IAS INTERNATIONAL ACCREDITATION SERVICE®

IAF Mandatory Document - MD1:2018

(Audit and Certification of a Management System Operated by a Multi-Site Organization)

scope

Requirements, for all situations, other than where specified in scheme documentation, involving the audit and certification of Management Systems operated by organizations with a number of sites with a single management system.

Exclusions

Exclusions to MD1

- ISO/IEC 27006 Information technology -- Security techniques -- Requirements for bodies providing audit and certification of information security management systems
- ISO/TS 22003 Food safety management systems -- Requirements for bodies providing audit and certification of food safety management systems,
- ISO 50003 Energy management systems -- Requirements for bodies providing audit and certification of energy management systems).
- Does not cover multi-site organizations where multiple management systems are deployed across the organization, when each site shall be considered the same as a single site organization and audited accordingly.
- Not be used for situations where independent organizations are collected together by another independent organization (e.g. consulting company or an artificial organization)

Application

Site :

- A site could include all land on which processes/activities under the control of an organization at a given location are carried out, including any connected or associated storage of raw materials, by-products, intermediate products, end products and waste material, and any equipment or infrastructure involved in the processes/activities, whether or not fixed. Alternatively, where required by law, definitions laid down in national or local licensing regimes shall apply.
- Where it is not practicable to define a location (e.g. for services), the coverage of the certification should take into account the organization's headquarters processes/activities as well as delivery of its services.

Temporary Site :

- Temporary sites covered by the organization's management system. Such sites shall be identified as temporary.

Multi-site Organization :

- A multi-site organization need not be a unique legal entity, but all sites shall have a legal or contractual link with the central function of the organization
- sites implement corrective actions when needed in any site.
- Where applicable this should be set out in the formal agreement between the central function and the sites.
- auditing of a multi-site organization with a single management system.

Application

- any one site may perform fully or partially the processes/activities covered by the scope of the management system, and different sites may belong to the same legal entity or not.
- any legal considerations concerning the organization's management system extending over a single legal entity or multiple legal entities is generally irrelevant to the auditing of the management system, and unless otherwise stated are not covered in this document.
- organization's **management system** which must be audited and certified.
- logical to start by considering the organization and the implementation of its management system, and what type of sampling may be appropriate, if any.
- In the case of a multi-site organization where each site is performing very similar processes/activities, there may be a clear case to be made for appropriate "site sampling" (e.g. a chain of franchise stores or a bank branch network).

Rationale for the proposed approach

- Reasons for non-appropriateness site sampling:
  - all the sites perform significantly different processes/activities;
  - the client requests each site to be audited; or
  - there is a sector scheme or regulatory requirement stipulating that each site is to be audited systematically.
- There can be a combination sites performing similar processes/activities and sites dedicated to very specific processes not performed elsewhere in the organization.
- sampling plan - proper site sampling limits sampling only to those sites which are performing very similar processes/activities, which are part of the organization's scope.
- Have a single management system.

Rationale for the proposed approach

Identify its central function. The central function is part of the organization and shall not be subcontracted to an external organization.

- Central function shall have organizational authority to define, establish and maintain the single management system.
- Single management system shall be subject to a centralized management review.
- All sites shall be subject to the organization's internal audit programme.
- Central function shall be responsible for ensuring that data is collected and analyzed from all sites

Methodologies

- Not all management systems standards are suitable for multi-site certification.
- Sites performing very similar processes/activities are eligible.
- Not all organizations fulfilling the definition of "multi-site organization" will be eligible for sampling.
- CB's shall have **documented procedures** to restrict such sampling where site sampling is inappropriate to gain sufficient confidence such as:
  - scope sectors or processes/activities (i.e. based on the assessment of risks or complexity associated with that sector or activity);
  - size of sites eligible for multi-site audit;
  - variations in the local implementation of the management system to address different processes/activities or different contractual or regulatory systems; and
  - use of temporary sites that operate under the management system of the organization even if they are not listed in the certification documents.

