

Check points

GENERAL OBSERVATIONS

1.1 ORGANIZATION CHART

Does a factory have a well defined organization chart?

2. Facility Management Service (FMS)

Does the factory has a security checkpost at the entrance?

Does the security personnel has all the security guidelines and procedures?

Does the factory have a separate pathway for material and

Does the factory has fire fighting equipments at the security checkpost?

Does the factory has first aid box at the security checkpost?

Does the factory has all the visual displays in place?

Does the factory has enough toilets for all personnels and also follows a regular parctice of cleanliness and hygiene?

Does the factory has inhouse medical dispensary?

Does the factory has fire escape plan in all divisions?

Does the factory has emergency power backup?

3. Pre Production Activity

3.1 Raw Material

Does the factory have a dedicated raw material receiving area?

Are they inspecting the raw material at the time of receiving?

Does the factory store the raw material at a designated location?

Does the factory prepares BOM before production?

Are they following FIFO, while issuing the material for production?

3.2 Production Planning and Control

Are they preparing techpack?

Are they doing PPM and freezing time and action plan?

Does the factory have a dedicated department/team for Time and Action implementation and monitoring?

Are they maintaining and keeping production records safely?

3.3 Production processes

Does the factory have a production planning and visual display in

Is there a jobwise manpower allocation sheet with the

Is the output captured job/machine wise during shifts?

Are they using pallets in the WIP area?

Does they have appropriate material handling equipments to

Does the factory has proper lighting on inspection and production

Does an operator check the quality of the product?

Does the factory have a quality control plan in place for all

Is there a designated area of finished/packed products

storage/transportation and is it followed rigorously?

Process step 1 (Text)

Process step 2 (Text)

Process step 3 (Text)

3.4 Packaging and Loading

Does the factory has a dedicated packaging team and packaging area?

Does the factory follows customer protocols during packaging?

Does the factory has proper container loading equipments?

4. ABILITY TO CONTROL QUALITY

4.1 If the factory is small and has no quality system

5.3 Visual control

Is the number of pieces per labor hour displayed on a wall, and

Is the amount of scrapped material displayed on a wall, and

Is the total unit cost displayed on a wall, and tracked day-by-day?

6. PRODUCTION SPEED

6.1 Organization

Before a new production is launched, are some jigs / tools prepared by the engineering department?

Is pre-production inventory well organized?

Is work-in-process inventory stored in a predictable way, or do people need to look around to find what they need?

Where do the components used in production come from? How

6.2 Planning

Is production organized as a continuous flow, without any work-in-process inventory visible in the workshop? (best)

Is there a kanban system? (very good)

Is there a production planning, with details for each workshop,

Is there no production planning at all? (worst)

6.3 Flexibility

Is there a list of approved subcontractors, who can take over part of the job? For which process steps?

Is there a power generator?

6.4 Maintenance

Is equipment failure down time calculated?

Are there checklists for maintenance? Do they seem to be

6.5 Visual control

Is the proportion of on-time shipments displayed on a wall, and

Is the time to make one piece, from start to finish, displayed on a

6.6 Degree of "lean-ness"

Can you see a lot of inventory between each production step?

7. GENERAL SOCIAL COMPLIANCE

7.1 Fire prevention

Are there enough fire extinguishers (in workshops, dormitories)?

Are they accessible, and up to date?

Are there enough emergency exits? Is it possible to lock them?

7.2 Worker protection

Do workers have appropriate personal protective equipment

Are there enough first-aid kits? Are they available and full?

7.3 Environmental policy

Does production generate a lot of waste? Is this waste treated?

Has the factory invested in energy-efficient equipment?

7.4 Working hours

Does the factory respect INDIAN FACTORIES ACT (Secton 59), Max working 9 hours in a day 48 hours in a week (in 6 six working

7.5 Child labor

Look at the list of employees, and check if all are at least 16 years

Select 2 young employees at random, and ask to see their ID card.

7.6 Other

Subjective opinion about the factory's ability to deliver quality products consistently

4.2 If the factory says it has a quality system

Does the factory communicate requirements to its suppliers on its POs (or other documents)? Are these requirements clearly listed?
Are incoming QC results recorded in a formal report?
Are clear procedures given to each operator and to the QC staff,
Does the factory has inhouse calibrated testing equipments?
Are conform samples available to workers in production and QC
Are in-process QC results recorded in a formal report?
Does final QC occur before or after packing is completed?
What proportion of products is checked during final QC?
Are there QC staff solely dedicated to final QC? How many? Do they only do QC, or also a finishing operation at the same time?
Are final QC results recorded in a formal report?
Is the first-pass yield displayed on a wall, and tracked day-by-day
Are numbers and details of customer complaints displayed on a wall?

5. ABILITY TO CONTROL COSTS IN THE LONG TERM

5.1 Overhead costs

Are top managers (general manager, production manager, finance manager, sales manager, QC manager) part of the owner's
What is the standing of the factory building(s)?
Are there several empty floors?
Can you see recent investments in expensive machinery?

How many of these expensive machines are idle? Is it because of poor maintenance, or because of low production volume?

5.2 Maintenance

Is equipment failure down time calculated?
Are there checklists for maintenance? Do they seem to be

Labor contracts: Ask to see the labor contracts of 2 workers taken at random. INDIAN law requires each employee to sign a labor
Management-worker relations: Do the operators get nervous
Have they already compliance with some agency ?

Type of Compliance
Agency name
Month/ Year

8. ENGINEERING CAPABILITIES

How many designers are there?
How many designers can read and write English?
How many engineers are there?

How many engineers are dedicated solely to new developments?
How many engineers are dedicated solely to new developments
What software do they use?
Can they show examples of complex new product developments successfully completed recently, in collaboration with overseas
Does the supplier understand that they cannot sell products developed for a customer to other customers?
Does the supplier show products developed for customers in

9. FACTORY SUPPORT DURING AUDIT

Does factory supported the auditor during the whole auditing