

**The other side of the table - “Talk to me  
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October 1995 was an amazing month for me. It was the first month in my life I was active in an audit team, and little did I know how many audits would follow in the years after, both in Belgium and abroad.

Let me set the scene: I was the youngest of a small audit team responsible for auditing a small production facility which was part of a larger, international group. I vividly remember walking into the "audit room", the place where we stored our working papers - yes, this dates me, doesn't it - and where we could retreat to document out any findings. It was a small room, and I wondered how even our small audit team could all fit in there.

In short, we couldn't and we wouldn't, because we did not have to. As my senior, the lead on the job, explained, my job as an auditor was not to sit in a small room but to be out there, understanding, enquiring, making sense of what we saw, or did not see in the processes. I needed to be among those who were being audited, because that was where an auditor should be. My visits to the audit room were mainly to bring her coffee or copies I made on the photocopier close by. Like most young auditors, after a couple of months there were very few coffee machines or copiers that still held secrets from me.

We were auditing the actual process, whatever that process was about. We were there, our hands deep in the dirt, trying to understand, to describe but mainly to listen to the people being audited. More often than not, these people with years of experience knew exactly how to make the process function better. They were just never heard.

Contrast that with today. Auditors rely more and more on Computer Assisted Auditing Techniques, or CAAT, complex computer programs which allow them to dump the entire dataset the ask the client for, from SAP, or Oracle, or any system really and analyze that dataset with 100% coverage. But these auditors spend more time working in that audit room, which is now quite often a nice meeting room the team can camp out at for an entire audit, seldom coming out of there and actually connecting with the reality behind the dataset. Now, do not get me wrong, I am convinced full scope auditing has true value, but behind every fact and figure you glean from such a dataset, there is a story.

And an important part of the responsibility of an auditor is to understand what is going on and to communicate about it, both to management and to the audit committee or the board. The best auditors take the time to listen to the people they audit, and they combine their own experiences and insights with the often great ideas of people who, sometimes for the first time, can show their ideas. Put in the proper context, those ideas are often far more powerful than the theoretical sound but unrealizable solutions I have seen in many an audit report.

Let me share just two war stories, and I'll get out of your hair. The first occurred in a very hierarchical organization I once audited. The collaborators had great ideas to resolve some persistent problems, but were never heard by their bosses, who were afraid to bring the bad news to their own higher-ups. As a result, these collaborators stopped trying and just accepted the inefficiencies in their daily activities. Once we understood what was going on, we spent a lot of time listening to these collaborators and challenging them on their ideas. Our audit report contained their ideas which we put in the correct context, confronting the solution they came up with with the problems they were faced with. The client read that report as the best audit report they ever received. Period. We did mention the individuals who had contributed so much in the audit report.

And one final story for the road. A couple of years ago, the team auditing the activities under my responsibility rarely left the audit room. They believed that the dataset told the entire story, but it did not. They failed to understand what was actually going on, and they failed to score, as an audit team, on the opportunity we were giving them. While the audit committee likely never realized, the audit team had let a couple of great opportunities for structural adaptations on the table.

My message, from the other side of the table? Use your CAAT tools to focus, but go beyond the data to look for the story. Once you understand the story, and if you listen carefully to the people you are auditing, the answers will present themselves and will lead to great recommendation letters. I'm already looking forward to reading them.