



Blueprint for Success:
Core Competencies for Auditors
Mid-America Intergovernmental Audit Forum

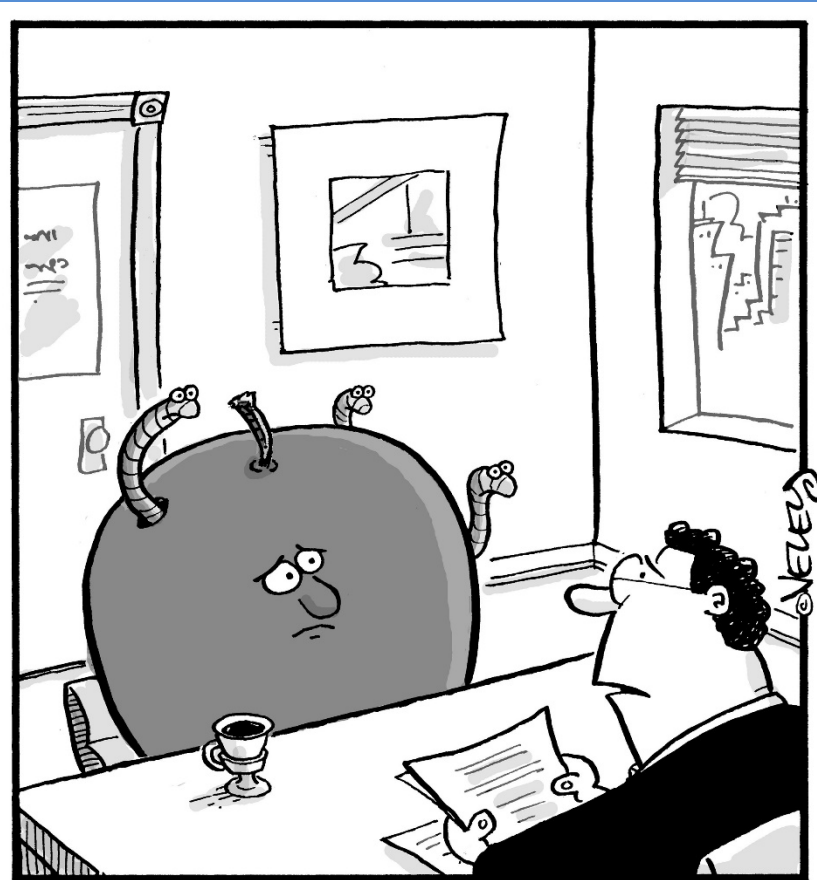
Scott Frank
Kansas Legislative Post Auditor
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Core Competencies for Performance Auditors



Core Competencies for Performance Auditors



“Personally, I’d like to hire you, Mike, but the company has serious concerns about your core competencies!”



Core Competencies for Performance Auditors

- Competencies are the things one needs to know or be able to do to be successful in their job.
 - *Knowledge, skills, and abilities*
 - *NOT duties and responsibilities*
- Core means the most important ones.
 - *Accounts for about 90% of the job.*
 - *NOT everything you need to know or be able to do.*



Core Competencies for Performance Auditors

- Core competencies can form the basis for many personnel processes:
 - *Recruitment*
 - *Development and training*
 - *Promotion*
 - *Evaluation*
 - *Retention*



Core Competencies for Performance Auditors

In Kansas, we have identified five areas of core competency:

- A. Critical Thinking
- B. Audit Skills
- C. Team Skills
- D. Project Management (Advanced)
- E. Leadership (Advanced)



Area A: Critical Thinking



Area A: Critical Thinking

We have identified six important aspects of critical thinking:

1. Professional Skepticism
2. Problem Solving
3. Summarization
4. Synthesis
5. Pattern Recognition
6. Finding Development



Area A: Critical Thinking

A1 – Professional Skepticism

Auditors should be persistently inquisitive, skeptical, and probing.

- *Probes for more information.*
- *Does not accept assertions without corroboration.*
- *Identifies and resolves incomplete, inaccurate, or conflicting information.*



Area A: Critical Thinking

A2 – Problem Solving

Auditors should be able to problem-solve to gather evidence to answers the audit questions.

- *Goes beyond specific assigned tasks and understands the information needed.*
- *Tries to figure things out for themselves.*
- *Does not churn for too long before seeking help.*
- *Quickly identifies when the planned tasks won't work and actively develops an alternative approach.*



Area A: Critical Thinking

A3 – Summarization

Auditors should accurately summarize information.

- *Produces accurate summaries of oral, written, and numerical material.*
- *Condenses the material down to a manageable size and pulls out the main points.*
- *Can tell the difference between what is important and unimportant.*



Area A: Critical Thinking

A4 – Synthesis

Auditors should effectively synthesize audit evidence into conclusions and audit findings.

- *Synthesizes the audit evidence into new information for specific workpaper conclusions, larger audit findings, and the overall to answer the audit question.*
- *Develops clear and convincing arguments that are supported with sufficient, appropriate audit evidence.*



Area A: Critical Thinking

A5 – Pattern Recognition

Auditors should identify relevant patterns and outliers in quantitative data.

