

B.A.S.I.C.S.A Back-To-Basics Approach for Effective Audits

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What We Will Cover Today



- 1 About QMII
- Why Are We Here?
- The B.A.S.I.C.S Approach
- 4 Q & A

About QMII



- QMII has provided best in industry process improvement consulting, auditing, and training since 1986
- Headquartered in Ashburn, Virginia
- ■ISO 9001:2015-certified
- ■SBA 8(a) and DBE-certified
- Minority-owned business
- ■GSA MAS holder



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About QMII



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Why Are We Here?





Understand the B.A.S.I.C.S. approach



Understand a simplified approach to an effective audit



How to train your auditors to align with this approach

Current Audit Challenges



- Impartiality and Objectivity
 Inconsistent interpretation of requirements
 - **Biases**
- **Resource Constraints**
- Employee AwarenessLeading to resistance to the audit processLack of stakeholder engagement
- Performance expectationsFear of non-conformities
- Tight Deadlines
- Inadequate follow up



The need for a B.A.S.I.C.S. Approach



• Audits can become overly complex

- Over time competing priorities can overshadow the purpose of the audit (TM driven)
- Auditors trying to achieve large scope and conformity to criteria in reduced timeframes

Losing sight of value-add activities

• A focus on checklists rather than the effectiveness of the "as-is" can reduce audit effectiveness.

A need for simplification

- What is the purpose of the audit and the audit program
- Proving "compliance" vs. a "value add"

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Why B.A.S.I.C.S. Matters for Auditors



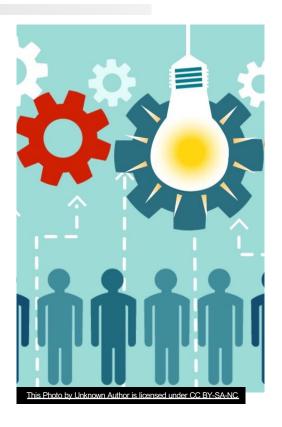
- Refocuses auditors on core audit principles
 - Helps ensure audits remain impactful.
 - Experience can be a boon and a bane.
- Encourages a practical easy to remember approach
 - Simplifies audit execution without compromising thoroughness.
- Supports both new and experienced auditors
 - Provides a structured yet flexible audit mindset.

B.A.S.I.C.S. is a simplified approach to internal audits

Auditors Role in Driving Value



- Go beyond conformity and compliance
- Moving beyond checklists to determine real risks
- Focusing on the implementation to meet requirements
- Holding back biases and prejudices
- Assessing how different parts of the system interact with each other



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Overview of the B.A.S.I.C.S. Framework



- \blacksquare B − Be Objective \rightarrow Impartial and fact-based assessments.
- A Assess Risk to Objectives → Big picture over surface-level findings.
- S See Processes in Action → Go beyond documents—observe how processes function "as-is".
- I Investigate Systemic Issues → Identify underlying risks.
- C Communicate Effectively → Engage auditee stakeholders. Clear, actionable, and concise reporting.
- **S Support Improvements** → Ensuring long-term impact.

B – Be Objective



- Impartiality is Key: Avoid bias and preconceived notions.
- **Fact-Based Decision Making**: Use evidence, not assumptions. (except Hypothetical scenarios to determine system effectiveness)
- Professional Curiosity:
 - Validate information thoroughly
 - Choose a representative sample
 - Stay within scope and per criteria

A – Assess Risks to Objectives



- Big Picture Thinking: Focus on what impacts business ability to meet policy and the audit objectives
- Prioritizing High-Risk Areas: Not all parts of the system hold equal weight.
- Evidence Adequacy: The controls and resources must allow the process/system to meet requirements consistently

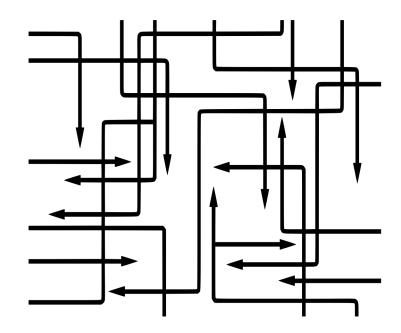


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S – See Processes in Action



- Go Beyond Documentation: Observe how processes truly function to meet objectives.
- Auditee Interviews & Walkthroughs: Engage employees for real insights. Establish gaps in TM perception and reality
- Identifying Gaps Between Documents and Practice: What's written vs. reality.



I – Investigate Systemic Issues



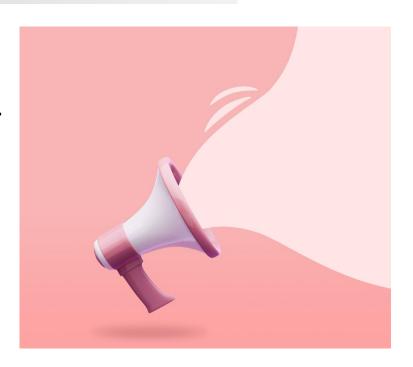
- **Spot Patterns and Trends**: One-off issues vs. systemic failures (*think risks*)
- Connecting the Dots: Understanding interactions between different parts of the process/system and stakeholders.
- Check Controls for the Long Run: Investigate resilience in processes

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C – Communicate Effectively



- Engaging Stakeholders: From the audit planning, to the opening meeting to interviews and follow up.
- Clear and Concise Reporting: Keep it actionable and provide clear insights for action.
- Feedback Loop for Improvement: Fostering a culture of transparency.



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S – Support Improvements



- Beyond the Audit Report: Driving post-audit change.
- Ownership of Corrective Actions: Ensuring accountability.
- Follow-Up Audits and Continuous Monitoring: Longterm effectiveness.

Audit must provide inputs to TM to drive improvement and where resources are needed



Applying B.A.S.I.C.S. in Practice

B.A.S.I.C.S. in Planning Audits



- **Define clear objectives**: Align audit plan with key risks and business goals.
- Use a risk-based approach: Focus on areas with the highest impact.
- **Engage stakeholders early**: Ensure alignment on audit expectations.

Conducting Audits with B.A.S.I.C.S.



- Stay adaptable: Be prepared to adjust focus based on audit findings.
- **Apply effective questioning techniques:** Encourage open and insightful discussions.
- **Document findings clearly**: Ensure consistency and accuracy in reporting.

Reporting Using B.A.S.I.C.S.



- Structure reports for clarity:
 - Provide evidence of samples taken and due diligence.
 - Identify strengths and where additional controls are required.
 - Identify positives and use auditee jargon
- Emphasize key takeaways: Highlight what matters most.
- Provide clear non-conformity statement: Highlight systemic issues making corrective actions easy to identify.

B.A.S.I.C.S. can help you!



- Overcome resistance from auditees
- Focus on what truly matters the WHY!
- Ensure audit findings lead to action
- Refocus on audit fundamentals. Audit is a sample. It is not the role of Auditor to:
 - To perform RCA
 - To find all instances of the issue
 - Or to guarantee the system

Other Benefits of a B.A.S.I.C.S. Approach



- More relevant findings
- Improved stakeholder engagement
- Reduced risks to the system
- Efficient audit process
- Demonstrates value to management
- Provides actionable insights

In Conclusion





Assess your current audit approach



Review where complexity has crept in



Start SMALL – Apply B.A.S.I.C.S. to a single audit



Adjust process based on feedback and outcomes

Procurement Options



GSA MAS: 47QTCA20D0050

SAM UEI: E8KYQBSFJ6V6

CAGE: 1GFC9

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Thank You!!!



