MAKE THE MOST OF YOUR INTERNAL AUDIT FUNCTION USING INNOVATIVE TECH

New technology always promises to make our lives easier, and we regularly turn to digital tools to do most of our time-consuming and tedious tasks. This has quickly led to an assumption that there is a new digital solution out there for every challenge that arises. Sometimes a new digital solution can add immense value—and sometimes the best new solution is simply the one you already have.

This brief illustrates the value of digital literacy across an organization and why improving it is a major strategic imperative within internal audit. To determine the effectiveness of your current digital tools before investing in "better" ones, you need to understand how well your team is using the reporting and data at their fingertips by assessing their digital literacy. We'll explore the impact of digital literacy on internal audit functions through the lens of recent projects.

Case study No. 1

A client recently came to RSM with a regulatory problem that arose from inadequately monitoring their users. This client, a financial institution with $10–20 billion in assets, came under scrutiny for providing too much access to individuals, which introduced new risk into the organization.

Our risk consulting team went in, assessed their situation and technology, and recommended a simple solution. We determined that the client didn't need a platform overhaul; instead, using the technology they already had in place and their employees were already familiar with, we were able to build and develop a solution that leveraged their existing systems and tools. This solution meant they could avoid the expense and headache of purchasing, migrating to and learning another platform.

The RSM team created a continuous monitoring program based on the risks associated with their business as it relates to the segregation of duties and privileged access, then provided a dashboard that auto-populated reporting. This simple tool developed with Alteryx and Power BI could digest data coming in through a PDF and provide real-time monitoring so the client could remain compliant and make better-informed decisions.

TAKEAWAY NO. 1: A complex problem can sometimes be solved with a simple solution that doesn't require a total overhaul. Knowing the complete capabilities of existing technology allows for add-ons or plug-ins to conserve resources and avoid unwarranted expenses.

Case study No. 2

Another client recently contacted RSM's risk consulting team with an in-house dilemma of data collection, efficiency and automation. The client, a large regional financial institution, had an essential repository with hundreds of database and privileged access reports. They were looking for a solution that would allow them to automate their processes and free up resources and data collection time.

Once again, our risk consulting team assessed their situation and determined that the client already had all the technology infrastructure they needed. The team recommended a custom solution that would automate their process, digest the data, produce a testing sheet and—perhaps most importantly—let their professionals focus more on what they want to be doing: fund testing rather than database auditing.

Using Automation Anywhere, Alteryx and other software solutions that the client already had, the RSM team developed and customized an automation solution. It was a repeatable model that didn't require third-party risk and oversight; once our risk consulting team was gone, the client could use the solution without additional help. The solution automated the database auditing, saving hundreds of work hours, improving employee experience and freeing up their team to focus more on growing the business.

> **TAKEAWAY NO. 2:** Understanding the digital solutions that your organization already has allows you to leverage their capabilities, saving time and resources. For the internal audit function, automation can enable teams to repurpose their time to other critical tasks.

Case study No. 3

The equipment financing division of a financial institution approached RSM's risk consulting team about increasing the speed of producing their loans. The client wanted an improved end-to-end solution that could expedite the overall process from application and credit score to execution and loan boarding.

Our risk consulting team assessed the situation and immediately saw the initial dilemma: the financial institution was still producing their loans manually with paper, spreadsheets and emails. This process was unnecessarily time- and resource-intensive. RSM recommended lifting all of the loan production steps out of manual processes, implementing a particular platform and automating an end-to-end solution.

RSM's team worked with the client to incorporate an Appian solution, then integrated vendors like Equifax, PayNet and DocuSign to automate critical—and time-consuming—steps such as retrieving credit scores and obtaining borrower signatures. Ultimately, RSM's risk consulting team was able to overhaul and supercharge the client's loan production. The new automated process was much faster, producing more loans in less time with fewer resources needed. To top it off, the ROI was so rapid that the client was in the black within four months.

> **TAKEAWAY NO. 3:** Lack of digital literacy can also result in companies holding onto manual processes for too long and to their great detriment. Replacing manual processes and legacy systems with innovative solutions specific to their objectives can free up resources and yield bottom-line success.
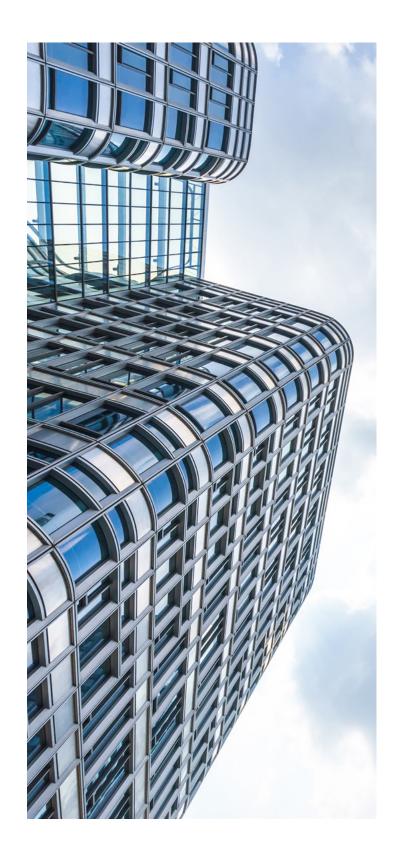
Conclusion

Improving digital literacy should be a top priority for every organization. Many companies are struggling with technology and risk, from privileged and identity access management to third-party access and monitoring procedures. These are areas of broad concern that are only getting more complex and thus more difficult. Maximizing automation and innovative technology is key to addressing these concerns and critical to freeing up resources for other functions.

An experienced outside advisor like RSM can get the most out of your existing solutions and implement any new solutions, all while minimizing risk and exposure. RSM's risk consulting team has specialists for every major platform and solution, and they know how to customize, optimize and maximize each.

Contact RSM's internal audit team.

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