UNIVERSITY OF TOLEDO INTERNAL AUDIT DEPARTMENT
DEVELOP AND TRAIN EMPLOYEES

Control practices

The following control objectives provide a basis for strengthening your control environment for the process of developing and training employees. When you select an objective, you will access a list of the associated business risks and control practices. That information can serve as a checklist when you begin reviewing the strength of your current process controls.

This business risk and control information can help you assess your internal control environment and assist with the design and implementation of internal controls. Please note that this information is at the generic business process level and many companies will need to go beyond generic models to address the specific business processes that support the financial and nonfinancial disclosures being made. You can combine the insight of this business risk and control information with your industry-specific knowledge and understanding of your company's environment when conducting internal control assessments and designing and implementing recommendations.

Effectiveness and efficiency of operations
    A. Employees receive adequate and relevant training.
    B. Personnel are aware of required ethical standards.

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Effectiveness and efficiency of operations

A. Employees receive adequate and relevant training.

Business risks
- Training requirements will not be adequately identified.
- The probability of errors will increase.
- Operations will be less efficient.
- Employee morale will decline.

Control practices
1. Develop training requirements for all employees.
2. Solicit opinions and ideas from management, supervisors, and employees to identify training needs.
3. Use external education specialists to assist in the preparation of training materials.
4. Use qualified and adequately prepared senior personnel or outside experts as training instructors to emphasize the importance of training and to ensure its effectiveness.
5. Gather feedback from training participants for continuous improvement.
6. Obtain regular feedback from employees to understand and anticipate future training needs.
7. Analyze problems that occur within the company's business processes for indications of potential deficiencies in knowledge and skills.
8. Analyze non-training procedures as alternatives to training. For instance: recruit qualified people with the requisite knowledge and skills; define the knowledge and skill set requirements of each job; communicate expectations to employees regarding the knowledge and skills necessary to fulfill their responsibilities; and align performance measures with defined job descriptions.

B. Personnel are aware of required ethical standards.

Business risks
- Employees will engage in business dealings that conflict with company objectives related to ethical and fair trading.
- Employee morale will decline due to uncertainty about management's expectations.

Control practices
1. Implement a written code of conduct to govern employee behavior.
2. Ensure all new employees are aware of the code of conduct, which is reviewed with them during their orientation.
3. Take appropriate action when employees violate the code of conduct.