

Driving Change, Creating Value ...through Audits

A presentation at WASHEQ 2015

By

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- **Driving change, creating value ...through audits**
- **Process approach to QMS, EMS and OHASMS**
- **Auditing to drive change and create value**
- **What and how to check**
- **Final word**



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LEARNING OBJECTIVES

- At the end of this interactive session, participants should be able to:
 - Appreciate management systems as strategic actions for organizational transformation
 - Understand the importance of audits in management systems
 - Understand the transformational ability of process approach to audits
 - Add value to management systems through audits
 - Know what and how to check.



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DEFINITIONS

➤ Change:

- to make the form, nature, content, future course, etc., of (something) different from what it is or from what it would be if left alone
- to transform or convert

➤ Value:

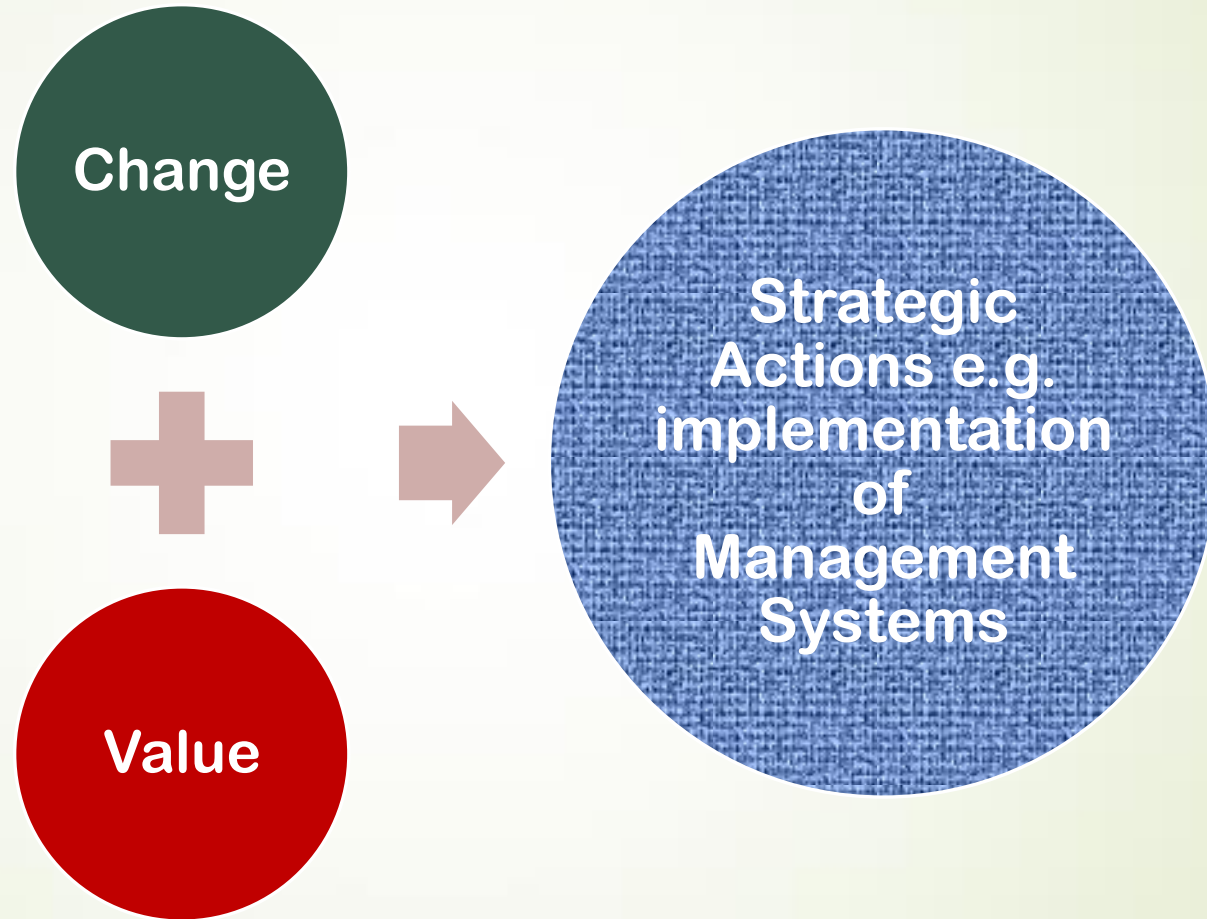
- estimated or assigned worth; valuation
- to regard or esteem highly

