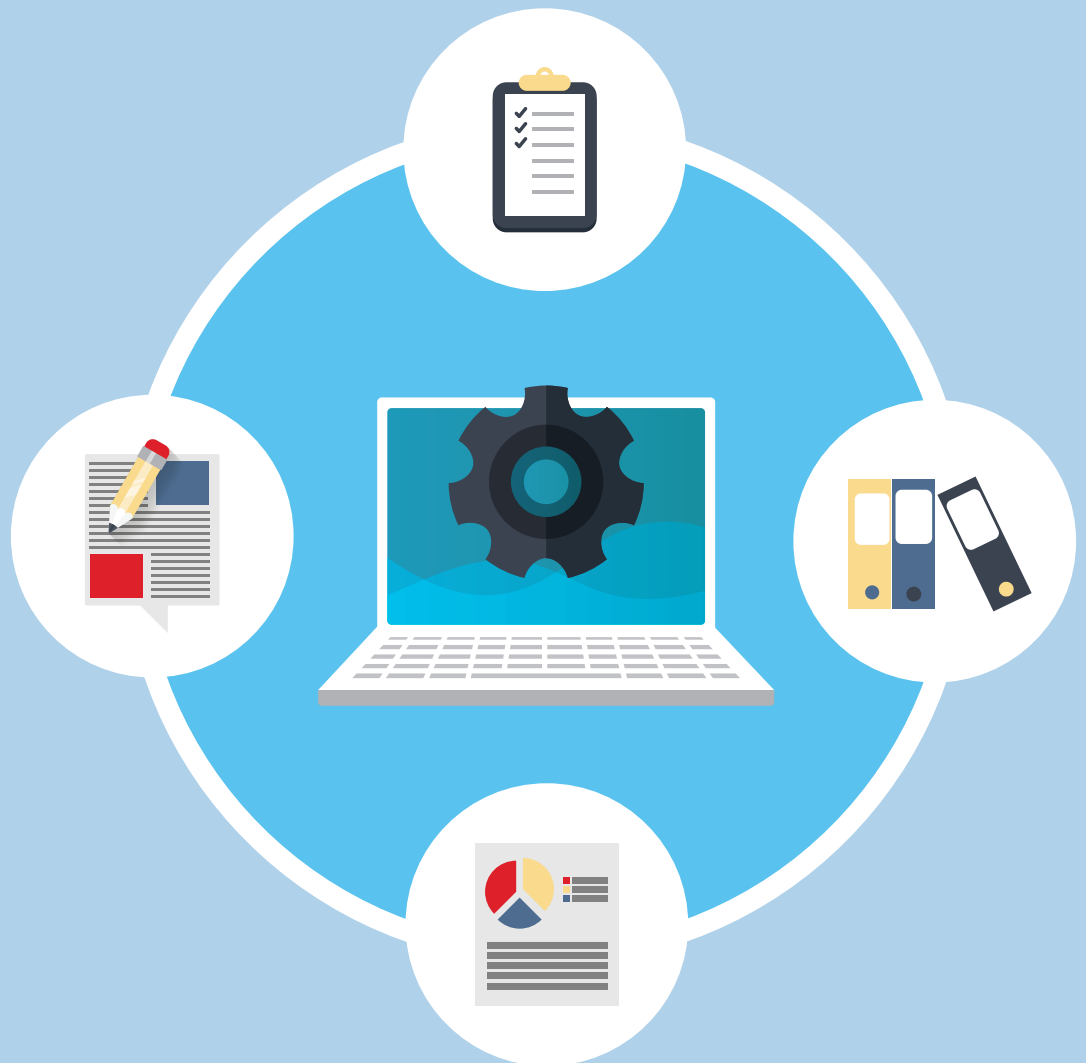


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8 REASONS TO TAKE YOUR BRANCH AUDIT PROCESSES ONLINE



CONTENTS

01 ... Introduction

02 ... Reduce Human Error

03 ... Save on Filing Costs

04 ... Protect your Sensitive Data

05 ... Manage From One Location

06 ... Keep up with Technology

07 ... Utilize Automated Reporting

08 ... Ease Compliance Processes

09 ... Eliminate Communication Gaps

10 ... Conclusion



INTRODUCTION

In the complex, highly regulated financial services industry, audits are a fact of life. Every year, your firm's internal audit department descends from its corporate headquarters to review your company's various branch locations - rifling through old documents, interviewing representatives and looking for areas in which your firm may not be fully compliant with an exhaustive, exacting list of standards and regulations.

No matter how well you manage this process, as soon as an audit is announced, it typically leads to long days spent poring over checklists, examining files and prepping reports.

