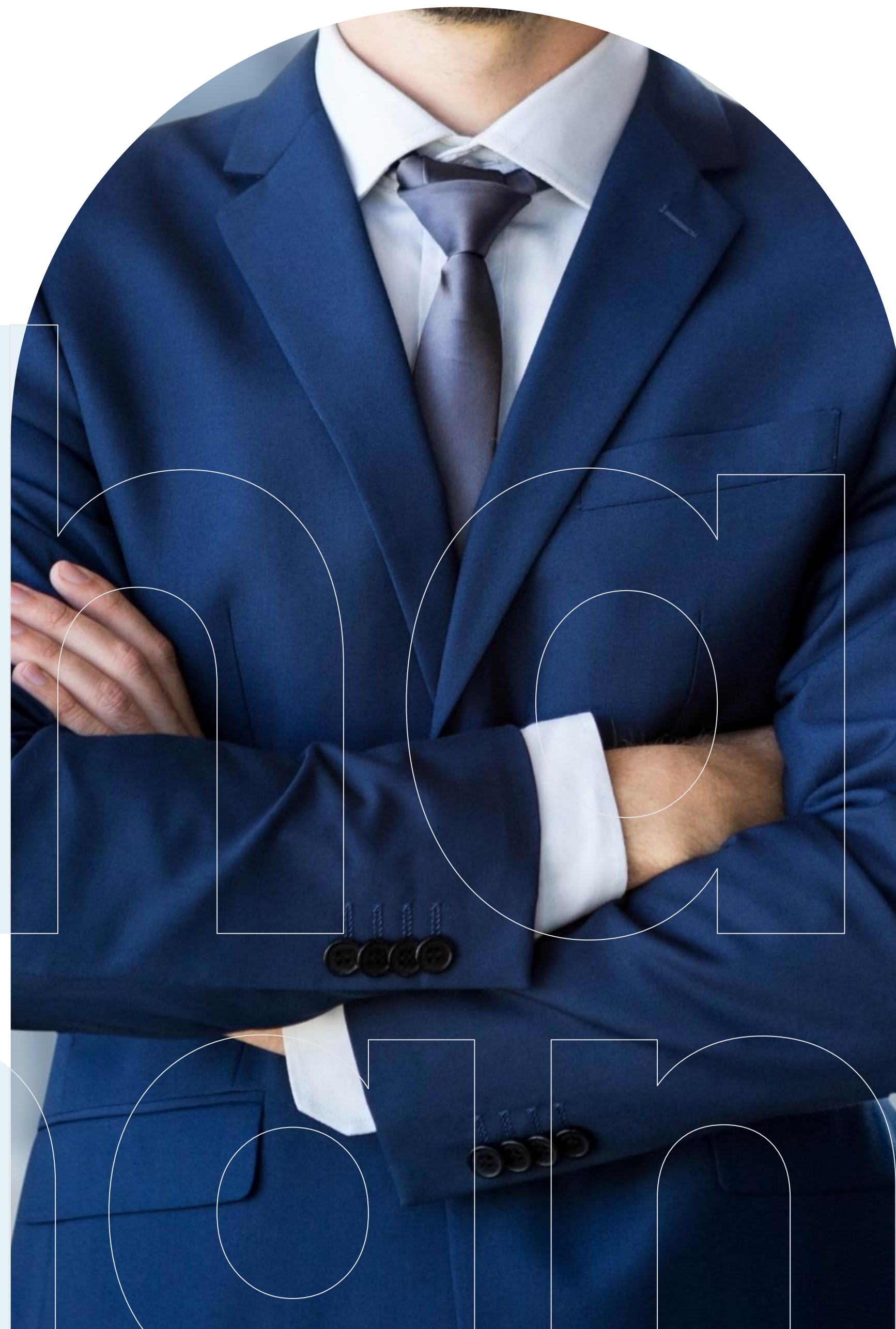




Navigating the Future of Auditing:  
Prepared during SAI Thailand's  
ASOSAI Chairmanship 2021 – 2024



