GETTING THE MOST OUT OF INTERNAL AUDITS

Judith Hargreaves LLB Hons – Technical and Projects Manager

OUR PURPOSE

IS TO HELP CUSTOMERS DELIVER PRODUCTS THE WORLD CAN **TRUST**

NQA is a **world leading certification body** with global operations.

NQA specialises in certification in **high technology** and engineering sectors.

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BOSTON

LONDON

SHANGHAI

BANGALORE

AMERICA'S NO.1
Certification body in **Aerospace** sector

TOP 3 IN THE UK
ISO 9001, ISO 14001, ISO 45001, ISO 27001

CHINA'S NO.1
Certification body in **Automotive** sector

GLOBAL NO.1
Certification body in **telecommunications** and **Automotive** sector

GLOBAL NO.3
Certification body in **Aerospace** sector

UK'S NO.2
Certification body in **Aerospace** sector

CERTIFICATION AND TRAINING SERVICES

We specialize in management systems certification for:

QUALITY

AEROSPACE (QUALITY)

AUTOMOTIVE (QUALITY)

ENVIRONMENT

ENERGY

HEALTH AND SAFETY

INFORMATION RESILIENCE

FOOD SAFETY

RISK MANAGEMENT

MEDICAL DEVICES

NATIONWIDE TRAINING SERVICES
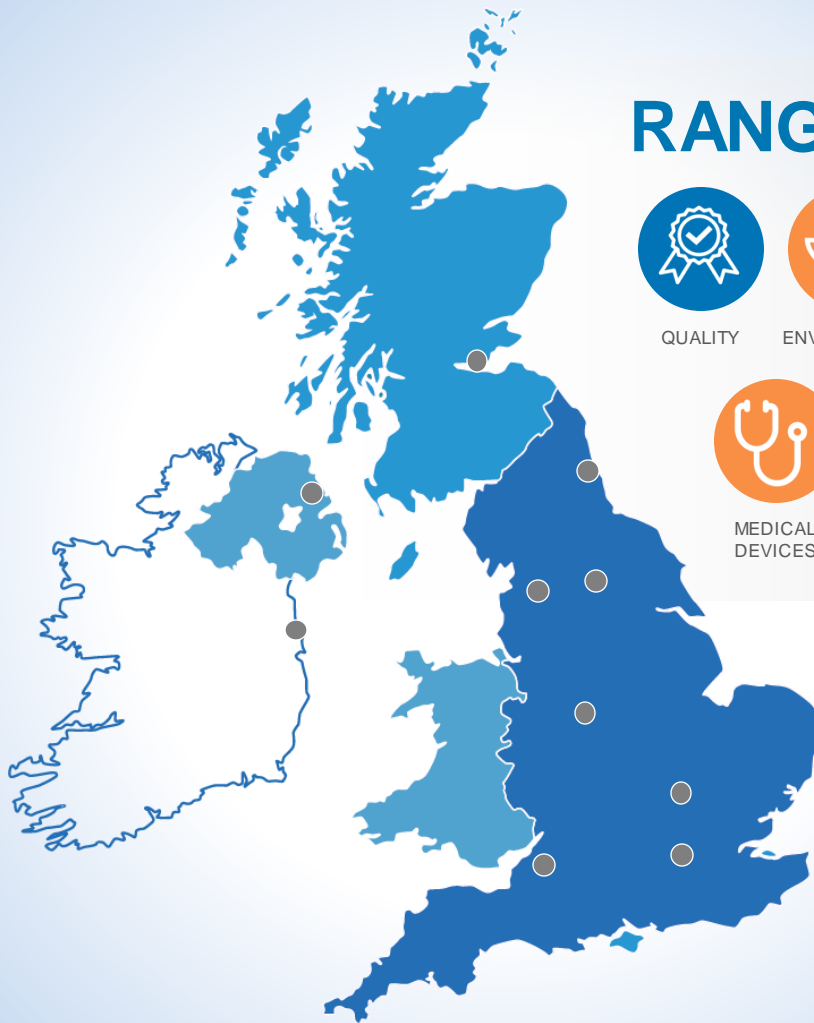
ACCREDITED COURSES

- Virtual Learning
- e-Learning / Live Webinars
- In-house Training
- Public Training Nationwide Locations

