Deloitte.

Senior Manager talent standard

Audit

Building a *globally uniform level of quality and capability* in our core services so that our clients experience a *consistent, exceptional Deloitte* is critical to become the undisputed leader in professional services. The following standard defines the capabilities required at the Senior Manager level for our Audit business.

Leadership capabilities

We expect practitioners at all levels to embrace and live our purpose by challenging themselves to identify issues that are most important for our clients, our people, and for society and *make an impact that matters.* There are seven Leadership capabilities that we require from all Senior Managers across the organization regardless of service line. Behavioral anchors for each capability are described below.

Capability	Description	Behavioral anchors
Living Our Purpose	Acts as a role model and inspires others to embrace and live our purpose and values	• Leads by example; is a role model in living our values • Inspires others to raise the bar and deliver outstanding value to our clients, colleagues and communities • Seeks out opportunities to recognize individuals and teams for the impact they make; connects their contributions with our broader purpose
Talent Development	Actively contributes to building the talent pipeline; creates a talent experience that attracts, develops and retains top talent and high performing teams	• Identifies skills needed for the future, spots and develops high potential talent to meet emerging needs • Coaches and mentors managers and other team members to develop and capitalize on their strengths and prepare them for transition to the next level • Creates an experience within the teams they lead that attracts and retains top talent
Performance Drive	Creates opportunities to drive impact; anticipates client needs and delivers superior results by leveraging each person's strengths to build high performing teams across businesses and borders	• Aligns team roles with individual strengths to build and inspire high-performing teams • Coaches and empowers team members to stretch their capabilities and ensures they have access to the right resources, within and across businesses and borders, to deliver results • Provides timely recognition and feedback, while holding people and teams accountable for results
Influence	Builds deep relationships across a diverse network and uses a flexible influencing style to gain buy-in and drive impact	• Builds broad and deep relationships, that span organizational boundaries, and include a diverse network of internal and external stakeholders • Effectively uses a wide range of influencing tactics, can respond effectively to complex organizational or political climates • Anticipates potential conflict based on knowledge of interpersonal and group dynamics; proactively takes steps to prevent or resolve it
Strategic Direction	Translates broader strategy into a compelling team vision and goals; aligns the team and sets priorities to achieve objectives	• Clearly communicates direction to team(s) in line with overall Global, Business and Member Firm strategies • Capable of creating, owning, and articulating a compelling vision and goals for multiple teams, helping people at all levels to understand how the parts fit together into a whole
Competitive Edge	Applies deep knowledge of disruptive trends and competitor activity to drive continuous improvement	• Actively monitors competitor activity to identify opportunities to improve Deloitte's competitive advantage • Drives continuous improvement by identifying and implementing leading practices • Leads and contributes to development of innovative methods and tools that increase the impact of our service offerings
Inspirational Leadership	Establishes a strong leadership brand and inspires followership through passion, integrity, and appreciation of others	• Known for building energy and momentum within and across diverse teams • Demonstrates confidence and belief in self and others; inspires followership • Serves as a role model for integrity, respect and appreciation of others, including their unique strengths and differences

Technical and Professional capabilities

Below are the Technical and Professional capabilities for Audit Senior Managers:

Capability	Definition	Behavioral anchors
Stakeholder Focus	Integrates deep insight into stakeholders' needs with audit and risk advisory expertise to deliver complex engagements	• Establishes themselves as a trusted expert by satisfying individual needs for a diversity of stakeholders whilst providing insightful challenges to business processes • Identifies the entity's strategic audit and risk priorities and highlights these to key stakeholders, proactively offering strategic insights to address these
Become experts in risk assessments and audit responses	Takes a broad, strategic view in risk assessment and controls strategy and demonstrates deep knowledge of the entity's complex business processes tailoring the audit approach, as appropriate	• Makes sure that risk assessment procedures were appropriately considered in the development of the plan, execution of audit procedures, and evaluation of audit results • Liaises with the Partner to discuss the risk assessment. Keeps Partner up to date on any developments at the entity with risk implications so that they have all information necessary to make decisions • Reviews documentation of complex flows of transactions and the planned audit response early in the audit cycle to allow for timely assessment of (a) the planned audit approach or (b) the entity's internal control environment. Determines that appropriate evidence has been obtained where we intend to rely in the operating effectiveness • Contributes knowledge and perspective to the risks, materiality and scope discussions for the audit report and checks the audit plan covers all the relevant areas with consideration of wider business issues. Considers messaging from National Audit Office, trends in audit reporting and peer reporting via National Audit Office tools and publications • Considers external perspective on the entity prior to drafting audit report by reading analyst reports, surveys of audit reporting from Deloitte and others, etc. • Demonstrates a thorough knowledge of the entity's systems and Audit pain points and recommends appropriate analytics from either the audit team or specialists • Challenges teams to consider changes that would improve risk assessment procedures by discussing the risk assessment during the engagement team discussions. Reviews documentation to determine that improvements have been implemented and documented • Ensures that the team is fully aware of the accounting standards and that changes to accounting standards are documented and addressed through increased focus