- *Recognizes relevant patterns in quantitative data.*
- *Spots and resolves outliers.*
- *Can tell the difference between what is important and unimportant.*



Area A: Critical Thinking

A6 – Finding Development

Auditors should identify and develop the elements of a finding.

- *Recognizes problems, assesses their effect, and determines their significance.*
- *Identifies the root causes of problems and develops potential recommendations that address those causes.*



Area B: Audit Skills



Area B: Audit Skills

We have identified five important audit skills (separate from critical thinking):

1. Documenting
2. Interviewing
3. Basic Quantitative Analysis
4. Moderate Quantitative Analysis
5. Report Writing



Area B: Audit Skills

B1 – Documenting

Auditors should prepare logical and organized workpapers.

- *Workpapers are complete, adequately labeled, and organized.*
- *Purpose statements reflect why the work was needed.*
- *Conclusions clearly answer the purpose statements.*
- *Methodology statements are concise, well written, and require very little supplemental explanation.*



Area B: Audit Skills

B2 – Interviewing

Auditors should effectively conduct and accurately document interviews.

- *Prepares clear and logical interview questions.*
- *Develops a good rapport with the interviewee*
- *Asks relevant follow-up questions as needed.*
- *Prepares accurate and thorough summaries.*



Area B: Audit Skills

B3 – Basic Quantitative Analysis

Auditors should effectively use conduct basic quantitative analyses on relatively small and simple datasets.

- *Basic quantitative analyses* include simple operations such as sum, average, and percent change over time.
- *Small datasets* are sufficiently limited so they could be manually reviewed if necessary (approx. 100 records or less)
- *Simple datasets* can be stored in a single data table.



Area B: Audit Skills

B4 – Moderate Quantitative Analysis

Auditors should effectively use conduct moderate quantitative analyses on relatively large and complex datasets.

- *Moderate quantitative analyses* include joining tables, selecting records, grouping results, and performing basic summary calculations.
- *Large datasets* have too many records to be manually reviewed in their entirety (approx. 1,000 records or more).
- *Complex datasets* include multiple data tables which must be joined through common fields.



Area B: Audit Skills

B5 – Report Writing (Content)

Auditors should prepare report content that convincingly supports the audit findings.

- *Organizes findings in a logical, deductive fashion.*
- *Provides sufficient, appropriate evidence for each point.*
- *Does not include extraneous information.*



Area B: Audit Skills

B5 – Report Writing (Language)

Auditors should prepare report language that clearly communicates the audit findings.

- *Paragraphs include strong thesis statements, specific support sentences, and a logical flow.*
- *Sentences are active and concise. (anyone see the irony?)*
- *Writing is free of grammatical errors, typos, and poor word choices.*



Area C: Team Skills



Area C: Team Skills

We have identified four important team skills:

1. Meeting Deadlines
2. Conforming to Policies
3. Handling a Standard Workload
4. Making Team Contributions



Area C: Team Skills

C1 – Meeting Deadlines

Auditors should produce timely work that meets project deadlines.

- *Meets assigned deadlines*
- *Completes all other work within a reasonable timeframe.*
- *Is able to prioritize work with little assistance.*
- *When possible, completes assigned tasks early and is available to assist other team members or take on additional work.*



Area C: Team Skills

C2 – Conforming To Policies

Auditors should produce accurate work that conforms to division policies.

C3 – Handling a Standard Workload

Auditors should be able to handle a standard workload of audit tasks.



Area C: Team Skills

C4 – Making Team Contributions

Auditors should be a meaningful contributor to the team's discussions and work products.

- *Makes meaningful contributions in team meetings and discussions.*
- *Helps the team develop the overall audit findings.*
- *Works to ensure their individual results are not contradictory or inconsistent with the other audit findings.*
- *Provides meaningful feedback on team drafts and other team documents.*



Area D:
Project Management

Area E:
Leadership



Area D: Project Management

- Develop an Audit Plan
- Set Expectations/Provide Guidance
- Actively Manage
- Review Workpapers
- Provide Feedback
- Develop Audit Findings



Area E: Leadership

- Foster a Challenging, Creative, and Cooperative Environment
- Set a Strong Example
- Improve the Office
- Demonstrate a Commitment to the Profession
- Work Well with Legislators and Agency Officials



Wrap Up



Wrap Up

- Core competencies are the most important things an auditor needs to know or be able to do.
- Once identified, core competencies can form the basis of recruitment, development, promotion, evaluation, and retention.



Wrap Up

- In Kansas, we have identified five key areas of core competency:
 - A. Critical Thinking
 - B. Audit Skills
 - C. Team Skills
 - D. Project Management
 - E. Leadership



Questions???



Contact Information

- Scott Frank, Legislative Post Auditor
 - E-mail: scott.frank@lpa.ks.gov