Sampling

- Sample selection are partly random, and shall result in a representative range of different sites being selected, ensuring all processes covered by the scope of certification will be audited.
- At least 25% of the sample shall be selected at random.
- The remainder shall be selected so that the differences among the sites selected over the period of validity of the certificate is as large as possible.
- Other considerations:
  - results of internal site audits and management reviews or previous certification audits;
  - records of complaints and other relevant aspects of corrective and preventive action;
  - significant variations in the size of the sites;
  - variations in shift patterns and work procedures;

Sampling

Other considerations (cont…):

- complexity of the management system and processes conducted at the sites;
- modifications since the last certification audit;
- maturity of the management system and knowledge of the organization;
- environmental issues and extent of aspects and associated impacts for environmental management systems;
- differences in culture, language and regulatory requirements;
- geographical dispersion; and
- whether the sites are permanent, temporary or virtual.

- Selection of sites can be done after central function has been audited.

- Certification Body shall have records on each application of sampling for each multi-site organization, with justification.

Sampling

- The minimum number of sites to be visited per audit is:
  - **Initial audit**: the size of the sample shall be the square root of the number of sites: (y=√x), rounded up to the next whole number, where y = number of sites to be sampled and x = total number of sites.
  - **Surveillance audit:** the size of the annual sample shall be the square root of the number of sites with 0.6 as a coefficient (y=0.6 √x), rounded up to the next whole number.
  - **Re-certification audit:** the size of the sample shall be the same as for an initial audit. Nevertheless, where the management system has proved to be effective over the certification cycle, the size of the sample could be reduced to, y=0.8 √x, rounded up to the next whole number.
- Central function shall be audited during the initial certification and every recertification audit and at least once a calendar year as part of surveillance.
  - size or frequency of the sample increased where the Certification Body's risk analysis of the process/activity due to special circumstances in respect of factors such as:
  - size of the sites and number of employees;
  - variations in working practices (e.g. shift working);
  - variations in process/activities undertaken;
  - records of complaints and other relevant aspects of corrective and preventive action;
  - results of internal audits and management review.

Sampling

Example:

1 head office: visited at each audit cycle (initial or surveillance or recertification)
4 national offices: sample = 2: minimum 1 at random
27 regional offices: sample = 6: minimum 2 at random
1700 local branches: sample = 42: minimum 11 at random
The sample of regional offices should include at least one regional office controlled by each national office. The sample of local branches should include at least one local branch controlled by each regional office. This may result in the sample size at each level exceeding the minimum sample size calculated

Additional Sites :

- inclusion of new sites or a new group of sites to join an already certified multi-site organization

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Sampling

Methodology for Auditing of Multi-site Organizations when multisite sampling is not Appropriate :

- Audit programme shall consist of an initial audit and recertification audit of all sites.
- Surveillance audits, 30% of sites, rounded up to the whole number, shall be covered in a calendar year. Each audit will include the central function. The sites selected for the second surveillance audit will normally be different from the sites selected for the first surveillance audit.
- Audit programme designed over each cycle.

Methodology for Auditing Multi-site Organizations that Include a Combination of Sites that can be Sampled and Other Sites that Cannot be Sampled :

- Audit programme shall be established for those sites that can be sampled and for the remaining part of the organization is not appropriate.

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Audit and certification

- The Certification Body shall have **documented procedures** to deal with audits under its multi-site procedure.
- The procedure satisfies itself that the single management system governs the processes/activities at all the sites, and is actually applied to all the sites.
- The CB shall justify and record the rationale for proceeding with any approach to the auditing and certification of a multi-site organization.

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Application and Application Review

The CB shall obtain necessary information concerning the applicant organization to:

- confirm that a single management system is deployed across the organization;
- determine the scope of the management system being operated and the requested scope of certification and, if applicable, sub-scopes;
- understand the legal and contractual arrangements for each site;
- understand "what happens where" i.e. processes/activities provided at each site and identify the central function;
- determine the degree of centralization of process/activities which are delivered to all sites (e.g. purchasing);
- determine interfaces between the different sites;
- determine which sites may be applicable for sampling (i.e. where very similar processes/activities are provided) and those that are not eligible;
- take into consideration other relevant factors
- determine the audit time for the organization;
- determine the audit team(s)' competence required; and
- identify the complexity and scale of the processes/activities (e.g. one or many) covered by the management system.

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Audit Programme

In addition to the requirement in ISO/IEC 17021-1:2015 clause 9.1.3, the audit programme shall at least include or refer to the following:

- processes/activities provided on each site;
- identification of those sites which are liable to be sampled, and which are not; and
- identification of sites which are covered by sampling, and which are not.
- Sufficient additional time for activities which are not part of the calculated audit time, such as travelling, communicating among audit team members, post-audit meetings, etc. shall be considered
- Where audit teams consisting of more than one member, the Certification Body, in conjunction with the team leader, to identify the technical competence required for each part of the audit and for each site and to allocate appropriate team members for each part of the audit.

