

ISO publishes advice for the small business on implementing ISO 9001:2000

A completely revised second edition has been published of the ISO handbook that gives small and medium-sized enterprises (SME's) advice on implementing ISO 9000-based quality management systems. *ISO 9001 for Small Businesses* aligns the advice with ISO 9001:2000, the single standard which has replaced the 1994 versions of ISO 9001, ISO 9002 and ISO 9003. The handbook explains the standard in plain language, giving examples to illustrate its application.

BY JOHN OWEN

In 1996, ISO published the handbook, *ISO 9000 for Small Businesses – What to do – Advice from ISO/TC 176*, which had been prepared in order to overcome problems that small and medium enterprises (SME's) were experiencing in trying to implement the 1994 versions of ISO 9001, ISO 9002 or ISO 9003. This project had been carried out as a matter of urgency and the handbook had been developed over five meetings in a period of just over 10 months. This ISO publication had used an Australian Handbook as its starting point and while well received in that country, no-one had any idea how successful the international version would become.

When the revised ISO 9000 series was published at the end of 2000, ISO technical committee ISO/TC 176, *Quality management and quality assurance*, to determine if the handbook was still required, conducted a survey.



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In addition to being the Convener of the Small Business Task Group, he was also the Deputy Project Leader for the revisions of ISO 9001 and ISO 9004 as well as the Co-convener of the Joint ISO/TC 176-ISO/TC 207 Task Group dealing with the harmonization of ISO 9001 and ISO 14001.

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It seemed that with the advent of a totally new ISO 9001 which was not only presented in a completely different format and contained new requirements, but was also based on a new philosophy called “the process model”, there was still a strong demand for the style and type of information that the handbook had provided.

After having accepted the invitation to reconvene the Small Business Task Group (SBTG), I was informed that the revision was just as urgently required as the first edition, but on this occasion the timetable was even tighter with publication being required within six months using a development programme which would only allow for two meetings!

As time was critical, the Task Group Secretary, Brian Rowe, and myself started the work with the circulation to ISO/TC 176 of a Standards Australia Handbook for SME's which had been prepared for the release of the 2000 versions of ISO 9001 and ISO 9004. This tactic not only saved a significant amount of time and effort in that the Task Group did not have to start from scratch, or even adapt the earlier edition of the handbook, but it also enabled us to focus immediately on the concerns identified by ISO/TC 176.

Issues

From the comments received, a number of key issues were raised which required resolution. These included:

- The purpose of the handbook was confirmed again as being to explain in clear and simple language what ISO 9001 requires, using examples to illustrate the application of various parts of the standard.
- The target audience was the small business operator who has neither time nor resources to spend on ISO 9001 training courses.
- It was not possible to include guidance on ISO 9004 as well as ISO 9001 without the handbook becoming unmanageable in size.
- The existing structure, i.e. the text of the standard followed by explanatory guidance would be retained.
- The text should not emphasize what an auditor would expect, but instead provide implementation guidance and examples.
- The size of the handbook should not be significantly larger than the 1996 edition.

As a result the Task Group agreed on a set of operational guidelines to direct the revision and ensure consistency. These were:

- Guidance provided should be read in conjunction with the text of the standard, not in isolation.
- Repeating or paraphrasing the standard was not guidance.
- The guidance provided must not create or even imply requirements additional to those of the standard.
- It is not always necessary to have specific SME guidance as SME's can often adapt general explanations and examples to their own situations.
- It is the way or style in which the guidance is expressed that will help SME's and common expressions are often better at conveying the message more clearly.
- Diagrams should only be used if they are instantly understood, otherwise they create problems.

Task Group operation

To maximize the contact time available at meetings, the Task Group operated through three teams, led by Canada, the United Kingdom and Ireland. Each team was responsible for separate sections of the handbook and this division of labour paralleled that used by the drafting groups in the actual revision of ISO 9001.

At the Birmingham, United Kingdom, meeting of ISO/TC 176 in October 2001, some countries felt that they had not had sufficient time to translate the draft handbook into their own languages to ensure it received the best opportunity for comment. As a result, a further three-month comment period was agreed to and a third meeting scheduled to consider the final comments. In total, over 160 pages of comments were received and reviewed over the three Task Group meetings.

Membership of the Task Group as a whole consisted of delegates from approximately 20 countries, plus liaison representatives from INLAC (the Latin American Institute for Quality) and the United Nations International Trade Centre. In addition, the ISO Central Secretariat Editor, Pauline Jones, and the ISO/TC 176 Subcommittee 2 Secretary, Charles Corrie, provided invaluable support.

