IMPROVING QMS EXTERNAL AUDITORS' AUDIT PERFORMANCE THROUGH FURTHER EDUCATION, EVALUATION AND CALIBRATION

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(Received 14th August 2021; accepted 08th October 2021)

Abstract. Changes in the business environment and the rapid advancement in technology require QMS auditors to be one step ahead in their knowledge and skills. This means they need to be competent to deliver effective audits that add value to their customers. The objective of this study is to investigate whether there is a need to further educate external quality auditors (EQAs) in order to improve their audit performance. A survey questionnaire was utilized in the collection of data from 26 accredited certification bodies (CBs) in Malaysia. The findings of the study show that the majority of respondents felt that there is a need to improve EQAs education to enhance their audit performance. This is supported by the feedback from more than half of the respondents who pointed out that they have received negative comments from their clients on the EQAs' performance. On certification bodies' part, to ensure consistent audit performance by auditors, evaluation and calibration of auditors' competency and performance were carried out. This study highlights the need to improve the audit performance of EQAs through further and wider education based on the feedback on their capability and audit performance that has not been thoroughly studied before.
Keywords: *performance improvement, QMS audit, external auditors' competency, certification bodies, quality management system*

Introduction

With over one million organizational sites now certified against ISO 9001 (ISO 2020), the need for competent, effective and professional quality management system (QMS) auditors is important to ensure global parity among certified organizations. Further, organizations are looking for useful guidance and feedback from their QMS auditors, so that the systems can be improved and value added as a result of the audit process.

Although, there is a lot of literature written on the implementation of ISO 9001 and how to sustain the QMS and maintain the certification, there is relatively little extant literature that examines how to improve the knowledge, skills and attributes of auditors. In reality, auditors represent a critical input to the audit process, and therefore the effectiveness of the process depends to a great extent on the knowledge and skills of the auditor(s). Therefore, one question of persistent and growing concern for accreditation bodies, certification bodies, the auditing profession and academics, has been whether auditors are sufficiently underpinned in knowledge and expertise to audit effectively against the increasing scope and changing nature of ISO 9001 and related standards (Prajogo et al., 2018; Simons et al., 2017; Kluse, 2013; Lundin, 2009; Beckmerhagen et al., 2004; Hutchins, 2002). This has raised a question on the value of the audit itself to the client organizations as to them, audit is not just about checking for compliance, but its results should be able to provide something that will contribute to the betterment of the organizations audited.

As a result, there is a general view that EQAs are lacking in certain knowledge, skills and attributes that is contributing to an audit process that does not generally add value for clients. Due to this perception, a study on whether there is a need for auditor education is essential to address the above issue. Later on, the results of this study would help in the design and development of a curriculum framework for future training and education of EQAs that would close the gap in EQAs' competency and audit performance.

Literature review

Competence and competencies

Based on Chouhan and Srivastava (2014) stated that the term 'competence' and 'competent' refer to a state or quality of being able and fit. Usually the term competency/competencies have been used to refer to the meaning expressed as behaviors that an individual needs to demonstrate, while the term 'competence' has been used to refer to the meaning expressed as standards of performance (Hoffmann, 1999). Generally, the competency of a worker can be developed through several ways such as structured learning environment, on-the-job training, off-the-job training, and other relevant workplace experience (Spencer and Spencer, 1993).

According to ISO 19011:2018 (ISO, 2018), competence should be evaluated through a process that considers personal behavior and the ability to apply the knowledge and skills gained through education, work experience, auditor training, and audit experience. Hecklau et al. (2016) defined competencies as "a set of skills, abilities, knowledge, attitude and motivations an individual needs to cope with job-related tasks and challenges effectively". In short, to do a job efficiently and effectively, one has to be competent. Therefore, it could be said that competence is a measure of both proven skills and proven knowledge and the right attitudes. In a knowledge-based economy, the success of organizations depends mostly on the quality of their human resource (Chouhan and Srivastava, 2014). A knowledgeable, skilled and well-trained workforce is critical to a company's success.

