

A BUYER'S GUIDE

To Audit Management Software

4 Guidelines for Selecting Internal Audit Software
That Fits Today and Scales Tomorrow

An E-Book Presented By: **Onspring**



BEFORE YOU BUY

Internal Audit (IA) is responsible for assessing the effectiveness of your organization's governance, risk and control structure. You have a lot on your plate, and you need software that helps you do more, see further and act quickly when issues arise.

Despite an abundance of options, selecting the right software for your IA team is never an easy choice. Can the software adapt to your processes and organizational structure? Will it help you increase efficiency and accuracy? Does it have staying power in an evolving tech landscape? These are just a few of the questions you may be asking yourself if you're evaluating software options.

This guide is here to help.

Designed for audit decision makers and influencers, this Buyer's Guide for Audit Management Software presents criteria you should consider before selecting the right tool for your organization.

The guide is divided into four parts:



1. Solution Benefits

Will the software help your IA team elevate its performance? Will it noticeably improve the way you work, measure and report?



2. Audit Capabilities

Does the software offer the toolset you need for audit planning, project delivery, coordination, issue management and reporting? Can it adapt to your methods and processes?



3. Time to Value

How long will it take you to realize the benefits of your chosen software? What resources will be required to deploy and manage the tool?



4. Vendor Considerations

Can your vendor talk the talk and walk the walk? Do they have a track record of excellence?

Perhaps you're just beginning the software evaluation process. Or maybe you've narrowed your list of top contenders. No matter where you are in the buying cycle, this guide should help you balance the pros and cons of each product and make the right decision for **your** organization.



SOLUTION BENEFITS

Before we get into the nuts and bolts of audit software, let's start with a high-level view of what **any** enterprise software product should offer. Whether you're moving away from a spreadsheet/email process or retiring a point solution that has outlived its usefulness, you're likely seeking major improvements when it comes to performance and usability.

Consider the following:

- ❑ **Efficiency:** Software should help your staff work better, faster and smarter. It should be so intuitive that your users don't think about it at all. They just think about the task at hand or the problem they're trying to solve. When evaluating software, place a premium on the efficiencies you'll gain through ease of use and automation. Also look for impressive system performance (i.e., the time it takes to load a page, save changes or run a report). If a software product can't deliver notable gains in efficiency, strike it from your list.
- ❑ **Accuracy:** Duplicate data, miscalculations and missing information are the bane of the Internal Audit department. Software can't solve all issues of data integrity, but it can help prevent many user errors. Look for software that can perform calculations for you—consistently and in real time. Look for a tool that allows you to reference existing data (contacts, processes, controls, etc.) rather than keying in that information each time it's needed. By cutting down on manual data entry, you can significantly improve the accuracy of audit work.
- ❑ **Visibility:** With multiple projects running at once, your managers and directors need visibility into the status and results of audit work at any given moment. Audit staff, on the other hand, need to see items that require their attention—workpapers, findings, review notes, etc. Your software should present users with the precise information they need based on their role.
- ❑ **Collaboration:** Your IA team doesn't operate in a vacuum. You work with process owners, management, fellow audit professionals and other assurance functions on a daily basis. Software should make this easier. Having a central portal to manage projects, track status, communicate with others and report results can make the difference between an IA department that's adding tangible value to the business and one that's operating in the shadows.
- ❑ **GRC Integration:** A strong IA department is just one facet of a well-governed organization. The ability to manage audit processes in the context of other governance, risk and compliance (GRC) functions can yield significant benefits, including a better understanding of your organization's risk and compliance landscape. Can your software support this? Be wary of point solutions that isolate IA from other GRC processes. Even if you're not planning for immediate integration, look for software that can support it down the road.



AUDIT CAPABILITIES

Let's dive a level deeper into the specifics of audit management software. As you prepared to evaluate audit solutions, you likely made a list of required or desired features. Perhaps you documented specific challenges with your existing process or technology that you need to overcome. By now, you have a pretty clear picture of your "needs" and "wants."

