Introduction to Auditing

2015 Safety Groups Advantage Program

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◆ Emergency

◆ Phones

◆ Break(s)

◆ Questions

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OVERVIEW

◆ Objective

◆ Principles of Auditing

◆ Audit Process

◆ Audit Review

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To provide an introduction to the basic process of conducting an audit of **your** Health and Safety Management System.

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HSMS

Health & **S**afety **M**anagement **S**ystem

The documented process that fully incorporates effective risk management principles into a health and safety program.

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AUDITING

The systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled.

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BASICS YOU MAY ALREADY KNOW

◆ What do you know about auditing?

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APPROVED SAFETY GROUP AUDITS

◆ WorkWell

◆ WSIB HSMS Review Form

◆ Certificate of Recognition (COR)

◆ CSA Z1000

◆ OHSAS 18001

◆ ZeroQuest Audit

◆ PSHSA Q5 Audit

◆ PSHSA HSMS Audit

◆ Safe Workplace Ontario Safety Audit

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WHY AUDIT?

Provide senior management with objective information on which they can react to improve their health and safety activities

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AUDIT OBJECTIVE

◆ What you want to achieve with the audit activity such as:

➢ Does your HSMS:

- conform to a management system criteria? and;
- identify opportunities for improvement to the management system

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PRINCIPLES OF AUDITING

◆ Audit Scope

➢ Extent and boundaries of the audit

Note: The audit scope generally includes a description of the physical locations, organizational units, activities and processes, as well as the time period covered.

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PRINCIPLES OF AUDITING

◆ Audit Criteria:

➤ used as a reference against which audit evidence is measured.

◆ Advantage program allows different criteria including:

➤ HSMS Review Form, WorkWell, COR, etc., **AND**

➤ the firm's health and safety program, policies, procedures and related documents

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PRINCIPLES OF AUDITING

◆ Audit Evidence:

➤ Documents, records, statements of fact (Interviews) and observations relevant to the audit criteria and verifiable.

➤ Sufficient corroborating evidence, minimum two different <u>sources</u> of evidence

◆ Audit Findings / Conclusions

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

<u>Note:</u> The audit findings can indicate either conformity or nonconformity with audit criteria.

Auditing relies on these principles to make it effective and reliable.

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AUDIT FINDINGS

◆ Conformity

➤ The fulfillment of the audit criteria, which includes:

- Audit standard
- Policies, procedures and company practices
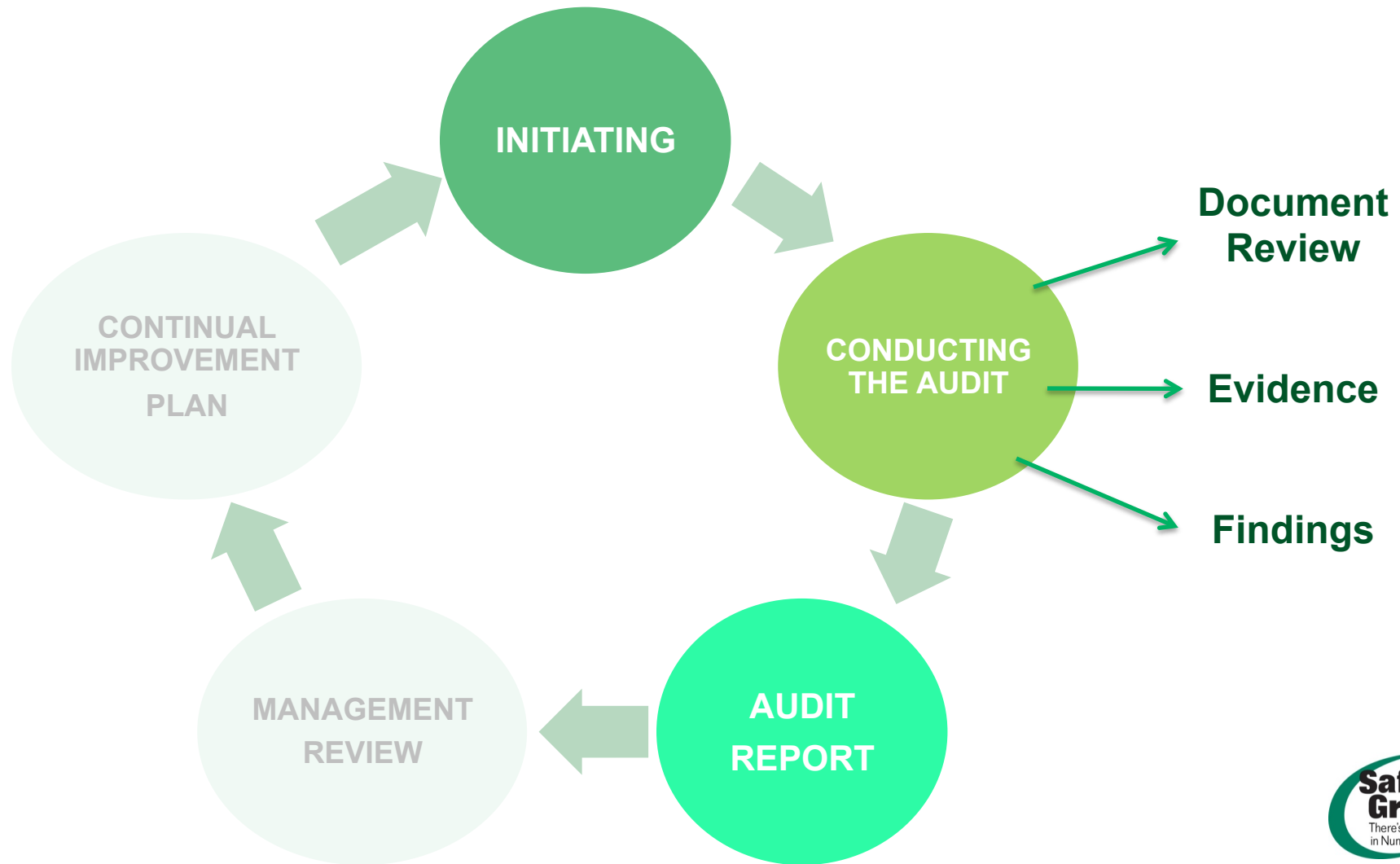
◆ Non-conformity

➤ Non-fulfillment of or deviation from requirements
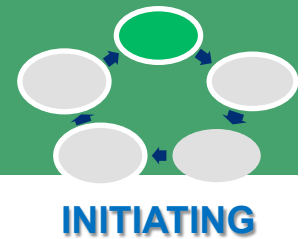
➤ Can be major or minor

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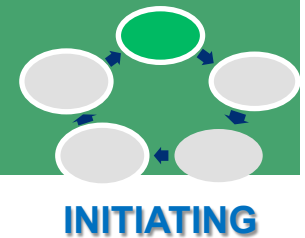Workplace Safety and Insurance Board | Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail

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KEY CONCEPTS

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AUDIT PROCESS

INITIATING

CONDUCTING THE AUDIT

Document Review

Evidence

Findings

AUDIT REPORT

MANAGEMENT REVIEW

CONTINUAL IMPROVEMENT PLAN

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INITIATING THE AUDIT

INITIATING

◆ Management assigns qualified auditor(s)

◆ Develop an Audit Plan that includes:
  - ➤ Objectives
  - ➤ Scope
  - ➤ Criteria
  - ➤ Schedule activities with timelines

◆ Communicate audit activity to appropriate workplace parties

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INITIATING

Things to consider:

➢ Time to review documentation

➢ Time to conduct interviews and observation tours

➢ Developing a meeting schedule

➢ Audit team with roles & responsibilities

➢ What PPE is required?

➢ Floor plan

➢ Meeting Space

➢ Access to documents and records

➢ Developing audit forms:

- Interviews

- Observations

- Surveys

➢ List of questions to ask

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1. WRITTEN HSMS AUDIT STANDARD (pg 3)

Written Company Standard outlining detailed policy and procedures for your HSMS Audit Program (internal health & safety audit) including, at a minimum:

a. Current date (2015)
b. Specific reference to your firm
c. Roles and responsibilities for….
d. Auditor(s) qualifications
e. Development of Audit Plan, including audit criteria, scope, schedule, and timelines
f. Development of a documented CIP ….

