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Internal Audit for
Continuous Improvement

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What will be discussed

Today's session focuses on how we can use the internal audit process to inform continuous improvement.

- The requirements of the *Standards for RTOs 2015* and the benefits of an internal audit
- The Internal Audit process
 - Resourcing the Internal Audit
 - Preparing for the audit
 - Conducting the audit
 - Evaluating evidence and making an audit decision
 - Briefing the auditees and reporting findings
 - Follow up and close out the audit
- Focusing on Continuous Improvement

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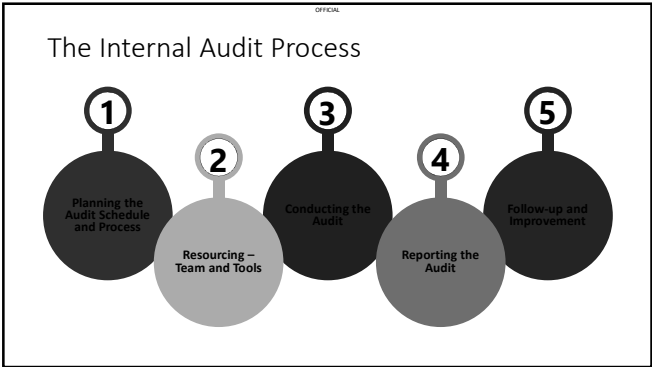
What do the Standards say and mean?

Quality Assurance

2.1. The RTO ensures it complies with these Standards at all times, including where services are being delivered on its behalf. This applies to all operations of an RTO within its scope of registration.

2.2(a) The RTO systematically monitors the RTO's training and assessment strategies and practices to ensure ongoing compliance with Standard 1, and

2.2(b) The RTO systematically evaluates and uses the outcomes of the evaluations to continually improve the RTO's training and assessment strategies and practices. Evaluation information includes but is not limited to quality/performance indicator data collected under Clause 7.5 validation outcomes, client, trainer and assessor feedback and complaints and appeals.



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Planning the Audit

It's all about the **logistics** of enabling the audit to run smoothly and achieve the objective.

- What is the objective and scope of the audit?
- What we are going to look at and when will this happen?
- Where will this happen, are there multiple sites, have I considered travel times, do I have to do site inductions?
- Who will be involved? Staff, employers, students, observers, technical experts? Who is my main contact person?
- What can I look at before site visits and what do I need to see on-site?
- Have I requested access to documents/files for any desktop review I conduct?
- When I am onsite - have I given myself time to think about what I am seeing?

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Resourcing - Internal Audit Tools

- It's for you to help guide your conduct of the audit
- It's for you to record data and your observations
- It's for you to use to write your audit report

It has to work for you!

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Resourcing - The Internal Auditor

• They show integrity

- They are effective communicators
- They are good at building collaborative relationships
- They are always learning
- They leverage data to manage risk
- They are team orientated
- They are innovative and strategic
- They are technical experts

How do I evaluate the evidence

- What is the requirement of the clause?
- What processes have we put in place to meet the requirements of the clause?
- Were the processes used?
- Did the processes work?
- If they didn't work, what went wrong and how do we fix it?
- If the processes worked, is there anything that could be improved?

Making an audit decision

We have four options when it comes to our decisions

- Compliant
- Compliant with an opportunity for Improvement
- Non-Compliant
- Good Practice

C

OFI

NC

GP

February Newsletter

This is the best time to push forward with improving your skills. I believe you can do it!

— CEO, Adora

Adora's Graduate 20 is Community's Services Program and program with the mission for you to achieve all family. The

Happenings

Our team is ready to help you.

There are many ways to get right for you.

It's never a dull day at the Community RTO.

Get a Nationally Recognized Qualification

20

1. Choose a program that meets your needs and interests.

2. Choose your course information sheet.

3. Choose your course information sheet.

4. Choose your course information sheet.

What's in for you next month?

What does this look like in practice? - Community RTO


Adora, the CEO has asked you to do an internal audit to make sure that the RTO is compliant in response to a complaint.

Please refer to your handout page 3

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Standard / Clause	Provided Evidence / Documents	Notes	C or NC
Standard 5 Clauses 5.1, 5.2	The RTO has provided the following evidence: <ul style="list-style-type: none">• Copy of student complaint and rectification• Marketing flyer• Course information Sheets CHC32015	The marketing flyer is very generic and would function to attract interest, but there is no significant course information provided. The course information sheet is again generic and lists all possible electives that could be chosen across the three streams. It's really unclear how the RTO is structuring the three streams or where they may be providing the potential learners with more specific information for their chosen course. The complaint by the learner suggests that there has been an interview or discussion with the RTO prior to his enrolment. <input checked="" type="checkbox"/> Discuss in the site visit.	
Site Visit	The RTO has provided the following evidence:		
Actions			

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Site Visit	The RTO has provided the following evidence: <ul style="list-style-type: none">• Interview Trainer / Assessor• Interview Course Coordinator• Student file• Information night PPT• The TAS for each of the three modes.	The Course Coordinator explained that all potential learners speak with her before enrolment. She has a process she follows but it is rarely documented. If anything pops up in the discussion with the potential learners that may cause issues a note is included on the student file. There were no notes on the student file for the complainant. When determining which program is best for a potential student the course coordinator discusses what experience the learner already has, their work, family commitments, digital literacy, and ability to learn independently if they intend to take the online pathway. The focus is choosing the option that will work best for each individual learner. All learners then attend an information night for their chosen program where all details of the course are discussed and if the learner chooses to enrol, this can be done on the night. The trainers and assessors for the specific program attend the information night to answer any learner questions. The information night PowerPoint was very comprehensive and addressed all aspects of clause 5.2. Trainers and assessors do not deliver across the different modes of the program. No other transition complaints or issues in records	

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Briefing the Auditees

Opening meetings

- Introductions
- Provide an overview of roles, responsibilities process, schedule
- Opportunity to ask questions and clarify
- Are all the plans and logistics in place and workable

Closing meetings

- Explain the findings of the audit
- What happens next
- Timeframes
- Opportunity for questions

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Audit follow-up activities

- Draft and distribute the report
- Discuss with the team the actions that are required
- Agreement and endorsement of the final report and action plan
- Follow-up to check the progress
- Close out the audit when all actions are complete

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Focusing on continuous improvement


- What have we learned from this audit process that could provide **opportunities** for our organisation now and in the future?
- What **weaknesses** did the audit process identify that we now need to work on as an organisation?
- 3-6 months later... did the rectifications **work as we expected them to** and is there anything else we need to do now?



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Continuously improving continuous improvement


- Continuous improvement as a mindset, ethos, culture
- Engagement with the continuous improvement process
- Encouragement of critical reflection
- Tolerance of adverse feedback
- Responsiveness to adverse feedback
- Support and encouragement of others
- Commitment to change
- Commitment to evidence-based action
- Openness to the critique of action.



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References and Resources


- The *Standards for Registered Training Organisations (RTOs) 2015*
- The TAC Users' Guide for the Standards
- TAC Fact Sheet: Assessment
- TAC Fact Sheet: Assessment Validation
- TAC Fact Sheet: Assessing in the Workplace
- TAC Fact Sheet: RTO Complaints and Appeals
- TAC Fact Sheet: Industry Engagement
- TAC Fact sheet: Internal Audit
- TAC Fact Sheet: Vocational Competence & Industry Currency
- TAC Fact Sheet: Identifying and Meeting Learner Needs





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
Questions?


Contact TAC

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
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