Active Assurance

Helping to Navigate Uncertainty

Active Assurance in times of uncertainty

By any measure, we are currently living in extraordinary times. Extreme disruption and uncertainty brought on by COVID 19 are the new norm with situations changing by the hour. In times of uncertainty, organisations need to think broadly and widen their view to innovative solutions. How effectively organisations and their assurance functions respond to changes in their risk profile in areas such as supply chain, customer experience, cash management, crisis management and cybersecurity is critical in these current times. Staying relevant will depend on quickly adapting the approach to assurance.

We are all coming to terms with factors that are driving the need to adapt quickly. In times of uncertainty, protecting the business is everyone's objective. One way we are supporting organisations is to help them quickly embrace an **agile, holistic approach** that provides **real time active assurance** and **close and continuous monitoring** over the changing risk profile and control environment. Where resources are redeployed to critical business services, we can help you to quickly evolve and align the assurance framework to a more Active Assurance focus to help protect the business and mitigate new risks as changes to your control environment are introduced.

Wherever your organisation's challenges are most pronounced, we can support you.

Stay relevant. Support the business. Respond to change and uncertainty

The new landscape is compelling Internal Auditors to examine their Governance, Methodology and Technological posture to remain relevant. A **vision** that expedites innovation, optimises resources and leverages technology.

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- Embedding a methodology that provides a responsive and **forward-looking view,** anticipating rapidly changing and emerging risks and controls, focusing on a common goal of risk mitigation.

- Embracing a **dynamic risk assessment** that enables the evaluation of risks and changes to the organisation's risk profile and control environment at speed to reflect them promptly in the assurance strategy.

- **Leveraging technology** to enable agile methods, 'virtual' interaction and advanced tools to analyse real-time data to drive insights on strategic issues, control effectiveness and risk mitigation.

- Enabling meaningful **collaboration and alignment with other lines of defence** to maximise efficiencies and synergies.

- Providing **real time reporting** as an effective strategy to elevate trust from stakeholders and keep pace with business change.

Our Vision for Next Generation Internal Audit

Machine Learning (ML) Artificial Intelligence (AI)
Process Mining
Robotic Process Automation (RPA)
Advanced Analytics
Enabling Technology
Next-Generation Internal Audit
Governance
Methodology
Continuous Monitoring
Reporting
Agile Audit Approach
IA Strategic Vision
Organisational Structure
Resource & Talent Management
Aligned Assurance
Dynamic Risk Assessment

Active Assurance

Leveraging resources across the organisation to provide continuous assurance over key business processes and controls.

Active Assurance (AA) is the practice of combining continuous control assessments performed by internal audit or other assurance providers; and risk and control monitoring activities typically performed by management across the lines-of-defence. This provides for a leveraged approach to determine in real time whether business processes and controls are performing at the desired level of effectiveness and/or efficiency to support the changed circumstances.

Active Assurance can be more comprehensive, efficient, and insightful than conventional controls compliance testing and helps ensure assurance resources across the organisation are being deployed in the most optimised and collaborative manner in times of business disruption and change.

Components/Features

- AA can be leveraged to expand and optimise assurance coverage of critical business processes. This facilitates risk identification, measurement and profiling – and helps to answer important business questions.

- Through advanced analytics tools, AA can facilitate the performance of testing on the entire population of transactions, which provides greater assurance over conventional reviews. It can assist in the identification of abnormal patterns or exceptions. Increased testing quality and insight helps transform a flood of data into meaningful information.

- Data visualisation tools can enable automatic, dynamic risk assessments and report generation. This delivers value-added suggestions and/or provides ongoing analytics tools to management.

Our Capabilities

Active Assurance requires Internal Audit to embrace an **agile, holistic approach** that provides assurance over the changing risk profile and control environment.

01 **Dynamic Risk Assessment** – Defining a suit of Key Risk Indicators and thresholds to build a continuous risk assessment enabling an assurance plan that is adjusted in real time.

02 **Process Optimisation Technologies** – leveraging enabling technologies such as process mining to identify process and controls efficiencies and deficiencies.

03 **Continuous Controls Monitoring** – creating an ongoing, automated process to collect data from business processes / transactions and generate various data analytics to define the thresholds that enable the monitoring task.

04 **Automated Controls (AC) Dashboards –** developing a user-friendly interface to view real-time status of assurance activity and monitoring of the organization's risk profile and control environment.

Contact Protiviti internal audit and risk leaders to learn how an Active Assurance programme could benefit your organisation.

We will provide:

A solution tailored to your organisation's needs and culture

Experienced internal audit and risk professionals that can partner with IT and the business

A dynamic audit risk assessment process to identify emerging risks and monitor existing ones enabling real time changes to the assurance strategy

A continuous monitoring programme delivery capability supported by enabling technologies

Leading industry practices

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