

# Auditing as a management tool

In today's market place we have to be able to satisfy our customers that we are providing them with what we say we are providing them with and that we have produced that product in the way that we said we would produce it.

Thus, modern poultry production is all about being able to substantiate that what we are doing is correct and that we are actually doing it. Thus, we have written Standard Operating Procedures or SOPs for everything that we do on our breeder farms and in our hatcheries.

## Using the SOP

So, before going on to reflect on auditing let us consider what the SOP is and how it should be used.

Each key activity or operating procedure will either have its own SOP or be incorporated in another SOP. For example, the SOP for calibrating the vaccination gun could be a stand alone SOP or it could be incorporated in a larger SOP on administration of dead vaccines.

SOPs are meant to be read and understood by the staff so a key attribute is that they must focus on a maximum amount of information with a minimum number of words without losing pertinence, accuracy or clarity.

It is, therefore, best to avoid long technical words as these often confuse or are misunderstood by staff.

## Logical components

When writing an SOP the first thing is to break down the subject matter into a series

**Table 1. The basic components of SOP for vaccine storage.**

- Receipt of vaccine on farm and checking procedure.
- Recording receipt of vaccine.
- Storage of vaccine (including checking and management of refrigerator).
- FIFO management of stocks of vaccine.
- Removing vaccine from stock.
- Weekly/monthly stock reconciliations.

- Environment and its management.
- The birds.
- Task performance by staff.
- Stock control.
- Bird welfare.
- Feed management.
- Weight control of birds.
- Biosecurity.
- Building and equipment condition and maintenance.
- Records.
- Egg handling, grading and storage.

**Table 2. The scope of internal audits on the breeding farm**

of logical components and ensure all the key facets of the subject covered by that particular SOP are highlighted (see Table 1).

This list is then going to become the backbone of your SOP. Ideally, the SOP should have an introduction and then go through the key stages detailing how they are done, plus any associated special points, such as why something is important, health and safety issues for operator, bird welfare issues, what has to be measured, how it is measured and how and where the result is recorded.

If we now come to auditing, this has two key components. The first is to satisfy yourself as the auditor that the SOP is appropriate, adequate and thorough enough and whether, specifically, it addresses key points with regards to operator safety, bird welfare and the measuring and recording of data.

Does it adequately specify limits of acceptability and actions to take if something is outside those limits?

Then the second aspect of auditing is to satisfy yourself that the SOP is being adhered to when that particular task is being undertaken on the farm or in the hatchery. Inherent within this part of auditing is the identification of tasks or operations that are not covered by an SOP that you feel should be.

Some people feel that it is only customers or accrediting bodies that should do auditing. That is not the case – you should have an on going auditing programme of your own. Surely, it is better to identify a shortfall in your operation and correct it before an external auditor finds it and records it in his audit report?

## Objectives of audit

In essence, you should use your auditing programme to make sure you are doing what you should be doing, but also as a key tool in the on going improvement of your business.

On an internal audit on a breeding farm there are merits in picking one or two of the houses and subjecting them to a detailed audit rather than rush round all the houses.

On such an audit why not have all the supervisors or housemen in attendance having given them the brief that they will be going back to their own houses and will be responsible for ensuring that any shortfalls identified on this audit are not also present in the house(s) that they are responsible for.

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In other words, combine internal auditing with training.

Let us now consider the auditing process by addressing a few simple questions. The first is who should do the auditing? The manager of the farm or department should be regularly auditing his own operation. This will often be done informally when he is doing other jobs, but every so often it should be done as a formal audit.

In doing these audits he may well wish to involve supervisors because attendance at audits is a very good form of training, plus the fact you can address issues that arise there and then with the appropriate supervisor.

### Independent auditors

For this very reason it is important that a proportion of audits are done by, for example, someone who is independent of the unit such as a fellow manager, a member of the QA team or a more senior manager. Sometimes company advisers or consultants can be used in this role.

However, if the auditor is the usual manager there is a real risk that something he has missed in his management of the unit he will again miss in the audit.

The next question is that of frequency. The best way to answer this is to define the frequency by the number of findings on the audit.

For example, an audit shall be carried out every three months but in the event of an unacceptable number of non-compliances the audit shall be repeated within two weeks.

The issue of what the internal audit should cover is one that is often debated. Should it cover everything or should it focus on a particular aspect of the unit's activity? If audits are going to be used to progress a business then a more detailed audit on a particular aspect of the operation's activity will be of far more benefit than one that briefly touches on many points.

Examples of the different audits that can be undertaken on a breeder farm are detailed in Table 2.

When it comes to doing internal audits it is important not to become complacent – there is a real danger that you think that you know everything is okay and then drifting into 'autopilot' and missing things that you should be picking up.

### Tricks of the trade

There are ways to stop this happening. One 'trick of the trade' is to walk around the house or department by an atypical route. It is amazing, for example, that if you normally walk round a breeder house in a clockwise direction and you switch to an anticlockwise direction the things that you see that you never saw before.

Another way to keep you focused is to get one of your team to do the audit (all part of his training) and adopt the attitude that you are going to pick up the things that he missed! This will certainly keep you on your toes because human nature is that you will want to be better than the person doing the audit. Obviously, if you use this approach be diplomatic in how you highlight his omissions.

Another approach is 'I am going to find 10 things that need to be improved'. In other words you are doing more than the actual audit requires which is to identify shortcomings in the system.

But, by finding things that need to be improved and then actioning these improvements you are taking things forward, which is the object of the exercise.

Attitude, and especially staff attitude, to auditing is important. You must avoid the situation of creating an 'us and them' culture in which auditing is viewed as a negative, nit-picking exercise.

You must create a culture in which everyone from the president down to the farm worker see the whole exercise in a positive light and wants it to succeed in order that the business can progress to everyone's advantage.

In essence, if you are a manager in 2007 and you are against auditing it is time for you to move on! You must give the whole exercise positivity so that the real winner is the business itself. ■

**A** – **Appropriate**  
**U** – **Unbiased**  
**D** – **Detailed**  
**I** – **Independent**  
**T** – **Timely**