



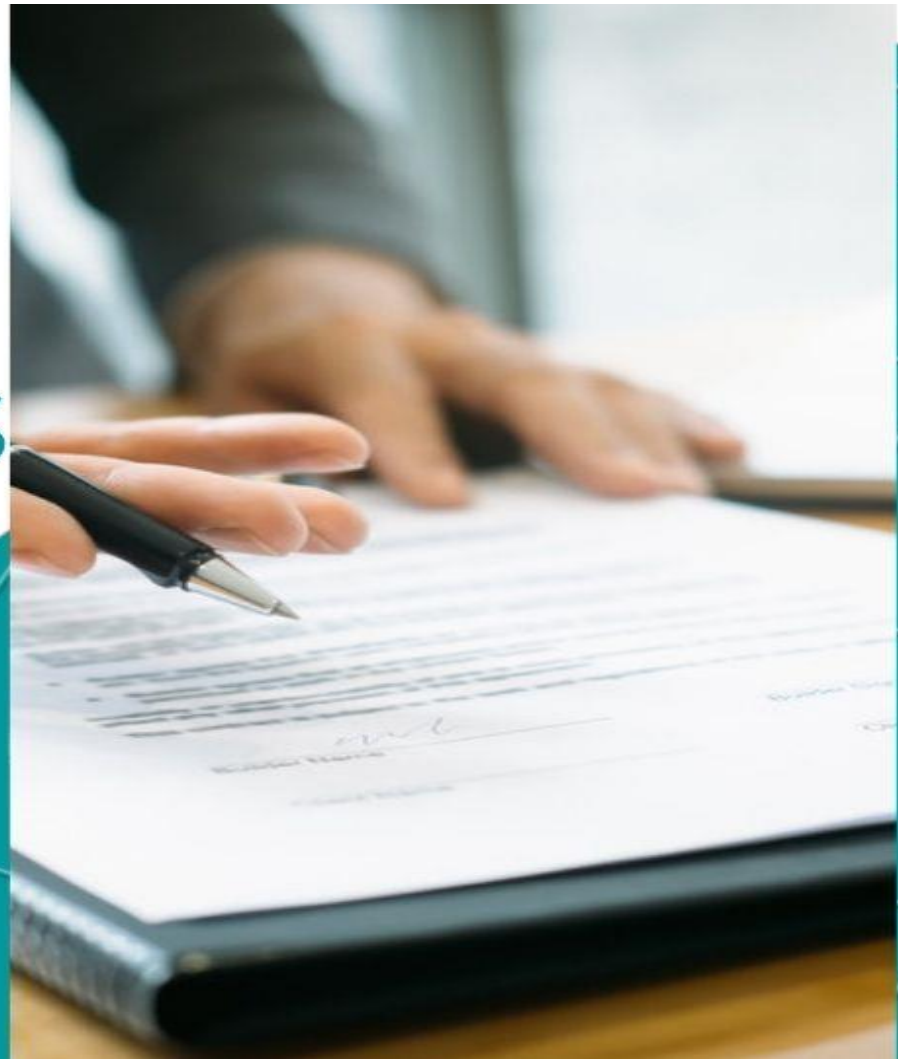
*Online Webinars*  
**INTERNAL  
CONTROLS**

**"8 POWERFUL SESSIONS"**

**THURSDAYS**  
**05 MAY - 30 JUNE, 2022**  
**10:00 AM - 12:00 AM**

**011 394 0879**

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# Online webinar: Internal controls

- ✓ **Week 1:** Linking internal controls to the risks in strategic and operational risk register
- ✓ **Week 2:** Designing controls to reach the control objectives
- ✓ **Week 3:** Choosing the correct control technique and control activities
- ✓ **Week 4:** Creating the right environment to implement controls successfully
- ✓ **Week 5:** Assessing the impact of internal on inherent risk to arrive at the residual risk
- ✓ **Week 6:** ICT controls: Impact of technology on internal controls
- ✓ **Week 7:** **Implementing controls and change management**
- ✓ **Week 8:** Monitoring the effectiveness of internal controls





