

Index

- Action component, in audit reports, 118–19
- Action plans, 121–39
 - adoption of, 128–29
 - CA methodology for, 132–37
 - closure status notes for, 136–37
 - confirming business partner adoption of, 130–32
 - for creating a world-class audit organization, 220
 - defining real action in, 122–23
 - development process for, 126–27
 - having regular communication to ensure completion of, 38
 - implementation of, 127–28
 - from internal audit dashboard metrics meetings, 157
 - key considerations about action plan owners in, 123–24
 - reporting in, 130
 - requesting for use in audit reports, 37, 54
 - steps in creating, 125–30
 - three characteristics of, 122
 - tracking system for, 137–39
 - verifying a target date for, 124–25
- Active listeners, characteristics of, 168–69
- Adoption process, for action plans
 - CA methodology for confirming, 130–31
 - description of, 128–29
- Advisor approach, 169
- Agendas
 - adding auditor notes to, for use in facilitating meetings, 52
 - asking for additions from business partners, 51
 - closing meetings and, 52–53
 - facilitating meetings using items on, 51–52, 171–72
 - preparing for business partner meetings, 50–53
- Annual audit plan, reviewing before beginning an audit, 12, 13
- Approach phase, in CA methodology, 132, 134–35
- ARB. *See* Audit Risk Barometer (ARB) methodology
- Audit brand, 29–30
- Audit committee
 - reports to, 130, 201, 202
 - responsibilities of, 203
- Audit departments. *See* Internal audit departments
- Audit fieldwork phase, 79–100
 - Beyond Audit methodology requirements in, 86–91
 - communication during, 24–25, 82–84
 - explaining to business partners, 34, 36
 - importance of documentation created in, 79
 - overview of activities in, 24–25
 - responsibilities in, 84–85
 - sufficient evidence question in, 91–92
 - top 10 keys to managing, 93–100
 - workpaper logical organization in, 85–86
 - workpaper objectives in, 85
 - workpaper self-review and keys in, 93
- Audit function
 - business partner relationship in, 2–3, 5–6
 - execution challenges in, 2–4
 - pandemic and move to remote auditing in, 3–4
 - self-assessment of. *See* Audit Risk Barometer (ARB) methodology
 - self-evaluation of key components in, 4
 - setting annual goals in, 1–2
 - understanding auditor's role in, 5–6
- Auditing
 - business perspective on, 30
 - clients in. *See* Business partners
 - preconceived notions about, 30
 - remote approach to. *See* Remote auditing

- Audit methodology. *See* Beyond Audit methodology; Internal audit methodology
- Auditors
- advisor approach for, 169
 - audit execution challenges and, 2–4
 - audit fieldwork phase and, 24–25
 - audit planning phase and, 22–24
 - audit reporting phase and, 25–26
 - audit survey in wrap-up phase by, 27
 - audit wrap-up phase activities and, 26–27
 - availability of clients as a challenge for, 14
 - building relationships with business partners by, 21–22
 - as change agents in audit reporting phase, 103–4, 139, 214–16
 - communicating critical information by, 19–22
 - communicating regularly to ensure completion of action plans, 38
 - communication skills as foundation of success in audits for, 13–14, 39, 161–62
 - control definition understanding of, 32–33
 - critical keys for being prepared in meetings with business partners, 7–9
 - dispelling myths about, 38–39, 177–78
 - establishing status meetings with business partners and, 19–20
 - explaining internal audit phases by, 34–38
 - explaining outcomes of audits by, 33
 - explaining process of selecting a business process for internal audit by, 35
 - explaining time needed for audit phases by, 35
 - explaining types of internal audit reviews available by, 34
 - finding previous audit activity by, 16
 - identifying the right business unit contact in, 17, 45–46
 - internal audit dashboard's impact on behavior of, 154
 - making responsibility assignments for each audit phase by, 18–19
 - marketing audit departments by, 29–40
 - meeting facilitation by, 170–73
 - meeting preparation by, 169–70
 - obtaining detailed process steps as a challenge for, 15
 - oversight definition understanding of, 33
 - pandemic and move to remote auditing by, 3–4
 - relationships among, 173–74
 - risk definition understanding of, 32
 - sending formal status memos to business partners, 20–21, 25–26
 - setting annual goals in audit function and, 1–2
 - skills needed by, 41
 - Training Learning Map for, 223–26
 - understanding the business process by, 15–17
 - understanding rules of the business by, 16–17
 - understanding your role, 5–6
- Audit planning phase
- ARB foundation statement on, 185
 - completing, 77–78
 - consulting information from, for audit test development, 73
 - developing the audit test (program) in, 65–66
 - documenting business process controls in, 75–77
 - explaining to business partners, 34, 35–36
 - identifying business objective in, 64–65, 66–73
 - identifying business process risks in, 73–75
 - ORC model for, 62–78
 - overview of activities in, 22–24
 - spending appropriate amount of time on, 36, 63
 - three main phases in, 63
 - understanding the business in, 63–64
- Audit process steps, in internal audit dashboard development, 146
- Audit reporting phase, 25–26, 101–20
- auditors as change agents in, 103–4, 139, 214–16
 - audit status memos in, 25–26, 107
 - challenges in, 119–20
 - communicating audit results in, 101–2
 - communicating issues throughout the audit in, 106–7
 - communicating with business partners about reports in, 37
 - developing foundation for information in, 104–5
 - explaining to business partners, 34, 36
 - internal audit teams and, 101–2
 - keys for discussing issues in, 105–6
 - overview of activities in, 22–24
 - requesting action plans for use in, 37

