TACUA –Using TeamRisk and TeamCentral to Increase your Audit Efficiency

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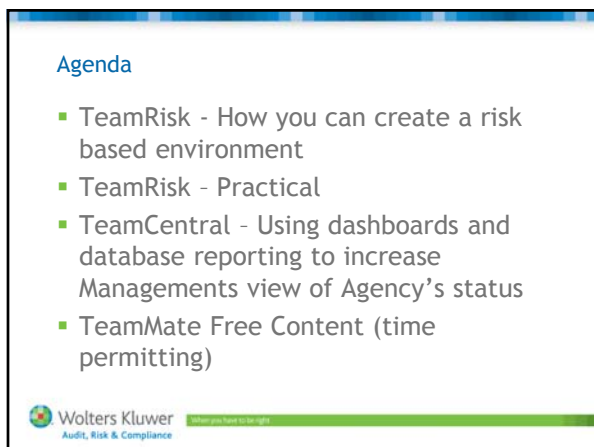

Agenda

- TeamRisk - How you can create a risk based environment
- TeamRisk – Practical
- TeamCentral – Using dashboards and database reporting to increase Managements view of Agency's status
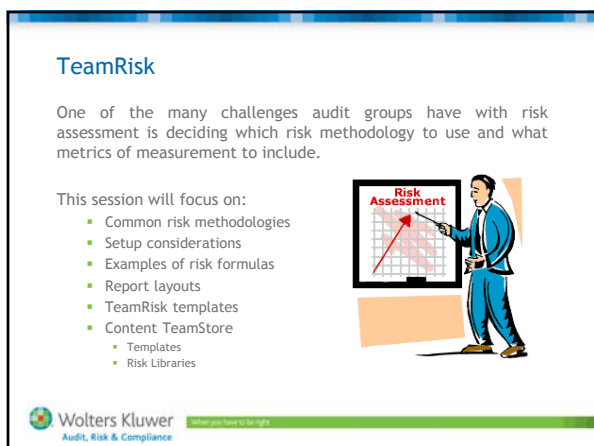- TeamMate Free Content (time permitting)

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TeamRisk

One of the many challenges audit groups have with risk assessment is deciding which risk methodology to use and what metrics of measurement to include.

This session will focus on:
- Common risk methodologies
- Setup considerations
- Examples of risk formulas
- Report layouts
- TeamRisk templates
- Content TeamStore
  - Templates
  - Risk Libraries

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Common Risk Assessment Methods

Project Level Risks

Standard Risks

Assessment based on Standard Metrics

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Project Level Risks

- Assess risks based on common metrics such as Impact and Likelihood
- Risks are scored as High (3), Medium (2), Low (1)
- Capture a scoring formula like (Impact * Likelihood)/2
- Project level risks are scored to facilitate the auditing process.

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Standard Risks

- Assess risks based on common metrics such as Impact and Likelihood
- Risks are scored as High (3), Medium (2), Low (1)
- Capture a scoring formula like (Impact * Likelihood)/2
- A standard set of high level risks are scored across the across the organization
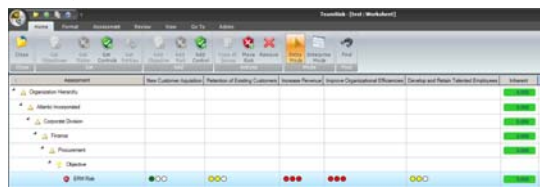
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Standard Metrics

- Assess risks based on standard metrics often based on ERM goals
- Metrics are scored as High (3), Medium (2), Low (1)
- Capture a scoring formula like (New Acquisition + Retention +…)/5

Setup Considerations
Global OH
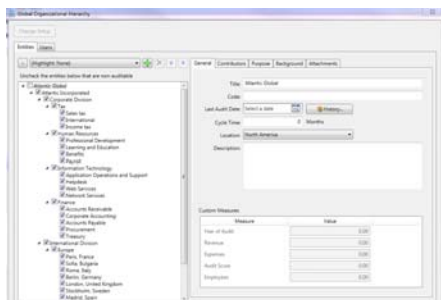
Setup Considerations
Audit Plans

Audit Plans

- Usually one per year, but some organizations have multiyear plans
- Audit Plan Organization Hierarchy can be different than the Global Organizational Hierarchy
- Takes a snapshot of the Global OH but can differ going forward
- Remember: It's the Audit Plan Organization Hierarchy that is visible in TeamRisk

Risk Assessment Formulas

- Metrics
- Scoring Formulas
- Scoring Aggregation

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Metrics

- Most common metrics are Impact and Likelihood
- Many use ERM metrics used through the organization
  - General economic and business conditions
  - Competition
  - New product development
- Advanced assessments may include additional metrics such as:
  - Risk Velocity
  - Risk Readiness
  - Monitor ability
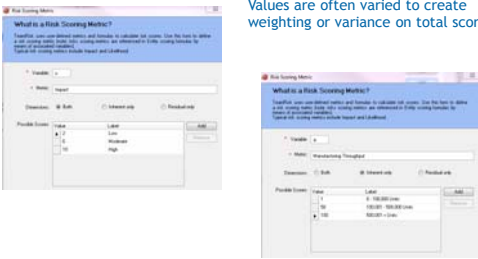 - Frequency

