



Analytics as a part of every audit

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Wolters Kluwer



- Don't forget to connect with us on social media!



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- Currently Product Manager of TeamMate Analytics
- 25+ years developing and implementing systems
- In the Governance, Risk & Compliance space since 2002
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Learning Objectives

In this Webinar, attendees will learn:

- What audit teams globally are focused on with respect to analytics and how to achieve those objectives
- What are some common easy places to start with analytics
- An approach to finding the needles in the haystacks
- 10 best practices we've seen at organizations

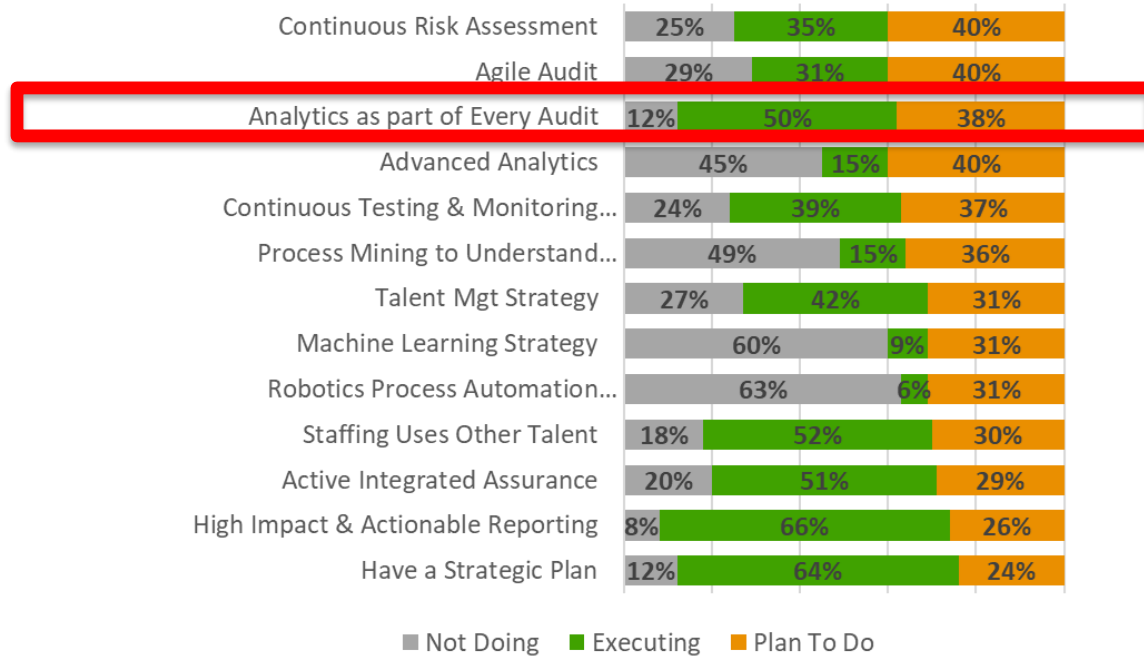


Polling Question

Does your team have an objective to perform analytics on every audit?

- We are currently executing on that plan
- We plan to execute on that plan in the near future
- We have no plans for this
- I have no idea

Analytics as a part of every audit

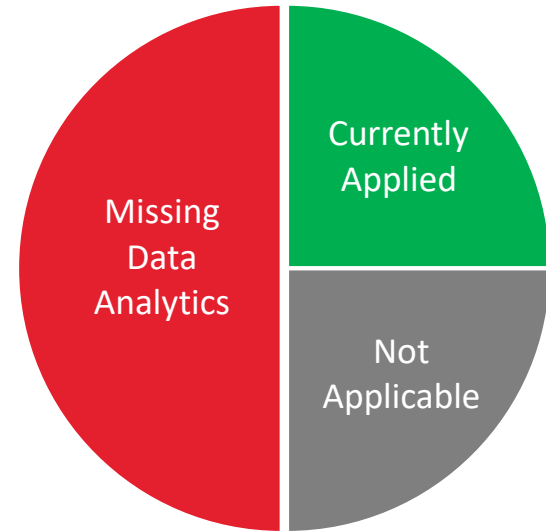


Results from 1200+
audit organizations
around the world

Data Analytics is missing on 50% of audits

- Audit shops relying on one/few specialized data analytics staff are not telling the complete story
- CAE: Is this a level of risk you are willing to take?

