

Quality Systems Quarterly

Industry and program updates for quality systems professionals brought to you by Underwriters Laboratories Inc.

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UL customers share ISO 9001:2000 implementation tips

Mark Jessen

ISO 9001:2000 Program Leader
Northbrook, Ill., USA

As Underwriters Laboratories Inc. customers continue to transition to ISO 9001:2000, key implementation concerns have begun to emerge. The following list of implementation tips has been assembled, based upon feedback UL has received from its customers since the release of ISO 9001:2000.

Ensure internal auditors are properly trained –

The skill set of many ISO 9000:1994 auditors is at odds with ISO 9001:2000. Auditors will now need to focus on the effectiveness of quality management processes, which was often not part of internal audits conducted against the 1994 standard. As ISO 9001:2000 requires less documentation than the 1994 standard, auditors may no longer have the luxury of detailed written procedures or prepared checklists to construct an audit path. The ability to establish and understand interconnected processes will now be required to construct the ISO 9001:2000 audit path. Under the revised standard, auditors will also need to assess and understand business systems, which will be a new skill set to some.

UL customers have identified the following items as useful tools aiding the understanding of ISO 9001:2000:

- The concepts and terminology of ISO 9000:2000
- The eight Quality Management Principles (available on the ISO Web site)
- The process approach (see ISO 9000 and

the ISO Web site)

- The requirements of ISO 9001:2000
- Familiarity with the auditing guidance standard ISO 19011 (addresses auditor competence and overall audit performance)

Some organizations have established internal auditor competency verification processes. Examinations, audit report reviews and witness assessments have been cited as useful methods to verify auditor competency.

Understand the process approach – ISO 9001:2000 stresses the identification, implementation, management and improvement of processes. This is at odds with many 1994 systems that focus on the documentation and clauses of the ISO standard. The 1994 standard also lent itself to a departmental focus, which can make the management of process interactions difficult. It is these process interactions or “handoffs” where many problems occur and where organizations should pay particular attention. For example, consider the effects of errors in the handoff from sales to engineering. It is possible that a mismanaged process interaction may result in engineers designing a product that is not exactly as the customer had agreed upon with the sales representative. The same situation could occur between engineering and manufacturing, where a mismanaged process interaction could result in the engineering department designing a product that cannot be manufactured as designed. The importance of process interaction control cannot be overemphasized and is a key element in the process approach.

UL customers have shared the following process auditing tips that you may find useful.

continued

UL customers share ISO 9001:2000 implementation tips

(continued)

- Begin each departmental/functional assessment with area management – Top, middle and line management should be in attendance.
- Confirm and understand area processes through departmental management interview prior to interview of personnel operating the processes.
- Establish process interactions – Identify inputs and outputs for each identified process. This will often lead to assessing other departments/functions within the organization. Keep in mind that many process errors occur due to the lack of control exercised over process interfaces.
- Establish process objectives – Objectives may be documented (5.4.1) or undocumented “standard practices” in the area. Consider opportunities for improvement possibilities when objectives do not exist or could be enhanced to provide more information. Note the link to clause 8.4.
- Establish how process performance is measured – Identify measurement systems established for each process objective. Carefully consider the adequacy/value of existing measurement systems for possible opportunities for improvement. Note the link to clause 8.2.3.
- Verify achievement of process objectives – Examine the organizational action plan when process objectives are not met. Weakness in other QMS processes (resources, quality planning, etc.) may play a contributing role when objectives are not met, and they should be investigated.
- Assess continual improvement of processes – The assessor should look for improvement throughout the audit, not just while assessing management review. Examples of improvement may be a department eliminating a non-value-added operation or data indicating improvement in a measured

objective. Opportunities for improvement typically abound in various organizational processes.

ISO 9000 and the “Guidance on the Process Approach” document on the ISO Web site (<http://www.iso.ch/>) have been cited as excellent resources for explaining the process approach.

Link processes to quality policy and objectives – Effective process management is used in ISO 901:2000 as a means to achieve the quality policy and quality objectives. Some organizations mistakenly assume that the necessary processes and process interactions are already effectively implemented, and that by simply “doing what we have always done,” the quality policy and objectives will be met. It is critical that organizations carefully examine the adequacy and existence of processes needed to achieve the quality policy and quality objectives.

