



Reactions

to ISO Secretary-General's 'police yourselves' call to ISO 9000 community



The following is a sounding of reactions to the call made by the ISO Secretary-General, Dr. Lawrence D. Eicher (see page 7), for reputable players in the conformity assessment community to get their act together in putting a stop to disreputable practices. Except for the first three reactions, the others were provided by The Business Improvement Network¹⁾, United Kingdom, whose online discussion forum on Dr. Eicher's remarks stimulated a healthy debate with inputs from around the world. We would like to thank The Business Improvement Network and those of its correspondents who gave permission for their input to be shared with our readers. Because of space restrictions, only a selection is reproduced here. Interested readers can consult the full debate on www.bin.co.uk

IAF on the integrity of accreditation

IAF (International Accreditation Forum) and its members work tirelessly and continually to seek and destroy any activities which would put at risk the confidence of industry and customers in the outcomes of accredited activities. In that regard, IAF itself has an effective complaints pro-

cedure. All complaints lodged with IAF are fully investigated, and, where inappropriate actions by any member are demonstrated, action to prevent repetition of inappropriate action is taken...

...IAF recognizes that its own complaints procedure and the complaints procedures of its members and their accredited bodies can only deal effectively with inappropriate behaviour when it is reported to them and evidence sufficient to justify action is provided. IAF is concerned that unsubstantiated criticism is too often made publicly without any evidence to justify the criticism.

IAF encourages any person or organization which has evidence of inappropriate behaviour by any conformity assessment organization to provide that evidence either to IAF itself or to any accreditation body member of IAF. IAF assures all persons with information which suggests inappropriate behaviour by an organization accredited by a member of IAF, or certified by a body accredited by an IAF member, that all information provided will be acted on aggressively. IAF is determined to eliminate any practice which brings the conformity assessment system into disrepute. ●

The above extracts are from a public statement issued by the IAF entitled, "IAF Requires High Standards of Integrity from its Members" – the full statement can be consulted on the organization's Web site: www.iaf.net



**IAF is determined to
eliminate any practice
which brings the
conformity assessment
system into disrepute.**

1) The Business Improvement Network is a free membership group of managers with a common interest in practical application of quality, business excellence and continual improvement approaches.

Tel. + 44 118 987 5120.
Web www.bin.co.uk

Too little supervision, too little action

Dr. Eicher has never said a truer word. The whole ISO 9000 programme is being put in jeopardy by the way it is working in some countries. There is little respect for the system – it is just for the piece of paper on the wall. Organizations such as UKAS, TGA, RAB [Editor's note: accreditation bodies in, respectively, the United Kingdom, Germany and the USA], etc. have just let the certification business do what it likes with too little supervision and too little action. ●

*Former certification body
auditor in Middle and Far East.*

To stop the problems stop ISO 9000!

It demonstrates a fundamental weakness in the ISO 9000 philosophy. Policing the policemen will not solve the root of the problem. These problems are a natural consequence of market-place coercion. The only way to stop them is to stop ISO 9000. It is of no value to organizations anyway, so that should be an easy decision. But we couldn't expect those who make a living from it to take such a view, could we? ●

*John Seddon, management
consultant, writing in the January 2002
edition of the electronic newsletter,
Vanguard News, United Kingdom.*

*E-mail
office@vanguardconsult.co.uk*

*Web
www.lean-service.com*

When 'malpractice' supplies a market need

The British Quality Foundation is not directly involved in ISO 9000 standards or certification but the comments of the Secretary-General of ISO clearly give cause for concern.

Sadly, any supplier that indulges in malpractice is satisfying a market need and it is important to understand why. Too many organizations, particularly small ones, are driven to obtain certification to the standard for the wrong reasons. The most common wrong reason is to satisfy the bureaucratic requirement of an existing or potential customer. If this is the objective, they really don't mind how it is achieved and this presents a great opportunity for what Dr. Eicher calls charlatans.

