

IDI/ADB project ‘Sustainable Performance Audit Practices in Asia and the Pacific’ - Phase II

ENVELOPE 2

Professional Education for Performance Auditors

What is Professional Development of Performance Auditors?

The effectiveness of a Supreme Audit Institution (SAI) in fulfilling its performance audit mandate, conducting high-quality performance audits, and delivering impactful results relies heavily on the quality, integrity, and competence of its performance auditors. Managing competencies of performance auditors generally involves - determining relevant competencies, establishing supportive human resource management practices that facilitate the recruitment, development, and retention of competent auditors, providing pathways for professional development, and assessing and monitoring competencies.

We define the competence of auditors as the knowledge (*theoretical or practical understanding of a topic*), skills (*abilities to accomplish specific tasks developed through and learning or experience*) and personal attributes (*mind-set, qualities, characteristics, and traits of an individual*).

Competence = knowledge + skills + personal attributes.

A competency framework = a conceptual model that details and defines the competencies expected of an individual auditor, group or team for a specific task and for a specific position within an organisation.

A pathway for professional development = a formalised, structured development programme chosen by a SAI and aimed at developing and maintaining competent, professional auditors in the SAI.

Such pathways could include professional education, certification, initial professional development, and continuous professional development. It could also include professional education in specific subject matter areas or new developments related to performance audit e.g. audit of climate action, use of technology in performance audit.

Why should SAIs invest in professional development of performance auditors?

Firstly, investing in the professional development of performance auditors benefits not only the individual auditors but also strengthens the overall effectiveness and impact of a SAI in fulfilling its critical oversight role. By equipping auditors with the necessary competencies, a SAI can uphold audit quality, adapt to changing demands, foster innovation, deliver robust and impactful audit results, and maintain the credibility and trust essential for its success.

Secondly, investing in professional development ensures that –

- ❖ Performance auditors remain agile and capable of effectively addressing new challenges and emerging areas of concern.
- ❖ A culture of continuous improvement is being promoted within the SAI, encouraging auditors to explore innovative approaches, adopt new tools and techniques, and leverage technological advancements. This drives efficiency, effectiveness, and the ongoing improvement of audit processes.
- ❖ Auditors demonstrate continuous professional growth and possess relevant competencies, are seen as reliable and competent professionals which enhances the credibility of audit findings and recommendations, fostering trust among stakeholders.

- ❖ SAI's commitment to the growth and career advancement of its staff is clearly demonstrated. This can significantly contribute to retaining talented auditors and attracting high-caliber professionals to join the SAI thus ***making the SAI an employer of choice in the auditing profession.***

How can SAI approach professional development of performance auditors?

Professional Development of performance auditors is based on the assessed needs for having in place a sustainable performance audit practice.

Based on those needs, as SAI can determine its **competency framework for performance auditors**. Such framework would take into consideration the requirements of ISSAIs as well as the local context of the SAI. The SAI can then develop a **plan for professional development** of performance auditors. Such a plan could identify different ways in which the competence of performance auditors in the SAI would be build, maintained, and assessed. The SAI would then need to have in **place appropriate structures and processes to implement the plan**, monitor progress, learn lessons and evaluate results.

What support will IDI provide under this envelope?

As part of Phase I, SAIs would have identified their needs for sustainable PA practices including professional development of performance auditors. IDI can provide the following support for developing professional competencies of performance auditors.

IDI will:

1. Support the SAI in developing a 'fit for purpose' competency framework for performance auditors – such a framework will be based on international best practices, core consistency requirements and local context of the SAI.
2. Support the SAI in developing a professional development plan for performance auditors. This would include professional education on core audit methodology and other specific subject matter areas, initial professional development, and continuous professional development.
3. Work with the SAI to include PESA certification for performance auditors as one of the recognized pathways for professional development.
4. Offer professional education in specific areas of core audit methodology and subject matter, based on the professional development plan.