Understanding the powers of persuasion and applying key rhetorical skills can improve the work of any internal auditor.

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Internal auditors are fortunate to have robust professional standards to help guide and inform the performance of their work. One of the main pillars of these standards, of course, is the need to remain independent from the organization so that audits can be conducted without bias. Independence helps better position auditors to identify solutions to key problems, and it prevents them from taking direct action to implement those solutions.

Within the ambit of their professional requirements, practitioners can only persuade others to act. And while persuasion may not be a formal requirement for auditors, the ability to persuade is key to the success of their work. Even a beginning auditor quickly realizes that presenting evidence collected during fieldwork merely as a succession of facts often doesn’t convince clients to take action. To capture stakeholders’ attention, and elicit a response, auditors need to possess a degree of rhetorical skill.

Although rhetoric is a complex subject that can take years of study to master, the basic principles are relatively easy to grasp. Understanding these principles and applying them to the practice of internal auditing can help internal auditors get their messages heard — and acted upon.

THE TRIVIUM

Rhetoric refers to the use of language to persuade and instruct. Through the Middle Ages, European universities taught rhetoric to beginning students as one of three foundational topics known as the trivium. Logic and grammar, the other two foundational topics, refer to the mechanics of thought and analysis, and the mechanics of language, respectively.
Internal auditors essentially follow the trivium in their work. After gathering evidence through fieldwork, they apply logic to analyze evidence and identify problems and solutions. They also use grammatical rules to structure text within reports and memoranda.

Applying the trivium requires a balanced approach — too much focus on the mechanics can lead to ineffective communication. Internal auditors need to consider all three trivium components evenly and avoid the common trap of collecting too much evidence or performing too much analysis in the belief that it will help strengthen their reports.

Although most individuals learn grammar early in life and are taught to analyze evidence in college, seldom do students receive direct education on rhetoric — except perhaps through an undergraduate class in English or philosophy. Even then, instruction typically lacks specific focus on business writing or internal audit reports. Moreover, a large portion of internal auditors are accountants trained to focus on numbers-based financial information. Yet in practice, most auditors are required to devote a great deal of time and effort to work that demands skillful application of the written word. For this reason, many practitioners can benefit from additional guidance on how to apply key principles of rhetoric to their work.

ARISTOTLE’S TRIANGLE

The Greek philosopher Aristotle, considered the “father of rhetoric” by many scholars, defined three key components of rhetoric — the speech itself (text), the speaker delivering the speech (author), and those who listen to the speech (audience). Collectively, these components form the Rhetorical Triangle. For internal auditors, the triangle’s three points equate to the report or memoranda, the engagement lead, and clients or stakeholders.

All three of the rhetorical triangle components are interrelated, and they are essential to the success of internal audit consulting or assurance work. Each should be considered before any engagement and kept in mind throughout the engagement life cycle—especially during the reporting process.

The Author Although the engagement lead would be considered the primary author, each of the engagement team members plays a supporting role by authoring observations and recommendations that are then compiled into an integrated report. The draft reviewer also has a role to play, ensuring that the final report meets the internal audit function’s standards and fulfills the purpose defined in the planning document. “Authors Within an Engagement,” on page 58, summarizes the typical authors, using an accounts payable audit as an example.

The Audience The intended audience should be considered with each engagement. Audience members are not homogeneous—each will have different perspectives and
expectations. For this reason, internal auditors need to consult with them and consider their perspectives before the engagement begins. Using the “Responsibility Assignments for the Engagement Audience” matrix (page 59), based on an accounts payable audit example, can help identify key audience members.

The Written Text Once engagement fieldwork has been completed, the authors compose a written report containing the results of the audit work. The report represents perhaps the most important communication from the audit process, and the best chance to get management’s attention.

THREE TYPES OF APPEALS

When crafting the audit report, three separate but interrelated “rhetorical appeals,” originally defined by Aristotle, need to be considered and applied: ethos, logos, and pathos.

