Gather and Summarize Data
Introductions

- Introductions
- Audience Poll
- Course Agenda
- Participant Expectations
Gather and Summarize Data Objectives

Upon completion of this presentation, you should be better able to:

- Describe the challenges to effective fact finding
- Identify the advantages/disadvantages of using different data gathering methods
- Explain the dimensions of an interview, apply effective questioning, and learn active listening techniques
- Use specific methods and techniques to summarize data
Activity: Who Am I?

**Purpose:** To practice gathering data by asking questions.

<table>
<thead>
<tr>
<th>Step</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1)</strong> Every table will have a designated celebrity. The celebrity cannot look at their name tag.</td>
<td>5 min</td>
</tr>
</tbody>
</table>
| **2)** The designated celebrity must identify who they are by asking one question to each member at their table.  
  - You can only ask each table member one question.  
  - After asking a question to each table member, the designated celebrity must make a guess of who they are.  
  - The designated celebrity may guess at any point after asking questions.  
  - Table members should not reveal the celebrity until the correct answer is guessed or each member has answered their question. | 10 min  |
| **3)** Debrief | 5 min   |
| **Total**     | 20 min  |
Process for Data Gathering and Summary

1) Determine the purpose of the audit
2) Know your contacts – who they are, organizational structure, what they do
3) Review or create the data collection plan (goals, data sources, method of collection, data collection, formats, responsibilities)
4) Prepare questions for interview
5) Interview the client
6) Summarize data in work papers
Primary Objectives of Fact Finding

- Identify sources of information/data
- Gather Data
- Determine Missing information
- Summarize Data
Gathering Data

Helps us:
- Identify strengths and weakness in business processes and controls
- Assess effectiveness of processes and controls
- Support our findings
Challenges to Effective Fact Finding

- Assumptions
- Short Cuts
- Habit/Experience
- Fears
- History
- Perceptions
- Change
- Poor Data Collection
### Activity: Challenges to Effective Fact Finding

**Purpose:** To identify solutions to common fact finding challenges.

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Every table will be assigned a challenge from the previous slide.</td>
<td>5 min</td>
</tr>
<tr>
<td>2)</td>
<td>As a group, discuss a scenario where you encountered the challenge and how you addressed the situation.</td>
<td>5 min</td>
</tr>
<tr>
<td>3)</td>
<td>As a group, select one example and have a designated speaker share it with the room.</td>
<td>10 min</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>20 min</strong></td>
</tr>
<tr>
<td>Method</td>
<td>Advantage</td>
<td>Disadvantage</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Observation</td>
<td>• Views wide range of behavior</td>
<td>• Can alter behavior</td>
</tr>
<tr>
<td></td>
<td>• People in their natural setting</td>
<td>• Difficult to observe detail</td>
</tr>
<tr>
<td>Information Collection</td>
<td>• Allows detailed analysis</td>
<td>• Seldom deals with solutions</td>
</tr>
<tr>
<td></td>
<td>• Accesses historical data</td>
<td>• Lacks spontaneity</td>
</tr>
<tr>
<td>Surveys and questionnaires</td>
<td>• Up to date</td>
<td>• Encourages criticism</td>
</tr>
<tr>
<td></td>
<td>• Focuses responses</td>
<td>• Lower response rate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Difficult to design effectively</td>
</tr>
<tr>
<td>Workshop / Focus groups</td>
<td>• Highly interactive</td>
<td>• Requires skilled facilitation</td>
</tr>
<tr>
<td></td>
<td>• Provides a range of views</td>
<td>• Participants may feel inhibited</td>
</tr>
<tr>
<td></td>
<td>• Can test hypothesis</td>
<td></td>
</tr>
<tr>
<td>Interview</td>
<td>• Obtain detailed information</td>
<td>• Requires planning</td>
</tr>
<tr>
<td></td>
<td>• Confidential</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Interactive</td>
<td></td>
</tr>
</tbody>
</table>
Interview Dimensions

Content
Objective and purpose

Procedure
Method, time, place, and agenda

Relationship Process
Behavior, interaction, and benefit
Benefits of Interviewing

- Learn facts, opinions, and feeling
- Identify problems, causes, and politics
- Learn about culture, resistance, and sensitivities
- Develop relationships
Interview Preparation

- Become familiar with the company/department and interviewee
- Identify the purpose of the meeting and participant roles
- Outline questions that will help focus on each topic
- Establish time limits for each topic – and stick to them!
## Interview Pitfalls

