

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 5. Internal Control and Compliance
(Key Function – 5.3 Audit)

Title	Evaluate effectiveness of audit programmes
Code	109340L5
Range	Evaluation of the effectiveness of internal audit review programmes. This applies to compliance review and internal audit programmes carried out in different business trades, internal operations and service delivery channels of the bank.
Level	5
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Understand the compliance requirements and operational standards of different business and operations units and apply the knowledge to analyse audit portfolio and detect any deviances or suspicious cases; • Possess knowledge and experience in tracking problem areas identified from auditing data and apply them to investigate causes of deviations or irregularities from stated standards. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Review and assess effectiveness and efficiency of compliance review and internal audit programmes and identify ways to improve efficiency through streamlining or revamping the processes; • Evaluate coverage and ensure that adequate compliance and internal control is enforced on key functions (e.g. major functional areas, financial accounting, information technology, outsourced activities, compliance with statutory requirements, etc.) in order to protect the bank from risks (e.g. regulatory, operational or other kinds) , errors or frauds. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Provide recommendations on internal audit and compliance review processes and suggest measures to monitor post review follow-up actions to ensure that recommendations are carried out promptly; • Keep abreast with state of art audit and compliance review technology and introduce new audit and compliance review techniques, tools and practices; • Update internal audit and compliance review programmes regularly in response to the changing regulatory environment; • Review and provide feedback on results of internal audit and compliance review programmes to continuously improve the work of audit unit.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Evaluation of audit coverage and effectiveness to ensure that adequate compliance and internal control is enforced on major functional areas and all processes are in compliance with statutory and internal requirements; • Recommendations of improvement actions based on analysis of audit data and effectiveness of existing internal audit and compliance review programmes.

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Remark	
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