

## Chapter 4

### How to apply an agile approach in TAI audits?

The primary objective of an agile approach is to deliver value early without affecting the audit process's quality and results.

It is necessary to clarify that applying the agile approach is an option, not an obligation. We recommend that each SAI assess the feasibility of applying such an approach. This will be based on an assessment of the SAI's staff's skills (technical and soft) and experience to implement agility. A SAI may also decide on the specific audits to which such approach can be applied.

There are several generic agility methodologies, such as Scrum, Extreme programming, Kanban (for reference: [Agile Alliance](#); [Scrum Alliance Certification | Transform your workplace](#)) In this chapter we have tried to illustrate nine principles of agility that SAIs across the world can incorporate in their TAI Audit process.

#### Nine principles of an agile approach to TAI Audits:

Depending on their capacity, mandate and environment, SAI could try using either all or some of these principles of agility.

|                                               |                             |                                              |
|-----------------------------------------------|-----------------------------|----------------------------------------------|
| Early & continuous delivery of audit products | Change is welcome           | Empathetic approach                          |
| Collaborative work                            | Focus on simple & essential | Effective communication                      |
| Motivated individuals & self managed teams    | Continuous improvement      | Continuous attention to technical excellence |

**Principle 1 – Early and continuous delivery of audit products** – in an agile approach it is critical to scope the audit and plan in mini-cycles to generate early reports

Instead of planning to deliver one comprehensive on COVID -19 at the end of the year, SAIs could plan to deliver a series of such reports at regular intervals. This could be done by planning a number of tightly scoped audits instead of one big audit. SAIs could also think about generating

partial reports with relevant information, well supported with audit evidence, that show the progress of audit findings with public entities taking timely corrective actions to improve the conditions found.

**Principle 2 – Change is welcome** - The pandemic has taught is that change is the only constant. As uncertainty and change are a given, the SAI would need to be flexible in its plans and be prepared to change course as new developments come in. This could relate to the audit objectives, availability of audit criteria or access to audit evidence.

**Principle 3 – Empathetic approach** – Now more than ever SAIs need to adopt an empathetic approach to their audited entities. The pandemic has affected all walks of life, and it is important for the SAIs to understand the situation of the audited entities while making recommendations for greater transparency, accountability and inclusiveness. This principle by no means implies that the SAIs will not point out non-compliance. It only means that SAIs would try to see the situation from the audited entities perspective, to arrive at conclusions and make recommendations.

**Principle 4 – Collaborative work** – TAI Audits may require audit teams with staff from across the SAI. For example, if the SAI uses data analysis in their audits, it may be useful to have data analysts working together with the auditors to conduct TAI audit. An agile approach also calls for collaboration with multiple stakeholders and SAI leadership.

**Principle 5 – Focus on simple and essential** – In the context of TAI this could mean keeping the audit scope manageable and focusing on high priority, high risk areas.

**Principle 6 - Effective communication** – While effective communication is key in any audit process, it becomes even more critical in an agile process where things change constantly, and the SAI team needs to respond with agility to deliver a product in a tight timeline. E.g. the audit team could have a catch-up meeting for five minutes every day in the meeting, each team member describes what they did yesterday, what they are going to do today, and their problems. They can use tools like a Kanban-type board, specifying the tasks to be executed, those that are in process, those that are to be verified and those that have already been carried out.

**Principle 7 – Motivated individuals and self-managed teams** – An agile approach is possible only if the SAI team has highly motivated auditors, who are self-starting and can work together to deliver a high-quality product within tight timelines.

**Principle 8 – Continuous improvement** – SAIs can set up iterative processes and build feedback loops, so the SAI team learns lessons from the previous iteration and finds ways to address those in the next one. SAI teams can organise review or lessons learned sessions to reflect on what things could continue to be done, what things could cease and what things they could begin to execute.

**Principle 9 – Continuous attention to technical excellence** – Agility does not mean that SAI teams let go of quality. An agile approach continues to emphasise technical excellence. In the context of TAI audits this implies that SAIs will stay true to compliance audit ISSAIs in conducting TAI Audits.

The SAI of Costa Rica has successfully implemented an agile approach to COVID-19 audits. To learn more about their work, you can watch<sup>1</sup> their [webinar on agile audits at IDI's SAI Innovations Marketplace](https://youtu.be/umrsAuaoLhY) event. According to SAI Costa Rica: *'What is important for SAI staff, in addition to training on agile approach, is the change of mindset, paradigms, and mental schemes, to create new formal and informal ways of generating value for the audited entities and the stakeholders'*

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<sup>1</sup> <https://youtu.be/umrsAuaoLhY>