CHAPTER NINE

9. TOWARDS THE INFORMATION SERVICES AUDIT

9.1 Introduction

Chapter eight of this research study considered that the value of the corporate investment in information services was demonstrated in accountability to corporate management. Statutory requirements demanded that every South African company and incorporated organisation complied with certain operating and reporting practices and procedures. It was observed, however, that library and information services in South African law firms were not necessarily held accountable to corporate management.

The information services audit was proposed as an exercise where the information professional guided a process of accountability that conformed to accepted accounting principles and made provision for the introduction of regular information services auditing.

The development of a framework for the facilitation of an information services audit is the subject of Chapter nine. The framework was perceived to be in accordance with the ten-step management plan outlined by Barlow et al, (1995:138) and with certain principles of the ISO 9000 Quality management system standard that were described in the previous chapter.

9.2 Objectives and principles of the information services audit

The objective of an audit was to form an opinion on the quality of management with regard to controls and performance (Barlow et al, 1999: 310). Documentation in an annual report typically included financial statements and various other statistical reports. An information audit required that the information professional develop management practices and control procedures that could be verified with reference to documentary evidence.
The internal audit embraced concepts of independence, appraisal, service and control, all viewed from the perspective of internal surveillance (Barlow et al, 1999: 11). Unlike the external audit that was required by statutory provision, internal auditing was a voluntary practice that was directed towards evaluation and improvement of internal procedures.

Guiding principles in the development of an information services audit were:

- The internal information services audit was perceived to be an audit carried out by a designated person to verify the financial report submitted by the information professional.
- Where indicated the audit would include examination of other operational areas.

It was the function of the internal audit to examine, evaluate and monitor the adequacy and effectiveness of the accounting and internal control systems in accordance with South African auditing standards (SAICA Handbook, 1999: 9).

9.3 Management process in the evaluation of library and information services

A ten-step management process was described by Barlow et al (1999: 138) in the context of the internal audit. It was a systematic sequence of management actions that had the effect *inter alia* of defining performance standards in the light of operational objectives. When the management process was applied to the provision of library and information services in a South African law firm it was seen to be the means whereby these services might be evaluated.

9.3.1 Understanding the unit's business and establishing what needs the unit is or should be satisfying

The business of the information services unit was identified as the provision of legislative and judicial information to support the work of the practitioner. The importance of identifying stakeholder interests was illustrated with reference to the problems associated with rendering services to parties outside of a particular law firm.
The business of the unit was also viewed in conjunction with fiscal responsibility to the other stakeholder in the unit's operations, its shareholders. Since shareholders in an incorporated law firm were also its practitioners there was no conflict of interest in satisfying the requirements of both stakeholder groups.

9.3.2 Defining the unit's mission

The mission of the information services in an incorporated law firm was derived from an understanding of the unit's business and the core production processes in relation to stakeholder interests. The mission was vested in attainable operative objectives: the creation and maintenance of reliable systems to provide access to reliable, accurate and relevant legislative and judicial information resources.

9.3.3 Identifying the key activities required to achieve the mission

Key activities were identified as those that supported stakeholder interests with regard to legal information for practitioners and also with regard to maintaining the corporate resources.

- Key activities that provided for the needs of core customers included acquisition and organisation of information resources, and direct client-based assistance with reference and research, current awareness, and practitioner training.
- The key activity that provided for the needs of shareholders was the maintenance of financial records and supporting documentation.

9.3.4 Establishing performance objectives for these key activities

Performance standards with regard to core customer requirements centred on access to the information resources and delivery of information services as required. Access implied locating resources that were available, tracing and requesting those that were available elsewhere, and knowing how to use the resources to best effect. Performance objectives were identified in terms of accuracy and efficiency.

Performance objectives with regard to direct client services centred on accuracy and response time.
Performance objectives with regard to the maintenance of sound financial records included methodical recording of all expenses and practical arrangements for accounts to be settled. These records were to be open to scrutiny and to allow for reports to be generated on demand.

