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World of Auditing®

AUDITING AND DIGITAL TRANSFORMATION

eBook

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AUDITING AND DIGITAL TRANSFORMATION

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Covid-19 A review for the future

19th of Dec, 2019 is going to be engraved on the pages of history clearly with letters – bold, italic, underlined, if not less. The date, when the outbreak started in Wuhan, Hubei province, China.

Covid-19 which is caused by the Coronavirus, is still spreading at a scary rate after weeks it has been recognized as a pandemic on the 11th of March, 2020 by WHO. The impact is monumental for many countries and killed hundreds of thousands of people and left millions infected till today. Humankind had not experienced a massive quarantine of this size during the last century, needless to say, caught unprepared. All new technologies, discoveries, Industry 4.0's, IoTs, ARs, and VRs did not help predict what is coming and what implications would it have. There are no remedies or vaccines addressed so far, despite the news from all around the world on studies with promising results. Yet, another year we shall wait until the vaccine is available for use, researchers say.

The impact of Covid is devastating

The impact of the pandemic is enormous so far, but we should expect more to come. Governments are trying to stabilize the situation through interventions such as new policies and investments, economic packages, and measures, to protect the lives and livelihood of citizens. Economists say this is going to be worse than the great depression that happened back in 1929.

The world is slipping towards a negative number in terms of growth, an outlier in the last century. The biggest question in every single mind is, how many months from now we would finally go back to normal? The real question however is -will we ever have what we used to?-. Experts state that the global economy would need another year to recover. As a matter of fact, it would only arrive in the post-pandemic next normal. There have been other pandemics in history, but the impact was not comparable to what Covid-19 provoked. Because the world has never been this connected; physically, economically, and technologically.

Nothing would be the same, this is obvious. Many say that humanitarian values would require a solid shift too. This is something psychologists and social scientists should study and let others understand the consequences. Without understanding this shift and its implications, it is going to be very difficult to predict what the future of businesses will look like. There is one certain fact however, we all need to consider as manufacturers and producers. The future could only be understood through a holistic lens. We are all connected and can not think of an isolated solution that will work only for us.

Crucial questions need to be answered

There are equally important questions that Covid-19 has raised and we all need to get them answered for a better future:

- How are we going to manage our workforce, manufacturing, and distribution set-up differently, knowing that there will be other crises in the future?
- Do we have the scenarios and action plans for Sustainable Manufacturing and Business Continuity?
- Have we made an assessment of our supply base and our logistics?
- Where are we in our journey of digital transformation?
- Are we using enough of technology and a new type of intelligence i.e. IoTs, AIs, ARs, VRs, drones, blockchain, and nano-genetics?
- What are the plans for us to manage the big data and get the most valuable information to help us to grow?

We can not predict the future, but we can certainly shape it. Are you ready for the next normal?

By Tülay Kahraman
May 30, 2020

Running the Audit Function in Difficult Times

Under normal circumstances, the audit function would be performing its activities according to pre-defined strategy and programs. The auditors would travel the world to conduct audits across the value chain. The audit management would be looking at ways to increase the value delivered to the business while designing and deploying transformation projects.

This would be business as usual in a normal audit organization's life but a "black swan" event happened at the end of 2019. It was a surprise with a major effect. It could have been expected but generally not included in enterprises' risk mitigation programs. It did tick all the boxes on how in his book of the same title ("The Black Swan"), Nassim Nicholas Taleb defined criteria that a black swan event includes.
A pneumonia of unknown cause detected in Wuhan, China was first reported to the World Health Organisation (WHO) Country Office in China on 31 December 2019. The WHO declared the novel coronavirus (COVID-19) outbreak a global pandemic on March 11, 2020. As I write this article, millions of people were already infected globally, several hundred thousand died and a big proportion of the global population has been locked down for a long period of time. This crisis is like no other.

Neither company was prepared for it nor were their audit organizations. COVID-19 is driving and accelerating a drastic transformation of the audit function.

The coronavirus is impacting how audit programs are being designed, modified, and implemented. Sometimes the strategy and programs are even being re-invented and audit professionals are looking beyond the audit routine to help their company and make a value-added contribution using their specific set of competencies, expertise, and knowledge. The impact of COVID-19 on the audit function is huge but solutions to mitigate consequences, adapt and innovate exist. There is no doubt that the audit function will get through the crisis and will grow from it.