Adjust management review and internal audit frequency – Some organizations make the mistake of not adjusting the internal audit and management review frequency during the ISO 9001:2000 implementation process. The frequency established for a mature quality management systems may not be appropriate during the introduction of ISO 9001:2000, and organizations may benefit greatly from the real-time information provided by internal quality audit and management review during the ISO 9001:2000 implementation process.

Whatever way you address the new standard, it is paramount that you address the needs and expectations of your organization and, of course, the requirements of the standard.

Mark Jessen can be contacted by e-mail at Mark.D.Jessen@us.ul.com.

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upcoming events

UL hosts three seminars

Underwriters Laboratories Inc. quality registration experts will share their knowledge with attendees at two free, half-day informational sessions and a third, fee-based auditor seminar.

The two information sessions, available at five locations, are:

ISO/TS 16949 – This session will provide attendees with the information they need to know regarding mandatory conversion to ISO/TS 16949:2002. This is an important session, as some original equipment manufacturer suppliers are facing mandatory conversion by July 1, 2004.

ISO 14001, OHSAS 18001 and RC 14001 – This session will feature an executive overview of ISO 14001, and in-depth discussions on occupational OHS requirements, using the OHSAS 18001 standard, integration into customers' programs and RC 14001 requirements.

The sessions will be held at the following dates and locations:

- Sept. 26 Santa Clara, Calif.
- Sept. 30 Detroit, Mich.
- Oct. 13 Melville, N.Y.
- Oct. 20 Indianapolis, Ind.
- Nov. 7 Research Triangle Park, N.C.

To register for the free sessions, go to https://www.ul.com/services/qrs_form.cfm

In addition to the above free seminars, UL is offering an Internal Auditor class focused on TS16949. The charge for this class is \$495 per person. For more information and to register, visit <http://www.ul.com/seminars/prodaud.htm>



Seven PNA companies receive ISO 14001 certification

On April 4, Underwriters Laboratories (UL) presented the ISO 14001 plaque and certificate to the seven Pioneer North America (PNA) non-manufacturing companies at PNA headquarters in Long Beach, Calif., USA. The presentation was made during the monthly PUSA executive staff meeting.

“Pioneer is a leader in the consumer and industrial audio and video industry, a successful global corporation and a valued UL customer of close to 50 years,” said Manuel Marco, UL Southwest area manager, at the presentation. “During this period, it has been a privilege for UL to be a partner with an organization with such a strong commitment to leading-edge technologies, quality products, world-class service and environmental responsibility. Through your ISO 14001 certifications – especially for non-manufacturing companies – you are demonstrating to your clients and the world your environmental commitment. It is a privilege for UL to be a part of Pioneer’s quality and environmental journey.”

The PNA non-manufacturing companies that received the ISO 14001 plaque and certificate are:

- PNA headquarters building with the following companies: PNA; PEAI; PAM/Long Beach; and PUSA with four listed divisions: MEC-A, HEC-A, BSC-A and PBS (PSE division achieved ISO 14001 since March 2001).
- PNA off-site companies: POC in Canada, and DVA and PDT in Southern California.
- PAM/Detroit achieved ISO 14001 together with PIC Off-Site on Feb. 21, 2003.

Kazunori Yamamoto, chairman of the PNA Environmental Steering Committee, accepted the ISO 14001 plaque on behalf of Pioneer. Yamamoto thanked the UL representative, members of PNA’s Environmental Steering Committee and Environmental Project Team, and all PNA employees who were directly or indirectly involved with the success of the company’s ISO 14001 Program.

“We are proud of the very successful results and the teamwork with which we carried out this important project,” said Yamamoto. “This is what makes us One Pioneer.”

Notes

- The structure of the PNA non-manufacturing ISO 14001 program includes the following:
 - PNA Environmental Steering Committee chaired by Kazunori Yamamoto and all Pioneer presidents of each related company or division.
 - PNA Environmental Project Team (EPT) members, who are representatives from each related Pioneer company/divisions. EPT members are directly involved with developing and administering the environmental project.
- This PNA non-manufacturing ISO 14001 program was kicked off on May 11, 2001, by Satoshi Matsumoto, PEC director, Division of Environmental Preservation. The deadline for PNA non-manufacturing companies to have achieved ISO 14001 registrations was March 31, 2003. UL issued the ISO 14001 certificate for PNA on March 10, 2003.

