

Instant Benchmarking: EHS Auditor Competency, Audit Quality, and Standards

**2011 Fall National Meeting
Philadelphia, PA
8 September 2011**

Overview

- Introduction to session
- Review of pre-meeting survey results
- Instant benchmarking and discussion
 - EHS auditor competency
 - EHS audit quality
 - EHS audit standards
- Parting thoughts



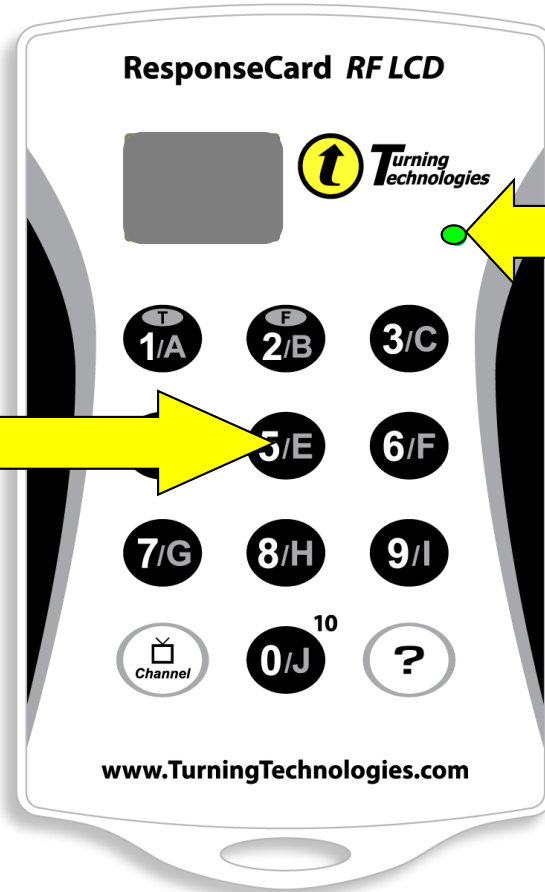
Introduction

- Session background
- Mutual objectives
- Session logistics
 - Pre-meeting survey
 - Instant benchmarking
 - Use of response cards
 - Facilitated discussion
 - Summary and wrap-up
- Remember our objectives and please respect everyone's time



Instructions for Response Cards

1. When the question and answers are displayed, press the button corresponding to your answer(s)



2. You will get a green light to indicate that the response was accepted

Which iconic person/object is most closely associated with Philadelphia?

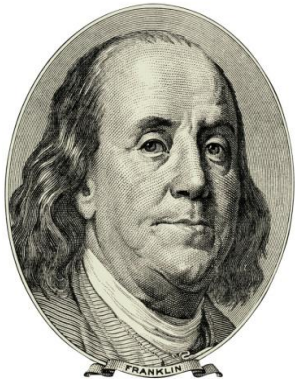
1.



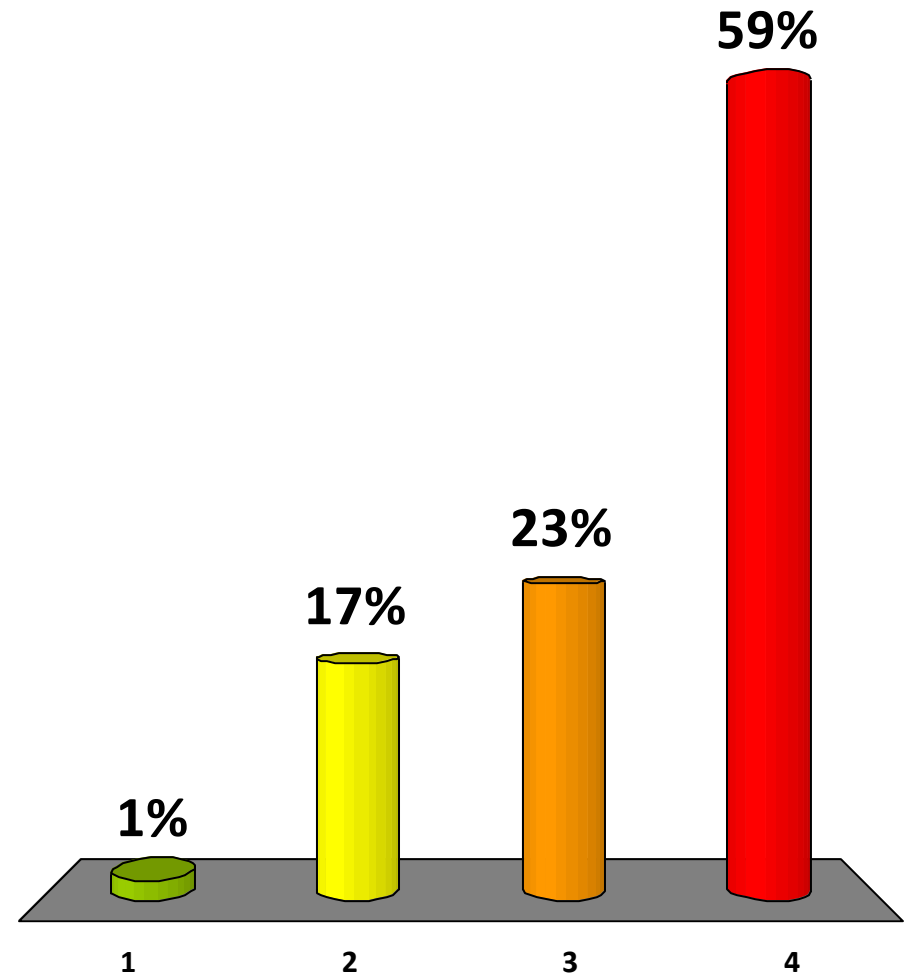
2.



3.



4.

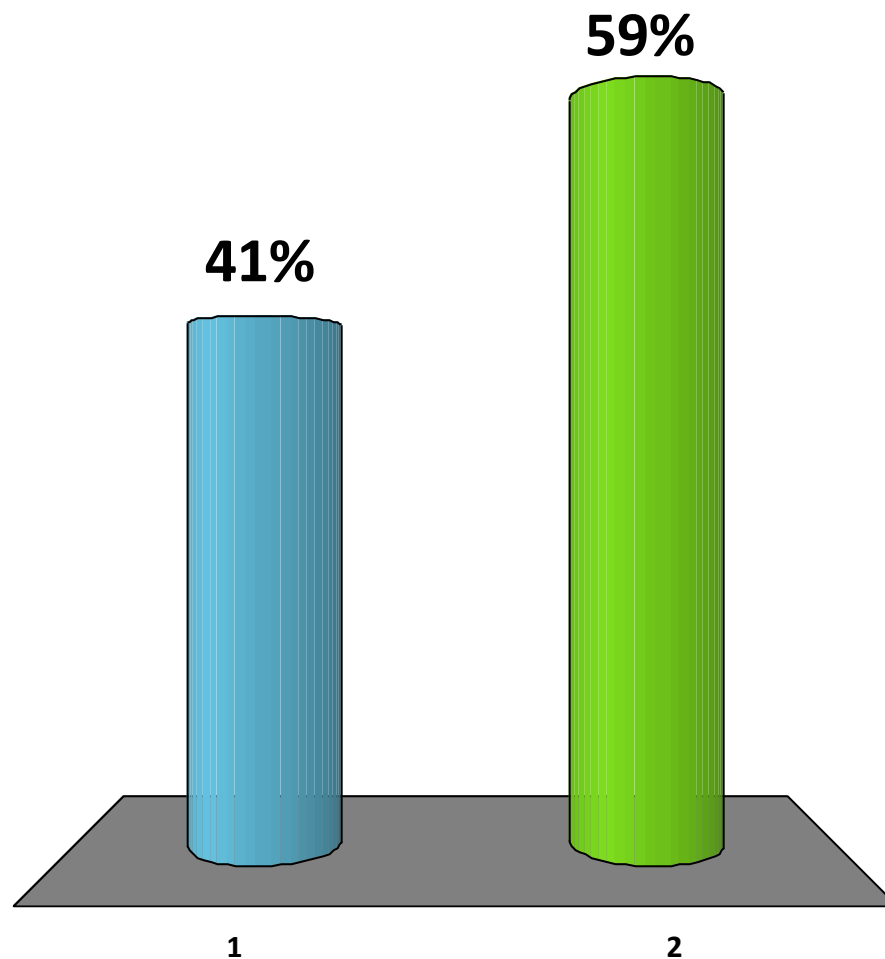


(Audience Response question during conference September 8, 2011)

Did you complete The Auditing Roundtable's on-line pre-meeting survey administered in August?