## 7. Implementing controls and change management



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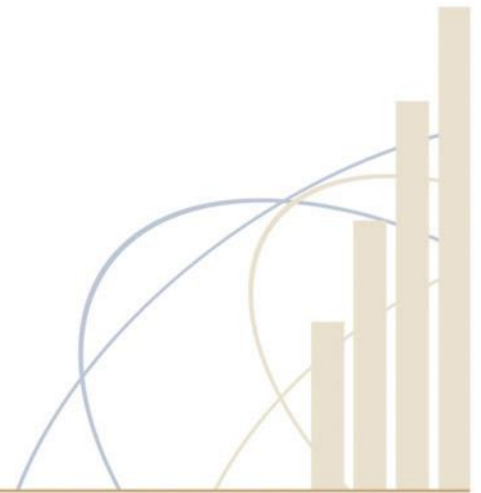
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# Week 7: Presenter

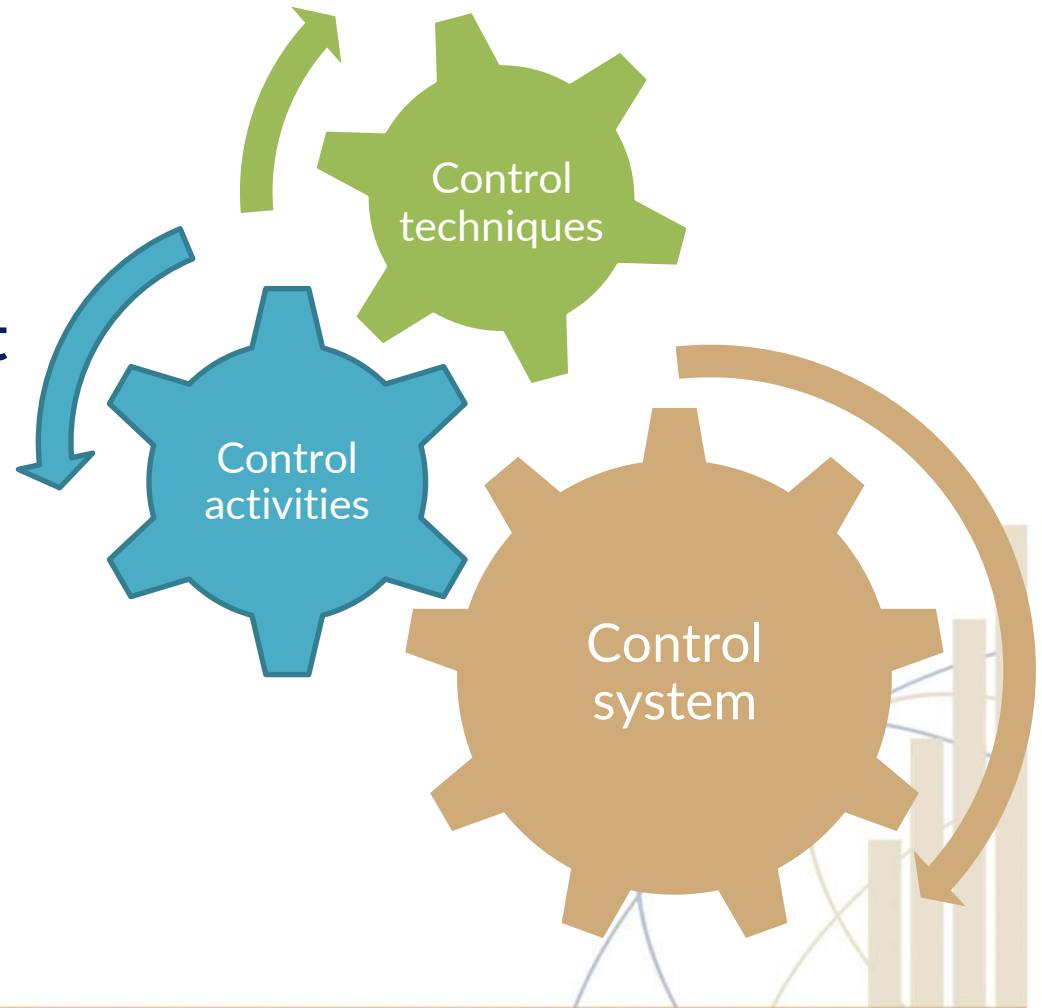
**Ms Noeline Slogrove**

[B Com, MBA, Post-grad Diploma in Risk,  
Fellow member of Inst. Directors, Member of IRMSA]



# Week 7: Outline

- ✓ **Control implementation**
- ✓ **Change management**
- ✓ **Discussion of your questions**



# Control implementation

- Control system: 5 interrelated components
- Requirements for implementation
- Practical aspects



# Control implementation – control system

Quick recap  
of Week 1

## 5 Interrelated components:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring



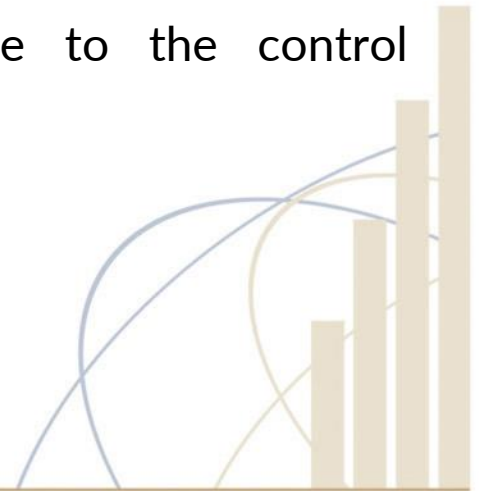
# Control implementation - requirements

**Policies and procedures that help to ensure that officials carry out internal controls**

**Two elements:**  
Policy  
Standard operating procedure

**To be effective, control activities must:**

- Be the proper control in the right place to address the risk involved