COVID-19 is impacting the audit function in multiple areas
The disease is attacking societies at their core. According to the United Nations, we are facing a global health crisis unlike any in its 75-year history — One that is killing people, spreading human suffering, and bringing down people's lives. COVID-19 is much more than a health crisis. It is a human, economic, and social crisis. The impact on enterprises is gigantic. The impact on the audit function is considerable too and COVID-19 affects it in three main areas: people, processes, and the audit organization itself.

The outbreak of coronavirus disease is stressful for people. Fear and anxiety are overwhelming and cause strong emotions and stress which can include fear and worry about people's own health and the health of their loved ones, changes in sleep or eating patterns, difficulty in concentrating, worsening of chronic health problems, aggravation of mental health conditions, and sometimes increased use of alcohol, tobacco or other drugs. On the business side, (additional) impacts on people can include feelings of unclarity in the role, fear of losing the job, fear of work overload when the crisis is over, and loss of motivation just to name a few. Audit professionals are not immune from all these impacts and feel the pain as their job is not "as usual" anymore.

The audit function's processes are also being severely affected. Travel and access restrictions make on-site auditing quasi-impossible. Remote auditing is an option but very much technology dependent and not all companies were prepared or ready to go along this route. When they are organized and equipped for it, the availability of stakeholders or the technology on the receiving side might limit the audit possibilities. Current and expected future budget restrictions are affecting the audit plans. New risks are triggering the need to revise the audit risk-based approach. Redirecting auditors' work is often necessary and on top of this everyone knows that on-site audits cannot take place which might trigger additional compliance risks.
COVID-19 has a major impact on the audit organization itself. There might be an erosion of the short-term's perceived value of the audit program. Some might ask why an audit organization is needed when no audits take place. After all, business goes on even when audits are not taking place, isn't it? There might be a fear of an audit organization losing its credibility and perceived value over time. This crisis is driving a transformation of the audit function.

Solutions for the audit function exist
On the people's side, solutions to limit the impact are similar to the ones deployed in other business functions.

Two-way communication at all levels of the organization is key and encouraging communication among team members is crucial. There is nothing like over-communicating in these moments. The time is to look at development and rotation plans. An opportunity exists to deploy experienced auditors to help revise the organization's risk map and assist the business defining its way forward.

