

# AI in IA

---

PANKAJ KUMAR

Internal  
Audit

Artificial  
Intelligence



# AI



## PREDICTIVE ANALYTICS



# Augmented workforce

1. Companies are navigating the process of creating data and AI-literate cultures.
2. We are going to work with or alongside machines that use smart and cognitive functionality to boost our own abilities and skills

Our New Team Member

# Bigger and better language modeling

1. Language modeling is a process that allows machines to understand and communicate with us in language that we understand.
2. This may even take natural human languages and turn them into computer code that can run programs and applications

Our dependency on IT goes

# AI in cybersecurity

1. AI is going to play a big role by analyzing network traffic and learning to recognize patterns that suggest nefarious intentions in real time.
2. Smart algorithms are increasingly playing a role in keeping us safe from 21<sup>st</sup>-century crime.
3. Some of the most significant applications of AI that we will see develop in 2022 are likely to be in this area.

Better Assurance with preventive control

# AI and the Metaverse

1. The metaverse is the name given for a unified persistent digital environment, where users can work and play together.
2. It's a virtual world, like the internet, but with the emphasis on enabling immersive experiences, often created by the users themselves.

Can have two three avatars.

# Predicative Analytics

1. **Predictive analytics** is the use of data, statistical algorithms and machine learning techniques to identify the likelihood of future outcomes based on historical data.
2. The goal is to go beyond knowing what has happened to providing a best assessment of what will happen in the future.

We can minimize surprises & Predict the Risk

# Predicative Analytics with AI – few usage examples

1. IA dashboard predicting increase in credit Risk of a party basis his payment and buying trend and news about the party appearing in media and other sources
2. Tool is not only looking at internal data source but also reviewing the public domain and predicting the Credit Risk.
3. Basis past observation on non-compliance and exception-based analytics, prediction of high-Risk Region, zone, dealer, even employee by the tool. Red Flags by AI
4. Required rotation mandated by policy has not happened and Boss/Worker in such exceptions are the same.



# Conversational AI

1. The term Conversational AI (artificial intelligence) refers to technologies, like virtual assistants or chatbots, that can “talk” to people, take questions and find answers.
2. Chatbots and other equivalent helping Auditors This will be like voice commands given to Alexa

# Conversational AI

1. Hi buddy, find out exceptional approvals given in procurement between April to Dec 2022
2. Kindly find out details of pending GRIR over180 day and.....
3. Find out variance in payroll payout for.....
4. Let me know the key changes in X policy

# RPA

1. Robotic process automation (RPA) is also known as software robotics.
2. RPA uses Automation technologies to mimic back-office tasks, such as extracting data, filling in forms, moving files, etc.
3. RPA combines APIs and user interface (UI) interactions to integrate and perform repetitive tasks between enterprise and productivity applications by deploying scripts which emulate human processes.
4. RPA tools complete autonomous execution of various activities and transactions across unrelated software systems.

Routine/Repetitive work shifts to RPA

# RPA

1. Routine job of Current Assets review
2. Repetitive job like Trial balance/ledger review
3. Log review for SAP transactions, GRC and other applications with exceptions output
4. And many more.....

