



# Remote activities in the TIC sector

*Andrea Coscia, AIOICI Vicepresident – Inspection Sector*

## **Executive Summary**

Until January 2020, the use of remote audit techniques, although contemplated in the mandatory technical documentation and included in the procedures, were adopted in a residual manner. However, this solution was the key to ensure business continuity in the Covid-19 emergency period.

AIOICI, the Italian Association of Independent Certification and Inspection Bodies, played, during the emergency period - through ASSOTIC (the first Italian Federation of TIC bodies Associations) and Confindustria (the main association representing manufacturing and service companies in Italy) - a crucial activity of influence and awareness of the Ministries for the recognition of TIC (Testing, Inspection and Certification) organizations as assets of strategic interest, since they perform functional and essential activities to support indispensable productions.

The international TIC organizations members of AIOICI, have conducted an initial survey about the adoption of remote techniques. In fact, the sector has shown itself capable of evolving from traditional on-site to innovative remote in all circumstances that would guarantee its full effectiveness. The relationship with some bodies that have only partially or even hindered the use of techniques remotely, remains to be investigated.

Faced with an initial scepticism, the client companies responded positively to the introduction of the techniques remotely, noting the opportunity to manage the times of the audit better and with greater flexibility although the direct relationship aspect is less. The stability of both IT links and network is considered fundamental in order not to make communication even more difficult.

Finally, the organisations interviewed suggest a reflection on the greater environmental sustainability of remote activities, an aspect to bear in mind when we can return to the so-called "normal life".

## The context

The technical document IAF MD 4 (now in edition 2, in force since 4 July 2019) introduces the use of remote audit and inspection techniques since 2008.

Initially, these techniques were used to allow and facilitate the conduct of "part of audit" at organizations having multiple sites, usually distant from the main offices, also abroad. In such sites, when the delivered activity is due to secondary processes with centralized management (typically commercial sites, agencies with the presence of a few employees, stores, etc.), the adoption of the remote audit techniques is so already widely tested. The audit can be effectively carried out through the analysis of shared documented information on IT platforms.

Until January 2020, the application of such techniques as audit methodology has been sporadically used, mainly for reasons attributable to the greater complexity arising from having to proceed with a double planning (on-site and remote): Certification, Inspection Bodies and client organisations more easily agreed on running the business entirely on-site.

February 2020 represents a turning point. The health emergency that exploded on a global scale with the COVID-19 virus caused the notorious lockdown in all Countries for about 2 months, with the almost generalized blocking of a large part of production activities and practically zeroing of mobility. In Italy, the TIC bodies have continued to operate, because they are recognized as assets of strategic interest which carry out functional and indispensable activities to support essential and "indifferent needs"

### REFERENCE DOCUMENTS

The main technical documentation relevant to remote activities are:

- IAF MD 4:2018 "Mandatory document for the use of information and communication technology (ICT) for Auditing/Assessment purposes"
- IAF ID 3:2011 "Management of Extraordinary Events or Circumstances Affecting ABs, CABs and Certified Organizations"
- IAF ID 12:2015 – "IAF Informative Document Principles on Remote Assessment"
- UNI EN ISO 19011:2018 "Linee guida per audit di sistemi di gestione"

productions. In this context, remote techniques represented the solution to rigorously provide inspection, certification and training services to support companies for the continuity of their activities.

In this emergency period, remote activity, together with an adequate risk analysis aimed at reconciling the protection of workers' health with the continuity of the customers' business, represents the only tool which, in the face of a positive outcome, can ensure the continuity of the certifications issued by the Certification and Inspection Bodies. Result obtained by simultaneously protecting the health of the employees of the client organizations and that one of the assessors involved.

Remote techniques have in many cases also been the solution for companies interested in maintaining a high degree of control over their supply chain, especially in cases of high complexity and on a global scale. The Certification and Inspection bodies were called not to interrupt the run of the audits making use of remote techniques without which the quality of supplies would have been affected, factor all the more critical in a time of emergency such as the one in place.

### **RESTRICTIVE OF LIMITATIONS**

There are some prescribed constraints that have not allowed or have in any case limited the introduction of the techniques remotely. Among the most common, we remember:

- The International Automotive Task Force (IATF)
- IRIS - International standard of the railway sector
- The EN 9100 scheme ("Quality management systems - Requirements for aviation, space and defence") allows remote techniques only for the surveillance audit and for the security update, no intervention has taken place changes such as to modify the content of the certificate
- BRC (British Retail Consortium) and IFS (International Food Safety)
- Social responsibility SA8000

The stop of a large part of the production activities also represented a moment of investment for the skills of the staff for various companies. The training activity provided by the operators in the TIC sector has therefore seen the stop of traditional classroom activities on the one hand, but on the other an increase in online training

activities precisely to meet a growing demand for training that without the possibility of providing courses remotely would have been unanswered.

The Covid-19 emergency also influenced the conduct of the Testing activity. Where these have not been interrupted, they have been revised to ensure compliance with the safety protocols introduced to protect the health of workers. In addition, the reference to remote techniques can also be made in this case, but by overturning it and applying it to the concept of test assistance: thanks to these techniques the customer can be given the opportunity to attend virtually in the test activity on real time. In this way, the customer no longer needs to physically go to the laboratories, an option however to be re-evaluated today, to limit the risks of contagion deriving from the emergency in progress.

But the advantages are so many even in a non-emergency context:

- the transparency that can be assured by giving the customer "access", even continuously, to conducting the tests;
- the lower risk deriving from the presence of visitors in the laboratory (management of interferences) with implications in terms of security and privacy;
- the logistic advantages, especially in the case of long distances between the customer and the laboratory;
- a more frequent monitoring especially for long duration tests (sometimes even several months);
- the easiness and timeliness of the communication and comparison arising from immediate interaction with the customer on even intermediate results.

