



Improving auditing skills
through cooperation in ASEANSAI

A story from Thailand 2015



Lao-Thai-German Trilateral Cooperation



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ASEAN Supreme Audit Institutions (ASEANSAI)

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In 2017,

two audit offices in Southeast Asia began their journey of a two-year cooperation, called the “Support to financial audit for the State Audit Organisation of Lao PDR”. In this project, the State Audit Organisation of Lao PDR (SAI Laos) and the State Audit Office of the Kingdom of Thailand (SAI Thailand) committed to closely work together and share their knowledge and expertise in financial audit. Their goal was to improve audit skills and to apply the international standards. They were supported by the Thailand International Cooperation Agency (TICA) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

Who are the actors

Main actors



SAI Laos

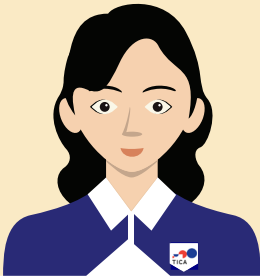
The Supreme Audit Institution of Laos (SAI Laos) is a young institution; it was established in 1998.



SAI Thailand

The Supreme Audit Institution of Thailand (SAI Thailand) is an older institution with more experience. It was established in 1915.

Supporting actors



TICA

The Thailand International Cooperation Agency was established in 2004.

TICA implements Thailand's development programmes in countries across the world.



GIZ

GIZ is a German federally-owned public benefit enterprise, working in the field of international cooperation for sustainable development.



ASEANSAI

ASEANSAI was established in 2011. It is a regional organisation in Southeast Asia, bringing together the audit offices of the 10 ASEAN member countries.

Why are audit offices (SAIs) important?

- In every country, audit offices check how the government is using public funds and make a report to Parliament. Through their audit reports, SAIs provide information on whether the government is using tax payers' money for the benefit of the population, for example, spending on building roads, or on health and education programmes.

Why are international audit standards important?

- International audit standards (ISSAI) are a set of criteria and procedures used by audit offices around the world to enhance the quality of their audits. This way, audit offices want to achieve the same level of quality audit and increase their impact to improve the use of public funds in their respective countries.

Why are audit standards important for the individual auditor?

- When conducting a financial audit, auditors need knowledge and expertise to be able to examine the way the government is spending its money. The international audit standards can guide them to achieve this by producing audit reports of high quality.

What are the challenges for SAI Laos to implement the international audit standards?

- The international auditing standards are very technical and not easy to understand and apply. To do so, it requires good knowledge in accounting and audit experience.
- The world-wide organisation of audit offices, called INTOSAI, which has developed the audit standards, provides the standards in English. The standards are not available in Lao language and because English is not commonly used in Laos, some auditors of SAI Laos are having difficulties to understand the standards.

The idea :

an experienced SAI supports a younger SAI



- The regional organisation of audit offices in Southeast Asia, called ASEANSAI, aims to strengthen the organisational and audit skills of its 10 national members. ASEANSAI offers training and knowledge sharing activities, for example in financial audit and on the implementation of the international audit standards. Workshops on how to design and develop training courses and on facilitation skills for trainers are also offered by ASEANSAI.
- SAI Laos is among the younger audit institutions in ASEAN. The Lao auditors and trainers did not have a lot of audit experience in financial audits when applying international audit standards. So far, all ASEANSAI trainings and workshops are conducted in English. However, since the auditors of SAI Laos are not very familiar with English, they could not fully profit from the ASEANSAI trainings on financial audits and training course design.
- SAI Thailand has experienced auditors who were trained specifically on course design and development, and on facilitation skills. SAI Thailand is experienced in applying the international auditing standards in their daily audit work. In addition, these experienced auditors are also trainers in ASEANSAI trainings and workshops.
- The SAI of Thailand has translated the audit standards into the Thai language. The big advantage of SAI Thailand and SAI Laos working together closely to improve audit skills and apply the international standards is that the Thai and Lao languages are similar to each other.