## AI & India

### Penetration of artificial intelligence skills, by country

Source: Dun & Bradstreet



# How AI will Change IA work

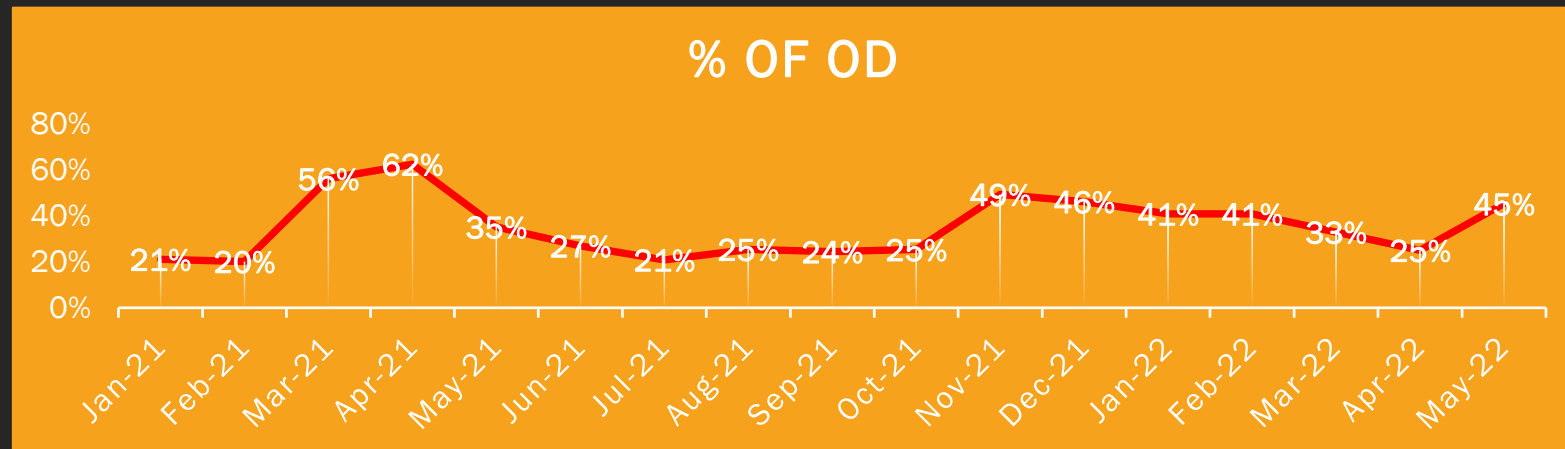
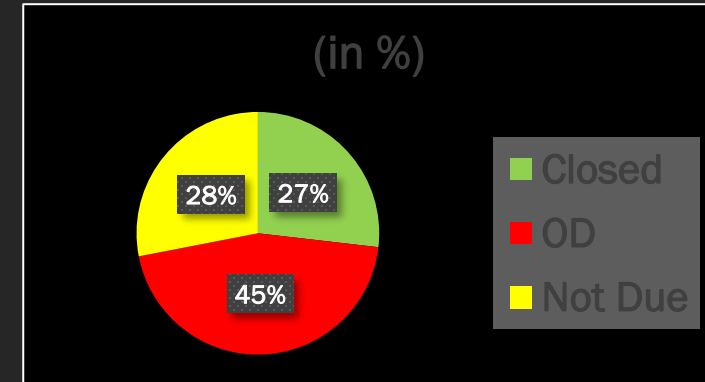
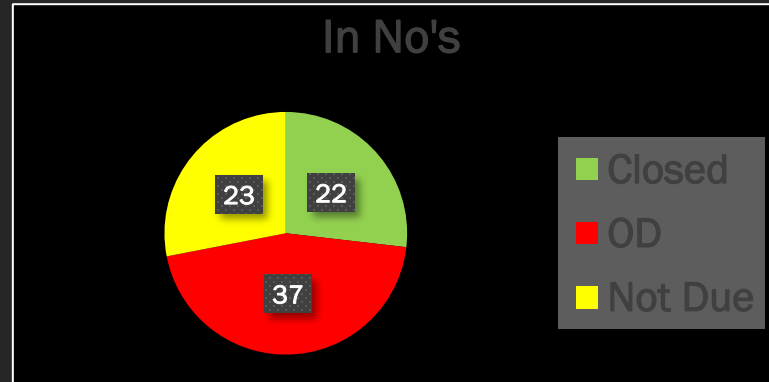
In Future, AI will do all the following work

1. Risk based Audit Plan, Scope & RCM
2. Data availability in format we want with analysis and insights
3. Review data and documents and give us exception reports
4. Real time validation of Auditee replies, and documents submitted by them
5. Auto Validation of data & document with insights
6. Vouching
7. Real time exception reporting
8. Any the list goes on.....

# Audit KPI Dashboard Showing Overall Assurance...



# IA realtime Dashboard



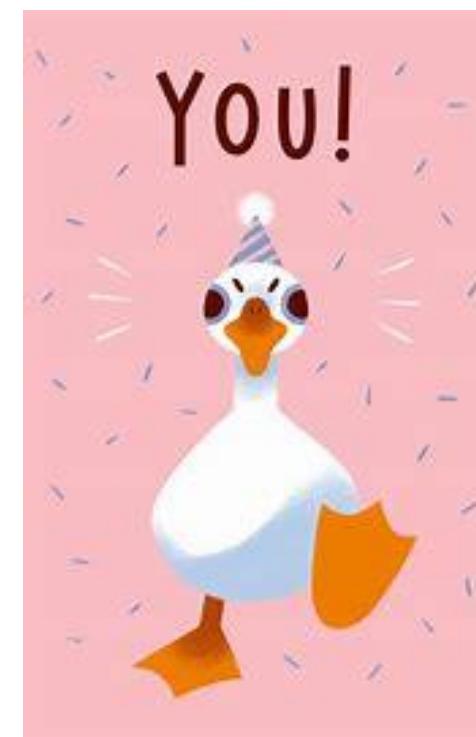
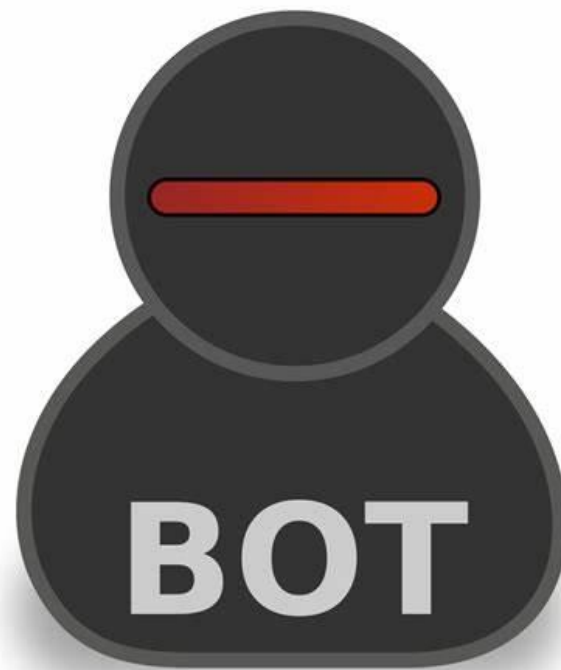
# Future IA office

---





# Future IA team



# Thank You

---

AI cannot replace IA. When all IA work will shift to AI and tools then IA will Audit AI and tools.

AI is the future. Time to re-skill