

ITSA – Information Technology Self-assessment is a management support instrument

Supreme Audit Institutions (SAI) have to rise to the challenge of quickly changing and growing expectations. Increasingly, SAI have to face the complexity of Information Technology (IT). Nothing works any longer without IT.

Without IT, core processes of a Supreme Audit Institution cannot be effectively carried out any longer. These core processes include audit risk assessment and planning, reporting, controlling of audit recommendations as well as knowledge and document management. The same is true for internal support processes such as HR or Finance, which also depend on IT.

Equally, Supreme Audit Institutions cannot exist outside the environment they are supposed to supervise. The increasing computerisation of this environment entails the development of more and more interfaces. This primarily regards interfaces between field staff and their SAI, but also between the SAI and the supervised entities. Securing these interfaces and ensuring an adequate support of the SAI-internal processes by IT require coping with complex and secure technologies, which can prove costly.

The IT Self-assessment (ITSA) method, as implemented by the EUROSAI IT Working

Group, suggests a set of simple standard actions which ought to contribute to the desired improvement of the IT function according to the specific needs of a Supreme Audit Institution. The method is based on COBIT¹.

The aim of an ITSA is to provide management with some specific insight about the current state of the IT support of their processes, the IT infrastructure and how to position IT for the challenges lying ahead. This implies considering the Supreme Audit Institution's mandate, its current business processes and how well the IT processes are managed and organised to support these business processes.

An ITSA

- advises on methodology as well as current and expected levels of IT support of the SAI's processes which are key to the successful achieving of the SAI's strategic objectives
- offers a platform for enabling close contact between users and IT specialists of a SAI
- reveals the cultural and organisational obstacles to achieve an effective standardisation of the business processes and their related IT applications.

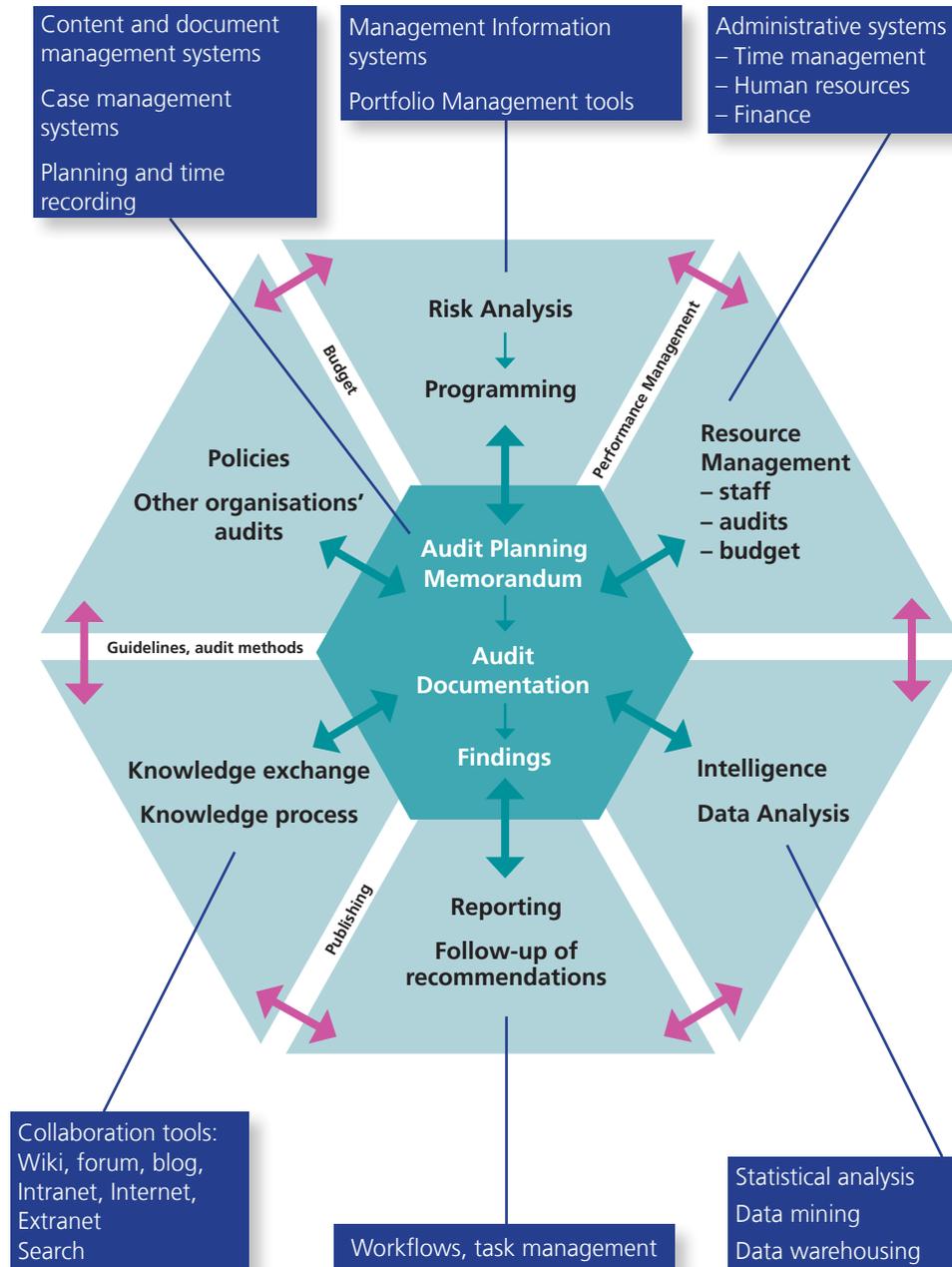
A Workshop approach for a focussed and pragmatic solution definition

