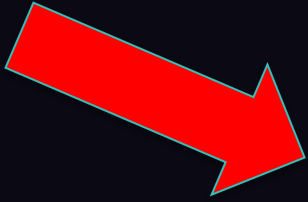
SKILLS STACKING

Consulting?

We're consulting any time we're trying to change or improve a situation but have no direct control over decisions, resource commitments and implementation

If we have control over decisions, resource commitments and implementation strategy, we are managing not consulting

Skills Framework



Level 3: Internal Consulting Skills

Level 2: Interpersonal and
Communication 'Soft Skills'

Level 1: Core Competencies

SKILLS STACKING

Eliminate the Bends



Eliminate the Bends



Find & Solve a Problem

1. How could we make this *Better!*
2. What's in the way?
3. Where are the bends/hurdles?
4. Why are they there?
5. How do we make sure it never happens again?
6. Start with personal performance
7. Practice with team and department issues
8. Then – bring the process to audits & other jobs

We Are All Consultants

Opportunities in
Projects
and
Everyday Moments

10 High Impact Practices

1. Be Much More Consultative
2. Plan Deeper

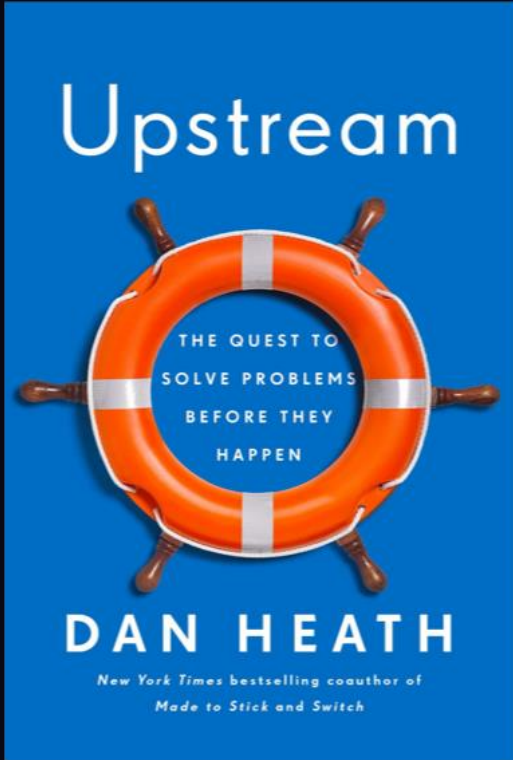
Better! Planning

Live In-Person Planning & Brainstorming Meetings

- Everyone has a role
- Research in advance
- Leadership present & active
- “Hey Boss” questions – and answers

10 High Impact Practices

1. Be Much More Consultative
2. Plan Deeper
3. Address Prospective Risks



Upstream

*The Quest to
Solve Problems
Before They Happen*

Dan Heath

Example Prospective Risks

1. **Supply Chain Disruption**
2. **Skilled Labor Availability, Interest & Cost**
3. **Rapid Changes in the Environment**
4. **Energy & Water**
5. **Legal & Regulatory**
6. **Geopolitical Stability/Conflict**
7. **IT & Cyber Security/Disruption**
8. **Disruptive Technology**





Example Prospective Risks

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7. IT & Cyber Security/Disruption
8. Disruptive Technology
9. AI

The New York Times

OPINION

THOMAS L. FRIEDMAN

Our New Promethean Moment

March 21, 2023 6 MIN READ



Olivier Douliery/Agence France-Presse — Getty Images

Everything, Everywhere Is Going to Change All at Once

Thomas L. Friedman
The New York Times
March 21, 2023

Example Prospective Risks

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Prospective Risk Prediction Tool



10 High Impact Practices

1. Be Much More Consultative
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3. Address Prospective Risks
4. Integrated Projects, Approach and Results
5. Data Analytics – Now More Than Ever
6. Test Control Quality – Not Just Existence
7. More Face-to-Face – Every Day

Returning to the Office

1. Exactly Where is the Office
2. Why Return to the Office
3. But Maybe We Don't Want To
4. Covid, Safety, Security
5. What If We Don't Return to the Office
6. Costs of Partial / Part-time Return
7. Impact on Control Design
8. Impact on Control Effectiveness
9. Impact on Audit Results
10. Impact on Staff Supervision & Development

Returning to the Field

1. **What's 'The Field'**
2. **What We Lose**
3. **What We Gain**
4. **What We Risk**

But Wait – What About Virtual?

1. Does Virtual Auditing Really Work
2. Are Leaders Getting the Results They Expect
3. We Just Spent Years Adjusting – Why Stop Now
4. Is Virtual Auditing Really Auditing
5. What's Still Needed – Behaviors & Tools
6. Hybrid?

Step Back View



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8. On-Site Reviews of Third-Party Relationships

Elevated Risk Profile Variable #1

Third-Party Reliance

- ✓ Significance
- ✓ Likelihood

Elevated Risk Profile Variable #2

**We never know
their full story**

**They have at least
half of the records**

Elevated Risk Profile Variable #3

Procure to Pay Cycle Risk

- ✓ Significance
- ✓ Likelihood

Elevated Risk Profile Variable #4

Potentially Shifting Support

**Management with
Skin in the Game**

Elevated Risk Profile Variable #5

**Weak
Deal(s)**



BEHAVIORS

Skills
Interest
Time
Supervisor Support
Peer Support

High

Low

High

ENVIRONMENT

CONTROL ENVIRONMENT
Policies
Procedures
Laws & regulations

Example set by leaders
Compliance monitoring
Access
Transaction execution, review & approval



High

THE DEAL

BEHAVIORS

- Skills
- Interest
- Time
- Supervisor Support
- Peer Support

Low

High

ENVIRONMENT



Marvin Williams

**What does
your paper say?**

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9. Dig in to ESG Issues



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9. Dig in to ESG Issues
10. Confirm Accuracy of Reported Results

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Let's Create a New 'Better!' Scene



Questions
Thoughts
Comments
Suggestions
Well-Reasoned Arguments

Anything You Need

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THANKS!