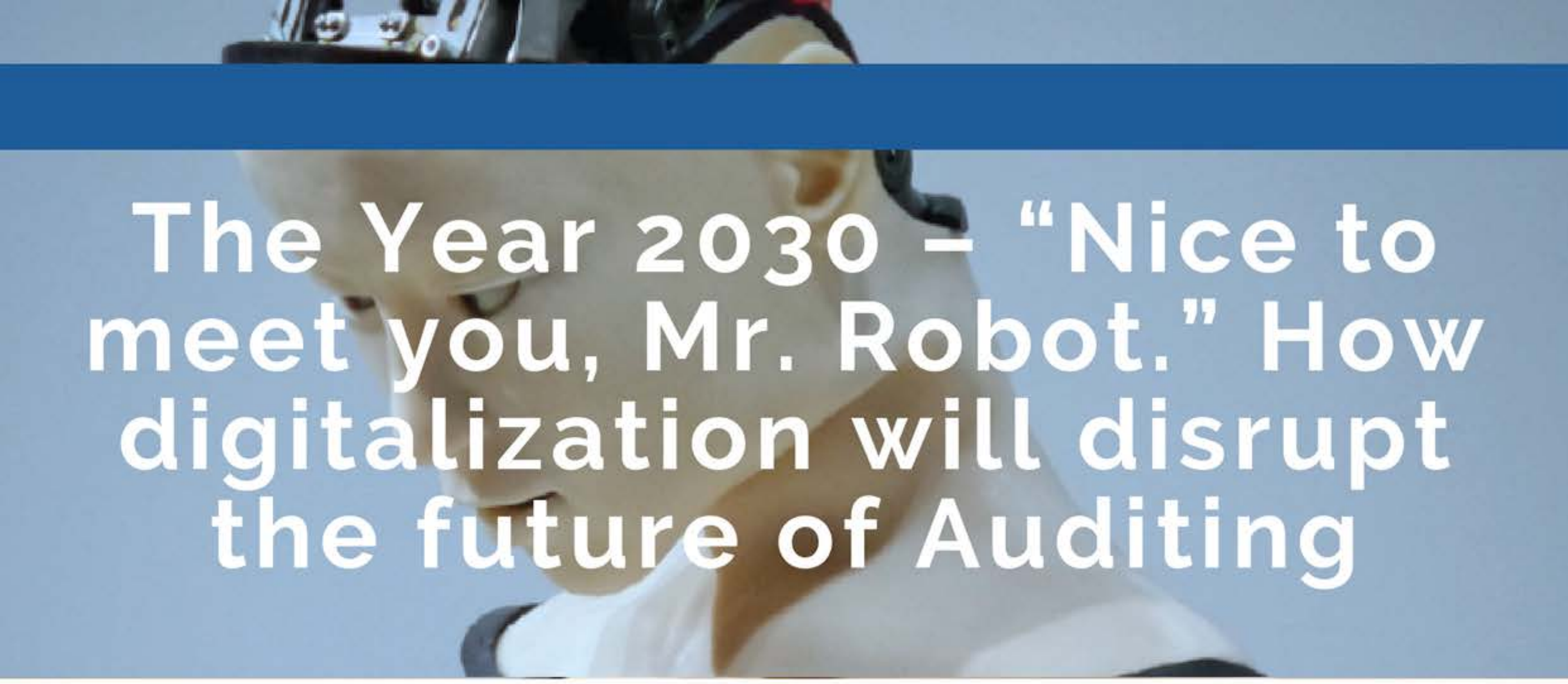
"In a pandemic, cloud and collaboration technology will be the solution," said Dr. Patrick McConnell, Leading Technology Risk Advisor at BSC. The audit functions which were already well advanced on their digital transformation journey are benefiting from their proactivity and are leveraging new technologies in remote auditing, use of big data, and predictive approach to risk-based auditing. The use of self-assessments shows their benefits and leveraging web-based information services to deliver timely alerts on emerging issues affecting the global food and beverage supply chain is gaining traction.

For the audit organization, it is more than ever the moment for constructive internal and external collaboration and to have the function contributing to business continuity. A lot needs to be done to catch up in the response and recovery phases. Audit organisations should be looking outside the box and their routine to help the enterprise, using their unique set of competences, expertise and knowledge. As recognized experts, audit professionals are very well placed to provide new insights to top management regarding the impact of COVID-19 on their organization's risk and opportunity landscape and to improve strategy and measures taken or to be taken in the future. It is probably not an ideal time for audit organizations to stick to their audit programs, plans, or other routines if this does not provide value for their organization at this point.

This is not auditing business as usual. It is time to adapt and innovate. It might be more beneficial if auditors temporarily focus more on their advisory role and further take up the assurance activities once the situation has been stabilized. How will the new normal look like for the audit function?

This crisis will change our businesses and society in many and important ways including public health, environment, education, supply chain, and how we work. The new normal will be anything but ordinary. The audit function will have learned from this major crisis and most probably will keep new ways of working on board in the future. Those will result in risk reduction, cost savings, and the application of new technologies like never before. The new normal will be more digital as COVID-19 pushed organizations to accelerate the speed at which they were embracing continuous improvement, business protection, and provision of value to the organization. It is also time to prepare now for the next crisis as COVID-19 is not a one-off challenge. There will, unfortunately, be other crises, additional phases of this epidemic, and additional epidemics. The audit function has a major role to play in the way forward by delivering its value to the full.

By Marc Cwikowski
June 5, 2020



The Year 2030 – "Nice to meet you, Mr. Robot." How digitalization will disrupt the future of Auditing

Note from the Editor: this article was originally written by the author at the start of 2020 as the basis for her speech (Tech Talk) delivered live on February 27, 2020, at the Global Food Safety Initiative (GFSI) Conference in Seattle. It has shown itself as visionary and so relevant given all that happened since the pandemic.

I was recently reading a report from the World Economic Forum titled "Jobs of Tomorrow – mapping opportunity in the new economy" and some other publications about the "Future of Work." I came to the following conclusion: I do NOT believe that robots will replace food safety auditors in the coming years.
WHY? Because I am convinced that our job, as food safety auditors, requires soft skills, namely emotional intelligence, which robots do not have (at least for the moment!). Although this will be a continuously moving target, what AI can't do well is use emotional intelligence, understand the situational context, make judgment calls, and generally see nuance and meaning as we, humans, do.

