
AUDITOR COMPETENCY: QUALITY vs. QUANTITY

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INTRODUCTION

"Confidence and reliance in the audit process depends on the competence of those conducting the audit"

Par. 7 - ISO 19011

This is applicable to any type of Management System being audited: financial, environmental, H&S, quality, etc.

INTRODUCTION

- ❑ *Competence is based on the demonstration of:*
 - ❑ Personal attributes
 - ❑ Ability to apply knowledge and skills gained through
 - ❑ Training – continual professional development
 - ❑ Experience – regular participation in audits

PRIMARY GUIDANCE DOCS FOR AUDITING



- ISO 19011:2002
 - Guidelines for quality and/or environmental management systems auditing
 - Currently under review (18 months)

- ISO 17024:2002
 - Conformity Assessment – General Requirements for bodies operating certification of persons

WHAT ARE THE PRINCIPLES OF AUDITING?

□ Ethical Conduct:

■ the foundation of professionalism

□ Trust

- Explain the audit process briefly
- It's about the system – not a personal invasion/attack

□ Integrity

□ Confidentiality

□ Discretion

WHAT ARE THE PRINCIPLES OF AUDITING?



□ Fair Presentation:

- the obligation to report truthfully and accurately
 - Audit findings
 - Audit conclusions and reports reflect truthfully and accurately
 - Reporting of significant obstacles/ unresolved differences of opinions encountered during the audit
 - Expressed as simply as possible
 - Understanding the clients systems

WHAT ARE THE PRINCIPLES OF AUDITING?



- Due professional care:
 - the application of diligence and judgment in auditing
 - Care exercised: clients, 3rd parties – confidentiality
 - Culture
 - Industry sectors
 - Inter-departmental ('cowboys'; 'police'; 'complacent')
 - Ethnic: language barriers (incl. body language); male vs. female, religious, beliefs, etc.
 - History of organisation/ department

WHAT ARE THE PRINCIPLES OF AUDITING?

□ Independence:

- the basis for the impartiality of the audit and objectivity of audit conclusions
 - Objective
 - To identify a non-conformity, a requirement is needed
 - Free from bias/ conflict of interest
 - Conclusions = evidence based NOT assumption/ hearsay

WHAT ARE THE PRINCIPLES OF AUDITING?

- Evidence-based Approach:
 - the rational method for reaching reliable and reproducible audit conclusions in a **systematic audit process**
 - Audit evidence verifiable
 - Sample sizes (representative, based on risk)
 - No names
 - traceable