We recommend that you organize your requirements into 5 categories: audit planning, project delivery, coordination, issue management and reporting. Major gaps in any of these areas would probably knock a vendor out of contention.

These may not be your only areas of consideration, but they form the foundation of your audit program and must be expertly addressed by your software provider.

Consider the following:

- ❑ **Audit Planning:** You need the ability to define your audit universe in a predictable, systematic and disciplined manner. Your audit software should help. It should also allow you to prioritize your efforts based on the most significant risks and opportunities for your organization. IA must speak a common language with management and demonstrate a clear understanding of what's most important to the business. Choose software that will help you prepare a meaningful audit plan and clearly communicate not only *what* you will audit, but also *why*.
- ❑ **Project Delivery:** With your audit plan in place, IA team members need an environment where they can execute fieldwork and focus in on relevant entities, risks and controls. Your software should provide a central, accessible portal for managing workpapers, tasks, review notes, milestones and real-time project status. It should also allow you to track the health of your projects and the resources you're expending for project delivery.
- ❑ **Coordination:** IA teams face increasing pressure to coordinate effectively with other assurance functions, such as SOX compliance, IT risk management and external audit (among others). You need a mechanism for sharing specific pieces of information while tightly controlling access where it matters most. IA also faces increased expectations to evaluate the effectiveness of other assurance functions within your organization, which makes the ability to share data even more critical. Your software should make coordination with other teams easier, faster and more secure.
- ❑ **Issue Management:** Audit projects often result in findings or deficiencies that need to be addressed by the business owners. Audit software should assist you in driving accountability into the organization and ensuring that management owns and resolves issues. Your software should enable you to assign responsibility for findings, track mitigation activities and follow up with management as part of an effective closed-loop process.
- ❑ **Reporting:** We mention reporting last, but it is perhaps the most important capability your audit software can offer. IA is responsible for reporting out to multiple entities, including senior management, your board and your audit committee. If you cannot report quickly and accurately on audit work, that work is for naught. Your software should provide a reporting interface that makes it easy to produce useful, meaningful information at a moment's notice.



TIME TO VALUE

It happens way too often:

Organizations select a software product that meets their needs, but when it comes time to implement the tool, progress grinds to a halt. Weeks or months go by, and frustrations mount. The product that looked so great in the demos turns out to be an implementation nightmare.

When evaluating software, it's critical to understand what it will take to make the product work for your team. Speak to the vendor's clients about the time and resources involved in their implementation; you may be able to draw helpful comparisons. Also ask the vendor specifically what is involved in rolling out the solution and who will do the work.

Consider the following:

❑ **Deployment Model:** Recent shifts toward cloud-based software have been driven largely by the need to accelerate time to value. With on-premise solutions, you'll need time to prep internal hardware, train IT resources, install software and configure it for your environment. With cloud-based solutions, you can start working in the tool within minutes of purchase. Cloud-based software also offers advantages in terms of:

- Integration with other systems
- Access for remote team members around the globe
- Ease of software upgrades
- Overall system performance

If you've never considered cloud-based audit software (or if you've dismissed it in the past) now may be the time take a fresh look.

❑ **Flexibility:** The age-old promise of "one size fits all" (or even "one size fits most") never really panned out. The truth is, every IA team is distinct in its size, scope and processes. Your software needs to adapt to your needs, not force you to adapt to its constraints. Look for software that you can tailor through point-and-click configuration. Look for reporting features that are intuitive and easy to use for non-technical staff. Avoid software that requires custom code to make changes. That code inevitably breaks when you upgrade to the next version.

❑ **Legacy Data:** Unless you're starting from scratch, you probably have data from previous audit projects that needs to be moved into your new tool for reference in future work. Make sure your software offers a fast, reliable and user-friendly mechanism for bulk importing and updating content. This can save you a huge amount of time.

