

The Secret Weapon of Great Internal Auditors: Sales & Relationship Skills

Presentation to CAW Network USA

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Learning Objectives

- Understanding the central role that sales skills play in Internal Audit work and how we are perceived and valued by key stakeholders.
- The need to invest in and build-out sales capabilities within Internal Audit team ranks.
- Appreciating the “What” and the “How” supporting Internal Audit positioning to connect effectively with key stakeholders to add more value.
- The different “sales” domains that Internal Audit leaders operate in and required strategies:
 - Board and Audit Committees
 - Meetings with Audit Committee Chair and management
 - The Audit Team and Coordinated Assurance Partners, External Audit and Regulators
- Effective Strategic Sales – Audit Vision
- Master Relationship Sales with key management
- Valuing informal / out of audit cycle meetings and activities
- Understand the need for rebalancing Internal Audit activities away from pure transactional sales activities.
- Making and marketing your Internal Audit Team as ‘the Place to Be’!

Biography – Shingirai Gwindingwi, CPA, CA (SA)

- ❑ Shingi is a CPA and CA(S.A.) who is an accomplished professional with extensive experience in public accounting and technical accounting. Her expertise in public accounting was obtained through the nine years she spent at BDO US and BDO South Africa. Her expertise in technical accounting is obtained through her current role as an experienced managing consultant at CrossCountry Consulting. Shingi is also Treasurer and Board Member of Chartered Accountants Worldwide Network USA.



Polling Question # 1

How would you describe your sales skills in an Internal Audit sense?

A – Expert

B – Developing

C – Somewhat new to this

D – Not an area I have focused on before

Biography – Shane Rogers FCA, MBA

- ❑ *Shane is Global Head of Operational Risk Management - Liberty Mutual, Global Risk Solutions. Before his current role, Shane was Managing Director & Chief Audit Executive for Swiss Re Americas. He is currently Board President of Chartered Accountants Worldwide Network USA and is a Fellow Chartered Accountant (Ireland). Shane has 25+ years global experience in Banking, Asset Management and Insurance – with Price Waterhouse, CS First Boston / Credit Suisse, Swiss Re, and Liberty Mutual Group. He is well known in the Internal Audit industry and presented at IIA Great Audit Minds (GAM) and IIA Ignite - Emerging Audit Leaders conferences in 2023. Shane has authored many risk and internal audit articles – see my LinkedIn profile: www.linkedin.com/in/shanerogersfca*



What does Internal Audit Sell?

Vision – aligned organizational focus?

Assurance – over controls for key risks?

Products – different types of audits / reviews?

Services and Skill-sets – consulting?

Audit Reports – independent stakeholder reporting?

Deterrence – against fraud?

Independence - integrity?

Objective Feedback - trust?

Solutions / Opportunity – issues / actions, insights



VALUE POTENTIAL

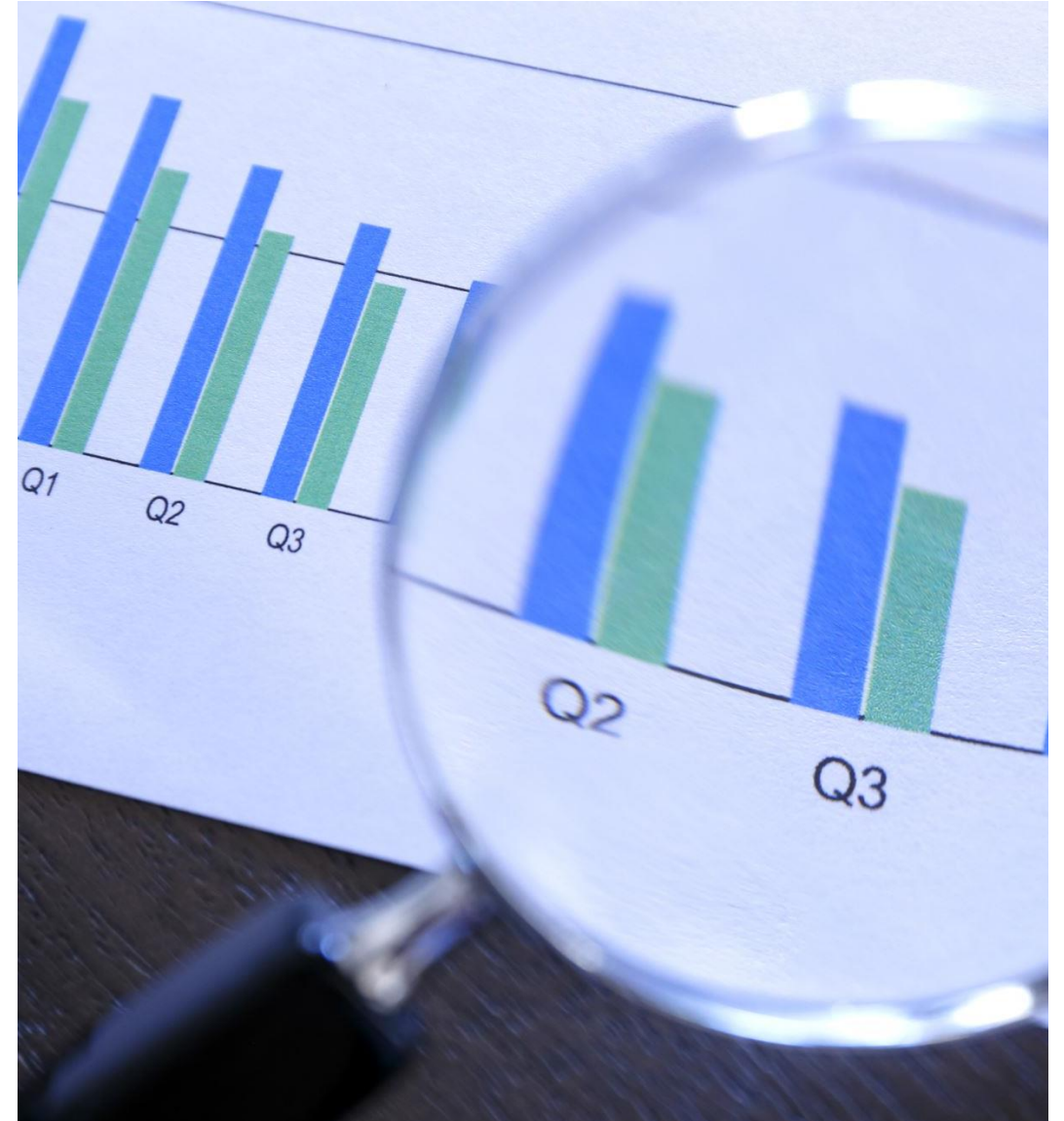


How Should Internal Audit Sell & Market its Services & impact?

