

## SWOT 1 – pending

## SWOT 2 – The functions of the PSC Steering Committee and Chair

### Overview

Group 2 considered how INTOSAI's standard setting could be strengthened through setting up new functions or separating functions from the PSC Steering Committee and Chair.

The group focused mainly on the absence of an independent advisory board and the benefits of setting up such a function, which, whether its role would be to provide technical advice to the drafters or general input to the standard-setting board, would improve the quality of the standards, increase their credibility and contribute to establishing INTOSAI as a high-level professional standard setter.

<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"><li>• Having the people who have developed the standards review and approve the very same standards.</li><li>• No resources to perform quality assurance of the standards.</li><li>• There are several gateways into the ISSAI framework (CBC and KSC).</li></ul>	<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"><li>• Provides a forum for discussion of INTOSAI's standard-setting activities on an overall level.</li><li>• Capable of making decisions on a principal level.</li><li>• Broadly composed and including representatives from all regions and committees plus relevant external partners.</li></ul>
<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"><li>• The credibility of INTOSAI as an independent professional standard setter may be jeopardised by the absence of a formal and effective oversight body.</li><li>• If INTOSAI does not meet the demands of users in terms of quality, etc. then other standard setters may try to occupy the space.</li></ul>	<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"><li>• Excellent platform for establishing an independent advisory board responsible for quality assurance, approval and securing feedback from users of the audit reports/-those implementing the ISSAIs (IDI)</li><li>• Basis for establishing the PSC as the single gatekeeper of the ISSAI framework.</li></ul>

### SWOT 3 – The overall responsibility for the ISSAI framework

#### Overview

The purpose of this exercise was to explore how and to what extent INTOSAI would be able to improve its standard-setting work by strengthening or uniting the overall responsibility for development, implementation and promotion of its professional standards.

<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"><li>• Lack of long-term planning and priorities for the ISSAI framework.</li><li>• We only have one brand – ‘ISSAI’ – but it is not suited for all types of documents</li><li>• No ‘scanning mechanism’ to monitor changes that could/should effect standards</li><li>• Current setup means that you can inherit responsibility for standards developed by other groups.</li><li>• FAS’s agenda ‘partly dictated’ by developments in IFAC.</li></ul>	<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"><li>• The framework covers the needs of both auditors and SAIs</li><li>• Financial audit is quite developed (extensive)</li><li>• Possible to rely on the work done by others (dual approach)</li><li>• Strong ISSAI brand</li></ul>
<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"><li>• No one has overall responsibility for the entire framework</li><li>• PSC has no ‘control’ over KSC and CBC</li><li>• The world is constantly changing – is the organisational setup prepared to handle this?</li></ul>	<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"><li>• Should aim for one standard-setting body for INTOSAI</li><li>• Better planning and prioritisation tools</li><li>• Explore other areas of financial auditing (specific to the public sector) not covered by IFAC’s standards.</li><li>• Internal control – IIA area should be prioritized onwards.</li><li>• Raising awareness and better ‘branding’ of guidance documents (including CBC guidance, etc).</li></ul>

## SWOT 4 – Supporting Functions

### Overview

Group 2 considered the supporting function provided by the secretariat in supporting INTOSAI develop and implement professional standards.

The resulting SWOT analysis considered the current approach but the group recognised that the support functions required in the future will depend upon the wider structure adopted and the support which is necessary under this structure. The nature of the support could include administrative, managerial (considering the strategic alignment of work) and/or technical support. The group considered that if the subcommittee structure was retained the managerial role was key to ensure that the overall strategic direction was supported.

<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Has consumed a huge amount of resources from a limited number of SAls to get to the current position.</li> <li>• Secretariat is attached to the Chair rather than the whole structure. The coordination of the bigger picture cannot easily be achieved with the current approach.</li> <li>• Requires resources – without people supporting the PSC will not get traction and will not deliver against the plan.</li> <li>• The current approach means that there will be a loss of corporate memory when the Chair rotates.</li> <li>• There is a need to clarify what is required from the Secretariat - the role and work is broad. Is it administrative and/or managerial (supporting the overall strategy) and/or technical</li> </ul>	<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>• Recognition that the current secretariat has done an excellent job in delivering the objectives of PSC.</li> <li>• Small group of people have undertaken a significant volume of work</li> <li>• Significant contribution provided by the SAls. Cost effective for INTOSAI.</li> <li>• Vehicle for achieving some coordination but more may be required in the future.</li> </ul>
<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Need adequate resources (and people) if we are to realise our ambitions.</li> <li>• Lack of continuity limits what can be achieved and places burden on SAI support.</li> <li>• If INTOSAI does not meet the demands of users then another Audit and Assurance Board may try and occupy the space.</li> <li>• Issue of resources will limit the countries (and therefore people) able to undertake the role.</li> </ul>	<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Wealth of professional skills within the INTOSAI community to draw on.</li> <li>• Clarity of the role and expectations – is it administrative and/or managerial and/or technical.</li> <li>• Strengthen the capacity of support functions.</li> <li>• Create a permanent element in the central level to support Sub-committee, follow up work and see bigger picture.</li> <li>• Should be redesigned to support any change in structure.</li> </ul>

## SWOT 5 – The role of the PSC subcommittees

### Overview

The purpose of this exercise was to explore how and to what extent INTOSAI would be able to improve its standard-setting work by extending the role of PSC's permanent subcommittees beyond the development of standards in order to engage more in implementation efforts or make better use of their expertise in other relevant ways.

<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Lack of clarity of role of providing expertise</li> <li>• Lack of establishment of a profile for participation (inclusiveness).</li> <li>• Not enough feedback on how SAIs evaluate the standards and lack of systematic feedback</li> <li>• No funding</li> <li>• Lack of staff / admin. support</li> <li>• Voluntary participation – no enforcement.</li> </ul>	<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>• Current members have specific expertise</li> <li>• Adequate representation (regions, countries, etc.)</li> <li>• Can promote implementation through members.</li> <li>• Continuity (compared to ad hoc groups/communities)</li> </ul>
<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Maturity of community / users</li> <li>• Language barrier (limits both participation in WG's and adoption of standards)</li> <li>• Ensure constant funding</li> </ul>	<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Invest in regions for feedback</li> <li>• Establish profile for participation</li> <li>• Increased focus on coordination</li> <li>• Define roles/function of sub committees</li> <li>• Bring in perspective of intended users (especially in the developing world).</li> <li>• Build on experience with implementation activities from external stakeholders</li> <li>• Participation in implementation programmes (3i, regions, ...)</li> <li>• Tying maintenance closer to practical implementation</li> <li>• Clearly define the role and responsibilities of PSC Sub Com, CBC, etc.</li> <li>• Empower the CBC to play a role.</li> </ul>