Annual Audits



Customer story

- 2014: 25% of audits were supported with analytics
- 2017: 63% of audits were supported with analytics
- 150% increase or 2.5 times as many audits contained analytics

Audits per Year	Initial Audits with Analytics	Future Audits with Analytics	Net Gain
20	5	13	8
40	10	25	15
60	15	38	23
80	20	50	30
100	25	63	38

Would your CAE/Audit Director be interested in this kind of change?



Polling Question

What percentage of your teams' audits currently contain analytics, don't count sampling?

- 75% - 100% analytics
- 50% - 75% analytics
- 25% - 50% analytics
- 0% - 25% analytics
- I have no idea

Breadth vs Depth

- Breadth: Coverage across all audits
- Depth: The thoroughness of the analysis performed on an audit
 - Sometimes measured in number of tests performed



Polling Question

How would you rate the data analysis performed by your organization?

- Broad and deep
- Not broad but deep
- Broad but not deep
- Neither broad nor deep
- I have no idea





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Demonstration



Unusual Combinations

Example: Healthcare claims

Group by diagnosis code

Fracture of radius

Transaction: Patient ID

PT123

PT245

PT125

PT325

PT345

Plaster cast

Plaster cast

Plaster cast

Plaster cast

Plaster cast

Radiologist report

Radiologist report

Radiologist report

Radiologist report

Radiologist report

X-Ray

X-Ray

X-Ray

X-Ray

Chemotherapy

Line items:
Treatment codes

Demonstration





Polling Question

Can you think of an audit where it would be beneficial to look for unusual or specific combinations of transactions?

- Yes
- No
- I have no idea

Considerations when choosing a tool

- What are your goals
 - Depth vs breadth
 - Audit analytics vs business analytics
 - Who needs to be able to use the tools
 - When will the tools be used
 - What does your data look like
- You may end up needing more than 1 tool, but start where you can get the most value and have the highest probability of success

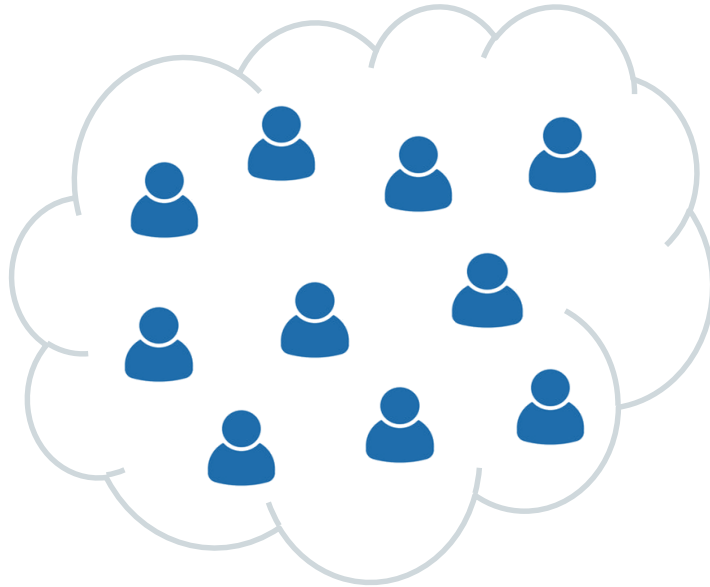
Current State

1 auditor performs all of the analytics for all audits



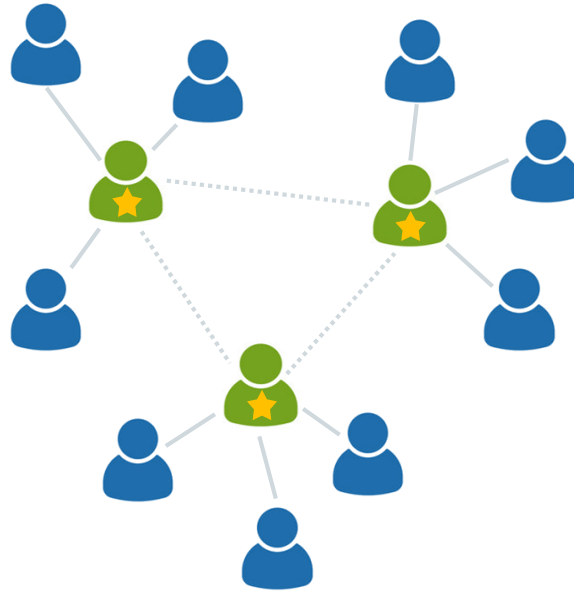
Future State?