- This presentation, therefore, would be looking at how to transform the nature, content, future course, culture, etc., of an organization from what it is or from what it would be if left alone, to a different one, that would be highly esteemed, through audits.



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CHANGE, VALUE AND STRATEGIC ACTIONS



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MANAGEMENT SYSTEMS AS STRATEGIC ACTIONS




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THE NECESSITY FOR AUDITS IN DRIVING CHANGE AND CREATING VALUE

- Provide confidence about the implementation of strategic initiatives.
- Facilitate achievement of the strategic objectives of top management.
- Ensure compliance with standards.
- Demonstrate organization's ability to comply with customer, statutory, regulatory and other requirements to which the organization subscribes.
- Ensure effective implementation and maintenance of the management system(s).



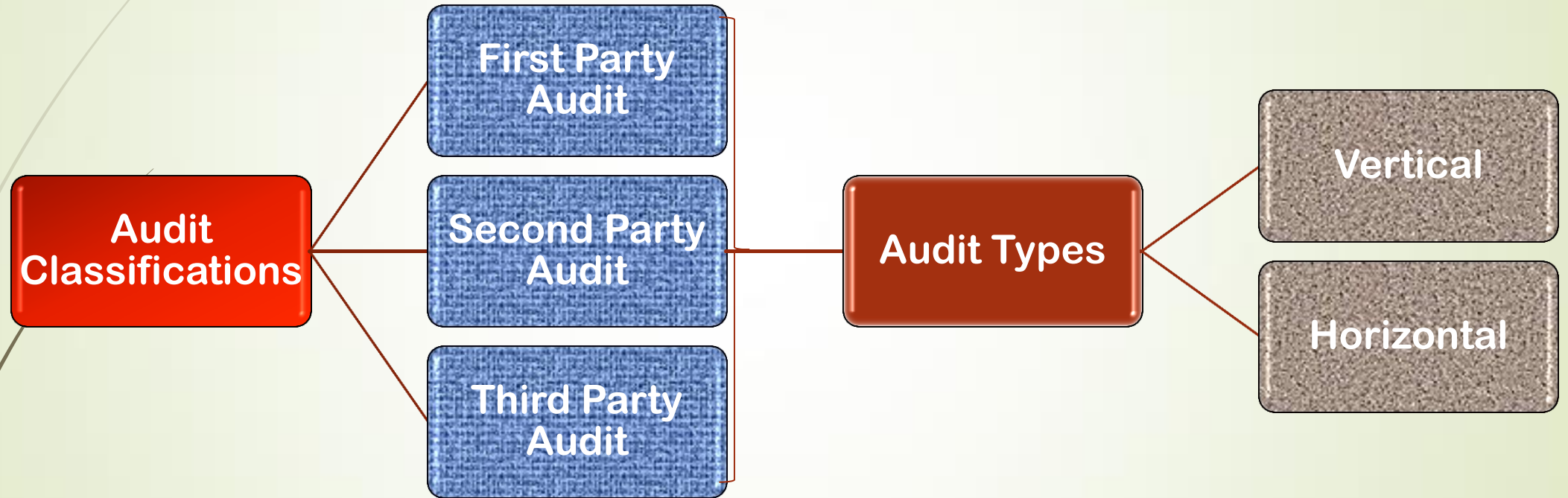
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- 
- **Enhance improved performance by:**
 - identifying preventive actions;
 - identifying opportunities for improvement;
 - identifying and reporting outstanding emphases on customer satisfaction; risk reduction; reduction in environmental impact;
 - identifying best practices in use in parts of the organization with a view to assessing for opportunities for replicating such practices in other areas;
 - testing efficacy of preventive and corrective actions being implemented.