- time needed for, 37
- tips for smoother report generation in, 37–38
- understanding, 102–4
- Audit reports
 - to audit committee, 130, 201, 202
 - audit objectives and corresponding ratings in, 111–12
 - business process background summary in, 108, 119
 - in CA methodology, 136
 - components of, 107–19
 - definition of, 106–7
 - determining what audit status memo content to add to, 54
 - exception issues built with five-component approach in, 108, 112–19, 120
 - lack of standard format for, 119
 - overall opinion stated in, 108–11
 - preparing supporting documentation for discussion of, 104–5
 - purpose of, 102–3
 - stating issues using the five-component approach, 112–19, 120
 - using a template for, 37, 107, 119–20
- Audit reviews. *See* Internal audit reviews
- Audit Risk Barometer (ARB) methodology, 181–98
 - audit methodology as foundation category in, 184–85
 - categories in, 184–97
 - data category in, 190–93
 - offerings category in, 193–95
 - overview description of, 183–84
 - outputs for audit department in, 182–83
 - precision category in, 187–90
 - risk score in, 183–84, 197–98
 - team category in, 186–87
 - value category in, 195–97
- Audit self-assessment. *See* Audit Risk Barometer (ARB) methodology
- Audit status memos
 - audit reporting phase with, 25–26, 107
 - audit teams and understanding process of, 53–54
 - communicating critical information using, 20–21
 - requesting action memos for use in, 37, 54
 - sending before business partner meetings, 20–21
- Audit survey, in wrap-up phase, 27
- Audit teams, 41–59
 - ARB methodology and, 186–87
 - audit execution challenges and, 2–4
 - audit fieldwork phase and, 24–25
 - audit planning phase and, 22–24
 - audit reporting phase and, 25–26
 - audit status memo process and, 53–54
 - audit survey in wrap-up phase by, 27
 - audit wrap-up phase activities and, 26–27
 - basic concepts for, 41
 - building an effective team, 41–59
 - building relationships with business partners by, 21–22
 - business team involvement with, 5
 - communications skills needed by, 44–47
 - core remote auditor skills for, 54–59
 - creating audit plans by, 22–24
 - establishing status meetings with business partners and, 19–20
 - having an internal overview meeting of all auditors on a project, 13
 - having remote business partner meetings with, 49–50
 - internal audit dashboard as performance measure for, 153
 - internal auditing departments operating as, 41
 - Learning Map of core competencies of members of, 42–43
 - listening skills needed by, 47–49
 - making responsibility assignments for each audit phase for, 18–19
 - meeting facilitation by, 170–73
 - meeting preparation by, 169–70
 - preparing agendas that drive meetings of, 50–53
 - remote skills needed by members of, 41, 44–49
 - sending formal status memos from, 20–21, 25–26
 - well-developed, detailed audit methodology as foundation for, 41
 - world-class audit organization, 216–18
- Audit tests
 - actions plans for gaps identified in, 122
 - audit reporting phase and, 101–2
 - closure status notes after completing, 136–37
 - business objectives consulted for, 70–71
 - business process controls consulted for, 75–76

Audit tests (*continued*)

