

“There are many other ways to make training, besides power-point presentations” – Monica Lisa

Welcome to the 7th newsletter of PEM-PAL Internal Audit Community of Practice.



Newsletters are for PEM-PAL members and anyone who is interested in keeping up to date with the latest PEM-PAL activities. In this newsletter we present the ToT Workshop for ExCom members and the 2nd Big Plenary meeting in Zagreb, Croatia – Challenges in public financial management reforms: Management accountability in budget execution.

Contents:

- ToT workshop for ExCom members
- Training tools and methods
- Suggestions about facilitation
- 2nd Big Plenary
- Discussions and conclusions
- Newcomers
- Special thanks!
- Next Activities

The objective of the ToT workshop was to help trainers and facilitators be creative and to apply a range of innovative training and assessment tools and methods.

The workshop was led by Monica Lisa - expert in training (ITC ILO, Turin,

Italy).

“If I had an hour to solve a problem and my life depended on the solution, I would spend the first 55 minutes determining the proper question to



ask, for once I know the proper question; I could solve the problem in less than 5 minutes.” /Albert Einstein

On the first day we discussed the following questions:

1. Why are you here?
2. What are your main challenges in relation to training and adult learning?
3. What is the greatest innovation you have seen in training and adult learning?

Workshop participants were interested in learning new training methods, solving communication conflicts, learning alternatives to power-point presentations and including more practical activities. The major difficulties they see in training processes are time management, the language barrier, lack of skills and defining training needs.

Elements of the training cycle were presented as well as a number of innovative tools and training methods. These included:

1. **World-café**¹ – an



improved way of holding small group discussions about questions that matter.

2. **Mind-mapping tool** -



¹ <http://www.theworldcafe.com/>

a diagram used to represent words, ideas, tasks;

3. **Other online and face-to-face tools and techniques** including Prezi²– a zooming presentation editor, Wordle³, Jig Saw, Animoto⁴, Open Space⁵, Fish Bowl, Collage.

Don't use in training such objectives as: "People will learn, people will know, etc", because we cannot assess them. Use practical verbs!!!



The second day, as well as practicing some of the tools and methods learned, Monica explained the need for creativity in the training process. She underlined that often we stop children from being creative and educate them in a "correct way".



Marius Kohen & Deanna Aubrey presenting the way a successful training event should be (through collage tool)

SUGGESTIONS ABOUT FACILITATION

We have 4 principles in Open Space:

1. Whoever come – are the right people;
2. Whenever it starts it's the right time;
3. Whatever happens is



² <http://prezi.com>

³ <http://www.wordle.net/>

⁴ <http://animoto.com/>

⁵ <http://www.openspaceworld.org/>

4. Whenever it is over, it is over.

"PEM PAL is the Facebook of Public Finance Management."/Tomislav Micetic

After 2 days of ToT, the 2nd Big Plenary meeting started – 177 members from 21 countries were present.

During the first day of the Big Plenary the experiences in Public Finance Reforms of Netherlands, UK, Croatia, Slovenia and South Africa were presented. A lot of questions were asked, so participants were invited to write down the questions and get all the answers during the whole event.



Bill Dorotinsky (The World Bank) underlined the need and the trend for delegating responsibilities to line ministries in preparation and execution of budgets. It is a great challenge to change the budget in the way that it helps managers in decision making.



Marco Laar (MoF Holland) noticed that responsibilities are delegated far down within public entities, but there is a need for checks and balances.

Daniela Stepic (MoF Croatia) shared the Croatian experience as being a candidate country for EU. She presented the importance of the new Law on Fiscal Accountability, which aims to raise managerial accountability.

Ray Shostak (UK) said that government objectives should be set according to public needs. The idea is to reduce the power of

the Government and to engage people in setting objectives.

"Being a taxpayer, I don't care when I listen to governmental reporters on how much they spend for health, education etc. For me it is the performance that counts, what they had achieved according to the public needs!!!"

New Comers!!!



It was good for me to hear all the problems, difficulties, and exchange among countries. All my colleagues want to make things better. In Bulgaria IA is a new profession, where you should work with your heart, not only with your mind.