All auditors perform analytics on their audits



Best Practice

All auditors perform analytics on their audits with champions for guidance



How Do We Get There?

1

Develop a vision & plan

Set a clear vision for the end-state and a plan toward getting there, then communicate it



How Do We Get There?

2

Get buy in from the top

Make sure the CAE is fully bought in and voices his support



How Do We Get There?

3

Determine 'success'

Set targets and design KPIs
around them to monitor
progress



How Do We Get There?

4

Appoint a lead

One central person responsible
for coordination and driving
usage



How Do We Get There?

5

Appoint champions

Trained team members to drive
usage on each audit and
provide support



How Do We Get There?

6

Provide training

Provide an appropriate level of training for champions and users



How Do We Get There?

7

Identify quick wins

Use a few simple areas or tools to build momentum and demonstrate initial success



How Do We Get There?

8

Share ideas and successes

Encourage experimentation and collaboration, share ideas and examples of analytics usage to build enthusiasm



How Do We Get There?

9

Incorporate analytics into planning

Ensure that analytics are considered early in the audit planning process and baked into audit programs



How Do We Get There?

10

Mandate use or provide incentives

Consider linking each individual's usage to their performance targets and bonus, or ensure audits not using analytics have to be approved



Questions?



Type your questions
into the chat to submit them.

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#AuditEvolution @KenPetersen



Follow us on www.linkedin.com/company/teammateaudit
and share your thoughts about this webinar.



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ACUA Kick Starters

Use a Kick Starter to launch your next audit!

- Developed by ACUA members with subject matter expertise
- Focused on higher education specific topics

<https://acua.org/Audit-Tools/ACUA-Kick-Starters>



Do you have a great idea for an ACUA Kick Starter? Contact John Winn at HJWINN@mailbox.sc.edu.



New Kick Starter Available!

Scholarship Awards (Released 4/15/2021)

Download today in the members-only Audit Tools section of www.ACUA.org





Did you know that Connect ACUA allows you to post new messages directly from your email without logging in to the Connect ACUA website?

For more details, check out the Quick Tip post on

[Connect.ACUA.org](https://connect.acua.org)

Your Higher Education Auditing Connection



ACUA Mentorship Program

- Mentorship is a proven method to help colleagues feel supported, drive workplace satisfaction, and foster member engagement in higher ed auditing.
- The program is no longer focused on only small audit shops! The program has been expanded to be more inclusive of all types of shops.
- The program is only a one-year commitment, but we encourage the mentorship to continue even after one year.
- Consider signing up! Watch for registration deadlines to be communicated via email. For more information, go to <https://acua.org/Member-Resources/Mentorship-Program>



Stay Updated

- The College and University Auditor is ACUA's official journal. Current and past issues are posted on the ACUA website.
- News relevant to Higher Ed internal audit is posted on the front page. Articles are also archived for your reference under the Resources/ACUA News.

Get Educated

- Take advantage of the several FREE webinars held throughout the year.
- Attend one of our upcoming conferences:

Audit Interactive
TBD

AuditCon
September 19 – 23, 2021
TBD

- Contact ACUA Faculty for training needs.

Get Involved

- The latest Volunteer openings are posted on the front page of the website.
- Visit the listing of Committee Chairs to learn about the various areas where you might participate.
- Nominate one of your colleagues for an ACUA annual award.
- Submit a conference proposal.
- Present a webinar.
- Become a Mentor
- Write an article for the C&U Auditor.
- Write a Kick Starter.

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- Subscribe to one or more Forums on the Connect ACUA to obtain feedback and share your insights on topics of concern to higher education internal auditors.
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Solve Problems

- Discounts and special offers from ACUA's Strategic Partners
- Kick Starters
- Risk Dictionary
- Mentorship Program
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- Resource Library
- Internal Audit Awareness Tools
- Governmental Affairs Updates
- Survey Results
- Career Center.....and much more.



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our upcoming
webinar.**





Upcoming ACUA Events

Webinars:

May 26, 2021 – Baker Tilly will discuss Academic Integrity

June 2021 – Fort Hill Associates will discuss Capital Project Cost Management in the Age of COVID-19