 Auriga Research Pvt. Ltd. (Certification Division)		
Prepared by: Quality Manager	Doc No: ARPL-QP-25	Issue no.01, Revision no.02
Approval: Managing Director	Risks to Impartiality – Analysis Process	Page 1 of 3
		Date: 27 Jul. 2020

Purpose

To define the process used for the analysis of threats to impartiality, including confidentiality and objectivity, as a result of the relationship with all associated organizations/related bodies.

Scope

This process applies to relationships with all associated organizations/related bodies (see definition in 1 below) within or outside of ARPL (Certification Division).

Responsibility

Management is responsible for identifying all relationships, within their own business unit that may represent a threat to impartiality.

Management is responsible for:

- performing the risk analysis
- validating the threat to impartiality
- establishing if the threat is limited to a certain business unit or overall organization
- reporting the results to the top management for approval of the results and necessary action, reviewing any residual risk to determine if it is within the level of acceptable risk
- reporting the results to the appropriate Advisory Boards

1 Definition:

A associated organizations/related bodies is one (person or organization) which is linked to ARPL by common ownership or directors, governance, management, personnel, shared resources, finances, contracts, marketing, contractual arrangements such as the payment of a sales commission or other inducement for the referral of new clients, common elements in the name, informal understanding or other means such that the related body has a vested interest in the outcome of an audit or has a potential ability to influence the outcome of an audit

2 Process Description

2.1 Evaluation

2.1.1 General

Upon the establishment of a new relationship, or the modification to an existing one (see section 2.4 below), management shall perform an analysis of the risks inherent to the relationship. If the relationship only affects one business unit, the team shall consist of the management of affected unit and the related Technical Manager. Otherwise, the issue is to be brought to the attention of the top management who will appoint a team based on the identification of the potentially affected business units.

2.1.2 Analysis

The management shall perform the risk analysis and calculate the appropriate rating based on table provided below under point no. 4. The results of the analysis shall be recorded on Annex A21.1 Risks to Impartiality- Analysis Results.

2.2 Decision Making

If the Severity ranking is 4 or higher and/or the resulting RPN is higher than 25 an action shall be recommended. For each action, responsibility(ies) and target date(s) are to be assigned. Upon completion of the action, the severity, occurrence and detection rankings are to be re-determined and the RPN is to be re-calculated.

Prepared by: Quality Manager	Doc No: ARPL-QP-25	Issue no.01, Revision no.02
Approval: Managing Director	Risks to Impartiality – Analysis Process	Page 2 of 3
		Date: 27 Jul. 2020

If the Severity ranking and the RPN are still above the limits identified above, further action is to be recommended, or the threatening relationship is to be terminated.

2.3 Approval of results

- The final results are to be brought to the attention of the top management for review and approval. Top management shall also review any residual risk to determine if it is within the level of acceptable risk or not.

Results of all analysis performed are to be brought to the attention of the Advisory Boards as per the requirements of ARPL-QP-34 Procedure for Safeguarding Impartiality.

In the case of disapproval either by the top management or the Advisory Boards, instructions will be provided to the team regarding the continuation of the process.

2.4 Modification to a relationship

If a relationship is modified, the results of the analysis need to be reviewed, and if need be revised. Results of this revision are to be recorded on an amended copy of the original results. Amendments to original document are to be identified in italic.

3 Records


Annex A21.1 Risks to Impartiality - Analysis Results
 ARPL-QP-03 Document Control

4 Scoring/Rating

4.1- Severity-

Table 1: Severity Evaluation Criteria

Level	Severity Evaluation Criteria	Rating
Very high Risk	Very high severity rating when an impartiality affects creditability of certification without warning	5
High Risk	High severity rating when an impartiality affects creditability of certification with warning	4
Moderate Risk	Moderate severity rating when an impartiality affect involves noncompliance to accreditation requirements without warning	3
Low Risk	Low severity rating when an impartiality affect involves noncompliance to accreditation requirements with warning	2
Remote Risk	Remote discernible effect	1

 Auriga Research Pvt. Ltd. (Certification Division)		
Prepared by: Quality Manager	Doc No: ARPL-QP-25	Issue no.01, Revision no.02
Approval: Managing Director	Risks to Impartiality – Analysis Process	Page 3 of 3
		Date: 27 Jul. 2020

4.2- Occurance

Table 2: Occurrence Evaluation Criteria

Level	Occurrence evaluation criteria	Rating
Very High: Persistent Failure	Compromised objectivity is virtually certain	5
High: Frequent Failure	Compromised objectivity is probable	4
Moderate: Occasional Failure	Compromised objectivity is possible	3
Low: Relatively few Failure	Compromised objectivity is unlikely	2
Remote: Failure is unlikely	Compromised objectivity is virtually impossible	1

4.3- Detection

Table 3: Detection Evaluation Criteria

Level	Detection Evaluation Criteria	Rating
Absolute Uncertain	Cannot be identified	5
Remote	System have poor chance of detection	4
Moderate	System may detect	3
Very High	System have a good chance to detect	2
Almost Certain	System certain to detect	1

Risk probability number (RPN) is the product of severity (S), occurrence (O) and detection (D) rating. $(S) \times (O) \times (D) = RPN$

Within the scope of the individual case, RPN value should not be more than twenty-five. Criteria for evaluation of severity, occurrence and detection are given in table 1, table 2 & table 3 of Clause 4 above. (Ref: PFMEA, Equivalent to SAEJ-1739, ISO Auditing Practicing Group)