SAP Audit Management

Applies to:
SAP ECC 6.0. For more information, visit the Enterprise Resource Planning homepage. http://www.sdn.sap.com/irj/bpx/erp

Summary
This article will help consultants in functional areas like Quality Management. This article will include an overview of audit management functionality and share ideas on the configuration, set-up and advanced features of the audit management functionality.

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Author Bio
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Introduction
SAP Audit Management is a tool that supports performing any kind of audit. Audit management facilitates systematic examination to determine whether or not an object meets predefined requirements. It provides the ability to define question lists and evaluate the results and document.

Audit Management manages elements of the planning phase, the execution of the audit, the evaluation of the results, and the management of corrective actions.

This solution is applicable across nearly all industry sectors.

Area of Application:
Audit management can be used in multiple application areas as listed below:
- Quality Management Audits
- Process Audits
- Product Audits
- Environmental Audits
- Security and Safety Management Audits

Audit Management Phases:
Different phases of Audit management can be represented as:
- Audit Planning
- Auditing
- Audit Valuation
- Corrective and Preventive Action
- Evaluation

Audit Planning involves determining general questions by which Audit will be performed depending on relevant standards. These questions define the criteria for Audit execution.

Planning of the audit program involves determination of partners, date of the audit, and individual question list.

Audit processing involves the actual execution of Audit. It involves Inviting partners or participants, Releasing the audit, Examining the audit object with regard to the question list, and Recording the findings against each question.

Audit Valuation involves valuating findings of question or the recorded findings of Audit processing. It also involves assessment of the audit object, audit report (interim report, final report, and signature).

Subsequent steps
Determining a subsequent audit, if necessary

Determining corrective and preventive actions and the persons responsible for these actions

Monitoring the subsequent steps and the effectiveness of all actions

Evaluations

Overview of all audits or audit objects, or of selected groups of audits and audit objects

Overview of all actions or selected groups of findings and actions

Analyses of audit results and actions (Pareto, trend, benchmark)

Feedback of results to audit planning

Audit Management life cycle:
**Audit Management Data Objects:**

Audit management Question lists are used to store recurring audit questions or audit criteria according to which the audits are executed. Audit can have multiple question lists. Questions lists are part of master data required for Audit management and represent the major percent of master data.

Hierarchy profiles can be used in question lists. The hierarchy profile determines the hierarchy levels that exist, and level at which questions can be assigned, and the levels at which valuations can be performed.

Question list can also be associated with a priority, a weighting, and a valuation proposal.

System allows loading of existing question lists from Excel files into the system, and export question lists from the system as an Excel file.

Audit plans are used to group audits with similar properties together in a hierarchical structure. You can, for example, create monthly/yearly plans for audits, or group audits together according to operational area.

Each audit plan can contain several subordinate audit plans. Audit plan can be exported using an interface to MS Project.

Audit is used to describe the audit type, the audit trigger, and the audit object. Audit parameters can be customized. The definition of audit objects enables to analyze comparable audit processes for best practices or trends.

The actual execution of an audit can be triggered in couple of ways, either by the persons involved in the audit, or by the person responsible for the audit. Notification function can be used to allow the person responsible for the audit to send invitations to the relevant partners.

Corrective or Preventive actions can be created for inadmissible deviations, dangers, or potential for improvements to audit question list. Name of the partner responsible for execution, planned dates can be specified. Actual execution dates, completion status can also be recorded.

The actual completion of an action can be triggered either by the person responsible for the audit, or by the person responsible for the action.

A notification function allows the person responsible for the audit to send instructions, reminders or warnings to the relevant partners.

External partners can also be involved in corrective actions and have access to all information they require and to all processing functions that they are allowed to execute for actions via the Internet and the Web interface (Web-enabled collaboration)
Audit Execution:
Audit execution involves questioning and documentation. Once the questioning is completed, the findings are recorded in pre-printed shop papers. System also provides feasibility to record on mobile devices. These records can then be transferred to SAP. Then the audit object is valued.