1. Yes

2. No



(Audience Response question during conference September 8, 2011)

Survey Results and Instant Benchmarking

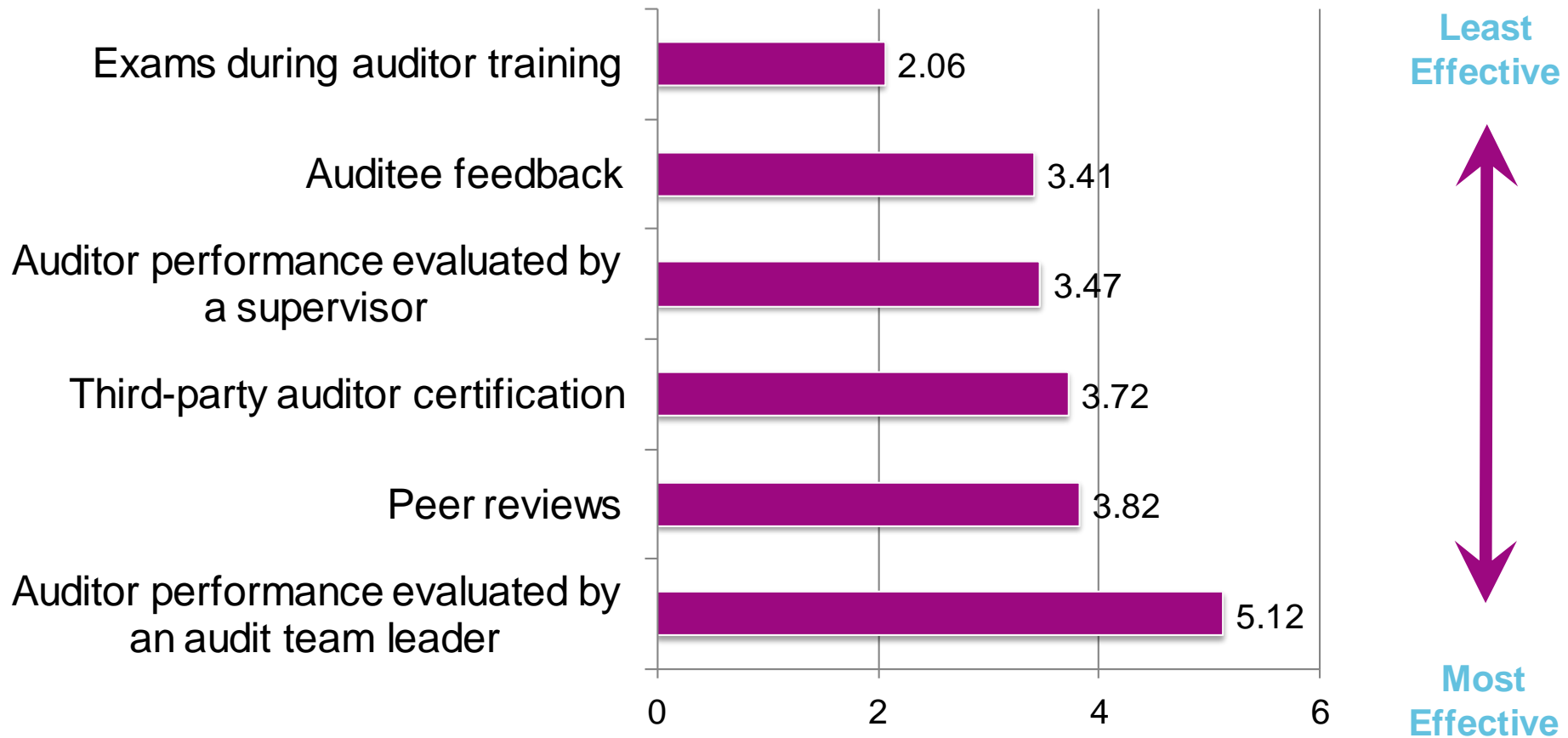
- Some of the slides that follow present the results of the August survey administered by The Auditing Roundtable with the assistance of the Board of Environmental, Health and Safety Auditor Certifications (BEAC)
 - The survey was composed of eight questions focused on the themes of competency, quality, and standards
 - Over 250 members of The Auditing Roundtable and/or BEAC responded
- Other slides are designed to further explore these themes through an instant polling process
- All results will be posted on The Auditing Roundtable and BEAC Web sites



Our definition of “benchmarking” for today’s session

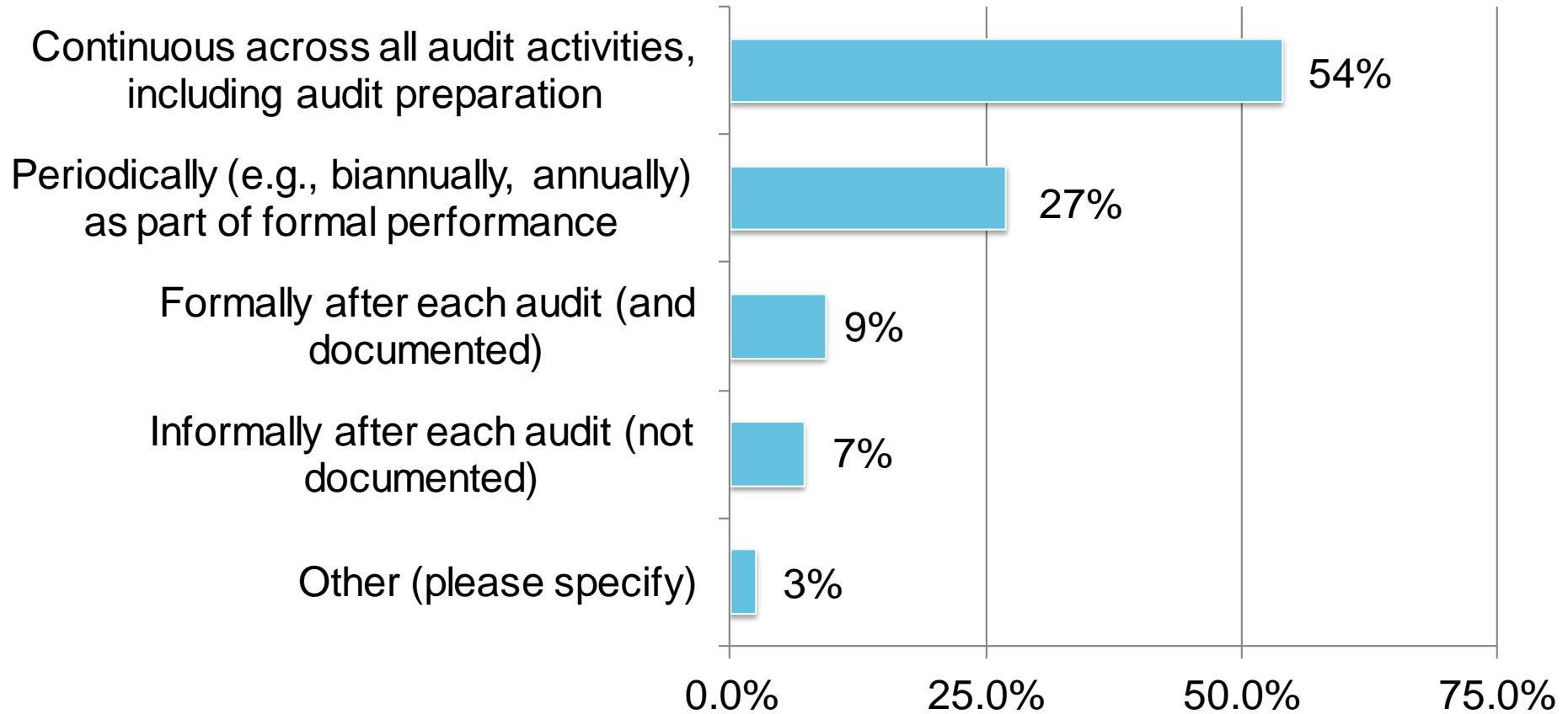
- A measurement of the quality of an organization’s policies, programs, processes, activities, services, and products
- Comparison of collected data with established standards and/or measurements of peer organizations
- Objectives of benchmarking often include:
 - Identification of improvement needs
 - Understanding and evaluation of how other organizations achieve desired results, and
 - Deployment of this information to improve processes and outputs

What is the best measure of auditor competency?



Each respondent was asked to rank the measures on a scale of 1 (least effective) to 6 (most effective)

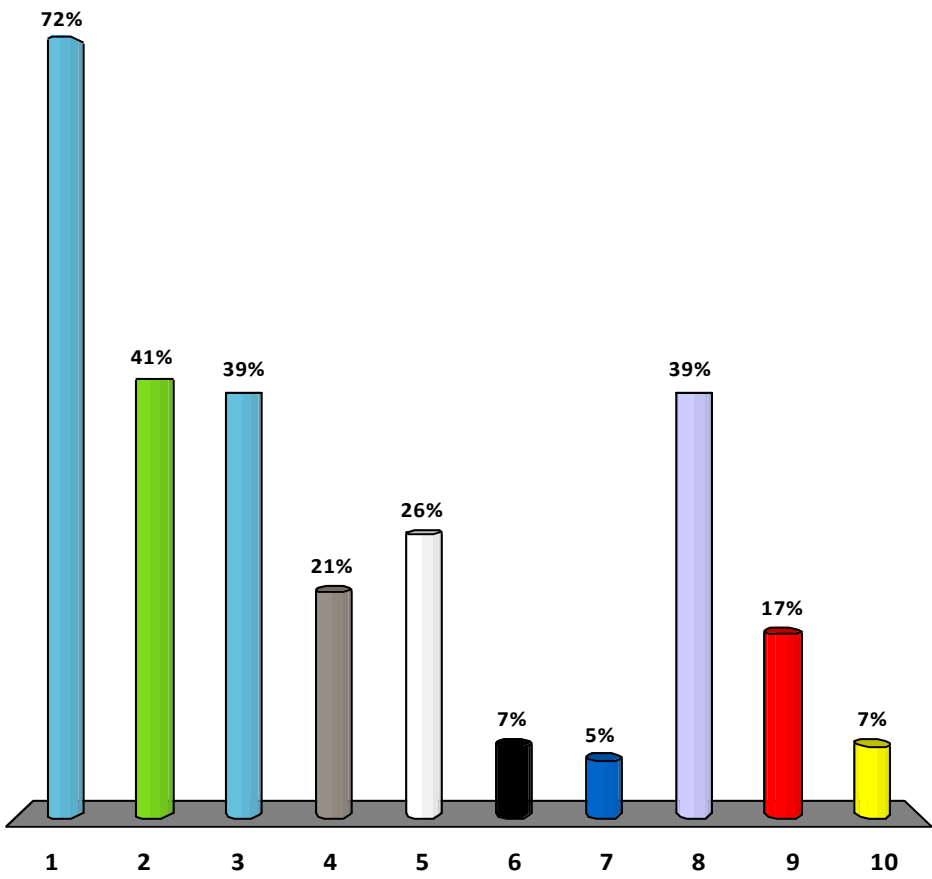
How should auditor performance be evaluated as a determinant of auditor competency?