Expectations on external auditors based on the ISO 9001:2015 and ISO 19011:2018

The ISO 19011:2018 (ISO, 2018) states that confidence in the audit process and the ability to achieve its objectives depends on the competence of those individuals who are involved in planning and conducting audits, including auditors and audit team leaders (ISO, 2018). The ISO 9001:2015 (ISO, 2015a) and ISO 19011:2018 (ISO, 2018) outline the expectations and requirements of the external quality auditors.

The current ISO 9001:2015 (ISO, 2015a) standard itself poses new challenges for auditors as it involved major changes as auditors need to spend more time on auditing on the organization and its context and the needs and expectations of interested parties. The standard makes it mandatory and an explicit requirement for a process-based management system. Auditors need to understand both the process and the business management system that determine the organization's performance. At the same time, they must also be able to understand the interaction of these processes with each other in order to understand the bigger and overall picture of the organizations. Auditors should be familiar with risk identification, assessment and control and should be able to question the organization's approach pertaining to risks as well as opportunities and seek objective evidence to ensure that they have been addressed accordingly. As

auditors are expected to make sure that organizations meet the legal, regulatory and other requirements; auditors should have an updated knowledge on various laws such as occupational safety and health, product, information security, and environment to name a few.

With regards to knowledge and skills, Clause 7.2.3 of the ISO 19011:2018 (ISO, 2018) states that the generic knowledge and skills of management system auditors are: audit principles, procedures and methods; management system standards and other references; organization and its context; and applicable statutory and regulatory requirements and other requirements.

According to Clause 7.2.2 of the standard, auditors should possess necessary attributes or qualities to enable them to act in accordance with the principles of auditing and they also should exhibit professional behavior during the performance of audit activities. These include being ethical, open-minded, diplomatic, observant, perceptive, versatile, tenacious, decisive, self-reliant, open to improvement, culturally sensitive, collaborative, and acting with fortitude. Additionally, the standard elaborates that the discipline and sector-specific knowledge and skills of management system auditors shall be appropriate for auditing the particular type of management system and sector such as quality, environmental, occupational health and safety, transportation safety, records, and information security management to name a few.

Expectations on external quality auditors and the need for competency

In the past, the focus of quality auditors was more on surveillance than on quality improvement. However, nowadays, client organizations expect more from the audit. Power and Terziovski (2007) found from their study on quality audit roles and skills, that client organizations are expecting not just more emphasis on continuous improvement focused auditing, but they also expect some of the compliance issues to be adequately addressed as well. Meanwhile, Castka (2011) in his study on organizational experience and satisfaction with external auditors and conformity assessment bodies (CABs) in the ISO 9001 and ISO 14001 certification schemes, found that external auditors need to enhance compliance auditing by assisting their clients with learning and guidance toward continuous improvement which is clearly regarded as external auditors' value-added contribution to continuous improvement. Managers surveyed expect external auditors to provide both negative and positive feedback on the aspects audited (Castka 2011; Power and Terziovski 2007).

Prajogo et al. (2018) found that from the certification bodies (CBs)' perspective, auditor capability is critically important in determining the quality of the auditing processes and outcomes which generally comprises of experience, industry specific knowledge, and formal qualifications. The study also suggested that firms valued auditors having experience across many industry sectors as an indication of good auditors and auditing process, together with communication skills, identifying opportunities for improvement to enhance compliance auditing, and good attitudes. In their quantitative study, they found that firms generally commended the quality of auditors in terms of consistency in auditing, good communication skills, and an uncompromising attitude on quality.

Roncea (2016) added that understanding and competence for auditors to audit effectively and therefore, creates value to the audit, would require the auditors to possess knowledge on areas such as management systems terminology; principles, practices and techniques in quality, environment, information security, occupational

health and safety, energy efficiency; management system standards; normative documents; legal requirements; business management practices; the product life cycle; client business sector; client products, processes and organization; and information and communication technology. He concluded that auditing in the future would concentrate less on compliance assessment but more on identifying improvement opportunities. In addition, auditors must be able to understand the business context of the organization and discuss issues that are critical to business with top management; perform root cause analysis; and to produce good reports.