For companies still using a paper-based system, this process becomes even more time consuming and cumbersome than it should be. Instead of focusing on identifying areas of risk, auditors are left rifling through stacks of paper and opaque data to determine whether or not compliance objectives have been met. While a majority of firms have turned to on-demand audit management solutions to streamline this process, others are not yet convinced.

This whitepaper discusses the strategic benefits of transitioning your paper-based audit management solution to an easy-to-use, online platform.



REDUCE HUMAN ERROR

Have you ever forgotten to follow-up on something you said you would?
Or misplaced an important document while doing a little spring cleaning?

Human errors happen, but with the right tools they can be greatly reduced.

Utilizing an on-demand branch audit management solution can help you reduce clutter and lower the possibility of 'human errors' that are commonly found within manual processes.

Not only that, but an online solution means that forms and policies are standardized, typed text is legible, risk is automatically calculated, reports are auto-generated and worrying about lost, stolen and damaged documents will become a thing of the past. By creating a controlled audit environment, you help improve your firm's operational efficiencies and increase employee productivity.



SAVE ON FILING COSTS

Going “green” could save your company more money than you might think.

In fact, according to CEO Image Systems, the average organization spends about \$20 to file each paper document in a folder or filing cabinet, approximately \$120 searching for a misfiled document, and \$220 in re-creation of a document.

Once you factor in the cost to order paper, print documents and transfer and warehouse materials, the total cost is **ASTRONOMICAL**.

With an on-demand branch audit management solution, firms can lower costs by automating document retrieval/retention, reducing paper overhead and eliminating manual, time-consuming tasks. Digitizing documents also frees up storage space and reduces the costs associated with shipping/mailing paperwork across company facilities.



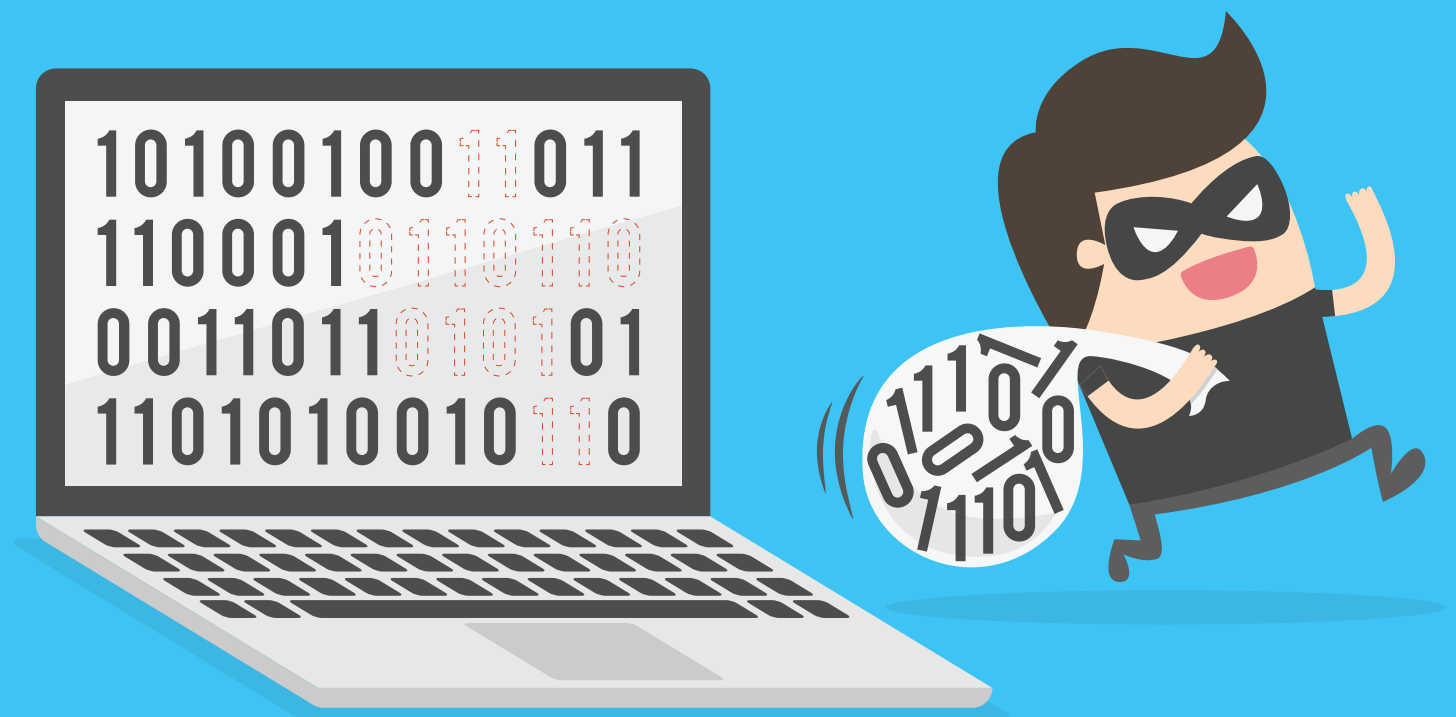
PROTECT YOUR SENSITIVE DATA

Even a locked file cabinet is vulnerable to being broken into by someone with prying eyes.

