



# ETHICAL GUIDELINES FOR MANAGEMENT SYSTEMS AUDITORS

## THE PUBLIC INTEREST

Management Systems auditors have a duty to the organisation in the provision of professional services and advice.

Management Systems auditors must at all times safeguard the interest of the organisation and ensure that their own interests do not conflict with the duties owed as a Management Systems auditor to the public interest and the organisation.

## OBJECTIVES

The objectives of the Management Systems auditing profession are to work to the high standards of professionalism.

Management Systems auditors must meet the following objectives:

- credibility;
- professionalism;
- quality of services;
- confidence.

In order to achieve the above objectives Management Systems auditors must comply with some fundamental principles.

The fundamental principles are:

- integrity;
- objectivity;
- independence;
- professional competence and due care;
- confidentiality;
- professional behaviour;
- technical standards.

## **THE CODE**

The objectives and the fundamental principles which Management Systems auditors need to comply with are of a general nature and do not always allow the professional auditor to solve an ethical problem in a specific case. However the Code provides some guidance as to the application in a practical aspect of the objectives and the fundamental principles with regard to a number of typical situations.

## **FUNDAMENTAL PRINCIPLES IN DETAIL**

### **Integrity and objectivity**

Integrity means honesty, fair dealing and truthfulness. This principle imposes the obligation on all Management Systems auditors to be fair, intellectually honest and free of conflicts of interest.

### **Resolution of ethical conflicts**

Conflict of interest - when faced with significant ethical issues, Management Systems auditors should follow the established policies of the relevant organisation if any to seek a resolution of such conflict.

If there are no established policies in place the Management Systems auditor should consider the following in order to resolve the ethical conflict:

- review the conflict problem with the immediate superior;
- if the problem is still not resolved the quality auditor should go to the next higher managerial level. The immediate superior should be notified of the decision;
- seek counselling and advice on a confidential basis within an independent adviser or the relevant industry group to obtain an understanding of possible causes of action.

If the ethical conflict still exists after fully exhausting all levels of internal review the quality auditor as a last resort may have no other recourse on significant matters than to resign and to submit an information memorandum to an appropriate representative of that organisation. In some jurisdictions local laws, regulations or professional standards, certain serious matters may need to be reported to an external body such as an enforcement or supervisory authority.

### **Professional competence**

Management Systems auditors should not portray themselves either explicitly or implicitly as having expertise experience or the resources they do not possess. A Management Systems auditor needs to firstly obtain professional competence via general education followed by specific education, training and assessment in professionally relevant subjects, and a period of work experience.

A Management Systems auditor should also maintain professional competence via continuing awareness of developments in the auditing profession and quality industries, and other relevant regulations and statutory requirements that impact upon the professional work of the quality auditor.

## **Confidentiality**

The quality auditor has an obligation to respect the confidentiality of information about a client's or employer's affairs acquired in the course of professional services.

The duty of confidentiality continues after the end of the relationship between the Management Systems auditor and the client or the Management Systems auditor and the employer. Confidentiality is not only a matter of disclosure of information. It also requires that a member acquiring information in the course of performing professional services does neither use nor appear to use that information for personal advantage or for the advantage of a third party.

Confidentiality should always be observed by a Management Systems auditor unless a specific authority has been given to disclose information or there is an illegal or professional duty to disclose.

## **MANAGEMENT SYSTEMS AUDITORS PRACTISING OR EMPLOYED OUTSIDE AUSTRALIA**

When Management Systems auditors are employed or provide services outside Australia they are bound by the Australian Code of Ethics and any legal requirements specific to the jurisdiction in which they conduct their business. Therefore any disputes arising out of non-compliance will be dealt with in accordance with the Code.

When the Management Systems auditor performs services in a country other than Australia and differences on specific matters exist between ethical requirements of the two jurisdictions the stricter provisions apply.

## **PUBLICITY**

When marketing and providing their services and their work, Management Systems auditors must:

- not use means which brings the profession into disrepute;
- not make exaggerated claims for the services they are able to offer, the qualifications they possess, or experience they have gained; and
- not denigrate the work of other Management Systems auditors.

## CODE OF CONDUCT

An AOQ Auditor shall:

- act professionally, accurately and in an unbiased manner
- strive to increase the professional competence in his position
- fully develop all professional competencies necessary to carry out tasks as auditor
- assist others to fulfill their professional competencies
- perform all audits in a professional and competent manner
- not represent any interest that conflict or compete with the auditor's own interests or that of his associates
- maintain confidentiality at all times
- not accept any bribe, commission, inducement, gift or benefit
- be truthful and display the utmost professional integrity at all times
- not in any way disparage or cause AOQ to fall into disrespect

## AUDITOR

I agree to be bound by these Ethical Guidelines and Code of Conduct.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

## WITNESS

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_