

ARABOSAI-IDI Capacity Building Programme in IT Auditing – Focus on impact





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Introduction

One of the shortcomings of traditional training programmes has been that it is theoretical and devoid of practical application. The participatory methodology of training adopted in IDI training programmes partly addresses this concern. Inclusion of case studies approximating real life situations, exercises, role plays and other innovative training tools used in these programmes constantly strive to impel the trainees to put the knowledge and skills gained in the training sessions to practical applications. While this is acknowledged as a distinct improvement over the traditional lecture based programmes, they only go as far as to ensure transfer of knowledge to practical application in classrooms. Even the best written case study or role play have their own limitations and they cannot completely simulate a real life audit. As a result, the ability of the trainees to apply their knowledge and skills in real life audits has been an issue of concern to the training administrators and the agencies funding training programmes. The IDI-ARABOSAI Capacity Building Programme in IT Auditing (CBPITA) was conceived to surmount this challenge.

Genesis

Developing knowledge and skills in audit of Information Technology was identified as a priority in ARABOSAI. Accordingly, ARABOSAI approached IDI in January 2005 for financial and technical assistance for conducting three workshops on IT Auditing during the period 2005 to 2007. As IDI does not offer technical courses, a capacity building programme was proposed to ARABOSAI instead. CBPITA was in pursuit of third goal of IDI's Strategic Plan 2001-06 of cooperating with INTOSAI Standing Committees and Working Groups on training issues. The essence of the proposal was the creation of a pool of IT Auditing Champions for performing pilot IT audits in the region and for conducting subsequent training programmes for SAs of ARABOSAI. While the financial assistance for CBPITA was provided by IDI, technical assistance was provided by INTOSAI Standing Committee on IT Auditing (ISCITA). ISCITA helped IDI in getting the services of IT audit experts to design, develop and deliver the Workshop for Champion auditors.

Contours of CBPITA

A three-pronged strategy was adopted for achieving the objective of capacity building in IT in ARABOSAI. The three strategies are briefly described below:

- **Strategy 1:** covers holding of curriculum meeting for training the champions, design and development meeting for the champions workshop and conducting the IT Audit and Instructional Workshop for the Champions.



- **Strategy 2:** relates to conducting of four pilot audits in the region. Conducting pilot audits was envisaged with the twin objectives of providing an opportunity to the champion IT auditors to apply classroom learning to real life audits and to enable them to gain audit experience which they could then use in developing and delivering the regional workshop on IT audit.
- **Strategy 3:** comprises of design and delivery meeting of Champions to develop IT Audit Training programme in Arabic and conducting the regional IT Auditing Workshop.

The progress made in achieving various strategies so far and the future plans is briefly narrated in the ensuing paragraphs.

Progress so far

A Survey

A very detailed questionnaire which contained questions about the SAI manpower, its IT environment (hardware and software infrastructure), its IT budgets, IT audit tools used, manpower for IT Audit etc. was sent by IDI to all ARABOSAI members. The objective of the survey was to assess the level of IT preparedness of the SAIs, their capacity to conduct IT audit and to chart a strategy direction for CBPITA.

Curriculum Meeting

A three day curriculum meeting took place in Oslo, Norway between 8-10 of August 2005. The meeting was attended by IT Audit experts from Norway, Oman and the UAE. Representatives from the SAI of Qatar, ARABOSAI and IDI also participated in this event. The following issues were resolved in the meeting:

- Criteria for selecting SAIs from which auditors are to be selected for champions workshop and which are to participate in the pilot IT audits
- Criteria for selection of participants for champions workshop
- Broad outline of the IT Audit Champions Workshop
- Recommendations for conducting pilot audits

IT Audit and Instructional Techniques course design

The IT Audit experts and training specialists met in Amman, Jordan in September 2005 for two weeks to develop and design the course material for the workshop. The IT Audit experts worked on developing training material for the two weeks IT audit module of the workshop. The LTRTP graduates from ARABOSAI developed training material for a one week module on the instructional techniques. The new IT Audit course was developed according to the IDI's participatory training methodology by using case studies,

exercises, role plays, group discussions etc. While the IT Audit module was developed in English, the instructional techniques module was prepared in Arabic.