❑ **Staffing:** Once you get up and running with your chosen software, you need to understand what it takes to maintain it for the long haul. Ask the following questions:

- What manual administrative functions are required? How often?
- What skills are needed to administer the software?
- What training is available (classroom, webinar, video, documentation, etc.)?
- Can your current staff administer the software? Or will you need to hire someone?



VENDOR CONSIDERATIONS

Product features and functions are a big part of your software selection process. But the quality of the vendor is critical, too. You're making a long-term technology investment, and you need to be sure your vendor is a company you want to do business with.

Consider the following:

- ❑ **Domain Expertise:** You'll be served best by a vendor with expertise in technology and in audit, risk management, compliance and other assurance functions. This is the type of vendor that can be a true partner to you—one that can understand what you're trying to achieve, advise you based on their experience, solve challenging problems and deliver a solution that hits the mark.
- ❑ **Track Record:** Ask every vendor for references you can call to discuss both the software and the client experience. Don't just take the vendor's word for it; call their clients and ask how things have gone since their purchase. Have they received attentive service? Have they had any major problems with the software? How long did it take them to get up and running? These are just a few of the questions you should pose.
- ❑ **Client Care Philosophy:** Whether we're in the role of client, vendor or partner, at the end of the day, we're all people. Make sure your vendor will treat you like a person, not a number. This seems obvious, but it's amazing how many companies lose sight of their client's humanity over time. If you're going to invest in the vendor's software, be sure they are prepared to invest in you through consultation, education and problem solving.
- ❑ **Service and Support Model:** Even with the most intuitive software, you're going to need help from time to time. Make sure you know the details of your vendor's service and support model before you sign. Ask for data on how quickly they resolve issues for their clients. Understand the various methods you can use to contact them. Learn about the caliber of their consulting team in case you need strategic advice or configuration services. Make sure the vendor can bring the right resources to bear when you need them.

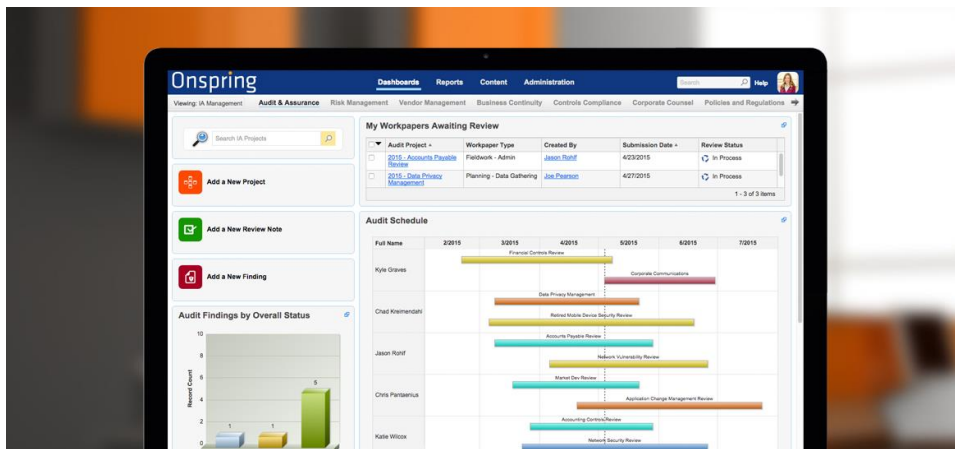


FINAL THOUGHTS

As you evaluate your options for audit management software, you're unlikely to find a product that ticks every single box. And that's OK. Just be sure you know what's most important to your organization—your “must haves” and your “nice to haves.”

Remember that performance and usability are paramount. Insist on attentive service before **and** after the sale. Select an audit management platform that can adapt to your changing needs and a vendor that can keep pace as technology evolves.

Best wishes as you research, test drive, check references and make an informed purchase decision for your team.



ABOUT ONSPRING

Onspring empowers business users to innovate and solve problems for themselves. Our flexible solutions for internal audit, risk management, compliance, legal and operations teams put key metrics at your fingertips—anytime and everywhere. We focus on performance and usability in everything we do so **you** can focus on analysis, action and value creation.

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