Each respondent was asked to select one response that best answers the survey question

What factors/criteria are most important for a supervisor to consider in evaluating an auditor's performance? CHOOSE THREE

- 1. Regulatory knowledge
- 2. Operational knowledge
- 3. Oral communication skills
- 4. Writing skills
- 5. Effective team member
- 6. Ability to get along with auditees
- 7. Quantity of audit findings
- 8. Quality of audit findings
- 9. Diligence in the completion of audit protocols/working papers
- 10. Going beyond the protocol

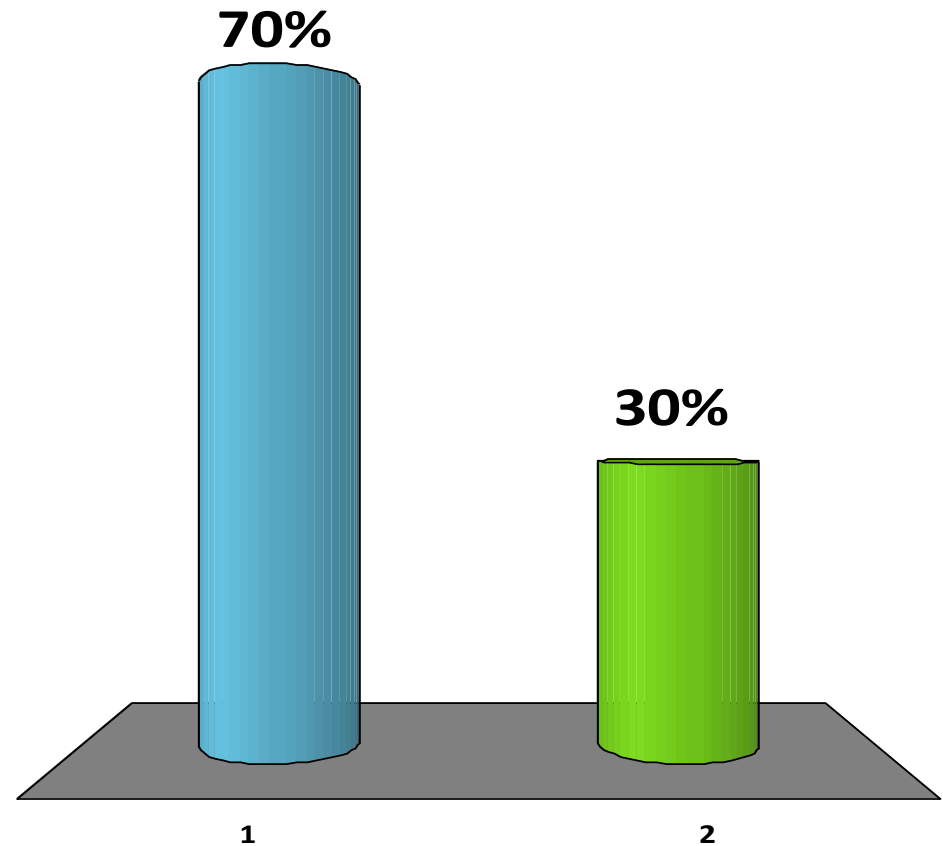


(Audience Response question during conference September 8, 2011)

Are case studies and essay questions an effective means of measuring auditor competence through an exam?

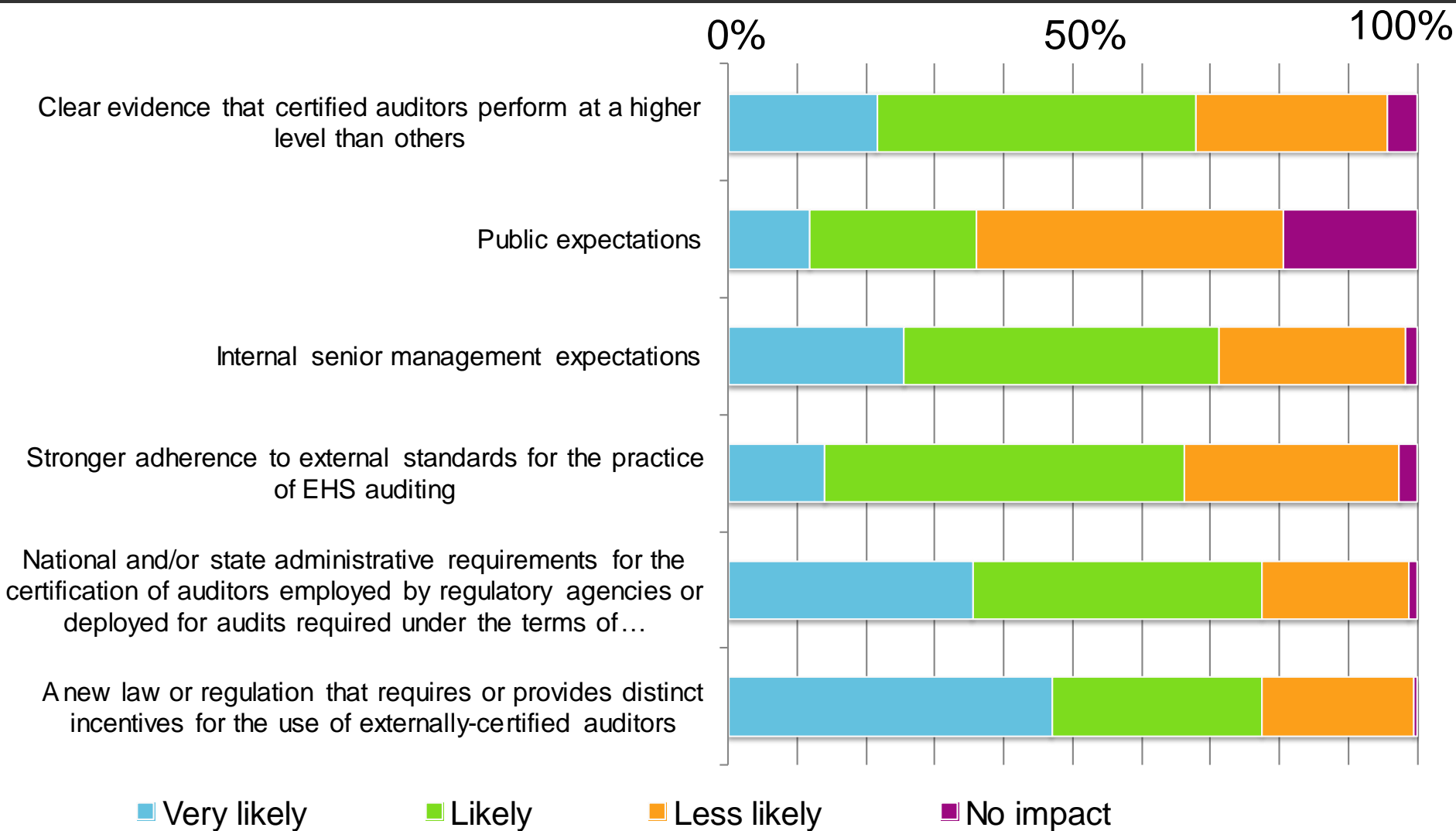
1. Yes

2. No



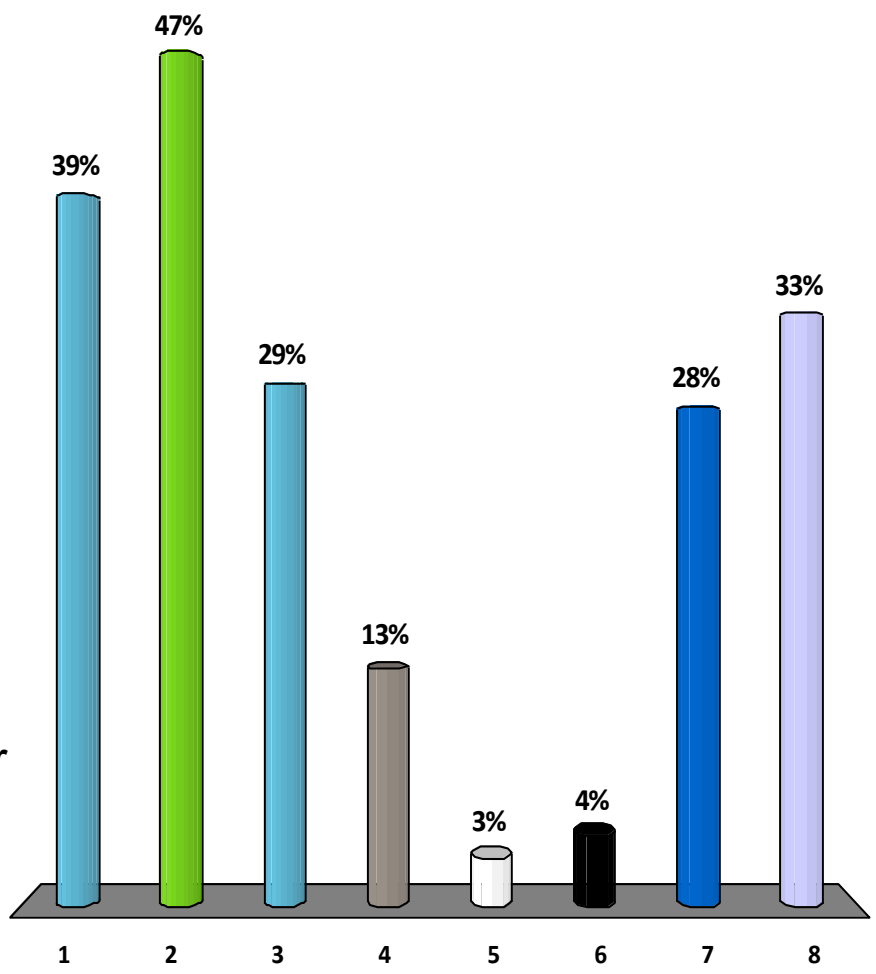
(Audience Response question during conference September 8, 2011)

By the year 2020, which “driver” would promote a higher percentage of EHS auditors being certified than at present?



