

Accredited Certification – Perceptions of “Good” and “Bad” performance

Presentation to the IAF Industry Day,
San Francisco, March 2007

Dr Nigel H Croft 

- Brazilian Expert to ISO/TC176 since 1995
- Convener – ISO/TC176 Conformity Assessment Liaison Group
- ISO/TC176 Liaison to IAF
- Co-convener – ISO 9000 Advisory Group

March 2007

(C) Nigel H Croft 2007 - All rights reserved

1

“Disclaimer”

The views presented in this
seminar are my own!
(They do not necessarily reflect
official IAG, ISO or IAF opinions)

March 2007

(C) Nigel H Croft 2007 - All rights reserved

2

ISO 9001

- **“Developed with tender loving care by ISO’s Technical Committee TC176”**
- TC176 Strategic Plan “VISION 2010”
 - Ensure market relevance of TC176 products,
 - Enhance compatibility of management system standards,
 - **Actively manage liaison relationships, in particular to ensure the continued credibility of ISO/TC 176 products in their use for conformity assessment**

March 2007

(C) Nigel H Croft 2007 - All rights reserved

3

ISO 9001:2000 Scope

- Clause 1.1 - “Specifies quality management system requirements for organization to:
 - **demonstrate ability to consistently provide product that meets customer and applicable regulatory requirements**
 - enhance customer satisfaction.....”

March 2007

(C) Nigel H Croft 2007 - All rights reserved

4

WHAT IS CERTIFICATION ALL ABOUT?

- CONFIDENCE
 - Demonstrating that the organization does have a management system conforming to the relevant standard
 - Providing CONFIDENCE to the organization’s customers and other stakeholders that the system is effective in achieving the desired outputs
 - **“Consistent conforming products” (ISO 9001)**
 - **“Prevention of pollution; regulatory compliance; continual improvement” (ISO 14001)**
 - etc

March 2007

(C) Nigel H Croft 2007 - All rights reserved

5

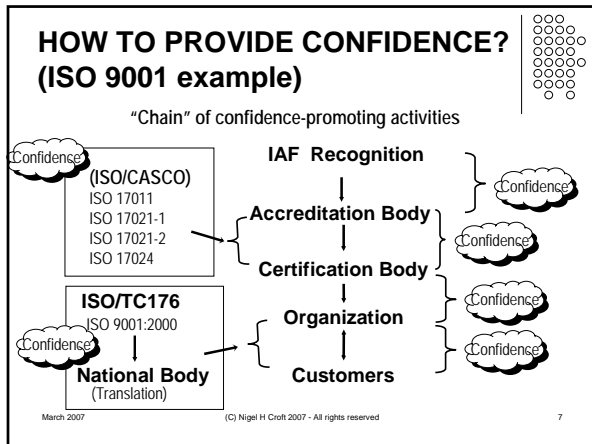
Who is “The Customer”?

- ISO 9000:2000 definition:
 - “organization or person that receives a product”
- Who is the customer of the certification body?
 - Contractual customer = certified organization
 - **Ultimate customer = those who purchase or receive products from the certified organization**
 - **Trust in the ability of a certified organization to consistently provide them with conforming products**

March 2007

(C) Nigel H Croft 2007 - All rights reserved

6



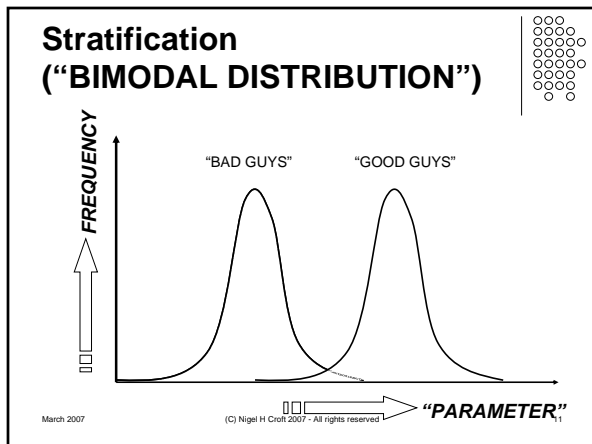
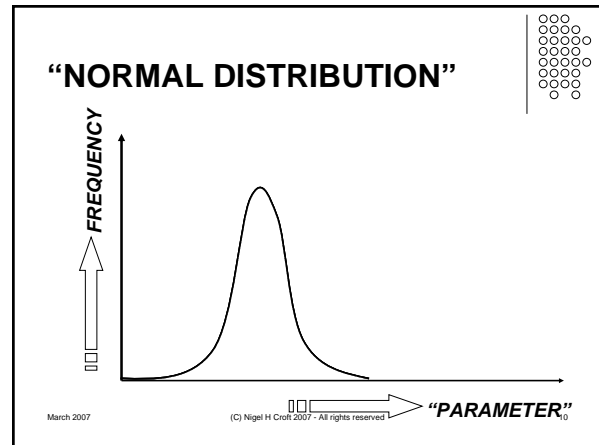
- ## Ongoing confidence (The "C" in the "PDCA" cycle)
- Focus on results
 - Did the **product** meet customer requirements? (Customers rarely see the quality management system!)
 - If **YES**, Confidence in certification **INCREASES**
 - If **NO**, customers lose confidence in certification, and "ISO 9000" credibility suffers
- March 2007 (C) Nigel H Croft 2007 - All rights reserved 8

Some personal reflections.....

