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openly and honestly,
contributing their



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The XYZ Company should utilize the Root Cause Analysis to determine the root cause of the ineffective internal controls so that the organization can analyze it and implement effective internal control inside the organization (Orme, 2011).

Once the organization completes the analysis it will be able to define the root cause of the ineffective internal control, determine the core principles behind the problem, identify situations that can be resolved using the analysis, and take actions to successfully implement the analysis in various organizational departments (Orme, 2011). For example, the XYZ Company lacks internal control in developing standardized business processes instead employees develop their own processes to perform their job responsibilities (XYZ Company, 2017). Therefore, the most effective way for an organization to approach this problem is to use team approach to ensure all areas which could have contributed to the problem are identified and addressed (Orme, 2011). This will help the organization to ensure systematic measures are implemented internally to prevent similar problems from reoccurring in the future (Orme, 2011). It's very critical for the XYZ Company to remember that the Root Cause Analysis can be applied using the team approach as well as individually to each employee (Orme, 2011). Root Cause Analysis will allow an organization to determine appropriate processes for identifying the underlying causes of ineffective internal control including actual or possible occurrences of the problems, and then planning, testing, implementing, learning from, and creating solution (Orme, 2011). For example, the operations department at the XYZ Company is made up of eight team members who share many of the same responsibilities but are given the

option to carrying out the responsibilities using different approaches (XYZ Company, 2017).

This process lacks internal control because the department failed to create uniform procedures for employees to follow in order to ensure all tasks are completed as specified and can be backed up by departmental processes document (Orme, 2011). Therefore, the Root Cause Analysis focuses on processes, instead of individuals by identifying and removing root causes of the problem in order to prevent the same problem from occurring in the future (Orme, 2011). Implementing effective internal control by the help of Root Cause Analysis will ensure that all team members share the same goals and communicate openly and honestly, contributing their knowledge, skills, and learned experiences (Orme, 2011). The goal of the team should be to make decisions based on data and facts, not solely based on individual knowledge (Orme, 2011). Finally, the organization should focus on establishing internal control which is customer focused including internal customers such as coworkers, supervisors, managers, as well as external customers (Orme, 2011).