Understanding the Context of your Organization in Developing of an Effective Audit Program

Joe Raciti
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Outline

• Understanding the Context of the Organization
• Developing the Audit Program
• Executing the Audit Program
• Enhancing the Audit Program
Context: Product or Service
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- What are we selling?
- How is it sold?
- How is it delivered?
- Who are our customers?
- What happens then?

- Where are we selling?
  - Special requirements?
  - Restrictions/conditions?
Context: Location, Location, Location
Context: Organizational Complexity
Context: Other Factors

• Are there any specific requirements in any region or market?
• Are there specific requirements from our customers?
• What is the intended use of our product or service?
• Are there any certifications or standards to which we must comply?
Audit Program: Approach

• Overall Program
  – Corporate Goals
  – Strategic Initiatives
  – Image of the Organization

• Tactical Program
  – Site/Department Based
  – Tactical Implementation
  – Impact to Customers and Products/Services
Audit Program: Development

• Requirements
  – Strategic versus Tactical
  – Global
    • Certification strategy
    • Market presence
  – Regional
  – Local
  – Specific
    • Product
    • Process
    • Customer
Audit Program: Development

• Inputs
  – Product Performance
    • Customer Feedback
    • Process/product Nonconformance
  – Organizational Performance
    • Audit/Inspection Results
    • Success towards Objectives
    • Continuous Improvement
  – Plant Performance
    • 3rd Party Audits
    • 2nd Party Audits
    • 1st Party Audits
Audit Program: Development

• Program Goals
  – Demonstrate Compliance to Requirements
  – Verify Successful Implementation
  – Evaluate the Organization’s Level of Success at Meeting Expectations
  – Reduction of Risk
  – Support Continuous Improvement Activities
Audit Program: Development

• Program Outputs
  – Foundation for the Program
    • Essential Elements
    • Governance
    • Strategic Plan
    • Tactical Plan
  – Execution Strategy for the Program, based on the continual monitoring of the Inputs and Outputs
Audit Program: Development

- Program Elements
  - Tools
    - Checklists
    - Procedures
  - Resources
    - Internal
    - External
- Program Approach
  - Depth and Scope of each Audit
  - Frequency
  - Communication
Audit Program: Development

• Audit Execution
  – Properly Resourced
    • Internal
    • External
  – Proper Timing
    • Frequency
    • Depth/Content
  – Adaptable
    • Scalable/Flexible
  – Focus on what’s Important
    • Training
    • Guidance
Audit Program: Development

• General Program
  – PDCA
  – Review/React/Re-focus
  – Measure
    • Internal vs. External
    • Findings vs. Product Performance
  – Incorporate Necessary Changes
    • Be Proactive
  – Evolve!
Questions?