Ethos is an appeal to the audience’s perception of the honesty, authority, and expertise of the author. Closely related to reputation, ethos is established when the audience determines that the author is qualified, trustworthy, and believable. Because the term ethics derives from ethos, adhering to The IIA’s Code of Ethics supports this appeal.

Speaker and business consultant Harry Beckwith’s book, *Unthinking: The Surprising Forces Behind What We Buy*, discusses how key marketing principles linked to the drivers of human behavior fit within a general rhetorical framework. Several questions adapted from the book’s “Unthinking Marketer’s Checklist” can help internal auditors determine how well they fulfill the ethos appeal:

> What assumptions does your audience likely make about you and internal audit, what you produce, and the level of service or advice you provide?

> Is there a way to take advantage of their positive assumptions? What can you do to overcome their negative assumptions?

> Do you create the expectation that what you produce and the level of service or advice you provide will be exceptional?

> Are you using all available marketing channels to create an impression of excellence?

> Are you managing all your processes to ensure that you regularly meet, and sometimes exceed, expectations?

The need to consider ethos begins long before the start of the engagement. Ethos is supported by the structure and governance of the internal audit function as well as by the selection of team members — including alignment between the type of engagements to be performed and the team’s qualifications, education, and training. Ethos appeal is also established by choosing to comply with audit standards and other
professional requirements to demonstrate a high level of credibility, build trust, and gain a favorable reputation.

**Logos** appeals to the audience’s sense of logic, encompassing factors such as the reason and analysis used, the underlying meaning communicated, and the supporting facts and figures presented. The written document’s visual appeal — diagrams, charts, and other elements — as well as how the information is organized, presented, and structured, also factor into logos.

In his book, Beckwith notes the importance of story to convey meaning, and how from the time we’re born we learn about the world around us through narratives. This aspect of logos continues to be important throughout our lives. Beckwith also points out that we “experience the world through our senses, particularly our eyes.” He emphasizes that design and visual attractiveness are key to engaging an audience comprising “visual animals.”

Beckwith uses several questions to assess the design and presentation of material. Two of these questions, which focus on simplicity, may be useful for internal auditors:

> Is what you are presenting easy to understand?

> Is your design simple and beautiful?

Auditors’ need for logos is addressed by their written report’s executive summary, detailed observations, and recommendations, as well as appendices with secondary information that can be used to further instruct the audience. The report describes the drivers and overall purpose of the engagement, findings, and proposed solutions. Ultimately, from a rhetorical standpoint, auditors try to tell a convincing, self-contained short story that conveys key messages to the audience. The structure and format of the report, together with its textual content and visual elements, also support the logos appeal.

Like ethos, the logos appeal is fulfilled long before an individual engagement begins. It starts with the rational, periodic assessment and identification of high-risk areas requiring internal audit’s attention, resulting in development of the strategic and annual audit plans. Auditors then undertake engagements, executing steps to collect valid and relevant evidence to justify conclusions and make meaningful recommendations.

**Pathos** is an appeal to the audience’s emotions, either positive (joy, excitement, hopefulness) or negative (anger, sadness). It is used to establish compassion or empathy. Unlike logos, pathos focuses on the audience’s irrational modes of response.

Aristotle maintained that pathos was the strongest and most reliable form of persuasion. Pathos can be especially powerful when it is used well and connects with the audience’s underlying values and perspective. Used incorrectly, however, pathos can distort or detract from the impact of factual evidence.
Several questions adapted from Beckwith’s guidance can be used to evaluate how well a message appeals to pathos:

> Does your message appeal strongly to emotions, or is it merely rational?

> Have you identified the emotional forces that drive people to accept your observations and recommendations and those that might drive them away?

> Is your message presented optimistically? Is it adequately focused on achieving good outcomes and balanced with avoiding bad ones?

> Is your report story-based? Are you telling the story well? Is it authentic and honest? Will it resonate emotionally with your audience?

