

MOVING TOWARDS EFFECTIVE REPORTS CHANGES ADOPTED IN THE IT AUDIT PROCESS ¹

IT AUDIT AREA - AUDITORÍA GENERAL DE LA NACIÓN ARGENTINA

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INTRODUCCION

The SAI of Argentina (Auditoría General de la Nación – AGN) has been doing IT audits for more than a dozen years. No doubt the subjects analyzed were very important. For example, IT audits were performed to evaluate the IT management of the National Bank, the Central Bank, the tax agency, customs and so on. But, one of the challenges the area has is to make interesting reports. Why? Because it used to write down technical reports in technical language, usually very extensive.

The problem was that few people were interested in reading those long and technical documents. It is, in fact, something mentioned in the ISSAI 5300³.

However, in these pages we want to share what we did to try to change this reality. It was (and still is) a challenge for the organization and for everybody involved in IT audit processes.

¹ Country presentation of the SAI of Argentina (Auditoría General de la Nación), for the XXVII WGITA meeting, held at Sydney, Australia, Apr. 2018.

² Chief of Department of IT Audits at Auditoría General de la Nación.

³ ISSAI 5300. 31.2 “Some consideration that IT Auditors should be aware of is to limit the use of technical jargon ...”.

STRATEGIC GUIDELINES

One question guided us (and still does): what can we do to make a better contribution to the improvement of public management? This is a guideline that arises from our institutional vision.

It must be underlined at this very moment that the SAI of Argentina is not a court of accounts. It is an audit office, and the recommendations it makes cannot be enforced to audited organizations or public managers. It follows from this that the mechanism that make audited organizations improve their IT management from an IT audit are complex and diverse, and include stakeholders' opinions, who must understand our reports to begin with. So, to simplify, we asked ourselves how we can improve the effectiveness of our IT audit reports.

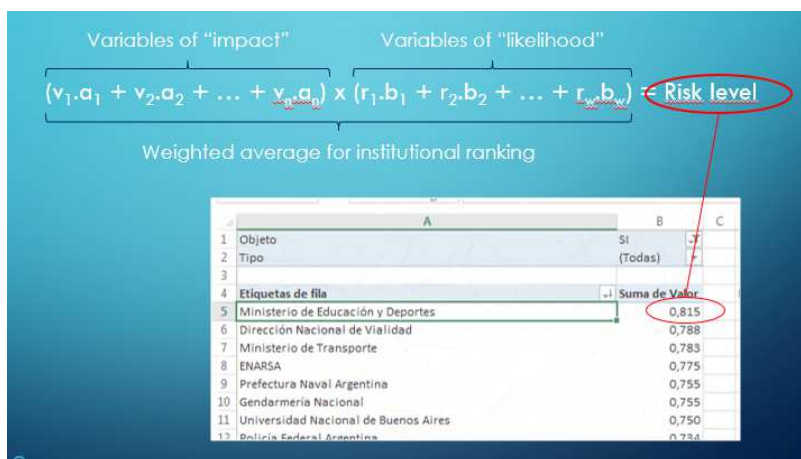
In this context, we thought of three main actions:

1. A shift in the approach to plan future audits.
2. A revision of the scope and nature of IT audits.
3. New ways of releasing audit reports.

Let's explain each of these in more detail.

ANNUAL PLANNING APPROACH

The institution is currently undergoing a deep revision process of the way it chooses audit objects. Nevertheless, the IT audit area began to systematize the annual planning process a few years ago. We made this by means of identifying the population of public organizations subject



organizations subject to IT controls (that was not difficult), and by choosing a set of variables that are aligned with the nature of our audits (that was not so easy), in order to measure and rank the population, from the most to the least risky.

Later we understood, however, that "public organizations" was not the only population to be considered in order to choose the best audits to do in the future; in other words,

there were other possible dimensions of analysis, application software being one of them. It must be recognized that it is not easy to obtain the whole population of critical systems used by public entities, and that's why we are still working on that.