New focuses

The revised guidance offers a number of improvements which have been made in response to user feedback. As a first step, it summarizes the significant changes which have been made to the revised ISO 9001 and includes the eight quality management principles on which the new standard has been based. This was felt to be an important addition as, while ISO 9001 uses these principles as a foundation, they are not included in this standard and the user has to go to ISO 9000 or ISO 9004 to find them.

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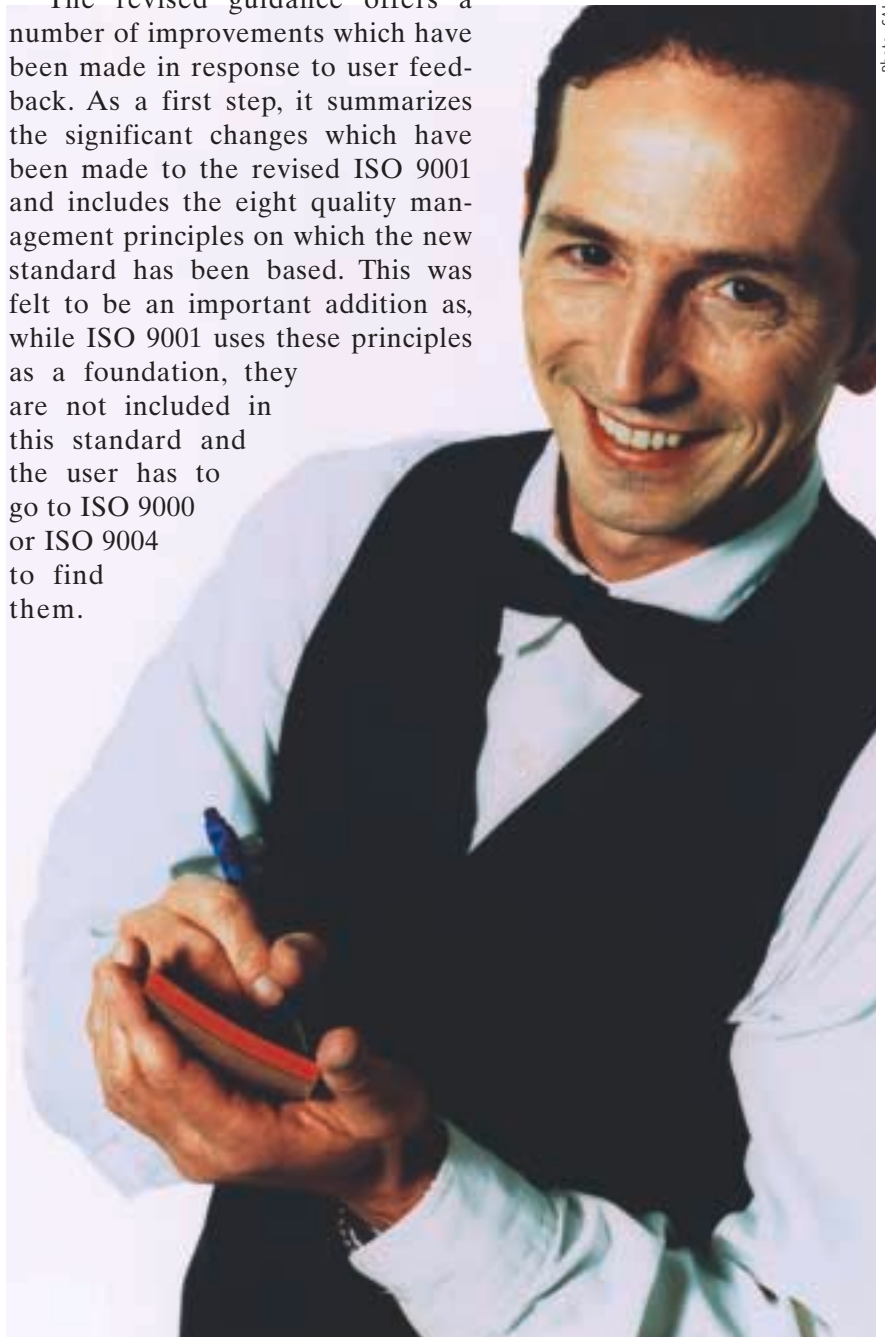


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The Task Group felt that most SME's would not bother to do so and if this information was to be of benefit, it had to be contained in the same document.

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A major concern which had been identified in using the previous ISO 9000 standards was the difficulty in understanding the terminology used. It had been suggested that while ISO 9000 was available as the reference for the interpretation of terms, it was not regarded as being particularly user friendly. Apart from being a separate document which was unlikely to be purchased by an SME, it tends to be very clinical and complex.

