

FoCul Ltd
PO Box 275, Leyland
Lancashire PR25 5WQ

Tel 01642 919 749

Email Support@FoCul.net
<http://www.focul.net/>

Audit Manager – Outline Proposal

1. Introduction

This document is an outline proposal for an Audit Management System which allows the whole life cycle of Audits to be managed much more efficiently, with less administrative effort and with much more control.

These improvements will be beneficial in improving both the improvement of the Audit Process and the processes being audited.

The required functionality has been considered and it is all achievable and the project would be delivered against a fixed price.

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2. Audit Process Health V's health of the Audited Processes

In considering how a best practice system should work it is important to differentiate between the health of the Audit Process and the health of the Processes being audited.

The health of the Audit Process is about compliance to the audit schedule and the quality of the audits carried out. The health of the Audited Processes is about the findings of the audits (which are assumed to be to a good standard).

Responsibility for issues with the health of the Audit Process is entirely separate from responsibility for the health of the Audited Process (although in some cases the same person may do both). For example responsibility for ensuring that the RAP system gets audited to a good standard is different from gauging the health of the RAP process from the results of the audits carried out.

There should be a clear responsibility matrix showing who is responsible for each process.

3. Characteristics of a good Auditing System

A good auditing system will have the following characteristics :

- Clearly visible audit schedule with requirements by group and individual
- Readily available indication of issues raised by the audit processes.
- Readily available performance metrics (audit schedule compliance)
- Readily available performance metrics (audit quality)
- Efficient to use for the system administrators and the end users
- Provide clear direction to auditors about what is expected of them
- Facilitate management by exception
- Expandable to include other audit processes

4. Characteristics of the current Auditing System

It is difficult for Individuals, Managers and Administrators to understand what is required of them at any given time

It is not possible to easily assess the health of the current auditing processes in a single place as the processes are fragmented across several Lotus Notes and paper systems

The current status of audits and performance metrics can only be determined by manually collating the data

The current systems do not support the efficient management of audits at a team level and have no ability for team leaders to efficiently delegate audits to team members

5. The proposed scheme in overview

The proposed scheme is to have a single central Audit Management Tool that allows people to :

- quickly find the information that they need to carry out audits
- quickly respond to findings from audits
- more easily manage auditing within their teams

- manage the health of the Auditing Process using automatically generated KPIs and a dashboard

6. The proposed scheme in more detail

6.1. Clearly visible audit schedule by group, individual, process, area etc.

In order to understand the health of the auditing program it is necessary to be able to quickly demonstrate what audits have been completed and what are still outstanding.

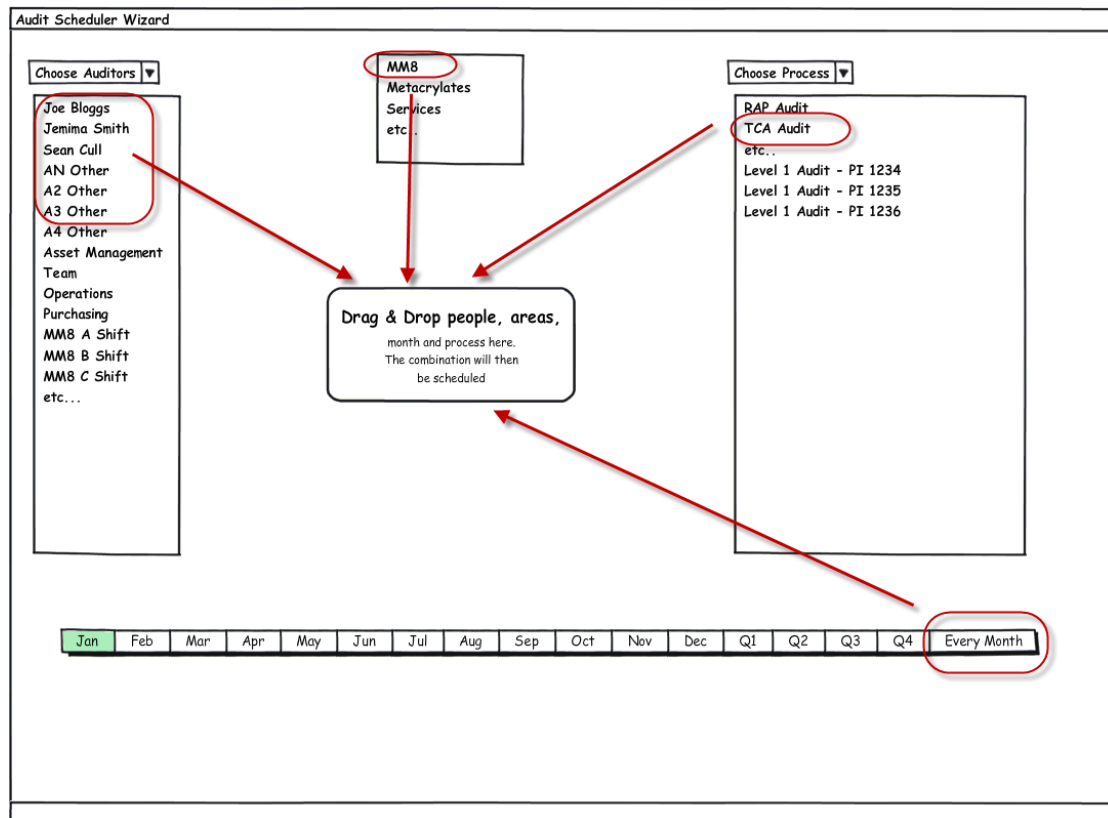
The Audit schedule will record the following attributes :