The root cause of the problem is that many companies in this country have been led to believe that an ISO 9000 certificate guarantees a high standard of quality and service. This is manifestly untrue. If this perception were corrected, business to business customers would start demanding more reliable evidence of capability and high performance. Organizations would then use standards because they wanted to improve their performance and seek certification in support of this goal rather than merely to obtain something to hang on the wall, or include in tender documents. ●

*Joe Goasdoué, Chief Executive, British
Quality Foundation.*

*E-mail
mail@quality-foundation.co.uk*

*Web
www.quality-foundation.co.uk*



**Dr. Eicher has never
said a truer word.
The whole ISO 9000
programme is being put
in jeopardy by the way
it is working in some
countries.**

Lack of management commitment

The reasons for the malpractice and dishonesty existing today could include the following:

- lack of commitment from top management towards the standard;
- some certification bodies are playing a dual role by giving certification and also by providing consultancy under some other name (I have seen this practice in the Middle East and in India);
- when the objective of the company's certification is restricted to the marketing point of view;
- the attitude of people within the organization when top management is not committed;
- the consultant's approach: this has a large influence as a consultant is more worried about his schedule, and his activities and interactions are mostly with the Management Representative and key people within the organization and this can lead to the above problems. ●

*Ramaswamy Niranjan,
Senior QA Engineer, Banaglore, India.*

Luck – not the quality system

I am afraid, in my experience, there are very few assessors who actually assess against the ISO 9001 standard, no matter what issue it is. I have had to quote sections at some assessors to ensure they raise a non-compliance against the correct bit of the standard. The worst experience I have had is with assessors never checking implementation of the company's policy and strategy. Luck is the only key to the operation of the

business and not the quality system. Interesting though – it's nice to see the problems I have found over the years in print instead of mythology! ●

*Andy Burke, Quality Manager,
United Kingdom.*

Deficit of business understanding

The third party approach has an almost fatal weakness – the certification bodies have a direct commercial interest (income and prestige) in passing everyone. The more companies they pass, the greater their income and their standing in the certification market. The only company that I ever heard of failing their assessment was one where the certification body was being audited by the NACCB [Editor's note: the British accreditation body since replaced by UKAS]. Is this a coincidence?

I believe that the actual auditors have tended to have low levels of general business understanding because of their traditional background – manufacturing inspection – and this has been slow to change. This means that they stick to what they know and lack the confidence or knowledge to raise the real business non-compliances – giving companies document control/calibration label/forms not signed types of issues that are always minor, therefore everyone passes. They tend to stay away from the real issues of business and training planning issues etc.; however, the new standard should improve focus on these types of areas. ●

*Robert Deacon, Business
support consultant (ex-quality manager),
United Kingdom.*



It's nice to see the problems I have found over the years in print instead of mythology!

Improving the business – or paying a tax to do business?

I think our company protects its good name worldwide and I do the same in my business region (the Czech Republic and Slovakia). However, it is becoming more difficult in the business environment.

I think there is a lot of space for dishonest and/or non-professional practice. The certification business grew rapidly and a lot of money could be easily won in a short time. The regulations tend to require ISO 9000 certifications for various reasons and an ambitious company simply cannot survive without a certificate. Companies understand certification very frequently as a kind of a tax – they do not obtain adequate value for their money. LRQA (and our team in Prague) are doing our best not to be this case.

Once upon a time, I thought this might be improved by some kind of regulation in the certification business, however, I later concluded this would result only in strengthening the paper war between accreditation bodies and certification bodies without real effect...

...Sometimes, the picture I see implies that the people auditing management systems think that the purpose of a company is to present to the auditors how perfectly they meet the standard requirements, rather than generating a profit to stakeholders through meeting the customer requirements and expectations.

You see that at present I simply have no idea of how to change this unpleasant trend. Maybe the certification business will survive, maybe not, and the excellent technical work done by the ISO standards writers will be used by consultants only for companies really willing to improve their business, without being pushed to certification by the business environment and regulations. ●

*Henry Znamenacek, Head of LRQA Prague Business Centre, Prague, Czech Republic.
E-mail henry.znamenacek@lloyd.cz*

The best that can be done at this time

Some organizations pursue certification with the goal of doing the bare minimum to get the certificate. They don't care much about quality improvement.

Auditing is at best a sample of activities – a snapshot in time of what is taking place in the organization.

Organizations pay a (substantial) fee to registration agencies. They expect a certificate.

The new standard is a substantially more ambitious quality model than the 1994 standard.

Introducing requirements for continual improvement, customer focus, customer satisfaction monitoring, and quality objectives is the right thing to do. However, the standards community is not yet ready to agree on a highly prescriptive model for how all this gets done. This then leaves substantial latitude for judgment up to the auditor.