What would you consider to be “clear evidence” that certified auditors perform at a higher level than others? CHOOSE TWO

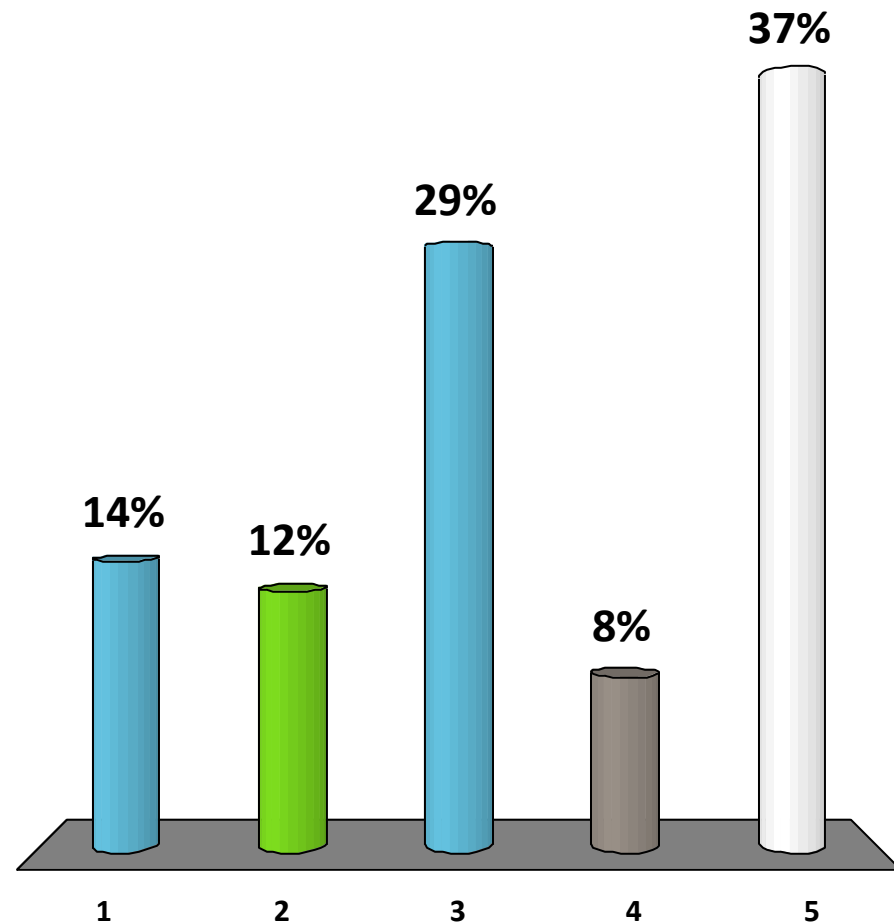
- 1. More positive feedback from audited operations
- 2. Higher performance evaluations than non-certified auditors
- 3. Fewer issues identified during subsequent assessments
- 4. Legal requirements mandate the use of certified auditors
- 5. Government auditors are required to be certified
- 6. Certified auditors make more money than non-certified auditors
- 7. Job postings for EHS auditors have auditor certification as a prerequisite
- 8. RFPs for third-party EHS audits include requirements for certified auditors



(Audience Response question during conference September 8, 2011)

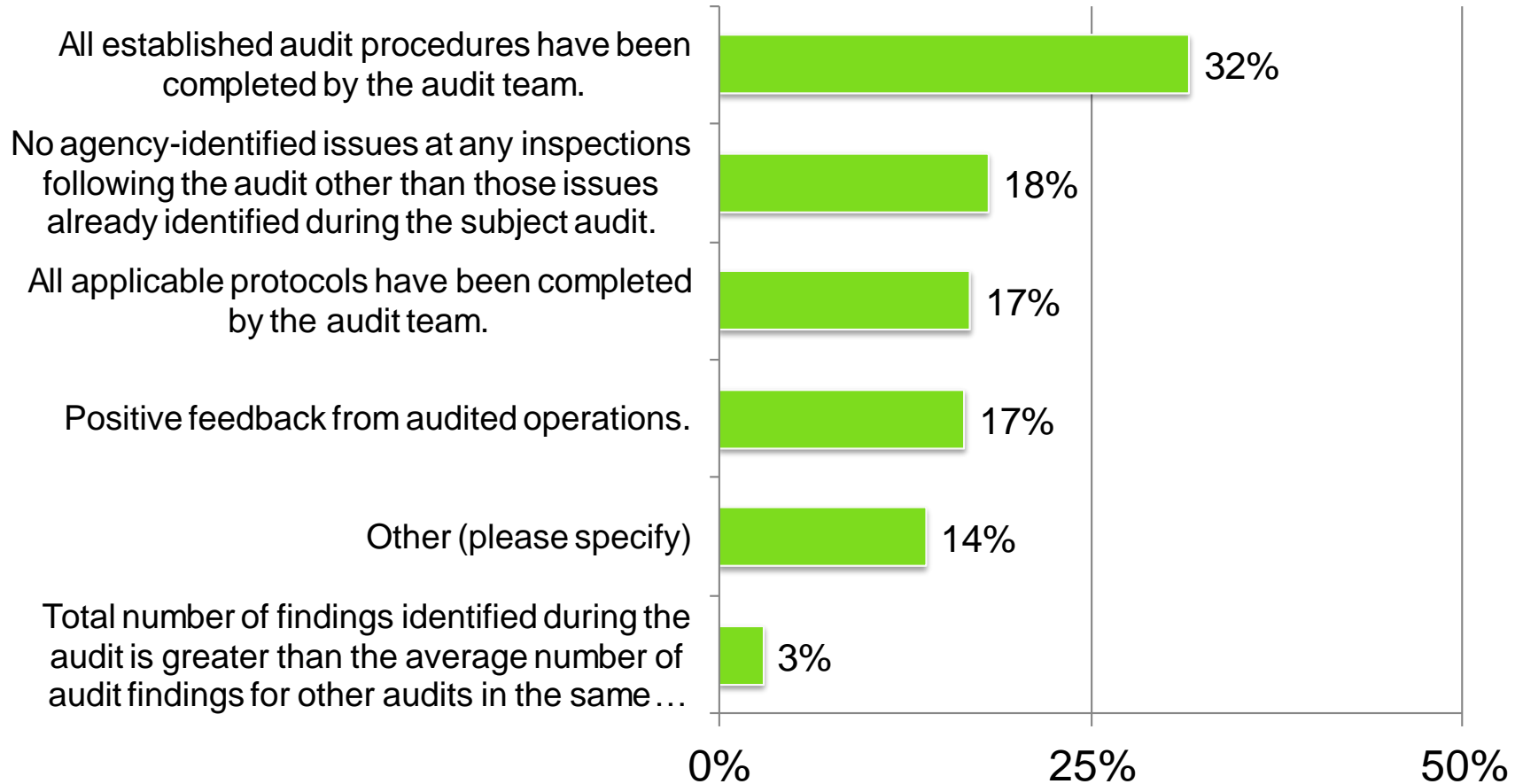
What should BEAC's role be regarding EHS auditor training courses?

1. Only endorse training courses provided by The Auditing Roundtable or The Institute of Internal Auditors (BEAC's two parent organizations)
2. List training courses on the BEAC website without review and at no-charge
3. Require training course providers to submit an application, have each course reviewed and approved, and pay a fee
4. Review training course providers overall for one fee and provide a link to their website
5. Nothing – BEAC is a certification board and should not be involved with training



(Audience Response question during conference September 8, 2011)

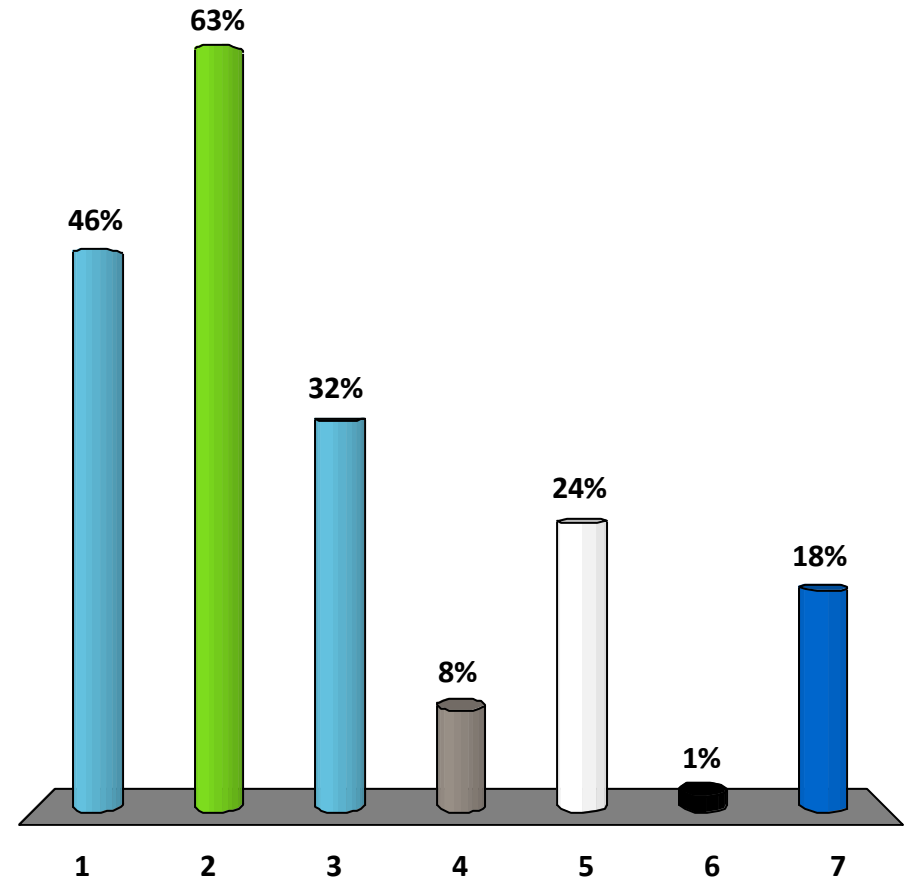
How is quality best defined for an individual EHS audit?