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Calculation of Audit Time

- The audit time must be sufficient to undertake an effective Unless precluded by specific schemes, the reduction of audit time per sampled site shall not be greater than 50%.
- For example, 30% is the maximum reduction in audit time allowed by IAF MD 5 while 20% is to be considered the maximum reduction allowed for the single management system processes performed by the central function and any potential centralised processes (e.g. purchasing).
- The audit time per selected site, including elements of the central function if applicable, shall be calculated for each site using the applicable IAF documents (e.g. IAF MD 5 for quality and environmental management systems, IAF MD 11 for integrated management systems) and, where necessary, any applicable sector scheme requirements for the calculation of man-days.

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Audit Plan

In addition to the requirement in ISO/IEC 17021-1:2015 clause 9.2.3, following shall be considered when preparing the audit plan:

- certification scope and sub-scopes for each site;
- management system standard for each site, if multiple management system standards are being considered;
- processes/activities to be audited;
- audit time for each site; and
- allocated audit team.

Initial Audit: Stage I

- During Stage 1, the audit team shall complete the information to confirm the audit programme;
- Plan Stage 2, taking into account the processes/activities to be audited in each site
- confirm that the Stage 2 audit team has the required competence.

Initial Audit: Stage II

Audit team to document processes audited at each site. This information will be used to amend the audit program and audit plan for subsequent surveillance audit

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Nonconformities and Certification

- When nonconformities are found at any individual site, either through internal auditing or from auditing by the Certification Body, investigation shall take place to determine whether the other sites may be affected.
- The CB shall require the organization to review the nonconformities to determine whether or not they indicate an overall system deficiency applicable to other sites.
- If they are found to do so, corrective action shall be performed and verified both at the central function and at the individual affected sites.
- If they are found not to do so, the organization shall be able to demonstrate to the Certification Body the justification for limiting its follow-up corrective action.
- The Certification Body shall require evidence of these actions and increase its sampling frequency and/or the size of sample until it is satisfied that control is reestablished.
- At the time of the decision-making process, if any site has a major nonconformity, certification shall be denied to the whole multi-site organization of listed sites pending satisfactory corrective action.
- It shall not be admissible that, to overcome the obstacle raised by the existence of a nonconformity at a single site, the organization seeks to exclude from the scope the "problematic" site during the certification process.

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Certification Documents

The certification document shall cover following:

- The scope of certification and the sites and /legal entities (where applicable) covered by the multi-site certification.
- The name and address of all the sites, reflecting the organization to which the certification documents relate.

- The scope or other reference on certification documents shall make it clear that the certified activities are performed by the sites on the list.
- However, if a site's activities only include a subset of the organization's scope, the certification document shall include the site's sub scope.
- When temporary sites are shown on the certification documents, such sites shall be identified as temporary.

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Certification Documents

Where certification documents for one site are issued, they shall include: that it is the management system of the whole organization which is certified :

- the activities performed for that specific site / legal entity which are covered by this certification;
- traceability with the main certificate, e.g. a code; and
- a statement saying "the validity of this certificate depends on the validity of the main certificate".

Under no circumstances, can this certification document be issued to the name of the site/legal entity or suggest that this site/legal entity is certified (the one certified is the client organization), nor shall it include a declaration of conformity of the site processes/activities to the normative document.

The certification documentation will be withdrawn in its entirety if any of the sites does not fulfil the necessary provisions for the maintenance of the certification.

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Surveillance Audits

- Surveillance of multi-site organizations that can be sampled shall be audited in accordance with sampling established during application review.
- Surveillance of multi-site organizations that cannot be sampled is based on auditing 30% of the sites plus the central function.
- The sites selected for the second surveillance of a certification cycle shall normally not include any sites sampled as part of the first surveillance audit.

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Recertification Audits

- Recertification of multi-site organizations that can be sampled shall be audited in accordance with sampling established during application review.
- Recertification of multi-site organizations that cannot be sampled shall be audited as per initial audit, i.e. all sites audited plus the central function.

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Thank you!