

COVID-19: Advantages of remote site auditing from a business continuity perspective

With major cities across the globe enforcing lockdowns to manage COVID-19 crisis, 'work from home' or 'remote working' has become the new normal. Organisations are putting disaster recovery and business continuity plans in place and reviewing their associated risk management guidelines. Remote site models are resilient in such scenarios and ensure that auditing and compliance functions remain uninterrupted.

The good news is: This switch to remote working will be smooth as most modern organisations already have the required infrastructure and policies for remote working in place.

Here's how organisations can HALT and proactively evaluate the readiness of their systems and processes for remote site auditing



Hardware and infrastructure

- Companies need infrastructure that supports remote working. We see that companies which had work-from-home policies were already equipped with VPN for secured remote login, laptops for employees and other equipment required for remote working have managed the transition well.
- Most companies were at best geared for only a fraction of their employee population to work from home. However, scaling up the hardware and infrastructure is much easier than setting them up from scratch. Organisations need to ensure that their ISP's services have enough bandwidth to manage the number of employees who need to login to various systems. VPN or Remote Desktop Service solution should be able to handle the additional load.



AV communication applications

- Organisations need to have applications that can be remotely logged into with complete security. Other tools such as Webex, Microsoft Teams, Google Hangouts and several others that enable virtual meetings and calls have also become more relevant. File sharing platforms and cloud based shared data rooms are also extremely critical. All of these make remote site auditing seamless.



Security of data and machines

- A remote working environment warrants greater security measures as it does not have the same levels of safety and security as the workplace.
- Full encryption, endpoint security policy for antimalware, firewalls, multifactor authentication, a robust password policy and training on basic hygiene while working from home can go a long way in ensuring secure remote work environment.



Digital documents

- All above measures would fail if an organisation is still relying on a lot of physical documents, manual approvals and offline payments.
- Most ERPs today have the option to store supporting documents. However, many organisations do not leverage this functionality due to server capacity limitations or simply because of reliance on traditional processes.
- Digital documents have other obvious advantages of safe record keeping and easy access as well - most governance and Internal Auditing requirements can be actioned as usual even if there is heavy reliance on digital documents.



Established processes and procedures

- Organisations with robust policies and procedures find it easier to work remotely, compared to less matured organisations who introduce ad-hoc procedures.
- Remote site auditing yields better results in environments with detailed documented procedures.

The remote site model is able to provide much-needed continuity of activities despite people having to work remotely from their homes. An organisation must do a thorough risk assessment of the feasibility of remote auditing. While innovative techniques such as live video checking of manufacturing process or POS for an FMCG organisation can be utilised, some business units or functions may still need to rely on self-assessments during compelling situations and resume onsite audits when possible.

The advantages of remote site mode of governance and auditing are manifold and the ongoing crisis has only served to highlight them.

Here are some key benefits of the 'remote site' model



Disaster recovery and business continuity

- Many organisations did not take Business Continuity Planning (BCP) and Disaster Recovery Planning (DRP) seriously in the past, or made half-hearted attempts. This is relevant in the current scenario. Organisations that have undertaken these exercises seriously will be able to minimise the negative impact of COVID-19 by maintaining productivity or resuming business as soon as possible.
- Organisations that use remote site auditing do not need to worry about the disruption of any governance or internal audit activities as their offices around the world are pushed into mandatory lockdowns. The model is also insulated from restrictions posed on inter-country and domestic travel and movement of employees.



No workforce management

- The model insulates organisations from the need to hire the right talent, as well as training and retention. The service provider will manage hiring, training and attrition.
- Organisations across the world will grapple with loss of productivity due to workforce availability, even as governments take steps to stabilise the spread of Coronavirus disease. The remote site auditing model ensures uninterrupted service in situations of unavoidable loss of workforce or long and unplanned leaves of absence.



Cost savings: Addressing unprecedented cost pressures

- One of the greatest pulls of this model is the ability to move work to any city or country in the world that provides the best cost arbitrage.
- Remote site auditing also offers significant savings in Travel & Entertainment (T&E) expenses that can be as high as 40-50% of the IA budget for the year.



Access to the best talent and subject-matter expertise

- The model provides an inherent advantage to organisations in terms of access to talent that may not be available locally, either due to unavailability or associated costs.
- Service providers are also abreast with latest auditing techniques and requirements, which can otherwise be an ongoing operational challenge.

The COVID-19 crisis has challenged several traditional ways of working. While such large-scale remote work across the world is unprecedented, it does provide a tremendous opportunity to gather data on how companies are faring in this time of crisis.

Grant Thornton's remote site auditing methodology can help organisations become ready for such disruptions and resulting impact.

[Click here to download the recently released Grant Thornton Halt-Plan-Refresh Guide on revisiting business priorities and plans](#)



For more insights on the COVID-19 crisis, scan this barcode to see continuous updates on our website