- CA methodology for, 130–31, 132
- developing, in planning phase, 65–66
- evaluating effectiveness of, in fieldwork phase, 99–100
- evidence created from, 79
- exceptions and conclusion in, 90–91
- reviewing planning information for, 78
- understanding data sources in, 65
- using software or systems for, 65

Audit wrap-up phase

- explaining to business partners, 38
- overview of activities during, 26–27

Beyond Audit methodology

- action plan tracking report template in, 137
- action plan status reports in, 130
- advisor approach in, 169
- approach to identifying root cause in, 115–16
- ARB methodology in, 182
- audit fieldwork phase requirements in, 86–91
- audit team foundation in, 41
- CA methodology in, 130–31
- defining internal audits using, 31
- description of, 9
- explaining time needed for phases of, 35
- foundational five critical business components in, 176
- how to use in the book, 9
- identifying the business objective in, 67
- internal audit dashboard recommendation of, 142
- keys for discussing issues in audit reporting phase in, 105–6
- Learning Map in. *See* Learning Map process
- personalized development plans in, 59–59
- problem-solving technique
 - recommendations of, 157–58
- reporting partner results. *See* Audit reporting phase
- sample size recommendation in, 134
- on SIPOCs in internal audit dashboard development, 150–51
- standard audit report template in, 37, 136
- standards for determining effectiveness and efficiency in, 200
- standard target date requirements for action plans in, 124

- three pillars of relationship building in, 173–78

Training Learning Map in, 223–26

Brainstorming problem-solving approach, 157

Brand, for audit departments, 29–30

Budgets

- audit planning and, 24
- fieldwork phase of internal audits and, 37
- making responsibility assignments for each audit phase and, 18–19

Business, understanding in audit planning phase, 63–64

Business dashboard. *See* Internal audit dashboard

Business objectives. *See also* Objective, risk, and control (ORC) model

- audit testing derived from, 70–71
- business process owners as source of, 69–70
- choosing best approach for identifying, 69–70
- definition of *objective* in, 63, 66
- identifying in audit planning phase, 66–73
- identifying during remote auditing, 70–73
- importance of auditor's understanding of, 67–68
- knowing, in fieldwork phase, 94–95
- using internal audit methodology information on, 67
- verifying, if drawn from earlier audit work, 68

Business partner action plans. *See* Action plans

Business partners

- action plan implementation and, 127–28
- audit fieldwork phase and interactions with, 24–25
- audit reporting phase and, 25–26
- audit survey for, to measure quality, 121
- availability of as a challenge, 14
- building relationships with, 21–22
- challenges in audit execution and, 2–3
- communicating about audit reports with, 37
- communicating critical information to, 19–22
- communicating with to ensure completion of action plans by, 38
- communication in building relationships with, 161–62
- confirming adoption of action plans by, 130–32

- control explanation for, 32–33
- creating audit brand for, 29–30
- creating audit plans with, 22–24
- critical keys for being prepared for meetings with, 7–9
- defining internal audits for, 30–31
- establishing status meetings with, 19–20
- explaining internal audit phases to, 34–38
- explaining outcomes of internal audits to, 33
- explaining selecting a business process for internal audit to, 35
- explaining time needed for audit phases to, 35
- having remote audit team meetings with, 49–50
- identifying root cause by working with, 116–17
- identifying right contact for communication in, 17, 45–46
- initial planning meetings with, 24
- internal audit function and participation of, 2–3, 5–6
- keys for discussing issues in audit reporting phase with, 105–6
- meeting at start of an audit, 12–13
- obtaining detailed process steps from, 15
- oversight explanation for, 33
- relationship with, in audits, 11–12
- reporting results to. *See* Audit reporting phase; Audit reports
- risk explanation for, 32
- sending formal status memos to, 20–21, 25–26
- survey of, in wrap-up phase, 27
- terminology gap in discussing internal audits with, 31
- transparency in interactions with, 172–73
- types of internal audit reviews available to, 34
- Business process
 - creating audit plans about, 22–24
 - developing audit tests for tasks in, in audit planning phase, 65–66
 - documenting systems used in completing tasks in, 63–64
 - explaining outcomes of audits related to breakdowns in, 33
 - explaining selecting a process for internal audit, 35
 - explaining steps for validation of, 36–37
 - identifying business objectives working with owners of, 69–70
 - preparing for meetings by acquiring knowledge of, 49–50
 - understanding in remote audits, 15–17
- Business process background summary, in audit reports, 108, 119
- Business process controls
 - CA methodology and, 131–32
 - defining, in internal audits, 32–33
 - documenting, in audit planning phase, 75–77
- Business process knowledge
 - developing, in audit planning phase, 63–64
 - identifying root cause using, 116–17
 - in world-class audit organization, 203–5
- Business process risks. *See also* Risk; True process risk
 - auditor discussion technique used with, 76–77
 - identifying in audit planning phase, 73–75
 - true process risks and, 76–77
- Business units
 - documenting rules of, 64–65
 - finding previous audit activity for, 16
 - providing background on before starting an audit, 13
 - understanding rules of, 16–17, 63, 64
- CA methodology. *See* continuous audit (CA) methodology
- Cause component, in audit reports, 114–17
- Change agents
 - auditors as, 103–4, 139
 - in world-class audit organization, 214–16
- Chief audit executives, setting annual goals in audit function by, 1–2
- Clients. *See also* Business partners
 - in SIPOC (in Six Sigma), 148
- Closure status notes, for action reports, 136–37
- Communication, 161–79
 - action plan status reports and, 130
 - advantage of in-person direct contact for, 162–63
 - advisor approach in, 169
 - during audit fieldwork phase, 24–25, 82–84
 - about audit reports with business partners, 36