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Gregory R. Pierson, president and COO, Strategic Services Division, PNA; Manuel Marco, UL Southwest area manager and Kazunori Yamamoto, chairman of the PNA Environmental Steering Committee.



PNA Environmental Project Team looks on as Kazunori Yamamoto, chairman of the PNA Environmental Steering Committee, accepts the ISO 14001 plaque presented by Manuel Marco, Southwest area manager from UL.

Automotive program update

Looking at the new automotive requirements

Charles Blair
Quality Registrar
Services/Northbrook, Ill., USA

By now, you've probably heard of or received some type of notification from your customers about the new automotive requirements of TS 16949:2002 or ISO 9001:2000. As the first deadlines for ISO/TS 16949:2002 upgrades draw near (DaimlerChrysler and Peugeot's July 2004 mandates), and the effective date for ISO 9001:2000 approaches (Dec. 15, 2003), we've received many questions about the applicability for TS, who's required to get TS, whether QS is still necessary and what will happen to ISO 9001/2:1994 after the December deadline.

To help guide you through the complexities of all of these changes, we've compiled a short Frequently Asked Questions (FAQs) that we hope will help.

Q: Who can be registered to ISO/TS 16949:2002? Am I required to be TS registered?

A: According to the applicability requirements in section 1 of the Standard and the International Automotive Oversight Bureau (IAOB) FAQs, TS is open to automotive manufacturers in any tier of the automotive supply chain. Thus, if you manufacture a product that at some point will become part of a car, truck, bus or motorcycle (per the IAOB definition of automotive), you can be registered to TS.

This also means that if you do not manufacture a product (for example, a distributor) or are not in the automotive supply chain (for example, manufactures of products for the industrial, agricultural or off-highway segments), you cannot obtain TS registration.

Regarding who is required to be TS registered, many of the original equipment manufacturers (OEMs) have published their requirements and deadlines already (www.IAOB.org lists these under the communiqués). Ford, GM, DaimlerChrysler and many other companies are requiring TS registration. Most of the lower-tier suppliers have issued language through letters or their Supplier Quality Manuals accepting TS in lieu of QS (for example Delphi and Robert Bosch). In any case, if you haven't heard from your customers via a communiqué, letter, etc., UL recommends that you contact them to verify their current requirement.

Q: If I am a distributor or manufacture tractor parts, what should I do?

A: As always, you should talk with your customers to see what their requirements for registration are. Your options include retaining a QS 9000 registration through December 2006 or upgrading your current certificate to ISO 9001:2000. As TS clause 7.4.1.2 requires supplier development to

ISO 9001:2000, this would normally be the best course of action.

Q: My current QS scope has automotive and non-automotive product in it. Can I retain this for TS?

A: Unfortunately, no, you cannot retain both. Unlike QS, TS has strict rules about what can and cannot be in the scope. If you still want the non-automotive product covered under a registration, we can include under ISO 9001:2000. (All TS 16949 audits generate two certificates: a TS certificate and an ISO certificate. The scopes are allowed to be different for these certificates.)

Q: Is QS still necessary? If I want to, can I retain my QS certificate and upgrade to a TS registration?

A: Again, your customer base will need to answer the first part of this question. While all of the major OEMs have issued communiqués accepting TS in lieu of QS, some customers in the lower tiers may still have a requirement for QS.

It is possible to retain dual certification to QS and TS, but there are additional costs. TS is administered through the International Automotive Task Force (IATF) recognition program, while QS is administered by the accrediting agencies. There is no provision for the recognition of audit results between these bodies. As such, to retain both certificates you would need extra auditing time and paperwork. There is no set formula for how much time would be required; each request is evaluated on a case-by-case basis. If you find yourself in this scenario, we can provide you with an estimate for the scope of work to retain both certificates. However, UL recommends that you discuss the situation with your QS subscribing customers – especially since an expiration date has been announced – to minimize the expense of carrying two certificates.

TS is very different from QS or ISO because the focus of its audit has shifted dramatically. QS and ISO'94 was procedure-based auditing. TS is a process-based approach

continued

Automotive program update (continued)

that verifies the quality management systems you have in place to meet your customers' requirements.

Q: What will happen to ISO 9001:1994 after the December 2003 deadline? Can I keep my ISO 9001:1994 certification alive?