<table>
<thead>
<tr>
<th>Pitfall</th>
<th>How To Avoid</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Interviewing the wrong people at the wrong time</td>
<td>• Be aware of the appropriate contacts and their schedules</td>
</tr>
<tr>
<td>• Asking the wrong questions and getting the wrong answers</td>
<td>• Upfront preparation and planning</td>
</tr>
<tr>
<td>• Creating bad feelings between parties</td>
<td>• Be courteous</td>
</tr>
<tr>
<td></td>
<td>• Understand your contacts and their situation</td>
</tr>
</tbody>
</table>
Interviewing vs. Facilitating

- Facilitators and interviewers both:
  - Help the group focus its energies on a task
  - Manage meeting timing and agenda items
  - Ensure everyone has the opportunity to participate
  - Stay neutral
### Questions to Avoid

<table>
<thead>
<tr>
<th>Question Type</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closed questions</td>
<td>“Do you…?”</td>
</tr>
<tr>
<td></td>
<td>“Is it…?”</td>
</tr>
<tr>
<td>Telegraphed questions</td>
<td>“How do you feel about funding for children’s education?”</td>
</tr>
<tr>
<td>Leading questions</td>
<td>“Wouldn’t you agree that your sales system is terribly disorganized?”</td>
</tr>
</tbody>
</table>
### Effective Questioning

<table>
<thead>
<tr>
<th>Question Type</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open questions</td>
<td>How, why, what…</td>
</tr>
<tr>
<td>Expansion questions</td>
<td>“Please tell me your thoughts on…”</td>
</tr>
<tr>
<td></td>
<td>“Can you expand further on…”</td>
</tr>
<tr>
<td>Clarifying questions</td>
<td>“Can you give me an example of…”</td>
</tr>
<tr>
<td></td>
<td>“Could you be more specific…”</td>
</tr>
</tbody>
</table>
The Interview

- Come Prepared
- Know your audience
- Good first impression (Relationship Building)
- Opening icebreaker
- Review interview purpose, outcomes, topics and timing
- Ask prepared questions
- Listen actively
- Take notes to identify key points
Active Listening

- A three step process:
  - Body language
  - Advance the conversation
  - Paraphrase
Handling Difficult Situations

- Interruptions
- Challenging statistics or facts
- Rambling or “soapbox”
- Side conversation
- Inattentive interviewee
## Activity: Handling Difficult Situations

**Purpose:** To share experiences of difficult interviewing situations and how they were handled.

<table>
<thead>
<tr>
<th>Step</th>
<th>Timing</th>
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<tbody>
<tr>
<td>1) As a group, discuss a scenario where you encountered a difficult situation during an interview and how you handled it.</td>
<td>5 min</td>
</tr>
<tr>
<td>2) As a group, select one example and have a designated speaker share it with the room.</td>
<td>10 min</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15 min</td>
</tr>
</tbody>
</table>
Methods For Gathering Audit Evidence

- Inquiry
- Confirmation
- Observation
- Recalculating
- Reconciliation
- Inspecting
- Analytical Procedures
- Detail Testing
- System Query
Gathering Supporting Documentation

**Steps to help ensure all required data is requested:**
- Upfront planning
- Clear and concise Document Request List (DRL)
- Discussion during interview
- Follow-up communication with action items
Primary Objectives of Fact Finding

- Identify sources of information/data
- Gather Data
- Determine Missing information
- Summarize Data
Determine Missing Information

To determine whether important information or facts are missing:

- Ensure the data gathered aligns with the audit objective
- Verify the completeness & accuracy of data
- Ensure that all questions can be answered
- Review information gathered with the contact to make sure you have a thorough understanding
- Are there any issues?
Primary Objectives of Fact Finding

- Identify sources of information/data
- Gather Data
- Determine Missing information
- Summarize Data
Documenting Procedures Performed

- Know your deliverable and audience
- Adequately describe procedures
- Summarize results
  - Use simple words (De-IT)
  - Eliminate non-value-add words (‘fluff’)
Gather and Summarize Data Summary

- You should now be better able to:
  - Describe the challenges to effective fact finding
  - Identify the advantages/disadvantages of using different data gathering methods
  - Explain the dimensions of an interview, apply effective questioning, and active listening techniques
  - Use specific methods and techniques to summarize data
Questions or Comments?