



Insights

# *A Practical Guide to Auditing Remotely*

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The COVID-19 pandemic is changing the way we work, possibly forever. Before the virus spread across the world, many organizations never considered the possibility of having to enable remote work for their entire staff for an extended amount of time. As auditors, we are also impacted by this situation. Our work is often very different from that of typical departments. We spend our time split between interviewing, testing, and documenting. Interviewing requires face-to-face meetings, testing often involves reviewing confidential information, and documentation could require us to be on our organization's network. With these challenges, and many more, how can we effectively conduct our audits remotely? To answer this question, we will explore three aspects of remote auditing: logistics, communication, and external challenges.

## Logistics for Remote Auditing

*For an audit team to work remotely, each auditor will need all the necessary equipment, hardware, software, and procedures to get the job done. To get started, each auditor will need the following:*

Equipment/Hardware	Software	Policy and Procedure Manuals
Office Space	Audit Management Solution	Audit Manual
Laptop	Data Analytics Tools	Remote Work Policy
Printer	Access to Organization Data	Acceptable Use Policy
Scanner	Online Meeting Software	
Headset	Secure File Sharing Site	
Phone/Modem/Internet	Instant Messaging Software	

When planning remote work, it's important for each auditor to find a designated space to work. In an emergency, everyone should do the best they can with the space they have in their homes. As a long-term solution, a dedicated in-home office space can be included as a requirement in a job description. Each auditor will also

need a laptop. Since many audit departments travel to offsite locations, laptops may be standard issue. For others, you can choose between supplying laptops or allowing your team to use their personal laptops. Consult with your IT Security department for guidance.



Most of your logistical requirements are connected to audit fieldwork. As mentioned before, we are engaged in interviews, testing, and documentation. For us to conduct quality interviews, we need to think beyond email and phone calls. Online meeting software has progressed dramatically in the last few years, and these facilitate interviews with non-verbal communication observation better than other interview mediums. For the interviews to work well, your team members need a good internet connection and a USB headset. Wireless headsets are convenient for walking around, but these lose connection more frequently.

You probably will not need the same level of formality for internal communications, so having access to a phone, email, and Instant Messaging software should suffice.

Next, the team will be working through testing and documentation. To start, your entire team should have access to an audit management solution and data analytics tool like TeamMate+ and TeamMate Analytics. Your audit solution should include document request capability, work paper documentation tools, manager review options, and supporting notifications to keep the work moving. Ideally, the solution is hosted externally so that the audit work can be accessed from anywhere. If

this is not the case, you will probably need to get VPN access through your IT Department.

Additionally, we often need both a printer and a scanner, especially if your work includes ticking and tying. Alternatively, supplying the team with better software options like Adobe Pro or other PDF solutions could meet the need just as well.

Finally, for the team to work remotely successfully they will need guidance. As a standard, you should have both an audit manual and a remote work policy. Check with your IT and/or Human Resources department for a remote work policy to start with, but you should be prepared to add specifics that apply to audit and communication. For example, the policy should include expected working hours and communication expectations for urgency, such as email for low priority, instant messaging for moderate priority, and phone when you need immediate help. You should also review the Acceptable Use Policy from your IT Security team. This policy will give you guidance as to allowed software platforms, as well as policies related to using personal electronics and mobile devices.



# Mindful Communication for Remote Auditing

Communication skills are always ranked among the most important skills for auditors<sup>1</sup>, and working remotely really puts our communication skills to the test. Since “communicating effectively secures trust<sup>2</sup>,” it’s important to be mindful of all aspects of our communication techniques, tools, and delivery. We can organize our main communication requirements into three groups: communication with the audit department, with our smaller engagement teams, and with the auditees.

## Departmental Communication

Within the audit department, we are losing the daily interaction that comes with an office environment. Since the typical informal conversation that we generally have with coworkers is limited in a remote setting, schedule regular check-in sessions with the group. Depending on the size of your department, this could include everyone, or it might need to be broken up into smaller teams. Remember that attending these sessions requires planning for the attendees as well, so it is best to schedule these in advance.

