

JUNE 2020

IGI FSI

Human Resource Department Gap Analysis Proposal

PROPOSED BY

IGI FSI

PROPOSED TO



Your growth is our business

PROJECT PROPOSAL

OUR COMPANY

IGI FSI is a Packages Group company, pioneering in emerging technologies driven Sales, Production and Customer Services interventions, HR solutions and Technical corporate trainings. Equipped with State of the art technology, IGI FSI can become your growth partner anywhere around the world.

1. SCOPE OF AUDIT

- The format of our report will cover only the shortcomings and exceptions noted by us. In accordance with the Audit Plan, the audit of “Human Resource Management” will be carried out.
- The scope of this HR Audit will cover the following categories only
 1. HR Practices and its operational Controls
 2. HR Policy gaps and compliance
 3. HR System
- The period covered will be one calendar year only unless a longer period is required for accurate assessment.
- The audit report will be consistent with International Accounting Standards and ISO auditing standards
- It may be noted that only those issues will be raised which may come to our attention during the audit.

2. AUDIT OBJECTIVES

The overall objective of this audit will be to consider the key controls in place and gap analysis as per the list above or as identified by the management.

During the audit we will review the processes of some of the HR Function that address the following objectives:

1. Reviewing Operating Controls that are in place to support significant HR processes like Recruitment, Selection, Training, development, compensation, pay equity, etc. and to identify gaps
2. Reviewing HR policies and compliance
3. Reviewing effectiveness of the HR system like HR strategy, future workforce needs, turnover trends, cost trends, upskilling and reskilling according to business plan etc.

3. AUDIT APPROACH

Broadly, our approach depends on the following:

- Interviews with key management personnel of the function;
- Performance of extensive walk through tests to corroborate the understandings of the process obtained through interviews;
- Review adequacy and effectiveness of controls against identified risks and performance of test of controls; and
- Substantive testing to evaluate management assertions based on selected sample.

4. SAMPLE SELECTION

Based on the scope of the audit, mandate and or the requirement to establish the facts of the control environment of a specific function or item, the sample size will be selected at the sole discretion of the Lead auditor.

5. TESTING AND REPORTING

Based on the scope of work and the audit procedures on a sample basis, and to the best of information and explanations provided to us by the management, we will report the details of our findings. As already stated above in section 2 of this proposal, the format of our report is such that we will only report on the shortcomings and exceptions noted by us.

Our principles of reporting are as follows:

- Bring forward looking ideas to the attention of Top management;
- Timely reports with substance, emphasizing operational improvement of controls;
- Offer solutions and or recommendations

6. AUDIT REPORT

6.1 Rating of Audit Findings

Audit findings will be classified into risk levels on the basis of criteria mentioned below:

Risk Level	Definition	Number of Audit Findings
High	Significant control weakness that can compromise the system of internal controls, which, as a high priority issue, needs immediate management attention.	
Medium	Potentially significant control weakness that impact system of internal controls, which, as a medium priority issue needs timely management attention.	
Low	An internal control or risk management issue, which present deviations from best practice, the solution to which would lead to improvement in the operational effectiveness and efficiency. Routine management attention is required.	

6.2 Report Rating

Based on the internal audit findings and weaknesses highlighted during the audit, overall rating assigned to the report will be based on the rating criteria mentioned below:

Rating	Description
Unsatisfactory Risk level 4 Red Alert	One or more critical control matters and/ or prevailing important issues of serious concern were noted which exposes the business to an unacceptable risk level resulting from unsatisfactory control environment.
Management action required Risk level 3 Orange Alert	One or more substantial control matters of concern were noted, which, if not corrected promptly could result in unacceptable level of risk.
Opportunity for improvement risk level 2 Yellow Alert	Some needed control enhancements and other issues have been identified which if addressed would result in improving the overall control environment.
Satisfactory No Risk level 1 Green signal	No control matters of concern were noted.

7. AUDIT FINDINGS

The detailed audit findings along with implications and recommendations will be provided as part of the scope of the audit as per given below format. However, this format can be tailored to meet the client's needs if required.

Control Objective	Responsibility of Senior auditor
Audit Finding	Responsibility of Senior auditor
Implications	Responsibility of Senior auditor
Recommendations	Responsibility of Senior auditor
Management Action Plan	To be developed by the client
Implementation timeline & Responsibility	To be developed by the client

8. PROJECT TIMELINE

Without prejudice to the above, the total time required for the audit will be 3 months roughly 550 hours divided between Lead auditor, Senior auditor and audit assistants.

- Mobilization notice of one month is required.

9. OFFER VALIDITY

This proposal is only valid for one month from the time of submission.

10. COST

The audit costs are subject to the audit scope section read with section 2, 4 and 8 of this proposal.

The costs are net of taxes i.e. excluding any taxes which may be applicable in the host country or the client's country and does not include any other costs associated with the process of audit like the costs of any filing or typing assistants which will be charged to the client separately or may be provided by the client. The costs of Business class airfare, 5 star accommodation and local travelling etc will be borne by the client.

Audit costs will be 3 million which will cover the following

- Reviewing Operating Controls that are in place to support significant HR processes like Recruitment, Selection, Training, development, compensation, pay equity, etc.
- Reviewing HR policies and compliance
- Reviewing effectiveness of the HR system like HR strategy, future workforce needs, turnover trends, cost trends, up-skilling and re-skilling according to business plan etc.

Mobilization advance of 50% of the costs will be required along with the mobilization notice.

11. CONFIDENTIALITY

Highest degree of quality standards and confidentiality are assured. A non-disclosure agreement will be signed between the the client and the Lead auditor.

CONTACT US

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