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CLASSIFICATIONS AND TYPES OF AUDITS



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DRIVING CHANGE, CREATING VALUE ...THROUGH AUDITS

► What is an audit?

- **ISO 9000:2005 and ISO 19011:2011 define an audit as a:**
“systematic, independent and documented process of obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled.

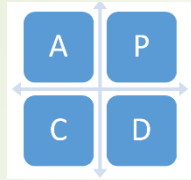
► Auditing principles:

- Integrity; Independence; Evidence-based;
- Due professional care; Confidentiality; Ethical;
- Fair presentation; Cooperation and Trust.

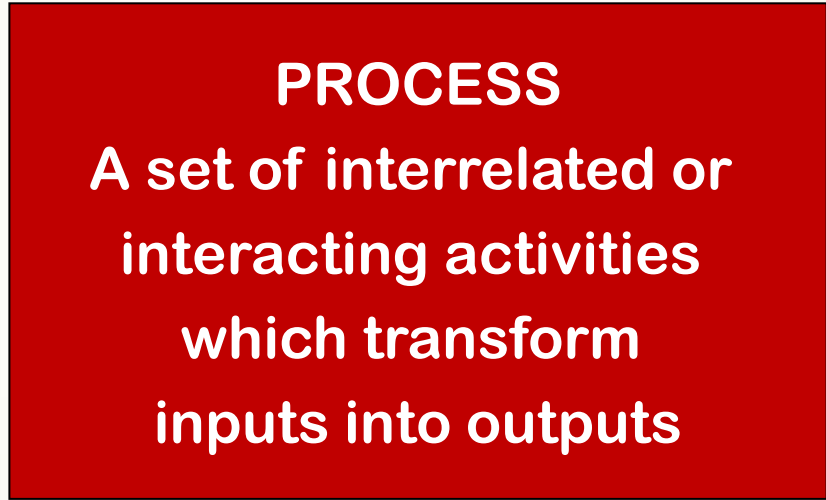


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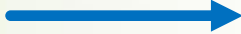
PROCESS APPROACH: WHAT IS IT?



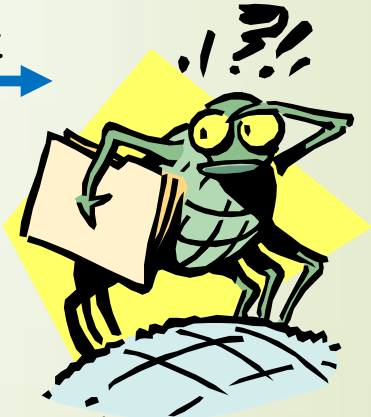
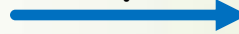
Controls



