



# **Audit Report**

**Chartered Management Institute (CMI)**

**10 October 2012**

## Note

Restricted or commercially sensitive information gathered during SQA Accreditation monitoring activities is treated in the strictest confidence. However:

- ◆ The findings of this report, and the associated Action Plan, will be presented to SQA's Accreditation Committee and made available to colleagues from the Welsh Government, the Council for the Curriculum, Examinations and Assessment (CCEA) and the Office of Qualifications and Examinations Regulation (Ofqual), with a view to the contents informing future accreditation and re-accreditation submissions by the awarding body
- ◆ The report will be published on SQA Accreditation's website.

Please note that SQA Accreditation monitoring activity is conducted on a sampling basis. As a consequence, not all aspects of an awarding body's performance in quality assurance, contract compliance, implementation, awarding of certificates and fee arrangements have been considered in this report to the same depth.

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## Executive summary

This was the 12th audit of CMI since it was approved as an awarding body by SQA Accreditation in 2004.

### 1.1 Scope and approach

The audit was designed to review and evaluate CMI's strategies, policies and procedures to ensure compliance under the *SQA Accreditation Regulatory Principles (2011)*, Regulatory Directives and Awarding Body Agreement including any conditions noted.

As this was a full audit of CMI, all Principles and Directives were included within the scope of the audit.

An issue has been recorded where the Lead Accreditation Auditor found evidence that the awarding body has not met the requirements of one of the following:

- *SQA Accreditation Regulatory Principles (2011)*
- Regulatory Directives
- Awarding Body Agreement or any conditions (s) noted
- any conditions of the qualification(s) accreditation at the time of approval.

The following timescales apply:

- ◆ SQA Accreditation will issue this report within 30 working days of the audit date.
- ◆ The awarding body must sign and return the audit report and associated Action Plan within 30 working days of the audit report being issued.
- ◆ SQA Accreditation will confirm whether the Action Plan is appropriate to address the issue within a further 20 working days from the date of receipt. This will be subject to the actions proving appropriate to the issues raised.
- ◆ SQA Accreditation will monitor progress towards completion of the actions identified within the Action Plan.

Recommendations are noted to ensure that, where these are agreed during the audit, they are recorded for future reference. As recommendations are recorded for awarding body consideration only, it is not necessary to agree either actions or timescales to resolve these in the awarding body Action Plan.

## 1.2 Awarding body audit report timeline

CMI Audit Date	10 October 2012
SQA Accreditation Audit Report Date Issued	08 November 2012
Date audit report and Action Plan to be signed and submitted by CMI	20 December 2012

## 1.3 Background

CMI is a professional membership body specialising in management and leadership that is incorporated by Royal Charter and has charitable status in the UK. CMI's headquarters are situated in Corby and the awarding body also has offices in central London. Over the past year, CMI has gone through a transitional period during which a number of policies, processes and procedures have been revised with a view to streamlining and improving awarding body operations.

The audit team was provided with full access to the awarding body headquarters, staff and documentation.

## 1.4 Overview

As a result of the audit and post-audit activities, three issues have been recorded and six recommendations noted.

The three issues form basis of the CMI Action Plan. This must be completed and submitted to SQA Accreditation for agreement within 30 working days of this Audit Report being issued. The Action Plan must be submitted by 20 December 2012.

Area of Concern	No. of Issues	No. of Recommendations	Risk rating
Principle No. 2	0	1	n/a
Principle No. 3	0	1	n/a
Principle No. 6	2	2	Medium (2)
Principle No. 21	0	1	n/a
Principle No. 22	1	0	Low
<b>TOTAL</b>	<b>3</b>	<b>5</b>	

## 2 Audit findings

The following sections detail issues raised and recommendations noted against the SQA *Accreditation Regulatory Principles (2011)*, Regulatory Directives or Awarding Body Agreement through the course of the awarding body audit.

### 2.1 Issues

**Principle 6. The awarding body and their approved centres must have the relevant expertise, quality assurance procedures, technological, financial, human resources and other physical resources, to carry out their regulated functions, during the life of the qualifications and Units they offer.**

When applying to become a CMI approved centre, an organisation is required to submit the curriculum vitae for all centre assessment and verification staff with a view to evidencing occupational competence. However, CMI currently has no requirement for any qualification certificates or Continuing Professional Development (CPD) records to be produced in support of any centre approval application.