- Audit Process (RAP, labs etc..)
- Auditing Group (Scaffolders, Process Techs etc..)
- Auditing Person
- Receiving Group (Scaffolders, Process Techs etc..)
- Geographic Area (MM8, Methacs etc..)
- Date Window for the audit

The system will include a wizard tool that allows administrators to very quickly create draft audits against topics and / or groups for the complete year. To schedule audits the administrator would (see diagram below) :

- Drag and drop one or more people or teams into the “basket” in the centre of the screen
- Drag and drop an area into the basket
- Drag and drop an Audit Process (can be down to the level of an individual PI)
- Drag and Drop a time frame

The system will then schedule the specified people to carry out the specified audits in the specified areas during the specified windows



Where audits are allocated to a group that group manager (or other named administrator) will be able to easily delegate execution of the audit to other named individuals in that group.

The audits will be displayed in a calendar view and in straight Notes views listed by Group, Person and Process. An option to add the audit to an individual's diary will also be available

6.2. Readily available indication of issues raised by the audit processes.

Deficiencies raised in audits can be considered in three parts :

6.2.1. Bulk deficiencies

When considered in their totality deficiencies indicate areas for improvement which need to be addressed by changes to organisations, culture or processes.

These will need to be identified and considered as part of the Management Review Process which should be in place to consider each audited process.

The deficiencies can be identified in two broad ways. The first is by having the process owners attention drawn to them via an optional automated email triggered as the audit is closed i.e "please tick this box if you would like the process owners attention to be drawn to this audit"

The second is using the traffic light displays to give a quick visual indication of the outcome of the audit. Too many red lights is a quick indication that there are issues which require attention.

6.2.2. Acute Deficiencies

These will have been raised as a Corrective Action as part of the audit process. These actions will each have named Owners and Actionees. They can also be displayed by process, area and date. They can be exported to Excel and automatically graphed.

In reviewing the health of the audited process it would also be useful to capture some root cause information at the time of raising the deficiencies. One suggestion is that where a Corrective Action is raised the auditor should select one of the following (or similar) root causes to aid later analysis :

- Issue with the Procedure
- Issue with Application of the Procedure
- NA

6.2.3. An overall ranking for the audit outcome

For audits which have predominantly yes / no response the per question traffic light system is useful. To accommodate a narrative audits we are suggesting that at the end of the audit the Auditor should tick a box to indicate an overall rating for the outcome of the audit

6.3. Readily available performance metrics (Audit Schedule Compliance)

The system will automatically report on Audit Schedule Compliance via Notes views and via Excel tables / graphs. These reports will be viewable by audit process (RAP, Labs etc..), auditing Person / Group, Audit Recipients, Area and period.

Audits not completed by the year end will be cancelled but will still show as negative KPIs for reporting purposes

6.4. Readily available performance metrics (Audit Quality)

The quality of the audits that have been completed can only be assessed through the Management Review Process. This by its nature will happen within the Management Reviews of the Audited process (e.g. the Management Review of the health of the RAP process) and within the Management Review of the Auditing Process itself.

The crux here is to allow this to be done efficiently and for the outcome of the reviews to be easily recorded. The system will support this by :

- Making the results visible

- Allowing the Management Review Meeting notes to be easily filed in a dedicated part of the system (note that some process already have a filing space in the SHE management database)
- Allowing selected audits to be flagged as examples of best practice and these audits to be readily accessible by users
- Allowing selected completed audits of an unsatisfactory quality to be flagged as requiring attention
- Allowing auditors to select a tick box to indicate that they would have created corrective actions except that there were already existing corrective actions in place which had not been completed.
- Providing automated metrics for the above

6.5. Efficient for administrators and users

The purpose of the system is to support the efficient planning, execution and learning from Audits. The following numbers of audits are carried out annually

REDACTED

* Note that this table can be more fully filled in should the project go ahead

The system will support efficient working by :

- Acting a single point of reference for all audits
- Allowing the Administrators to set up the Audit Schedule quickly and easily
- Turning the Audit Schedule into a live document which is updated in real time by the users recording audits
- Providing immediate performance metrics on the health of the auditing process
- Providing readily available links to relevant information e.g. PIs, SOPs etc..

