How to Audit... Better!

The Institute of Internal Auditors
Dallas Texas Chapter
December 2, 2014

John@JohnHallSpeaker.com
Better!
The Goal is Better! Results
Better Results = f (Vision, Choices, Action)
They Need Us
We Have the Solutions They Need
AGENDA

1. Better! Audit Foundation
2. Better! Audits
3. Better! Auditors
Better... Audit Foundation
You are an Expert
Experts

Teach
GUT CHECK QUESTION #1

Do You Believe They Need Your Help?
GUT CHECK QUESTION #2

Do You Believe You Can Help Them?
GUT CHECK QUESTION #3

Do You Believe You Should Teach Them?
You are

CHANGE

Experts
Change is required for improvement
Most people resist change that is forced on them
Most people will fight to defend ideas they think are their own.
Auditors must facilitate situation where people are more likely to want to change
Foundation Pillar #2

Context

Drives

Action
Context
HUMAN BEHAVIOR (SOFT CONTROLS)

INRASTRUCTURE (HARD CONTROLS)
Foundation Pillar #3

You Must Be Present
“Meet people where they are.
Take them where they want to be.”

– Rachel Hanfling
POV
Exercise
1. Where shall I focus my thoughts right now?
2. How shall I feel right now?
3. How are others thinking and feeling in this moment, and how would I like to interact with or influence them?
4. How present am I right now on a scale of 1 to 10?
5. Am I moving forward at the speed I wish?
6. Am I taking the necessary action to do so?
7. Am I managing my thoughts, feelings, behaviors, and relationships in ways that help me progress, grow and contribute?

ASSUMPTION: You want Better! for yourself and your family
Foundation Pillar #4

You Must State Purpose
Purpose
It’s not their job to know what they want from Audit. We have to tell them. Begin with the End in mind. We must define ‘the End’ Remove All Ambiguity
Describing Your Purpose

1. “The Purpose of our department is...”
We help X do Y so that they can Z
Describing Your Purpose

1. “The Purpose of our department is…”
   “For example..”
Describing Your Purpose

1. “The Purpose of our department is…”
   “For example..”

2. The main reason I choose to audit for this organization is…”
Describing Your Purpose

1. “The Purpose of our department is…”
   “For example..”

2. The main reason I choose to audit for this organization is…”
   “For example..”
“If you confuse me, you lose me.”

– Rachel Hanfling
The Destination Must Be Clear

Some is not a number; Soon is not a time.
It’s not their job to know what they want from Auditing. We have to tell them.
Foundation Pillar #4

Make Common Sense Common Practice
Foundation Pillar #5

Transition Stories Sell
BEFORE →

AUDIT →

BETTER!
Better…
Auditors
Levels of Auditor Growth

① Novice / Apprentice
② Advanced Technician
③ Expert Craftsman
④ Master Influencer

You Determine Speed
Skills We Need to Master
BUSINESS AND ADMINISTRATIVE SKILLS

INTERPERSONAL, COMMUNICATION, COLLABORATION, AND LEADERSHIP SKILLS

TECHNICAL SKILLS

JOHN J. HALL
Invest in the Product
Interpersonal and Communication Skills

1. Establishing Rapport and Trust
2. Listening and Interviewing
3. Speaking and Presenting
4. Selling Ideas and Getting Action
5. Writing Persuasively
6. Internal Consulting Skills

CUMULATIVE
Establishing Rapport and Trust

1. Conscious campaign
2. Starts at first contact
3. Ends when changes stick
4. Deals with barriers & flawed beliefs
5. How others see us
6. Tips for building rapport
How Others See Us

1. We see ourselves from the inside out.
2. Others see us from the outside in.
3. To someone who does not know us, perception is reality.
4. You have to be an attractive person.
You have to be an **ATTRACTION** person
Tips for Building Rapport

1. Do Your Homework
2. Ask Questions
3. Express Benefit to Them
4. Be Courteous
5. Be Authentic
6. Be Present
“Everyone sells their ideas every time they open their mouth – so why not get good at it.”