In their Delphi study on auditor education, Ab Wahid and Grigg (2020) had demonstrated more than half (57%) of the experts found the quality of auditing service variable and inconsistent, while 14% found it poor and diminishing in value. The highest frequency of comments (31%) was related to lack of knowledge on the audit method and audit skill (including audit planning and report writing), followed by poor attitude (18%), lack of knowledge on the requirements of the standard (11%), lack of communication/ interpersonal skill (11%) and document/desktop auditing (11%). Further, the findings of the study show there is a gap between the current performance of the EQAs (as perceived by the expert panel of this Delphi study) and the current expectations placed upon them. In other words, EQAs are perceived not to be as competent as they need to be. In this study, two-thirds (or 67%) of participants thought that there is a need to improve the EQAs' education in order to enhance their audit performance.

Other studies report that in order to meet audit demands of the future, firms and auditors must stay ahead of the evolving regulatory environment (Kulkarni and Chandra Vemuri, 2014); sharpen their awareness of information technology (Alic, 2018), critical thinking and communication skills (Simons et al., 2017); understand a client's industry (Alic, 2018); develop long-term relationships with client and other stakeholders based on integrity, candor, professionalism, objectivity and their ability to share valued insights based on these capabilities (Simons et al., 2017) and look ahead and provide insights into future challenges and opportunities.

Competence evaluation of personnel conducting the audit

According to ISO/IEC 17021-1:2015 (ISO, 2015b), the value of certification is the degree of public confidence and trust that is established by an impartial and competent assessment by a third-party. Certification audits are carried out by the certification bodies (auditing organizations) on the clients to certify the client's management system. In reality, the audits are conducted by auditors engaged by the CBs. To ensure effective audits, the auditors (EQAs) must be competent in order to achieve intended results. This is clearly stated by the standard:

> *"Competence of the personnel of the certification body in all functions involved in certification activities is necessary to deliver certification that provides confidence."*
> (ISO, 2015b)

The standard goes on to say that the certification body shall have a process for determining the competence criteria for personnel involved in the management and performance of audits and other certification activities. CBs are also required to have documented processes for the initial and ongoing competence evaluation and performance monitoring of personnel managing and performing the audits. Some

possible methods to evaluate individuals' competence are review of records, feedback, interviews, observations and examinations. In addition, section 7.2.10 of the standard states that the documented monitoring process for auditors shall include a combination of on-site evaluation, review of audit reports and feedback from clients or market.

Materials and Methods

The design of research for this study is outlined below.

Phase 1: Literature review and development of questionnaire components

Phase 1 involved a review of relevant international literature on auditor competence and education. Literature reviewed included both academic and practitioner sources, and related to clients' expectations on external auditors, explicit and implicit expectations based on ISO 9001:2015 (ISO, 2015a), ISO 19011:2018 (ISO, 2018), ISO/IEC 17021-1:2015 (ISO, 2015c), and current auditor capability, in order to obtain insights into the present situation and requirements of the environment.

Phase 2: Survey questionnaire

Following the literature review, phase 2 involved the collection of data from the Head of Certification and Technical Reviewer of accredited CBs in Malaysia. The data collection took place from December 2019 until March 2020. In this study, twenty-six CBs were chosen from the Department of Standards, Malaysia (DSM) or otherwise known as Standards Malaysia accredited CBs' list. The respondents were chosen based on their job designation and experience in the management and operation of a certification body, quality and auditing area which were represented by the Head of Certification and the Technical Reviewer (or similar job function).

In this phase, qualitative responses were sought for questions 1-3 of Section B and questions 2-3 of Section G of the survey questionnaire; while a quantitative approach was used for Section C, D E, and F. This paper reports only on the qualitative part of the study. Thematic analysis was used to analyze the data obtained from the participants.

Results and Discussion

This paper reports findings from Section A (demographics), Section B (curriculum for external auditor education) and the last section, Section G of the questionnaire which covers the evaluation and calibration of EQAs.