In a paperless office, it's easy for your firm to enforce several levels of security, such as setting individual and role-based login credentials within the system as a way to ensure that unauthorized users are denied access to private information. Though many are still concerned with the idea of putting sensitive data online, secure storage systems offer more layers of security than a small lock on a filing cabinet (i.e. dedicated firewalls, intrusion detection systems, user tracking, etc).

On top of that, the best audit management systems will come equipped with **WORM** storage capabilities.

This electronic record preservation system ensures that all documents are kept in a non-rewritable and non-erasable format; whereas loose papers run the risk of being misplaced, tampered with or disposed of if not managed and stored properly.



MANAGE FROM ONE LOCATION

On-demand audit management technology can help your firm create a centralized location for easier access to information, allowing auditors to seamlessly create and initiate audit assessments from the convenience of a laptop or tablet.

Need to locate a policy?

Find it in seconds using your platform's search feature.

Want to know your ongoing Audit Risk?

Automatically generate the information.

Interested in learning more about a specific representative while on-site?

Simply click their profile and access their audit history.

Honestly, it's that easy!



KEEP UP WITH TECHNOLOGY

Technology is playing an ever-increasing role for regulators today. Can you say the same about your firm?

In the last couple years alone, FINRA has adopted the eFOCUS platform, created the BrokerCheck system and established an Innovation Outreach Initiative to create an open dialogue about financial technology with the securities industry. Congruently, the SEC has launched FinHub, an online source that allows professionals to directly engage with SEC staff to learn about their views and actions in the FinTech space.

In a technology-based world that refuses to slow down, it's safe to say that regulators will continue to update their processes and launch new technologies that will affect your day-to-day. The last thing you want to do as a firm is fall behind the technology curve.

Utilizing a web-based platform will make it easy for you to quickly comply with any changes as they come down the line and better prepare your firm for a future of RegTech tools.



UTILIZE AUTOMATED REPORTING

Even at their most detailed use, Excel and paper-based documents can only provide auditors with a limited view of their firm's operational risk.

Using a web-based audit management system, firms can automatically generate and distribute detailed audit reports, replacing the cumbersome process of manually dissecting data on an audit-by-audit basis.

By streamlining this process, firms can free up time and resources being spent to aggregate and format reports and provide compliance administrators with the ability to identify real-time trends impacting the organization's performance. In seconds, you can track the status of each nationwide branch audit, as well as corresponding risk deficiencies, auditor feedback, questionnaire responses, and much more in an easy-to-view summarized report.



EASE COMPLIANCE PROCESSES

While on-demand audit management technology cannot automatically make your firm compliant, it can ease the burden of complying with increasingly stringent examination rules, recommendations and requirements.

Using technology to drive root cause analysis is by far one of the easiest and most efficient ways to identify and manage risk. By monitoring the real-time performance of an audit, firms can proactively identify compliance gaps and initiate quick remediation, avoiding fines, negative press, and legal actions associated with compliance failures.

Additionally, audit trail functionality ensures that all electronic correspondences are archived and time-stamped to dictate accountability and comply with all books and records requirements



ELIMINATE COMMUNICATION GAPS

Today, the connection and communication between your firm's internal auditors, branch supervisors and compliance professionals is more important than ever. Too often, internal audits fail to address risk areas that may have the most impact on the organization's objectives because they're more focused on gathering information than they are using it.

Advanced capabilities such as risk alerts, notifications, and trend analysis can help drive conversation among staff, creating a more transparent audit environment.

On top of that, your program administrators will never have to call, email, or text to check-in on the status of the audit because they can easily login to the system and review it in real-time.



CONCLUSION

Moving from paper-based to digital branch audit solution can be a life-saver for any audit team and making the switch doesn't have to be difficult.

Think of it this way. If you're searching for records in the file cabinet, work-spaces, offsite and everywhere in between, you might as well be putting in extra time at work.

An online solution lets you consolidate core audit information into a central location and make it available whenever and wherever you are. Time is on your side. Human error is eliminated, files are secure and your audit team achieves more. Advanced features such as click-to-collapse surveys, automated bookmarking, and offline sync help bring to life this type of 'anytime, anywhere' audit experience.

If you've had it with the headaches, frustrations, costs and paper cuts caused by your current audit workflows, give us a call at (877) 593-3366 or e-mail info@questce.com to discuss how Quest CE's branch audit management solution can help you.