Also, as part of the quality assurance regime that CMI has in place, Quality Managers (QMs) will visit CMI approved centres at least once every year. During these visits, the QM will inspect CVs, qualification certificates and CPD records for approved assessment and verification staff to ensure occupational competence. However, the evidence available on the day of the audit suggested that only a sample of these records were being inspected by QMs. Given that CVs, qualification certificates and CPD records are not checked for all centre assessment and verification staff at each visit, it is possible that they may not be checked to ensure occupational competence every year. Therefore, CMI is not ensuring that the CVs, qualification certificates and CPD records of all approved centre assessment and verification staff are being checked on an annual basis to ensure occupational competence.

**Issue 1 refers.**

In the *CMI Approved Centre Handbook*, it is stated that 'CMI requires approved centres to register all learners on the HUB within six weeks of the start of a CMI qualification' (the HUB is the web-based system for which CMI approved centres are granted controlled access). To register candidates, CMI approved centres must first create a batch of candidates. These batches will remain open on the system until such time as they are processed by the centre, completing the registration process. However, CMI has no check in place to flag up whether or not candidate batches are being processed within six weeks either of creation or of the start of any qualification for which the candidates are being registered. Therefore, CMI has no mechanism in place to ensure that approved centres are registering candidates on the HUB within the awarding body timescale of six weeks of starting any qualification. **Issue 2 refers.**

The evidence available indicates that CMI does not meet the requirements of Principle 6. **Issues 1 and 2 refer.**

**Principle 22. The awarding body must ensure that qualification and Unit certificates meet SQA Accreditation's minimum requirements, reflect learner achievement, are only issued on the basis of a valid claim, and are supplied within a reasonable and clearly communicated timescale.**

On the day of the audit, the audit team were presented with a range of sample certificates relating to SQA accredited qualifications and units. A sample qualification certificate was provided for the CMI Diploma in Management. This did not display the SQA Approved Awarding Body logo. A sample unit certificate was also provided. This displayed the Scottish Vocational Qualification (SVQ) ribbon, which is only permissible on SVQ certificates, and included QCF unit numbers. Therefore, the qualification and unit certificates being issued by CMI for SQA accredited qualifications and units do not meet SQA Accreditation's minimum certificate requirements. **Issue 3 refers.**

The evidence available indicates that CMI does not meet the requirements of Principle 22. **Issue 3 refers.**

## 2.2 Recommendations

**Principle 2. The awarding body must publish clear information on their products, services and associated charges and fees.**

Prior to the day of audit, the audit team reviewed the documentation made available by CMI. It was found to contain a number of textual errors that gave candidates and approved centres misleading information with respect to CMI's requirements, processes and procedures. The audit team also reviewed the content of the CMI website and found that some of the pages, particularly with respect to SQA accredited qualifications, contained potentially confusing information. Therefore, it is recommended that CMI review the content of all documentation and the awarding body website to ensure that the content is accurate. **Recommendation 1 refers.**

**Principle 3: The awarding body must ensure that they employ robust processes to protect their own business interests as well as the interests of their approved centres and learners.**

CMI provided the audit team with a copy of the *Approved Centre Partnership Agreement*, which all newly-approved centres are required to sign, and which identifies the roles and responsibilities of the centre and CMI. Section 16 of the agreement refers to termination and states that 'this agreement may be terminated by either party, in writing, with at least six months' notice'. However, outwith normal circumstances, CMI may also terminate the agreement should any centre be found guilty of gross malpractice or fraudulent activity as per the awarding body's current policies.

Therefore, it is recommended that CMI revise Section 16 of the agreement to make clear to approved centres that, in normal circumstances, six months' notice of termination will be given, but that the awarding body can also terminate the agreement with immediate effect in situations where a centre has been found guilty of gross malpractice or fraudulent activity. **Recommendation 2 refers.**

**Principle 6. The awarding body and their approved centres must have the relevant expertise, quality assurance procedures, technological, financial, human resources and other physical resources, to carry out their regulated functions, during the life of the qualifications and Units they offer.**

Prior to the audit, CMI provided the audit team with copies of the *CMI Moderation Rules*, which defines the rules and outlines the roles and responsibilities of CMI approved centres in such matters. CMI also provided the *CMI Approved Centre Handbook*, which contains details of the roles and responsibilities of CMI's QMs, and the policy for carrying out centre visits. While these documents make clear the processes and procedures with respect to the quality assurance of qualification delivery and assessment, the fact that they are provided separately may give centres the impression that these processes are devolved rather than considered as one overall process.

Therefore, it is recommended that CMI amend existing documentation to combine the Moderation Rules and the QM centre visit policy to outline one overall quality assurance process for qualification delivery and assessment. **Recommendation 3 refers.**

CMI has a clear process for centre approval and also provided the audit team with a copy of the associated process map. However, despite having a clear process for additional qualification approval, CMI was unable to provide a copy of any associated process map.