### Department Communication Tips:

- Make use of approved online meeting software
- Whenever possible, have the team share video so we can maintain face-to-face communication
- Schedule team events if, and when, it makes sense for your department
- Consider the home environment of your colleagues when planning events, especially if outside of typical office hours

If remote work is a regular working situation or will be going on for an extended period, we should consider

scheduling ongoing mentoring sessions. The relationship between a mentor and mentee will foster the personal connections that are often more difficult to maintain with remote relationships.

One of the more difficult areas for remote communication is providing feedback and performance evaluations. Always remember that evaluations should never be a surprise. When delivering feedback remotely, these should be provided in written form prior to meeting to allow the recipient time to digest the information so the meeting is productive.

Another useful tool for fostering open communication is virtual social gatherings. These social events can be short, like a virtual coffee break, slightly longer such as virtual happy hour, or maybe even a virtual lunch and learn. Keep in mind that if your team is spread across multiple time zones, it might be more challenging to schedule group lunches and happy hours. And, if your team can all be together for a team lunch, there may be other family members in the home office with your colleague. If that is the case, keep it very informal.

## Engagement Team Communication

Our audit work will still follow the same audit lifecycle regardless of where we work. For maintaining good communication, consider increasing the frequency of both informal and formal touchpoints. Informally, check in with your team each day to make sure they feel supported. Sending a quick note through instant message can often prompt the team to let you know about the work they are completing or issues they are managing.

Formal communication will generally follow the audit process. Consider scheduling online meetings for the following:

- Engagement Planning Meetings
- Midweek Team Status Touchpoint
- End of the Week Wrap Up
- Issue Discussions
- Audit Report Draft Reviews

1 Rose, James. *Mapping Your Career: Competencies Necessary for Internal Audit Excellence*. The IIA Research Foundation. Altamonte Springs, FL. 2015

2 *Global Knowledge Brief – Internal Audit Competencies*. The IIA. Lake Mary, FL. 2018

### Engagement Team Communication Tips:

- Use frequent informal check-in opportunities to encourage open communication
- Encourage open discussion during online meetings
- Adapt the communication style to meet the team member's preference when it makes sense

All teams are different and have their own dynamics, so there is rarely one solution that fits all groups. For example, some teams are fine with performing all management reviews through their audit management software. Others need to have a conversation to understand the manager's intention and how to update the work. If your team is not used to working remotely, you may need to draw each person into the online meeting to break down their fears of speaking up in a remote setting.

### Auditee Communication

Much like our audit team communication, our level of communication with our auditees will align with the audit process. Unlike internal communication, these should default to a higher level of formality. Consider all aspects of these communications carefully, whether through email, phone, or virtual meeting. Instant messaging is rarely an appropriate medium for auditee communication since verbal methods ensure less misunderstanding<sup>3</sup>.

Typically, meetings with auditees should be held as virtual meetings with video. Auditee communication will include:

- Kick Off Meeting
- Remote Interviews
- Weekly Updates
- Closing Meeting

For auditors, remote interviewing skills are key to a successful audit. The importance of using online meeting solutions with video capability cannot be stressed enough. Nonverbal communication, especially facial expression, is critical to understanding emotion<sup>4</sup>. Trying to conduct an audit entirely through email and phone loses far too much of the interview experience.

Keep remote interviews to a reasonable length, usually 30-60 minutes. In the meeting invitation for the interview,

### Auditee Communication Tips:

- Treat auditee communication with the highest formality
- Always practice good meeting etiquette and be respectful of time
- Conduct interviews with cameras turned on for all participants
- Make full use of your online meeting tool set for kick off, update, and closing meetings
- Practice using online meeting software internally before using

include the link to your online meeting software, the meeting agenda, and establish any expectations, such as having cameras turned on for the meeting. Be respectful of the person's time and end the meeting two-to-three minutes before the end of the session to allow time to get to the next meeting or task. Going right up to or past the end time intrudes on their next event and adds more stress to their day. Showing respect for their time is especially important when you may need to have several conversations with the interviewee.

