



REBECCA BRADSHAW

AUDITMINDSET

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AUDIT MINDSET

For many organisations, discussions about quality systems can focus on the lack of funding, onerous standards and expensive certification requirements.

When the Disability sector in Australia moved into the National Disability Insurance Scheme (NDIS), it became more important than ever that we find a solution to an efficient, integrated, cost-effective quality system that works.

With an aged care Royal Commission happening and one planned for the disability sector, providers must prepare for more scrutiny.

Following the inquiry into incidents at the Oakden aged care facility, the (interim report) 13 February 2018 comments:

It (Oakden) is an important lesson for all involved, in trying to ensure that the best care is provided, that reliance only on periodic reviews, such as accreditation, leads to a sense of comfort that may not be meritorious.

The human services sector can no longer rely on certification bodies to reassure them that customers are safe and that risks are managed, leaders must be proactive, developing an audit mindset across the organisation.

Organisations must be less reliant on external review



AUDIT MINDSET

Audit Mindset not Audit

There is a place for certification audit, an external review of your organisation when done well can add enormous value.

Better though than external audit is internal audit. As I discuss in my book

DECIDE | DESIGN | DELEGATE , good internal audit trumps external audit every time.

INTERNAL AUDIT IS RESOURCE INTENSIVE

An internal auditor can work with the team who are more open and willing to discuss problems and seek solutions. This means you can identify risks and get issues rectified in a way that suits your business long before the external auditor arrives.

Just as the usefulness of performance reviews for individuals are being questioned, we could be asking ourselves whether certification audits are useful. I propose that the usefulness of third-party audits come a poor second to the power of well-run internal audits. I encourage all organisations to consider ways to strengthen internal audits, rather than relying on an external person to tell you where you could do better.



AUDITMINDSET

The third option - AuditMindset

If the human services sector are going to implement effective self monitoring there needs to be a third option.

For registered NDIS providers, there is no pool of money for quality system development just as there is no pool of money for a Human Resource, Finance, Communication, Marketing or Project Management function. The fact that there is no formal funding, however, does not minimise the need for each function.

As a sector moving from a welfare model to a consumer-driven model, organisations providing services to people with a disability must decide their strategic direction, allocate their resources effectively and design their systems for efficiency.

So how do you exceed your certification requirements, remain agile and able to provide a customer focused service whilst maintaining a robust and effective quality management system with limited resources?



AUDIT MINDSET



The first thing to do is take a good look at your existing quality management system. If you have been providing services under the old welfare model then it's likely that over the years your quality management system has been written and adapted to meet the changing standards, the requirements of a number of certification bodies and the preferences of a range of external auditors. This leaves many organisations with systems that are less about efficiency and more about passing the audit.

With a more competitive market, including large numbers of for-profit players, less money to fund support services including quality and safeguards, new standards which need to be met and old cumbersome quality systems, leaders may question how they are not only going to meet the standards but how on earth can we expect them to exceed them.

To discover how prepared you are to adopt an audit mindset there is one question you should ask of your leadership team:

ARE WE AN ORGANISATION WHO WANTS TO - PASS, SURPASS OR EXCEED THE CERTIFICATION AUDIT?

PASS

For some organisations, the goal is simply to pass the audit. Getting the certificate may be the goal.