It is recommended that CMI produces a process map which outlines the additional qualification approval process. **Recommendation 4 refers.**

**Principle 21. The awarding body must take measures in the design and issuing of their certificates to protect against fraudulent use.**

The *CMI Approved Centre Handbook* contains a section outlining the circumstances and processes associated with issuing replacement certificates. However, the content of the section was found to be contradictory, given that the first sentence states that 'a replacement certificate will only be issued in the case of non-receipt of the original certificate,' yet further on, details are included of how CMI will issue replacement certificates in cases where administrative errors on candidates' certificates have been identified.

It is recommended that CMI revise the wording in the *CMI Approved Centre Handbook* to clearly outline the circumstances under which a replacement certificate will be issued. **Recommendation 5 refers.**

### 3 Outstanding approval and accreditation conditions

A condition will be recorded at the time of approval of the awarding body or at the time of accreditation for an SQA-accredited qualification. A condition is recorded when SQA's Accreditation Co-ordination Group finds evidence that the awarding body does not fully meet the *SQA Accreditation Regulatory Principles (2011)*, Regulatory Directives or Awarding Body Agreement.

Principle No.	Condition	Date Due
n/a		

## 4 Risk rating of issues

SQA Accreditation assigns a risk rating to each issue recorded as a result of an awarding body audit activity. The table below illustrates how the rating for an issue is assigned, and identifies the possible impact of the issue on qualifications and/or the learner.

The assignment of a risk rating allows an awarding body to target their resources to areas which have been identified as having a major impact in these areas. The risk rating also allows SQA Accreditation to target its resources to support awarding bodies in improving their performance.

Risk	Impact of issues
Very Low	The issue is likely to cause minimal concern and would not threaten the integrity of the qualification or impact adversely on the learner. Any overall effect is likely to be small scale and/or localised, rather than widespread. The issue identified is unlikely to recur once resolved and no long lasting damage would be anticipated.
Low	The issue is of low impact but of sufficient importance to merit intervention, with a low threat to the systems or procedures associated with the qualification and/or impact on the learner. Disruption may not just be localised but more widespread and would possibly cause residual damage; however, this could be easily corrected without further consequence.
Medium	The issue could potentially damage the credibility of the qualification and/or be detrimental to the learner. There may be some impact to the systems or procedures that support the qualification or the operational effectiveness of the awarding body.
High	The issue could have a high impact on the integrity and reliability of the qualification or the effective operation of the awarding body as a whole if corrective action is not quickly taken. There is a high probability that the qualification and/or learner will be negatively affected.
Very High	The issue will have a serious impact on the integrity and reliability of the qualification or the effective operation of the awarding body if corrective action is not immediately taken. There is a very high probability that the qualification and/or learner will be negatively affected.

In assigning a risk rating, each issue is considered on its own merit, taking account of the context in which it was identified.

## 5 Table of awards

Accredited qualifications currently offered by CMI

SQA Accredited Qualification Title	Level	Code	Accreditation date	Re-accreditation date
SVQ2 in Team Leading at SCQF Level 5	5	G6CV 22	08/06/2011	31/05/2016
SVQ3 in Management at SCQF Level 7	7	GA1A 23	08/06/2011	31/05/2016
SVQ4 in Management at SCQF Level 9	9	GC6W 24	08/06/2011	31/05/2016
SVQ5 in Management at SCQF Level 11	11	G6CT 25	08/06/2011	31/05/2016
CMI Award in Management and Leadership at SCQF Level 8	8	R073 04	31/03/2010	31/08/2016
CMI Certificate in Management and Leadership at SCQF Level 8	8	R074 04	31/03/2010	31/08/2016
CMI Diploma in Management and Leadership at SCQF Level 8	8	R075 04	31/03/2010	31/08/2016
CMI SCQF Level 9 Award in Public Service Leadership	9	R175 04	21/09/2011	31/08/2016
CMI SCQF Level 9 Certificate in Public Service Leadership	9	R176 04	21/09/2011	31/08/2016
CMI SCQF Level 9 Diploma in Public Service Leadership	9	R177 04	21/09/2011	31/08/2016
CMI SCQF Level 6 Award in First Line Management	6	R178 04	28/09/2011	31/08/2016
CMI SCQF Level 6 Certificate in First Line Management	6	R179 04	28/09/2011	31/08/2016

