

## Lori Ondecker

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**From:** Debi Roth  
**Sent:** Friday, October 10, 2014 10:30 PM  
**To:** iia-exposure  
**Subject:** FW: "Effectiveness and efficiency"

**From:** Clifford moggs <[clifford.moggs@btinternet.com](mailto:clifford.moggs@btinternet.com)>  
**Date:** October 10, 2014 at 11:30:54 AM EDT  
**To:** <[john.babinchak@theiia.org](mailto:john.babinchak@theiia.org)>  
**Cc:** Jeffrey Thomson <[jthomson@imanet.org](mailto:jthomson@imanet.org)>  
**Subject:** "Effectiveness and efficiency"

Reading the JoA I see that the IIA is proposing to change its core principles to the "International Professional Practices Framework"

Apparently number 8 would read, "Achieve efficiency and effectiveness in delivery".

Peter Drucker wrote in 1973 the critical responsibility of management was first to be 'effective' – to do the right things and then to strive for efficiency starting with 'doing the things right'. The observation was, "No amount of efficiency would have enabled the manufacturer of buggy whips to survive".

Perhaps even the 11 activities (see below) have validity in providing a 'foundation' for even your 'framework'.

"As sent before – the 11 activities:-

Any economic organisation to survive relies upon its output meeting the needs of the user's utility. Its activities would encompass the following starting with 'two' gives its resources required to enable supply and the users willingness to pay for its product in a free market environment.

The foundation is built on the following:-

1. Define process objectives (This creates the effectiveness of the operations).
2. Design the process (This establishes its current efficiency)
3. Validate that steps 1 & 2 will achieve the output product as required by the user.
4. Create demand for the output and ensure resources are available.
5. Plan the tasks and activities to achieve the output.
6. Activate the work of the process – produce the output.
7. Check the output that it conforms to the specified requirement to satisfy the customers need.
8. Deliver to the user for their acceptance.
9. In parallel to the work activities establish the monitoring, measurement and analysis for control.
- 10 Investigate 'non-conforming' output (See No. 7) and along with the data collected under 9 implement corrections.

11. Use all data collected to be source for improvement and feed back into management system critically steps 1 & 2.

The principles adopted for achieving these results are; - customer focus, leadership, involvement of people, process approach, systems approach to management, continual improvement, factual approach to decision making, and mutual beneficial stakeholder relationships.

Risks are lessened through an ongoing understanding of the users' needs and a constant awareness of 'what you must do tomorrow?'

Of course this is not a 'revelation' but simply highlighting what does the 'management system' of the ISO 9000 standards achieve, a foundation on which is readily available to any organisation world wide. One (\$35) text that covers the finite detail behind this overview is covered in David Hoyle's book "ISO 9000 Quality Systems Handbook". Recognise that the 'users utility and the willingness to pay is the real level of quality' otherwise simply see it as customer satisfaction. Beyond the detail there is provided a 'self assessment' of an organisations capacity with no fewer than listing the 262 requirements of a management system. With, finally 125 questions presented as 'food for thought' to challenge and to reflect on this as a 'management system' becoming a 'foundation' for further development and the management accounting system."

Best regards

Cliff Moggs

PS As support to the ISO 9000 you are possibly aware there is one on auditing – ISO 19011. Its straightforward principle of 'factual approach' coupled with 'written evidence' in arriving at an opinion of the work carried out under the prescribed audit is a powerful approach. If you have not had sight of ISO 19011 I can recommend it.