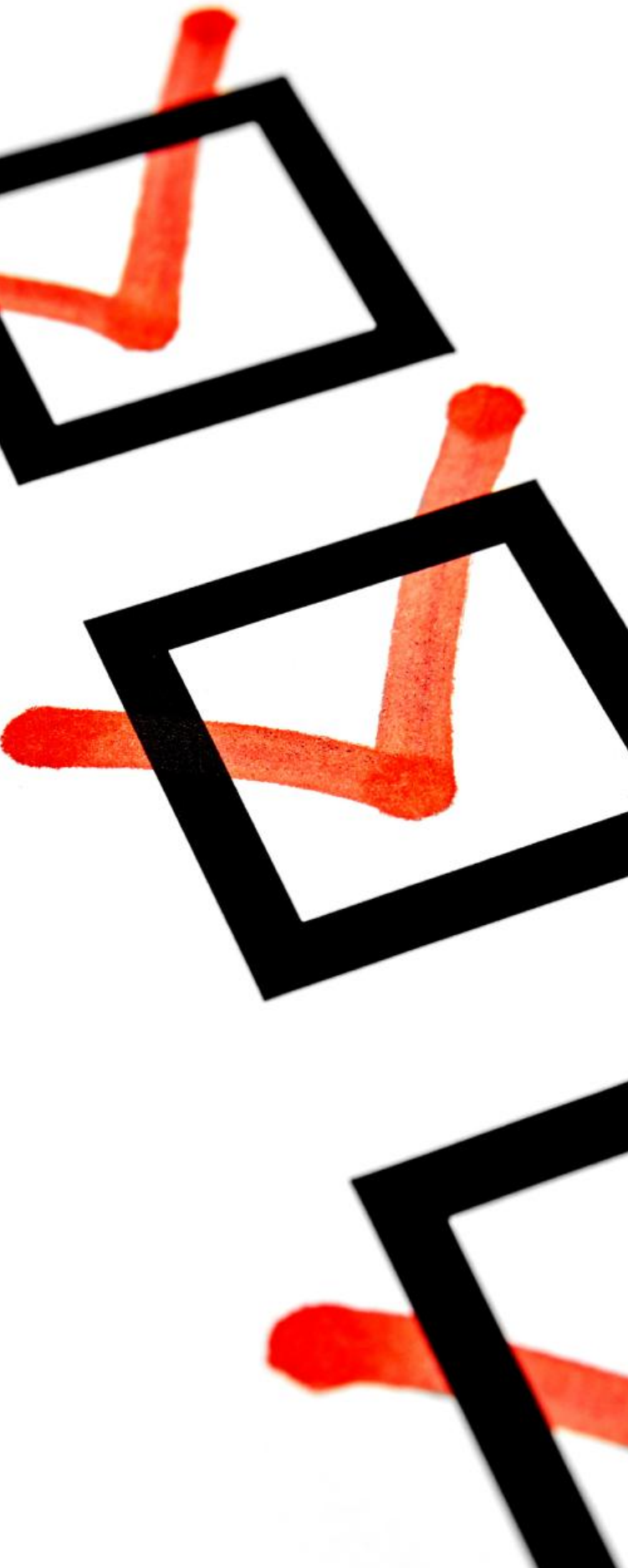
The problem with this as a longer-term strategy is that it can lead to reactive and expensive preparation for external audit.

This appears in a mad flurry of activity about three months before the next audit. The certification body will notify you that they are coming in three months and people become active.

Now's the time to start chasing people up and finding out whether everyone is ready.

The quality person is now quickly pulled off all normal duties to make sure documentation is up to scratch and start collating an evidence folder for the auditor.

You realise you are under prepared so you pay for an expensive consultant to help.





SURPASS

Leaders in organisations who want to surpass audit are less reactive.

You have historically passed audits with only a few minor non-conformances and feel confident that things are under control and that customer service is relatively consistent.

Periodic and planned internal audits may occur and whilst your internal audit reports may identify some inconsistencies, these are actioned by the quality team.

The leaders have a good understanding of external and funding requirements and systems have been designed to meet these.

There may be a quality budget with a dedicated position or team charged with implementing and monitoring the systems.

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A woman with long brown hair, wearing a green sleeveless dress, stands in a field of tall grass at sunset. Her arms are outstretched to the sides, and she is looking towards the horizon. The sun is low on the horizon, creating a warm, golden glow. In the background, there are rolling hills and a line of trees.

EXCEED

To exceed requirements you must design a quality management system that suits your organisation, not one that is written to meet external auditor requirements.

Organisations who want to exceed adopt an AuditMindset.

They continuously observe practice at all levels of the organisation looking for best practice, consistency, opportunities to build efficiency, and call out unwelcome behaviours and practices before they become ingrained in the culture.

Leaders and managers support staff to 'do the right thing'

Procedures are available and are being used. Leaders lead with purpose, having difficult conversations where required because that is what is required.

Everyone in the organisation knows how to identify when there are opportunities to improve efficiency and quality.

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COMMON MISTAKES

Many organisations feel that they have strong audit processes in place but there are common mistakes that should be avoided, not least because they are very expensive;

1. A team of auditors

Many organisations have spent considerable resources training a team of internal auditors handpicked from the divisions or branches of the organisation only to find that after twelve months many of them have left and you no longer have an audit team.