ISO 19011 - Par 7

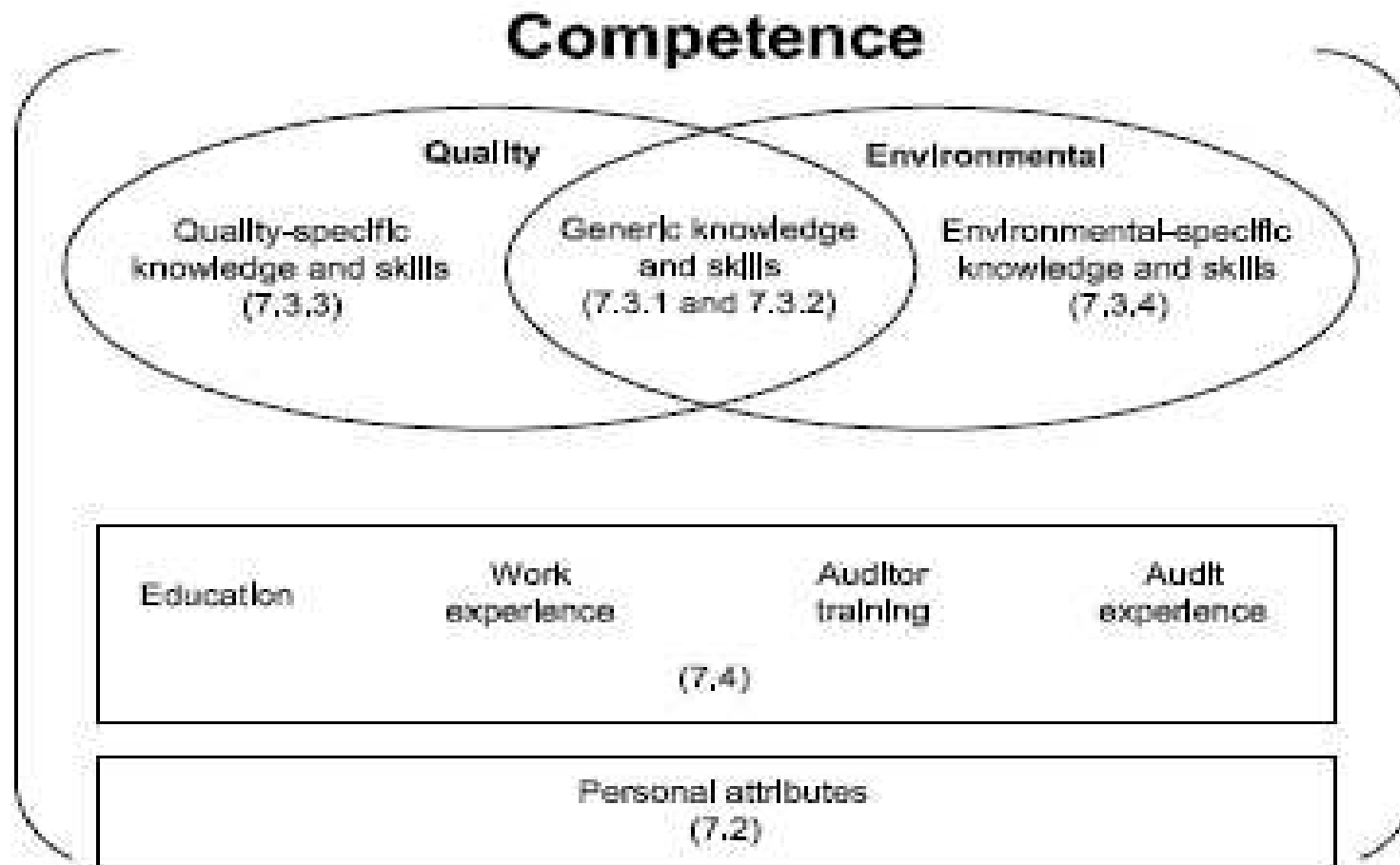


Figure 4 — Concept of competence

AUDIT PROCESS FLOW

See pdf document

QUANTITY = Competency?

- 'I've conducted 100 audits'
 - Can still be poor quality audits
 - What was your part in the audit team?
 - What were the objectives, scope of the audit programme?
 - Complexity of the organization and /or management system
- 'my audit reports have never had less than xx findings'
 - Are they quality/ value adding findings?
 - Nit picking?
- 'audit team'
 - Did all auditors audit according to the same methodology?
Are all competent?

QUANTITY = Competency?

- Attendance of training courses (2,3,4...)
 - Was it aligned with the requirements of ISO 19011?
 - Were you able to apply the knowledge practically?
 - Good balance between theoretical and practical information?
 - Understanding – language/ jargon used – explained?

QUANTITY = Competency?

- Registered in all disciplines: H&S/E/Q
 - Field of expertise?
 - Experience?
 - Legal knowledge and background?
- Quality of records and documentation vs. quantity of documentation reviewed:
 - Dates (Sundays & Public Holidays)
 - Completeness (work permits, lock outs)
 - Tick exercises (paper exercise)

QUANTITY = Competency?