Input



Output



Resources

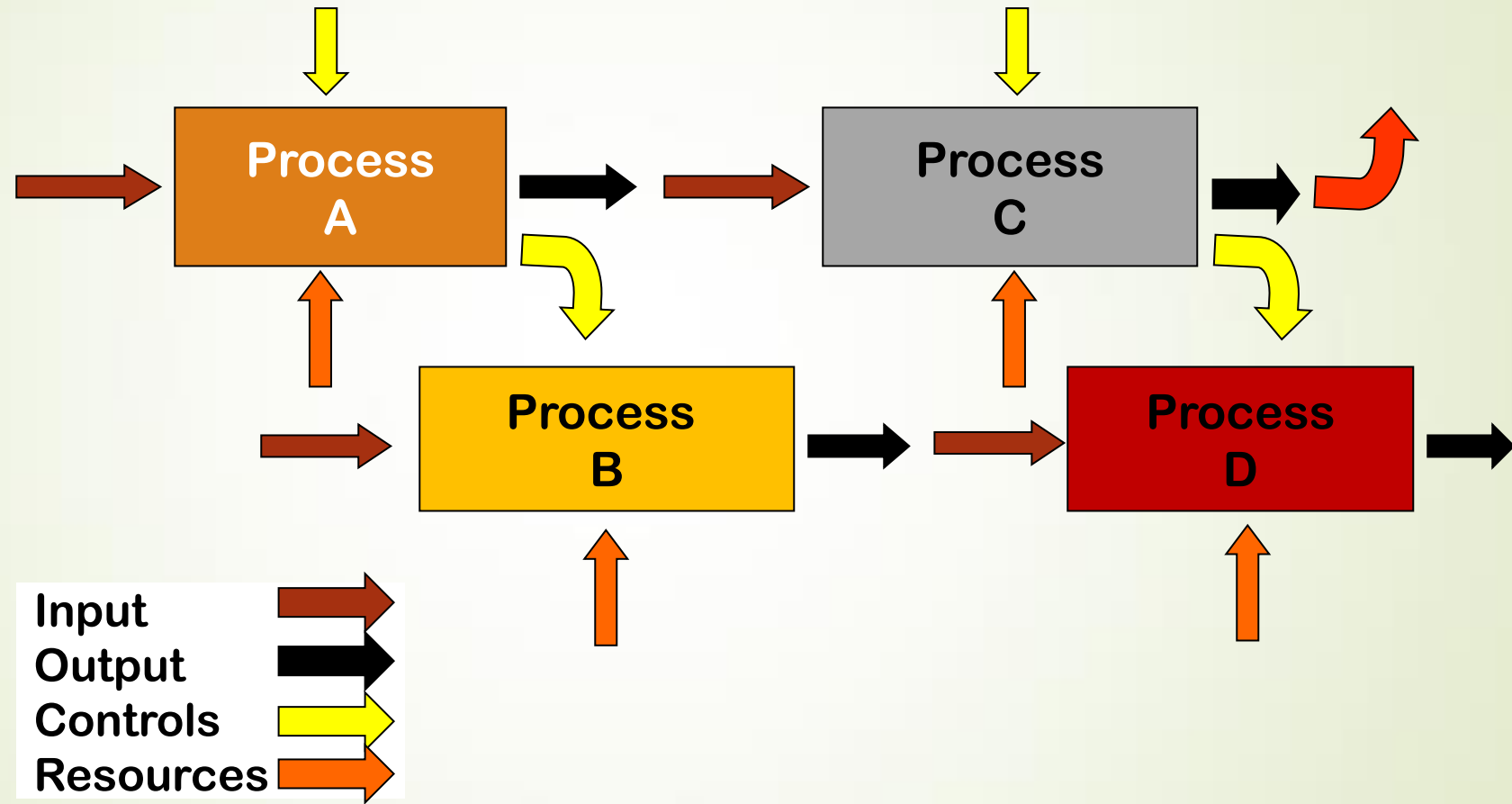


A desired result is achieved more efficiently when activities and related resources are **managed as a process**



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Interrelated and interacting processes