# A Chairman's View

Modern Auditing Practices  
Uncovered Weekly



# A Chairman's View: Modern Auditing Practices Uncovered Weekly Vol. 12



Driving the AI Impact:  
A Guide for Public Sector Auditors and  
Supreme Audit Institutions  
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view

## A Chairman's View

### Driving the AI Impact: A Guide for Public Sector Auditors and Supreme Audit Institutions

As we rapidly move towards a future shaped by the fourth industrial revolution, artificial intelligence (AI) is transforming various sectors, including public sector auditing. The changes are likely to be profound and will require both individuals in the audit profession and Supreme Audit Institutions (SAIs) to adapt and prepare. However, it's essential to note that rather than replacing all auditing jobs, AI is expected to change the nature of these roles.

#### The Impact of AI on Public Sector Auditing

AI's impact on public sector auditing will be multifaceted. Automation will handle routine tasks, such as data entry, document review, and basic calculations, reducing human involvement in these areas. However, complex tasks, such as fraud detection and risk assessment, will still require human expertise for final decision-making, even with AI's assistance.

Legal and ethical frameworks surrounding AI usage in auditing are still in development, so human oversight remains crucial. As AI systems require continuous development, training, and maintenance, the focus of auditing jobs may shift toward managing and interpreting the results of AI systems. Therefore, rather than entirely replacing jobs, AI will redefine roles within the auditing profession.



## Preparing auditors for the AI Impact

As AI's role in auditing grows, professionals in the field can take proactive steps to remain relevant. Key among these is developing a basic understanding of AI and learning essential data analysis skills. Digital literacy and an understanding of AI ethics and regulations will also be critical.

Soft skills, like critical thinking, decision-making, communication, and leadership, will continue to be essential. Auditors must also commit to continuous learning, staying abreast of the latest developments in AI and auditing. Finally, adaptability will be crucial; being open to new technologies, tools, and ways of working will be a key skill in the AI-driven auditing landscape.

## Preparing Supreme Audit Institutions for AI and Generative AI Impact

Supreme Audit Institutions (SAIs) need to be strategic in preparing for the impact of AI, including generative AI technologies. This preparation begins with investing in AI education for both staff and leadership, followed by the development of a comprehensive AI strategy. Upgrading infrastructure to support AI systems, practicing robust data management, and fostering partnerships and collaborations will also be important.

Given the potential for misuse and the ethical considerations associated with AI, SAIs must develop clear policies and guidelines for AI usage. Conducting pilot projects can help identify potential issues and adjustments needed before a wider AI integration.

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Generative AI, capable of creating new data or simulations based on existing data, brings unique opportunities and risks. While it could be used to simulate financial scenarios or predict policy impacts, it can also generate misleading information if not properly managed. Therefore, SAIs must have a thorough understanding and careful management strategy for these technologies.

## **Conclusion**

The advent of AI in public-sector auditing presents challenges and opportunities. While AI will inevitably change the landscape, auditors who adapt and evolve with these changes will continue to play a critical role in this field. Similarly, SAIs that strategically prepare for and manage AI integration will be best placed to leverage the benefits of this transformative technology.

## After word

# A Chairman's View: Modern Auditing Practices Uncovered Weekly

According to the ASOSAI Chairman 2021-2024, The State Audit Office of the Kingdom of Thailand promotes the Bangkok Declaration 2021, which explains the adaptation of SAIs in the next normal era. Therefore, this short paper aims to provide weekly insights and updates on modern auditing practices, focusing on the experiences and perspectives of SAI Thailand's Chairman during their ASOSAI 2021-2024 term.

The paper series focuses on the Public Sector Audit Trends: Analyze emerging trends and advancements in the public sector audit landscape within Thailand and across ASOSAI member countries. The short paper series will be published in a concise and accessible format, with each weekly installment consisting of 3-5 pages. This format ensures that the content is easily digestible for a broad range of readers. The short paper series will be published weekly, with a new installment released every week, covering various topics within the defined scope.

Dr. Sutthi Suntharanurak

Director of International Affairs Office,

State Audit Office of the Kingdom of Thailand,

Please get in touch with [sutthisun@gmail.com](mailto:sutthisun@gmail.com)