- Large samples taken, but are poorly representative:
 - High risk aspects 'diluted' by low risk aspects
- Performing 2 day audits in 1 day
 - Is this really possible if the ISO 19011 methodology is correctly applied?
- Long sentences to 'dilute' the seriousness of the nonconformity
 - (Graham Kings and Christel Fouche gave presentations)

INDUSTRY CONCERNS

- ❑ Auditors not competent w.r.t training and/or experience
- ❑ Lack of technical experience in audit discipline
 - First impressions: attire vs. scope of audit
 - Importance of failure
 - Courage to say 'I don't know'
- ❑ Quality of training received to ensure effective application and problem solving
- ❑ Lack of training
 - Statutory requirements
 - Interpretation of standards; criteria
 - 8 Principles of Quality Management

INDUSTRY CONCERNS

- Auditors not complying with the audit methodology/
guidelines, as prescribed in ISO 19011
 - Quality of pre-audit activities
 - Value of good planning and preparation
 - Checklist based NOT process/ risk based
 - Trying to fit a 16 hr audit in 8 hrs (incl. report writing)
 - Systems (paper) focus
 - Poor quality audit reports; auditors not providing objective evidence
 - Language/ grammar/ report writing skills inadequacies
 - Value added findings vs. nr audit findings
 - Nit Picking

INDUSTRY CONCERNS

- Incorrect audit personality to ensure effective management of attributes/ principles
 - Communication: talking to vs. with auditee
 - Good listening skills?

- Stress
 - Brought to the audit
 - Over capacitating auditors
 - Resultant from the audit
 - Pushing auditor to maximum productivity; inadequate time afforded to each audit

INDUSTRY CONCERNS

□ Distractions

- Outcome of audit impacting on client KPA's → bonuses, etc.

□ Auditees

- ill informed regarding auditor competencies to ensure effective sourcing for value adding audits
- Often apprehensive towards audits
- Effects of over-auditing: 4-8 audits p/yr
 - What gives you the leading edge?
 - A valuable finding not identified before

INDUSTRY CONCERNS

- Most complaints received by certification bodies however:
 - Auditor conduct (demonstration of attributes) and NOT specifically skill/knowledge

8 PRINCIPLES OF QUALITY MANAGEMENT



1. Customer Focus

- Customer (client) satisfaction eliminates rework
 - How does this apply to auditor competency
 - And the auditee - expectations?

2. Leadership

- Management must provide direction, focus and plan ahead
 - How does this apply to auditor leadership,
 - And the audit team?

8 PRINCIPLES OF QUALITY MANAGEMENT cont



3. Involvement of people

- People have experience, and resultant competencies
- Become valuable resources
 - How does this apply to auditor competency, audit team, auditee?

4. Process approach

- Systems must have logical processes, clearly defined
 - How does this apply to the auditing technique/ methodology?

8 PRINCIPLES OF QUALITY MANAGEMENT cont



5. System Approach

- Processes need to be aligned with a system
- System must be planned, controlled, improved
 - How does this apply to auditor competency?
 - 'golden thread' philosophy → process auditing → more representative? Root cause identification

6. Continual Improvement

- Control of variation, improvement on results
- BUT promotion of cultural innovation & creativity
 - How does this apply to auditor competency?

8 PRINCIPLES OF QUALITY MANAGEMENT cont



7. Factual Approach to decision making

- Management must provide direction, focus and plan ahead
 - How does this apply to auditor leadership, audit team?

