

# ISO 9001:2000 Self-Evaluation



## IN THIS ISSUE

The 500 Series of QRC Newsletters is examining how companies are actually using the ISO 9001:2000 Standard. As it is not necessary to be certified to use the Standard as a Business model, we are also reviewing the experiences of organizations that are conforming, but not certifying, to the Standard. As part of the program, this issue offers you an opportunity self-evaluate your own organization against some of the principles of the ISO 9001:2000 Standard. This self-evaluation is intended for individual Departments or Functions to which some or all of the questions apply, and not the organization as a whole. Our experiences of ISO 9001:2000 show examples of organizations that are certified, but some of their Departments or processes are still a long way from meeting the requirements of the Standard and the expectations of Management. The self-evaluation uses as a guide, real-life answers to ten of the questions asked by QRC in its ISO 9001 and Change Programs. These questions help our clients discover if the actions of a Department or Function are value added or wasteful. This information enables effective activities to be built upon and ineffective activities to be changed. The questions use the Standard as a guide to identify what actions are most important for an organization's success (or survival). A box is provided alongside each answer. This is to help you record your perceptions of the effectiveness of your own Department, if the questions apply to what you do. The questions are given a grade (A to D). The potential impact of each grade is discussed later in the Newsletter. We hope you enjoy this exercise, and find it useful.

***"Men and women want to do a good job, and if they are provided the proper environment, they will do so"***

Bill Hewlett, Hewlett –Packard

## DEPARTMENTAL SURVEY



### ① Question:

**Are people always competent to do the jobs they are asked to do?**

#### Answers:

(D): "We do what we are told"

(C): "Sometimes we get on-the-job training. Mostly we learn from experience"

(B): "We get training"

(A): "The required skills for our jobs are listed. Before we are allowed to do a job we have to be trained in those skills, (if we do not already possess them)"

### ② Question:

**Do you know what your customers want?**

#### Answers:

(D): "That's up to Sales"

(C): "Mostly its in the P.O."

(B): "Sometimes we have meetings about a customer's quote"

(A): "All RFQs go through a review process before we commit to a job"

### ③ Question:

**Do you ever promise customers things you can't do?**

#### Answers:

(D): "If it means we get the job"

(C): "When we make a promise, we think we can do the job"

(B): "Only when we misunderstand what the customer wants"

(A): "Our customer communication program and our RFQ review process insure that we know we can meet the requirements before we accept a job"

### ④ Question:

**How good are you at bringing product to market?**

#### Answers:

(D): "It depends"

(C): "We have problems"

(B): "If we follow our Procedures, we are usually OK"

(A): "We have goals and procedures that we follow. When there are problems, we learn

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from them, make corrections and change processes so they are not repeated”

⑤ **Question:**

**How good are you at knowing what resources you need?**

**Answers:**

(D): “You never can tell in this business”

(C): “We do run out of parts, and sometimes we work a lot of overtime”

(B): “We base our resource planning on our sales forecasts”

(A): “Management establishes goals and calculates and provides the resources to meet those goals”

⑥ **Question:**

**How good is your supply chain?**

**Answers:**

(D): “We always use the lowest bidder”

(C): “It varies”

(B): “We have an Approved Vendor List”

(A): “We evaluate all potential suppliers. We list approved suppliers on an Approved Vendor List. We monitor supplier performance and issue Corrective Action Requests when things go wrong. We meet regularly with our major suppliers and work towards long term relationships”

⑦ **Question:**

**How effective are your processes?**

**Answers:**

(D): “We get by”

(C): “The Supervisor tells us what to do. It’s not always easy to understand what he wants”

(B): “We have Work Instructions, but they are not always up to date”

(A): “Our processes are documented to the required level of detail. They have goals against which their effectiveness is measured. When a process fails to meet its goals, it is reviewed, revised, documents are changed and training is given to the affected personnel”

⑧ **Question:**

**Do you track how well you are performing so that you can provide Management with the factual information they need to make good decisions?**

**Answers:**

(D): “We’ve been at this a long time. We know what we are doing”

(C): “We get told off if things have gone wrong”

(B): “We are pretty good at reacting to customer complaints, but we are not sure if Management knows about all of them”

(A): “Our performance is continually measured against our goals and customer commitments. The results are collated and presented to Management at regular review meetings”

⑨ **Question:**

**How much preventable waste (time, money, material) do you incur?**

**Answers:**

(D): “Who knows?”