A computer or robot may help perform efficiently, but for now, you're the only one who adds the expertise on how to act appropriately. Nevertheless, by now, all of us have understood the importance of grasping how traditional audit services and the food system are being transformed by technology -the next 10 years will bring more changes than the past 20.

The food system is becoming increasingly digitalized. To be able to succeed in this digital era, as an individual or as a company, we need to respond to change with agility – not by resisting it. Organizations—and not just employees—will need to equip themselves with new capabilities. Quoting Charles Darwin, "It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change."
A visible change in the certification and assurance community will be employee skillsets. Food safety skills are primordial; however, the capacity to recognize the logic inherent in numbers will be relevant. Data analysts, data scientists, and mathematicians may well start to integrate the team and explore the "hidden meaning" of data.

The right skills are in the right place!

Now, what about the future of third-party auditing?
The future of 3rd party audits lies in specialization, using technology to make the auditor's role less intrusive and more cost-effective, and finding a better use for the enormous amount of data companies and audit firms collect.

The traditional approach of sending auditors to far-long or dangerous locations is already being transformed.

We will see an even bigger rise in remote inspections in various forms: from drone inspections to video conference audits and inspections conducted through mixed-reality devices. These technologies are already reducing the need for auditors to be physically present. They are also bringing a series of benefits such as: making inspections less wasteful, more environmentally friendly, more proactive, and in some cases less dangerous. Wearable technology such as the so-called "smart" glasses may provide support for the major global players. Needs are multiple: for upstream visibility of their complex chain – an operator not trained in food safety can conduct a basic inspection wearing "smart" glasses at a remote site, while a trained auditor directs the process and communicates with the wearer through an audio-video feed from an office in any part of the world.

Despite such advantages, we need to take care of them. These approaches do not come without risks, and we (CBs, accreditation bodies, and industry) need to work together to ensure that standards, objectivity, and reliability are not at stake.

Remote inspections are already happening today, but what about a decade from now?

Well, 10 years from now, the potential of technologies like AI, Blockchain, and IoT will drive real-time assurance.

Let's take an example, to audit compliance today, we still audit a sample of paper records and look for historical lapses of compliance or some trends as much as "our" brain can process. But in a world where the Internet of Things enables continuous monitoring and alerts and Blockchain creates trusted digitally accessible records – will this paper approach continue to be the standard practice?

I don't think so. We will move from examining historical non-compliances to monitoring in real-time data for anomalies and exceptions.

At the same time, we will use predictive analysis and machine learning to digest historical and real-time data. Meaning that we will be able to predict future concerns and ultimately prevent many more lapses of compliance.

In the case of multi-site manufacturing facilities, a retail chain with multiple outlets, or complex supply chains, predictive analysis can also target locations that present the most significant risk, and move the calendar-based inspection regimes into condition-based ones, with inherent savings.

Getting to this real-time age means fostering a collaborative framework from different parties: from food sector players to Certification/Inspection bodies and technological partners. It is a massive undertaking to encode audit and inspection programs, work with the industry to implement technologies securely, and then make the necessary to ensure that the data can be trusted.

People and expertise will be crucial to success. Food specialists are essential to interpret, analyzing, and design these new frameworks through their technical knowledge. We will still need to assess the companies' competency in providing the data, and continuously assess and recalibrate the criteria and sustainability of rules – like we do today with our auditors – as these are fundamental assurance requirements that won't go away...

By Christina Martins
October 1, 2020

How big is your data?

Are you also feeling overwhelmed with the amount of information you are exposed to? Not only the work environment but also your social media footprint affect the size of data you have to deal with, every single day. I very often find myself struggling to control my desire in feeding my intellectual curiosity and as a result, get lost in the big deep infinite ocean of data. I eventually figured out that the only way to manage this, is to define a personal strategy to create a narrow band of flow, say a tiny little rich river, which is connected to the ocean of data, and feeds me with what I need and more importantly can use. I think organizations are no different than individuals in this sense. Either you manage the way you populate, handle, sort, and analyze the big data wisely or you get lost.