- forward-looking vision
- agility & key risk responsiveness
- big picture perspective
- relationship sales vs. product sale
- informal vs. formal relationships
- trust, integrity & transparency



**VALUE & IMPACT
DELIVERY**



Internal Audit “Sales” Skills

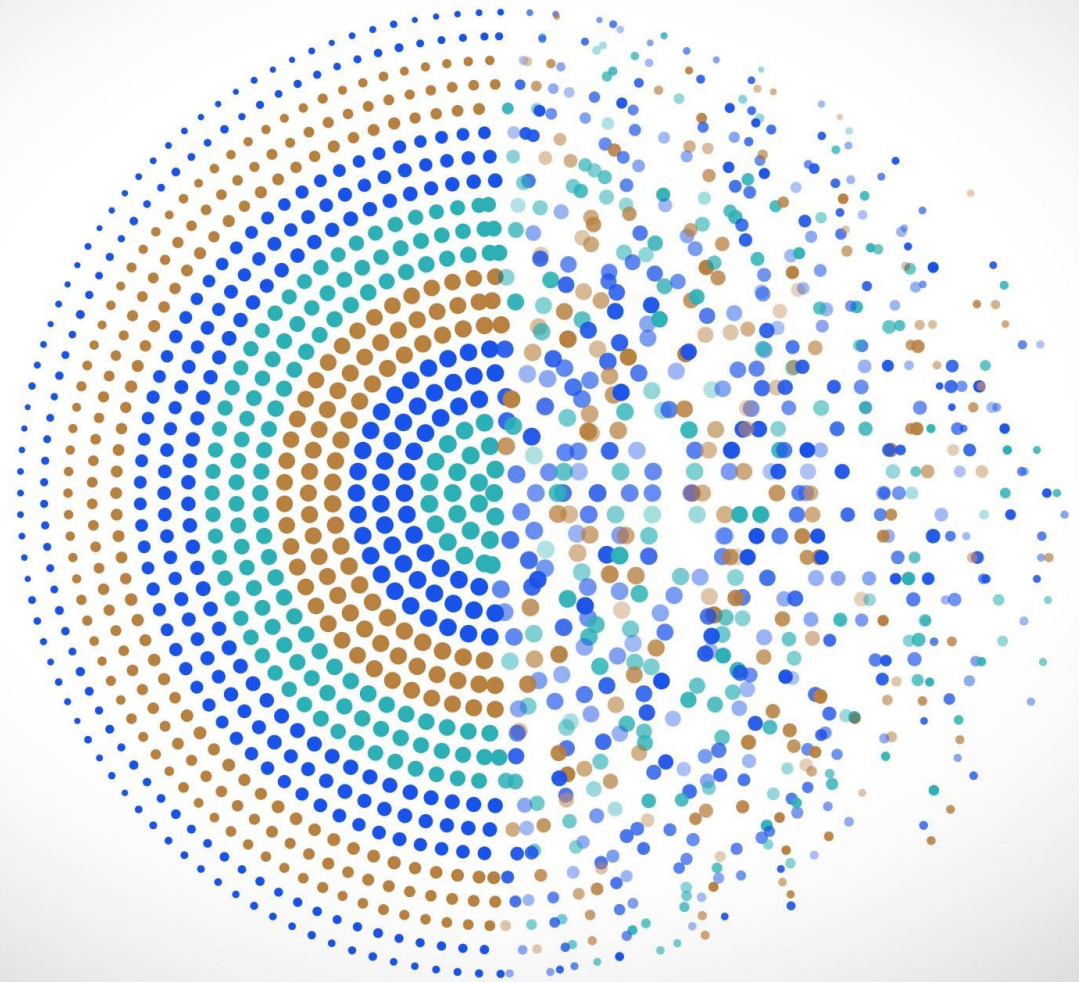


**Audit – Sales Strategies
Convert**

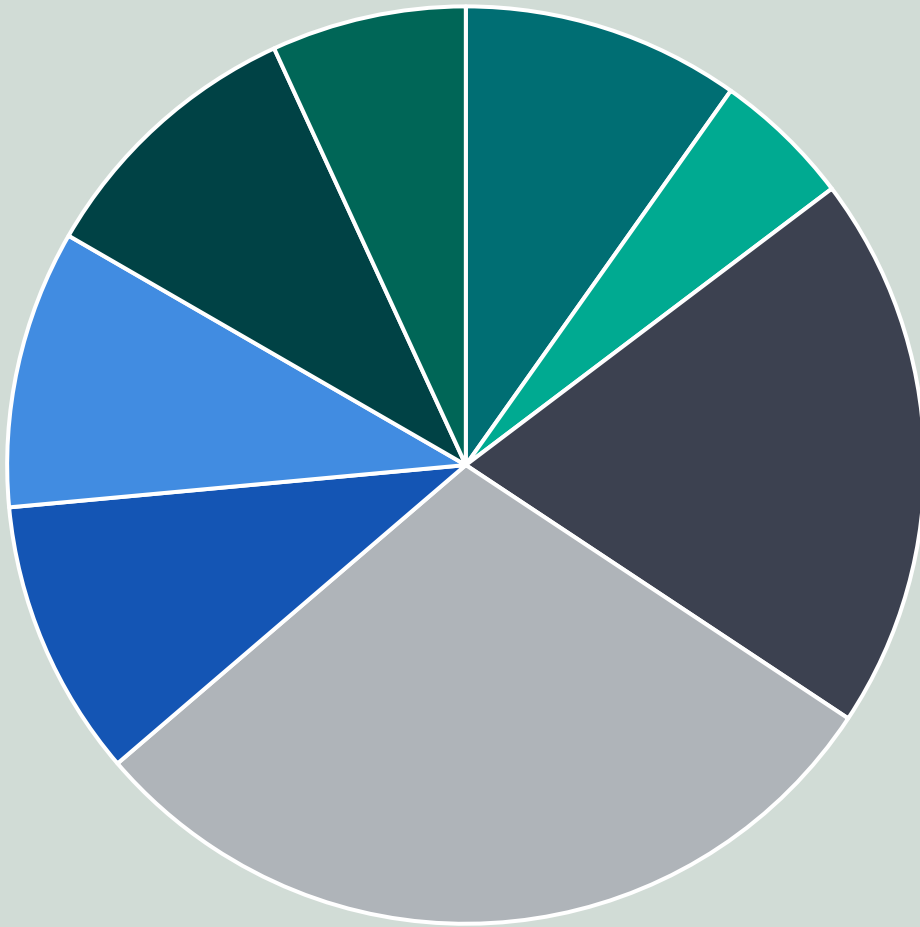
Value Potential

to

Value Impact Delivery



Internal Audit – Never Stops Selling.....



- ☐ Audit Vision & Mission
- ☐ Client relationships
- ☐ Key risk assessment/themes
- ☐ Audit plan(s)
- ☐ Audit scoping
- ☐ Audit issues, reports and insights
- ☐ Coordinated assurance
- ☐ Audit Committee updates
- ☐ Skills and talent development plans
- ☐ External audit & regulatory relationships
- ☐ 'State of the Audit Union' annual report

Internal Audit – ‘Sales’ Domains

Strategic

Audit Committee
Management
Regulators

- Vision
- Key Risk Assessment
- Key Risk Themes
- Audit Plan(s)