- Function consistently according to plan throughout the period
- Be cost-effective
- Be comprehensive, reasonable and directly relate to the control objectives





# Control implementation - requirements

**Policies and procedures that help to ensure that officials carry out internal controls**

**Complete the following activities:**

**Two elements:**  
Policy  
Standard operating procedure

- Risk assessment
- Link internal controls to the risks in the strategic and operational risk register
- Design controls to reach the control objectives
- Choose the correct control technique and control activities
- Create the right environment to implement controls successfully
- Assess the impact of inherent risk to arrive at the residual risk
- Assess the impact of technology on internal controls

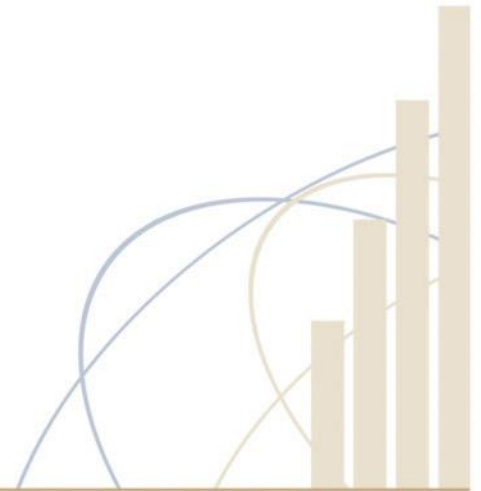
**Do you recognise these?**

# Control implementation – practical aspects

## Steps:

1. Form the task team
2. Do the homework
3. Plan implementation – resources and timelines
4. Ensure awareness and obtain buy-in
5. Communication and training of those involved in the change
6. Change-over
7. Change management
8. Monitor implementation