RANGE OF COURSES

QUALITY

ENVIRONMENT

ENERGY

HEALTH AND SAFETY

INFORMATION SECURITY

MEDICAL DEVICES

BUSINESS CONTINUITY

AEROSPACE

INTEGRATED MANAGEMENT

- **e-Learning** Introduction
- **1 day** Introduction Courses
- **2 day** Implementation Courses
- **2 day** Internal Auditor – NQA or IRCA
- **5 day** Lead Auditor – NQA or IRCA
- **Advanced** Training

CQI | IRCA
APPROVED TRAINING PARTNER

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YOUR PRESENTER

KEY INFO

- **45 minute webinar**

- **Questions in the chat box**

- **Q&A at the end**

- **Recording of webinar circulated shortly**

Judith Hargreaves

ISO 9001, ISO 14001, ISO 37001, ISO 45001, ISO 50001, PAS 43:2018, NHSS 17, ISO 17021-1

Technical and Projects Manager

Judith has been a Regional Assessor with NQA for 4.5 years covering multiple industries and key clients. She now sits within the Risk and Regulatory team reporting directly to the Global Accreditation Director.

Judith is also an Internal Auditor for NQA covering our global offices and occasionally joins our field team on client audits in order to keep up-to-date and involved with core Standards and industry developments.
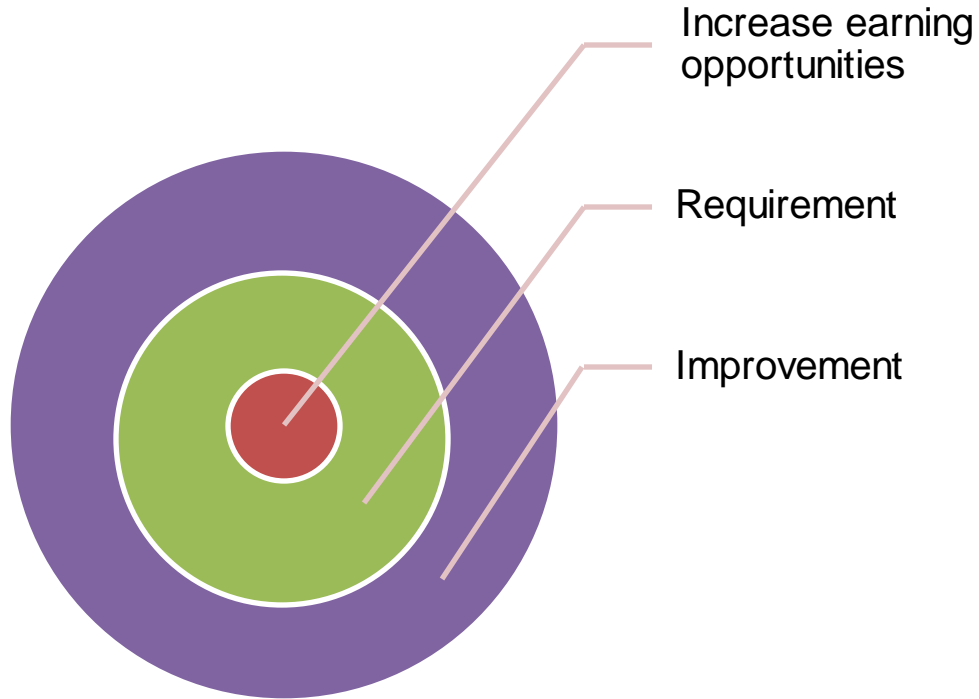
She is currently responsible for gaining training and accreditation to so that she can help NQA to continually offer our clients the latest new standards, aid with transitions for updated Standards, and liaise between NQA and UKAS and other Regulatory bodies.
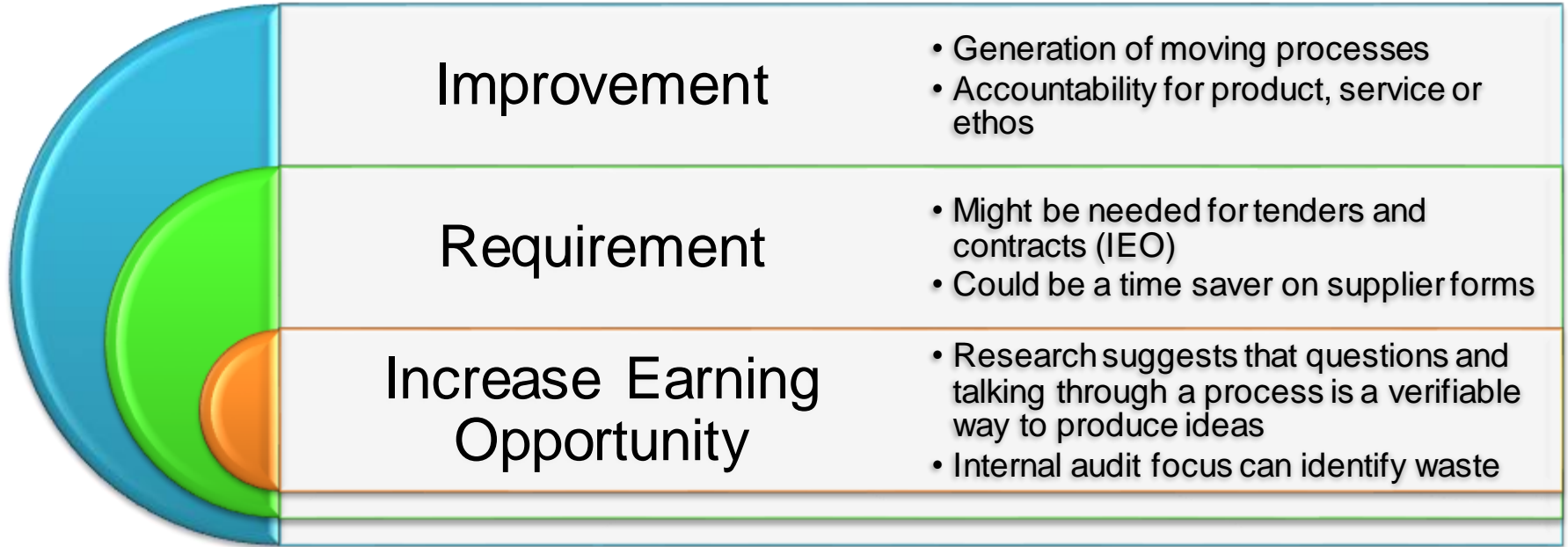
Why do you want the Standard you are certified for?