Relationship

Management
Audit Committee Chair

- Key Risk Assessment
- Audit Plan(s)
- Methodology

Transactional

Management

- Scope, Issues, Reports, Insights,
- Ratings

Cultural /
Ecosystem

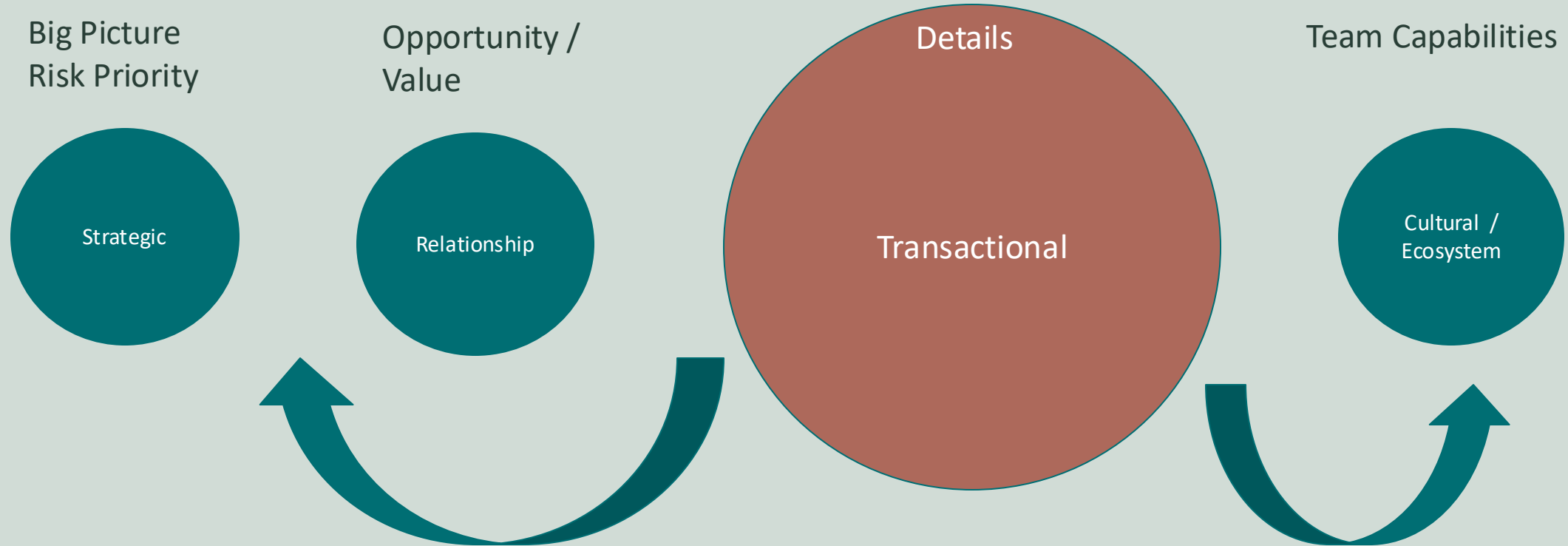
Audit Team
Coordinated Assurance
Partners

- Vision
- Mission
- Talent plan
- Skills / Personal growth

Internal Audit - Sales Domains & Value

Sales Domain	Value	Sales Strategy
Audit Committee	<input type="checkbox"/> vision / forward-looking view <input type="checkbox"/> risk responsiveness <input type="checkbox"/> big picture / risk themes <input type="checkbox"/> relevance and impact <input type="checkbox"/> critical thinking	Strategic ~ Boil the 'risk' ocean and help us fulfill our stewardship role. <i>Be our 'eyes and ears'</i>
Management	<input type="checkbox"/> transparency & fairness <input type="checkbox"/> empathy <input type="checkbox"/> risk agility <input type="checkbox"/> value-add <input type="checkbox"/> trust and integrity	Relationship / Transactional ~ <i>Be a great sparring partner and help us to be commercial and successful.</i>
Audit Team	<input type="checkbox"/> 'Place to Be' <input type="checkbox"/> positive risk culture <input type="checkbox"/> room to grow (& fail) <input type="checkbox"/> continuous learning / growth <input type="checkbox"/> recognition for impact	Cultural ~ be a talent locus where we can develop new skills and <i>be catalysts for positive organizational change.</i>
External Audit & Regulators	<input type="checkbox"/> openness <input type="checkbox"/> reliability	Strategic / Relationship ~ <i>Partner with us to ensure organizational integrity / success.</i>

Internal Audit – Sales Strategies Rebalance



- ❑ **Be more than** a transactional counterparty
- ❑ Strategic and relationship activities are more forward-looking / valuable
- ❑ Culture supports Audit team empowerment and creativity

**To realize more value:
rebalance some
transactional sales
effort**

to

**Strategic, Relationship
and Cultural sales
domains**



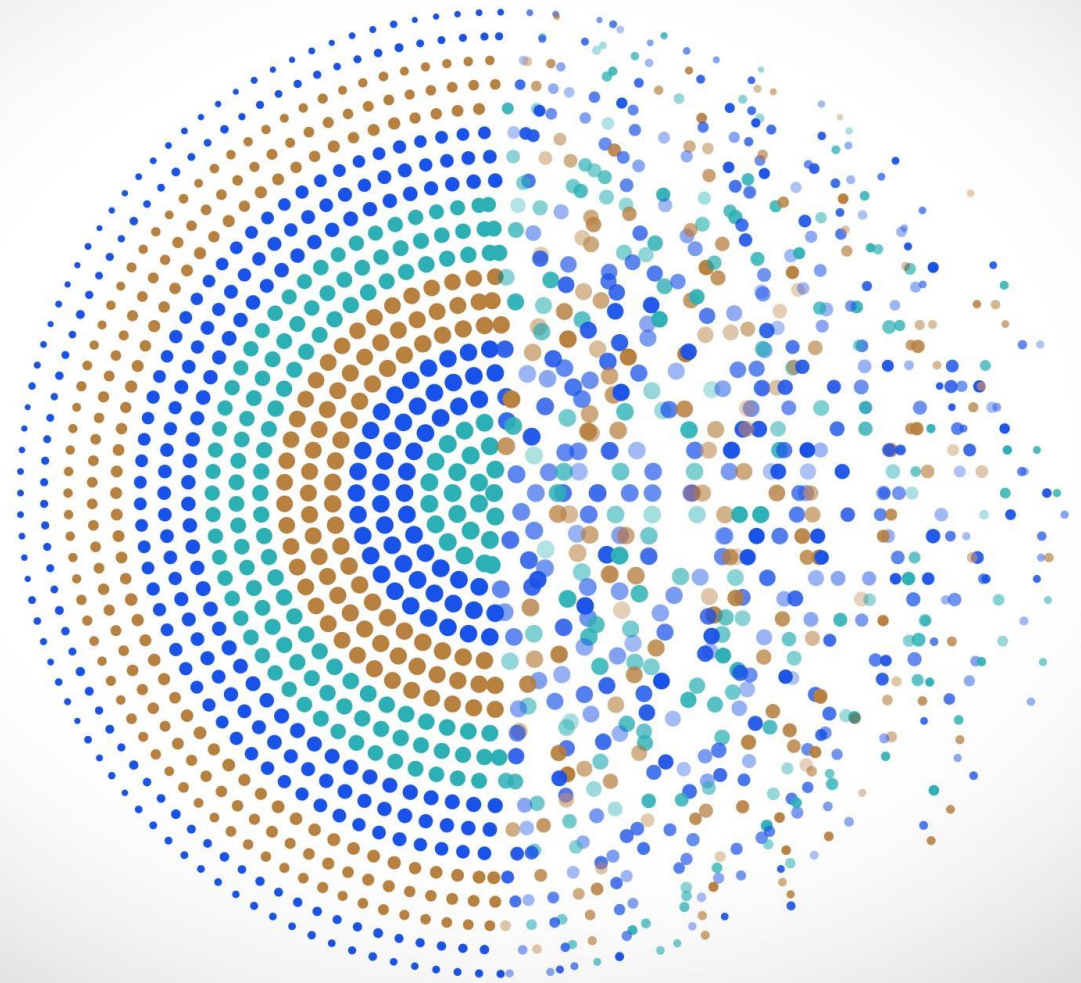
Polling Question # 2

Does your Audit function have a clear vision – supported by strategic change initiatives?