"Good Guys" versus "Bad Guys"

Stratification throughout the supply chain

March 2007 (C) Nigel H Croft 2007 - All rights reserved 9



- ## Stratification of organizations
- **"Quality"** organizations
 - Use ISO 9001:2000 as part of an overall quality philosophy. QMS is a **management** tool
 - Driven by top management leadership
 - Results focused
 - **"Minimalist"** organizations
 - "What's the minimum we have to do to get the certificate??"
 - Driven by fear, and customer pressure
 - May try to "cut corners"
- March 2007 (C) Nigel H Croft 2007 - All rights reserved 12

Stratification of consultants

- Value-adding
 - Knowledgeable
 - Business focused
 - Adaptable
 - Offer several solutions
 - ETHICAL
- “Used car salesmen”
 - Superficial knowledge
 - Sell documentation packages
 - “This is how it has to be done”
 - UNETHICAL

March 2007

(C) Nigel H Croft 2007 - All rights reserved

13

Stratification of auditors

- Value-adding
 - Process-oriented
 - Results-focused
 - Knowledge of Business and Quality Tools
 - Common sense approach
- Bureaucratic
 - Documentation-oriented
 - Records-focused
 - Out of date concepts
 - “Nit-picking” approach

March 2007

(C) Nigel H Croft 2007 - All rights reserved

14

Stratification of certification bodies

- “Good guys”
 - Consider needs of client *and client's customers*
 - Technically sound decision making
 - Able to add value (certification is *useful*)
- “Bad Guys”
 - Commercially driven
 - Aim is to maintain / increase market share
 - “Pro-forma” (tick-the-boxes) approach to auditing
 - Low cost, low added value

March 2007

(C) Nigel H Croft 2007 - All rights reserved

15

Stratification of accreditation bodies

- Truly Independent
 - Protecting consumer interests
 - Facilitating world trade
 - Rigorous, but fair
 - Working to ISO/CASCO rules and IAF Guidelines
- Commercially driven
 - “Not-for-profit” in name only
 - Rubber-stamp for certification bodies
 - Reluctant to impose sanctions (financial impact)

March 2007

(C) Nigel H Croft 2007 - All rights reserved

16

Stratification of purchasers

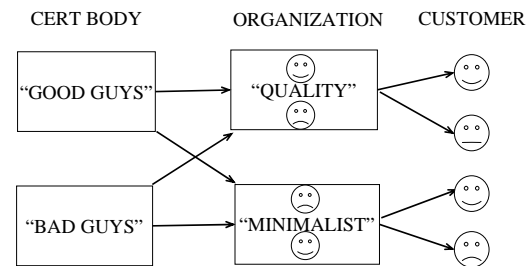
- Intelligent
 - Purchase based on overall life cycle cost
 - Give credit for good quality / performance
- Ignorant
 - Purchase only based on cheapest price

March 2007

(C) Nigel H Croft 2007 - All rights reserved

17

Permutations.....



March 2007

(C) Nigel H Croft 2007 - All rights reserved

18

The challenges.....

- **Downward spiral for QMS confidence (Japanese study)**
 - Focus on certification, not quality
 - Certification becomes a commodity
 - Pressure from direct customers
 - Prices (auditor days and day-rates) driven down
 - Difficulty to recruit competent auditors
 - More "superficial" audits
 - Loss in confidence of CB's "clients' customers"
- **"The ultimate accreditation is from the clients' customers"**
 - Risk of taking matters into their own hands
 - Auto industry (IATF)
 - Large purchasers returning to 2nd party audits
 - Possibility of government regulation

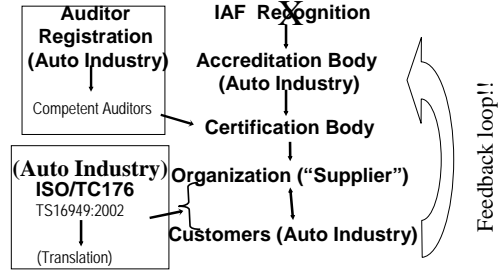
March 2007

(C) Nigel H Croft 2007 - All rights reserved

19

LESSONS FROM AUTOMOTIVE INDUSTRY....

