

2023 API PIPELINE CONFERENCE AND EXPO

PIPELINE, CONTROL ROOM AND CYBERNETICS

May 1-3, 2023 JW Marriott Nashville | Nashville, TN

What's in your Audit?

Adding Value to Audits and Assessments



What's in your Audit?

- Context
- Classic Audit Types & Results
- Industry Perspective
- Strategies for Success
- Focussed Audits
- Potential Obstacles
- Summary

What's in your Audit?

- Iconic Advertisement
 - The wallet represented financial security, purchasing power and prosperity.
 - Implied that other cards were not as good.
 - More value with the card-in-question.
- Your Audit Program
 - Represents assurance that criteria are met, and opportunities to correct are being introduced into the organizational improvement cycle.
 - We know that a number of factors can impact the value-gained out of an audit.
 - What does more value look like?

What's in your Audit?

- Classic Audit Types
 - Management System Audits
 - Compliance Audits
 - Well-defined methods have been established within ISO 19011
 - Define the scope
 - Establish a protocol
 - Collect evidence to support the criteria
 - Communicate findings
 - Issue a report

What's in your Audit?

- Classic Audit Results
 - Compliance Audit Results
 - A list of items that were found to not meet the audit criteria.
 - So, we fix these and put an inspection into a PM.
 - Is there value?
 - We gain confidence in our compliance profile.
 - Management System Audit Results
 - A list of items that were found to not meet the audit criteria.
 - So, we fix these and emphasize these in our company program documents.
 - Is there value?
 - We gain confidence that our system is maturing.... But is it?



What's in your Audit?

Industry Perspective:

“Yes, but is my management system is running effectively?”

“Now how can I demonstrate Continual Improvement?”

“Are my most significant risks being adequately managed?”

What's in your Audit?

These are all very valid and important questions that top leadership should be asking.

These are also very quantifiable and verifiable in an audit activity....
...as long as they are appropriately scoped-in to the audit objectives.

What's in your Audit?

Some Value-Add Strategies to Consider

- Pre-audit meeting
 - What does the client want to get out of the audit?
 - Talk-it-out.
 - Establish an approach.
 - Agree and execute.
 - What would really help the auditee?
 - Perspective vs Conformance
 - Professional insight on right-sizing and sampling.

What's in your Audit?

Some Value-Add Strategies to Consider

- Audit Team Composition
 - Diversification of resources
 - Internal & external
 - SMEs & generalists
 - Leadership & staff
 - Remote & Onsite
- Reporting out
 - The whys and wherefores
 - Lumpers and splitters
 - Playing the numbers game
 - Focus on the results

What's in your Audit?

Effectiveness Assessments

- “Yes, but is my management system is running effectively?”
- Can also be a view into how well-integrated the management system is.
- Do the Elements help to inform and support each other's growth?

What's in your Audit?

Performance-Based Audit

- “Now how can I demonstrate Continual Improvement?”
- Are the performance measures suitable for the organization's goals?
- Largely a comparative view of general performance and KPIs over time.

What's in your Audit?

Risk-Based Audit

- “Are my most significant risks being adequately managed?”
- Assessing how the organizational risks are managed within the management system.
- Can be termed a deep-dive or a lateral audit.

What's in your Audit?

Potential Obstacles to Watch For

- Combining too many unique audit approaches into one activity.
- Attempting intricate audit strategies prior to baseline management system maturity.
- Classic budget and scheduling creep against available resources.