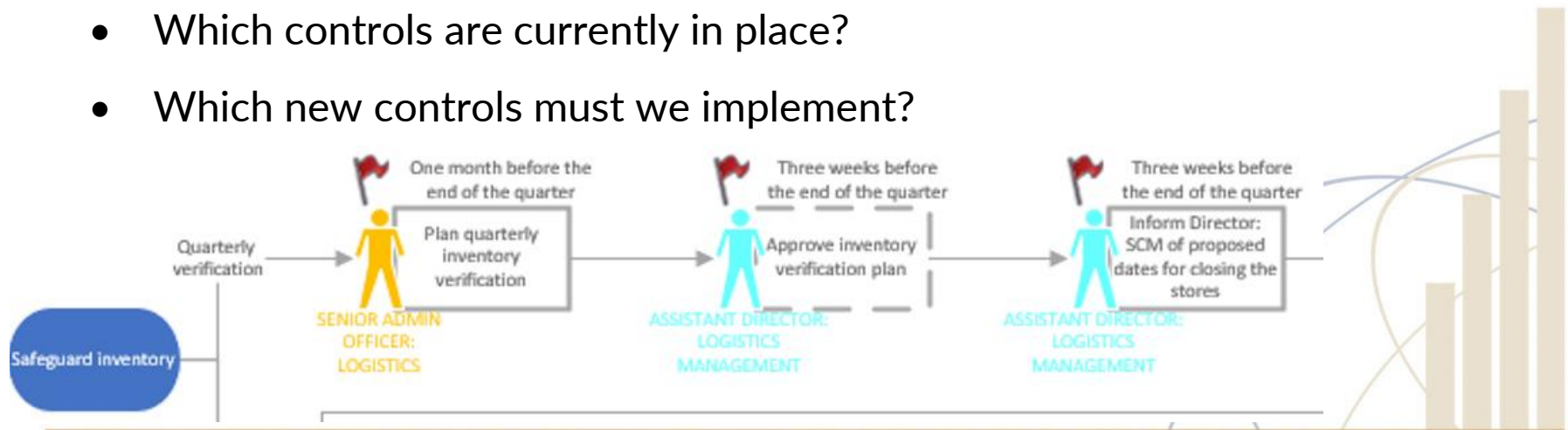
Ensure buy-in from Council  
and Municipal Manager



# Control implementation – practical aspects

## 2. Do the homework:

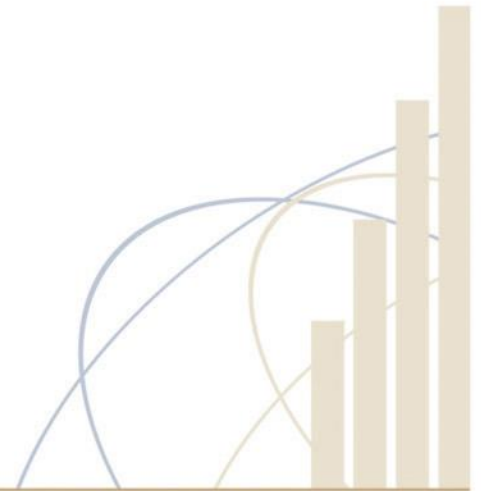
- Which sites or offices are affected?
- Which processes must change?
- Who is involved in the processes?
- Is new equipment or technology needed?
- What are the risks we are addressing?
- Which controls are currently in place?
- Which new controls must we implement?



# Control implementation – practical aspects

## 3. Plan implementation – resources and timelines:

- Who is available?
- Do you have the necessary expertise?
- Who are the champions in the various units?
- When is the best time? Consider important cycles in the units affected



# Control implementation – practical aspects

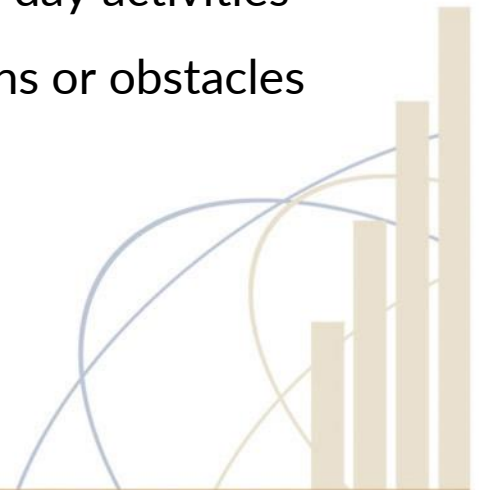
## 4. Awareness and buy-in:

- Common reasons why managers struggle to get buy-in
  - **Blame:** No one wants to take it on, because if it doesn't work, they take the blame
  - **Authority:** You may want to assign the problem to someone (or a team) to solve, but are they empowered to actually make the necessary changes?
  - **Agreement:** Does your team agree it's an important problem? Do they see why it's a big problem now and will only get worse?
  - **Pressure:** If your team has other major projects and tasks to complete, your "pet project" may be put off indefinitely.
  - **Priority:** You may say it's important, but do your actions show it's the case?

# Control implementation – practical aspects

## 4. Awareness and buy-in:

- **Workable solutions to counteract reasons why buy-in fail:**
  - **Awareness campaigns:** What is changing and why? When are the changes taking place? How are we affected?
  - **Obtain input:** Involve the team in designing controls, policies and standard operating procedures
  - **Sufficient training:** Exactly what changes in their day-to-day activities
  - **Communication channels:** Who to contact with questions or obstacles



# Control implementation – practical aspects

## 5. Communication and training:

- Include in the plan
- Workshops, posters, e-mail channels, Whatsapp groups
- Videos on the intranet

-

Recognise  
and reward  
employees  
for their new  
skills

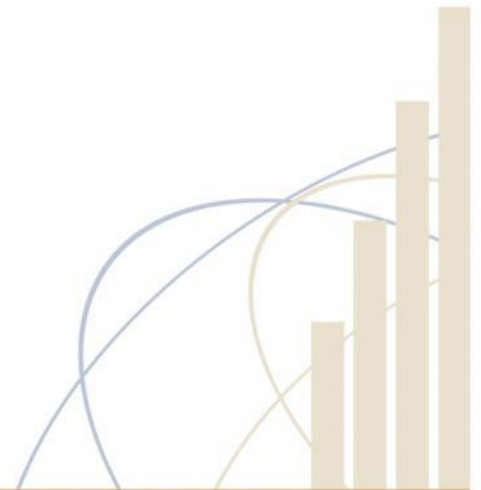
# Control implementation – practical aspects

## 6. Change-over:

- Clear communication channels
- Clear communication about expectations
- Be available for problem-solving

Recognise  
and reward  
employees  
for their new  
skills

## 7. Change management (See next section)



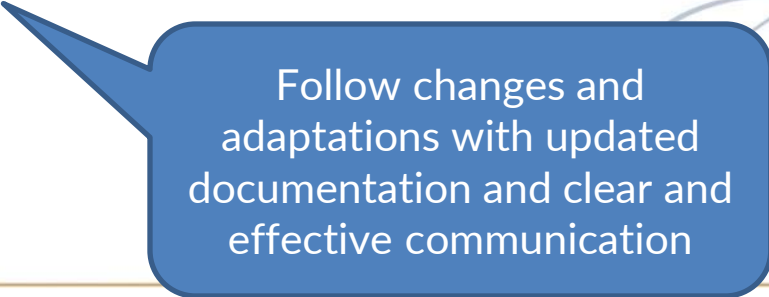


# Control implementation – practical aspects

## Monitor implementation

For controls to be always useful and effective, it is necessary to :