Even worse is that they invest in a team of auditors, develop a schedule and then find they simply don't have the time to take the auditors out of their regular shifts and their training goes to waste.

2. Over-auditing

Your internal audit system should not replicate an external certification body. You do not need complex processes for planning and scheduling, gaining consent, conducting, open and closing meetings that last 20 minutes.

It is preferable to sample your organisation over time based on risk, you do not need to audit everything you do to the same degree.

3. Relying on the external certification body

You may be tempted to assume you can wait for the external certification body to conduct audits - why duplicate the effort? It would seem to make financial sense. However this leads to problems when the external auditors find risks and issues you were not aware of and you feel like the naughty child in the principal's office at the exit meeting, will tell your parents? (The Board).



WHY ADOPT AN AUDITMINDSET

The benefit of AuditMindset is significant. Not only does it drastically increase eyes on the ground reducing the risk of people working in ways that potentially put customers at risk, but it also supports efficiency and consistency and saves you money whilst strengthening your quality management system.

It's not uncommon for external auditors to raise findings that staff across the organisation don't fully understand and are disconnected from.

When an organisation has an AuditMindset, everyone is involved in improving quality.

An AuditMindset means that managers and leaders are aware of what is happening, are confident risks are being identified and managed and are confident that staff are working within agreed organisational systems.



WHAT IS AN AUDITMINDSET

An AuditMindset means not settling for “we have always done it this way.”

We are all busy.

We can get caught up in the to-do list and spend the day keeping our heads above water.

We can tend to move through the day with our mind firmly fixed on the jobs we need to complete, the reports we need to write, the people we need to speak to.

Work can too easily become a list of tasks. We might be so engrossed in our own day that we simply don't observe anything that is happening around us.

An AuditMindset means actively observing the organisation around you every day.

It means observing people in practice - are the systems they are following, working or could they be improved?

It's not questioning the way people do things as part of performance management but rather looking objectively and asking the questions “is there a better way?”, “why are we doing it that way?”.



WHAT IS AN AUDITMINDSET

An AuditMindset is about understanding the values of the organisation and observing those in practice.

An AuditMindset is observing the culture of the organisation. What behaviours and practices do you see, what behaviours are tolerated or praised?

Sometimes we can fall into the trap of focusing only on what is important to us at the time, rather than stepping back and looking at the bigger picture. Are the conversations people have positive? Are we labelling people as complainers rather than really hearing the problems they have at work?

An AuditMindset allows you to be the external observer, what do you see, hear, smell? What does that tell you? How can you communicate that to add value?

Leaders who are blindsided at external audit often wonder how a single auditor can in the course of a day uncover risks that they were not previously aware of.

The difference is the AuditMindset.

External auditors are paid to actively observe for a moment in time and be present in the organisation rather than simply being a passive observer.



WHAT IS AN AUDITMINDSET

The AuditMindset program teaches people at all levels of the organisation how to adopt an AuditMindset as part of their day.

AuditMindset isn't an extra thing to do, it's a new way of being at work.

The program teaches people how to actively observe the organisation, evaluate what is happening around them and communicate what they see in a way that adds value and contributes to improvement.

The program teaches everyone to be involved, to be part of the change, to direct and influence positive change in the organisation rather than thinking it is somebody else's responsibility.

Having an AuditMindset means being an active member, not a passive observer, taking responsibility for the bigger picture not abdicating responsibility.

ABOUT THE AUTHOR



Rebecca Bradshaw loves quality-management systems and isn't afraid to admit it. From personal experience, Rebecca has seen how a poor approach to quality management can cost an organisation not only money but good staff.

Quality is a mindset: when it works, it not only provides a great return on investment, but it builds a culture where everybody strives to do their best work all of the time.

Rebecca understands that the field of quality isn't everyone's idea of fun; when you feel like you are drowning in operational tasks, adding another component such as implementing a quality management system can just feel too hard.

Originally from the UK, Rebecca trained as a nurse there and finds that her experience of the UK system now informs her approach to quality management in Australia.

Her focus remains on risk management and safety.

Rebecca works with organisations that consider quality to be of high importance, committed to embedding quality management within the organisation.

HERE ARE A FEW WAYS I CAN HELP

Email me for a free copy of my book
DECIDE | DESIGN | DELEGATE |

Ask me about enrolling your quality manager in
the quality networking program.

Email me for the Audit Mindset program brochure



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