

Agile Auditing and Assurance

Inspiring credibility; reducing costs of delivery; focussed on value

Agile has become a buzzword in Internal Audit, as in other functions, but it risks being theoretical or too complex to implement in a proportionate way. We have the first hand experience to take the theory and work with functions of all sizes to embed agile principles in a practical and pragmatic way that enables audit activity to focus on the real risks and issues, and on engaging really effectively with business leaders across the organisation.

We **break down the hierarchy** in audit teams to enable multi-disciplinary teams to work flexibly in scrums.

We assess the existing tools and methodology and identify where **activities can be streamlined** whilst continuing to meet required standards.

We focus on **eliminating blockers** that reduce the timeliness of assurance and recommendations to create better engagement.

We **break down the barriers** that can exist between auditors and auditees by developing a language and way of working that reflects the wider organisation.

We work to **educate leaders, managers and auditors** and inspire new ways of working.

How we work with you

We focus on the unique needs and drivers for change within each organisation that we work with.

We get stuck in and develop capability in the function, rather than bringing theory.

We work to develop the in-house capability and capacity so that agile is owned by the auditors.

We share our passion for delivering real value, prioritising ways of working, underpinned by strong tools and methodology.

Collaborating for success

Andy Spence has worked with many of the largest financial services audit and assurance functions to create lasting transformation and agility. He has worked as an agile coach since 2012 and in recent years has focussed on enabling internal audit functions to meet their regulatory obligations while delivering improved value and flexibility. He shares the BRAVE vision of transforming our profession through driving a modern and more inclusive way of working with agility and that delivers commercial outcomes.

Our network's agile assurance experience

Removing duplication, building credibility and reducing costs

A major utilities company had a strong basic foundation of audit, risk and assurance capability. However, in a tight cost environment it needed to deliver substantial cost savings, whilst continuing to provide insight and value to the organisation. We recognised that costs were being incurred through duplication of activities in the audit process. The function had a traditional model where audit work was completed by junior team members and reviewed on several occasions before reports were produced and discussions held with senior business leaders. We created teams focused on specific areas of risk that included both experienced auditors and subject experts from other fields and educated them to work together in scrums, sharing ideas regularly and bringing business managers into the conversation as frequently as possible. Over time the team grew in confidence, increased their credibility in the eyes of management, and costs were substantially reduced as duplication was eliminated.

Engaging our auditor and auditee communities

We believe audit is an exciting and dynamic place to work, yet this is not always the perception people bring to the role. However, when we introduce agile ways of working the engagement of the team increases significantly as they feel more empowered and have greater autonomy. Surveys across multiple clients indicate that 82% of staff would recommend this way of working with others.

“Daily scrum events created a collective response to issues, whilst the highly visible and collaborative approach provided greater transparency and gave me a voice in my team”, junior auditor within a major insurance firm.

“Discussing issues at each Sprint Review, and being able to feedback on the progress of the audit grew trust in both the process and the auditors we were working with”, senior auditee on a recent pilot audit.

Alternative approaches to annual planning

Countless audit functions spend a great deal of time ensuring the plan for the next year is scheduled and resourced well. On average this process takes anything from 20 – 40% of an auditor's time per year. By the time the plan is created and agreed its changed, or the landscape and risk prioritisation needs updating, and we're stuck in this endless cycle of perfecting the “unperfectable”. This causes a backlog of work as we realise the current plan is unlikely to be met and yet we fail to achieve the plan as “promised” year after year.

Utilising a flexible and agile team approach and simpler planning techniques we have helped reduce time spent in the annual planning cycle by up to 50%. In addition, this enables the creation of an adaptable and living plan that is easily estimated and updated. This ensures we can not only respond to changes in the risk environment, but also ensure valuable and prioritised work is assessed and acted upon continuously.

Reducing compliance, improving quality

We consider audit quality and compliance from the outset, helping to ensure quality standards are maintained, if not improved on, as new ways of working are developed.

This has enabled us to alter parts of the methodology through live feedback from experts, including the professional practices communities in financial services clients, leading to significant waste reduction in unnecessary process right from the start. At the same time we demonstrate we are maintaining Chartered Institute of Internal Audit standards. We allow individuals greater flexibility to respond to issues and to use their own professional judgement, and provide them with the confidence to do this.