Enhancing Risk Assessments & Audit Planning

- Introduction
- Global Survey Context
- Case study
- Summary





Introduction

- PW then PwC
 - Financial
 - Risk and compliance
 - Audit technologies delivery and operational deployment
- New Zealand Defense Force Internal audit
 - CFO office
 - CIO office
 - Major transformation programme office
 - Joint logistic shared services
- Member Risk Management Institute Australia (RMIA)
 - Certified practicing risk associate (CPRA)
 - Audit, risk & compliance management experience across private and public entities.





Context

- IIAs 2010 and 2015 Common Body of Knowledge (CBOK)
- 2016 TeamMate Global Audit Technologies Survey
- Case study A opportunity to learn



Case study

- Queensland Rail Train Crewing Practices Commission of Inquiry
- Lessons learned







Address your organization strategic risk

- CBOK stakeholder study noted mounting pressure on strategic risk
- Risk assessment processes include formally assessing the strategic risks of their organizations.
- Auditors would either identify or would be informed of changes

- To consider:
- Continuous risk assessment
- Quarterly catch-ups
- 1-1 meetings
- Develop list of strategic risk at corporate level
- Self assessments
- Calibration meetings

 The Challenge - Does your risk assessment and audit planning processes explicitly identify and address the organization's key strategic risks?





Target emerging risks

- The identification of emerging risks
- 55% of our respondents reported having a formal process to identify, assess and report on emerging risks.
- To consider:
- Keep it simple
- <u>Update quarterly</u>
- <u>Facilitate open discussion</u>

 The Challenge - If you don't currently identify emerging risks or your process for identifying emerging risks is ad hoc, can you implement a simple, but more formal, ongoing process?





Move to more continuous risk assessment process

- The world is changing and nature of risk in today's business environment is dynamic
- Annual or periodic assessment

- To consider:
- Continuous monitoring
- Audit automated processes

• The Challenge - Does your current approach to risk assessment provide a dynamic picture of your organization's risk profile that is aligned with the dynamic nature of your risk environment?





Expand input from related functions

- Subsequent to the GFC 2007-2008, internal audit and enterprise are collaborating
- coordinate or align their risk assessments with other riskand-control units within the organization

- To consider:
- <u>Determine definitions and structures</u>
- Promoting a robust dialogue
- <u>Identify, evaluate and implement plans</u>

 The Challenge - How can you enhance knowledge-sharing and coordination among your parent organization's risk and-control functions?





Summary

Lessons learned

- Organizational blind spots
- Culture with built-in institutional challenges
- Personal biases of senior management
- Independent objectivity
- Professional Skepticism
- Connect the dots

Challenges

- What is your approach to Risk Assessments and Planning?
- What are you considering to strengthen and refine to support your Organisational processes.





More Information

To read other thought leadership and industry reports from TeamMate visit our Insights page:

TeamMateSolutions.com/Insights

Vance Hetariki, Business Development Manager Vance.hetariki@wolterskluwer.com







www.teammatesolutions.com



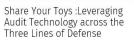
Solutions Services Insights News & Events Support About Us Contact Us Request Info



Assessing Your Audit Technology Maturity



TeamMate's 2015 Technology Survey





TeamMate's 2016 Technology Survey





Leveraging technology effectively: A critical imperative for Small Shops



TeamMate's 2014 Technology Survey

Questions

Vance Hetariki, TeamMate Business Development Manager

vance.hetariki@wolterskluwer.com





Case study Timeline

 Queensland Rail Train Crewing Practices Commission of Inquiry

	Re Penir
2011	Redcliffe P business c
2012	
2013	Commission late 2016
2014	Commission forward to
2015	Commission forward to
	Opening pr April 2016
	Opening pr mid-2016
2016	Opening processed on the control of the contro
	Redcliffe F opens

Rail failure timeline:

- January 2016: Management consultant Indec warned QR about driver shortages, especially on the Redcliffe Peninsula line
- March: Another firm, GIRO, gives similar warning
- October 4: Redcliffe Peninsula line opens
- October 21: Problems come to head, with 167 services cancelled
- October 26: QR CEO Helen Gluer, board chair Michael Klug resigns
- October 27: Report ordered into train crewing practices
- November 7: Timetable adjusted
- November 24: Report upgraded to Commission of Inquiry, after QR fails to hand over all documents requested.
- Late December: Timetable adjusted again for Christmas/New Year period
- Christmas Day: 235 services cancelled
- December 28: QR chief operating officer quits
- January 31: Commission of Inquiry report delivered to Government
- February 6: Report and response released