Yes or No

Audit –Sales Strategies The How

Strategic Sales



Audit Vision – Strategic Plan Sale

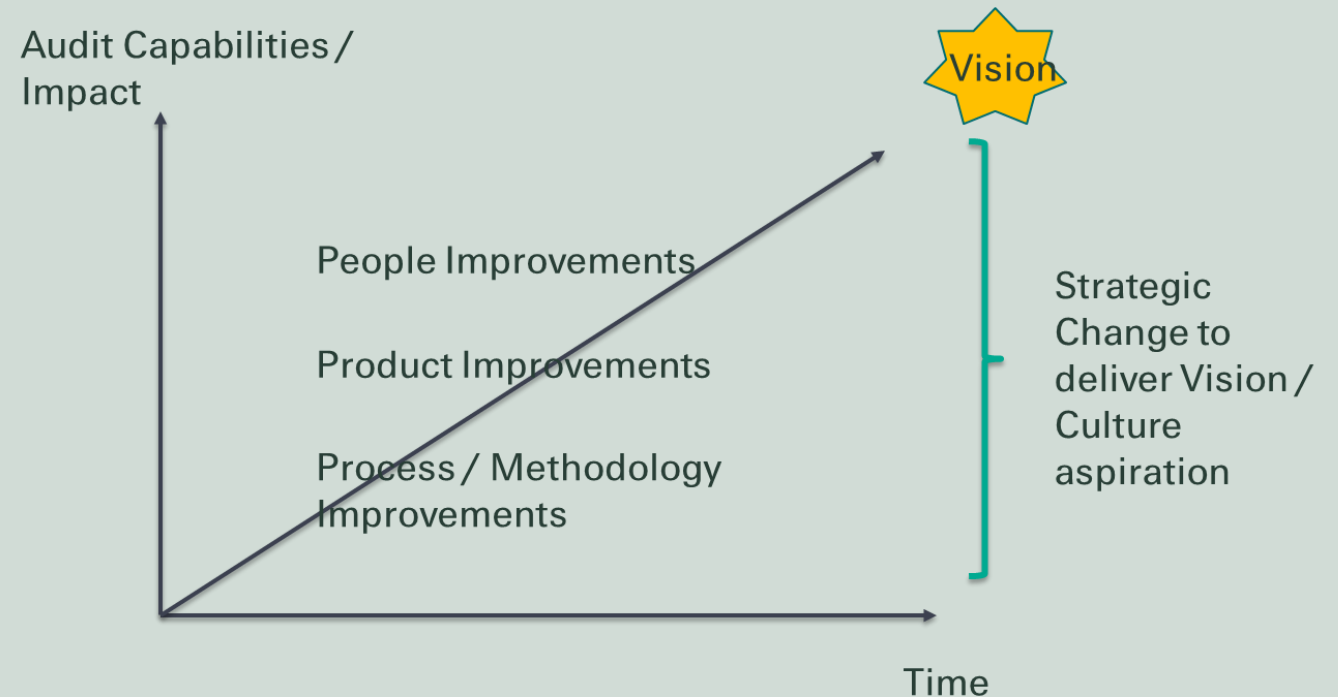
- ☐ sell the big picture opportunities
- ☐ secure key stakeholder buy-in
- ☐ report on progress transparently
- ☐ focus on longer-term organizational value and outcomes from:
 - improved risk responsiveness
 - risk agility
 - alignment to organization's vision / values
 - adoption of progressive / agile auditing
 - new skill-sets and audit expertise
- ☐ support Audit Team continuous learning
- ☐ journey tells your story

Value the journey as much as
the destination



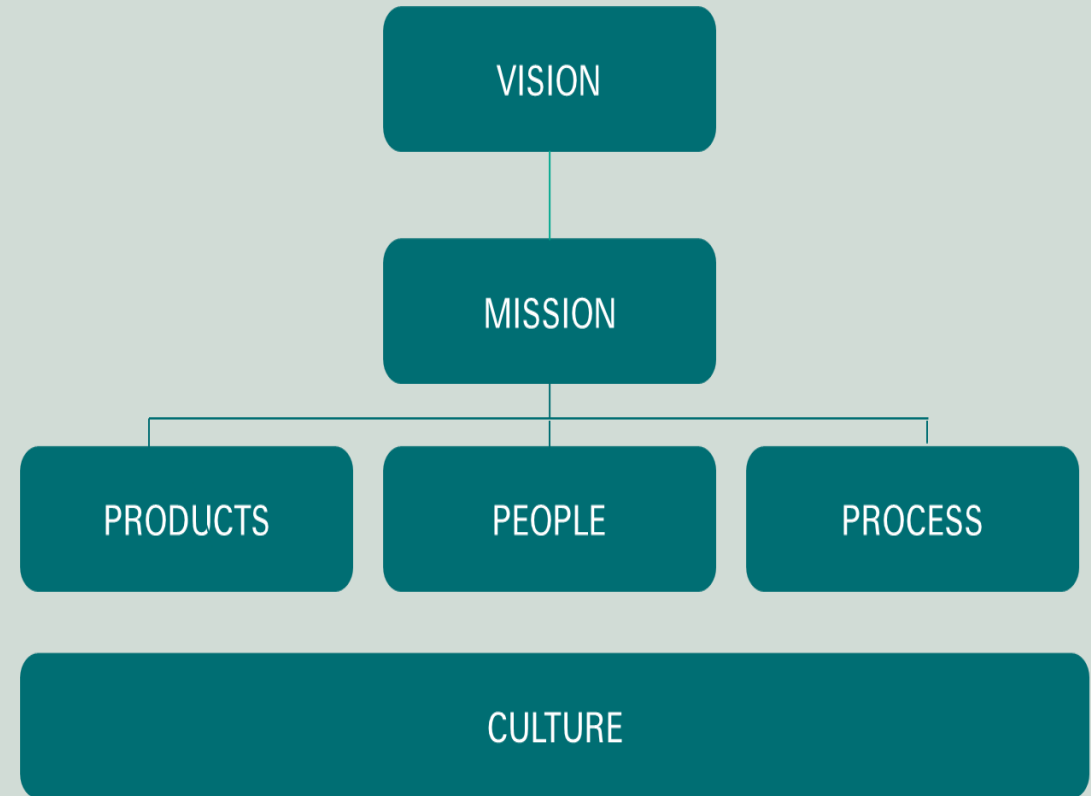
Audit Vision – Strategic Plan Sale

- ☐ Internal Audit's north star
 - aspirational
 - difficult to achieve
 - often a multi-year journey
 - value driven
- ☐ requires continuous assessment
- ☐ regular updates to your Audit Committee & Stakeholders
- ☐ shares the journey with your stakeholders