Integrate engagement teams and manage referred work	Integrates the contribution of auditors, experts and specialists while leading the engagement team	- Holds in-person meetings with component auditors to discuss current areas of focus and how those areas will be addressed during the current audit. Reviews documentation of the oversight of component auditors and checks for completeness - Includes the expert/specialist in audit planning meetings to discuss planned involvement of the expert/specialist and sets expectations regarding the application of an appropriate level of professional scepticism by the expert/specialist - Obtains the expert's/specialist's insights regarding the entity's processes and any potential for control issues based on the expert's/specialist's knowledge and prior experiences. Discusses the expert's/specialist's findings and the implications for the audit - Identifies opportunities to introduce a specialist to the entity's management team e.g. to present on plans to improve its IT infrastructure - Actively participates in the group risk assessment and planning of work to be performed by component auditors. Reviews referral instructions on a timely basis and evaluates responses from component auditors. Resolves issues identified, including where work has been referred to challenging environments - Understands the expert's field of expertise sufficiently well to determine the nature, scope and objectives of their work. Explicitly evaluates the competency, capability and objectivity of the expert to perform that work - Understands the requirements of when to hold discussions with IT specialists, appropriately evaluates when further involvement is required and when the work can be appropriately performed by the audit team, is able to articulate the importance of recognised IT security procedures to an entity's business - Builds strong relationships with onshore and offshore Centres of Excellence and/or the assigned USI manager, communicating the scope of work up front, integrating the team into the audit team, considering their recommendations for how they could further assist on the engagement and supervising their work to give seamless delivery
Make appropriate use of tools, guidance and methodology	Demonstrates an informed and in-depth understanding of tools, guidance and methodology in shaping the overall audit approach	- Is familiar with analysis on audit reports, uses the Guide to audit reporting, has read several other audit reports in the same industry before drafting a new report - Considers whether the existing reporting and governance processes provide an opportunity to bring insight and benchmarking around the Annual Report including integrated reporting. Uses experts, surveys and tools to provide this - Drives the audit team in a robust approach to revenue testing by: utilising process flow diagrams for material revenue streams, gaining a deep understanding of the entity's recognition policies and how they relate to terms and conditions, actively considering the appropriateness of a controls reliance approach, and developing a tailored approach to address the risk of fraud - Is able to leverage the audit approach manuals and other Deloitte manuals effectively to resolve queries regarding the appropriateness of the audit approach and the content of Deloitte-issued reports - Chooses an appropriate file structure for each engagement, including complex group engagements, engagements where fieldwork is performed by overseas firms and other assurance engagements including interim reviews. Consults on the best structure where appropriate - Drives the team to adopt a robust approach to journal entry testing, linking the selection of characteristics of interest to the fraud discussion and leveraging computer-assisted auditing techniques where appropriate. Makes full use of tools available and provides appropriate robust challenge when tools are used - Navigates EMS with ease to perform effective reviews of documentation and the audit approach. Drives timely completion of the engagement profile sub-phase and use of the mid-engagement content update tool

