

Internal Audit Guidance

ISO 9001:2015 & ISO 14001:2015

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1 Introduction to Internal Auditing

1.1 Purpose of Internal Auditing

Internal auditing aims to assess the effectiveness of your organization's health, safety, environmental and quality management system and your organization's overall performance. Internal audits demonstrate compliance with your 'planned arrangements,' e.g., the environmental and quality management system, processes, and documentation are implemented and maintained.

As an auditor, you'll need to gauge how well the management system and its processes function by gathering objective evidence of conformance and performance, or lack thereof. The auditee will often be a process owner; they are the experts of that process and can provide invaluable insight into the mechanics of the process. Begin allocating more time for internal audits:

1. Allocate more time to prepare for the audit;
2. After initial implementation, shift to more process-based assessments;
3. Follow new audit trails and linkages through the processes;
4. Interview Top management in more depth.

Your organization will likely conduct internal audits for one or more of the following reasons:

1. Ensuring compliance with the requirements of internal, international, and industry standards and regulations and customer requirements;
2. To determine the effectiveness of the implemented system in meeting specified objectives (quality, environmental, safety, financial, etc.);
3. To explore opportunities for improvement;
4. To meet statutory and regulatory requirements;
5. To provide feedback to Top management.

In addition to this guidance document, the package contains the following documents, which include essential reports, checklists, trackers, and programmes:

Phase	Document Title	Format	How/when to Use
Planning	Internal Audit Programme	.xlsx	Planning and communicating short and long-range internal audit activities
	Gap Analysis Checklist	.docx	Conducting an initial gap analysis in preparation for full implementation
Doing	Internal Audit Checklist	.xlsx	Conducting compliance to requirements (system) audits to ensure comprehensive coverage
	Process Audit Template	.xlsx	Conducting, noting, and reporting in-depth analysis of individual processes and their linkages
	Supplier Audit Checklist	.xlsx	Capturing compliance information from Suppliers as a basis for selection
Checking	Corrective Action Tracker	.xlsx	Tracking nonconformities that relate to corrective actions and monitoring timely close-out
Acting	Corrective Action Report	.docx	Documenting, problem-solving, and reporting nonconformities and their corrective actions
	Internal Audit Report	.docx	Summarising and reporting internal audit findings to Top management
			Capture opinions, opportunities for improvement, and lessons learned from auditees

1.6.2 Audit Scoring Criteria

A risk-based internal audit approach allows the internal audit to concentrate on reviewing the major risks to the organization. The audit's role is to provide assurance that key risks to the organization's objectives are being well controlled.

The audit findings' traffic lights' are intended to visually communicate the risk posed by the audit finding of any system or processes being audited. The rating system is stratified from 'compliant' to 'major nonconformance' to convey a concise and consistent method for scoring each audit finding.

Finding	Definition/Impact	Action/Mitigation
Conforms	Audit findings indicate conformity (3.6.11). See ISO 9000:2015. Conforms [+100]. Criteria: All performance indicators, metrics, objectives, audit results, etc. show stability and consistently achieve targets. The process is fully documented and implemented and demonstrates compliance as well as effectiveness.	Continue to monitor trends and indicators.
Minor NC	Audit findings indicate a nonconformity (3.6.9). See ISO 9000:2015. Minor [-25]. Criteria: Poor performance, adverse trends, expected results not achieved. Current practices conform but are not documented. Deviation from practice is unlikely to result in the failure of the EQMS or process or will not result in the delivery of nonconforming products.	Investigate root cause(s) and implement corrective action by the next reporting period or next scheduled audit.
Major NC	Audit findings indicate a nonconformity (3.6.9). See ISO 9000:2015. Major [-75]. Criteria: Practices are nonconforming, and likely to cause compliance issues. Likely to have a significant adverse effect on customer satisfaction, product quality, delivery, or profitability. Process not implemented or documented.	Implement immediate containment action, investigate root cause(s), and apply corrective action. Re-audit in 4 weeks to verify the correction.
OPI	Opportunities for improvement (3.3.1) See ISO 9000:2015 or recording good practices. (3.10) Note 2 ISO 19011:2018. Minor problems exist, with weakness, bottlenecks, or potential deficiency, which if not improved, may lead to nonconformity in the future. Negative or positive situations noted by the auditor but which do not relate to a requirement in the standard.	Review and implement actions to improve the process(s). Monitor trends/indicators to determine if improvement was achieved.

1.6.3 Audit Result Charts

The templates will help you to assess the status of your existing management system and identify process weaknesses to allow a targeted approach to prioritizing corrective action to drive improvement.

1. Audit checklist metrics dashboard graphically displays status attributes;
2. Quickly identify and target system weaknesses;
3. Real-time charts display audit result data - ideal for reports or presentations.

The dashboard provides fast and reliable access to system and process metrics, precluding the need to know where all performance data is stored or for having to locate the metrics champion for current data. It also reduces the likelihood that data is lost when metrics owners change or leave the company and reduces the learning curve for new metrics owners.

1. Clearly illuminates under-performing metrics for prompt management attention;
2. Provides a unique management ally during internal and external audits;

Improves meeting efficiency by segregating metrics.