Each respondent was asked to select **one** response that best answers the survey question

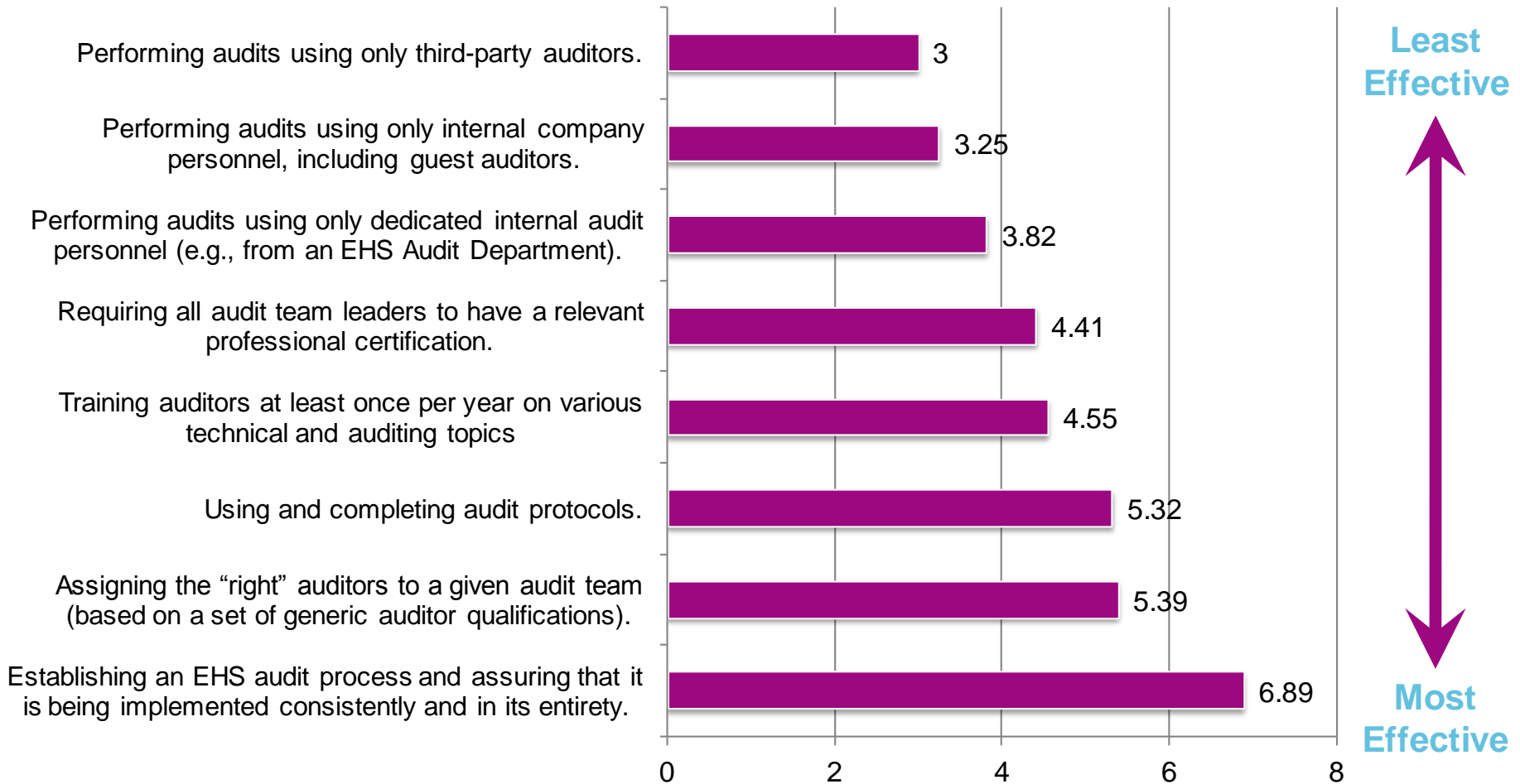
How is quality in EHS audit programs best defined? CHOOSE TWO

1. Accuracy
2. Completeness (breadth and depth of coverage)
3. Consistency
4. Replicability
5. Defensibility
6. Reputation
7. Continuous improvement



(Audience Response question during conference September 8, 2011)

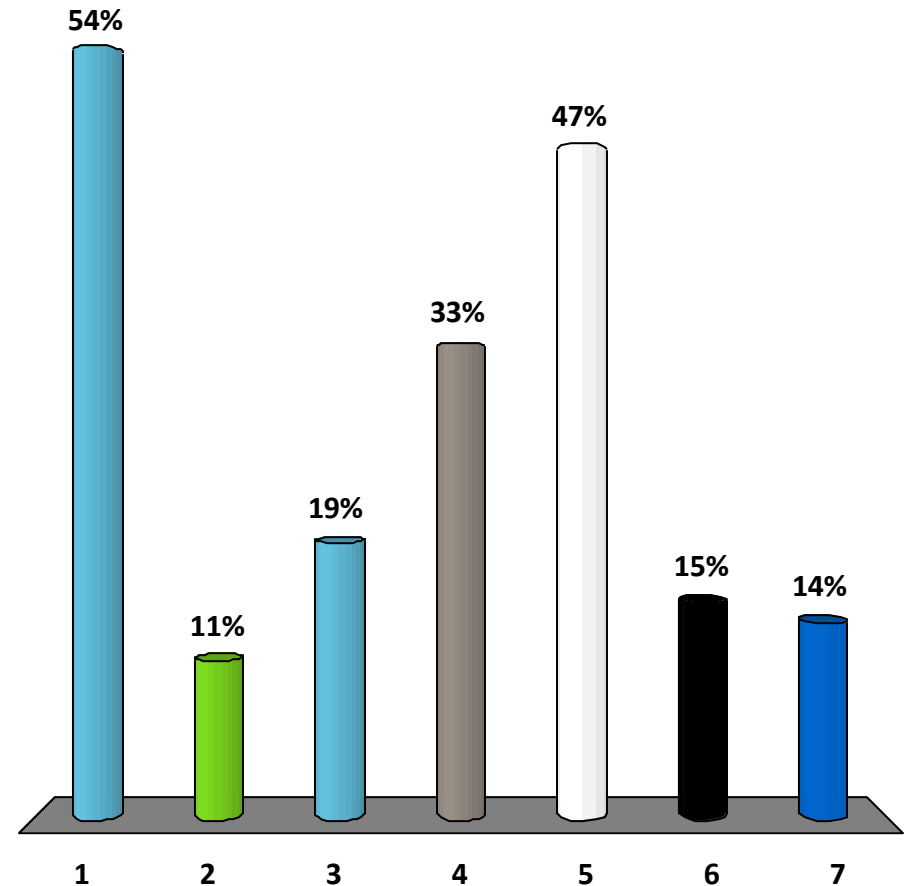
What are the most effective means of assuring quality in an EHS audit?



Each respondent was asked to rank the measures on a scale of 1 (least effective) to 8 (most effective)

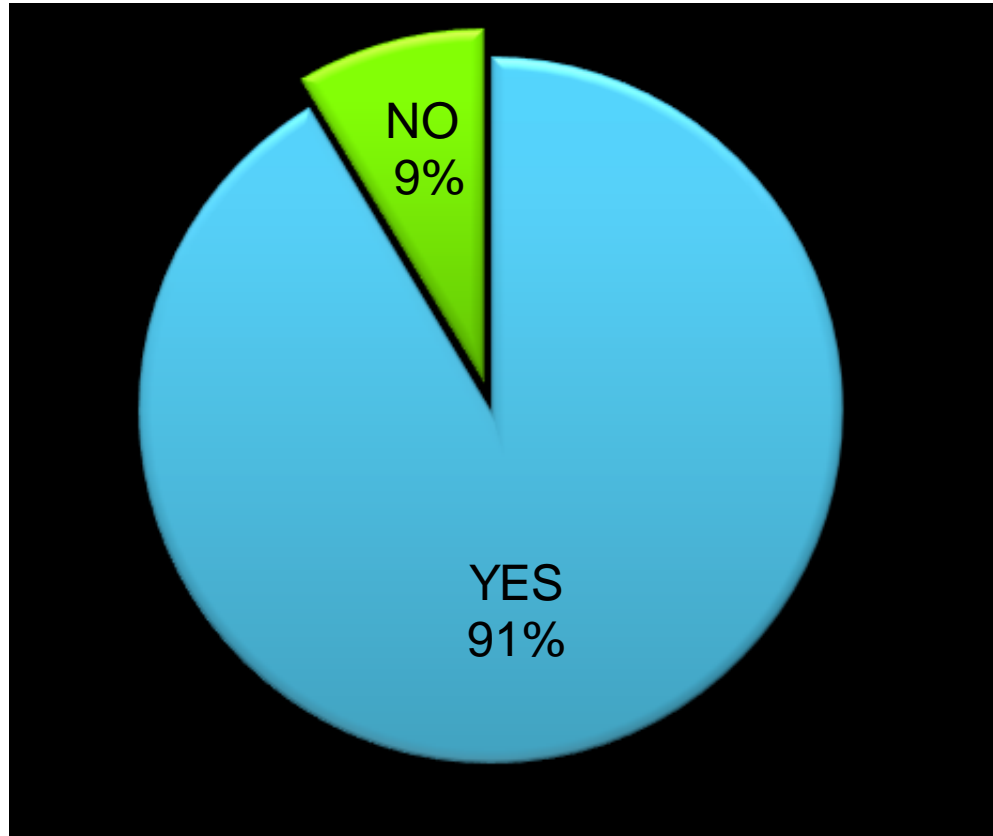
What are the most significant impediments to achieve high levels of quality in an EHS audit program? CHOOSE TWO