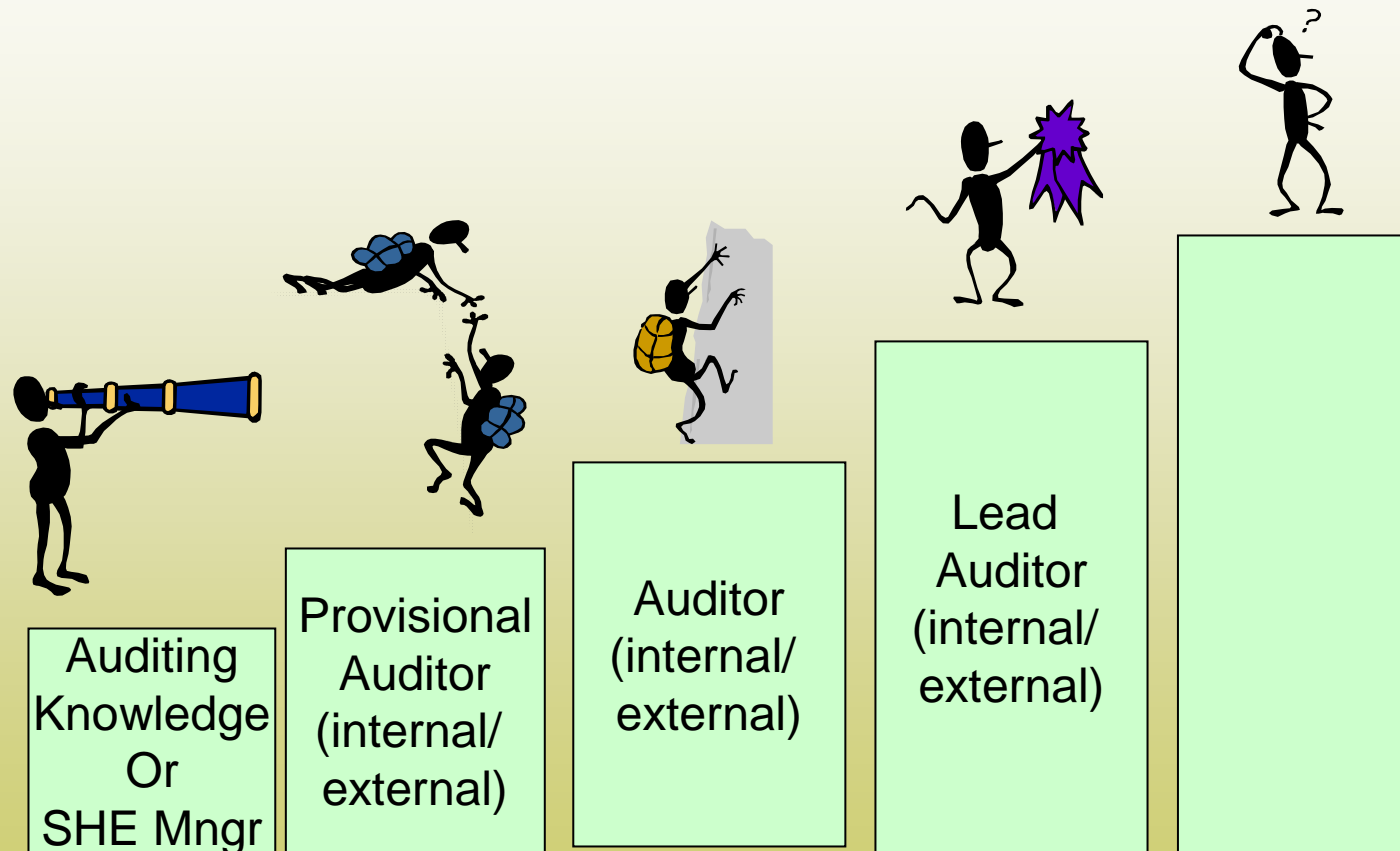
8. Mutually beneficial relationships

- Select suppliers according to deliverables
- Optimizes costing, eliminates poor output due to poor input
 - How does this apply to auditor competency?
 - Can a supplier be seen as a training provider?

QUALITY AUDITING

1. PLAN – auditor development
2. DO – experience
3. CHECK – certification scheme
4. ACT – code of conduct

AUDITOR CAREER PATHS



GROUP DISCUSSIONS

- Allocate to each phrase/ word:
 - 8 management Principle's
 - ISO 19011 – Principle/s of auditing

- **ADDITIONAL COMMENTS/ QUESTIONS**

COMPETENCY - QUALITY?

