Writing Effective Opportunities for Improvement

Workshop

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Introduction

- The Role of OFI
- Justifying Recommendations for Improvement
- Review of the OFI Format

- Participants do an example
The Role of OFI

- Organizations are demanding auditing beyond compliance
- Audits will yield fewer and fewer nonconformances as a QMS matures
- Auditors need different skills for effectiveness audits
- “These approaches will set auditing back 20 years!” – oh my, what have I done....
The Role of OFI

IT IS ABSOLUTELY, POSITIVELY INTERNAL AUDITORS’ ROLE TO COMMENT ON PROCESS EFFECTIVENESS

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Internal Audits…. are conducted by the organization itself, or on its behalf, for management review and other internal purposes (eg. To confirm the effectiveness of the management system or to obtain information for the improvement of the management system.)
Audit Findings

Results of the evaluation of the collected audit evidence against audit criteria

Note 1 – Audit findings indicate conformity or nonconformity

Note 2 – Audit findings can lead to the identification of opportunities for improvement or recording good practices
The first example of an audit program objective is the following:

“To contribute to the improvement of a management system and its performance”
Auditor Competency – 7.2.3.3

• Auditors should have the discipline and sector-specific knowledge and skills that are appropriate for auditing the particular type of Mgt. system, sector

• …Application of business and technical discipline specific methods, techniques, processes and practices sufficient to enable the auditor to examine the management system and generate appropriate audit findings and conclusions.
Writing Effective NC Statements

Write the Nonconformance statement as two halves:

• Condition Expected

• Condition Found

On the way to the audit conference in Dallas, John Smith was observed driving 75 mph on I-30. The posted speed limit in this area is maximum 60 mph.
Writing OFIs

- Not a Nonconformance
- Not mandatory for response or correction

An Observation is a SALES PITCH!
Writing OFIs

Opportunities can result from:

- Perceived areas of Risk
- Perceived areas of Inefficiency
- Perceived areas of Duplication
- Knowing of a more effective, best-practice
Writing OFIs

• No Direct alignment with a requirement
• Focus is not on Nonconformity
• Opportunities should be persuasive
• OFIs are more likely to be adopted if the auditee has already agreed to the idea during the audit
Format of OFIs

1. What was observed?
2. Why is it a problem? (ineffectiveness, inefficient, risky, etc)?
3. What should be done about it?
Example

During the audit we observed the Customer Service Agent jotting down customer feedback during a telephone call in order to create a follow-up email after the call.

This practice extends the cycle time for each customer call.

It may be beneficial to have Agents create the email in real-time during their telephone call.
The auditee got very wet running from the car into his office. He explained that he didn’t bring an umbrella because it wasn’t raining when he left the house.

This process is sensitive to changing circumstances.

It would be beneficial to keep a collapsible umbrella in the car as a contingency measure to deal with unexpected rain showers.
Conclusions

- Organizations need to demand that audits drive business improvement
- Auditors have a role to play in directing management towards the most pressing issues