1. Lack of management commitment
2. Inadequate operations buy-in
3. Lack of audit program structure
4. Inadequate resources
5. Insufficient auditor competency
6. Incomplete/inconsistent process implementation
7. Lack of audit program independence

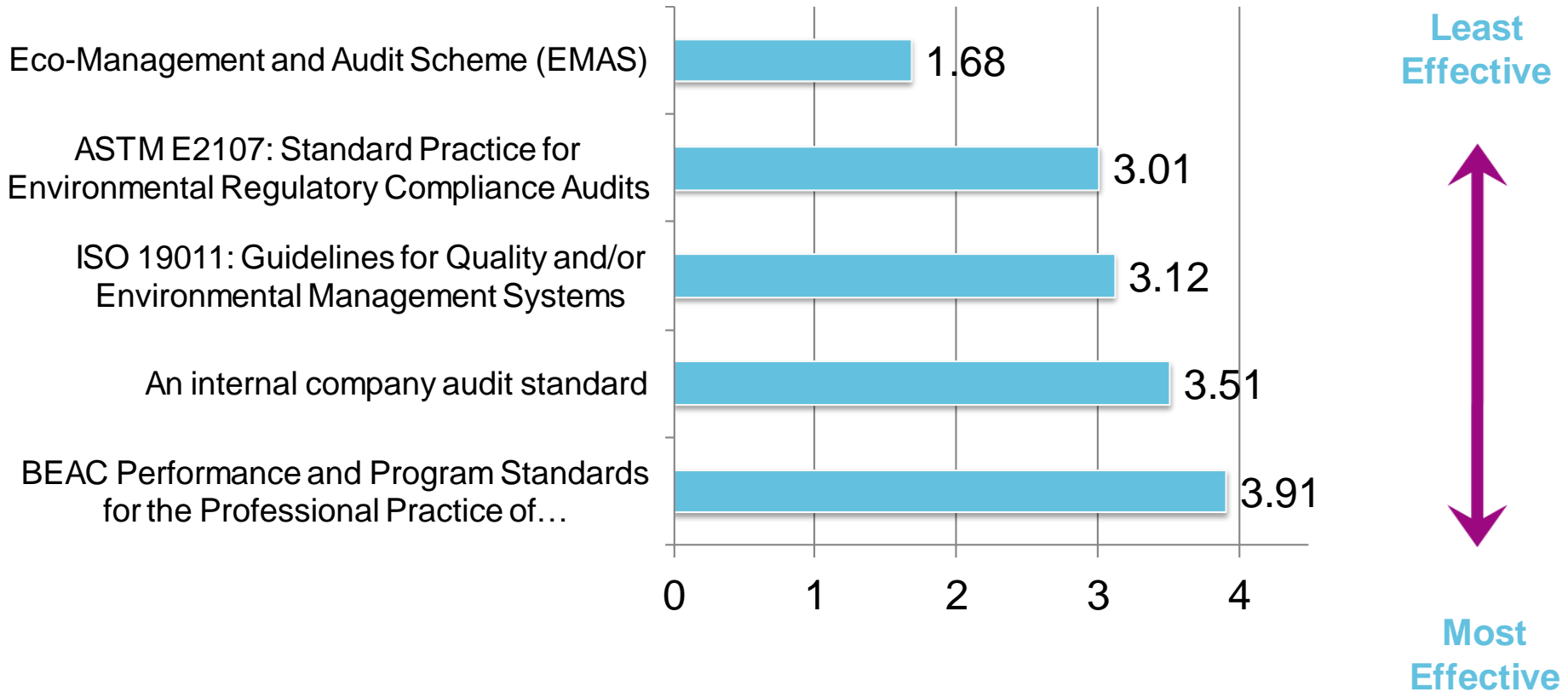


(Audience Response question during conference September 8, 2011)

Is it important for an EHS audit program to conform to an established set of audit standards?



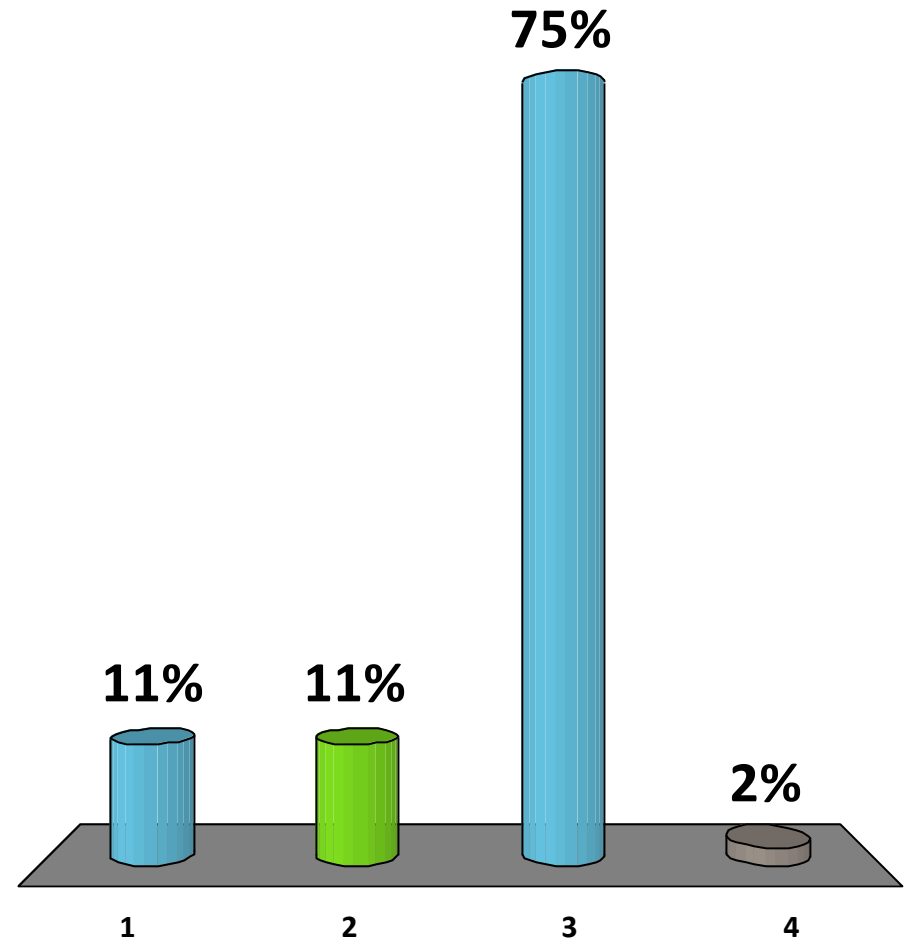
Which EHS audit standard will likely be of greatest value to a U.S.-based multinational company?



Each respondent was asked to rank the measures on a scale of 1 (most effective) to 5 (least effective)

Should EHS audit organizations be involved with international standards setting organizations, e.g., ANSI?

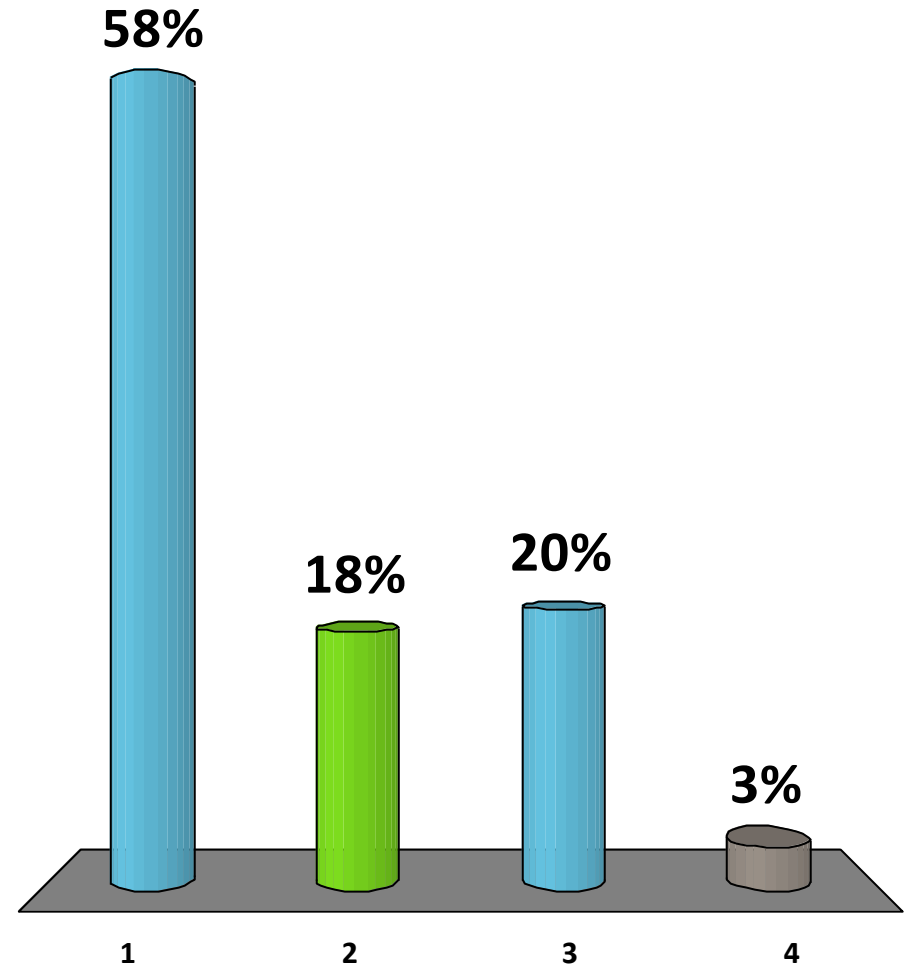
1. Yes, The Auditing Roundtable
2. Yes, BEAC
3. Yes, both The Auditing Roundtable and BEAC
4. No, neither