Demographics

The findings cover Questions 1-7 of Section A of the questionnaire survey. At the time of the study, there were 26 CBs accredited by the Department of Standards Malaysia (DSM). However, two of them cannot be contacted as their websites' telephone contact number were not in service. Out of the remaining 24, 16 CBs responded (66.7%). Survey questionnaires using Google forms were emailed to Head of Certification of 24 CBs. The Heads of Certification were asked to extend the questionnaire to their Technical Reviewers as it was difficult to obtain information on the identity of the Technical Reviewers from each of the CBs. However, only a few did so. Nineteen questionnaires were returned. Those respondents comprise of 14 Heads of

Certification (73.7%), 4 Technical Reviewers (21.1%) and one Head of Business Assurance Unit (5.3%) from 16 CBs. More than half of the respondents (52.6%) have been with their company between 2-5 years; 10.5% less than 2 years; and 36.9% more than 5 years. In terms of job experience, 63.2% of the respondents have auditing/quality background while 31.5% come from other areas. One (5.3%) of the respondents does not have any job experience as this is his/her first job. *Table 1* shows the participating CBs; designation of respondents; the length of time they have been working with their CBs; and previous experience.

***Table 1**. Participating certification bodies, designation of respondents, years with CB and previous experience.*

Respondent	Name of CB	Designation of respondent	Years with CB	Previous experience (Job position)
1.	FC	Head of Certification /Director	2-5	Certification Lead Auditor
2.	IC	Head of Certification	2-5	Lead Auditor
3.	GC	Head of Certification	>5	Lead Auditor Mgt. System
4.	GC	Technical Reviewer	2-5	Managing Director
5.	SM	Head of Certification/GM	>5	ISO Consultant
6.	PS	Head of Certification	2-5	Director General of DSM
7.	SC	Head of Certification	>5	Quality Manager
8.	BC	Technical Reviewer/Manager	>5	ISO Consultant
9.	LR	Head of Certification/Assessor Mgr.	2-5	Business Centre Manager
10.	TN	Head of Certification	2-5	Commercial Manager
11.	NC	Technical Reviewer	>5	Technical Reviewer
12.	SS	Head of Certification	>5	Engineer
13.	SS	Head of Certification	2-5	Certification Auditor
14.	BI	Technical Reviewer/Scheme Manager	2-5	Project Manager
15.	PI	Head of Certification	2-5	Senior Production Executive
16.	M2	Head of Certification/MD	<2	Managing Director
17.	CU	Head of Certification	2-5	ISO Consultant
18.	NC	Head of Business Assurance Unit	<2	No experience – first job
19.	NC	Head of Certification	>5	Research Officer/Project Leader

On the number of companies certified by the organisation, 9 out of 16 (56.3%) CBs have certified more than 100 companies; 4 (25%) less than 30 companies; 2 (12.5%) between 30-60 companies; and 1 (6.2%) between 81-100 companies as shown by *Table 2*.

***Table 2**. Number of companies certified by CBs.*

Respondent	Name of CB	Number of companies certified by CB
1	FC	<30
2	IC	>100
3	GC	>100
4	GC	>100
5	SM	>100
6	PS	81-100
7	SC	30-60
8	BC	>100
9	LR	>100
10	TN	>100

11	NC	>100
12	SS	>100
13	SS	>100
14	BI	>100
15	PI	<30
16	M2	<30
17	CU	< 30
18	NC	30-60
19	NC	30-60

During questionnaire survey to specify the type of industry and the number of companies for each type of industry certified to ISO 9001:2015 (ISO, 2015a) by their organisation, from the 16 CBs, 2 did not answer the question, one answered only partly with the industry provided but no figures were given, and another gave estimation as an answer. So out of 13 CBs, a total of more than 3,881 companies had been certified to ISO 9001:2015 (ISO, 2015a). The main industry being manufacturing, construction & engineering and services (*Table 3*).