ASEANSAI

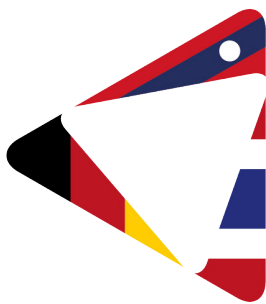
Course Design and Development and Instructor's Techniques Workshop



*Participants from all Supreme Audit Institutions of
ASEAN Member States on June 2014
in Johor Bahru, Malaysia*

The beginning of the trilateral cooperation

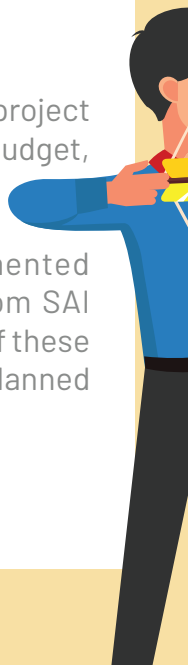
Already in 2015, SAI Laos and SAI Thailand had the idea to work together to improve the auditing skills of SAI Laos in financial audit. This idea was so good that it was supported by TICA and GIZ. This way, three countries started to work together with one goal:



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In a team of people from the different partner institutions, a project steering committee, a project work plan, a timeframe with budget, and a monitoring and evaluation system were developed.

To ensure that the project work plan would be implemented successfully, a coordination team of representatives from SAI Laos, SAI Thailand, TICA and GIZ was put in place. The task of these coordinators was to plan, monitor and follow-up on the planned project activities over 2 years.



What was the **GOAL**

of the trilateral
cooperation ?

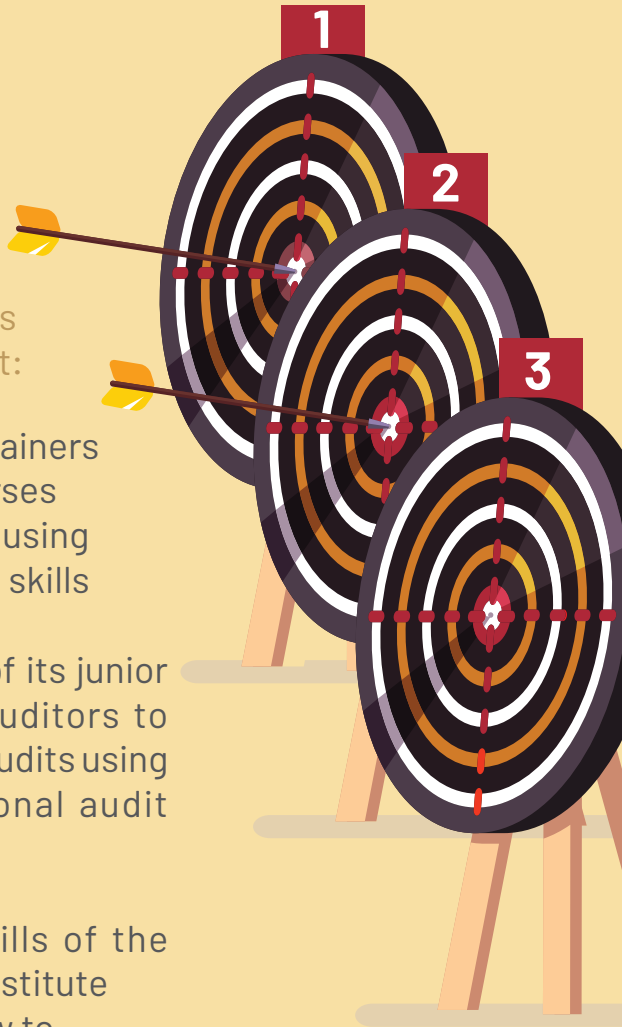
SAI Laos

wanted to strengthen its
abilities in financial audit:


1. The skills of its own trainers to develop training courses and deliver the courses using professional facilitation skills

2. The skills of its junior financial auditors to conduct audits using international audit standards

3. The skills of the training institute staff, of how to successfully plan and organise trainings



Project activities




Conduct of training needs assessment

Design and development of 5 training courses in financial audit together with 9 Lao trainers



Conduct of "training of trainers" for Lao trainers



Lao trainers conduct 5 training courses in financial audit to their peers



2 week secondment programme for SAI Laos Training Institute staff, at the SAI Thailand Human Resources Development Institute



10

Project achievements

Identified learning needs of auditors and trainers

Completed set of 5 training courses for junior financial auditors in financial audit with international audit standards, available in Lao language.