Communication (*continued*)

- of audit results, 101–2. *See also* Audit reporting phase
 - business partner relationship building using, 161–62
 - as core remote auditor skill, 55
 - of critical information to business partners, 19–22
 - dispelling myths about internal audits with, 177–78
 - email versus phone calls in, 165, 167
 - ensuring completion of action plans using, 38
 - establishing status meetings for, 19–20
 - in fieldwork phase, 97–98
 - filtering out noise in, 166–67
 - identifying the right business unit contact in, 17, 45–46
 - in internal audit dashboard development, 151, 152
 - internal audit dashboard for fostering, 159
 - internal audit department operating as a team for, 41
 - keys for discussing issues in audit reporting phase, 105–6
 - lack of direct face-to-face interaction in, 46
 - listening with a purpose in, 167–68
 - making responsibility assignments for each audit phase and, 18
 - meeting facilitation in, 170–73
 - meeting preparation in, 169–70
 - message delivery skills in, 165
 - model for, 162–65
 - remote auditing challenges in, 165
 - removing emotion from, 166
 - right message in, 163–64
 - right person in, 164
 - right time in, 165–66
 - sender and receiver roles in, 162
 - three pillars of relationship building in, 173–78
 - transparency in, 172–73
- Communication skills
- as critical skill for auditors, 161–62
 - as foundation of success in audits, 13–14, 39, 44
 - needed for remote environment, 44–47
 - in world-class audit organization, 218–19
- Competencies. *See* Core skills and competencies
- Condition component, in audit reports, 113
- Continuous audit (CA) methodology
- action plans using, 130–31
 - approach phase of, 134–35
 - criteria selection in, 135
 - definitions of, 131–32
 - design, established, and operating as intended description of, 131–32
 - execution phase of, 135–37
 - foundation phase of, 132–34
 - phases of, 132–37
 - sample size in, 134–35
 - technology in, 135
- Continuous audits, in world-class audit organization, 205–7
- Control, defining in internal audits, 32–33
- Control environment
- CA methodology and, 131–32
 - defining, in internal audits, 32–33
 - documenting, in audit planning phase, 75–77
- Core skills and competencies
- communicator skill as, 55
 - defender skill as, 58
 - doer skill as, 57
 - helper skill as, 57–58
 - Learning Map detailing of, 42–43
 - listener skill as, 55, 167–68
 - needed by remote auditors, 54–59
 - participator skill as, 57–58
 - personalized development plan for, 59–59
 - sharer skill as, 55–56
 - thinker skill as, 56–57
- Criteria component, in audit reports, 113–14
- Criteria detail page, on internal audit dashboard, 155–56
- Criteria selection, in CA methodology, 134, 135
- Dashboard. *See also* Internal audit dashboard defined, 142–43
- Data
- ARB methodology and, 190–93
 - asking questions supported by, 9
 - audit execution challenges with, 2–3
 - ensuring purity of source of, 8
 - in internal audit dashboard development, 151
 - understanding sources of, in developing audits tests, 65
- Data category, in ARB methodology, 190–93
- DDIO methodology, 144–54
- Define phase in, 144–45