***Table 3**. Types of industry and the number of companies certified by each CB.*

Industry Types	Certification body/respondent number																			
	1	2	3	4	5	6*	7	8	9	10	11	12	13	14**	15	16	17**	18	19	T
Manufacturing	10	68	15	40	>1000	-	16	*	500	500	*	-	450	-	-	6	-	-	-	>2605
Services	-	15	-	-	20	*	11	*	200	10	*	-	-	-	-	2	-	-	-	258
Construction/engineering	-	31	30	50	-	*	5	*	-	50	*	602	-	-	8	-	-	19	24	819
Education	1	4	-	-	10	*	-	-	20	2	*	-	-	-	-	1	-	1	2	41
Wholesale and retail trade	-	9	-	-	-	-	-	-	-	-	*	-	-	-	-	-	-	4	4	17
Logistics	-	4	-	-	-	-	-	-	-	-	*	-	-	-	-	-	-	-	-	4
Public sector/admin	-	-	10	1	-	-	-	-	30	-	*	-	-	-	-	-	-	1	1	43
Plastics	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Metal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	1	3
Electronics	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1
Transport and storage	-	-	-	6	-	-	-	-	-	-	*	-	-	-	-	-	-	5	6	17
Hotel and restaurants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	2	4
Mining and quarrying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	2
Chemical, chemical products and fibres	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	3	5
Food production, beverages and tobacco	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	2
Sales	-	-	20	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35
Social services	-	-	-	1	-	*	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Health	-	-	-	-	-	*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	2	9	14
Total	11	131	75	123	>1030	*	32	*	750	562	*	602	450	**	14	9	**	37	55	>3881

Notes: means no figures given, only industry provided; ** means not answered.*

Thematic analysis of qualitative data

The research team identified the emerging themes from the data collected from questions 1-3 of Section B, and questions 2-3 of Section G of the survey questionnaire. These are related to the opinions and comments of the respondents on the quality of auditing service by the external auditors; the need to improve the external auditors' education to enhance their performance; and the evaluation of performance and calibration of EQAs' competency.

Feedback and comments on the quality of auditing service provided by the external auditors to their clients

During the questionnaires survey, the candidates opinion on the quality of audit service provided by EQAs to their clients, 57.9% of the respondents said it was good; 21.1% satisfactory; and 15.8% excellent. Only 1 (5.3%), a Technical Reviewer said it was poor (*Table 4*).

Table 4. *Response on quality of audit service provided by external quality auditors.*

Response	Poor	Satisfactory	Good	Excellent
Frequency	1	4	11	3

Six out of 19 (31.6%) respondents said that they have not received any negative comments or complaints from their clients on the quality of audit service provided by the EQAs. According to one respondent, less than 15% auditors had performed poorly or received complaint from clients; however, he did not elaborate on the nature of complaints. Meanwhile, another respondent said that although there were no complaints from the clients, during witnessing audit they have encountered area for improvement e.g. element in opening checklist has not been fully addressed by the EQA. Interestingly, a respondent stressed that although there are negative comments/complaints, they were not valid and unable to furnish objective evidence. Another respondent stated that there are negative comments but very minimal and manageable and most comments are positive. One of the respondents said that EQAs are very helpful to clients based on their experience. More than half (57.9%) of the respondents pointed out that they have received negative comments or complaints from their clients on the EQAs. Some of the complaints received from clients on EQAs by their CBs are shown by *Table 5*.

Table 5. *Complaints received by CBs from their clients on EQAs.*

Type of complaint	Respondent
Bad attitude when handling the customer and not communicating with the customer.	R1
Lack of understanding of the industrial practices.	R2
Rely too much on the standard, following checklist, no added value.	R3, R4
Focused on documentation.	R4
Not knowledgeable.	R11
Lack of practical skill.	R11
Unprofessional (rush job, soft grading, cut corners and low quality of work).	R13, R14, R16, R17

Feedback on the need to improve auditors' education to enhance their audit performance

During questioning sessions on the need to improve the EQAs' education to enhance their audit performance, 63.2% of respondents answered yes while 31.6% said no and one (5.3%) said whether it is yes or no depends on the experience of the EQA. This is quite surprising as only one respondent said the quality of auditing service is poor. However, it is not totally unexpected as the high percentage of respondents answering 'yes' (*Table 6*) is in line with the previous finding whereby 57.9% of the respondents said that they have received negative comments or complaints from their clients on their EQAs. For those who said 'yes' on the need for further auditor education, the reasons given are shown by *Table 7*.