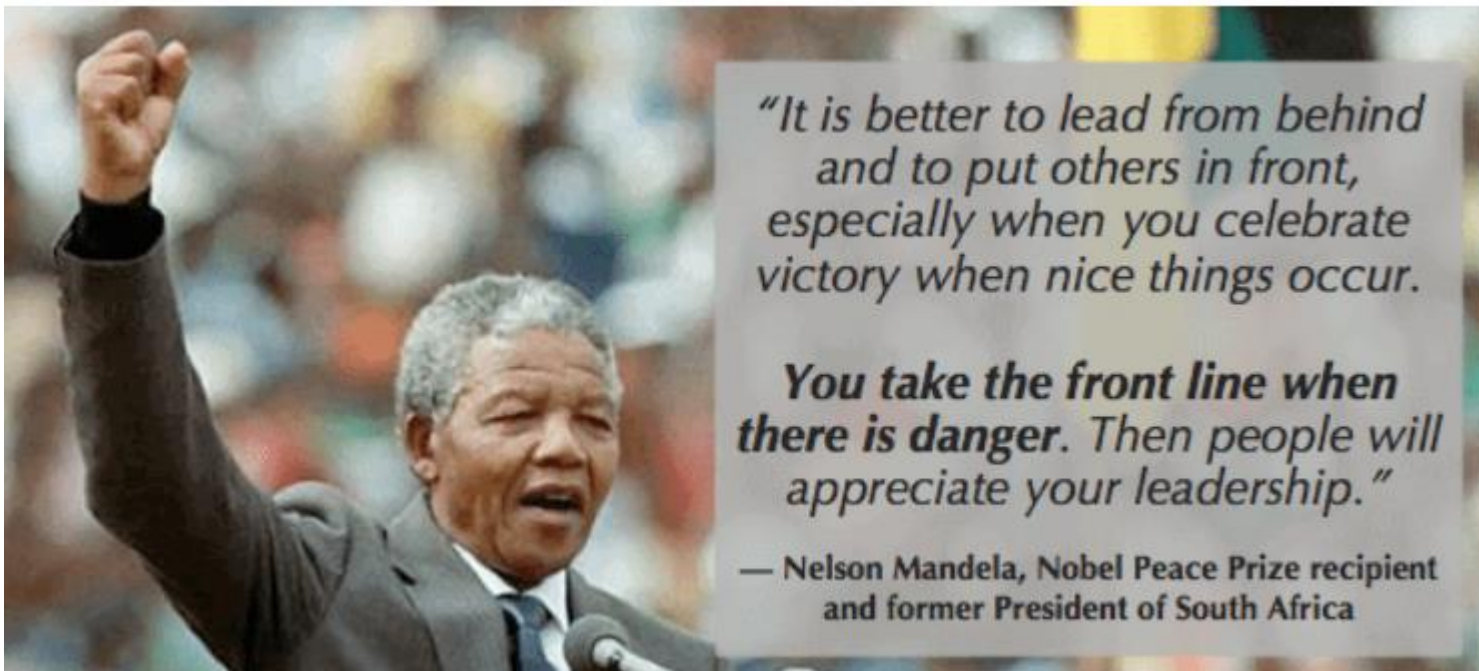
- Reassess the risks once a year
- Ensure compliance with new legislation
- Maintain up-to-date documentation
- Monitor the proper implementation of controls and monitoring
- Monitor risk mitigation projects
- Tracking incidents that occur and treating them as a source of improvement



Follow changes and adaptations with updated documentation and clear and effective communication

# Change management

- Principles of change management
- Create the culture



# Change management – Principles

## Principles: It is about leadership

- Get your hands dirty
- Lead by example
- Use the power of repetition
- Give updates on progress and metrics
- Spread positivity

What if you can't do what  
you ask others to do?



