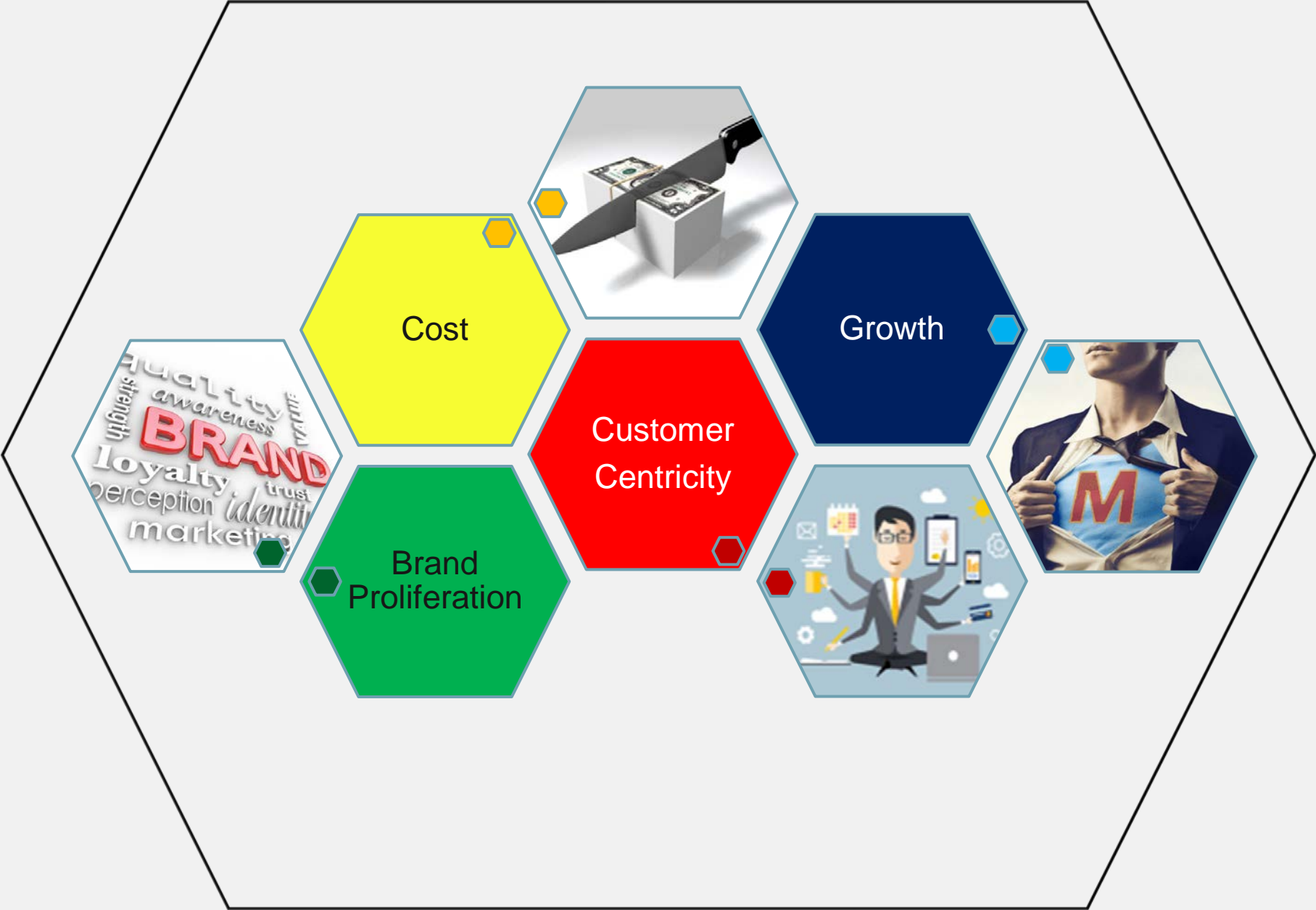




Audit Challenges in Digital Environment

March 2021

Trigger to Digital Environment



Audit Coverage



Audit Challenges



Organization & People

Population Growth

- The boomers, X, Y and Z challenges internally and externally

New Organization Type

- Implementation of Segregation of Duties in lean matrix organizations
- Reliance on third party

Resources

- How to attract, retain and develop digitally ready auditor and catching up with new technology?

