

In Search of the Holy Grail

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Once upon a time there lived a very wise king named King Clever. One day, King Clever gathered together his loyal knights of the round table. "I must appoint a new head of internal auditing, and I have already chosen the volunteer. Sir Checkalot, as my new head of internal auditing, I charge you to improve the effectiveness of your department. Start immediately."

Shocked and unsure of what it all meant, Sir Checkalot nevertheless accepted the appointment. He turned to his loyal squire, Baldrick, and

said, “I need an internal audit team — I cannot do this job alone.” Baldrick rounded up some local militiamen and gave them a crash course in auditing.

It was time for the first audit. Sir Checkalot decided to audit Lady Brown’s cow. They checked how much the cow ate and produced. They tested grass samples and counted how many times the cow chewed its cud. They did just about everything imaginable to the poor cow. When the first day was done, they got up the next morning and did it all over again.

After almost four weeks, Sir Checkalot presented auditing’s results. “Hello, Lady Brown,” he said. “I am here to give you our audit findings. I am pleased to say your cow is fine. And if you think we have not been effective at auditing your cow, we will come back next month and do it all over again.” A look of horror settled on Lady Brown’s face. She took her cow and beat a hasty retreat.

At the end of the month, the villagers gathered together for the Ceremony of Customer Feedback. They complained to one another about outstanding audit issues. King Clever marched in and called the proceedings to order. “Anyone who thinks our internal audit department is effective, raise your hand now.” Only Lady Brown raised her hand. King Clever looked at Sir Checkalot. “Needs improvement.”

The next morning, Sir Checkalot was in a quandary. He didn’t know what to audit next. He couldn’t go back to Lady Brown again. He needed something that was going to add value. Baldrick spoke up with a suggestion. “You need a risk-based approach to internal auditing,” he said. “I know just the man who can help you. His name is Merlin. Many think he is a wizard, but he is only the chief risk officer.”

Sir Checkalot went to see Merlin, who checked his magic risk charts and made predictions about things that could go wrong. Sir Checkalot noted them in his audit plan. “With this plan,” he thought, “I will be a hero. Thanks to my auditing, none of these bad things will happen.”

At the end of the month, the villagers again gathered together for the ceremony. A few of them were a bit quiet

and didn’t seem inclined to complain about their outstanding audit issues.

King Clever called Sir Checkalot to stand in front of the villagers. “Anyone who thinks our internal audit department is effective, raise your hand now,” he said. This time, half a dozen hands went into the air, including Lady Brown (who was still worried about her cow). “Some progress,” the King mused.

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After the ceremony, Lady Guinevere came to Sir Checkalot. “I have watched your struggles from afar,” she said. “What you need is the gift of emotional intelligence — the gift to see things as though you were a line manager. Then you will understand what motivates people and how to get them to take action on your audit findings. Being effective isn’t just about being right. It’s about getting results.”

“I think I understand,” he responded. And with that, he went to try out his gift of emotional intelligence.

The ceremony felt very different the next month. The villagers stood in small groups talking animatedly about risk-based auditing and other strange delights. This time they boasted about how quickly they had finished off their audit points, rather than complaining about how many they still had open.

King Clever appeared and said, “Anyone who thinks our internal audit department is effective, raise your hand now.” Half the crowd raised their hands. “Much better,” nodded the King.

As the crowd dispersed, Merlin sidled up to Sir Checkalot. “Much better,” Merlin said slyly, “but let’s face it — you will never be the most effective internal auditor in the land until you have found the Holy Grail.”

“That does it,” Sir Checkalot replied. “I must have the Holy Grail.” The very

next day, he set off in search of the powerful Holy Grail.

His quest took many months. Sir Checkalot went to all the internal audit conferences and training courses, where he met many people on the same quest. He went to the mountains of the Big Four and plundered their orchards for low hanging fruit. He visited the leading academics in the realm who spoke eloquently. He learned much. But he could not find the Holy Grail.

Despondent, and with provisions running low, he set course back to the village to see King Clever.

“I have returned, sire,” he said. “And sadly I have not been successful in my search for the Holy Grail. I went to find best practice. But I have failed. Now, I have come back to do what I can, knowing that someone else may come along one day and do even better.”

“I am afraid someone already has,” King Clever responded. “During your absence, I appointed Baldrick to be the new head of internal auditing.”

Sir Checkalot looked utterly depressed. “Baldrick? But, he’s just a squire!”

“Come here and sit with me,” King Clever said. “Let’s look at what you’ve done. You took internal auditing on a journey. You recruited a good team. You concentrated your resources on the areas that mattered most. You began to understand how people are motivated. You got your messages across. You realized it’s not enough to be right — it’s also about getting results.” Sir Checkalot started to feel better.

The King continued, “Then you went off on that silly quest. And what did you learn? That there is no such thing as best practice, only *better* practice. It was the journey that was important. That journey of continuously improving audit effectiveness is the *real* Holy Grail. And it was within your grasp all the time.”

Sir Checkalot smiled when he heard this and nodded his head, for the King was indeed a very wise man.

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