They include:

- Basic Accounting
- Audit Planning
- Audit Evidence
- Audit Execution
- Audit Findings, Conclusion and Reporting

9 Lao trainers, trained in facilitation and training skills

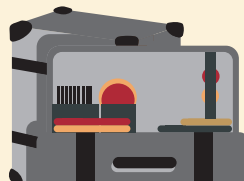
30 Lao junior financial auditors. The training courses include:

- Instructor guide
- Participant notes
- PowerPoint Presentation



- Energiser, group exercises, case studies and solutions

- Book of administrative and management procedure for the Training Institute



Voices from SAI Laos

Designing courses for the Lao context

Learning new skills



“Before developing the training courses, we did a survey and interviews of over 50 auditors and staff of the SAI Laos Training Institute, in order to assess their needs when doing their audit work or providing training courses to auditors. With the needs assessment, we were able to design and develop better courses in financial audit for junior financial auditors.”

- Quote from SAI Laos trainer

“With the new training courses in financial audit, the training documents are now available in Lao language. They explain the auditor’s role in the different steps of the audit and how some international standards apply in the different audit procedures with examples taken from the Lao government.”

- Quote from SAI Laos junior financial auditor



"I learnt new facilitation skills to have active participation in the training room. During the delivery of the courses, I gained more confidence as a professional trainer because of the feedback that I got afterwards from the SAI Thailand experts."

- Quote from SAI Laos trainer.

"By discussing with SAI Thailand experts, I learnt to develop audit findings, conclusions and recommendations using the fish bone diagram".

- Quote from SAI Laos trainer



Voices from SAI Thailand

Benefits from sharing
our experience

“We gained more confidence in sharing our knowledge about international auditing standards because of our discussions with the SAI Laos trainers and junior financial auditors.”

- Quote from SAI Thailand expert



“Working with SAI Laos has improved our communication skills with people of different cultures. We have also learnt how to work as a team and to be more creative and positive in providing solutions and making decisions. Because of the positive results of the cooperation between the 2 SAIs, we feel that we are able to take on new cooperation projects.”

- Quote from SAI Thailand expert

ASEAN Mission Statement

Learning from each other

*To build capacity and
promote cooperation
among the members
through sharing of
knowledge experiences in
public sector auditing.*

- One of the 3 objectives
of ASEANSAI



Working together towards success

The coordination team, representing all involved partners of the cooperation project, regularly met to discuss the accomplishments of each project activity. The team also always identified ideas for improvement for the next activities and was in regular exchange via emails and group messages.

This way, the coordinators learnt good project management practices such as: having clear roles and responsibilities, preparing activity and budget requests, good time management, and follow-up on action plans.

They also learned together about the process to design and realise a project by focusing on reaching a common goal. The more experience the coordinators gained in managing the project, the easier it became for them to steer through the different administrative requirements of the different partners.

During the post meeting, after we delivered the training course of module 1 and 2 to 30 junior financial auditors, we noted in the participants' evaluation and the expert activity report that the junior financial auditors and trainers needed more knowledge in accounting in order to benefit more from the course. We brought this to the Project Steering Committee who agreed on an additional activity to develop and deliver a training course in basic accounting skills for the trainers and the junior auditors.

- Quote from a project coordinator



Moving forward: it's not the end yet

- SAI Laos has more than 300 auditors. During the cooperation with the experts from SAI Thailand, 30 junior financial auditors were trained.
- To further improve the audit skills of Lao auditors, the Training Institute of SAI Laos will continue to improve by:
 1. Offering the training in financial audit to all its auditors.
 2. Training more trainers to deliver the training in financial audit, with the help of the 9 trainers who have been newly trained via the support of SAI Thailand.
 3. Designing and developing training courses in financial audit for audit team leaders and audit directors.
 4. Continuing to benefit from the expertise and experience of ASEANSAI and its members in applying international auditing standards, in training of trainers and in course design and development.



Learning in a more active way

“Because we use new facilitation skills during the training, it is very important for the SAI Laos Training Institute to have procedures and a checklist on how to organise the training workshops and coordinate with trainers (invitations, agenda, participants list, meeting rooms, training materials, accommodation, catering, printing training course documents). These procedures will also clearly identify the roles and responsibilities of the training staff and trainers.”

- Quote from SAI Laos trainer.





This book would have not been possible without the consultation and contribution of experts, trainers, auditors and coordinators of SAI Laos and SAI Thailand. We are grateful and thank them for their commitment and support in telling this story.



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