



Driving Operational Excellence: Designing and Implementing a Custom Operational Audit Program



Audits and Assurance

Situation

In early 2023, a large upstream oil and gas company based in Calgary, Alberta that acquires, explores, develops, and produces crude oil, natural gas, and natural gas liquids in Western Canada engaged SPAN to assist in **creating a comprehensive Operational Audit Program** that met both regulatory requirements and client specific needs.

The company needed to develop and implement an audit program but did not have the necessary internal resources or expertise to execute the work. SPAN was tasked with designing and implementing a practical solution that would be tailored to client operations and meet regulatory requirements.

Approach

SPAN worked with the client by engaging with stakeholders to understand their specific needs. SPAN also reviewed all regulatory requirements related to the client's operations and developed a concordance table to identify key areas to be audited and demonstrate how the audit program would meet regulator expectations.

Results

To support the success of the audit program, SPAN designed it to be flexible and adaptable to changing circumstances and regulatory requirements.

In addition to creating the program, SPAN provided training to the client's team on how to effectively conduct audit activities. The training was essential in ensuring that the client's team could conduct audits confidently and competently. SPAN also provided guidance on reporting and tracking audit findings, which was critical to the success of the program.

Recommendations

SPAN was retained by the client to support the program implementation, but SPAN actively encouraged client staff to lead the program implementation and on-site audits much as possible. The audit program was monitored over time to confirm it met the intended objectives and iterative improvements are being made to further enhance the program and ensure it is fit for purpose.