

INSIGHTS THAT MITIGATE RISK

Organisations have a strong desire to effectively leverage technology.
We help them improve and transform the approach to risk
and internal audit through Data and Analytics.



TRADITIONALLY a top-down (qualitative) approach is used to assess Risk and Internal Audit manually tests controls and samples the population to measure control effectiveness.



DATA AND ANALYTICS is the process by which insights are extracted from data through a bottom-up (quantitative) approach that is less subjective, more effective, with an expanded scope, at a lower cost.



DATA & ANALYTICS-enabled Internal Audit (DAeIA) integrates the use of D&A into Internal Audit. DAeIA can be ad-hoc, frequent or continuous. We created a Center of Excellence in our Internal Audit practice to specialise in DAeIA. Our approach does not focus solely on Data & Analytics or the use of a Tool. We focus on fully integrating the use of Data & Analytics as a key capability during the planning, execution and the reporting phases of Internal Audit.



OUR TOOLKIT ENABLES DAeIA:

- DAeIA Maturity Model and Roadmap
- DAeIA Methodology
- Training on DAeIA
- Script/Routines Library
- Automated Audit Programs
- Technology Stack
- On-line Helpdesk.



WHAT VALUE DAeIA ADDS:

- Better evaluate risk to help facilitate dynamic audit planning
- Analysing large volumes of data quickly and efficiently for risk assessment or audit
- Optimal coverage, up to 100% of the population, rather than sampling
- Increased insight into the business.



INCREASING EFFICIENCIES:

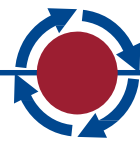
- Lowered time for repeat audits
- Identify the "right" audits for DAeIA
- Increase the number of audits performed per year
- Decrease the time required to cycle through the audit universe
- Reduce audit costs.



KEY FINDINGS FROM OUR 2015 DAeIA SURVEY to Chief Audit Executives at South African organizations:

- The importance of D&A was rated High
- Increasing audit coverage was rated the number one objective and identifying additional insights a close second when leveraging D&A
- An analysis tool and set of routines were rated as the most important enablers to incorporate D&A
- The primary barriers to leverage D&A is data quality & availability, followed by perceived benefits & management buy-in; skilled resources; the ability to translate data to insights and funding constraints
- The majority of respondents indicated that they are not effectively incorporating D&A in Internal Audit.

Our survey found that more needs to be done to successfully leverage D&A.



OUR DATA AND ANALYTICS CYCLE:

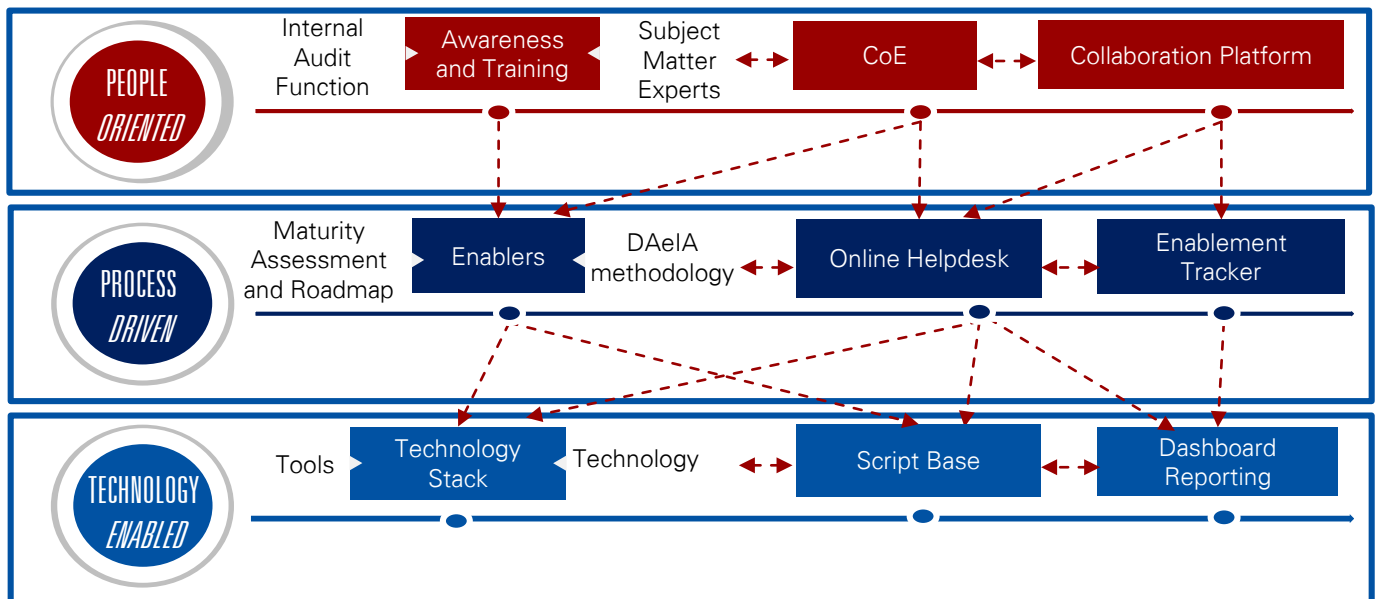


Data and Analytics:
Actionable Insights that Drive Decisions





KPMG SUPPORTS IN-HOUSE INTERNAL AUDIT FUNCTIONS to establish and mature a D&A capability. Our integrated approach is People oriented, Process driven and Technology enabled. We perform a DAeIA Maturity Assessment and develop a Roadmap with short, medium and long-term actions to advance maturity to the function's desired level (ad-hoc, frequent or continuous). Our integrated approach is illustrated below:



HOW KPMG CAN HELP:

People

- Provide 'DAeIA Awareness' training and conduct a stakeholder survey to assess buy-in
- Provide 'Introduction to DAeIA' training
- Facilitate pilot reviews leveraging DAeIA
- Establish a DAeIA CoE within the in-house function
- Provide 'Advanced DAeIA' training

Process

- Develop D&A integrated Internal Audit Methodology and standardized working paper templates for DAeIA reviews
- Identify in-scope processes, relevant controls for DAeIA and associated data sources
- Provide input on the annual audit plan to increase the use of DAeIA
- Implement an 'Enablement Tracker' to keep track of reviews planned to use DAeIA

Technology

- Define 'Request, Transform & Load protocols' (including automation if desired) and develop standardized data requests
- Compare Analytical Tool(s) and Dashboard(s)
- Develop 'Script Base'
- Develop 'Automated Programme Guides (APGs)'
- Provide an 'On-line Helpdesk' to address fieldwork queries
- Customise scripts for controls to be automated (Continuous Auditing).



CONTACT US

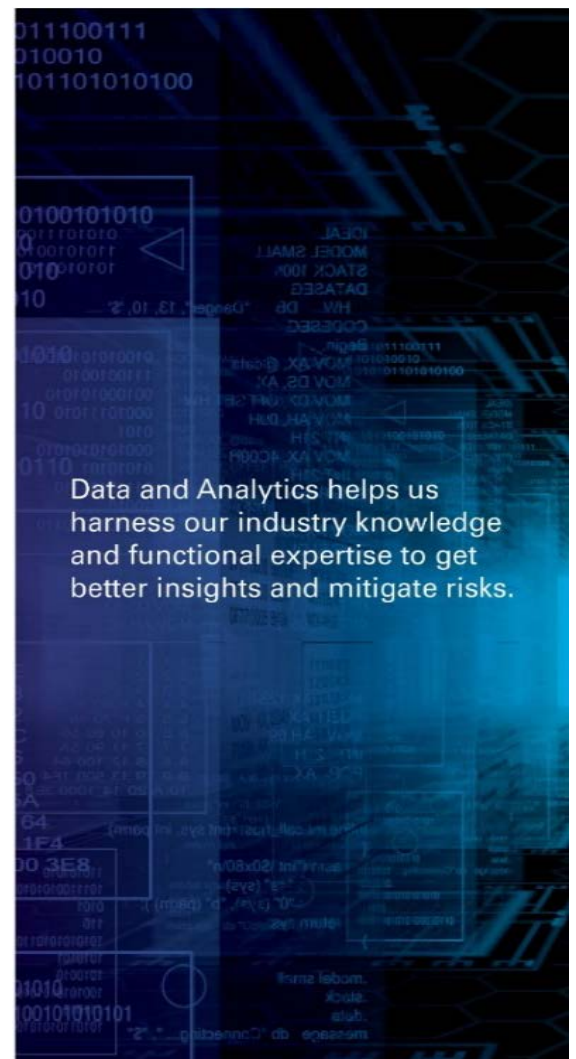
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