- Bill Gove
Audit ideas are **SOLD** during interviews and discussions
Listening and Interviewing

The questions you ask, how you ask them, and the types of things you specifically ask about will influence their thinking, their reactions, and maybe their behavior.
Listening and Interviewing

1. How do your supervisors know if...
2. How do you monitor...
3. Do you receive the right information to know if...
4. In your opinion, what causes...
5. What do you consider before approving...
Listening and Interviewing

1. Nonverbal Empathy
2. Plan Your Interviews
3. Script Your Interviews
4. Time Your Interviews
5. Let Them Talk…
6. Insert “Bright Spots”
Audit ideas are **SOLD** during formal and informal presentations.
Speaking and Presenting

Every time an auditor comes “in contact” during the audit process, a presentation occurs.

Be aware of your audience. Ask and answer: What’s in it for them?
Speaking and Presenting

“Tell Me About Me”

It’s always about them. Always.

When you think it’s about your meeting, idea, audit, point or agenda, you are wrong.

Even when you are absolutely certain that it is about your issue – you’re still wrong.
Speaking and Presenting

Few Are Good Enough to Present Without Some Kind of Notes
Speaking and Presenting

1. Printed agenda
2. Handouts
3. Flip charts
4. Overhead transparencies and slides
5. PowerPoint
Speaking and Presenting

6. Video & audio
7. Markers, pads, Post-It Notes, index cards
8. Seating arrangements and room layout
9. Lighting
10. Script – in whatever format works for you
MAKING YOUR PRESENTATION STICK

Chip Heath & Dan Heath
When there are conflicting messages, non-verbal attributes perceived by others far outweigh what is said.
Selling Audit Ideas

Your managers want your Expertise
How to Be Recognized as a Source of Expertise

1. Past work
2. Recommendation
3. Write
4. Speak
5. Volunteer

Your Good Work Must be VISIBLE
Your managers want your \textit{Legitimate} and \textit{Apparent Expertise}
Look as great as you are
If you want to stand out, dress well, speak well and carry yourself well.

Project the strength and energy within you that cares and is enthusiastic.
Selling Audit Ideas

We sell intangibles
Demonstrate Value

Formula for Business

Production
(Sales)

---------------

Scrap

==========
Demonstrate Value

Formula for Audit

Ideas (Action)

----------------

Scrap

=======
Demonstrate Value

Formula for Action

Pleasure

Pain

Key: How they are measured
ROI = \frac{Benefits}{Costs}
Consultative Moments
Consultative Projects
Consultative Moment Campaign

Conscious reaction to interactions and events

Using audit, behavior and communication skills you have practiced and mastered
Mastery of Interpersonal Skills

I will leave an impact on those I work with. What will it be?

People hire or promote based on what they see. What do they see in me?

We see ourselves from the inside out. Others see us from the outside in. In my case, important differences are?
“Do what you can, with what you’ve got, where you are”

- Theodore Roosevelt
Switch
How to Change Things When Change is Hard

Chip Heath
Dan Heath
On Writing Well
William Zinsser

Revised and Expanded
More Than One Million Copies Sold

The Classic Guide to Writing Nonfiction
30th Anniversary Edition
The Checklist Manifesto

Atul Gawande
Homework

1. Work to make common sense common practice in your work
2. Make your efforts conscious
3. Start by being more present
4. Give it your best – don’t worry about where it leads or how you are perceived
5. Focus on your own results
6. Apply massive sustained action
Three Things

1. There is a Need

THERE IS A MASSIVE CRY FOR HELP
Three Things

1. There is a Need
2. You are the Expert Solution
"When people are overwhelmed with information and develop immunity to traditional forms of communication, they turn instead for advice and information to the people in their lives who they respect, admire and trust."
Three Things

1. There is a Need
2. You are the Expert Solution
3. You **Must** Act
Feedback, Ideas, Comments

John J. Hall

John@JohnHallSpeaker.com

www.JohnHallSpeaker.com