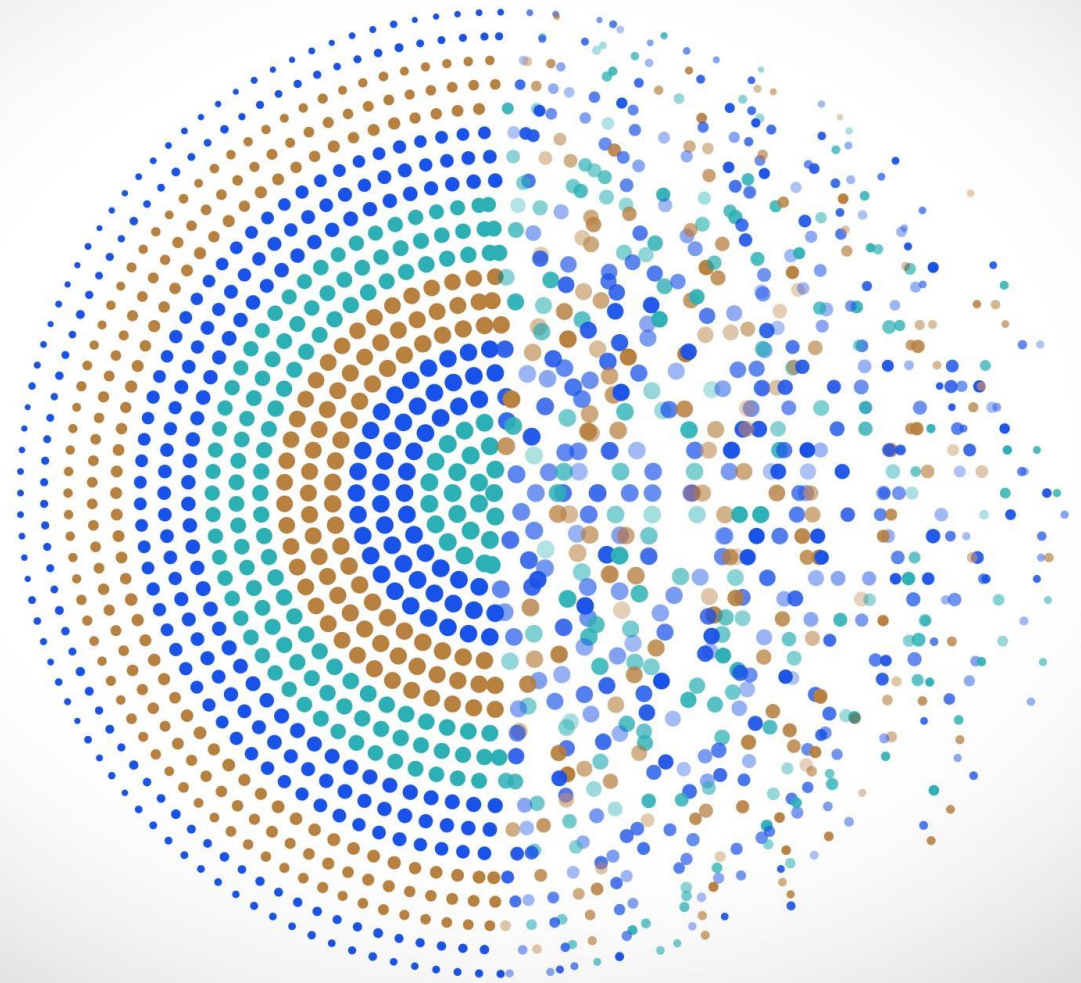
Audit Vision – Strategic Plan Sale

- ❑ **Vision** – aspirational statement; 1–2 sentences max that set your overall strategic intent
- ❑ **Mission** – operational overview of how vision is to be achieved
- ❑ **Product, People and Process Strategic Objectives;**
 - 2-3 key desired changes to help achieve your vision. Each one may be a project from a few weeks to 6 – 12 months or more depending on complexity.
 - Change initiatives should involve your team members openly
- ❑ **Culture** – shared values within your team e.g., shared responsibility – ‘we win together and fail together’; continuous learning; risk responsive, etc



Audit –Sales Strategies The How

Culture Within Internal Audit Team



Internal Audit – The Place To Be!

- ❑ marketing Internal Audit as the place to be!:

- critical thinking
- agile
- structured learning
- data analytics & visualization
- digital technology and AI
- communication
- teamwork

- ❑ continuous learning

- skill-sets
- certifications and qualifications
- guest auditor programs
- job rotations and swaps

- ❑ opportunities for impact and growth

- ❑ performance / impact driven culture

where leaders develop

talent incubator

high impact / integrity team

fit for purpose

shared risk culture

Internal Audit – Sales Orientation



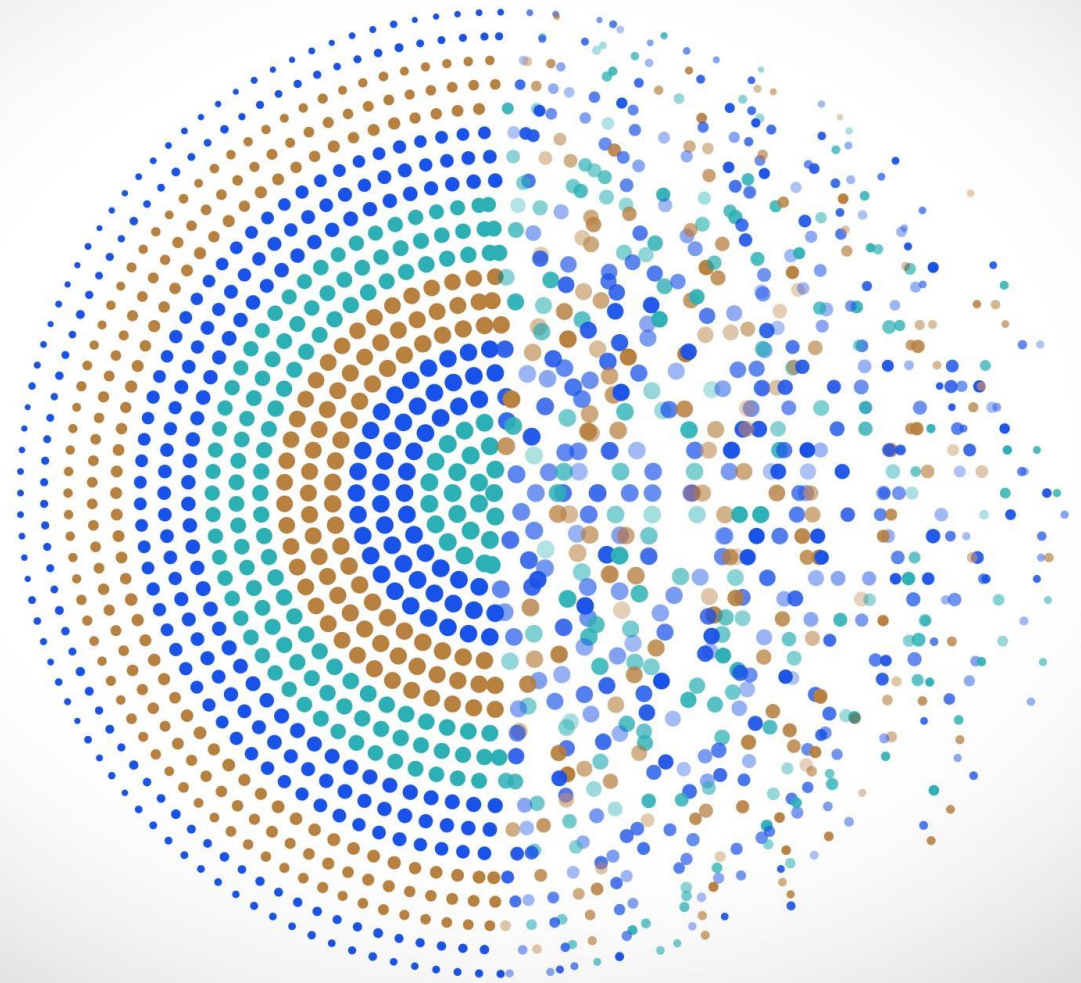
Polling Question # 3

Have you adopted agile auditing?

- A – we are fully agile
- B – currently implementing agile
- C – considering going agile
- D – still a traditional audit function

Audit –Sales Strategies The How

Relationship Sales



The Wolf of Audit Street!