6.6. Proving clear information to Auditors on what is expected from them

The system will provide a readily accessible audit guide for each type of audit (e.g. L1, RAP etc..) explaining what is required and who is responsible for that auditing process.

The system will provide ready access to the procedures being audited e.g PIs

The system will also provide access to previous audits and actions indexed by process, area etc..

The system will provide the facility to highlight audits which are best practice as examples to be followed by other auditors

6.7. *Facilitate Management by Exception*

The system will support management of the auditing process by exception through the real time auditing schedule, the automatic delivery of compliance metrics and the ability to review audit results via a traffic light system and a Performance Dashboard

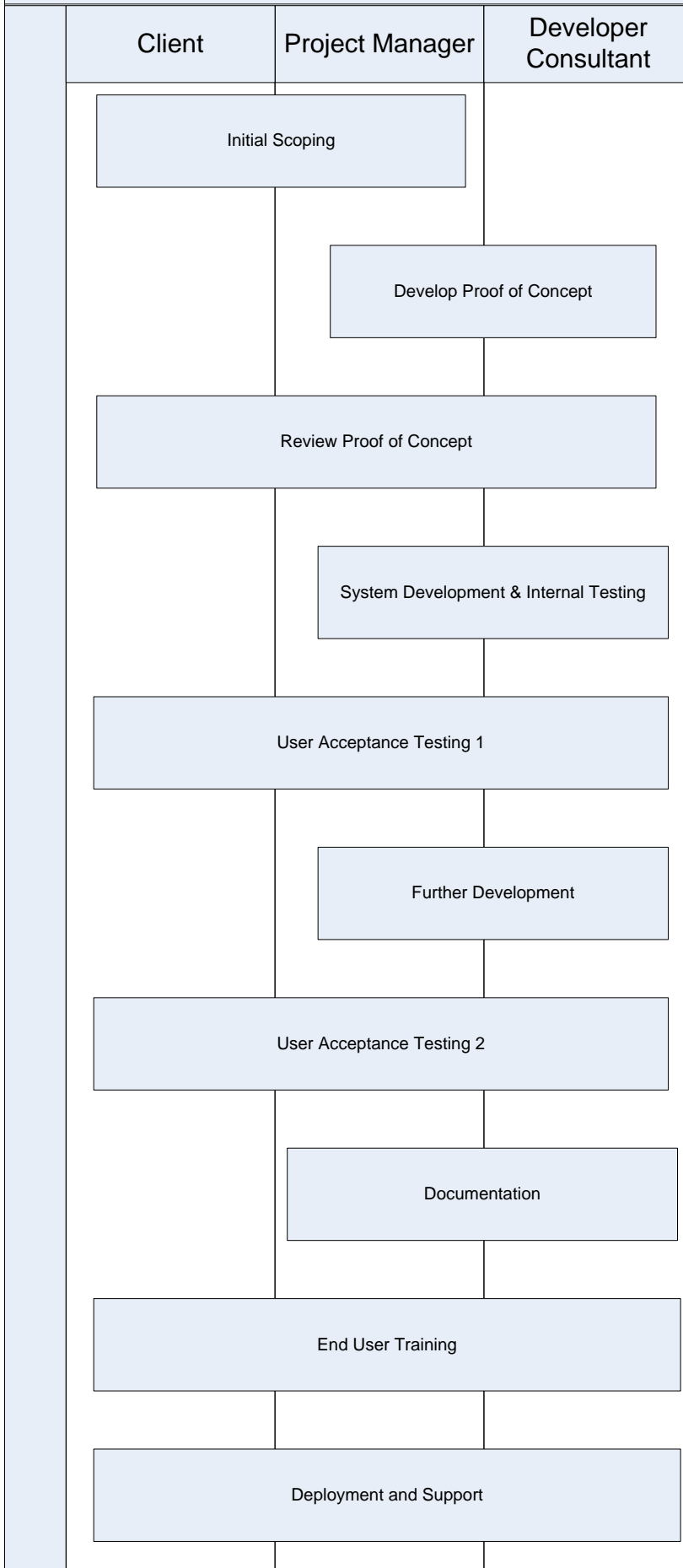
6.8. *Flexible so that other audit processes can be added*

The processes will be as generic as possible so that further types of audits may be added in the future without IT development work

7. Project Process

The flowchart below shows the project process that would be used.