But, what exactly is big data? Big data is defined by the European Commission (EC) as a "large volume of different types of data produced with high velocity from a high number of various types of sources". In different definitions, we observe the following "V"s being used as aspects of big data and should be taken into account while the organizations define their strategies:
• Volume: refers to the amount of data (e.g. terabytes or exabytes)
• Velocity: is the speed of information generated and how fast the data is processed
• Variety: represents the variation of data format (structured: traditional numeric/text information versus unstructured: social media postings)
•Value: cost of data generation as well as the transformation of big data into valuable new insights, solutions, and decisions
• Veracity: uncertainty due to incompleteness, approximations, and inconsistencies
• Validity: is the question of the data valid for the problem

What should be the right strategy?
Data is indeed great, and research supports that the use of big data would certainly improve the quality of decision making, processes, services and products. Nobody wants to miss the opportunity of making the right decision to flourish. Yet, most companies are after collecting data without a certain set of objectives. And some are complaining about the size of data to be managed, and wandering around the big circle of actions, without doing anything valuable. Neither of the two approaches could be considered as "the strategy".
The right strategy defines what data you need, how to make it available and accessible, where to store it and more importantly how the data supports the objectives of the organization. Companies and fucntions should focus on the most critical and the most value-adding data while designing their master plan.

Big data is a challenge for audit functions too.
What does this mean for the audit organizations? If one raises the question of

where the auditors spend most of their efforts, the single best answer would be the "data". From preparation to writing reports, from manufacturing floor assessment to management reviews, all they do is mining, finding, and analyzing data in order to gauge the risk for the operation. It was never an easy task, but with all the new requirements, technologies, networks, and applications, a huge volume of data is being generated every single day of operation. It is true that it has never been this complicated and difficult to manage even during an on-site audit. Introducing remote audits as an integral part of the overall assessment makes it even more complex.

For most global organizations, particularly growing inorganically with acquisitions, it is practically impossible to be connected to all operations, to get any data with a single click from a PC. The structure of the company with its affiliates also affects the overall data management strategy of the company. Suppliers, as being completely different entities, are adding another thick layer of complexity to the entire equation.

Is it possible to overcome the challenges?

There will always be challenges and here are a few suggestions that could help audit functions to overcome some:

1. Have the list of critical set of data required for each type of assessment:

• What: define the data required together with the other data correlated
• Why: define why you need it, which objectives of the company or the function are to be met
• Where: define where the data is stored
• Who: define who is accountable
• How: define how the data is to be retrieved (could be manual or via a software)

2. Ensure the reliability and use of the critical data:

• Do not estimate that the data generated is always reliable. Define ways to cross-check the critical data using different sources (i.e. machine performance records, lab tests, line controls)
• Understand how the data is to be used for continuous improvement within the operation

3. Frame your digital transformation for the right size:

• Define where your function is, in terms of having access to the required set of data and/or the ability in making a sensible analysis using those. The right and effective digital transformation would help the function make an effective and easy correlation between all data linked (i.e. sanitation records, product testing results, air quality monitoring results)
• Plan your digital transformation simply, by focusing on the most critical data, rather than trying to make it a bigger and more complex exercise
• Define the investment -both on hardware and software – for the project
• Work with legal affairs to sort out issues/challenges regarding confidentiality, GDPR, etc.
• Work with the IT department on the security and correct storage of data
• Prepare your project plan together with milestones and have the right talent to manage it.

This is probably the most difficult task as it involves many different aspects and functions. There is no silver bullet to make the digital transformation fast and easy. However, it is certain that audit organizations that arm their auditors with the right tools to analyze the most critical data in the best way possible will witness an uplift in productivity and engagement in the long run. Here lies the secret: Are you willing to increase the perceived value of your function? Than be the king of the data you manage.

By Tülay Kahraman
June 15, 2020

Where are you in your digital transformation?

One of the functions within the companies which is affected the most amid Covid-19, is auditing, for sure. Closed borders, canceled flights, travel bans, and restricted access to site operations made it impossible to perform audits physically as scheduled. This left the function with some problems/questions to be resolved/answered:

• How are we going to manage the audits remotely? What do remote audits mean for the overall risk-based audit program made and managed for years? How are we going to manage the backlog?
• Do we have the right tools to make the remote audit possible in the first place? Are we connected to the operations digitally strong enough, so that the disturbance to the auditee is limited at this difficult time when they are trying to operate under extraordinary circumstances?
• How are the auditors feeling? Do they feel comfortable with the remote audits? What can be done to help them feel comfortable and capable enough?
• Can we possibly use this period to help the organizations deal with their fundamental problems and risk manage those with the experts we have in the auditor pool?
• Can we help our auditors increase their capabilities and in return the reputation, by deploying them in some key projects where they can play an important role?