*“If you always do what you’ve always done,
you’ll always get what you’ve always got”*

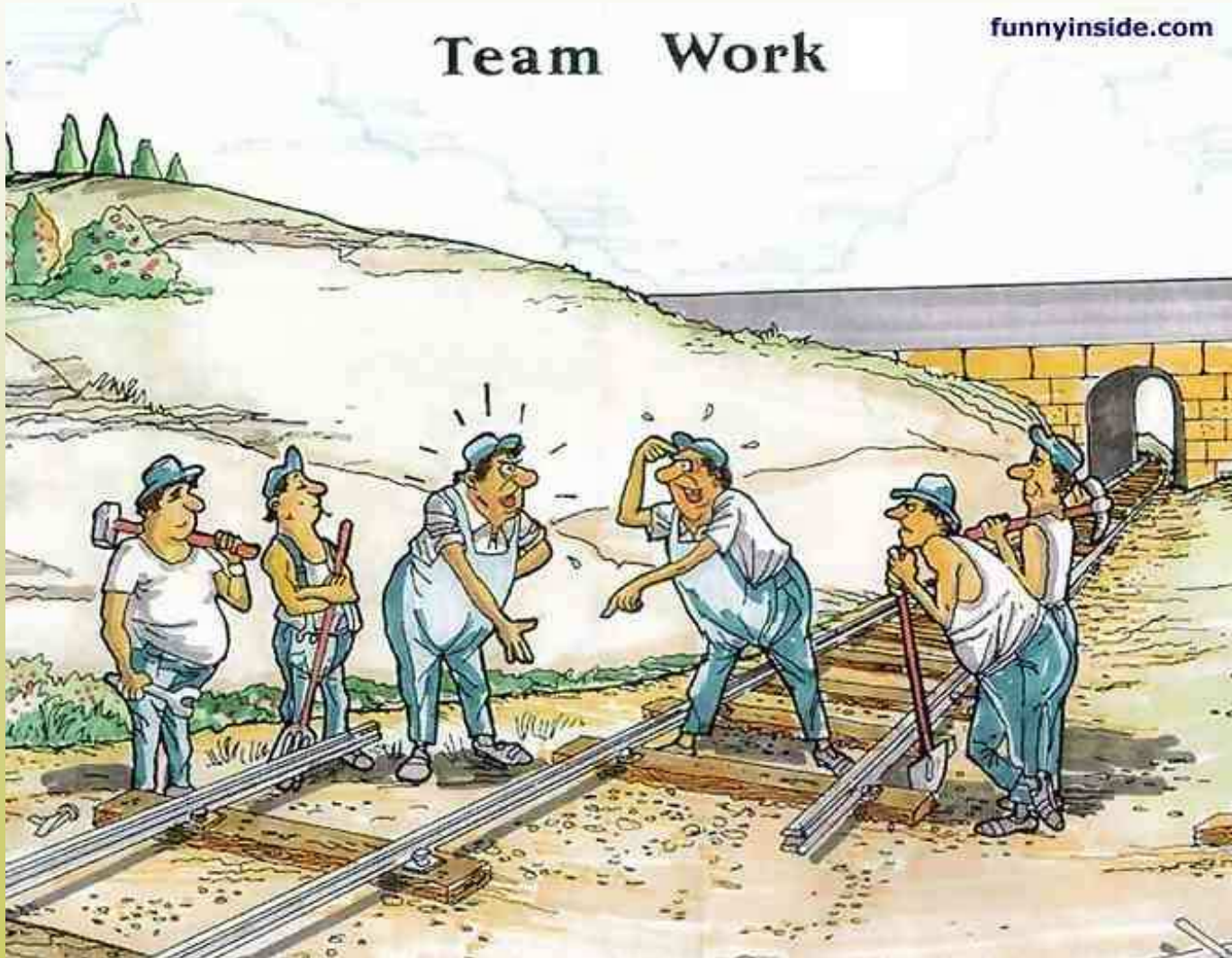
Paul Batalden

- 3 ways of achieving results (i.e. quality competency)
 - Improve the system
 - Distort the system
 - Distort the data

What do you think?

Team Work

funnyinside.com



THANK YOU