Auditors should “walk a mile in someone else’s shoes” and look for ways to better understand the audience’s perspective. Attention to pathos can help support not only audit objectives, but the overarching goal of creating a “win-win” solution. Auditors should also be mindful of their overall tone and word selection, and ensure they balance negative and positive comments — giving credit where credit is due.
To some extent, pathos is interdependent on ethos and logos: Negative results can be reduced somewhat by the positive effect of the other two appeals. For example, audience members are more likely to accept bad news from someone they trust and respect, and who they know has followed a rational, structured approach to the engagement. But at the same time, ethos and logos can be offset by negative pathos. Distributing audit results before stakeholders have had a chance to review them, for instance, could potentially be detrimental to internal audit’s reputation and trustworthiness. Preferred practice generally consists of holding regular meetings with stakeholders over the course of the engagement, maintaining transparency, and providing stakeholders an opportunity to refute audit findings or provide evidence that counters internal audit’s observations.

HUMAN NATURE

All three elements of rhetorical appeals play an important role in communication. And while none should be neglected, auditors should pay particular attention to pathos. As Beckwith observes, “During our decision making, the organ that processes our data sits on the sidelines while our feelings do the work. When our feelings reach their decision, they summon our brains to come in and draft the rationale, a task it does so well that it manages to convince us that it’s right—and that it was in charge the whole time.”

The dominance of feelings over reason is part of human nature, and internal auditors should consider this when planning and executing engagements and reporting the results. By doing so, auditors can help ensure audiences accept their message and make recommended improvements, ultimately promoting the function’s success and that of the clients it serves.
AMPLIFYING APPEALS: ACCOUNTS PAYABLE AUDIT

Putting the appeals into practice requires a focused, concerted effort. Using a hypothetical accounts payable audit, the examples below demonstrate use of the rhetorical appeals as well as the engagement team’s roles and responsibilities.

Enhancing Ethos Ensure the engagement lead has undergone training specific to accounts payable, preferably as a designated accountant, and also possesses experience either working within the accounts payable department or auditing the area as a practicing internal auditor (or even as part of an external audit of the financial statements). The entire engagement team needs to be sufficiently qualified—as demonstrated through a combination of education, certifications, and experience. Moreover, each team member should be listed in the planning document, along with his or her qualifications, and introduced during the opening meeting. When team members possess an internal audit-specific designation, it implies they are required to comply with a clearly defined code of professional ethics, thereby contributing to the ethos appeal.

Maximizing Logos As part of the planning process, internal auditors should perform adequate research before starting accounts payable fieldwork. Research can include the review of internal information (e.g., previous accounts payable reports; recent examples of issues related to accounts payable), as well as external benchmarking information and practical models and frameworks relevant to accounts payable.

The engagement plan and approach should align with the scope and purpose of the accounts payable audit, as described in the planning document. The audit report should convey a strong impression of thoroughness and appropriate follow-through, supported by an adequate understanding of the function and its relationship to business operations. The report should be written following a standard template, defined protocols (including a style guide), and examples of past audit reports.

From a structural perspective, the audit report should be reviewed and edited by the CAE, and perhaps other audit team members, to minimize errors before issuance. The review should ensure that observations are adequately supported by relevant evidence, recommendations are practicable, and the information presented is both clear and concise. In addition, the process should include a checklist of review items such as data
accuracy within tables, consistent use of terms, definition and consistent use of acronyms, correct spelling and grammar, consistent use of fonts, and correct titles and spelling of names.

**Optimizing Pathos** Auditors should devote adequate attention to key accounts payable staff during fieldwork to understand and acknowledge the pressures they face daily, as well as the effect of any recent changes or emerging areas of risk. Accounts payable is a “downstream” function that serves as the last bastion of control before cash leaves an organization, and it is often blamed for the consequences of actions by “upstream” employees or functions. Auditors should keep this potential for finger-pointing in mind throughout the engagement and consider the effect it may have on accounts payable employees. Moreover, recognizing the good work done by accounts payable staff to catch and correct invoice errors before paying vendors, as well acknowledging any information internal audit obtains through accounts payable for identifying upstream risk areas, can help establish an effective relationship.