- Develop phase in, 145–51
- Implement phase in, 151–53
- Operate phase in, 153–54
- Define phase, in DDIO methodology, 144–45
- Deliverables
 - of internal audit dashboard, 146
 - true process risk and, 74–75
 - used as internal audit dashboard measures, 143
 - verification of, in fieldwork phase, 99
- Design aspect, in CA methodology 131
- Development plan, for core skills, 59–59
- Development process, for action plans, 126–27
- Develop phase, in DDIO methodology, 145–51
- DMAIC problem-solving approach, 157–58
- Documentation. *See also* Audit reports; Workpapers
 - audit status memo process and, 53–54
 - of business process controls, in audit planning phase, 75–77
 - creation of, in audit fieldwork phase, 79
 - flowcharts from internal audit dashboard as, 146–47
 - identifying the right business unit contact for getting, 45–46
 - mastering for meetings with business partners, 7–8
 - narrative from internal audit dashboard as, 147
 - obtaining, in fieldwork phase, 98
 - SIPOC (in Six Sigma) from internal audit dashboard as, 147–51
 - of systems used in completing business process tasks, 63–64
 - understanding requirements for, in fieldwork phase, 97
- Defender skill, 58
- Doer skill, 57
- Effect component, in audit reports, 117–18
- Effectiveness of internal audit departments, standards for, 200
- Efficiency of internal audit departments, standards for, 200
- Email, for remote communication, 165
- Evidence
 - creating from fieldwork testing, 79, 99
 - increased scrutinization of, 86
 - scope of, 88
 - signoffs of, 89
 - sufficiency question for, 91–92
 - testing exceptions and conclusion validated by, 91
 - verification of, in auditor's self-review, 93
 - workpaper requirements for, 85–86
- Exception issues in audit reports, 108, 112–19, 120
- Execution phase, in CA methodology, 132, 135–37
- Expectations, managing, in fieldwork phase, 95–96
- Fieldwork phase. *See* Audit fieldwork phase
- Finding the first domino approach, 115–16
- Five-component approach, 112–19, 120
- Five-whys methodology, 115
- Flowcharts, as internal audit dashboard output, 146–47
- Foundational five critical business components, 176
- Foundation category, in ARB methodology, 184–85
- Foundation phase, in CA methodology, 132–34
- Goals
 - of internal audit dashboard construction, 144
 - setting in audit function, 1–2
- Helper skill, 57–58
- ICONS brainstorming problem-solving approach, 157
- IIA standards, 34
- Impact statements, in audit reports, 117–18
- Implementation of action plans
 - CA methodology for validating, 130
 - description of, 127–28
- Implement phase, in DDIO methodology, 151–53
- Inputs, in SIPOC (in Six Sigma), 148–49
- Institute of Internal Audit (IIA) standards, 34
- Internal audit dashboard, 141–60
 - advantages and challenges to using, 159–61
 - appointing a sponsor for, 144
 - audit methodology as foundation document for, 142, 143, 145–46, 149

Internal audit dashboard (*continued*)

- Beyond Audit methodology
 - recommendation on, 142
- communication facilitated by, 158
- communication process in developing, 152
- considerations in implementing, 141–42
- criteria detail page on, 155–56
- dashboard defined in, 142–43
- data collection in, 151
- DDIO methodology for developing, 144–54
- establishing realistic performance criteria in, 181–82
- flowcharts as output of, 146–47
- frequency of reporting from, 190
- functions of, 154–59
- managing internal audit department using, 158
- as measurement tool of audit team performance, 153
- metrics page of, 154–55
- narrative as output of, 147
- number of measures included on, 142–43
- possible negative impact of, 154
- problem-solving techniques for metrics issues in, 157–58
- process risks in using, 181–82
- scoring system in, 151–52
- selecting a metrics leader for administration of, 156–57
- SIPOC (in Six Sigma) as output in, 147–51
- tips for using, 160
- in world-class audit organization, 207–10

Internal audit departments

- ARB methodology for, 182
- audit execution challenges and, 2–4
- creating an audit brand for, 29–30
- critical keys for business partner meetings and 7–9
- dispelling myths about, 38–39, 177–78
- foundational five critical business components in, 176
- Learning Map of core competencies in, 42–43
- managing using internal audit dashboard, 158
- marketing, 29–40
- measuring processes or outputs of. *See* Internal audit dashboard
- operating as a team, 41
- overview of auditing phases in, 1–10
- pandemic and move to remote auditing in, 3–4