(C): “We know when we make mistakes, but we don’t track how much they cost us”

(B): “We have a Statistical Process Control System that tracks our activities. We don’t calculate how much “out of control” events cost us if they are fixed quickly”

(A): “We continually review the effectiveness of our operation. We evaluate our performance against our goals and make adjustments as necessary. We cost out our mistakes so that we know their impact on our resources. We create an environment to continually make things better. We waste less every year”

⑩ **Question:**

**How well organized are your processes, documents, records, forms and specifications?**

**Answers:**

(D): “Organized?”

(C): “We seem to have a lot of forms, and sometimes we find ourselves working from out-of-date specifications”

(B): “We have a Document Control Procedure and a Records Procedure”

(A): “We carefully follow our Document Control and Records Procedures to make sure that our process documents describe exactly what we do. We eliminate duplicated forms whenever they are discovered. Our specifications are up to date and obsolete documents are removed from use. Our records are carefully stored and are accessible as needed”

**“Quality is not an act. It is a habit”**

Aristotle



**SELF- EVALUATION RATINGS ANALYSIS**

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**Departments with (A) Ratings**

Whether or not your organization is certified, it is almost certain that this Department or Function is effective; its activities are value added and waste should be minimal.

- ∪ You are following the requirements of ISO 9001:2000
- ∪ You would pass an ISO 9001:2000 audit and would have little problems with customer audits
- ∪ You are beginning to address the guidelines of ISO 9004:2000

**Departments with (B) Ratings**

If you are not already certified, you probably could be certified in this Department or Function. The indicators are that you have structured this area according to the requirements of ISO 9001:2000.

- ∪ You have built an infrastructure that can pass a typical ISO 9001:2000 audit
- ∪ You could have some problems with "hands-on" customer audits
- ∪ You are probably not getting the full value-added benefit from your Quality Management System, as it seems to be adopted in form, but not always in function.

**Departments with (C) Ratings**

A Department or Function that answers questions in this way should not exist in a certified company, but probably does. The Element structure of ISO 9000:1994 tended to paper over process deficiencies. Transition audits have sometimes missed level (C) situations

- ∪ You could probably pass an ISO 9000:1994 audit
- ∪ You would have some difficulty with an ISO 9001:2000 or customer audit, though you might do better in a transition audit
- ∪ There is cause for concern with waste of resources. Your Quality Management System, in its present form, is not strong enough to identify or deal with this problem

**Departments with (D) Ratings**

A Department or function that is rated as a (D) may be an "interesting" place to work, but it would be a good idea to keep your résumé up to date

- ∪ There should be no way that an area that answers questions in this way can be certified
- ∪ The waste of resources in this area (if known) should be enough to convince anyone of the need for change



**CONSEQUENCES**

In recent years, economic activity has been so strong that organizations with mostly Departments or Functions that rated an (A) or (B) could do extremely well.

Organizations with mostly Departments or Functions that rated (C) could have some good times and even those that mostly rated (D) could make a living.

Now that the economy is slowing down, the (A) rated organizations are looking enviously at the customers of the (B) and (C) rated organizations. The (B) s are now interested in competing with the (C) s and so on down the "food chain"

As you travel around the country, the growing number of "For Lease" signs outside empty commercial buildings illustrates that there is truth to the concept of "survival of the fittest".

An organization with (D) rated Departments cannot possibly hope to compete seriously with mostly (B) or (A) rated companies.

A (C) rated company can probably put on a good enough front to get orders competing with a company with (B) standards. The chances are, however, that it is using its resources so ineffectively that it does not have the "stamina" to outlast the mostly (B) rated organization in slow times

The irony is that it can cost less to operate as an (A) rated Department than it does as a (D). Most of what an (A) rated Department or Function does is value added. A great deal of what a (D) rated Department does is wasteful. The (A) s continue to get stronger and the rest continue to fall further behind (even though at different rates)

The experience of some of our customers has shown that they can quickly move their Departments up the Ratings scale.

This is typically done by identifying the poorly rated Departments or Functions, prioritizing them according to their risk to the company's welfare, and changing them for the better, often one Department at a time. Each step up the Ratings ladder reduces waste and contributes to profitability, competitiveness and survival.

We would be happy to talk to you about how this change is being done.