

Questions to Think About When Using Artificial Information in Auditing

Monday, August 5, 2024

Artificial Information (AI) is here and appears to not be slowing down in its use. For many, AI has been dubbed as the disruptor to many jobs, industries, and professions. For others, AI is a complementary tool that could be used to enhance or improve their personal and professional lives. For auditors, the use of AI can help you with some of the work to meet your audit engagement objectives. AI's use is only as far as the capability and imagination can go when using this new tech as part of your audit engagement work. Before you go headstrong into using AI, make sure you answer a few questions that will help you make the best use of the tech to meet your audit engagement objectives.

Questions to Ask

Here are some questions to help you when considering the use of AI in your audit work.

- What is the objective of using AI for your engagement?
- What is your organization's policies and procedures on using AI?
- What is your audit division's policies and procedures on using AI?
- Will the use of AI be an in-house application or the use of outsource application?
- Which AI application will you use to meet your engagement objective?
- Who controls the information within the AI application?
- What information will you need to provide to the AI to meet your engagement objective?
- Will the information contain any PII, BII, or other sensitive information?
- How will you handle PII, BII, or other sensitive information within the AI application?
- How will you store the information used in within the AI application?
- How will you protect the information used within the AI application with unauthorized access?
- What controls will you have in place to fact check any results generated from the AI or minimize AI hallucination?
- How will you document the use of AI?

Keep in mind that these questions are not all inclusive, but get you thinking about AI and its use with your audit engagement work.

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Takeaway

AI is here and appears to not be going away. For you as auditors, it is important not to fear this new tech, but learn it, master it, and use it to help with your audit engagement work. AI's use in your audit engagement work can help with creative thinking, analytics, and communicating. However, you need to make sure to ask the right questions and have the right answers that will help plan your strategy for using AI in your audit engagement work. Doing so could give you an advantage in the audit profession. The use of AI could help provide more value-added services to your clients and organization.