Traits of great Salespeople:

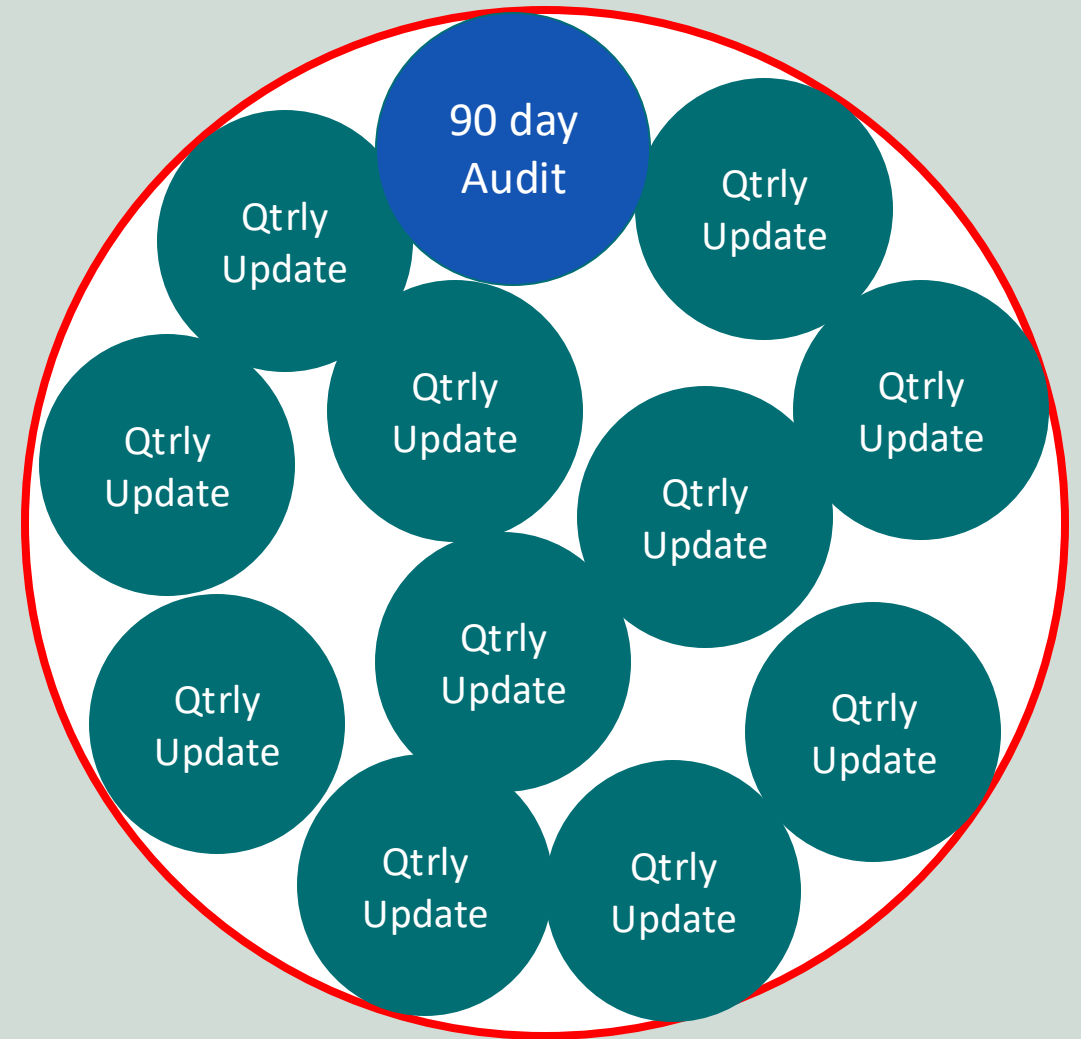
- ☐ honest and caring
- ☐ sell you something you want / value
- ☐ make you feel good about buying
- ☐ helps you understand / answers questions
- ☐ transparent
- ☐ make you feel appreciated
- ☐ accommodating - no pressure, humble
- ☐ provide great insight – features, feedback, design, options etc.
- ☐ authentic, charming
- ☐ someone you would recommend to others

Sell me this audit!
Sell me these insights!



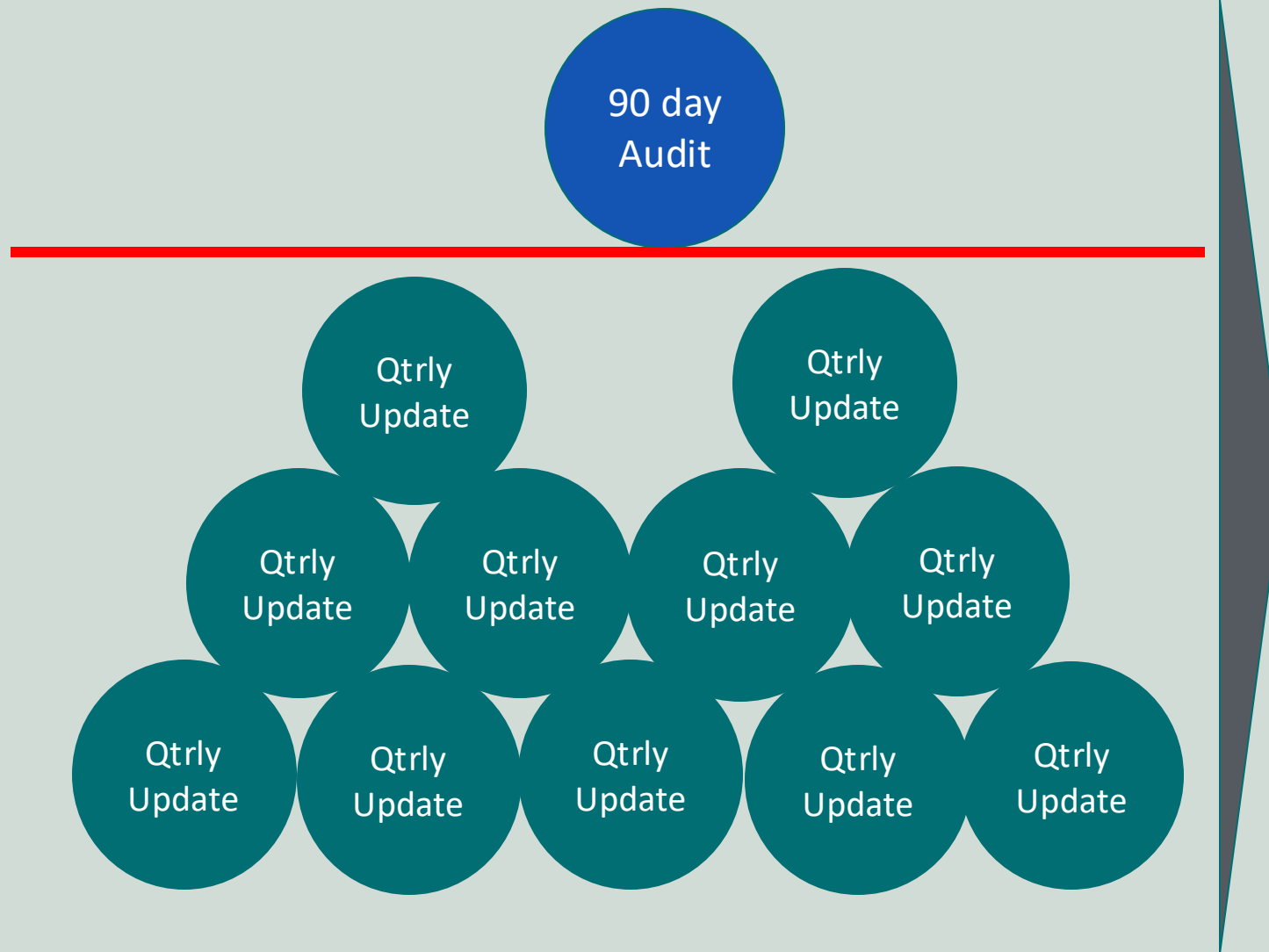
Relationship Sales – 3 Year View

- ❑ red circle is space for 3 years
- ❑ one formal audit may use up 3 months space
- ❑ Internal Audit needs to add value in the other 2.75 years
- ❑ or => 11 quarterly relationship meetings
- ❑ informal audit cycle is far more important in relationship than the time performing audits