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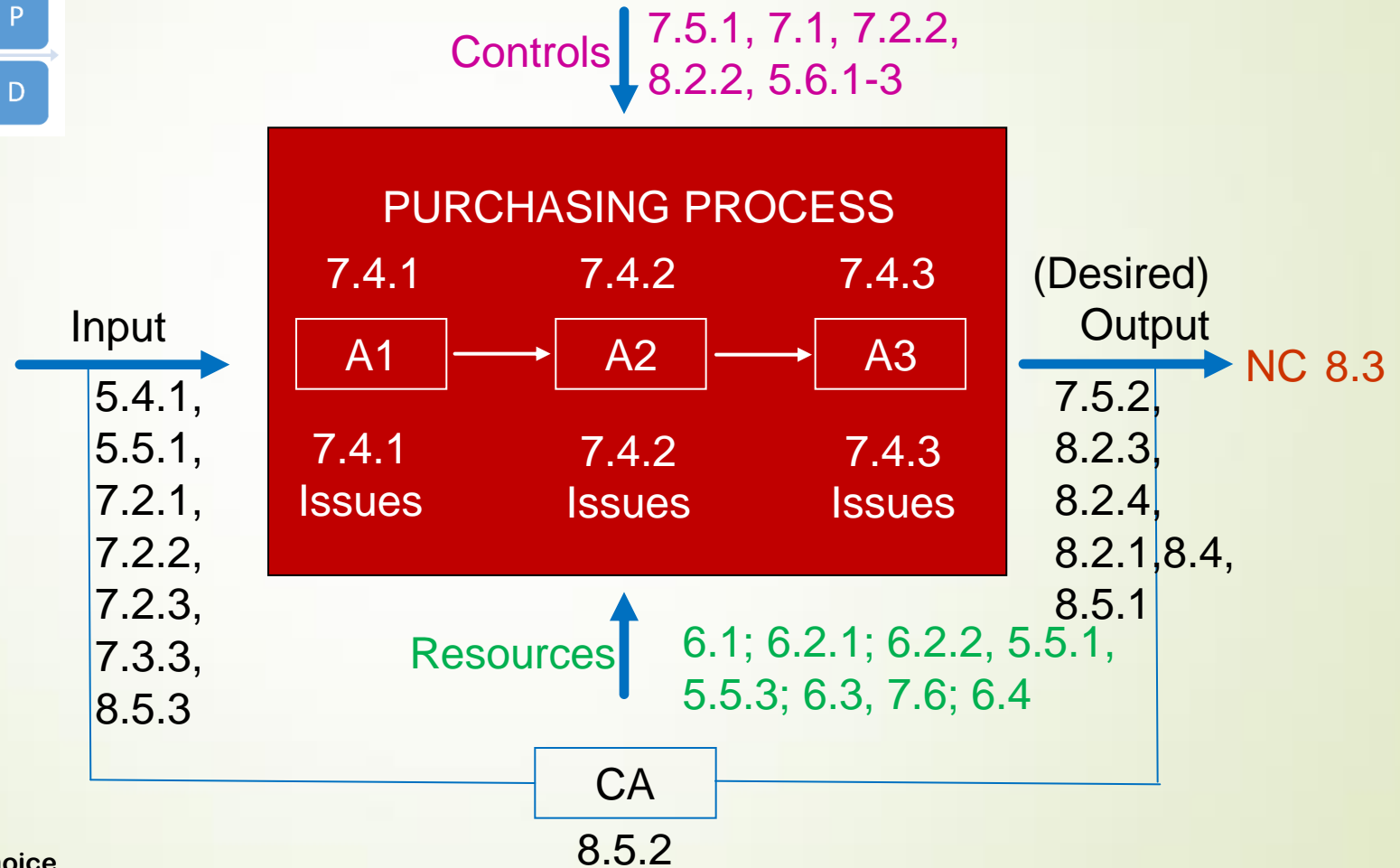
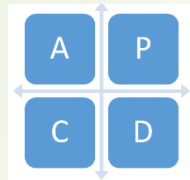
Process Approach Summary

- ▶ An organization needs to identify and manage many activities in order to function effectively.
- ▶ Any activity using resources and managed in order to enable the transformation of inputs into outputs can be considered to be a process.
- ▶ Often the output from one process directly forms the input to the next process.
- ▶ The application of a system of processes within an organization, together with the identification and interactions of these processes, and their management, can be referred to as a “process approach”.



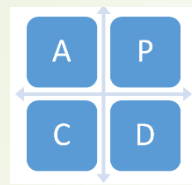
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AUDITING FOR SUSTAINABILITY: PROCESS APPROACH TO QMS AUDITING