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Hence, requests to include a simple explanation of terms used in the handbook were supported by the Task Group. To ensure alignment, the ISO 9000 main definition is included where it exists, but without the additional qualifying notes. To this, the handbook adds its own guidance as to how the term is applied to the specific field of small business. An explanation is also provided for terms which have special meaning in standards and which would not necessarily be understood in this context by SME's. These include shall, should/may, appropriate, suitable and adequate.

Of particular importance is the clarification of the intent of Clause 1.2 *Application* which has been designed to provide the necessary flexibility to cater for those organizations which had an ISO 9002 or ISO 9003 quality system.

Emphasis is given to the need to consider fully all the requirements in each subclause in Clause 7 *Product realization*, as there may be circumstances where some specific requirements might need to be included while the rest of the requirements in that subclause could be excluded. The overriding rule is that you cannot leave out any requirement that will affect the quality of the product or service and by no means can Clause 7 be dealt with simply at the subclause level only.

The philosophy of the new ISO 9001 process model aligned well with the message being promoted in the original small business handbook in that a quality management system should not be proposing something completely different to what the

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clearly indicates that it is not the intent of ISO 9001 to impose a totally new way of managing the business and it certainly does not mean that the owner has to change the actual business activities. It is the means of controlling the business and keeping track of what is happening that has to be focussed on.

A detailed explanation is offered for the new Clause 8.2.1 *Customer satisfaction* and the ongoing monitoring requirements. Advice on how to find out what customers are thinking and the difference between satisfaction and dissatisfaction is given. Not having dissatisfied customers does not necessarily mean that customers are satisfied – they might just not be saying anything! Satisfaction tends to produce

organization is currently doing. Sections on, “What is an ISO 9001 Quality Management System?”, and, “Why have one?”, strongly emphasize this. The handbook refers to those organizations which might already have a quality system in accordance with the 1994 editions of ISO 9001, ISO 9002 or ISO 9003 and makes it quite clear what is necessary to meet the 2000 version of ISO 9001.

As many SME's are often quite keen on trying to implement a system as much as they can themselves rather than having to hire someone else, the sections on, “How to start”, “Do it itself”, “Use of a consultant” and the comprehensive Annex, “Steps towards a Quality Management System”, have all been retained and revised.

The handbook highlights the fact that all businesses already have some form of a management system in place and may already be carrying out many of the requirements of the standard, but have not necessarily stated how they are being done. It

neutral responses while dissatisfaction can produce strong negative responses.

In the new Clause 8.5.1 *Continual improvement*, it is explained that it should be intended as a recurring activity, i.e. step by step, so that when opportunities for improvement are identified and justified, decisions need to be made as to how they can be implemented using available resources to bring about positive benefits.

For Clause 7.4 *Purchasing*, the handbook deals in detail with the complex area of contracting out processes, products or services which is commonly referred to as “outsourcing” or “subcontracting”. It covers who is responsible, the relationship between outsourcing, your organization and your customers, how to ensure that you get what you expect, plus how to select companies with the necessary capability to meet your requirements.



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As always, the degree to which an organization needs to provide documentation and to document its procedures is a point of contention. The handbook clarifies the different forms of documentation covered by the standard, those procedures that absolutely must be documented and how to deal with other types of information.

Where special guidance modules have been developed by ISO/TC 176 (Frequently Asked Questions, Transition Planning, Clause 1.2 Application, Documentation Requirements, Terminology and the Process Approach – all these documents can be accessed free of charge on ISO's Web site, www.iso.org) to help users under-

stand the intent of the requirement in the standard and how it is expected to be applied, cross references are provided to these in a comprehensive Bibliography.



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ISO 9001 for Small Businesses

ISO 9001 for Small Businesses (ISBN 92-67-10363-6, English edition), 186 pages, A5 format, hard cover, ring binder, costs 44 Swiss francs. A joint publication by ISO and the International Trade Centre (ITC – www.intracen.org) UNCTAD/WTO, it is available from ISO's national member institutes (a complete list is available on ISO's Web site: www.iso.org), and the ISO Central Secretariat (sales@iso.org).

The full text of ISO 9001:2000 is included in boxes, section by section, accompanied by explanations, examples and implementation guidance in everyday terms.

The first edition of the handbook was eventually published by more than a dozen of ISO's national member institutes. French, German, Spanish and Swedish editions of *ISO 9001 for Small Businesses* are already planned and other languages will no doubt follow.

Now that the new *ISO 9001 for Small Businesses* has been completed, I am confident that it will continue to offer the same style of easy to understand guidance and useful examples as the first edition. It is also hoped that it will again receive worldwide acceptance by SME's and help them to gain a better appreciation of the benefits of ISO 9001. ■