- self-evaluation of key components in, 4
- setting annual goals in, 1–2
- standards for determining effectiveness and efficiency in, 200
- top 10 characteristics of world-class organization, 201–20
- understanding auditor's role in, 5–6

Internal audit management team

- internal audit dashboard consistency and, 159
- internal audit dashboard metrics meetings and, 157
- managing internal audit department by, 158

Internal audit methodology. *See also* Beyond Audit methodology

- ARB foundation statement on, 185
- as audit team foundation, 41
- business objectives using information from, 67
- as foundation document for internal audit dashboard, 142, 143, 145–46, 149
- three pillars of relationship building in, 178
- in world-class audit organization, 201–3

Internal audit reviews

- developing action plan tracking system by, 137–39
- reviewing for business process knowledge, 64
- types available to business partners in, 34

Internal audits

- “book” perspective on, 31
- business perspective on, 30
- clients in. *See* Business partners
- continuous audits, in world-class audit organization, 205–7
- control definition in, 32–33
- defining, in marketing audit departments, 30–31
- dispelling myths about, 38–39, 177–78
- explaining outcomes of, 33
- explaining phases of, 34–38. *See also* Audit fieldwork phase; Audit planning phase; Audit reporting phase; Audit wrap-up phase
- explaining time needed for phases of, 35
- oversight definition in, 33
- preconceived notions about, 30
- risk definition in, 32
- terminology gap in discussing, 31
- three pillars of, 32–33

- Key deliverables
 - of internal audit dashboard, 146
 - true process risk and, 74-75
 - used as internal audit dashboard measures, 143
 - verification of, in fieldwork phase, 99
- Leadership
 - in fieldwork phase, 96
 - visionary, in world-class audit organization, 212-14
- Leadership team, setting annual goals by, 1-2
- Learning, 221-26
 - remote, 222-23
 - Training Learning Map, 223-26
- Learning Map process
 - core remote auditor skills for, 54-59
 - developing, 42-43
 - example of, 42
 - for training, 223-26
- Listening skills
 - characteristics of active listeners in, 168-69
 - as core remote auditor skill, 55, 167-68
 - hearing differentiated from, 48
 - meetings and, 47-48
 - needed for remote environment, 47-49
 - using clarifying questions with, 48-49
- Marketing audit departments, 29-40
 - allowing for time and effort needed to see results of, 39-40
 - business perspective on audits and, 30
 - control definition in, 32-33
 - creating an audit brand in, 29-30
 - defining the internal audit in, 30-31
 - difficulty of, 30
 - dispelling myths about audits as part of, 38-39, 177-78
 - explaining audit phases in, 34-38
 - explaining outcomes of audits in, 33
 - oversight definition in, 33
 - preconceived notions about audits and need for, 30
 - risk definition in, 32
 - terminology gap in, 31
 - three pillars of internal audits in, 32-33
- Measurements of internal audit department outputs. *See* Internal audit dashboard
- Meetings
 - advisor approach for, 169
 - asking questions in, 9
 - closing, preparing for, 52-53
 - critical keys for being prepared for, 7-9
 - establishing status meetings with business partners, 19-20
 - facilitating meetings using agenda items in, 51-52, 171-72
 - facilitation tips for, 50
 - facilitation keys for, 179
 - facilitation steps in, 171-73
 - importance of introductions in, 171
 - initial planning meetings with business partners, 24
 - in internal audit dashboard metrics, 157
 - internal overview meeting of all auditors on a project, 13
 - listening skills needed in, 47-48
 - mastering the data for, 7-8
 - planning, 49-50
 - preparing agendas for, 50-53
 - preparing for, 169-70
 - preparing supporting documentation for audit report discussion in, 104-5
 - remote, 49-50
 - sending formal status memos before, 20-21
 - stating objectives of, 7
 - transparency in, 172-73
 - understanding objectives of, 50
- Memos. *See* Audit status memos
- Methodology. *See* Beyond Audit methodology; Internal audit methodology
- Metrics leader, for internal audit dashboard administration, 156-57, 159
- Metrics page, on internal audit dashboard, 154-55
- Narrative, as internal audit dashboard output, 147
- Objective, risk, and control (ORC) model, 62-78
 - completing, 77-78
 - definition of business objective in, 63
 - developing the audit test (program) in, 65-66
 - documenting business process controls in, 75-77
 - identifying business objectives in, 66-73
 - identifying business process risks in, 73-75
 - identifying business process rules in, 64-65
 - taking the necessary time for, 63
 - three main planning phases and, 63
 - understanding the business in, 63-64