GET THE MOST OUT OF IT

Increase earning
opportunities

Requirement

Improvement

GET THE MOST OUT OF IT

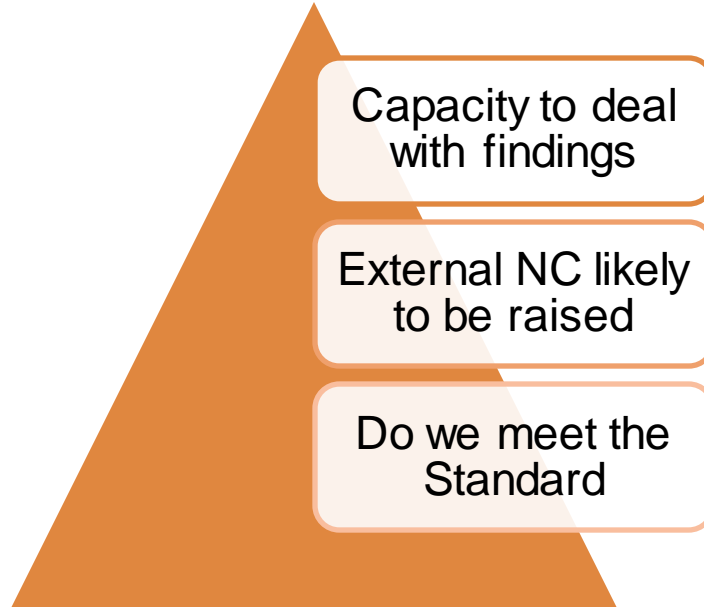| Improvement	• Generation of moving processes • Accountability for product, service or ethos
Requirement	• Might be needed for tenders and contracts (IEO) • Could be a time saver on supplier forms
Increase Earning Opportunity	• Research suggests that questions and talking through a process is a verifiable way to produce ideas • Internal audit focus can identify waste

GET THE MOST OUT OF IT

Increased earning opportunity:

What do we want to know to optimise this?