9.3.5 Assessing the risk relating to these performance objectives

Risk in relation to core customer requirements centred on failure to adhere to performance standards. Specific issues with regard to after-hours access included practitioner failure to locate required material, unfamiliarity with electronic information resources, and use of unreliable or inaccurate resources. The practitioner who relied on inadequate or inaccurate information failed in his professional duty to his client, the consequences of which were potentially damaging both to his client and to the practice.

Unsatisfactory response time or service delivery compromised the reputation of the information professional and the legal practitioner. Failure to keep accurate financial records resulted in ignorance of the financial and management state of affairs and effective thwarting of efforts to rectify problems.

9.3.6 Deciding what control strategies to pursue

Control strategies centred on developing service quality assurance such that performance objectives could be achieved. Assurance was seen in terms of effectiveness, operational efficiency, reliability of financial reporting, and compliance with applicable laws and regulations (Barlow et al, 1995: 115). Assurance was further identified as the capability for a system to function efficiently and effectively if the work passed into the hands of a substitute operator (Kuper, 2001). ISO 9001:2000.4 identified the stages in the development of systemic requirements for quality assurance in terms of the establishment and description of the operational processes, documentation of procedures, and maintenance of records. The risks attendant on access assumed the absence of information professional assistance, either on account of practitioner preference or as a result of his using the information resources after hours. Strategies to minimise risk included training the practitioners in the most effective way to interrogate information resources, alerting
information users to superseded texts, and annotating legislation to indicate amendments or commencement dates of new legislation. Print-based information resources were complementary to electronic resources; both were maintained to guard against the risks of non-availability of either medium through computer network failure or through misappropriation of print-based resources.

Attention to annotating legislation and other textual material as indicated above applied also to the provision of accurate information resources.

Risk with regard to delivery and proper record keeping was managed with the introduction of procedural checklists and with scrupulous attention to cost accounting and reporting. The aims of procedural and reporting control strategies were to achieve optimal accuracy in the systemic and systematic organisation of information resources and to make provision for substitute service operators.

9.3.7 Implementing appropriate control strategies

Implementation was perceived to be a management function by which proposed control strategies were made operational. Procedures were devised to accommodate customer expectations (ISO 9001: 2001: 5.2) and define managerial responsibilities (ISO 9001: 2001: 5.5).

9.3.8 Monitoring and evaluating actual performance

User surveys were identified as useful sources of information since users were regarded as the best judge of actual performance. They were, however, subjective methods of evaluation. Objective methods involved the analysis of documentary evidence that measured operational activities against the standard of optimal performance. Documents to be inspected and verified were the annual financial statements as well as any reports of performance indicators for which performance objectives were set.
9.3.9 Reviewing performance objectives

As the work of the unit was subjected to the scrutiny of an audit all procedures and strategies were evaluated according to their ability to control or contain risk and in the light of achieving operational objectives. Performance objectives were also subject to review in the light of operational results. Where optimal performance was perceived to be achievable management was directed towards this end. Where optimal performance was not indicated other measures were devised or the objectives were themselves reviewed.

9.4 Preparing for the information services audit as the means of evaluation of library and information services in the South African law firm

The significance of the information services audit lay in the objective analysis of procedure and performance. It was anticipated that an independent examiner would verify the accuracy of documentary evidence. In the absence of such a formal arrangement the management process as proposed by Barlow et al was still seen to be useful in the creation of an internal control system. It was proposed that the information services audit embodied the purpose for which this research study was conducted, namely the investigation of a methodology to evaluate information services. It was furthermore claimed that the information services audit embodied the essential findings of this research study, namely the recognition of accountability as the critical factor in the demonstration of value.

9.5 Summary

The ten-step management process of Barlow et al (1999: 138) was interpreted in the context of library and information services in the South African law firm. It was proposed that the information services audit embodied the purpose for which this research study was conducted, namely the investigation of a methodology to evaluate information services.