Quality Auditor Review

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Fix Findings:

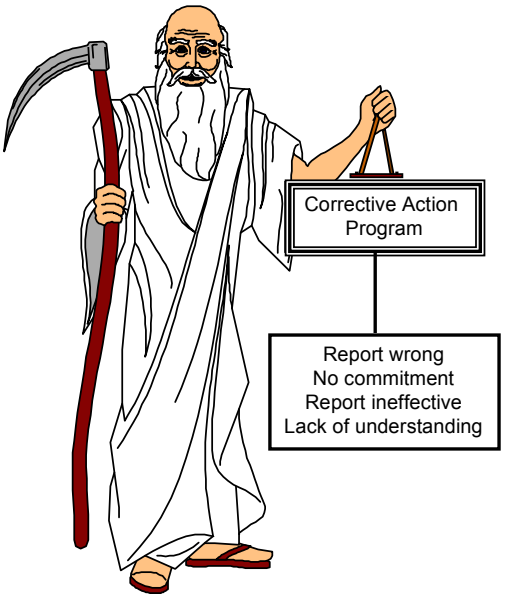
Audit Thinking

Many fellow auditors are still squabbling over corrective action. What is it? Are auditees doing it? What should auditors do about it? The discussions are important... well, because corrective action is how we get a payback from the audit process.

The Quality Auditor Review newsletter is not a forum for continuation of the debate over the meaning of corrective action, but we can state that reported findings or nonconformities from audits should be corrected. In many cases the auditees are not fixing the problems identified in audit reports. There can be many reasons for this such as: 1) auditors reporting the wrong problem, 2) poorly written audit reports, 3) lack of management commitment, or 4) auditees not understanding what is required of them. Ineffective corrective action programs should be identified and addressed by management. However, there are some things that you, as an auditor, should be doing to help.

As part of your next quality audit, request copies of prior audit reports. Then during the audit, determine what the auditee did to fix the problems identified from the preceding investigations. Remember that the auditee has the responsibility to determine the importance of the findings and at that point determine the resources that will be allocated to fixing the problem. You should observe one of three outcomes: 1) nothing was done, 2) remedial action was taken (a quick fix), or 3) the underlying cause was identified and

See FIX *on page 3*



From the News Desk

Books of Interest

Several people have recommended a new book by Mark Brown. Mark Graham Brown's book is *Keeping Score: Using the Right Metrics to Drive World-Class Performance,* 1996, available from Quality Press, item number P648. The Quality Press telephone number is 800.248.1946.

If you are interested in improving the corrective actions from audits you might consider purchasing *After the Quality Audit: Closing the Loop on the Audit Process*, by JP Russell & Terry Regel, 1996, ASQ Quality Press, Milwaukee WI. *After the Quality Audit* is available from ASQ Quality Press, item number H0927.

inside...

The Audit Guy

Dennis Arter

What is a Control?

Think of standards as a collection of controls.

**Auditing developed from a need to verify the truthfulness of something. If the King taxed your cargo, you had an incentive to miss a few items on your report. As civilization advanced, workers were making economic decisions and actually handling money. Auditing began as a reaction to theft! Of course, we now examine much more than money. However, the basic concept remains the same: we are looking for the truth. This is classic compliance auditing.

The early practitioners of audit discovered that certain conditions would prevent (or minimize) theft. Double entry bookkeeping. Public reports to the government. Checks and balances. Although we didn't know it at the time, we were discovering "controls." In the financial world, the controls were written down to become accounting standards. Auditors then verified practices against these standards. Classic compliance auditing was now being applied to the process of bookkeeping, as well as the product of financial figures.

As high risk activities developed in the middle of this century (war, nuclear energy, spaceflight, etc.), the concept of control became important to non-financial activities. We began to realize that there were universal methods to achieve success: plan what you want to do, do it in accordance with those plans, measure the resulting products, and correct any problems. This became known as the Plan-Do-Check-Act (PDCA) cycle.

Controls can be very difficult to understand (and explain) because they are invisible. You can't touch or see a control. You can only feel the effect of that control. They are the cause of cause and effect.

You are already quite familiar with these control concepts. You know that quality demands a clear definition of the product or service requirements. You also know that internal examination (auditing) of the work will result in a higher level of achieving those requirements. These are two examples of "controls."

A fundamental rule of auditing is to measure against some standard of performance. So to understand "controls," you must first define the standard. Standards can come from inside your company, as in procedures or blueprints. Standards can come from outside your company, as in regulations or customer specifications. Think of standards as a collection of controls. They are high-level concepts of how to accomplish a task without error.

For example, the standard might say, "Clearly define the requirements for the job." So how do you actually do that? More to the point, how do you audit the implementation of that concept?

You must break the concept down to less than a half-dozen actions. For the example above, we need to do three things: write the requirements down, get that information to the users, and maintain those requirements in a state of goodness. This is classic Document Control. Each of the three actions (write, publish, maintain) is a control. Each can (and should) be audited. You can audit all three controls in one audit, or you can audit them individually.

To help you, we have included a breakdown of a very popular standard, ISO 9001, into its individual controls (see enclosure,). The a,b,c, etc. items are individual controls. Add up the controls to get a system. In this case, there are 20 quality system elements. Generally, you will get a better audit by concentrating on the individual controls. The results may even surprise you!