Manage project plans to optimize engagements	Plans and monitors delivery of complex engagements, drawing on appropriate resources and communicating expectations clearly to guide the team towards efficient performance	- Develops and reviews comprehensive project plans for complex engagements early in the audit cycle, that include clear timescales, co-ordination with the extended engagement team, has a clear contingency plan to mitigate the risks of unseen obstructions, and has adequate resources with the required skills and knowledge for testing - Communicates the project plan and any entity related dependencies (e.g., documentation, reviews) with the entity's management team so that they are aware, at the beginning of the audit, of any repercussions (e.g., deadlines, fees) due to deviations from this plan. When slippages arise, clearly ascertains how they arose and negotiates overruns with the entity's management team where appropriate - Performs early manager or EQC reviews, prioritising challenging areas to help facilitate the application of professional scepticism; raises succinct review notes such that it is clear how the matter is to be addressed. Discusses more complex areas with the engagement team to agree further work - Manages the project plan for complex engagements by ensuring that key activities are completed, and key milestones are achieved by the intended deadline and those responsible are held accountable. Obtains feedback from the team and the entity regarding the effectiveness of the project plan and progress against it - Facilitates timely archiving of working papers after report issuance by: reviewing work and resolving conflicts on a timely basis, planning for relevant staff to be available for the archive process and approval. Understands and manages the EMS implications of multiple opinions relating to the same engagement. Anticipates circumstances that might necessitate extension of the archiving deadline and submits requests for approval on a timely basis - Identifies areas of the audit plan which could be executed in a different, more efficient, or more innovative way than on prior audits, including through the use of Centres of Excellence and analytics and other innovation tools. Gathers feedback from the entity's management team and shares good practice examples with the firm - Understands clearly how the audit plan links to the engagement budget and checks that both consider the use of Centres of Excellence, changes in technology and changes in methodology and changes in the entity's management team's circumstances, and has a contingency allowance where new approaches are being used - Tracks and reports actual hours of performance, captures accurate and timely estimates to complete and document explanations of variations from budget. Steers the team towards efficient performance. Considers whether changes in the audit plan or staff allocation may improve engagement economics in the following year without compromising quality. Meets cash collection targets
Formulate reasonable judgements and conclusions in order to deliver informative and timely outputs	Critically evaluates and reviews evidence and documentation to ensure that robust judgments are made and appropriate professional skepticism is being applied	- Reviews documentation by anticipating questions that third parties may ask - Reviews working papers in complex areas; critically evaluates the audit evidence, including contradictory evidence, and considers whether working papers demonstrate that professional scepticism has been applied and sufficiently describe the basis for conclusions - Consults with the Engagement Quality Control Reviewer and/or others in areas involving difficult judgements or subjectivity. Applies professional scepticism by considering alternatives to management's assertions when arriving at audit conclusions - Facilitates application of professional scepticism by driving early consultation with relevant facts in areas where consultation is either mandatory or necessary for the relevant experience, objectivity and knowledge to be applied in forming a judgement - Challenges the entity's management team on accounting treatment on provisions which is different to the approach taken by other companies in the market - Reviews working papers in complex areas, challenging whether documentation (a) demonstrates the application of professional scepticism, without over-relying on prior audit knowledge or management's representations, and (b) fairly reflects the application of the concepts applied in reaching a conclusion - Gathers information on competitors or market data and makes decision on appropriate accounting treatment, based on the information gathered

Apply Ethical and Professional Standards	Takes ownership of all business security, ethical and compliance matters in relation to the audit, ensuring that team members comply with the firm's standards	• Has attended learning relevant to engagement liability; has a thorough working knowledge and suggests appropriate liability caps. Reviews engagement letters for audit and non-audit engagements for compliance with the firm's standards and consults where appropriate. Consults with the lead client service partner (LCSP) prior to agreeing work • Is alert to DPM requirements regarding circumstances where we identify or suspect non-compliance with laws and regulations, fraud and money-laundering offences. Is aware of the money laundering procedures. Discusses any potential money laundering offences with the MLRO • Engages with the firm's quality control procedures by, for example, ensuring appropriate reviews are carried out on a timely basis, providing effective challenge as part of the EQCR team on larger engagements, ensuring that points raised are closed down with sufficient rigour even during busy stages of the audit • Uses the DPM to consider any independence risks associated with potential assurance options and other service offerings. Understands that there is a range of safeguards that can be put in place to address any independence threats. Puts safeguards in place to address threats prior to acceptance • Commits to audit quality by driving improvement of prior year testing and consistently challenging whether the global audit imperatives have been reflected in the planning and execution of the audit • Commits to professional competence by participating in delivering Essential Professional Updates, EQCR webcasts or other technical training, providing accurate and relevant advice to colleagues and contributing to the firm's industry or sector content • Completes compliance training and responds promptly to compliance requests by deadlines. Understands their personal independence responsibilities, including business relationships, and complies with them • Understands their business security responsibilities, models best practice and actively encourages appropriate behaviours of engagement teams