Moreover, we understood that there was another perspective we had not considered before: we call it "subjects of interest". What is a subject of interest? It is for us the answer to "what are the things that most worry the citizens?" Of course, each country may have its own problems.

By means of this new approach we managed to include an important subject in the current annual plan, a subject that actually worries Argentinian citizens: "traffic accidents". Regrettably our country has one of the worst statistics in the region. Almost 20 people die this cause. It is plane crushing a problem that lots of budget damage and injuries caused.



each day for almost a large every week. It's also demands to attend the treat the

Returning to IT question no the public

audits, the longer is what organizations

with the highest IT risks levels are, but also what are the social concerns. Doing so, it is necessary afterwards to research the information systems related with the subject of interest. And lastly, we can identify the public agencies that owns the application software involved in the matter.

These probably leads to complex audits, when usually more than one institution must be audited.

We are currently moving towards subjects of interest and by this means we can identify important audits to perform. Traffic accidents wouldn't had been identified as an audit to include in this year plan if we hadn't move forward from the institutional approach.

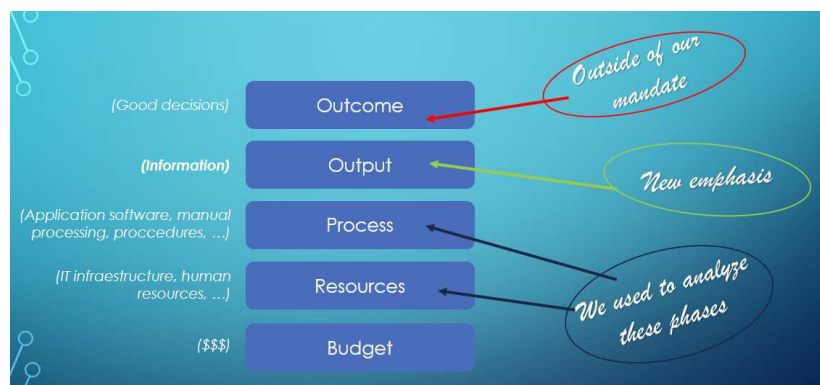
Shifting the way we used to plan is one of the actions we thought that makes IT audits more interesting to people, in that way contributing to increasing the effectiveness of the reports we write, as a result aligning our work with the institutional vision.

SCOPE & NATURE OF IT AUDITS

The IT audit area used to analyze IT infrastructure and IT processes. That gave place to important but rather technical reports. Nevertheless, we thought that there is a strength in the knowledge that IT auditors have, not only in hardware, software, communications or security, but in the whole process of information systems. And these is something to emphasize, because as we already know, information system are not limited to computing or IT infrastructure. It is a whole productive process that begins with arranging budget availability to obtain the resources that mixed in the right way (procedures), generates timely and reliable information for decision makers.

From this point of view, system information processes involve, like most production processes, many people, lots of application software, IT infrastructure, data bases, and perhaps many manual procedures too. The scope of this audits exceeds what we used to do in the past, and we think they are more useful. For example, we could previously have reported on a particular software application without taking into account that some phases of a process could make the information system unreliable as a whole.

It is an important issue also because it has something to do with current revision of ISSAI 5300 and related. It is possible that stand-alone IT audits are valuable in themselves, not to



mention when the scope and nature of the area are expanded to include information generation processes. The multiple type of SAIs, the many natures, scopes and restrictions of the controls they make, the great diversity of organizational structures involved, all in all, the different contexts in which SAIs operate, may move us to reflect if we must not leave some degrees of freedom to SAIs to choose the best way for them to strengthen performance audits. Convergence is good enough for standard products, but when you need specialization, you choose specialized tools. IT audit is a specialized tool.