***Table 6**. Responses on the need for improvement on auditors' education.*

Response	Yes	No	Yes or No
Frequency	12	6	1

***Table 7**. Reasons for EQAs further education.*

Reason	Respondent
Lack of knowledge in auditing the scope, business and risk management and how to audit or lack of audit skill.	R3, R9, R13, R15, R18
Too much focus on documentation, not looking at the business process, risk assessment, targets and objectives and customer satisfaction.	R4
Lacking in soft skill, leadership skill and analytical skill.	R5
To enhance their competence and consistent with the CB requirements.	R6, R13
Continuous Professional Development (CPD) via this auditors' education program is a good idea.	R5
To be up-to-date on current issues, new technology and latest information.	R12, R19
Young external auditors do not have sufficient industry experience.	R14

In addition, one of the respondents (R18) is in the opinion that the auditing skill needs to be improved with knowledge in ISO 17021 (ISO, 2015b), ISO 19011 (ISO, 2015a), ISO 31000, ISO 31010 and IAF MD while another (R19) said that auditors need to be updated with the latest information on NIOSH Certificate, internal procedure and Accreditation Body requirements. Meanwhile, those who said 'no' gave their own opinion on why EQAs do not need further education. A few of the respondents are in the opinion that as minimum requirement for auditors (e.g. diploma or degree) in any discipline has been set, there is no need for further education (R7, R10, R11). However, according to one of them, constant learning and technical knowledge enhancement or exchange of experience is a must for auditor for continuing improvement (R10). Another respondent (R17) elaborated:

> *"Every scheme has its minimum requirements including sectoral experience, internal and external training, supervised period and sign off. With revisions of the standards these requirements only increase. So, the measures available are satisfactory."*

One of the respondents (R2) added that the opportunity to explore the industrial experience may assist the auditor to provide value added feedback to the customer. Lastly, another respondent (R1) opined that '*education could not change the attitude*'.

Evaluation and calibration of EQAs by their CBs

To enhance EQAs' competency and for consistent performance, most CBs assess their EQAs from time to time. When asked on the frequency of auditors being evaluated, nearly half (47.4%) of the respondents said that their CB conducted an evaluation of EQAs once a year, while 21% did so once every 3-4 years although yearly if a complaint is received about the auditor's performance or if the need arises from yearly performance review. Only 10.5% of CBs surveyed performed twice or more evaluation per year depending on the industrial risk level obtained by the auditor, the audit report and client feedback. The rest (15.8%) of the respondents said that the evaluation on EQAs was carried out depending on the scheme requirements and issues found during internal QC and after every audit conducted (*Table 8*). This is consistent with the requirement of section 7.2.10 of the ISO/IEC 17021-1:2015 (ISO, 2015c).

Table 8. *Frequency of EQAs evaluation done by CBs.*

Number of evaluation done	Frequency (Percentage %)
No evaluation done on external quality auditors	1 (5.3)
Once a year	9 (47.4)
Twice or more per year	2 (10.5)
Once every 3 to 4 years	4 (21.0)
Other	3 (15.8)
Total	19 (100)

From the above, it could be seen that more than half (57.9%) of the CBs conducted evaluation on their EQAs at least once a year. Twenty-one percent did it once in every 3 to 4 years and 5.3% did not do the evaluation. For consistent performance, the CBs calibrate the competency of EQAs through several ways. Firstly, face-to-face or virtual meeting through 'Skype' were held to discuss auditing issues, non-conformances highlighted by different auditors, and exchange of experience on a yearly or as needed basis to calibrate the performance of auditors (R1, R3, R5, R6, R8, R11, R14). Secondly is regarding on the audit reports were reviewed (R2, R4, R6, R17). Thirdly, the survey is more on training and workshop attendance on auditing and calibration (R5, R12, R13, R15, R17, R19). Other ways used by the CBs to calibrate the competency of the EQAs are: (a) on-site/field evaluation checklist (R9); (b) revalidation of sector knowledge through evidence of auditing in sectors (R9); (c) yearly exchange of experience (R10); (d) circulation of new publication of standard requirement and guideline revision (R10); (e) sending different person for audits (R11); as well as (f) clients and team members' feedback (R4, R16).