"Chain" of confidence-promoting activities



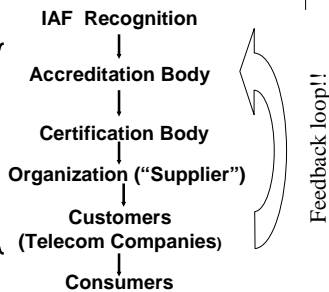
March 2007

(C) Nigel H Croft 2007 - All rights reserved

20

TELECOM INDUSTRY....

QuEST FORUM (TL 9000)
 • QMS Requirements
 • Measurements
 • Auditor Competence
 • Oversight



March 2007

(C) Nigel H Croft 2007 - All rights reserved

21

The need for a consolidated approach.....

- We are all in this together:
 - Organizations
 - ISO (TC176; CASCO)
 - National Standards bodies
 - Accreditation Bodies
 - Certification Bodies
 - Consultants
 - Trainers

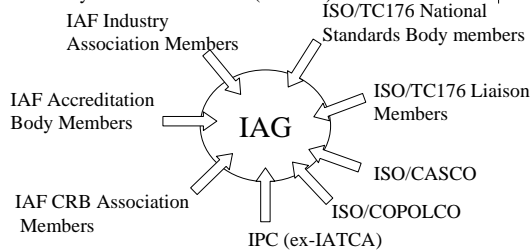
March 2007

(C) Nigel H Croft 2007 - All rights reserved

22

ISO 9000 Advisory Group ("IAG")

Co-chairs:- Nigel Croft (TC176) + Randy Dougherty (IAF)
 Secretary :- Sean MacCurtain (CASCO)



+ Participation from IAF President & Secretary; TC176 Chair & Secretary; CASCO Chair & Secretary; IPC Chair; ISO Secretary-General

March 2007

(C) Nigel H Croft 2007 - All rights reserved

23

Objectives of Advisory Group

- "Monitor the credibility of the ISO 9001 standard in its role for certification, and provide feedback for each of the component members of the group, as appropriate....."

March 2007

(C) Nigel H Croft 2007 - All rights reserved

24

Systematic Problem-solving approach

- 2002 / 2003 – “What is the problem??”
 - Multi-stakeholder involvement
 - Brainstorming
 - Cause & effect diagrams
- 2003 / 2004 – Promoting awareness (Problem? What Problem???)
- 2004 / 2005 – Identifying possible solutions
 - Focusing on critical issues
- 2006 / 2007 – Implementing solutions

March 2007

(C) Nigel H Croft 2007 - All rights reserved

25

Recent and future developments.....

March 2007

(C) Nigel H Croft 2007 - All rights reserved

26

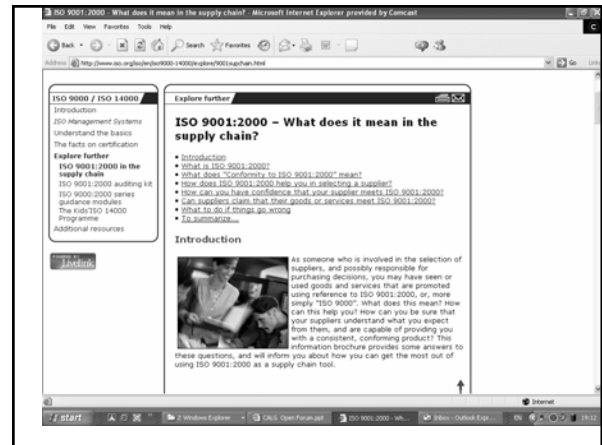
Promoting feedback.....

- “ISO 9001:2000 – What does it mean in the Supply Chain?”
 - Aims to educate purchasers about what they can reasonably expect from ISO 9000-certified suppliers
 - Explains about concepts of self-declaration, certification and accreditation
 - Encourages feedback
- Available on ISO website www.iso.org

March 2007

(C) Nigel H Croft 2007 - All rights reserved

27



Other IAG initiatives

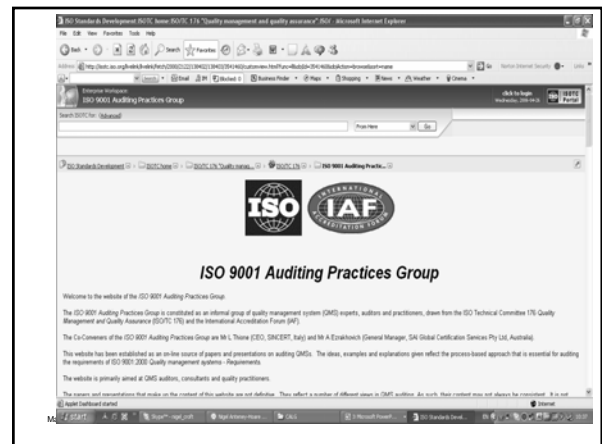
Auditing Practices Group (APG)

- Aim is to promote consistent approach between auditors
- Comprises experts from
 - ISO/TC176 (SC1, SC2 & SC3 + WG Interpretations)
 - IAF
 - IPC
- Approx 30 guidance papers now available www.iso.org/tc176/ISO9001AuditingPracticesGroup

March 2007

(C) Nigel H Croft 2007 - All rights reserved

29



Other IAG initiatives (cont...)