This list is not an exhausted list, of course, and may vary from one company to another. I believe, however, the most important question to be answered would be the following:
"Do we have a well defined, fit for purpose, digital transformation strategy supporting a strong business continuity plan for the function?"
No doubt that we hear "digital transformation" phrase more than ever, after facing the facts that Covid-19 brought to the surface. Digital transformation was reshaping the entire segments and industries for some time already, is now being considered more seriously by many industries.

But, what exactly is digital transformation? The definitions made by the experts vary slightly and often times, we see digitization and digitalization are being used for the same purpose. They have different meanings. According to one definition, digitization refers to changing from analog to digitial (Gartner Inc, 2018a), while digitalization refers to the process of improving a current business model or create a new one with the help of digital technologies (Gartner Inc, 2018b). In this sense digitalization has a broader scope. Nambisan et.al (2017, p.224) characterize digital transformation as "the creation of, and consequent change in market offerings, business processes, or models that result from the use of digital technology".

In their book, "Building the Agile Business through Digital Transformation", Neil Perkin and Peter Abraham(2017) have given the following definition, which gives a wider landscape:

"The transformation and reinvention of the resources, priorities and processes of a company (or a function*), in order to be fit for purpose in a digitally empowered world."

Digital transformation is about using technology wisely, for better, faster, bigger results. But it is beyond the investment made on the digital tools and means to make the transformation happen. It requires a welldefined strategy, and a comprehensive change management model through the organizational interventions to support the culture, people, behaviour and processes. And as in all the changes, it is not an easy task to convince people for making it happen and keep the momentum high at all times. Often, the expectations are set at an elevated level than the organization can deliver. The study found that only some companies captured a real business benefit, despite numerous initiatives taken under the name of digital transformation. It is clear that the digital maturity plays an important role to drive results. Neil Perkin and Peter Abraham, in their very same book "Building the Agile Business through Digital Transformation", defined the four levels of maturity as follows (2017):

· **Beginners:** organizations that do very little with advanced digital capabilites, have a low awareness of opportunities
· **Conservatives:** companies that favor prudence over innovation, have a unified vision but are sceptical of the value of digital trends
· **Fashionistas**: follow digital trends and implement shiny new digital apps, but do not have a unified vision for the digital transformation of their business.
· **Digirati**: those that truly understand how to drive value through the digital transformation of their business.

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In other words, combining transformative vision and governance with investment, innovation and continous improvement in people, process and technology

The right strategy supported with a clear change management program would be the only way to succeed, however the strategy would become volatile, if not linked to and supported by the overall digital transformation strategy of the company. Research (Patterns of Digitization – Research Technology Management, March – April 2020) has shown digitally mature – digirati- companies, have tailored the following practices for the great results:

· **Align resources – both financial and human – with strategy:** a good project management would require a clear definition on resources required.
· **Engage key partners:** work with internal functions and external vendors to find the best and simple solution to your need.
· **Demand and cultivate collaboration:** reach out to your customers, suppliers or even competitors to get collaborative excellence.
· **Entrepreneurial leadership:** lead as an entrepreneur or a startup to redesign your processes to the perfection.
· **Communicate, communicate, communicate:** communicate as much as possible and sometimes it is ok to overcommunicate too – this is key to keep the momentum.
· **Support efforts of your function and team members:** appreciate the extra workload the transformation would bring and support team members for their needs.

Where exactly are you in your digital transformation? Are you a beginner or fashionista? What needs to be done differently to become a Digirati?

By Tülay Kahraman
May 30, 2020

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Do Your Remote Audits Bring Strong Value?

Embracing remote auditing can support organizations during unusual times but also in the normal operation of the business. When faced with the challenge of remote work as we do now, an organization has the option of adopting remote auditing or delaying planned audits. The latter might be a short-term alternative to avoid the overload on an organization busy with the implementation of its business continuity plan. However, maintaining the planned audit schedule during a period of major changing working practices and protocols may be a judicious choice. For some organizations, remote auditing has in fact already been at the heart of their normal assessment strategy. These companies know that very well-prepared and conducted remote audits can certainly deliver strong value and assist organizations to run the audit function in difficult times.

