



AUDIT360 CASE STUDY

A mid-sized Housing Finance company improves capacity & efficiency of their Internal Audit operations using Audit360



SCOPE

This mid-sized HFC has a 10-member central team that manages internal audit for their 2000+ branches across India.

The audit team mainly focuses on post disbursement file audits. Besides, they also conduct branch audits from time to time.





OLD PROCESS

Hard copies and soft copies of post disbursement files were sent to the central audit location. The internal audit team carried out checklist-based audit for each file using excel templates. Digital proofs were stored as separate files or screenshots for each excel. After completion of audit, the reports were generated by consolidating the excels.

Issues were tabulated & tracked separately. The team would shoot emails to respective auditees to assign them issues for closure. Manual follow ups were done through email and calls.

KEY CHALLENGES

While the process was manageable, it was not scalable.

Seemingly the process was straight forward without any complexities, but it involved grudging manual work for the team. Moreover, rework was cumbersome and costly.

While internal audit excel templates are convenient, they are error prone.

For the team any error in data entry was difficult to identify. And corrections were equally difficult to make because the change in data impacted the reports which had to be consolidated again. The report consolidation work itself was cumbersome. It required repetitive work.

Compiling audit excel data sheets pertaining to 2000 branches into reports that can be sliced and diced is nightmarish even if you have written a lot of macros.



For the audit team, as more and more sheets were getting piled up, the folder structures had become complex over time. Large number of internal audit files were sitting as exposed data in individual machines of the auditors. This was a security risk.

Sharing of data required creating multiple copies of work files or tracker files. Tracking of changes in copies was another cumbersome task.

Tracking of issue reporting, review, issue assignments, follow ups and closure was manual. The team was putting too much time in managing trackers, file versions, emails, and rechecking data for accuracy.

Because the central team was highly skilled, these processes were manageable. But tasks for the team were becoming cumbersome day by day.

While HFC's operations were scaling, the options for the internal audit process to scale with it were becoming limited.

THE REQUIREMENT

The HFC wanted to change this scenario.

They wanted to make the work of their central team efficient and easy. They were looking for a digital automation solution to solve challenges primarily for central file audit.

Moreover, they wanted the new solution to be extensible to their less frequent branch, HR, and Admin audits.

They were expecting a lightweight checklist based internal audit management solution which could be deployed quickly. Onboarding process was expected to be fast. They wanted the application to be easy to use with low learning curve for the team.



THE SOLUTION

Audit360 system was ready in cloud for the HFC in one day. Application configurations & master set ups took another 3 days. During this time all existing excel checklists were loaded and configured in Audit360.

Post Audit360 implementation, the new internal audit process now looks like this.

The team loads soft copies of post disbursement files in an SFTP server. They allocate files among the team members internally. Then they audit the files using Audit360 application.

In Audit360, observations are easy to capture. The team has visual cues for audit progress. Using preconfigured drop downs and disposition codes they feed subjective data without hassles. Remarks are easy to type in too. They have ability to attach screenshots and images as digital proof for each checkpoint.

The review workflow is also automated. Because the digital proofs are available against each checkpoint, the review work is smooth and hassle free.

As for the issue resolution workflow, the team assigns the issues to respective teams with a single click from Audit360. Notifications are sent out automatically. Preconfigured email templates are used that load appropriate issue data on their own. Even the auditees close issues and send proof of closure from Audit360's web interface only. No extra application or ad hoc email is required.

Compliance and conformance audit reports & audit status reports are available in real time. The entire hassle of compilation, review, and correction of excel reports is gone. For further analysis of data or sharing data with stakeholders, the team can export data in excel, pdf or word format with a single click.

In short, Audit360 has simplified the entire file audits process for the team.

For branch audits, Audit360 mobile app has been made available to the team. They can schedule audits centrally and then conduct audits on the field using the mobile app. The automated workflows are available for audits conducted through mobile apps as well.



BENEFITS

Audit360 has cut down 70% of manual operational work for the team. The repetitive tracking tasks have been eliminated.

Audit progress tracking, audit reviews and resolution tracking have become automated.

Reports that took 5 days to churn out, are now instantly available. Consolidation of excels for reporting purpose is no more required.

Accuracy of data has increased.

The team can now focus on the internal audit work rather than managing trackers. The process has become scalable.

The audit data is more secure. Access control is better managed. Audit trails of changes in data are available in Audit360.

In short, the overall internal audit operation has become more efficient, secure, smooth and scalable.

	Audit360	Manual audit
Cost	Controlled	Rising cost
Report	Real time	1-2 Weeks
Accuracy	High	Low
Security	High	Low

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SUMERU

Audit 360