FoCul Project Process – Audit Manager



7.1. Initial Scoping

In this phase we will map out the required functionality and data sources and identify the stakeholders. This will require 1:1 meetings with 5 – 6 stakeholders and a group meeting

7.2. Proof of Concept (POC) & POC Review

The Proof of Concept is a mixture of screen mock-ups and full Notes functionality which is used to describe our understanding of your requirements. This acts as a catalyst for the users from the initial scoping to confirm or expand on their requirements

The outcome of the POC is a bullet point specification which details which aspects of the POC need to be changed

7.3. System Development & Internal Testing

This phase has several sub phases including development brainstorming, architecture, coding and developer testing.

During Internal Testing the application is tested against real data and using behaviours that real users are likely to adopt – i.e. we try and break it

7.4. User Acceptance Testing 1

UAT 1 is a test with the stakeholders to ensure that all of the required functionality has been included and that the system usability is good. The system will not be robust at this point as we will expect to find 50 + minor issues and 10+ serious issues

7.5. User Acceptance Testing 2

UAT 2 (and optionally UAT 3) are confirmation that the system is robust. We will add a UAT 3 if there are any unresolved issues from UAT 2

7.6. Documentation

We will provide a combination of screen casts and written instructions for the system. You can see an example of one of our screen casts here :

http://deliverytoolkit.com/Public/FDT/fdt_blog.nsf/dx/skills-and-roles-manager.htm

7.7. End User Training

We will train the key users. End users will be trained by the key users using slides / screencasts provided by FoCul

7.8. Deployment and Support

For the initial period after the application is deployed we will support it very closely. After that period (typically 60 – 90 days) we will provide support on a more periodic basis. It is important to recognise that the application (as with most applications) will need some support on an on-going basis

8. Deployment Phasing

In an ideal scenario the system would be fully deployed before the year end so that a full years KPIs could be viewed for the following year. This would mean introducing the system in a phased fashion before the year end to ensure that the functionality meets the business needs.

If necessary it would be possible to move the current schedule into the system part way through the year to allow a comprehensive set of KPI measures to be automatically published.

9. Timescales

The system can be in and operational in 4 – 6 months

10. Costs

10.1. As a commercial product from FoCul licensed on a subscription basis

11. Conclusion

I believe that this proposal offers an attractive way forward in addressing the current inefficiencies in the management of Auditing at XXXXX.

The application will replace a number of fragmented systems and will integrate with other existing systems to bring more efficiency and control with less effort.

Using the real time schedule, automated metrics and dashboards :

- Auditors will be able to understand what is required of them and when
- Line Managers will be able to understand how their teams are performing
- Process Owners (e.g. owners of PIs, SOPs etc..) will be able to easily find and review audit feedback against their processes
- The owners of the audit processes (as opposed to the processes being audited) will be able to more easily understand the health of the auditing regime

The Audit Manager application will also use the latest best practice in Lotus Notes development and will have clear support options available at a fixed cost.

12. Appendix - Detailed Notes

12.1. Proposal for each Audit Process

12.1.1. L1 Audits

Carried out within the system using configurable templates with options for tick box and narrative responses.

Each Audit to be linked to a PI so that the auditor can click through to the PI.

Actions to be managed within the new application and reported in CATS. Historical Actions and Audits can be grouped by PI

Wizard identifies which PIs have not been audited in X years and presents these to the administrator for scheduling

Wizard uses a list of recognised L1 auditors – shows how many audits each has been scheduled for as the schedule is compiled

12.1.2. BOS Audits

The Audit Manager Application contains a place holder for each BOS audit but the audits and actions are contained within the BOS database. It is possible to move seamlessly between each.

The Audit place holder gets updated as the audit is carried out and so updates the audit schedule and metrics in real time

12.1.3. WCP / RAP

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.4. SOP

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.5. TCA

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.6. LABS

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.7. Quality

The Audit Manager Application contains a place holder for each Quality audit but the audits are contained within the Quality database. It is possible to move seamlessly between each. Actions will be tracked via the Quality application

The Audit place holder gets updated as the audit is carried out and so updates the audit schedule and metrics in real time

12.1.8. EMS

The Audit Manager Application contains a place holder for each EMS audit but the audits are contained within the EMS database. It is possible to move seamlessly between each. Actions will be tracked via the EMS application

The Audit place holder gets updated as the audit is carried out and so updates the audit schedule and metrics in real time

12.1.9. PPE

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.10. Housekeeping

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.11. Fire

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.12. Entry

TBA

12.1.13. Asbestos

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.14. Legionella

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.15. Fire RA

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.16. Partners in Health

TBA

12.1.17. Retrospective Task Audit

Carried out within the system using configurable templates with options for tick box and narrative responses

Actions to be managed within the new application and reported in CATS

12.1.18. Project Office

TBA

12.1.19. Tanker Loading

TBA

12.1.20. Hazard Spotting

TBA