New technologies have made remote auditing more doable

There are many opportunities in implementing remote auditing but organizations need to ensure the capability of the available resources and adjust a few important things in order to maximize the value they are getting from the virtual audit approach. Several aspects need to be considered in order to support the effectiveness of the remote audit. These include the audit process itself, the infrastructure, and the auditor's competence.

The credibility of the audit and the audit function is in the spotlight which means that organizations need to prepare and deliver extremely well their virtual approach to audits.

Getting the most out of remote audits requires the organization to minimize the risks associated with the use of new information and communication technologies. As various remote audit techniques exist, these risks will depend on the approach taken which may vary from simply using surveys for filling out checklists and questionnaires to using leading-edge video techniques for the monitoring of remote or high-risk work.

Preparation for a remote audit is key to a successful outcome

Preparing for a remote audit takes longer than usual and is a crucial success factor. Here is a non-exhaustive list of topics that should be taken into consideration during the preparation phase in order to maximize the value of remote audits:

• Collaborate with the auditee to assess and document the feasibility and risks of remote auditing. Ensure that the identified risks are mitigated.

• Write and communicate a remote audit protocol describing the process and the roles and responsibilities of all parties.

• Document in advance an agreement between the auditor and the auditee about confidentiality, security, and data protection issues.

• Assess what technologies are available on both sides – auditor and auditee – to conduct the remote audit and achieve the audit objectives. Ensure the technologies are agreed upon and tested before the audit takes place.
• Define what processes are to be audited using which information and communication technology.
• Determine who needs to be interviewed and when they need to be available. Confirm the appropriate personnel is available and scheduled for the audit.
• Plan and prepare some strategies that will help put people at ease during the remote audit. Allow for small breaks at regular intervals.
• Prepare a detailed agenda and formalise each step including opening and closing meetings. Allow for an audit plan review at different stages of the audit and plan for intermediate conclusions reports. Be flexible.
• Request information from the auditee to be submitted prior to the start of the remote audit to fully prepare the auditor. Gain understanding from the auditee on how records will be pulled and shared.
• Ensure at least one auditee personnel is dedicated to supporting the audit over the designated period.
• Ensure web meeting invitations are sent with ample time for each party to plan accordingly.
• Request a virtual tour of the facility or that a facility overview presentation be provided with pictures, facilities plant, and process flow, following the opening meeting. A risk-based assessment should be applied to define the need for this facility's tour and/or which areas are essential to be covered if a complete tour is not feasible.
• Consider the participation of experts during the remote audit to maximize value.

Perform the audit as closely as possible to an onsite audit

Some adaptations are needed to ensure a smooth remote audit delivery. These include:
• Split the remote audit in sections with intervals of a big enough duration for auditee to collect and share documents requested during the audit.
• Hold opening meetings with appropriate personnel using the communication technology agreed upon.
• If (ideally) many of the documents and records are made available ahead of time by email or via a website service, then the auditor can proceed upfront with document review. Questions and requests can be made via chat, email, phone, or online web conferencing.
• If the auditee does not make the documents available for the auditors' review, then documents and records will need to be shown via the video conferencing tool being utilised. Ensure a quick access to all required documentation.
• Hold the closing meeting as normal but via the communication tool selected. Ensure that this meeting has been planned and scheduled ahead of time with the proper invitees.

A remote audit is an excellent solution

Performing an audit on-site has its advantages and allows the auditor to examine processes in real-time, conduct a physical tour of the facility, and observe visual clues and non-verbal communication with the audited organization. However, the current crisis has forced companies to adapt, innovate and utilize other solutions. A remote audit is an excellent one to allow for business continuity and ensure that critical suppliers and manufacturing sites continue to function within the required state of compliance. Well prepared and done correctly, a remote audit can be an extremely valuable replacement or addition to on-site audits.

By contrast, if a remote audit is not executed correctly, it does more harm than good, because it might provide a false sense of assurance. Robust preparation and collaboration with the auditee are key to achieving the audit objectives and bringing strong value. When asked whether the future will be back to on-site auditing, remote auditing, or a mix of these, many organizations already confirmed that it will be the latter…

Marc Cwikowski
June 9, 2020

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