Kick off, update and closing meetings should be conducted using online meeting tools. For these meetings, the use of the video conference tools can come into full play and should be presented with the highest level of formality. In the meeting, you should log into the application ahead of the other attendees and begin with a cover slide in presentation software like PowerPoint. The title slide should include the title of the audit and the name of the meeting. The next slide should have the participant names, followed by an agenda slide. From there, you can choose to continue presenting in slide format, or you might switch to your report layout, such as in Word. Begin with your camera on for the introduction portion of the presentation. You want to establish face-to-face contact at the beginning. Turn your camera off while presenting so as not to distract from the message, and then turn your camera back on for discussion after the presentation. This reestablishes the personal connection with the auditees and maintains the deeper understanding that comes with nonverbal communication. Until you are more comfortable with your tools, practice these transitions internally before meeting with auditees.

3 Global Knowledge Brief – Internal Audit Competencies. The IIA. Lake Mary, FL. 2018

4 Frith C. Role of facial expressions in social interactions. Philos Trans R Soc Lond, B, Biol Sci. 2009; 364(1535):3453-8. doi:10.1098/rstb.2009.0142



## Managing Unexpected Challenges for Working Remotely

Even with the best planning, working remotely, especially from home, has many unexpected challenges. And, what causes a problem for one person could be beneficial for others. For example, some people thrive in a social environment like an office with an open space floor plan. They find joy in the daily interactions and conversations with colleagues. Others are more productive in relative solitude and enjoy working in the privacy of their own home away from the bustle of an office. For one, working from home creates endless distractions with TV, neighbors, family, social media, and chores<sup>5</sup>, while another is drastically more productive with the interruptions from office noise and disruptions.

Another unexpected challenge comes from using home-based technology for office use. Many homes have basic internet and VOIP phone lines. While this is fine for streaming movies at home, it can break down when taxed with the resource demands of online meeting software. The issue is compounded if you are working from home while others are in the house as well. Try holding a video conference in one room while a family member watches

a streaming movie in another room. Dealing with video glitches and dropped calls can be commonplace. It may even require your organization to cover the cost of more advanced internet services for employees.

Transitioning from an office environment to remote work can take a toll on work/life balance. When your day has a set rhythm of getting ready, the morning commute, work, lunch, and commute home, it sets a predictable cadence to your day and your life. You are often able to disconnect from work and engage in your personal life with relative ease. When this routine is removed, it can be difficult to establish new routines and find your new balance. Most articles offering advice tell you to develop new routines<sup>6</sup>, still get dressed for work<sup>7</sup>, start and end at set times, and take a lunch break. All of this can be easier said than done. Even long-time remote workers have found that routines are nearly impossible to keep. It could be that the newly found flexibility in getting work done on your own timeline is ideal for you. Allow yourself some leeway in figuring out how you work best in your new environment.

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5 Larson, Barbara, Susan Vroman, Erin Makarius. [A Guide to Managing Your \(Newly\) Remote Workers](#). HBR.org. Harvard Business Publishing. 18 March 2020.

6 Neely, Tsedel. [15 Questions About Remote Work, Answered](#). HRB.org. Harvard Business Publishing. 16 March 2020.

7 Albert-Deitch, Cameron. [Working Remotely for the First Time? These Seasoned Experts Have Advice for You to Follow](#). INC.com. 19 March 2020.



## *Unexpected Advantages*

Finally, there are also unexpected advantages of auditing remotely. Auditors travel more than most professionals. We are usually frequent flyers and high-level hotel loyalty program members. For our employers, this comes at a huge cost. Travel expenses are greatly reduced by using remote methods. The environment feels this cost as well. By traveling less, we are reducing our carbon footprint and doing our part to reduce our job's impact on the environment.



## *Conclusion*

Auditing remotely can be just as effective as more traditional face-to-face methods, and for some, the outcome is even better. While the COVID-19 pandemic forced many auditors to explore remote options, the long-term impact of remote auditing can be substantial, particularly when we consider reducing travel costs and our carbon footprint from commuting and traveling. If we take the time to plan our remote auditing approach and remain mindful of our communication skills, we can all continue to add value to our organizations as relevant partners to management.

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