(Audience Response question during conference September 8, 2011)

What is the most useful aspect of EHS audit standards? CHOOSE ONE

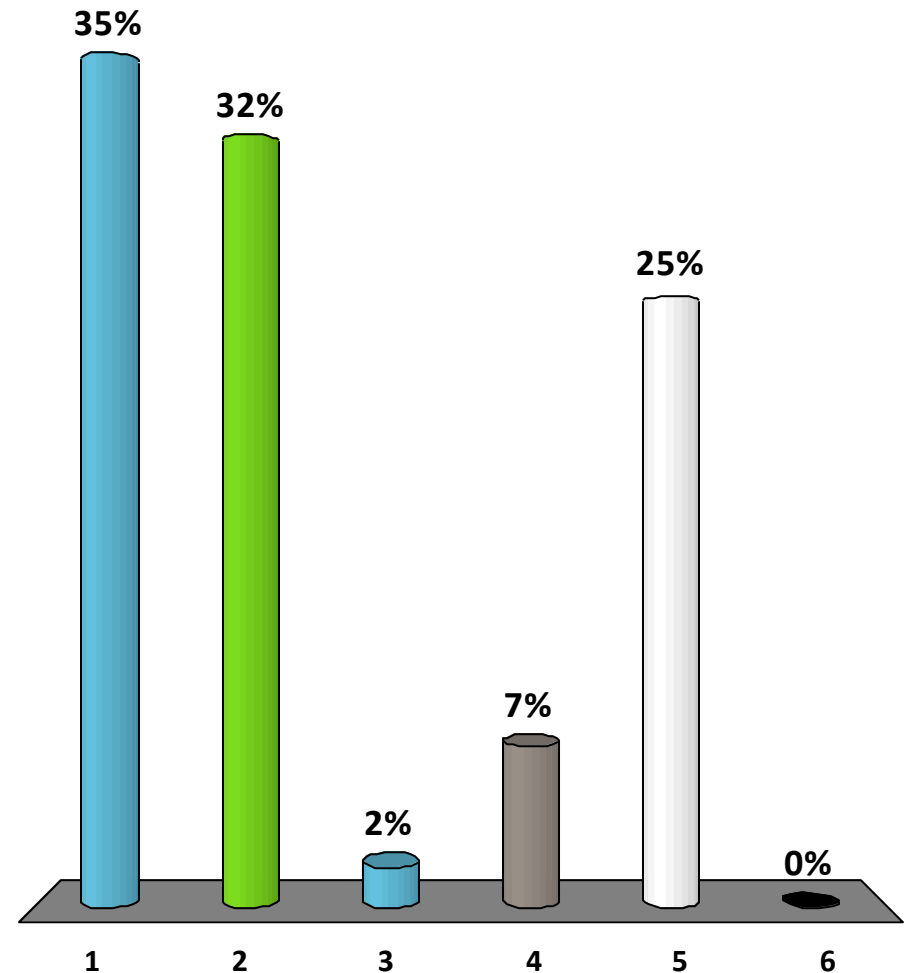
1. Establishes a framework for performing effective audits
2. Defines minimum requirements for auditing
3. Promotes consistency in auditing between organizations
4. Establishes stakeholder expectations



(Audience Response question during conference September 8, 2011)

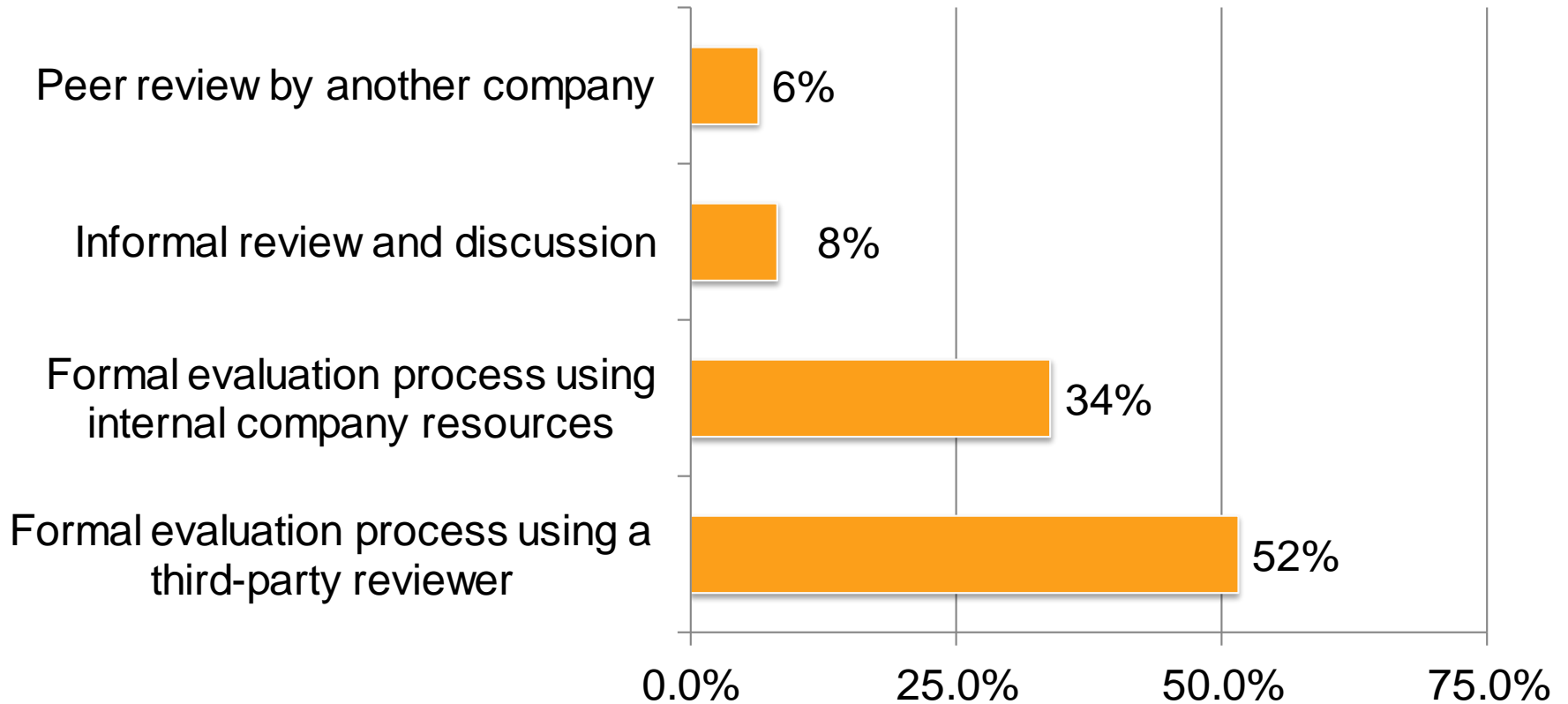
What means can be used to assure that an internal company audit standard meets generally accepted auditing standards? CHOOSE ONE

1. It doesn't matter, as long as the standard meets company objectives
2. The standard is validated by an outside EHS auditing firm
3. The standard is validated by internal (financial) auditors
4. The standard is compared against ISO standards
5. The standard is based on the BEAC standards
6. Other



(Audience Response question during conference September 8, 2011)

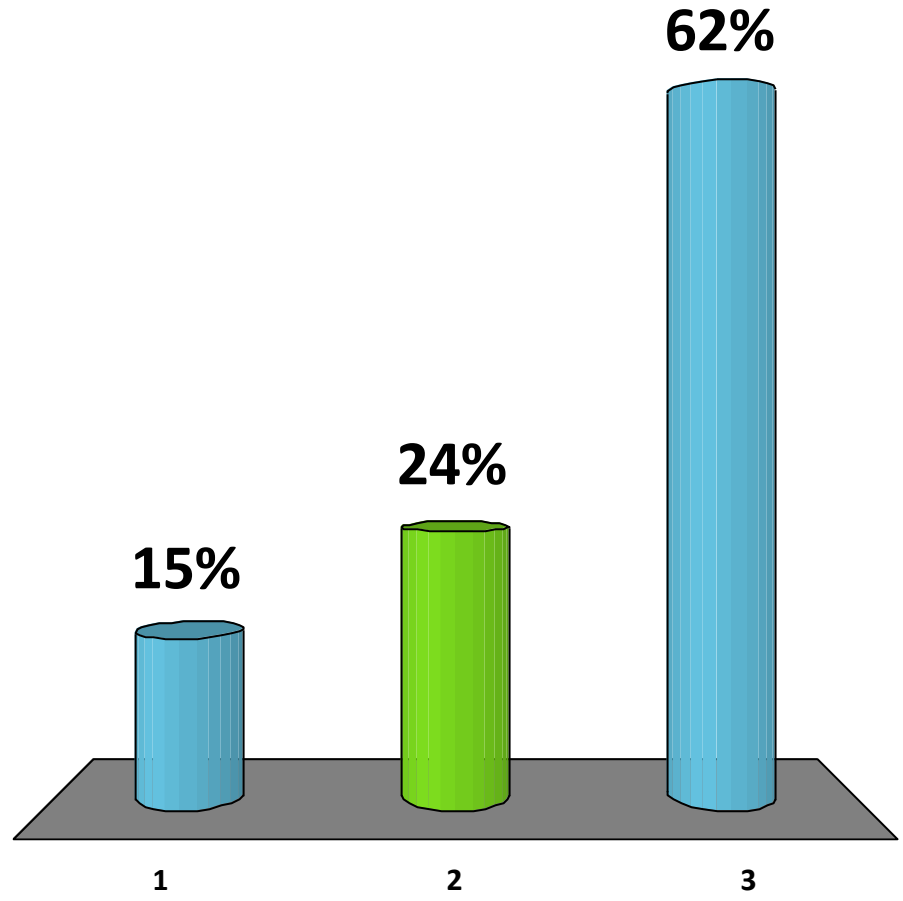
HOW is conformance to an EHS audit standard best evaluated for a corporate-level EHS audit program?



