

# The 3 Stages of a Value-Added ISO 9001 Quality Management System



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On December 16, 2003, ISO 9001:2000 will replace ISO 9000:1994 as the international Standard for Quality Management Systems. After three long years of transition, we will all, once again, be working with the same Standard.

However, this does not mean that December 15, 2003 is some sort of a finish line. ISO 9001:2000 expects a commitment to continually fine-tune Quality Management Systems.

This commitment is the Standard's requirement for continual improvement and answering the needs of customers and interested parties.

ISO 9001 organizations therefore have to effectively manage and control change. During the three year period of transition, QRC encountered a number of companies that had hardly changed their ISO 9000:1994 Systems since the day of Certification.

These companies brought to mind Oscar Wilde's story of "The Picture of Dorian Gray". In spite of all the changes that must have occurred since certification, their systems had somehow managed to remain virtually untouched.

The requirements of ISO 9001 make this tendency to resist change ("we passed another Surveillance Audit, so everything must be OK") unacceptable.

The current euphemism for this need for constant change is "System Maturity". Systems that are newly certified are "immature". Systems that have started to show benefits to organizations are "maturing".

This edition of the Newsletter examines the phenomena of "maturing" systems and the impact of continual change on the system leader, the ISO 9001 Management Representative.

***The only permanent thing is change.***

Heraclitus



## MATURING THE SYSTEM

It takes planning, direction, commitment, resources and considerable patience for an ISO 9001 Quality Management System to "mature" into an effective business tool.

The time required for this process varies.

The stages and consequences of the maturing process do not.

Technical Committee ISO/TC176 recognized this by giving us ISO 9004 as a "Guideline for Performance Improvements". ISO 9004 helps Management Representatives develop the Quality Management System into the effective and ubiquitous Management tool that ISO 9000:1994 could not be.

Many companies agree that when they first installed ISO 9000:1994, it made a positive impact. Long-standing issues were addressed and organizations were better for it.

The same companies also report that, after a few years, the Standard did not provide the tools they needed to continue to improve.

Following the Standard meant settling down to passing Surveillance Audits, and responding to nonconformities.

These diminishing returns gradually took their toll on opinions about ISO 9000 and the people representing it.

The Management Representative could often get peoples' attention only when the specter of a Surveillance Audit appeared on the calendar.

Surveillance Audits caused disruptions and drained resources as companies hurried to complete the tasks they already should have finished.

There was usually a storm of Internal Audits and Corrective Actions.

Executive Management unenthusiastically held Management Review meetings "because an audit is coming".

The Management Representative wore a worried expression for weeks before the Audit, as he/she tried to get the necessary tasks finished in time.

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People balked at the additional work, blaming it on the ISO Audit, not on their previous indifference to the Quality Management System.

Then the Surveillance Audit occurred. There were a few worrying moments before it was over, but Certification was retained.

When the Auditor left, there was a collective sigh of relief and everything returned to “normal” until the next Audit.

This scenario occurred with monotonous regularity.

For a Management Representative to guide a system to “maturity” in this sort of environment would require him/her to possess magical qualities.

ISO 9001 is completely at odds with this type of “planned neglect” of a system.

Interestingly, one attempt to deal with complacency towards the Standard has been seen in the changing attitudes of some Certification Auditors.

Most Audits now classify findings as Level 1 (the old Major), Level 2 (Minor) and Recommendations (roughly the old Observation).

Level 1 nonconformities are still serious events that could result in the early conclusion of an Audit (e.g. no evidence of reactions to customer complaints).

Level 2 nonconformities are not usually serious enough to stop an audit (e.g. use of obsolete documents). They do, however, require correction before certification is formally achieved or maintained

Now, some Certification bodies are saying that they will also audit the organization’s reactions to their “Recommendations”.

Webster’s dictionary describes a recommendation as stating something that is “desirable”.

An audit is an examination of compliance to activities that are “required”.

Auditing a company’s reactions to “Recommendations” is using a blunt instrument (the Audit) to ensure improvement of the system.

