

# ISO 9001:2000 Readers' Guidelines



## IN THIS ISSUE

We begin the fifth year of the QRC ISO 9000 Newsletter by reviewing Newsletter 406 (the last edition for 2002) and the response from our readers to a series of questions regarding the shortage of ISO 9001:2000 Certifications.

We would like to thank our readers who took time to share their experiences and opinions regarding the past, present and future of the ISO 9000 Standard.

Conducting a survey is often a thankless task. In this case, however, the responses were varied and extremely informative, and we are happy to have the opportunity to share them with the Newsletter audience. For those readers who have already deleted Newsletter 406 from their files, a recap might be in order.

The main question posed in 406 was: *"Why has the average number of annual ISO 9000 certifications dropped from over 3,000 a year to around 200 a year since the introduction of the ISO 9001:2000 Standard?"*

After considering the current "wisdom" regarding this topic, Newsletter 406 asked a series of questions aimed at replacing guesswork regarding ISO 9001:2000 with facts provided by the only people who really know the answers, the certified, the soon to be certified and those who "do want to go through all that again".

QRC is not a polling organization, so there is no claim for scientific methods or definitive conclusions from the information we received.

The QRC Newsletter does, however, have a large and varied readership, exceedingly knowledgeable in ISO 9000 and quality management systems. The answers to the questions revealed that this readership has opinions on the subject of ISO 9001:2000 and is not afraid to share them.

Newsletter 406 also invited readers to give us their observations regarding ISO 9000 in the form of articles that we could include in future editions of the Newsletter. We are

happy to present the first of these articles in this edition. More will be included in later editions.

***"Experience teaches you to recognize a mistake when you've made it again"***

Woodrow Wilson



## READERS' OBSERVATIONS

**Mr. Thomas Heckler, QA Manager, Cyberdata Corporation**, Monterey, California, provided the following observations regarding the declining ISO 9000 Certification rate.

*These observations are those of the writer, and the writer's opinions may, or may not be shared by QRC.*

"I suspect that for a lot of companies, the re-certification to ISO 9001:2000 is a problem, not because it may be difficult to get people to change, but more because of the need to certify the WHOLE company as opposed to certifying selected parts of the company. In addition, some of the feedback that I've received from smaller companies is that they are neutral to slightly skeptical in evaluation of the benefits derived from having been ISO certified.

For companies with many different departments, it was a lot easier to certify areas that lent themselves to structured procedures and quantifiable processes (e.g. production, shipping/receiving etc.). Additionally, typical production line workers, for example, are accustomed to being managed much more closely than engineering or developmental staff. Production line workers are judged on exact compliance, where the more "innovative" design engineers tend towards individualism and creative methodologies.

Given a choice between implementing a procedure in production or design, I'd take production any time.

For companies that excluded their design departments from their ISO 9000: 1994 certification programs, the thought of bringing these "wild" areas under control in preparation for ISO 9001:2000 certification has to scare the heck out of them.

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Many companies have had enough time to evaluate the effectiveness and benefits of ISO 9000 certification. Presumably companies that have been certified for a while have utilized their quality programs to improve processes and communications. While most would agree that quality is a continuing process, many would also observe that, even with constant effort, the quantity and effectiveness of potential improvements decrease over time. The result is a declining benefit ratio even for companies that are conscientiously working their ISO systems. When we combine these observations with the prospect of reining reluctant, previously non-certified areas into the program, it isn't surprising to see companies unenthusiastic about going through a whole new certification process."



**SUMMARY OF RESPONSES TO ISO 9001:2000 QUESTIONNAIRES**

The questionnaires in Newsletter 406 were divided into categories (called profiles). The responses are reviewed in the same categories.

**Profile 1. Organizations certifying (or conforming) for the first time:**

- Companies are, for the most part, certifying because of actual or anticipated customer demands. It seems that the ISO program is still primarily a customer driven event.

Ironically, the customers setting the requirements are mostly ISO 9000:1994 certified. These companies are, however, saying that they intend to transition (though mostly with no fixed plans).

- Some companies advised that they wanted to certify, but the impact of the poor economy has denied them the resources (especially people time) needed to accomplish certification.

These organizations indicated that the old style "it's a quality event, so let Quality take care of it" is still in vogue. The trouble is that ISO 9001:2000 demands people ownership of process and the setting and achieving of goals. As a result, the Quality Departments

alone can no longer get the company certified.