In the question list a valuation profile will be pre-assigned to each item that can be evaluated. This valuation profile controls the valuation of the relevant items (question or hierarchy level).

Valuation can be qualitative (for example, Good, okay, or Poor), or quantitative (for example, in percent, or degree of deviation). Score are associated with Qualitative valuation levels.

At this stage preliminary audit report can be printed. This report will be used to discuss deviations, actions to eliminate these deviations, and the overall result of the audit with Shop representatives.

Normally, both the auditor and the audited party sign the audit report. This report will be scanned and loaded into system. Digital signature can also be implemented for Audit management.

Roles in Audit Management:
Many standard roles are defined in audit management; additional roles can be defined in customizing.

Person Responsible:
In audit management, a person will be responsible for each audit plan, question list, and/or corrective/preventive action. You can assign different people to each of these components.

The person responsible for the annual audit plan interacts with lead auditors and creates an annual audit plan. He or she will be responsible for defining the audit type, audited partner and release of audit plan.

The person responsible for the question list will create a question list, on the basis of which the planned audits are to be executed. Person responsible for Question list may be different from the person responsible for Audit plan.

Approver:
The approver is responsible for the approval of an audit component. From internal control and regulations requirement, Approver will be a different person than the Person responsible.

Auditor:
The auditors execute the actual audit.

Lead Auditor:
Lead auditors are responsible for the execution of the audits assigned to them. They confirm the planned audit dates with the audit planners and inform them of any date changes. Lead auditors do not execute many audits during the year. They also compile the questions for the audits using the question lists.

Person Responsible for Area:
The person responsible for the area is the contact person for the audit in the audited area. All of the questions, problems, and corrective/preventive actions related to the audit are discussed with, and reconciled by the person responsible for the area.

**Person Responsible for Actions:**

The person responsible for actions ensures the correct and timely execution of an action (corrective or preventive action).

**Participants:**

The participants are all the people involved in an audit.

**Interested Parties:**

Interested parties are all the people who have an interest in the audit.

**Audit Management configuration:**

Question lists are the bases for Audit Management. These questions lists are used in audit management as well as other applications. Question list configuration is specified in following screen.

Under question lists, the hierarchical structure of question lists and the hierarchy levels at which valuations are performed is defined. Question list profiles can be subdivided into several hierarchy levels. Questions can be defined for all hierarchy levels, but valuations are only possible for predefined levels.

Valuation profile determines whether the valuation is to be qualitative (coded) or quantitative.
For each qualitative valuation profile, codes are defined and the optimum and minimum points determined. And for each quantitative valuation profile, scale area, the scale increments are defined.

Under Partner function, the roles that are available in the system for the partners involved in the audit are determined.

Audit Ratings are defined under “Rating Profiles”. Multiple Rating Profiles can be used in Audit execution.
<table>
<thead>
<tr>
<th>Rating Code</th>
<th>Perc</th>
<th>Option From</th>
<th>Perc To</th>
<th>Option To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accepted</td>
<td>95.0</td>
<td>1 Including</td>
<td>100.0</td>
<td>1 Including</td>
</tr>
<tr>
<td>Minor Improvements</td>
<td>80.0</td>
<td>1 Including</td>
<td>95.0</td>
<td>2 Excluding</td>
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<tr>
<td>Major Improvements</td>
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<td>1 Including</td>
<td>80.0</td>
<td>2 Excluding</td>
</tr>
<tr>
<td>Not Accepted</td>
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<td>1 Including</td>
<td>60.0</td>
<td>2 Excluding</td>
</tr>
<tr>
<td>Unacceptable</td>
<td>0.0</td>
<td>2 Excluding</td>
<td>30.0</td>
<td>2 Excluding</td>
</tr>
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</table>
Related Content

- Audit Management details on www.help.sap.com
- Quality Management details on www.help.sap.com
- SDN Article “U.S. FDA Title 21 CFR Part 11 Compliance Assessment of SAP NetWeaver® Audit Management Functionality”
- SDN Article “Collaboration Across the Product Life Cycle Ensuring Performance, Quality and Continuous Innovation”
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