I believe this is the probably the best that can be done at this time. The model is good. A professional auditor working with reasonable people in the organization will be able to agree if the model is being conscientiously followed or not. We will all learn and improve as the next revision takes place. ●

Leland R. Beaumont, author of ISO 9001, The Standard Interpretation, Middletown NJ, USA. E-mail lee@isoeasy.org

'Dishonesty' is too harsh a term

There's no doubt that there is "malpractice and dishonesty" in the ISO 9000 community. There's bound to be in any arena where lots of money is being splashed around. There are unqualified consultants who falsify their credentials; there



**Organizations pay a
(substantial) fee to
registration agencies.
They expect a certificate.**

are registration bodies (and individual assessors within registration bodies) whose audits are, in the interest of revenue generation, less than rigorous. And, of course, there are registration bodies connected in a business sense with consulting operations who do not maintain the required separation.

There's also a certain amount of what would seem to be "dishonesty" at the user end. These are users who claim to want to use ISO 9000 to improve, but are really only interested in getting the diploma on the wall for marketing reasons. I'd say the majority of users fall into this category. But dishonesty is too harsh a term by far. They talk the talk because it's what the consultants and registrars want to hear.

Sometimes I wish that the bleeding deacons in the ISO intelligentsia would face reality. Most businesses do what either **a)** makes them a buck or **b)** saves them a buck. Most do not believe that ISO 9000 does either for them, so they do the least that they have to get by and chalk it up as a cost of doing business. ●

*Rob Kantner, President, 9000 Solutions Group, USA.
E-mail rob@9sg.com*

Third party audits ... sooner or later, no one will care about them

I've performed my last third party audit. I don't want to be associated with what is happening, I have personal examples of influence being used against me.

Examples:

Company A had a pre-audit, according to ISO 9001:2000, carried out by the technical director of the certification body. Result: two minor nonconformances. Two weeks later, I received the quality manual to perform the document review. Surprise: the quality manual has no mention of

processes. Result: another auditor was chosen to replace me.

Company B had not even one record of final inspection. I consider that a major nonconformance – an evidence of breakdown of the system. My lead auditor transforms the nonconformance into a minor, "No records of final inspection of the lot x" – (that's true). The consultant company and certification body belong to the same international group, with offices in the same building. Last March, I attended a meeting at Reno (USA), where I spoke with people from Brazil, Argentina, Mexico and USA – they had similar stories about the same body worldwide.

That's why with my customers (I try to be a quality consultant who facilitates tangible improvements in organizations), after not succeeding in making them forget certification, I make certification the last criteria for project performance.

I can send you names, figures about the competition between certification bodies: how they present initial prices of about 9 200 euros [USD 8 000] and then, after a first request for a better price, the new value is lower than 6 500 euros [USD 5 600] (those figures are from an international certification body).

ISO 9001:2000 is a good document to improve companies' performance. First party audits are an invaluable tool. Third party audits – sooner or later, no one will care about them. ●

CC, Consultant, Portugal.

Lack of management support is the biggest failing

I have to agree with the concerns. ISO 9001:2000 is causing all the registrars considerable difficulty – even the good ones. I have seen six ISO 9001:2000 audits now and the approach has varied considerably. The



I've performed my last third party audit. I don't want to be associated with what is happening.

good ones have spent over 50% of the audit time with the senior management group really probing their commitment to using their system in support of their business objectives and resource planning. The best prepared client we have has integrated their system into their balanced scorecard performance management system.

At the other extreme we had – and I emphasize the “had”, because we fired them – a client where the senior managers gave no real support to the system. All they wanted was a certificate and they selected their registrar accordingly. These people will certify used bus tickets if it will get them the business.

I still find the lack of management support and involvement the biggest failing of most systems. On a more hopeful note, the best registrar in Canada is also consistently the most expensive and they are rapidly gaining in market share. It seems that the market is recognizing the value they provide. ●

David M. Jenkins, President, Borcom Associated Consultants Inc., Vancouver, BC, Canada. E-mail djenkins@borcom.bc.ca

The bad ones are ruining it for everyone

The registration business is a disgrace. In 16 years of attending assessments, I have rarely seen auditors not give advice, make up requirements, do sloppy audits, barely look at any records, leave early (this is common) etc. etc. Even good auditors struggle to avoid advice and opinions. I accept that it's difficult, but that's why they are paid the big bucks.