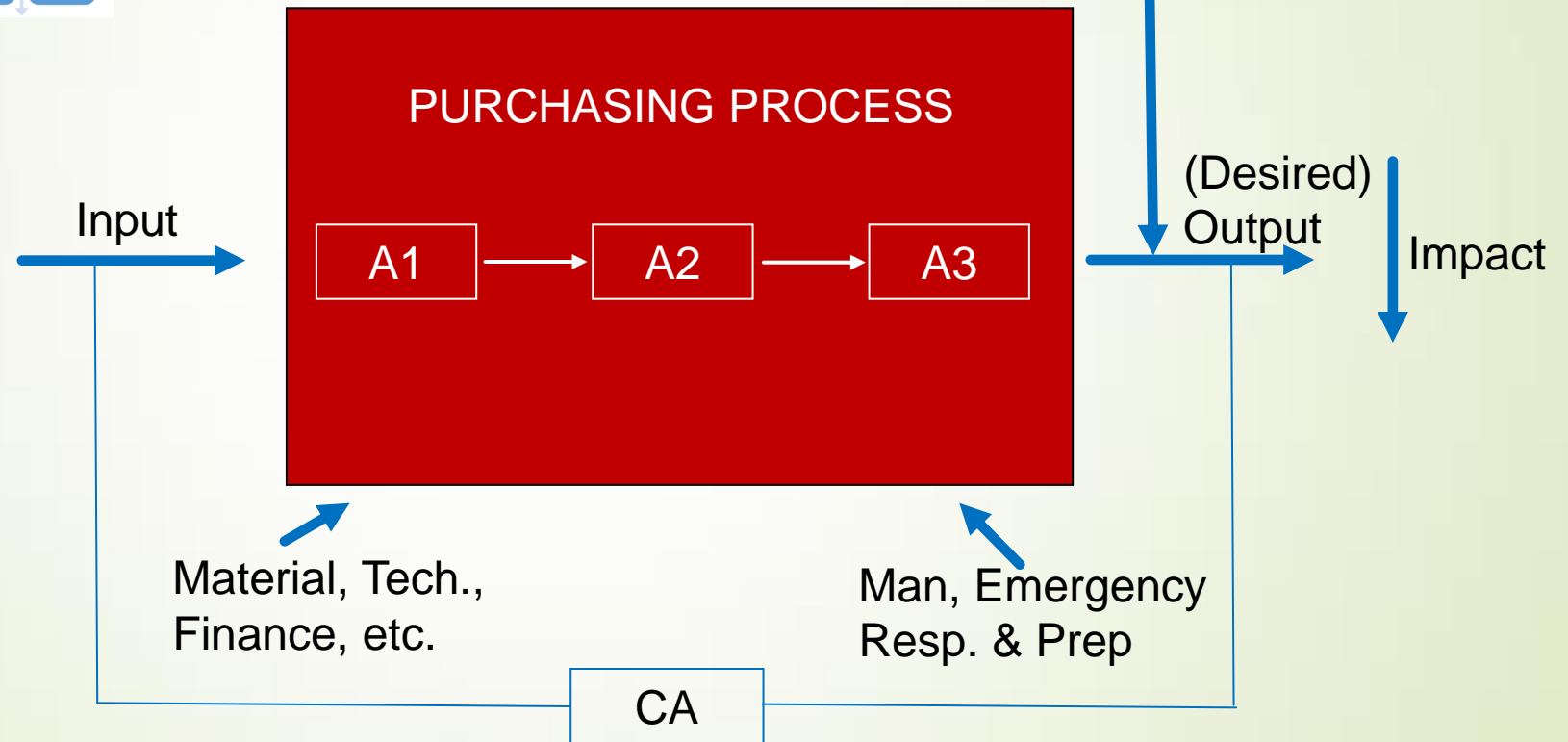
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PROCESS APPROACH TO ENVIRONMENTAL MANAGEMENT SYSTEM



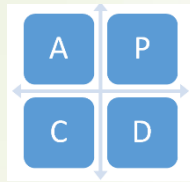
Op, legal & other Controls/Reqs

M&M – KPI; Effectiveness of Control, etc.



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AUDITING TO REDUCE IMPACT



4.4.6 How? Op & other Controls

4.5.1, 4.5.2, 4.5.3, 4.5.5, 4.6 M&M – KPI, Effectiveness of Control, etc.

