

Seeking Approaches for Success: Customers, Concerns, Corrective Action

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Agenda

- About QuEST Forum
 - Background
 - Products & Services
 - Oversight Work Group
- Customer Expectations / Concerns
- Audit statistics
- Concerns & Industry implications
- QuEST Forum's approach to address the problem
- Next Steps

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What is QuEST Forum?

Quality Excellence for Suppliers of Telecommunications
(QuEST) Forum was incorporated in 1998

Members:

- Network Operators
- Suppliers
 - Hardware
 - Software
 - Services

Liaisons:

- Accreditation Bodies
- Certification Bodies
- Training Providers
- Support Services

This is the first time that telecommunications suppliers and service providers have worked together globally to develop quality system requirements and share best practices

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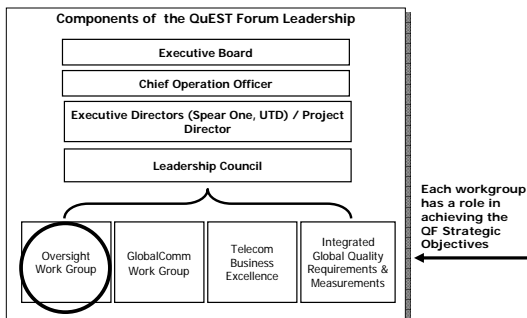
QuEST Forum Key Products and Services

- TL 9000 Quality Management System handbooks
 - Requirements
 - Measurements
- Measurements repository
- Industry trend data for benchmarking
- Registrar management
- TL 9000 "Jump Starts"
- Best practices conferences

- Regional conferences
- Translated products
- Regional training providers
- Website (www.questforum.org)
- Resource handbook for Business Improvement
- Global work group meetings

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QuEST Forum



Oversight Work Group Process

Initial Process:

- ABs are recognized by the QuEST Forum through the Oversight Work Group
- Training courses are sanctioned and provided by training providers
- CBs are accredited by QuEST Forum recognized ABs

Ongoing / Monitoring Process:

- ABs re-apply for recognition every 4-years (application process)
- ABs oversee CBs TL 9000 accreditation process via annual office assessments
- No additional oversight required for maintenance of TL 9000 credentials

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Customers Expectations / Concerns

- The telecom industry has evolved to reliance on TL 9000 and 3rd party Registration
 - Customers assume the 3rd party process works
- Customer expectations are not being met
- Customers get involved when results indicate that there is a problem with a supplier/product
- Validity of TL 9000 certificates are being questioned
- 2nd Party Audit systems are being re-established
- There have been several instances where the QMS was broken, the 3rd party process did not work and corrective action was needed

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Customers

Who is the **real** customer of the Certification Body (Registrar)?

- Organization
- Customer
- Industry

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Questions

- **Organizations**
 - Are they improving?
 - Are they getting value?
- **Customers**
 - How do customers “know” that their expectations are being met?
 - How do they “know” on a world wide basis?
- **Industry**
 - How to understand CB & AB performance?
 - How to know the process is working?
 - How to drive improvement?
 - Where is the data/proof?

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Audit Statistics – Service Provider X

Year	Audit	# Action Items	Major	Minor	
2004	suppl a	31	26	5	→ ANAB Complaint
	suppl b (2 sites)	28	3	25	
	suppl a	19	10	9	
	suppl g	14	3	11	
2005	suppl c	34	20	14	→ ANAB Complaint
	suppl d	16	1	15	
2006	suppl e	13	5	8	
	suppl f	9	5	4	
	suppl g	10	2	8	
2007	suppl h (ISO)	11	5	6	→ SCC Complaint

Note : Above Service Provider audits are process oriented, last 1-2 days, verify basic requirements (TL/ISO)
They should find LESS than a CB!

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Major Issues Discovered

- Lack of top management commitment & leadership
- Control of out-sourced operations & subcontractors
- Control of quality during mergers, etc.
- Scope of registration not current with reality
- QMS not implemented or poorly implemented
- QMS degradation combined with lack of Surveillance Audit
- Missing requirements or measurements
- Policies and Practices not followed
- Specific requirement area issues:
 - Product qualification/re-qualification
 - Customer complaints/problem reporting
 - Calibration
 - Document Control
 - ESD
 - Purchasing

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Concerns

- Some certifications seem to be “paper” – not reflecting actual organization operations
- Some CBs not documenting Minor nonconformance's
- Nonconformance tracking & resolution: Some CBs do not do this systematically, effectively, or on a timely basis
- Little customer input used by CBs to guide audits or target potential risk areas
- Organizations are not apparently using the 3rd party process to improve the business
- CBs are not raising the bar

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Industry Implications

- Serious Quality and Reliability Problems with Registered Organizations
- Major and Minor non-conformances are being found & resolved by customers, not the CBs
- Second party audits are increasing, impacting \$\$, time, process integrity
- Compounding this is that suppliers' Tier 2 subcontractors are also having to be audited, with the same nonconformity findings
- The Registered Organization, the CBs and the ABs have accountability

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What is QuEST Forum doing?

- AB/CB team established to investigate issues with the 3rd party process
 - Improve consistency of TL 9000 assessments
 - Assure the integrity of the 3rd party process
 - Improve timeliness and quality of TL 9000 measurement data
 - Improve communication between all parties
- Team participants include:
 - Service Providers
 - Suppliers
 - Certification body
 - AB's
 - Training providers/QMS implementation consultants

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Changes already implemented

- AB re-approval process
- Customer Communication Alert implemented
- Audit Day Table enhancements/clarifications
- NCR/Corrective Action Process Implemented (categorization of NCRs and timing of CA process)
- Measurement Probation process implemented for late measurement submissions (can lead to suspension)
- CB Statistics collected on number of audits, days and NCRs generated during TL 9000 audits.
- Auditor Qualifications and process for qualifying an auditor enhanced
- Annual CB Workshop (just started this year; but plans to continue)

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Additional Approaches considered....

- Validation audits by industry (QuEST)
 - QF following up at the organization shortly AFTER a CB audit to validate the CB's audit.
- Validation audits by AB
- Witness audits by AB
- Institute Validation Audits similar to automotive
- More CB requirements
 - e.g. TL 9000 Certified organizations to provide specific data to CB prior to each visit

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Additional Approaches considered...

Narrow the playing field:

- QuEST Forum chooses one CB to handle all TL 9000 registrations and negotiates a daily rate that will be charged to companies
- QuEST Forum directly accredits and oversees CB activity via a home-grown independent AB reporting to QuEST
- CBs paid by fund that is financed by companies seeking TL 9000

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Additional Approaches considered...

- Require AB approval for organizations switching / transferring CBs within 1 year of audit in which Major nonconformities are identified
- Leverage use of system in place today when alternative CB takes over a registration certificate during surveillance from current CB
- Exercise ALERT process wherein customer can communicate TL 9000 dissatisfaction to QuEST Forum

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Next Steps:

- QF is requesting IAF to consider these inputs & help improve AB/CB process
 - What are the inputs from other industries?
 - Is there a way to collaborate the efforts?
- QF will continue to take appropriate actions in the areas that it can control to improve AB/CB processes

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