Usually the results of their opinions and advice are contained in the written report. Often, the reports are so badly written that a few days later nobody knows what it meant. Clients never complain to the registrar. After the auditor leaves, they complain

about the made-up requirements and unprofessional comments, but they don't want to rock the boat.

Registrar surveys are unlikely to uncover anything and I don't think they are honestly interested. I told the president of a major registrar that his auditor was drunk. His response was that if I wanted to make a complaint, I should put it in writing! How come the accreditation agencies don't read these reports? Obviously they do. Why don't they require decent reports? Why don't they demand proper corrective action (clearly the registration industry doesn't know what this is) and retrain all their auditors to do good reports? Unless registrars improve their performance, the value of a certificate will be meaningless. Action by the accreditation agencies is needed.

The issue is not consultants, it's the registrars – the accredited registrars. They are supposed to be thorough and objective and not give opinions, but they do. The eternal excuse is objective evidence – “We can't do anything, because nobody will tell us what is going on.”

In the quality world, a good organization is responsible for “knowing”, not moaning about how hard it is and collecting information biased in their favour. They need to look harder. How does one know? Well, I won't waste my time talking to any registrars again. I know what my employees' strengths are and how they perform on the job. I wonder how many registrars do? The accreditation agencies need to do something, rather than sitting around whining...

...There are good auditors and there are good registrars – but like the rest of the world the bad ones are ruining it for everyone.

I also think it ridiculous that accreditation bodies investigate in private. I can't think of a single reason why everyone (especially their customers) shouldn't know. ●

The above contribution is from the president of a US-based consultancy company.



I still find the lack of management support and involvement the biggest failing of most systems.

If CEO's would demand effective audits...

I performed the training and re-certification for the 3rd edition of QS-9000 and the TE Supplement. Fully 40 % of the auditors in the sessions I would not let within 100 miles of any of our clients. However, the fault is not only with the accreditation bodies. If CEO's would demand effective audits, registrars would have to change. By the way, do not believe those registrar surveys. The company that came out on top this year called their clients right before the client's audit and told them to respond to the survey. ●

George Hummel, CEO, IQC, Inc., USA
E-mail georgehummel@iqcinc.com
Web www.iqcinc.com

Nobody is in charge of this field

Yes, there is plenty of malpractice and dishonesty in this field – some of it intentional and some unintentional. One of the things that we believe is a central “malpractice” is the tendency for consultants and others to assume that all you need to do to become ISO 9000 compliant is to write a quality manual. And it doesn't help that there are many consultants on the Web who are very ready to sell you a sample quality manual or template with the promise that you'll be ISO 9000 compliant within a week.

These people don't seem to grasp the idea that a quality management system is a real system that involves much more than mere paperwork. We think this is a shallow and simple-minded approach that is seriously undermining the value of ISO 9000.

Of course, in addition to this are the conflicts of interest that are all too common – for example, when a consultant builds your system and then

also acts as a so-called independent auditor/registrar.

Most of these problems are systemic. Basically, nobody is in charge of this field. ISO just writes the standard and then passes the buck to national organizations who often tend to be ineffectual. And so on...

Ron Krebs, President, Praxiom Research Group Limited, Canada.
E-mail praxiom@praxiom.com

Dubious practice by accredited bodies too

The genuine, UKAS-accredited registration bodies are also responsible for some dubious practices:

a) Many are telling existing clients that the new standard does not represent a significant change from the 1994 version. A few tweaks here and there to your current QMS should suffice for the transition. Their position is no surprise, given the potential loss of business if they really assessed organizations against the spirit of ISO 9001:2000, and the inability of their current auditors to do just that.

b) Many offer training, advice, development programmes and other services that are consultancy under another fig leaf. Given that registered organizations offer a captive audience, the temptation to increase revenue through additional services is compelling. However, the Enron debacle shows the conflict of values which result when auditing and business advice become tangled. There has never been any doubt in my mind that there should be strong legislation to separate audit – financial, quality, etc. – from any other activity.

Auditing should be free of any other influence!

Terry Peterson, IQA-registered consultant, United Kingdom.
E-mail terry@gts.demon.co.uk



The Enron debacle shows the conflict of values which result when auditing and business advice become tangled.