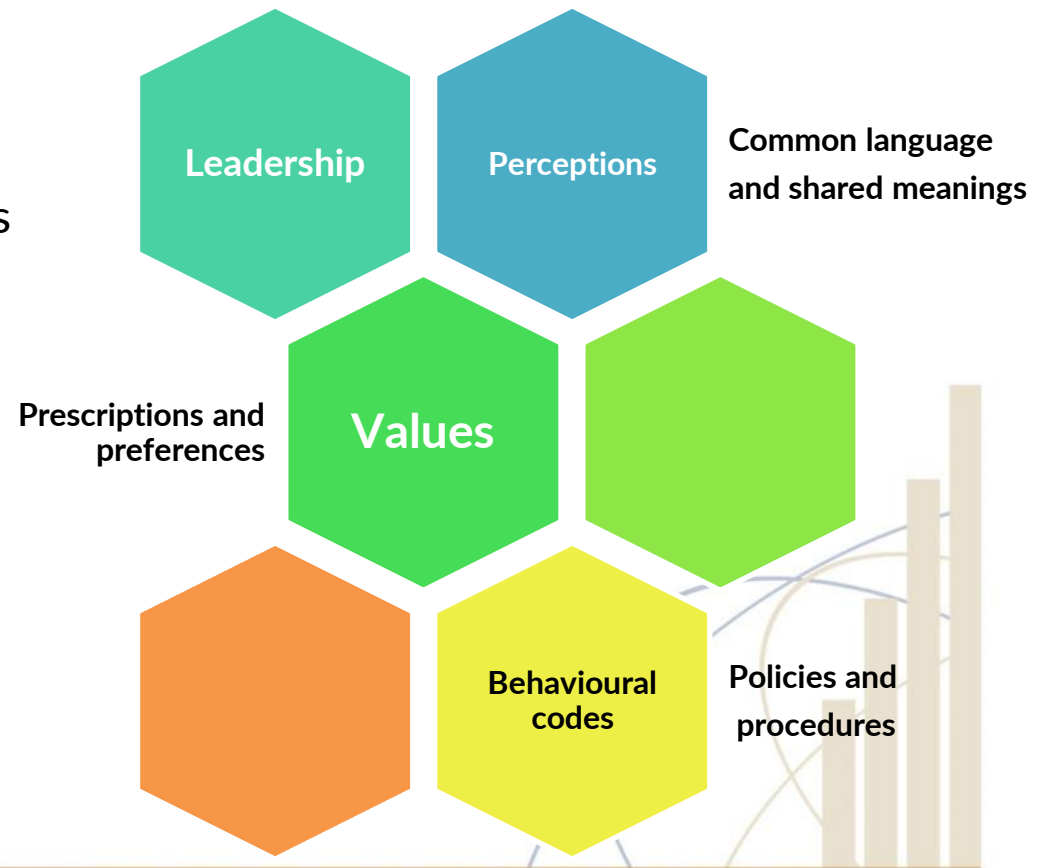
You can be a leader  
regardless of your job title!



# Change management – Create the culture

## Create the culture

- Organisational culture is extremely complex
  - Diverse people
  - Diverse skills
  - Diverse working conditions
  - Diverse views
  - Diverse personalities
  - Diverse ....



# Change management – Create the culture

## Create the culture

- Explore unwritten ground rules
- At this municipality, this is the way we do things for example:
  - It is not worth highlighting issues at our meetings, because nothing will get done in any case
  - The only time the manager speaks to any of us, is when something is wrong
  - The municipality talks about service delivery, but we know that they don't really mean it
  - We go through the motions with our managers, but as soon as they leave, we do things our way

# Change management – Create the culture

## Create the culture

- Explore unwritten ground rules
- Reflect on your behaviour:
  - Around here, management has the authority to make decisions
  - In our municipality, management is approachable when you have an idea or a question
  - Around here, we care about each other and our teams. We pitch in together when needed and we keep our promises
  - Around here, we are friendly and professional with everyone that we come across
  - Around here, we all have our own jobs and responsibilities, but we are also aware of the bigger picture when it comes to goals and work as a team

# Questions?



# 5 Take-aways from this session

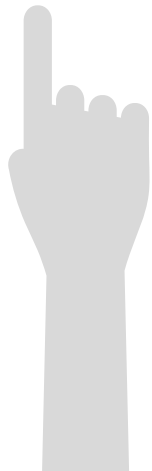
**Policies  
and procedures  
are fundamental**

**Plan changes  
properly**


**Communication  
Is key**

**Contribute to  
the  
municipality's  
culture**

**You can be  
a leader  
regardless  
of your job title**







Next week: Monitoring  
the effectiveness of  
internal controls

# Thank You!



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