GET THE MOST OUT OF IT – REQUIREMENT

Capacity to deal with findings

External NC likely to be raised

Do we meet the Standard

PLAN EFFECTIVELY

Now we know why we want the certificate we plan our audits already with some key objectives:

- **What the Standards require**
- **Information which may be useful to you**
- **What core processes you want to test**
- **Highest risk**

Who do you need involved?

- **Process owner**
- **Process users**

PLAN EFFECTIVELY

The Process Owner is accountable for that process and daily implementation

The Approver is the person that takes accountability for the content of the process

BOTH should be aware of their responsibility and what is in their own process.

Oversight of the use of the process is a good measure as to how it is working, but internal audit should question it, challenge it and find any aspect non-compliant

3.4   On occasions where the anticipated timeframe for completion is exceeded, the complainant shall be kept updated in respect of progress by the nominated investigator(s). Progress reports (as with the outcome of the investigation) shall be formally communicated to the complainant and records retained.
If issues are experienced with timeframes this may be managed by the Technical and Projects Manager or escalated to the Global Accreditation Director.

3.5   The individual(s) responsible for the validation, investigation and provisional decision shall be demonstrably independent from the subject of the complaint. For example; not those who conducted the audit or made the certification decision in question.

3.6   The individual(s) responsible for the investigation and provisional decision shall meet all competence criteria defined by NQA pertaining to the role of decision maker in respect of the scheme or schemes to which the complaint relates.

3.7   The outcome of the investigation and provisional decision shall be reviewed and approved by an applicable and demonstrably independent senior manager prior to communication to the complainant by the assigned investigator.

3.8   The Senior Manager with authority for the process subject to complaint shall be responsible for the initiation, monitoring and close out of corrective actions identified as being incumbent upon NQA. This shall be concluded in a timely manner.

Process Owner: J Hargreaves   Approved: Steve Russell   Issue 8 Feb 2023

PLAN EFFECTIVLEY

The plan itself should documented and a live document. Getting people out of the business to take part in an audit will always be met with 'haven't got time' however…. This can be seen as a risk potentially and can help form your plan!

Risk Register Audit Plan v1

Reference	Risk	Because	Effect
R1	Lack of buy in from auditee	Don't always understand improvements, can be seen as a negative exercise	Waste of time, no further forward with improvements
R2	People needed not available	Time factor, holidays	Not able to discuss full process or deficiency
R3	Not finding a major problem which the external auditor does	Not confident, material not available, not enough training	Close out costs, potential cost of special visit, becoming reactive rather than proactive
R4	Not knowing the process well enough to audit it	Not the area familiar with	Close out costs, potential cost of special visit, becoming reactive rather than proactive

PLAN EFFECTIVLEY

Assuming we have assessed risk we can put communications out to help people understand, plan around holidays and factor in when you can target busiest departments.

Your plan must be documented but it doesn't have to be pretty!

Audit areas	Needed	Auditor	Date
Sales process	Process owner, Process approver, process user	Jude	3rd March 2023
Operations	Process owner, Process approver, process user	Jude	18th April 2023
Management Processes	Process owner, Process approver, process user	Jade	2nd September 2023

THE AUDIT ITSELF

Gold	Waste of Time
Explain the process as you understand it and show me how it works	Do we have a process? Yes, anything changed? No – job done
S.3 of the process says we have a Form32 to complete x where are these and show me the last 5 used	I need to do an audit – has anything unusual happened since last time? No – Job done
Can you show me an example of where you might have had to work outside of the process and tell me why?	Can you give me 5 order numbers so I can put them in my report
What parts of the process could be improved?	I have found that 3 out 5 examples were incorrect – I won't write it down just fix it
What do we do when x happens	If you can't find it now just put something together for me and email it

s.3.4 – what is the timeframe? Show me how this is met and monitored – show me emails of the complainant being updated – show me the records of investigation for xxx

