

Third Party Audits

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1. The task is to permit a fair third-party audit without exposing yourself to an “audit” that is little more than a chance for activists to take potshots.
 2. If a fair audit finds real problems, safety is the winner. If it finds only problems you knew about and had already told the community about, the result is reassuring to your neighbors and credibility-building for you.
 3. Demand the same protections you would seek from a regulatory agency or a potential purchaser: (a) Auditors with appropriate credentials; (b) A preestablished audit protocol that management has reviewed, specifying what the auditors will be looking for and how they’ll know if they found it; (c) A chance to have your comments on draft audit findings reflected in the audit report or included as an appendix.
 4. Audit results should be public – whether they confirm the claims of activists or of management.
 5. Consider hooking the audit to a binding agreement on how to interpret the results: “If we find X, the company concedes in advance that the problem is serious and promises to take specified remedial steps. But if we find Y, the activist group concedes in advance that the problem is trivial and promises to drop demands to fix it.” If you have negotiated a fair audit, the first sentence gives away nothing you wouldn’t do anyway; the second sentence gains you something you have great use for.
 6. Faced with a choice between a fair audit and no audit at all, activists may prefer the latter. Fine. If the demand is a bluff, call it.
 7. Issues such as logistics, disruption, auditor safety, and insurance may be thorny. But they can be resolved; don’t hide behind them. The same is true of false arguments like “We already have a Community Advisory Panel” or “These activists are really outside agitators or union organizers.”
 8. Interview the managements of other facilities that have agreed to third party audits and survived ... even benefitted.
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For more about my take on this issue, see:

- Community right to know – how activists use it and how companies respond (Apr 2001) – www.psandman.com/gst2001.htm#sandman
- Environmental Audits (Aug 2002) – www.psandman.com/col/audits.htm
- Accountability (Oct 2002) – www.psandman.com/col/account.htm

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