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Dennis Arter is the newsletter feature writer and author of the best selling book Quality Audits for Improved Performance.

Dennis has been an independent quality assurance consultant since 1984. His primary service is instruction in the field of management auditing for a wide variety of clients, including government, manufacturing, energy, research, aerospace, and food processing. He is an ASQ Fellow and active in

NEXT

Process Audits

Quality Audit Primer

Auditing tips and reminders

Audit Performance:

DO'S AND DON'TS for INTERVIEW QUESTIONS

DO:

Ask open-ended questions. The basic who, what, when, where, why, and how questions.

"What do you do?"
"How are you involved with _____?"
"How do you know how to do this?"

Ask for work processes to be explained, but not for entrapment purposes.

"Could you walk me through the purchase order process?"

Provide positive reinforcement when appropriate.

"You really have this procedure down cold."
"Your area seems very organized."
"I can see how things have really improved."

Use body language to stimulate continued discussion.

Tilt your head to one side
Raised eyebrows
Wince
Half smile
Hands on face

However, if you overdo the body language, it can distract the interviewee. The interviewee may start to watch your body language to determine it they answered the question to your satisfaction.

DON'T

Do not ask yes-no questions unless it is a specific strategy.

Yes-no questions can lead to yes-no answers.

Avoid using rhetorical questions.

"You know how to follow this procedure, don't you?"

Avoid presumptions which may or may not be true.

"What happens when you don't follow the procedure?"
"How do you handle defects from the line?"

The above questions could lead to arguments about when did the person not follow the procedure or what defects are you referring to. The "you"word can make people defensive.

Avoid leading questions.

"Do you wash the product as stated here in step 6?"
"Do you set the temperature as the instructions specify?"

Sometimes leading questions can be used to help the interviewee focus on the topic being discussed. Once the communication link is established return to normal questioning.

Avoid hypothetical questions.

"What would you do if the plant shuts down all of a sudden?"
"If you were required to handle nonconforming product, what would you do?"
"If Mary Poppins showed up, how would you greet her?"

When interviewing keep out your receptors to know when a line of questioning is not working so that you can switch gears and be more

Do!
>Ask open-ended questions
>Provide positive re-enforce-ment

Don't!
>Presume
>Ask hypo-thetical questions.

FIX: *from page 1*

corrected (corrective action). I would suggest that it is not up to you to determine if the auditee selected the right course of action, but only to determine if there was a basis for the selection and if the problem was fixed for good or if there has been recurrence. If there has been repeat problems management needs to know. If management originally decided to take remedial action and there are repeat problems, then the problem may be more serious than management originally surmised. If management originally decided to take corrective action measures and there are repeat problems, then the underlying cause or causes were not eliminated. This type of information is vital to ensure that your organization is getting benefits from the audit process.

You may also observe that action was promised but none was taken. This should be reported since there could be a resource allocation issue within the organization or the corrective action process may be overloaded with trivial issues. It is important not to be judgmental since there are valid reasons for delays.

Effectiveness of corrective actions from audits is valuable information to help determine if your organization is on the right track. Improvement

Field Reports:

The Good.. The Bad.. The Ugly..

Discarded Seals

By J.P. Russell

We had just finished auditing a laboratory and were walking across the parking lot to the front office when we noticed metal seals on the ground among the gravel. These were the same type of security devices used to seal the company's product containers. The operator is supposed to take the paper work and seals from the laboratory to the shipping area and place the seal on the approved container. We couldn't figure out a good reason for the extra seals at our feet.

We decided to pick up three of the seals to verify that they were not intended to be put on approved product shipment containers. We gave the seal numbers to the company representative and asked if he could trace the seal numbers to product shipments. We did not tell him where we got the seal numbers. He later returned to proudly state that he was able to trace the seal numbers to shipments made over the last six months. The good news was that the company had a system to trace the seal numbers; the bad news was that the seals were never placed in the containers.

Our dilemma: Put the seal problem in the audit report? Notify senior management? Notify the client? All of the above? Factors we considered were: (1) the company was not regulated, (2) the quality system was immature, (3) falsifying records could result in employee disciplinary action causing a negative impact on efforts to implement a quality system, and (4) failure to report it could send the wrong message. In this

Send stories you would like to share, comments or suggestions to our PO Box or e-mail address.

Quality CrossWord

Across

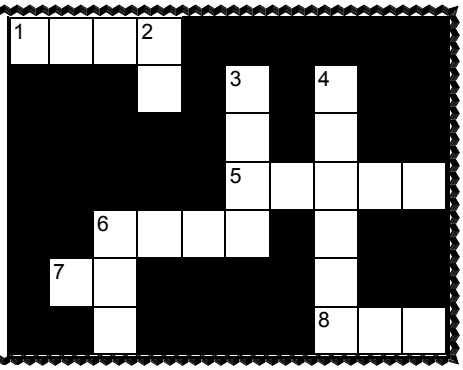
1*. Discover
5. Up and _____ .
6. No Way!
7. What Coke is...
8*. I've Got ____ Babe

* Used more than once in

Down

2. _____ unto others.
3*. So ____!
4. Crooner Bing _____.
6. _____ later than you think

Solve the CrossWord and discover the quality quote and the author.



Ans: It isn't what you find, it's what you do with what you find. Crosby