A: After December, ISO 9001:1994 officially

expires, and all ISO 9001:1994 certificates become invalid once the deadline passes. You can upgrade these certificates to ISO 9001:2000 prior to the deadline or, in the case of QS 9000, retain the certificate to December 2006. (Although it will be invalid as an ISO certificate, it will still be valid for QS subscribing customers.)

At UL, the entire QRS staff is dedicated to making the transition and implementation

process as smooth as possible for you. The good news is that UL has the resources in place to meet the demand and the expertise to answer any questions you may have. If you have any questions regarding these FAQs or any other transition questions, feel free to contact me by e-mail at Charles.E.Blair@us.ul.com.

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UL seminars offer continuous improvement information

Mark Jessen

ISO 9001:2000 Program Leader
Northbrook, Ill., USA

Underwriters Laboratories Inc. is continually looking for opportunities to serve its customers better. UL Quality Registration Services recently organized four interactive sessions with its customers, who shared their experiences with their peers and listened to industry experts. The sessions focused on the topics of "Obtaining Profitability from ISO 9001:2000," "Integration of ISO 9001:2000 and Six Sigma" and "Making Six Sigma Work."

On Aug. 15, two panel discussions included representatives of ConAgra Foods, Siemens Building Technologies, The Alloy Corporation and Molon Motors. In addition, Lonnie Rogers, president of Ideal Aerosmith, East Grand Forks, Minn., USA, shared his experiences in implementing Six Sigma at his company. He was as candid as corporate leader can be in recognizing his challenges in practicing Six Sigma.

About 150 attendees from Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin attended the seminars that explained ISO 9001:2000 and Six Sigma in simple terms. Six Sigma is a great methodology that may be used for continuous improvement in ISO 9001:2000. When a company integrates the two, it can sustain the Six Sigma benefits and improve process effectiveness as required by ISO 9001:2000.

Many attendees were interested in more seminars and suggested topics for future meetings. Following is a sample of comments from participants:

1. Discussion of management responsibility gave me ideas on how to go back to my company and drive this in a positive, non-threatening way.
2. Practical examples used by the presenter on integrating ISO 9001:2000 and Six Sigma were most helpful.
3. How to tie Six Sigma in with the New ISO 9000:2000 along with management responsibility was excellent.

UL organized these customer-oriented sessions with the assistance of Quality Technology Company (QTC), based in Schaumburg, Ill., USA.

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Mark Jessen, ISO 9001:2000 program leader at UL, welcomes customers to a UL-sponsored seminar.



UL customers attend a continuous improvement seminar.



Lonnie Rogers, president of Ideal Aerosmith, delivers a lively and candid presentation on his company's experience in implementing Six Sigma.

Assessment schedule changes clarified

The chart appearing with the article on changes in the assessment schedule (Spring 2002 QS Quarterly) contained an error. The correct version of the chart is as follows:

| | |
|--|--|
| <p>Certificates for programs other than ISO-9000 issued/re-issued after July 1, 2002.</p> | <p>The triennial re-assessment approach applies.</p> <p>A triennial re-assessment will take place between the months in which the continuous assessment visits were normally scheduled in year three, For example, a customer certified/re-certified on July 1, 2002, would have a triennial re-assessment between November 2004 and May 2005.</p> <p><i>Note: For ISO-9000 customers, the certificates are being changed to a new three-year cycle upon their upgrade to the 2000 standard, or upon renewal if that renewal occurs prior to the 2000 upgrade.</i></p> |
| <p>Clients whose certificates issued prior to July 1, 2002, and who are on the six- month continuous assessment program (Fig.1).</p> | <p>The existing certification cycle will be completed up to and including certificate re-issue. After certification re-issue, the triennial certification schedule will be adopted.</p> <p>For customers in these categories, UL will be enhancing its review and planning process to help you get maximum benefit from your registration.</p> |

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Underwriters Laboratories Inc.
www.ul.com

Managing Editor
Michelle Arnold
+1 847 664 3086
Michelle.Arnold@us.ul.com

Contributors
Charles Blair
+1 812 866 8068
Charles.E.Blair@us.ul.com

Mark Jessen
+1 847 344 7959
Mark.D.Jessen@us.ul.com

Editorial support
Carol VanderMey
+1 847 664 2478
Carol.D.VanderMey@us.ul.com

Tom Dempsey
+1 847 664 1794
Thomas.F.Dempsey@us.ul.com