The IT Self-assessment takes place in the form of a workshop and is performed by a group of up to 20 people from different disciplines within the SAI: a mixture of auditors (financial and performance, IT auditors, audit methodology experts), staff from adminis-

trative support functions, including IT, and managers. The composition of the group depends on the Supreme Audit Institution evaluated. The time investment varies between 1 ½ to 2 days.

¹ COBIT 4.1 – Control Objectives for Information and Related Technology. This is a widely known and generally accepted framework for managing and auditing IT. For more information see <http://www.isaca.org>.

Typical business areas covered by an IT Self-assessment



An ITSA is led by a moderator who comes from another Supreme Audit Institution

The group needs a moderator who will introduce it to the method and provide guidance on the ITSA methodology. A good number of EUROSAI IT Working Group members are currently available

as moderators. Supreme Audit Institutions wishing to undertake an ITSA are requested to contact the EUROSAI IT Working Group Secretariat for advice.

Workshop participants assess the maturity of the IT contribution to achieve the SAI's strategic goals

The assessment considers two domains:

- The business processes and the users' perspective: Which are the 10 to 15 key business processes in achieving the goals of the SAI? What is the importance of IT support for these processes? What is the quality of the present IT support?
- The IT processes (selection of most relevant COBIT processes): Which are the most important IT processes? What are the maturity levels of these IT processes?

The second set of questions evaluates the governance of the IT environment of the SAI. Participants score how well the SAI

- plans and organises its IT needs and infrastructure

- procures and implements suitable business applications
- operates and delivers its daily IT services
- monitors the current operations

"Gaps" generated by differences between desired and actual maturities are converted into actions which should lead to the desired maturity levels. The action plan is submitted to and considered by the Executive Management of the Supreme Audit Institution assessed. It is important to keep in mind: The result reflects the consolidated perspectives of the workshop participants and not those of the moderators!

An ITSA is only the beginning, not the end

After the presentation of the ITSA results to Executive Management, the most important part begins: the refinement and implementation of the suggested actions. Thus, management commitment is crucial for overseeing and controlling the activities. Experience shows that Supreme Audit

Institutions' employees react positively to a transparent communication of the ITSA results and subsequent developments. It also turned out to be valuable to plan a formal internal checkpoint to reflect on progress made.

Some tips for a successful ITSA

Be open to yourself

The quality of the action plan depends strongly on how fairly the initial state of the IT function is described, as the method works by identifying the “gaps” – differences between current and future IT maturity characteristics. If certain issues are omitted or neglected at a very initial stage, the ITSA will show limited or no positive effect.

Be ambitious, but realistic

Sometimes it might be indicated to split the way to the aspired maturity level of the IT function into phases. It will render the action plan more realistic and feasible. This will make activities short-termed, more specific and easier to implement.

Nominate the best as your internal coordinator and as workshop participants

To perform an ITSA successfully, institutional commitment, knowledgeable and open participants as well as a skilled local coordinator are a must. This is also a strong signal of the Management attention!

It is not a performance evaluation

The ITSA does not aim to measure the maturity levels for benchmarking the IT function at the different SAIs or to make a definitive judgement. The only important thing is to get a credible impression of the current and desired states as perceived by the participants.

Ensure Management commitment

After the ITSA it is crucial that the Executive Management approves the agreed action plan with due responsibility and recognises the necessity to implement it. This will also support the credibility of the ITSA approach.

Perform ITSAs regularly

In order to adjust the IT function and support to the needs of your SAI, it is recommended to repeat the ITSA after 3 years.

Can you answer the following questions with “yes”?

- You know the contribution of IT to the achievement of your strategic objectives.
- Your IT supports your most important processes in an efficient and effective way.
- The IT function is working closely together with the business functions.
- There is a high user satisfaction with the IT.
- Your business processes are standardised enough to fully benefit from IT support.

If you are not sure, it might be time for an IT Self-assessment!

This leaflet has been prepared in order to introduce the IT Self-assessment method. For more information, please go to: <http://www.eurosai-it.org>. Questions regarding the method can be addressed to the Swiss Federal Audit Office: info@efk.admin.ch.