A system that is “maturing” does not need to be measured by the opinions expressed in an Auditor’s “Recommendations”

**Regarding opinions. The optimist sees a glass that is half full. The pessimist sees one that is half empty. I see a glass that is twice the size it needs to be**

George Carlin



**SYSTEM MATURITY: STAGE 1**

The probability that an ISO 9001 Quality Management System will mature to be a value added business tool is largely determined by the way the system was originally created

When a company is certified to ISO 9001, it means that there is external confirmation that the Quality Management System meets the specifications of the Standard.

Certification does not automatically mean that the System is appropriate for the organization, or that it is capable of maturing in a way that will provide major benefits to the organization.

The following short checklist may give insight into whether a System is focused on the organization or on certification audits:

- 📋 Is the system easy to maintain?
- 📋 Have management and staff adopted the system?
- 📋 Does having the system make things better?
- 📋 Is the system being consistently followed?

These are just a few assessment questions for evaluating an ISO 9001 System.

If the conclusion is that the system fits the requirements of the Standard better than the requirements of the organization, then changes should be made.

The Management Representative can make an immediate positive impact by:

- 📋 Structuring the documentation in a way that it is “owned” by its users as well as used by them
- 📋 Establishing effective internal supplier and customer interactions
- 📋 Setting up meaningful goals for internal supplier services
- 📋 Ensuring realistic expectations on the part of internal customers
- 📋 Measuring performance against these goals and expectations

When these items are accomplished, the system will be on the road to maturity and will be used as well as followed.

The organization will quickly benefit from the results. ISO 9001 will begin to be a value added business tool

**He has exceeded my expectations and done even better**

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Yogi Berra



**SYSTEM MATURITY: STAGE 2**

When Certification has been achieved, a typical reaction is to “Take some time off from ISO for a while”.

Understandable though these sentiments may be, they can also foreshadow a disconnect between the needs of the organization and the needs of the ISO Standard.

The period between the Certification Audit and the first Surveillance Audit is an important and potentially treacherous time for a Management Representative’s plans for “maturing” the system.

Ideally, during this time, the prospective benefits of the Quality Management System should be making themselves felt. Some examples of these benefits are:

- 🏢 Departments are using their processes and are suggesting ways in which they can be improved
- 🏢 Management is seeing a measurable improvement in productivity
- 🏢 Customers are recognizing the positive changes in the organization’s services.

If the Management Representative does not receive the support and resources needed to start “maturing” the system at this stage, a fine opportunity to make the system “value added” could be lost.

If this opportunity is lost, the consequences could be:

- 🏢 The absence of a payback will cause management to lose interest in the system
- 🏢 Sensing management’s growing indifference to the system, people will become reluctant to follow the controls of the System.

🏢 The next Surveillance Audit will be disruptive and will reinforce negative feelings towards the Standard

If the system degrades in this way, the task of “maturing” the system may well be beyond the resources of many Management Representatives.

***There is a tide in the affairs of men  
Which taken at the flood leads on to  
fortune***

***Omitted, all the voyage of their life  
Is bound in shallows and in miseries***

William Shakespeare



**SYSTEM MATURITY: STAGE 3**

A Management Representative easily knows when his/her Quality Management System has reached Stage 3 of its “maturity” scale. The dawning moment is when complying with ISO 9001 Standards is no longer enough for the expectations of the organization.

When management asks, “What can we get out of this System?” instead of “Is the System good enough to get Certified?” it is time to get out the copy of ISO 9004.

A “mature” system gives an organization advantages like:

- 🏢 Customer focus that results in customer loyalty and repeat business
- 🏢 Involvement of people who are participating in achieving the company’s goals
- 🏢 Continual improvement that reduces waste and improves profitability and competitiveness

🏢 A factual approach to decision making that creates confidence in the organization by customers and interested parties.

If a Management Representative can lead the company’s ISO 9001 Quality Management System to this stage of “maturity”, then he/she is making a major contribution to the success of the organization.

It takes time, effort and commitment by management, supported by a focused Management Representative, to achieve and maintain this stage of “maturity” in an ISO 9001 Quality Management System. The opportunities for failure are many, but usually stem from Top Management’s lack of understanding of the potential of the System.

The Management Representative is primarily responsible to ensure that management is aware of what can be achieved and how it can be achieved, and remains aware through all distractions.

The task is hard; the rewards of success are significant.

***Success is a science. If you have the  
conditions, you get the result***

Oscar Wilde