The poor auditing performance can be captured based on observation, assessment, and client survey feedback. Based on the evaluation of performance, the CBs addressed the poor auditing performance of EQAs by the actions: (a) direct supervision or witness audit (R2, R3, R4, R18); (b) counselling and discussion (R1, R12, R14); (c) further training or coaching or improvement programme (R4, R5, R9, R12); (d) downgrade or discipline (R4, R8); (e) termination (R11, R16); as well as (f) issue a non-conformity or corrective action report to auditor (R2, R13, R19).

Although most of the respondents found the quality of audit service provided by the EQAs is satisfactory, good or excellent, the majority of them also think that there is still a need for improvement in the auditors' education as there are certain knowledge, skills and attributes that are found lacking in some of the auditors. From the clients' feedback, EQAs have been found to have insufficient knowledge in auditing the scope, business and risk management and on how to audit. In terms of skill, they are lacking in audit, leadership, analytical and soft skills.

Furthermore, 57.9% of the respondents pointed out that they have received negative comments or complaints from their clients on the EQAs. Some of the complaints are regarding auditor's bad attitude on handling the customer and not communicating with customer, lack of understanding toward the industrial practice, relying too much on the standard and not offering anything outside the narrow confines of each clause, not as knowledgeable as others, lacking in practical skill in some auditors, and auditors cut corners. All these show that there is a need for a wider education of EQAs. At the same time, there might be a minimum requirement for auditors in terms of industry experience as some of them are found lacking in the understanding of the industrial practice and practical skill as well.

Therefore, to provide effective audits that adds value to client organisations, CBs have to engage EQAs with the right knowledge, skills, attitudes and experience. Once they are in the system, CBs then need to ensure consistent audit performance by the auditors by conducting evaluation and calibration of EQAs. Poor auditing performance can be captured based on observation, assessment, and client survey feedback. Based on the evaluation of performance, the CBs can address EQAs' poor auditing performance accordingly.

Conclusion

In the past, the focus of quality auditors was more on surveillance than on quality improvement. However, nowadays, things have changed. Client organisations expect more from the audit than just merely compliance. The rapid advancement in technology and in the face of both Industry 4.0 and Quality 4.0, auditors are expected to deliver audits that add value to their clients. Therefore, EQAs must be knowledgeable on many areas and are up-to-date with the technology to be one step ahead.

The study has shown that based on the feedback and negative comments obtained from the CBs, there is a need to further educate the external quality auditors in order to improve their performance. The ability of EQAs to conduct effective audits is being questioned as some of them were found lacking in terms of their knowledge, skills, and attributes. In reality, EQAs are expected to keep up with changes in industry and technology as this will obviously affect the way audit is conducted. In addition, EQAs also need to possess critical thinking skills to solve problem proactively and superior communication to build rapport and manage relationships with the auditees and client organisations. In terms of attributes, EQAs are expected to have integrity, be ethical and professional, and be objective as well.

Apart from improved personal and professional development of auditors, improving the EQAs' education and competency would also lead to consistent audit performance by auditors, better understanding of business improvement, the overall business environment, different industries and the context of the organization. The study concluded that by improving the EQAs' education, the audit performance would be

enhanced as the auditors' knowledge would also be expanded to meet the need of the market.

Acknowledgement

This research is funded by Arshad Ayub Graduate Business School (AAGBS), Universiti Teknologi MARA.

Conflict of interest

The author confirms that there is no conflict of interest with any parties involved with this study.

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