s.3.5 – show me how you verified independence

s.3.6 – show me the competence records in relation to this specific complaint

s.3.7 – show me the verification of the senior manager

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USE AND IMPROVE

Risk Register Audit Findings v1

Reference	Risk	Because	Effect
R1	Document control was not seen to be effective in all areas - Old contract used, out of date H&S policy seen, waste transfer notes missing off system	Can be requested by HSE or EA, contract may be causing detriment hence change	Puts us on radar for external agencies, costs may be incurred. Old contracts may have old clauses making void or costing us
R2	Despatch dates not clearly identified	shift work - might be missed by everyone	Loss of business, reputation, unknown scle of problem until complaint
R3	Non-conformances not raised and put into the system	The issues were not classed as NC's as they were dealt with at the time. Process not deemed worthwhile by staff	Cannot monitor how many errors are made, if there is a training issue, costs
R4	Daily checklists were seen to be ticked even on dates not yet been	Responsible person says never a problem and is trying to save time.	An incident may occur and documentation shows a check that did not happen placing all documents into quetsion.

USE AND IMPROVE

1

Consider assigning an educated guess to the risks eg HSE visit cost

2

Put a mitigation plan in place to reduce the risk of this reoccurring

3

Delegate these risks to a specific owner to manage and review

USE AND IMPROVE

The corrective action will be closely linked with your risk register:

Root Cause – do not accept woolly answers such as –

Human Error

Bob was off

No one told me

Showed wrong document

Misunderstood Process

Time pressures

USE AND IMPROVE

Whilst these are all reasonable – they tell us nothing!

Human error – what can the process do to prevent human error –software? reminders? Quality checks?

Showed wrong document – how was that accessible and what can be done to prevent this as incorrect documents should not be in the system. Is it a training issue – did the not know what was being asked?

Bob was off – who can do Bob's job when he is off?

No one told me – what process do we have in place to make sure ALL employees are aware, is the current one failing?

USE AND IMPROVE

How much has root cause and corrective action cost?

- **Time spent**
- **Any rework**
- **Chasing people for paperwork and redoing root cause**
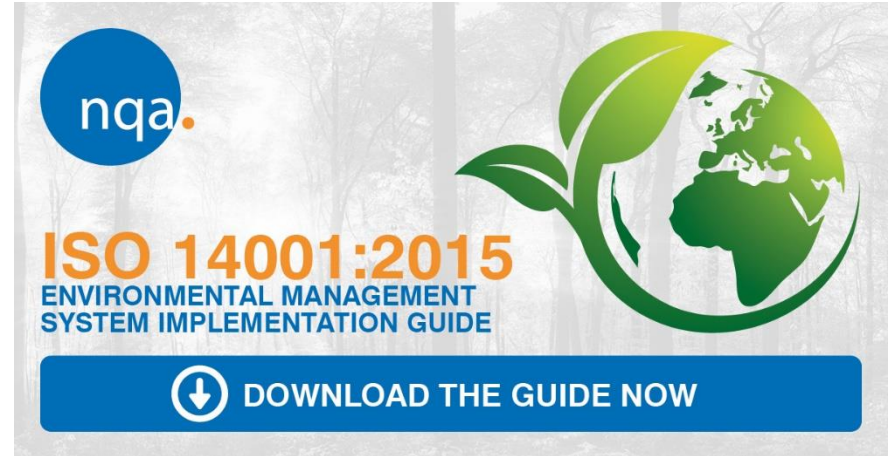
USE AND IMPROVE

- **Find positives!**
- **What is working well that can be replicated elsewhere in the business**
- **Have we found any rising stars?**

NQA RESOURCES

- **Training**

- **Regular news, legislative updates and blogs via our website. Or sign up to InTouch here.**

- **Implementation guides >>>**

- **Annex SL Comparison Tool download**

- **NQA Associate Partner Programme**

ISO 14001:2015 ENVIRONMENTAL MANAGEMENT SYSTEM IMPLEMENTATION GUIDE — DOWNLOAD THE GUIDE NOW

nqa.app Associate Partner Programme

ADVANCED TRAINING COURSES

➢ Leadership within ISO

➢ Effective management of change

➢ Managing your supply chain relationships

➢ Effective evaluation of compliance

➢ How to identify risks & opportunities

➢ Participation & consultation of workers

➢ Demonstrating customer satisfaction

➢ Managing information security remotely

➢ GDPR – How to think like a DPO

➢ Operational resilience planning

➢ Risk / process based auditing

➢ Effective root cause analysis

www.nqa.com/en-gb/training/advanced

THANK YOU

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