Resources / Tools:

Sample of a HSMS Audit Program Standard
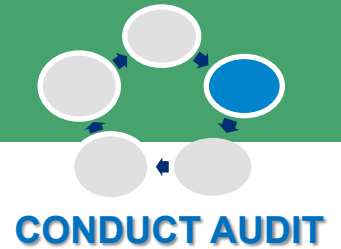
2015 SGAP Timeline Guide

Safety Groups
There's Safety in Numbers

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AUDIT PLAN EXERCISE

◆ Individually, begin to complete the <u>Audit Plan</u> document for your business

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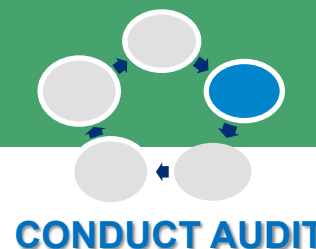
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DOCUMENT REVIEW

◆ First step in the conducting the audit

◆ Establishes initial conformity to audit criteria

◆ Determines other types of evidence to sample

Mandatory audit requirement

CONDUCT AUDIT

Documents vs. Records

◆ Document:

  ➢ May be a policy, procedure, work instruction, form or other document that gives instruction

  ➢ It is current, active and changeable

◆ Records:

  ➢ Dated, historical and unchangeable

◆ An obsolete document may become a record

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DOCUMENTS vs. RECORDS

◆ **Documents**

- Lock out procedure
- Orientation procedure
- Inspection procedure
- PPE procedure
- Violence and Harassment procedure
- Health & Safety policy

◆ **Records**

- Lock out training records
- Inspection reports
- PPE inspection log
- Investigation reports
- Violence and Harassment Assessment
- H&S posted policy

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CONDUCT AUDIT

◆ Proof to demonstrate requirements have or have not been met

◆ Sources of information gathered are grouped by:

  ➢ Documentation

  ➢ Records

  ➢ Observation

  ➢ Interviews

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AUDIT EVIDENCE

DOCUMENTATION

- Verify relevant, clear and complete procedures, work instructions, guidelines meet audit criteria

RECORDS

- Demonstrate that requirements of procedures and standards have been met

OBSERVATIONS

- Verify implementation of standards
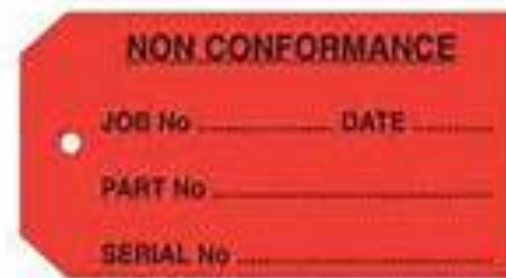- Record observations (i.e. workers following rules)

INTERVIEWS

- To verify health & safety program understanding

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◆ If all available sources of information are consistent then the information may be considered evidence of conformity.

➤ Inconsistent information = nonconformity.

◆ Evidence is measured against:

➤ selected audit criteria **AND**

➤ requirements stated in the employer's standard

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◆ Review Documents and Records

  ➢ Note details of documents and records reviewed

◆ Observation while at the facility and throughout the audit

  ➢ Note relevant observations that demonstrate conformity and nonconformity

◆ Interviews during the facility tour and throughout the audit

  ➢ Appropriate to the situation and the person

  ➢ Interview people from appropriate levels and functions

  ➢ Note evidence of conformity and nonconformity

  ➢ Summarize the results of the interview with the person

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AUDIT EVIDENCE

◆ Examples of what to observe

- Pre-use inspections
- Housekeeping
- Workers wearing PPE
- Workplace hazards
- Signage / safety postings

◆ Who should you interview?

- Supervisors
- Workers
- Contractors
- Engineers
- JHSC members

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◆ **How much information is enough?**

➢ Sufficient to demonstrate a <u>consistent pattern of conformance</u>

➢ One piece might be enough, for example:

➥ Maybe only one incident occurred so there will only be one investigation report

➥ Observed one failure to use confined space procedure;

➥ Only one work instruction

➢ 10 to 50 pieces may be needed:

➥ Monthly workplace inspections

➥ Pre-shift forklift inspections

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AUDIT FINDINGS

◆ Evaluate all audit evidence against audit criteria

◆ Audit findings indicate if there is a conformity or non-conformity

◆ NOTE: any corrective actions to a non-conformity does not change audit findings

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CONDUCT AUDIT

◆ Conformity:

➢ Fulfillment of the audit criteria that includes:

▪ Audit standard, policies, procedures and related company practices

◆ Non-conformity:

➢ Non-fulfillment of, or deviation from, the requirements

➢ Categorized as major or minor

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CONDUCT AUDIT

◆ Major:

➢ The issue will continue to occur because of how the HSMS and health and safety program are structured

➢ There is unacceptable risk to a worker's health or safety

➢ There are serious legal implications, or

➢ There is am accumulation of related minor non-conformities

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NON-CONFORMITIES

◆ Minor:

  ➤ HSMS and H&S program structures are valid, but there's a minor deviation (e.g. human error)

  ➤ There is no unacceptable risk to the worker

  ➤ There are no significant legal implications, and

  ➤ There is not an accumulation of related minor non-conformities

◆ SGAP requires your Continuous Improvement Plan (CIP) give priority to high-risk hazards and legal requirements

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◆ In groups, conduct a review of the audit criteria against the evidence to determine conformity or non-conformity:

◆ Identify the following:

  ➢ Audit lead

  ➢ Scribe

  ➢ Presenter

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◆ The audit report is a summary of auditor's findings

◆ Completed audit is the most common report submitted for management review

◆ Auditor can also create a separate audit report with findings

◆ Report must reference evidence that supports the findings of conformity and/or nonconformity for each criteria

◆ Indicate any situations encountered decrease the reliability of the audit c

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◆ Diverging opinions about findings or conclusions should be discussed, resolved if possible, and recorded if not resolved

◆ The report must include the date(s) of the audit, report date, auditor(s) name and signature

◆ Auditor(s) prepare to present or discuss the audit with the Owner/Senior Management for their review and signature

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END OF AUDITOR TRAINING

◆ Auditor training is now complete

◆ Time allowing….

➢ Management Review

➢ Continual Improvement Plan

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MANAGEMENT REVIEW

◆ Owner / senior management review report

◆ Ensure the owner / senior management agrees with and understands the audit conclusions

◆ A record of the Management Review is required

  ➤ usually a signature

◆ Establish timeframe for employer's action plan

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CONTINUAL IMPROVEMENT PLAN

◆ Develop an action plan for all non-conformities that includes:

➢ How non-conformities will be corrected,

➢ Responsibilities assigned and

➢ Timelines

ACTION PLAN

◆ Plan is developed or reviewed, approved, resourced and initiated by the owner/senior management .

➢ Record is required.

◆ The auditor(s) may conduct follow-ups to ensure the element is progressing to conformity

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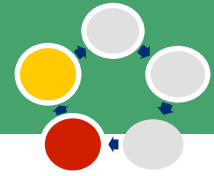
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CONTINUAL IMPROVEMENT PLAN

◆ When a criteria requirement is met, but may deteriorate into a nonconformity, the audit report may indicate an opportunity to improve.

◆ The process of <u>enhancing the HSMS</u> to achieve continual improvement in overall health and safety performance.

ACTION PLAN

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CIP EXERCISE

◆ Choose 2 non-conformities and

◆ Develop a Continual Improvement Plan (CIP) of how you will bring items to conformity

5. Continual Improvement Plan
(page 5)

5. Develop and implement a documented 2015 HSMS Audit Continual Improvement Plan (CIP) including:

i. Detailed and specific action points for:

    a. All audit findings of non-conformity, and

    b. All RTW/WR non-conformities, and

    c. All 2014 Audit/CIP Review (requirement 3) deficiencies

ii. <u>Priority</u> will be given to non-conformities related to <u>high-risk hazards, and legal requirements</u>

iii. Detailed action points for each non-conformity are <u>planned to resolution</u> with responsibilities assigned and timelines established

iv. <u>All</u> remaining non-conformities and deficiencies must have CIP action points that are <u>initiated</u> <u>within 6 months of the audit being completed</u>

Resources & Tools

Samples of Continual Improvement Plans

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5. Continual Improvement Plan
(page 5)

f. Documented evidence of Senior Management review and approval of:

   I. The Continual Improvement Plan

   II. <u>Quarterly progress reviews</u> of the CIP until all non-conformities/deficiencies are corrected

Resources & Tools

Samples of Continual Improvement Plans

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AUDIT PROCESS

INITIATING

CONTINUAL IMPROVEMENT PLAN

CONDUCTING THE AUDIT

Document Review

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MANAGEMENT REVIEW

AUDIT REPORT

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Discussion and Questions

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