- **Accreditation** Audit Practice Group now formed
- Guidance available on following topics:
 - Assessing the competence of CB auditors
 - Witness audits
 - "Process Approach" for accreditation audits
- Click on hyperlink from APG website

March 2007

(C) Nigel H Croft 2007 - All rights reserved

31

Other IAG initiatives

- "White Paper" to ISO/IAF/ILAC highlighting continuing concerns and recommendations
- Key topics:
 - "Output matters"
 - "Remember the client's customer"
 - Need to separate the "Bad guys" from the "Good guys"

March 2007

(C) Nigel H Croft 2007 - All rights reserved

32

ISO/TC176 Official interpretations for ISO 9001:2000

- ISO/TC176 Working Group on Interpretations now fully operative
- 30+ Interpretations freely available on www.tc176.org

March 2007

(C) Nigel H Croft 2007 - All rights reserved

33

ISO/TC176 Initiatives

- Review and update of ISO 9001:2000
 - Work already underway
 - Publications scheduled for 2009
 - "Amendment" – No major changes of intent
 - "Impact / benefit analysis" for all proposed changes
- Incorporates review of ability of ISO 9001:2000 to support its stated objectives ("consistent, conforming products")

March 2007

(C) Nigel H Croft 2007 - All rights reserved

34

ISO/CASCO initiatives

- ISO 17021 Part 1 – Requirements for Certification Bodies
 - Published late 2006
 - Applies to both QMS and EMS
 - Addresses many current concerns such as
 - CB independence
 - Managing conflicts of interest
 - Need for CB to have its own QMS
 - Need for 2-stage audits

March 2007

(C) Nigel H Croft 2007 - All rights reserved

35

ISO/CASCO initiatives (cont...)

- Future ISO 17021 Part 2 - Requirements for 3rd party auditing of management systems
 - Work just started by ISO/CASCO
 - Recognizes need for:
 - Competent auditors and other CB personnel
 - Competent **use** of competent auditors (team selection)
 - **Resources** to allow a competent audit **team** to carry out a competent **audit** (mainly time)

March 2007

(C) Nigel H Croft 2007 - All rights reserved

36

IAF initiatives (cont...)

- IAF Strategic Planning
 - Recognition that **"OUTPUT MATTERS"**
 - Is the management system delivering on its promise?
 - Need to focus on "the client's customer"
 - Are they satisfied with their supplier's **performance**?
 - Formation of End-user Advisory Committee
 - Recognizes need for a more aggressive posture from Accreditation Bodies
 - To separate the "Good Guys" from the "Bad Guys"

March 2007

(C) Nigel H Croft 2007 - All rights reserved

37

Marie Curie.....

"One never notices what has been **done**; one can only see what **remains to be done**"

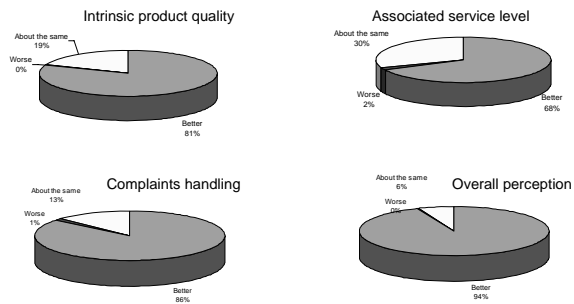
March 2007

(C) Nigel H Croft 2007 - All rights reserved

38

Brazilian Survey of "clients' customers" (338 responses)

ISO 9001-certified suppliers compared to non-certified suppliers in terms of:



Conclusions

- Concerns about credibility of certification **BUT**
- There's a lot happening to address the problem.....
 - IAG initiatives (Supply chain; Audit Practices etc)
 - ISO/TC176 (Interpretations / update of ISO 9001)
 - ISO/CASCO (ISO 17021 Parts 1 & 2)
 - IAF Strategic Plan ("Output matters!")

I remain optimistic!

March 2007

(C) Nigel H Croft 2007 - All rights reserved

40

THANK YOU

March 2007

(C) Nigel H Croft 2007 - All rights reserved

41