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Metrics

Quantifying a Risk Metric

Values are often varied to create weighting or variance on total scoring

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Formulas

	Inherent Formula	Residual Formula
🔴 Risk Total =	(x+y)/2	(.3x+.7y)/3
🔺 Entity Total =	*z	

Risk Total can take many basic formulas or advanced math
   Average
   Weighting
Entity Total uses the Score Aggregate total combined with additional math
   Σ Risk *z   In this case z is a custom measure

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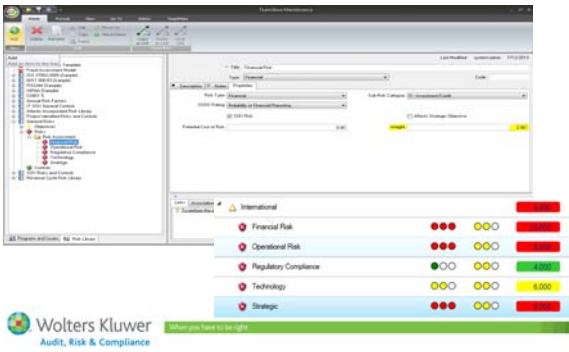Audit, Risk & Compliance

Formula
(Weighting Risks)

International			🔴🔴🔴	⚪⚪⚪	
🔴 Financial Risk			🔴🔴🔴	⚪⚪⚪	
🔴 Operational Risk			🔴🔴🔴	⚪⚪⚪	
🔴 Regulatory Compliance			🟢⚪⚪	⚪⚪⚪	4,000
🔴 Technology			⚪⚪⚪	⚪⚪⚪	6,000
🔴 Strategic			🔴🔴🔴	⚪⚪⚪	

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Score Aggregation

Choose the manner in which aggregated scores must be calculated:

◉ Straight average   ○ Weighted average   ○ Sum

Example	Score		Example	Score	Weighted		Example	Score
Risk 1	3		Risk 1	3	1.286		Risk 1	3
Risk 2	3		Risk 2	3	1.286		Risk 2	3
Risk 3	1		Risk 3	1	0.142		Risk 3	1
Aggregated	2.333		Aggregated	2.714			Aggregated	7
Calculation: (3 + 3 + 1) / 3			Calculation: (3*3)/7 + (3*3)/7 + (1*1)/7				Calculation: 3 + 3 + 1	

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Templates

- R10.3 allows the ability to create Risk Assessment Templates.
- The Content TeamStore offers several basic Risk Assessment

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Report Layouts

- Try the reports that already exist
  - Risk Assessment Detail and Heatmaps are used most often

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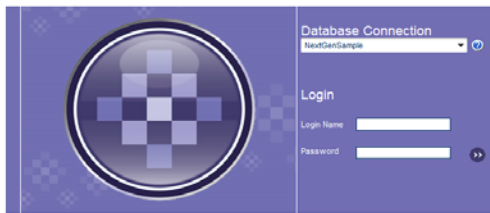
TeamCentral

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Dashboards

- Graphs
- Grids
- Customizable
- Defaults by Role

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Dashboards

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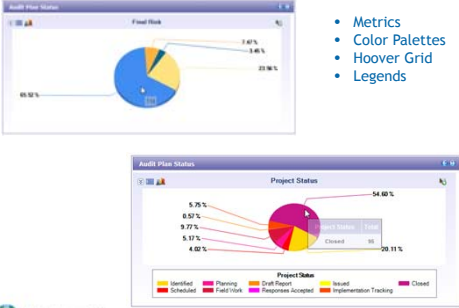
Dashboard Customizations

- Metrics
- Color Palettes
- Hoover Grid
- Legends

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Suite Reports

Report Filtering

- **Basic**
  - Groups (Projects/Issues/Recommendations)
  - Include Date Ranges
  - Pre-Selected & Editable
- **Advanced**
  - Query-Based (And/Or Options)
  - Groups (Projects/Issues/Recommendations)
  - More Extensive than Basic
- **Master**
  - Audit Plan
  - Risk Assessment
  - Schedule

Report Results

- **Report Format**
  - Grid
  - Report
  - Chart
- **Configurable**
  - Group/Sort Data
  - Reorder/Hide Columns
  - Conditional Formatting
- **Output**
  - Excel Export
  - PDF Export
  - Chart Image Export
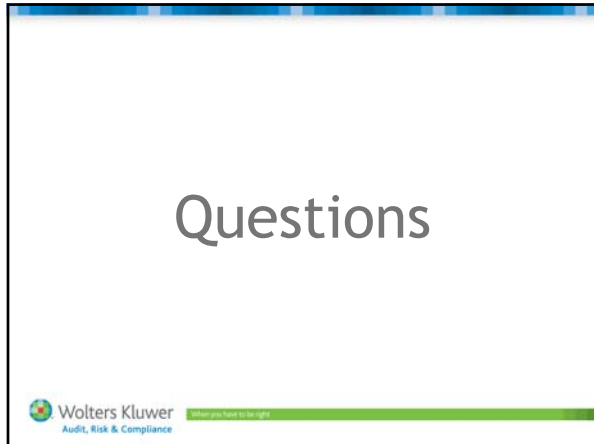
Questions

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