

Five Ways to Improve Audit Efficiency

PROFESSIONALS

Kei Morita

Kei Morita, Audit Principal

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We've all heard horror stories about how poorly managed financial audits can cause excessive stress while tying up the department's time. Fortunately, using teamwork to help improve your company's functionality can help boost your performance in an audit situation. By teaming up company leaders and auditors, you can reduce stress. These five strategies can help you get through a successful audit with less stress and anxiety.

1. Keep the Lines of Communication Open at All Times

Though the responsibilities of CFOs and controllers can be very overwhelming, staying engaged and in communication with auditors make it easier to stay on top of the process. Involve them in major transactions to help keep them in the loop. Though there are limitations on your auditors' involvement in these transactions, they are able to talk about possible issues that can arise as well as give you solid direction on your course of action. Involving them early saves significant delays by working through complicated issues prior to the audit truly kicking off.

2. Schedule a Kickoff Meeting

Once serious issues are handled and auditors are brought up to speed on your company, shift to the logistics required in the audit, ensuring that all personnel are on board and understand the time frame and expectations of the audit. In most situations, auditors will give you a list of requested items before they start the audit. Work with a team member to go through the list, talk it over with your auditors and create a list of priorities, so questions can be asked early on and you reduce the chance of providing the wrong documentation. Kickoff meetings at the beginning of the audit get everyone on the same page for the plan and strategy. Because the auditors are engaged, it provides more information and the ability to agree to the plan for the audit.

3. Stay on Top of Progress

Regular meetings with your auditors make it much easier to keep your audit running efficiently. By having weekly meetings to discuss the status of the project, you'll be able to more easily determine how quickly or slowly the audit is happening, while ensuring that your plan is being executed efficiently. You can also ask your auditors to give you a status update on every area of your audit, talk about their audit findings and fix possible issues as they arise.

4. Obtain Personnel That Have Public Accounting Experience

If it's possible for your company, hire at least one member of your team that has public accounting experience. Because of the time-consuming, complicated processes involved in the audit, having an experienced professional who understands what the auditors are looking for makes the process much faster and easier. This not only makes the process smoother but also eases any communications issues while making it easier to estimate accurate schedules that use reasonable expectations. This individual can also speak to auditors with the understanding of what's needed to complete the audit quickly.

5. Engage an Audit Advisory or Prep Firm

Working with experienced professionals at an audit prep or advisory firm makes great sense in any industry. Because businesses, especially those just getting started, don't have enough resources or time to ensure a smooth, fast audit process, engaging outside companies or personnel to prepare them for audit requests is a great option to consider. Businesses hiring an outside firm to prepare for this process can eliminate the need to hire a permanently employed worker. Audit advisory firms are able to help you prepare the financial statements that will be needed for the audit, while drafting technical memos, such as prohibiting two task auditors from working for public businesses and similar issues. Expert advice provides you with valuable benefits, while reducing the time and cost of your audit.

By communicating with your auditing team, you will be able to minimize the issues encountered while reducing the impact of any issues that may arise. Generally speaking, most delays and problems arise from a lack of communication.

If you have any questions about the above steps, please contact [Kei Morita](#) to learn more.