<b>SQA Accredited Qualification Title</b>	<b>Level</b>	<b>Code</b>	<b>Accreditation date</b>	<b>Re-accreditation date</b>
CMI SCQF Level 6 Diploma in First Line Management	6	R180 04	28/09/2011	31/08/2016
CMI SCQF Level 11 Award in Strategic Line Management and Leadership	11	R181 04	28/09/2011	31/08/2016
CMI SCQF Level 11 Certificate in Strategic Line Management and Leadership	11	R182 04	28/09/2011	31/08/2016
CMI SCQF Level 11 Diploma in Strategic Line Management and Leadership	11	R183 04	28/09/2011	31/08/2016

## 6 List of documents reviewed pre-audit and post-audit

Document title	Date of issue	Version number
CMI Sample SVQ Certificate		
CMI Sample Diploma Certificate		
CMI Sample Unit Certificate		
CMI Marketing Support Pack		
Safeguards on Change of Control Policy Statement	Dec 11	V1
CMI Annual Reports and Accounts	2012	
CMI Approved Centre Handbook	April 2012	Version 2
CMI Complaints and Appeals Policy	Feb 12	V1
CMI Complaints and Appeals Procedure	Feb 12	V1
CMI Incidents Policy	Mar 12	V1
CMI Incidents Procedure	Feb 12	V1
CMI Malpractice and Maladministration Policy	Feb 12	V1
CMI Malpractice and Maladministration Procedure	Feb 12	V1
SQA – Q1 – 2012 (Data Submission)		
SQA – Q1 – 2012 v2 (Data Submission)		
Quick Guide to Fees 2012 - 2013		V2
Risk Register Update – Meeting Agenda		
Approved Centre Partnership Agreement		

<b>Document title</b>	<b>Date of issue</b>	<b>Version number</b>
CMI Approved Centre Handbook	April 2012	V2
Conflict of Interest Policy	Dec 11	
Conflict of Interest Procedure	Dec 11	V1
CMI Risk Register		
Familiarisation Day Slides		V5
General Conditions of Recognition – Compliance Spreadsheet	May 2011	
Quality Managers Monthly Meeting 26 <sup>th</sup> April 2012 - Agenda		
CMI Statement of Suitability for Responsible Officer – SQA Principles (2011)		
CMI Centre Application Flowchart	Feb 2012	V3
Approved Centre Partnership Agreement		V3
Centre Assessment Guidance for Level 8 Management and Leadership SCQF		Version 2
Centre Approval Process for HUB	12.03.12	V14
Chief Assessor's Annual Report November 2010 – October 2011	November 2011	
CMI Approved Centre Handbook	April 2012	Version 2
CMI Delivery and Assessment Policy	Apr 12	V1
CMI Diversity and Equality Policy	Apr 12	V1
CMI Moderation Rules	May 12	V2
CMI Qualification Development and Review Procedure	Apr 12	V2
CMI Reasonable Adjustments Policy	Apr 12	V1

<b>Document title</b>	<b>Date of issue</b>	<b>Version number</b>
CMI Special Consideration Policy	Apr 12	V1
Unit S8001 – Personal Development as a Manager and Leader	Feb 12	V1
CMI Approved Centre Application Guidance Notes	May 12	Version 2
Job Description – Qualification Mapping Specialist		
Job Description – Unit Writers		
Job Description – Lead Moderator		
Job Description - Marker		
Job Description - Moderator		
CMI Qualification Business Case (Sample)		
Quality Assurance Teams (with Core Pool)		
Job Description – Quality Manager (North)		
CMI Awarding Body – Service Level Agreements	Mar 12	V4
CMI Customer Satisfaction Results	24 July 2012	
CMI Qualification Brochure		



## 7 Action plan

A separate document in Microsoft Word has been forwarded with this Audit Report.

Areas of Concern	Issue	Risk rating	Proposed action	Target date for completion
Principle no. 6	CMI is not ensuring that the CVs, qualification certificates and CPD records of all approved centre assessment and verification staff are being checked on an annual basis to ensure occupational competence.	Medium		
Principle no. 6	CMI has no mechanism in place to ensure that approved centres are registering candidates on the HUB within the awarding body timescale of six weeks of starting any qualification.	Medium		
Principle no. 22	Qualification and unit certificates being issued by CMI for SQA accredited qualifications and units do not meet SQA Accreditation's minimum certificate requirements.	Low		

**Signatures of agreement of action plan**

For and on behalf of CMI:

**Signature**

.....

**Date**

.....

For and on behalf of SQA Accreditation:

**Signature**

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**Date**

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## 8 Acceptance of audit findings

For and on behalf of CMI:

**Signature**

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**Designation**

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**Date**

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For and on behalf of SQA Accreditation:

**Signature**

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**Designation**

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**Date**

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