4.3.1 Env. Aspect;
4.3.2, 4.3.3, 4.5.3

**Environmental Process
to Reduce Impact**

(Desired)
Output

Impact

4.4.1 What? – Eqpt,
Facility, System,
Material, Tech., etc.

NC
4.5.3
CA

4.4.2, 4.4.1, 4.4.3, 4.4.7 Who?
– Competence; Awareness;
Comm.; Roles, Responsibilities
& Authority: Emergency P&R



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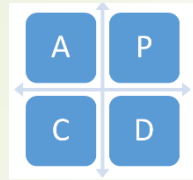
WHAT AND HOW TO CHECK

- ▶ Verify that they have done aspects and impacts assessments for new and planned developments.
- ▶ Sample from significant aspects, particularly, the most significant. Follow the whole process for each aspect.
- ▶ Check interrelated and interacting processes.
- ▶ Confirm that statutory, regulatory and other requirements are being fulfilled.
- ▶ Walk-about (walk-through) is an important monitoring and measurement approach for general waste.
- ▶ Establish that the system is effective/efficient.
- ▶ Check samples NOT transactions.



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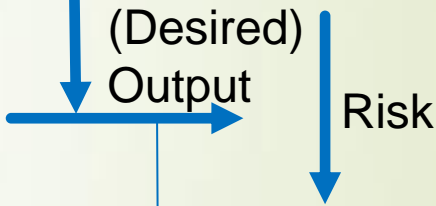
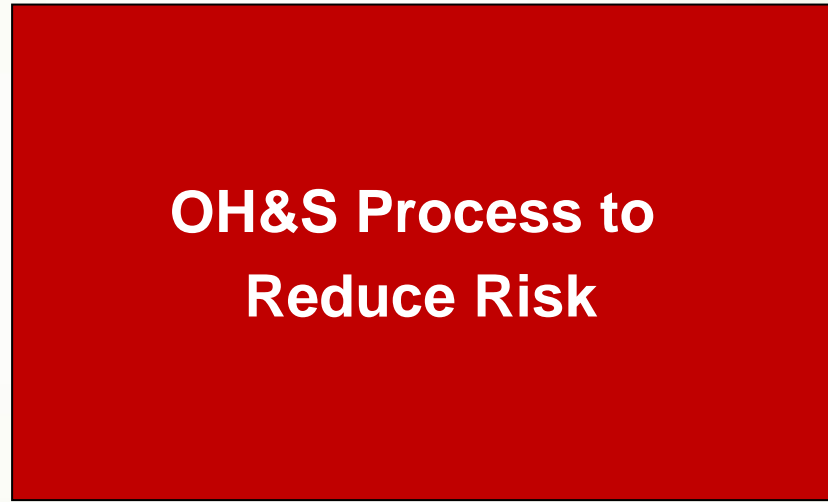
AUDITING TO REDUCE RISK



4.4.6 How? Op & other Controls

4.5.1, 4.5.2, 4.5.3, 4.5.5, 4.6 M&M – KPI, Effectiveness of Control, etc.

4.3.1 HIRAC;
4.3.2, 4.3.3, 4.5.3



4.4.1 What? – Eqpt, Facility, System, Material, Tech., etc.

NC
CA
4.5.3

4.4.2, 4.4.1, 4.4.3, 4.4.7 Who? – Competence; Awareness; Comm.; Roles, Responsibilities & Authority: Emergency P&R



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WHAT AND HOW TO CHECK IN THE OH&S MS ADUDIT

- Verify that they have done Hazard Identification & Risk Assessments, Determination and Control for routine and non-routine activities.
- Sample from high risk, particularly, the top 2 risks. Follow the whole process for each of these risks.
- Check interrelated and interacting processes.
- Confirm that statutory, regulatory and other requirements are being fulfilled.
- Walk-about (walk-through) is an important monitoring and measurement approach for gauge house keeping and OH&S implementation.
- Establish that the system is effective/efficient.
- Check samples NOT transactions.



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FINAL WORD

- Audits are great agents for driving change and creating value in any organization.
- They are very expensive – handle with care!
- Have an audit programme that is designed to drive change and create value.
- Plan, execute and report the audit appropriately.
- Pay attention to post audit activities.
- Audits provide a veritable tool for making a difference in organizations, particularly, when process approach is applied.
- Therefore, add value to every system you audit.



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Thank you

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