- Objectives
 - of audit reports, 102–3
 - of business. *See* Business objectives
 - of CA methodology testing, 133
 - corresponding ratings for, in audit reports, 108, 111–12
 - of meetings, 7
 - of fieldwork phase, 94
 - of internal audit dashboard construction, 144
 - of workpapers, 85
- Offerings category, in ARB methodology, 193–95
- Operate phase, in DDIO methodology, 153–54
- ORC. *See* Objective, risk, and control (ORC) model
- Outputs, in SIPOC (in Six Sigma), 148
- Oversight, defining in internal audits, 33

- Participator skill, 57–58
- Performance criteria, in internal audit dashboard, 181–82
- Performance dashboard. *See* Internal audit dashboard
- Personalized development plans, 59–59
- Phases of internal audits, 34–38. *See* Audit fieldwork phase; Audit planning phase; Audit reporting phase; Audit wrap-up phase
- Phone calls, for remote communication, 165, 167
- Planning, of remote meetings, 49–50
- Planning phase. *See* Audit planning phase
- Plans. *See also* Action plans
 - for personalized development, 59–59
- Policies and procedures
 - audit planning using, 23
 - internal audit dashboard and, 143
 - understanding in an audit, 16
 - updating in action plan, 132
- Precision category, in ARB methodology, 187–90
- Problem-solving approaches, 157–58
- Process, in SIPOC (in Six Sigma), 148, 150
- Process map, obtaining detailed information to complete, 15
- Process steps, challenge of obtaining details on, 15

- Process walkthroughs, difficulty of doing in remote audits, 12–13, 15
- Purpose. *See also* Business objective
 - of audit reports, 102–3
 - of workpapers, 87

- Quality of audits. *See also* Value of internal audit departments
 - client survey on, 121
- Questions, asking in meetings, 9

- Ratings in audit reports
 - audit objectives corresponding to, 111–12
 - statement of overall opinion using, 108–11
- Recommendation component, in audit reports, 118–19
- References, in workpapers, 89
- Relationship building
 - communication in, 161–62
 - during audit planning phase, 22–24
 - during audit fieldwork phase, 24–25
 - during audit reporting phase, 25–26
 - importance of, 21–22
 - internal audit department operating as a team for, 41
 - three pillars of, 173–78
- Remote auditing, 11–27
 - audit fieldwork phase in, 24–25
 - audit planning phase in, 22–24
 - audit reporting phase in, 25–26
 - audit wrap-up phase in, 26–27
 - availability of clients as a challenge in, 14
 - building relationships with business partners during phases of, 21–22
 - business partner relationship in, 11–12
 - communicating critical information in, 19–22
 - communication skills as foundation of success in, 13–14, 39, 44–47
 - establishing status meetings in, 19–20
 - finding previous audit activity for, 16
 - having an internal overview meeting of all auditors on project, 13
 - identifying business objectives during 70–73
 - identifying right business unit contact in, 17, 45–46
 - listening skills needed by, 47–49