- Prepare the homework
- Trait theory of leadership
- Basic control and regulation
- Awareness and requirement should be clear early during the engagement
- Recruit for potentials, character
- Grow learning & knowledge sharing culture
- Cultivate curiosity
- Stay relevant, business/industry knowledge as important (*if not more*) as audit knowledge

Audit Challenges



Stakeholders

Expectations and the increased concerns in digital risks

Stakeholders have different character (baby boomers/X/Y, etc) background and experiences that shape different type of perspectives and risk appetite

- ✓ Open communication
 - There is no one size fit all concept, adapt and enhanced
 - Don't wait until audit done/report released
 - Industry standpoint

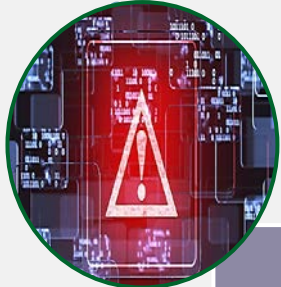
- ✓ Convince not confuse, change the auditors' and auditees' shoes using the same risk perspective

- ✓ Certification

Audit Challenges



Infrastructure



Awareness for All

Information Security Risks

- Don't take it for granted (i.e. VA/Pentest)
- Awareness for all stakeholders
- Beware of public tools
- The strength of a chain is on the weakest link



Collaboration

New Regulation

- Appropriate interpretation of regulation by business, first line, second and third line of defenses
- Alignment on risks perspectives and control requirements



Keep it simple

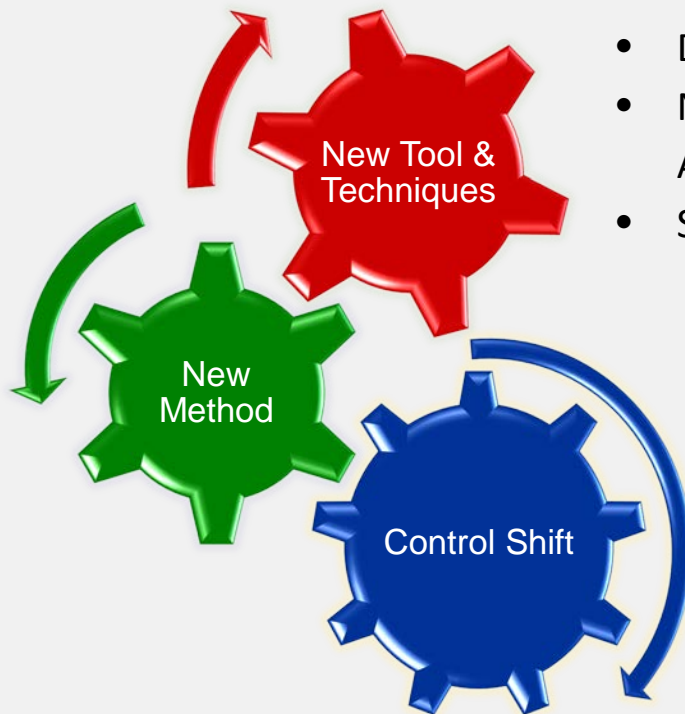
Technology

- Perspective of bigdata, block chain, robotic, dashboard, machine learning, etc
- Basic control never changed and cannot be eliminated

Audit Challenges



Processes



- Data analytics and continuous audit
- New methodology in application development and deployment i.e. Agile, DevSecOps
- Shifting of control from manual to automated

- ✓ Understand the concept, before the technology
- ✓ Identify basic regulation
- ✓ Basic controls will never change
- ✓ Understand tools involved in the environment
- ✓ Methodology cannot be picked and chosen

End of slides