value informal audit cycle

Informal vs Formal Audit Cycle – 3 Year View

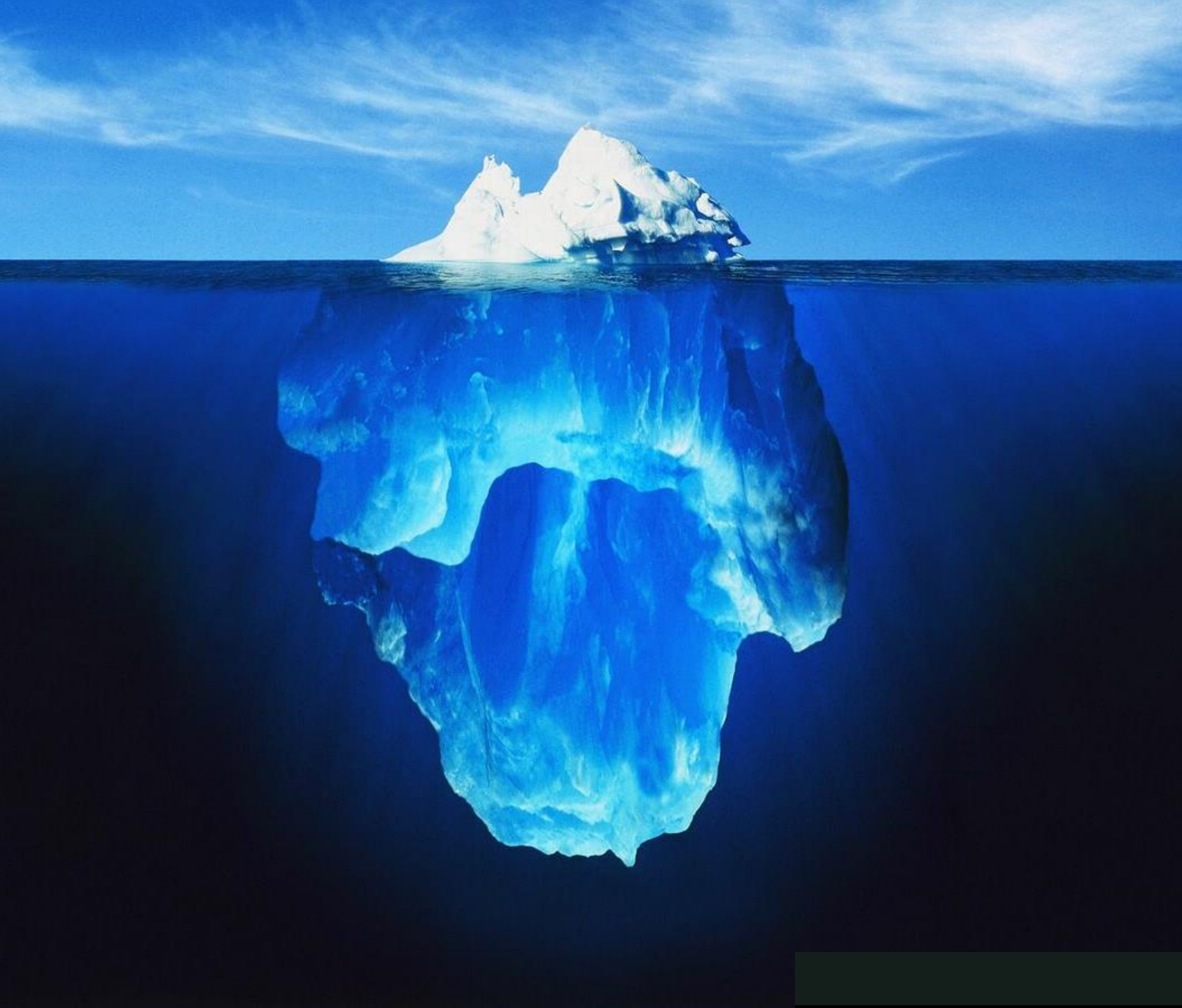


FORMAL

- ☐ provide assurance
- ☐ identify issues
- ☐ ratings, reporting & stewardship

INFORMAL

- ☐ build trust
- ☐ develop relationships
- ☐ exert influence without control
- ☐ share compelling insights
- ☐ prompt shared call(s) to action
- ☐ receive and provide feedback



**FORMAL
AUDIT-CYCLE
is supported by:**

**INFORMAL AUDIT-
CYCLE**

Relationship Sales – Art of Building Trust

- ☐ invest actively in Mgt relationships
- ☐ value out of cycle conversations
- ☐ listen actively
- ☐ be empathetic to business challenges
- ☐ want your clients to thrive
- ☐ meet quarterly to gather their input
- ☐ come with a brief 1/2 pager agenda
 - balance meeting 2/3rds client 1/3rd Audit
- ☐ always give back – insights / ideas, quarterly messages, risk coverage priorities, Audit vision and journey
- ☐ help your clients in risk and control understanding

Demonstrating care builds trust

Be more than a transactional counterparty

Value informal and out of cycle conversations

Informal Relationship Opportunities

- ☐ insights / firm-wide insights / shared calls to action messages
- ☐ teach-ins
- ☐ shared training
- ☐ off-site participation
- ☐ guest auditing programs / job swaps
- ☐ joint townhalls
- ☐ guesting at Executive Team meetings
- ☐ data analytics / hypotheses input to Mgt for monitoring dashboards
- ☐ management self-assessment feedback
- ☐ pre-issue closure feedback
- ☐ 'Good Internal Control Description' criteria feedback



Polling Question # 4

How important are relationships with management to help Internal Audit?