IT Audit and Instructional Techniques Workshop

The workshop was conducted at Muscat, Oman in December 2005. It was attended by 23 selected auditors from seven SAIs of ARABOSAI. The workshop was divided into two modules

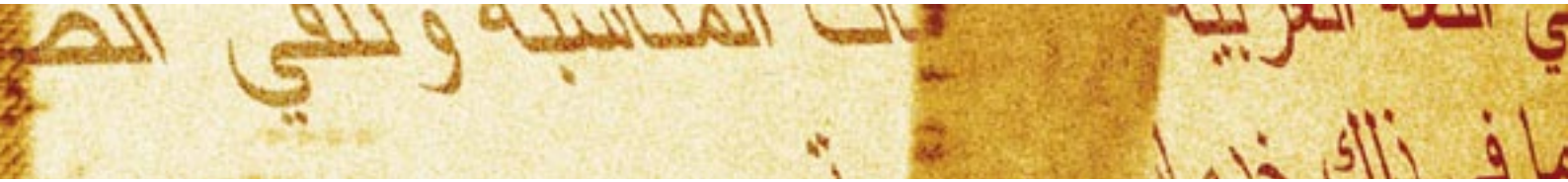
- IT Audit Module for two weeks – to provide knowledge and skills to the auditors in the field of IT Audit. This module was based on the Cobit framework and included a session on ACL as a CAATs tool.
- Instructional Techniques Module for a week – to provide basic training skills to the auditors, so that the champion auditors could conduct the regional training workshop on IT Audit as well as IT audit training programmes in their respective SAIs. They are in fact expected to play an active role in disseminating IT audit in their SAIs and in the region.

Pilot Audits

Pilot audits were planned in four countries and were intended to provide an opportunity to each of the 23 champion IT auditors for field audit experience. It was decided to associate at least one IT audit expert who was a trainer at the Champions Workshop to guide the champion auditors in conducting IT audit. It was also decided that each pilot audit should be conducted by champions from different SAIs. This would give them the opportunity to cooperate and exchange views with auditors from other countries and expose them to international experience. Hosting SAIs and auditees were very positive to the idea of receiving auditors from other countries.

The following pilot audits have been conducted so far:

| Sl. No. | Period of Audit (2006) | Name of Audit Agency | Area of audit | No. of champion trainers involved |
|---------|------------------------|---|--|-----------------------------------|
| 1 | 10 to 30 March | Qatar Electricity and Water Corporation | Billing System | 6 |
| 2 | 15 April to 3 May | Oman Aviation Services Oman housing bank | Catering System Loans System | 3 3 |
| 3 | 27 May to 14 June | Dubai Electricity and Water Authority | Billing System | 5 |
| 4 | 9 to 27 July | Amman Amman Kubrah (Amman Municipality) | Traffic Violation System Buildings Taxation System | 5 |



Future activities

Fourth Pilot Audit

The last pilot audit is currently conducted at Jordan (July 2006) by involving the last five champion auditors.

IT Audit course redesign (condensed Arabic version to be developed by the participants)

Out of the 23 champion auditors, a select team of auditors will be chosen to design and develop a training course in Arabic for the regional workshop. The champions are expected to use the IT audit knowledge and skills gained during the Champions Workshop, the instructional skills acquired during the instructional module of the Champions Workshop and the practical experience gathered during pilot audits to develop the regional training course. The new course will contain case studies, role plays and exercises based on the pilot audits. A two-week design and development meeting is planned in September in Tunisia.

IT Audit Workshop (to be delivered by the participants)

The two-weeks regional IT auditing workshop tailor-made to fit the ARABOSAI basic needs in IT auditing will be the culmination of CBPITA. This workshop is expected to enable participants to develop theoretical and practical skills in IT Audit. In addition to the seven SAIs that participated in the initial training of champions and pilot audits, other SAIs of ARABOSAI region will also participate in this workshop. The workshop is tentatively planned to be held in December 2006.

Achievements of CBPITA

Some of the distinguishing features of CBPITA are as follows:

- All the trained auditors were provided with an opportunity to participate in a pilot audit thus giving them an opportunity to apply classroom learning to real life audit.
- The pilot audits reinforced classroom learning and enabled conceptual clarity to the champion auditors.
- The pilot audit gave the auditors the confidence to conduct IT audits and took away the fear associated with any new audit assignment.
- The SAIs were convinced of the feasibility and benefits of conducting IT audits and the initial success with pilot audits resulted in further IT audits.
- The pilot audits are expected to provide concrete real life cases and situations that could be used in the subsequent regional workshop and local workshops in each SAI.

Conclusion

The introduction of pilot audits as part of the capacity building programme in IT auditing has been a marked improvement over traditional training courses and resulted in practical application of training inputs. However, for the programme to have sustained benefits the SAIs of ARABOSAI will have to involve the trained auditors in conducting regular training programmes in their SAIs on IT audit. This will have the desired multiplier effect and more auditors will acquire knowledge and skills on IT audit. More importantly, the trained auditors will have to be constantly associated with IT audit assignments to hone their skills as well as to result in tangible impact of training.

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