- making responsibility assignments for each phase in, 18–19
- meeting business partners at start of, 12–13
- message delivery challenges in, 165
- obtaining detailed process steps as a challenge in, 15
- pandemic and move to, 3–4
- providing business unit background before starting, 13
- recognizing challenges in, 14–15
- reviewing annual audit plan before beginning, 12, 13
- self-evaluation of key components in, 4
- skills needed for, 41, 44–49
- traditional audit versus, 11–14
- understanding business process in, 15–17
- understanding rules of the business in, 16–17
- usual standard activities performed in, 11
- Remote learning, 222–23
- Reporting
 - in action plans, 130
 - to audit committee, 130, 201, 202
 - in CA methodology, 136
 - using internal audit dashboard in, 153
- Reporting phase. *See* Audit reporting phase
- Reports on audits. *See* Audit reports
- Responsibilities
 - assignments of for each audit phase, 18–19
 - in audit fieldwork phase, 84–85
 - Learning Map detailing of, 42–43
- Reviews. *See* Internal audit reviews
- Risk. *See also* Audit Risk Barometer (ARB) methodology; Business process risks
 - action plan reporting on, 130
 - audit committee reports on, 130
 - defining in internal audits, 32
 - impact statements in audit reports on, 117–18
 - of internal audit dashboard development, 144–45
 - managing in fieldwork phase, 98–99
 - recommendations in audit reports on, 118–19
- Risk score, in ARB methodology, 183–84, 197–98
- Root cause
 - action plan addressing, 122–23
 - explaining outcomes of internal audits relating to, 33
 - finding the first domino approach to identifying, 115–16
 - five-whys methodology for finding, 115
 - identification keys for, 116
 - meaning of term, 114–15
 - reporting in audit reports, 114–17
 - tips for auditors for working with business partners on, 116–17
 - using formal status memos for discussing, 21
- Rules of business operating environment
 - documenting, 64–65
 - external sources of, 65
 - internal sources of, 64–65
 - understanding, 16–17, 63, 64
- Sampling, in CA methodology, 134–35
- Scope of workpapers, 98–89
- Scoring system
 - in ARB methodology, 183–84, 197–98
 - in internal audit dashboard development, 151–52
- Self-assessment of audits. *See* Audit Risk Barometer (ARB) methodology
- Sharer skill, 55–56
- Signoffs, of workpapers, 89
- SIPOC (in Six Sigma)
 - completing, 147–49
 - example of, 149–50
 - recommended number completed in internal audit dashboard development, 150–51
- 6-9-12 testing frequency, in CA methodology, 133–34
- Six Sigma
 - DMAIC problem-solving approach from, 157–58
 - SIPOC in. *See* SIPOC (in Six Sigma)
- Skills. *See also specific skills*
 - audit status memos and, 53–54
 - Learning Map detailing of, 42–43
 - needed for remote environment, 41, 54–59
 - using a personalized development plan for, 59–59
- Source of workpapers, 87–88
- Sponsor, for internal audit dashboard, 144
- Status meetings business partners, 19–20
- Status memos. *See* Audit status memos

- Status reports
 - in action plans, 130
 - in CA methodology, 136
- Supervisors, and personalized development plans, 59–59
- Suppliers, in SIPOC (in Six Sigma), 149
- Survey of business partners
 - to measure quality, 121
 - in wrap-up phase, 27
- Target area of action plan, in CA methodology, 133
- Target dates, for action plans, 124–25
- Team category, in ARB methodology, 186–87
- Teams. *See* Audit teams
- Technology
 - in CA methodology, 134, 135
 - usage characteristic for, in world-class audit organization, 210–12
- Templates
 - for action plan tracking reports, 137
 - in ARB methodology foundation, 185
 - for audit reports, 37, 107, 119–20, 136
 - for personalized development plans, 59–59
 - for SIPOC (in Six Sigma), 147–51
- Testing, in CA methodology
 - frequency of, 133–34
 - objective of, 133
 - technique in, 134
- Tests. *See* Audit tests
- Thinker skill, 56–57
- Tickmark legend, with workpapers, 90
- Tracking system, for action plans, 137–39
- Training
 - Learning Map for beginning auditors for, 223–26
 - Learning Map of core competencies with, 42, 43
- Transparency
 - in meeting communication, 172–73
 - in world-class audit organization, 219–20
- True process risk
 - documenting business process controls using, 76–77
 - examining key deliverables for, 74–75
 - identifying, in audit planning phase, 73–75
 - use of term, 73–74
- Validation of business processes, 36–37
- Value category, in ARB methodology, 195–97
- Value of internal audit departments
 - action plans and, 121
 - client survey on, 121
- Visionary leadership, in world-class audit organization, 212–14
- Walkthroughs, difficulty of doing in remote audits, 12–13, 15
- Weekly status meetings with business partners, 19–20
- Workpapers
 - Beyond Audit methodology requirements on, 86–91
 - increased scrutiny of, 86
 - logical organization of, 85–86
 - objectives of, 85
 - purpose of, 87
 - references in, 89
 - scope of, 88–89
 - signoffs of, 89
 - source of, 87–88
 - testing exceptions and conclusion in, 90–91
 - tickmark legend with, 90
 - workpaper self-review and keys in, 93
- World-class audit organization, 199–20
 - action plan for, 220
 - best team in, 216–18
 - business process knowledge in, 203–5
 - change agent in, 214–16
 - characteristics of, 201–20
 - communication skills in, 218–19
 - continuous auditing in, 205–7
 - defined audit methodology in, 201–3
 - effective technology usage in, 210–12
 - implemented dashboard in, 207–10
 - transparency in, 219–20
 - visionary leadership in, 212–14
- Wrap-up phase. *See* Audit wrap-up phase