A – critical to our success

B – very helpful most of the time

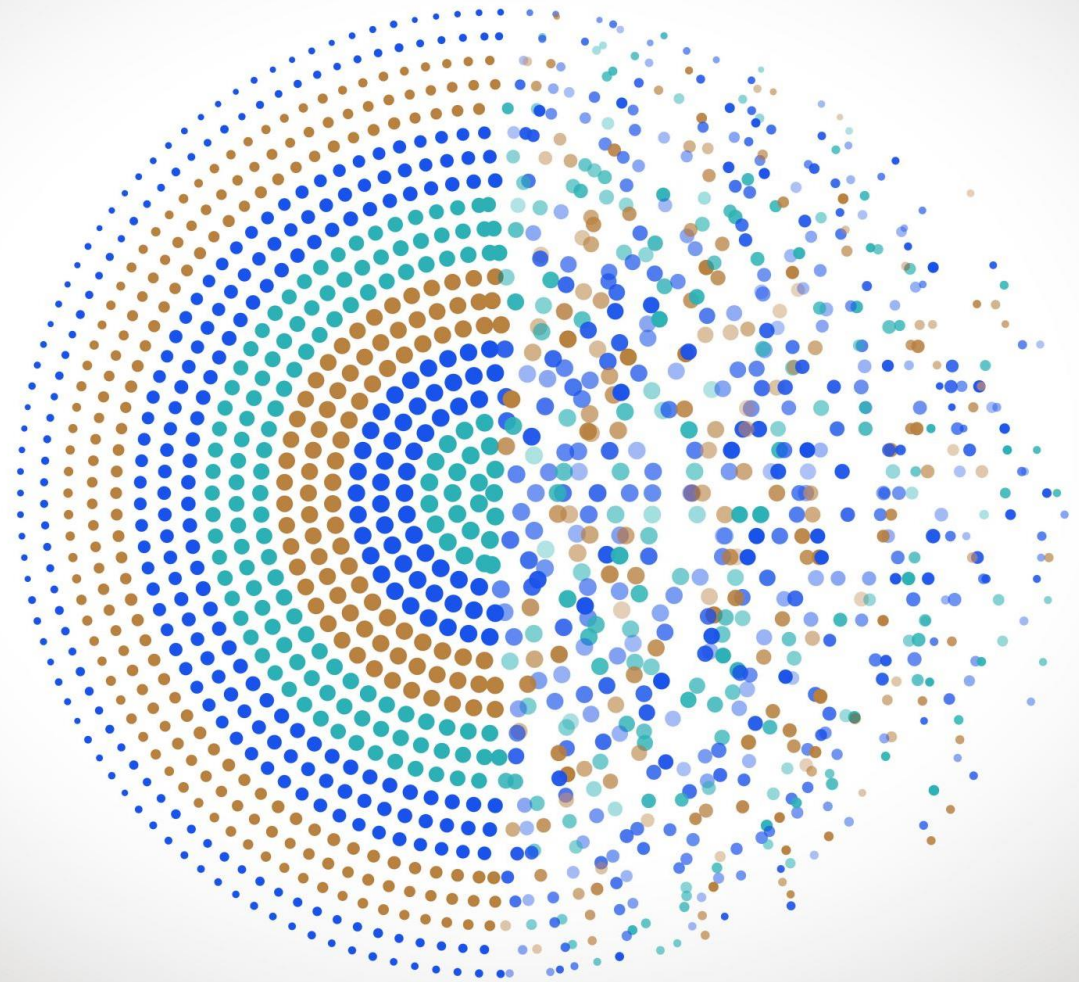
C – sometimes helpful but can distract us

D – not an area we focus on

Audit Insights

Opportunities for Internal
Audit to be catalysts for
positive change

Audit specific insights



What are Audit Insights?

- ☐ opportunities to do something different
- ☐ informal feedback and considerations
- ☐ Often ideas we pick up on during the audit, but we may not have time to fully resolve
- ☐ can be a memo or Ppt; some feedback can be verbal too
- ☐ positive, opportunistic wording
- ☐ discursive style – very different to formal audit reports
- ☐ internal Audit being catalysts for positive change
- ☐ influence without control
- ☐ Management can mull over and assess relative value
- ☐ show we care!

opportunity, opportunity,
opportunity!



Be upfront with management i.e., during audit announcements and kick-off meetings of your desire to identify compelling insights for further business consideration. Why?

- ☐ Set the stage for Internal Audit to be catalysts
- ☐ Open minds & dialogue
- ☐ Demonstrate commercial awareness



FORMAL AUDIT PRODUCTS

- ☐ Full data audits
- ☐ Traditional / Agile audits
- ☐ Limited scope audits
- ☐ Pre-implementation reviews
- ☐ Post-implementation reviews

are supported by:

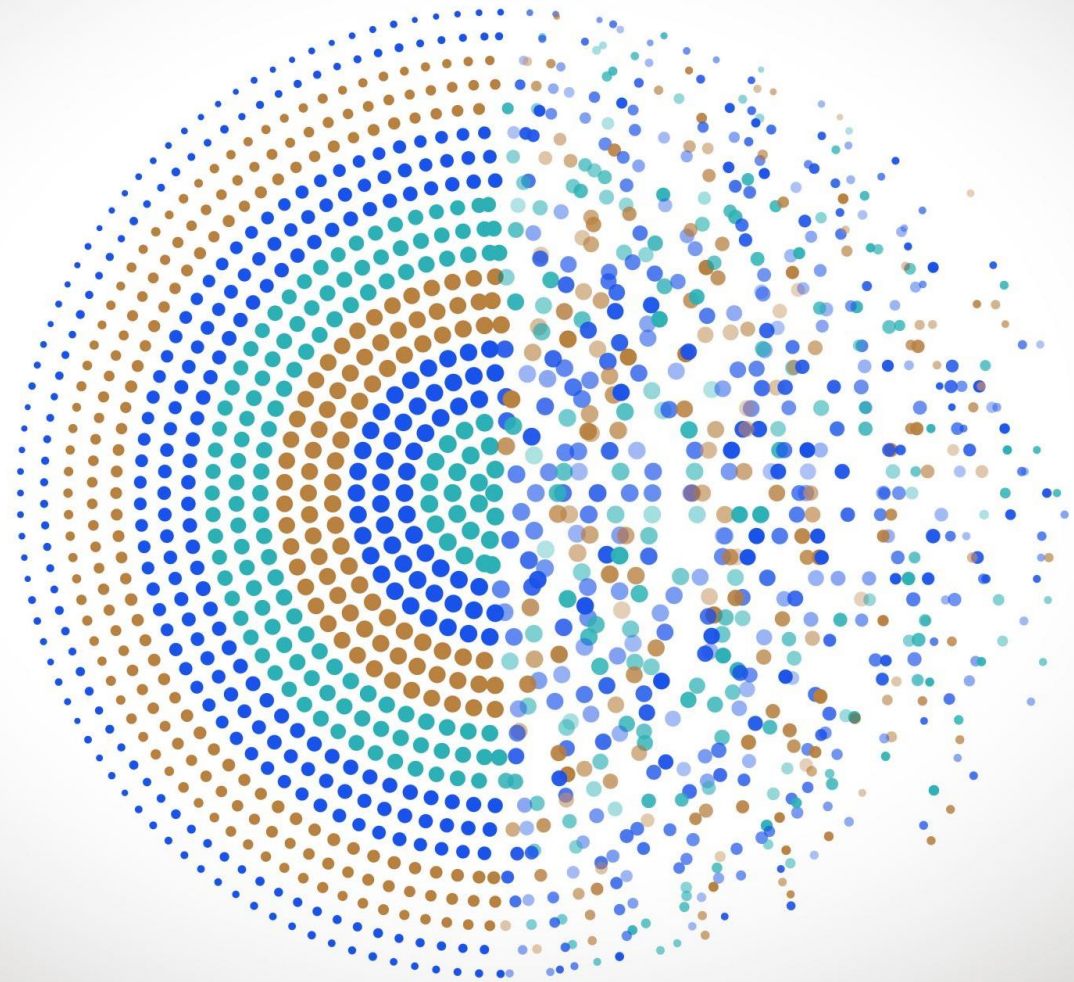
RELATIONSHIP-DRIVEN AUDIT PRODUCTS

- ☐ Relationship feedback
- ☐ Insights
- ☐ RCSA Reviews
- ☐ Shared Calls to Action
- ☐ Management Challenge Sessions

Closing Remarks / Call to Action

- ❑ focus more on the 'How'
- ❑ invest in sales skills for auditors – core competency
- ❑ leverage the value of the informal audit cycle
- ❑ re-balance strategic, relationship, cultural and transactional domains
- ❑ care/ be empathetic to build client trust
- ❑ become relationship counterparties

Leverage sales skills to make your relationships and your audit work more valuable



Closing Remarks / Call to Action

- ❑ Invest in informality – insights / feedback mechanisms
- ❑ Build critical thinking / delivery of compelling insights into your Internal Audit Vision
- ❑ Develop insights products to add greater value to your organization

Be catalysts for positive organizational change!



*Thank
you*