- An unexpectedly large part of this category was companies that do not plan on certifying, but are working towards "conformance".

This focus on "conformance" comes from a desire to use the principles of ISO 9004:2000 as a Business Model. This is accompanied by a reluctance to engage in measuring success in the pass/fail terms of a Certification audit program.

The Senior Executives of these companies referred scornfully to experiences (in previous organizations) of the all too familiar last minute rush to give the appearance of following the ISO 9000 system for the sake of a Surveillance audit.

The companies in this category plan to use the Standard to improve business performance and to encourage customer, (rather than certification body) audits.

This group also accepts that certification may eventually be a requirement (especially for international trade). Their expectation is that, with a business model based on ISO 9004, a certification audit to ISO 9001 would be a welcome, rather than worrying event.

**Profiles 2 to 5: Organizations that are certified to ISO 9000:1994 Standards and are at various stages of addressing the need to transition before December**

- The most frequent motivations for transitioning are again customer requirements or the need to retain associated certifications (QS 9000 was mentioned on several occasions).

Other motivations were reported as:

- Improved customer focus
- An incentive for continual improvement
- Less documentation
- Most transitions are planned to occur during the next (or last available) Surveillance Audit.

The time allowed for preparation varies from 6 months to a year.

- Feelings about the slowing down in the number of certifications are mixed. About 30% are concerned, 60% expect the situation to change and the remainder says that it will just make them look better.

- There are a few companies that have already certified one or more locations and are working on the remainder.

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This group was the most positive about the value of transitioning or certifying.

They struggled through the process development and goal setting requirements on the first installation, mainly focusing on being certified.

They then started identifying the benefits that “talking processes, changing documentation philosophies and involving management in the program” were giving them.

With later programs these organizations started with an involved management (they had already seen improvements brought by the earlier programs), a focus on customers and processes developed for the organization (and not just a Standard). This company-wide involvement created a positive momentum, even in companies that had less than wonderful ISO 9000:1994 programs.

- . There were only a few organizations that indicated that they were doubtful about transitioning to the new Standard, but those few were vocal.

This might indicate that, among those that didn't respond, there are more considering this option, but they are not quite ready to go public with their opinions.

The information provided by these uncertain organizations included:

- . It took an enormous effort to achieve ISO 9000:1994 certification, and no one, including senior management, wants to invest in a change.
- . No customers are pressuring for change, apparently satisfied with the integrity and performance of the operation using the existing ISO 9000:1994 system
- . If a major customer demanded certification to ISO 9001:2000, it would have to be considered
- . Efforts had been made to learn about ISO 9001:2000 before the decision not to pursue a transition program was taken
- . It is felt that the requirements for a transition from ISO 9000:1994 would cause unnecessary problems for the organization
- . On the question of whether Certification auditors would postpone the date for transition from December, no one in this group cared
- . There is a resistance to continuing to operate in a “do-enough-to-get-by” pass/fail

environment with success measured by “keeping certified”

The organizations that constitute this group generally have set high standards for their ISO 9000:1994 programs. They are not well disposed towards the “plaque on the wall” philosophy, and short of irresistible pressure from a major customer, will have to be convinced that ISO 9001:2000 will make a measurable improvement in their organizations before considering transition.

**Profile 6: Companies that have already transitioned or certified**

If there is any one theme to be gained from the responses of this group, it is surprise that the new Standard is contributing more to their organizations than they experienced with ISO 9000:1994.

Information from these organizations includes:

- . Average time to certification: Six months for transitions, eight to ten months for first time certifications
- . Positive impacts reported by companies that have transitioned include:
  - . Less documentation
  - . More focus on processes than Procedures (a.k.a. Elements)
  - . Increased customer focus
  - . Senior staff is required to be more involved than they were with the 1994 system
- . Difficulties experienced by newly certified companies and those that have transitioned
  - . Auditing a process-based system
  - . Establishing metrics and measuring performance against those metrics
  - . Getting consistent use of the system by all departments
  - . Keeping senior staff involved in the program
    - . Getting acceptance and participation from employees who experienced poor ISO 9000 programs in previous jobs.

We hope this information has been of interest.

If you have anything to add, please let us know. This way, the Newsletter can continue to improve as a news medium for organizations and individuals interested in the potential of ISO 9000 based Business Models.