Perhaps we must take into account that IT audits are possible because multidisciplinary teams exist, each IT auditor having different skills and specializations (like software development, data bases, information security, communications and so on). If specialized IT auditors were spread out among performance audit teams, it is possible they won't add the same value as if they share a common space in the structure, in line

with functional organizational structures tradition (but not meaning the latter that IT auditors must stay aside when performance audit teams need help).

This is an issue we are committed to analyzing in depth when the time comes to revise the project of future IT GUIDS.

Let's move on to the 3rd of the strategic guidelines: communication IT audit results.

COMMUNICATING IT AUDIT RESULTS

In the first place, following the requests of managers and authorities, the IT audit area was committed to reduce the number of pages in its audit reports, being 50 the maximum number accepted nowadays.

There was another problem with the amount of technical words written in IT audit reports, because IT auditors were very used to it. It was a real struggle, fortunately over. Perhaps we have not managed to fully convince everybody not to use technical



language, and that's why we use the following analogy whenever it is needed: meteorology is probably a harder science than

computing, for it is based in chaos theories. However, *Accuweather* insists in wisely showing to us (non-specialists who understands almost nothing about isobars and isotherms) pictures of clouds, suns and umbrellas.

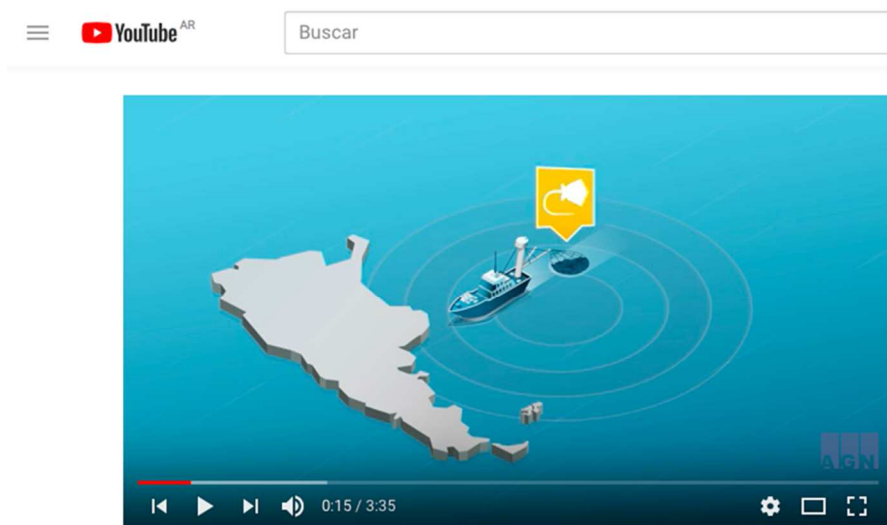
Although this was something that the area could somehow managed for itself, there are things that exceeds its possibilities, in a moment when it seems that short and plain language is not enough. One Auditor General said some time ago: "nowadays, it's difficult to make people read a good book, so, how can we ever convince them to read an audit report?" He is probably right: with the spread of social networks, and with information distributed in very few characters, it looks as an almost impossible task to face. Fortunately, the board of Auditors pushed the idea of translating some of the audit reports into a visual language.

CONCLUSION

One of the achievements that comprises the three aspects previously explained is a short video uploaded to the AGN YouTube channel that shows the results of an IT audit performed on the information systems involved in the fishing industry control.⁴

To resume:

1. we would not have formed the conviction that this was an important audit to perform if we had insisted on (only) ranking public entities, for it is not an organization what we evaluated, not even a single application software, but *just* a topic of interest.
2. We had to extend the scope of what we once thought the boundaries of the area, including the whole information system process, that obviously includes (but also excludes) IT issues.
3. Finally, and perhaps because of what has been previously said, authorities decided it was a report worth translating into a visual language.



Subsecretaría de Pesca y Acuicultura - Gestión de la Tecnología Informática

⁴ <https://www.youtube.com/watch?v=Ckf2Dx5ajmw> (only in Spanish)