Doroteya Dimitrova-Manolova, Bulgaria

It is my 1st time in PEM PAL. I see it very interesting, where we can get most necessary information we need in order to perform better job in IA. The most important I got is the role of IA as an advisor for the manager.



Senka Sogorovic – Senior Internal Auditor, Ministry of Culture, Croatia

Beverly Trayner was the facilitator for parallel sessions for IA Cop. During these 2 days, IA COP members discussed questions related to IA and managerial accountability, the role of IA in auditing the budgetary process, limitations of IA, reporting on efficiency and effectiveness in the use of budgetary funds, etc.

From these discussions, IA COP members made the following conclusions:

- IA have limitations in auditing the budget preparation, which are related to centralized finance system;
- For the very beginning IA should have the role of an advisor;
- Now we audit budget execution, but we should move towards auditing performance;
- Government reports on expenditures rather than on efficiency and effectiveness;

- It is important to see which strategic objective of the Government we are connected to (every department);
- Separation of duties – to have or not to have;
- We are good at figures, but not with performance.

The work was followed by Jean-Pierre Garitte's presentation of the next iteration of the IA Manual template. He connected IA manual objectives with IA manual framework according to IA cycle.



Tomislav Micetic made a presentation on the work that was done during the past IA Cop event, regarding Public Sector Internal Auditors Body of Knowledge for

Training and Certification process.

Agenda activists had to propose topics for the next PEM PAL COP working sessions:

1. Audit committee;
2. Performance Management;
3. Auditing ethics;
4. Outsourcing IA;
5. System audit;
6. Case study of an internal audit mission;
7. How to assess the internal control.

Critical friends had to present positive aspects and improvements for future workshop meetings:

Positive things are:

- Sharing experiences;
- Communication increase;
- UK expert.

Improvements:

- There should be a presentation for IA COP about managerial accountability;

- The room is too noisy;
- Translate the questions into Russian and Serbo-Croatian before the event.

After the event, the members of the Executive Committee had a meeting regarding the work that should be done for the future event.



At the end of the Big Plenary there was a wrap-up, and the members gave their feedback regarding the event.

Committee from the members present on the workshop:

- Tomislav Mičetić (Croatia) - Chair
- Arman Vatyán (Armenia)
- Ljerka Crnković (Croatia)
- Albana Gjinopulli (Albania)
- Diana Grosu – Axenti (Moldova)
- Cristina Scerbina (Moldova)
- Zamira Omorova (Kyrgyz Republic)

Special thanks:

- **Jean Pierre Garitte, Joop Vrolijk and Noel Hepworth** - SIGMA experts
- **Tomislav Micetic** – as the host
- **Arman Vatyán**, PhD, FCCA, Country Senior FMS for Armenia and Georgia - The World Bank
- **Beverly Trayner**, Facilitator, Consultant USA
- **Senka Maver, Bojana Crnadak, Tina Žagar and Nataša Zmrzljak**,

Center of Excellence in Finance – Slovenia – PEM-PAL Secretariat

- **All presenters and members in active participation on the workshop!**

PEM PAL is a school where everybody can be a teacher and a pupil at the same time./Tomislav Micetic

Next activities:

- June 2011 – IA Manual and T&C Working Groups

Editors and design:

- Cristina Scerbina
- Tomislav Mičetić

Logistics: CEF

The Public Expenditure Management Peer-Assisted Learning network (PEM-PAL) represents a multilateral effort to develop capacity and share reform experiences among countries in Central Asia and Central and Eastern Europe. PEM PAL was initiated in 2005 to respond to need to enhance domestic capacity in public expenditure and financial management, through peer-learning and exchanges among practitioners from the Eastern Europe and Central Asia region. PEM PAL has been supported by the World Bank, the OECD, DFID, the US Treasury, SECO, GTZ and InWEnt. The PEM PAL Secretariat is under the responsibility of the Center of Excellence in Finance (CEF) in Ljubljana, Slovenia. Three communities of practice, for budgeting, treasury, and internal audit, have been formed, bringing together practitioners at the most senior levels in these specific fields of public finances. More information about PEM PAL can be found on the PEM PAL website: www.pempal.org