Each respondent was asked to select **one** response that best answers the survey question

Has your EHS audit program been evaluated in the past 5 years by an entity independent of the program?

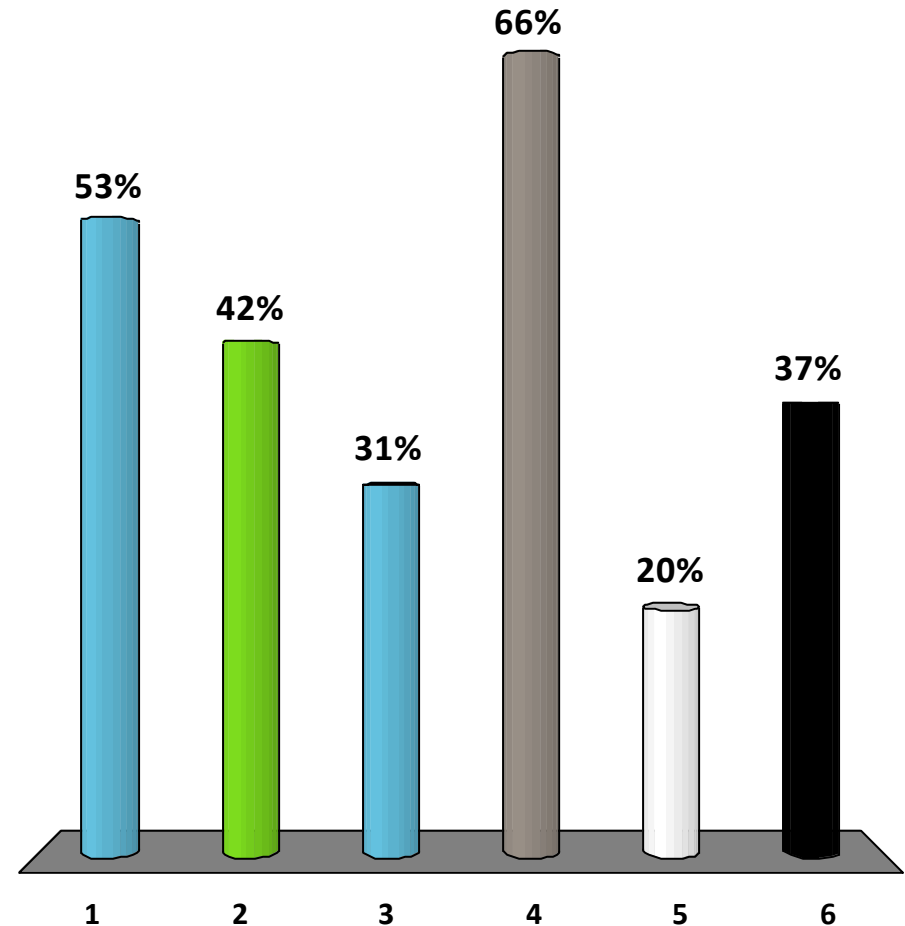
1. Yes, by an independent internal entity
2. Yes, by a third-party
3. No



(Audience Response question during conference September 8, 2011)

In addition to EHS issues, what other areas have you been asked to audit? Choose ALL that apply

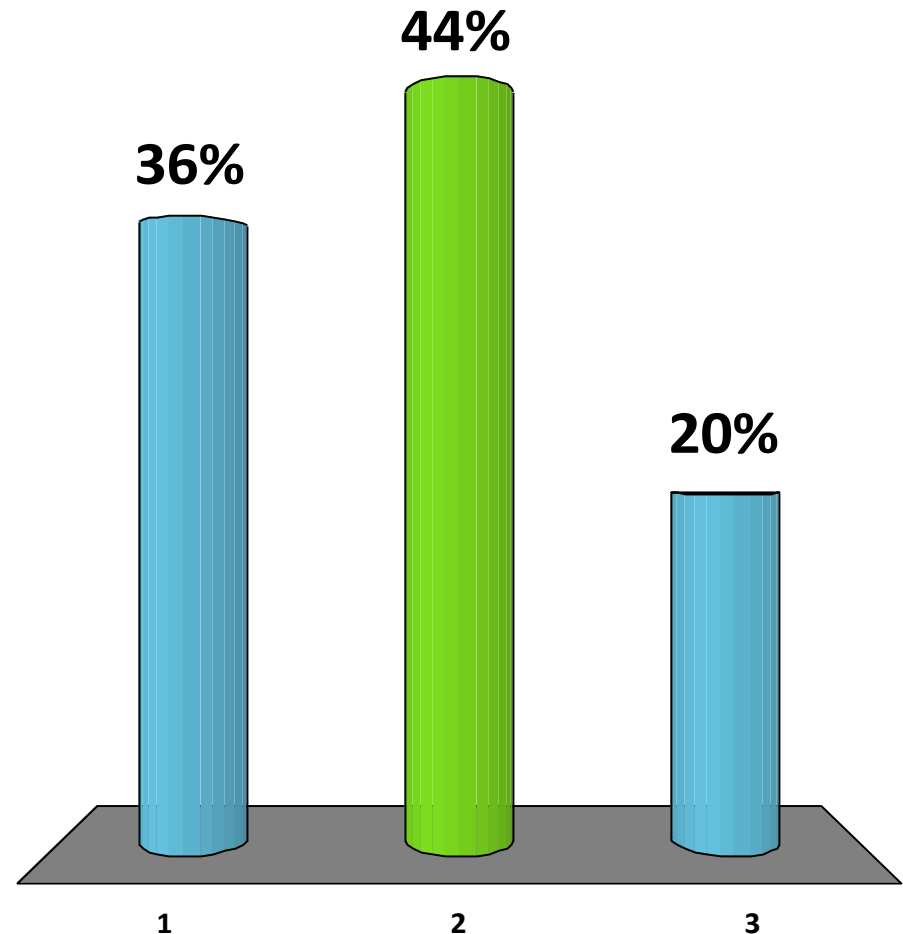
1. Security
2. Greenhouse gas
3. Energy
4. Process safety
5. Enterprise risk
6. Other



(Audience Response question during conference September 8, 2011)

Do you believe that EHS audits should include explicit evaluations of risk? CHOOSE ONE

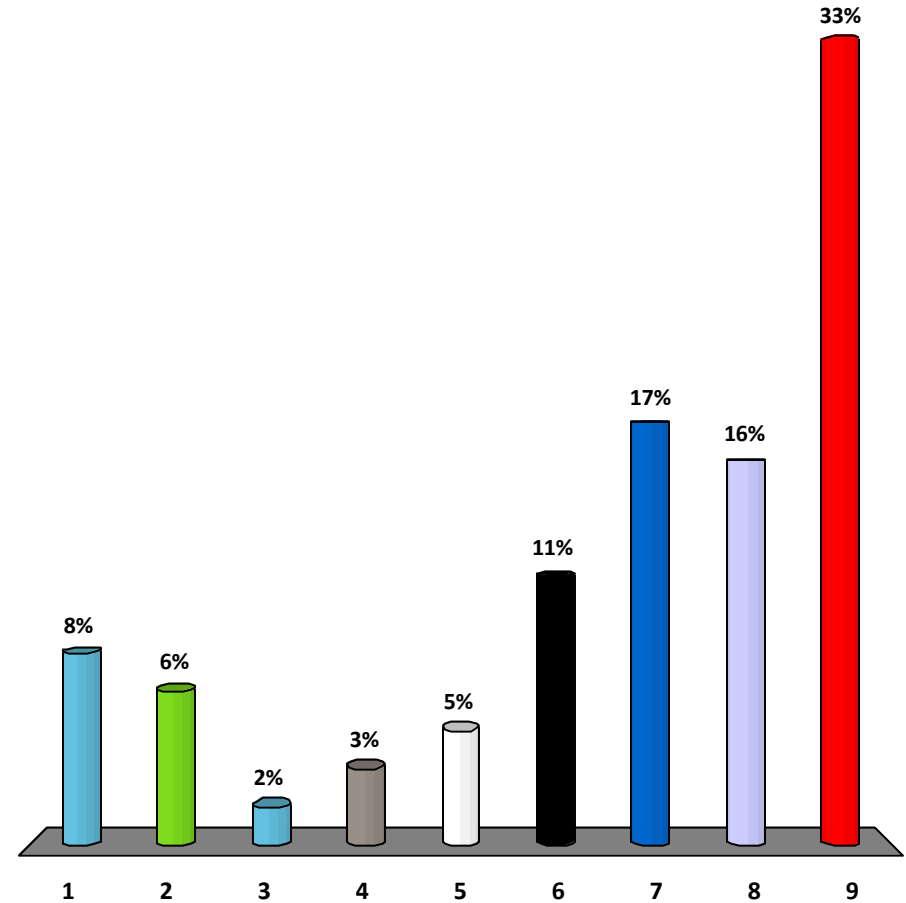
1. Yes, always
2. Not unless the risk could involve serious injury/loss of life or substantive environmental impairment
3. No



(Audience Response question during conference September 8, 2011)

What EHS audit topics would you be interested in benchmarking at a future meeting in a similar manner as this session? **CHOOSE ALL THAT APPLY**

1. Audit program management
2. Audit planning (annual)
3. Audit preparation
4. On-site auditing
5. Post-audit
6. Reporting
7. Auditor qualifications
8. Auditing management systems
9. The future of EHS auditing



(Audience Response question during conference September 8, 2011)

Parting Thoughts

- EHS audit programs are dynamic by definition and by practice - if your audit program is not, it's likely time to “step back” and determine if maximum value is being provided to key stakeholders
- All elements of an effective EHS audit program are critical and all are intertwined
- The topics of auditor competency, quality, and standards have always been important - but they will become even more important as organizations look for greater reliance from EHS audit programs
- We hope that this session was both thought-provoking and fun - and in the end we hope that you have a few takeaways that can be deployed



Thank You!

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