## **A first balance**

Just two months after the massive introduction to remote techniques, it is now possible to draw a first useful balance not only to implement immediate countermeasures, but also and above all to provide elements for thought for a future in which remote techniques, even if differently sized, will take on a significant weight in the provision of Testing, Inspection, Certification and training activities.

In fact, in this regard, on the basis of the forced experience that the TIC sector has collected in recent months, we can certainly estimate, for the future, a growth in the audit activities performed remotely; they cannot replace entirely the on-site audit but certainly – and more frequently – succeed in solving specific cases to the benefit both of Organizations and Conformity Assessment Bodies.

AIOICI carried out a double investigation to evaluate the effectiveness of the techniques remotely: the first, internal, addressed to its members (Bureau Veritas, Intertek, Kiwa Cermet, Lloyd's Register, TÜV Italia) and the second, external, interviewing a sample of companies that have undergone inspections, certification and training.

## **Internal survey**

First, the TIC sector reacted immediately adapting its way of work to techniques remotely. Massive was the training action to make all staff immediately operative in conducting the new methods of service adjustment. Sometimes new applications have been introduced to facilitate the process of remote audit and for which further training was required. Not least, it was needed an extended operation of information and negotiation about customers to provide the right level of awareness and acceptance of new methods for conducting services.

The management of customer relations resulted a key element in the introduction of remote techniques, even if sometime with scepticism on the effectiveness of the assessment and a presumption of the audit time reduction that does not find correspondence nor in the rules to be applied or practical experience.

The Certification and Inspection bodies report in some cases the need to review the contractual agreement which can be improved by including the option remotely as well as by including some aspects that were not applicable in the case of on-site activities (for example, screen management - if applicable).

The issue of information security becomes more important with the introduction on the one hand of remote techniques, on the other of massive smart working for almost all employees of the TIC bodies.

The sector proved to be ready having already adequate policies and infrastructures. Frequent has been the use of specific IT owned applications. Nonetheless, some information has been improved and the staff has been further sensitized on the use of company tools and on some countermeasures to be taken when working from home.

The relationship with different accreditation bodies, ACCREDIA as first, was crucial. Most of them have confirmed the potentialities of the remote audits. However, there were some exceptions that made the application of these techniques complex - if not impossible. This aspect is undoubtedly a starting point for further study, both because the adoption of such techniques, even partial, can be an assurance of continuity, and because a misalignment in the remote adoption of techniques generates complexity, confusion and does not help to the sector.

#### **THE ITEMS OF THE INTERNAL SURVEY**

The focused elements were:

- the impact of the remote audits vs the internal quality system;
- the contractual aspects vs clients;
- the information security and infrastructure;
- the relationship with accreditation bodies.

### **External survey**

If during the audit schedules, organisations expressed scepticism towards the remote techniques, after the remote audit implementation, the level of satisfaction was very

high. This aspect is attributable to two opportunities considered fundamental by companies:

- Better time management;
- Business continuity.

If the concept of business continuity appears immediately acceptable and does not require further clarification, an in-depth analysis deserves the perceived better time management by companies.

How should this be read? The zeroing of the timing for the transfers, the reduction of the timing that we can define as "relational", to the benefit of an overall greater efficiency. With the techniques in remote, in a nutshell, they eliminate the so-called "dead time".

Analysing the conduct of a generic audit activity, it is possible to identify three fundamental steps:

- document analysis and review;
- interview;
- observation.

With the introduction of remote techniques, the consultation of documents is equally and perhaps more effective than an on-site audit. The interviews remain possible and effective, even if the empathy merits greater attention. The step of observation is instead to be optimized, an aspect confirmed by the companies themselves who count among the first difficulties the fading of the interpersonal relationship that allows to catch nuances (for example non-verbal language) that are not totally digitally transferable. With the technique in remote the "context analysis" and the "observation of the processes and infrastructure" could be limited, requiring a possible completion of this part of the verification with a subsequent on-site activity.

Better time management is even more important for training online. Having access to such training sessions, without the burden of transfer times and costs, generates an immediate positive perception for the learners. Even the relational aspect is not affected too much: the tutor needs to be able to stimulate the right relationship including time of exchange and intermediate test. Possibly the working group

experience needs to be improved, deserving either specific sessions or the integration of online activities with session of practical application on field.

How to prepare to a remote audit and how to limit the risks of not-effectiveness? About this point, the companies interviewed have clear ideas: stable IT connection and availability of documents. These two aspects confirm the need for effective communication (given the already mentioned relationship limits, an unstable IT connection would make the activity impossible), better if with user friendly applications and a reduction in downtime for finding the necessary documentation, whose analysis, we have already said, could become the "side core" of the task carried out by remote.

Finally, we should mention some remarks from customers focused to the environmental benefits deriving from the introduction of remote techniques. There is no doubt that the lower transfers have led to a significant reduction in pollutant emissions. Without going into the merits of the ongoing discussions on the possibility that air pollution was a means by which the Covid-19 moved faster, the lesser impact of remote techniques deserves to be kept in mind also in the future.

If it's true that the environmental benefits of the mobility restrictions will end with the return to "normal life", a commitment to implement sustainability policies is needed on the TIC sector, providing, where possible, for a more extensive use of remote audit compared to what happened in the pre-emergency period.

## **THE ITEMS OF THE EXTERNAL SURVEY**

The external survey was conducted on a sampling of organisations relevant to manufacturing, medical, food, transportation, oil & gas, power & utilities, services sectors. The focused elements were:

- general satisfaction vs remote audits techniques;
- how to be prepared to deal with remote audit;
- advices to TIC body for the improvement of the remote audit techniques;
- main risk and opportunities coming from a remote audit.