The Interaction of Processes and its importance to a successful audit

Presented by:

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Please note:

- All participants have been muted.
- Please type your questions in the "Question" section of the dashboard – we will take questions at the conclusion of this presentation.
- Please note that copies of today's presentation will be available for download shortly.
- This webinar (and all other past PJR webinars) will also be available for re-viewing on our website under "Previously Recorded Webinars."

Overview of Topics

- Background
- ISO 9001:2008 related requirements
- ISO 9001:2015 related requirements
- What is a process?
- What is not a process?
- Strategies for meeting the requirement with minimal changes to your existing documentation

Background

- In 2014, Perry Johnson Registrars was faced with a mandate from our Accreditation Bodies to take a harder line on our assessments of client Interaction of Process (IOP) documents.

- Among the many requirements that PJR is held accountable to are those found in ISO 17021:2015.

- This standard includes a clause that reads (in part):
  - *"An audit program for the full certification cycle shall be developed to clearly identify the audit activity(ies) required to demonstrate that the client's management system fulfills the requirements for certification…*

- PJR is expected to ensure that our auditors perform and document their audits in such a way that they reflect <u>the client's management system.</u>

Where this gets difficult…

- Our policy is to adhere to the client's interaction of processes, and only the client's interaction of processes in completing the audit report.

- If these documents do not do an effective job of identifying the processes, the auditor's job is exceedingly difficult.

- We have instructed our auditors to issue nonconformances to clients who have an IOP that does not identify processes in an appropriate manner.

ISO 9001:2008 related requirements

- The below requirements are most often cited as mandating that organizations identify their processes and demonstrate their interaction:

- *4.1A – (The organization shall) determine the processes needed for the quality management system and their application throughout the organization;*
- *4.1B – (The organization shall) determine the sequence and interaction of these processes;*
- *4.2.2C – The organization shall establish and maintain a quality manual that includes a description of the interaction between the processes of the quality management system.*

ISO 9001:2015 related requirements

- The below requirements are most often cited as mandating that organizations identify their processes and demonstrate their interaction:

- *4.4.1 – The organization shall determine the processes needed for the quality management system;*
- *4.4.1B (The organization shall) determine the sequence and interaction of these processes;*
- *4.4.2 – The organization shall maintain documented information to support the operation of its processes.*

What is a process?

- ISO 9000:2015 defines Process as follows:
  - *"Set of interrelated or interacting activities that use inputs to deliver an intended result"*
- The key portion of this definition is *"interrelated or interacting activities."* This establishes a key aspect of what a process is not.
- It is not a single step, but rather a series of activities focused on a shared goal.

What is a process?

- The following are examples of items that represent acceptable process designations:
  - Sales;
  - Purchasing;
  - Production;
  - Shipping; and
  - Design and Development.
- Remember that the IOP must reflect what YOU think your processes are.
- If you understand your quality management system to be made up of four processes (Sales, Purchasing, Production, Support) it is completely acceptable for your IOP to reflect as much.

What is not a process?

- The IOP documents that get rejected most often are those that present steps within a single process.

- Examples of such designations include:
  - Create work order;
  - Issue production schedule;
  - Complete work order
  - Package product;
  - Ship product.

- In the preceding example, it is conceivable that all five of these steps are part of a single process, but they are not processes by themselves.

- An IOP that presents sections from the applicable standard as the organization's processes should also be regarded with concern. How many organizations actually have a process that they call *"Resource Management"*?

- An interaction of process document that bears such items as processes should result in a nonconformance being issued during the audit.

Strategies for meeting the requirement with minimal changes to your existing documentation

- PJR recognizes that for many of our clients, a lot of careful thought and consideration went into the development of the IOP.

- We also are well aware that for many of our clients it is somewhat disconcerting to be told that a portion of your quality system that passed audit assessment for many years is now "suddenly" unacceptable.

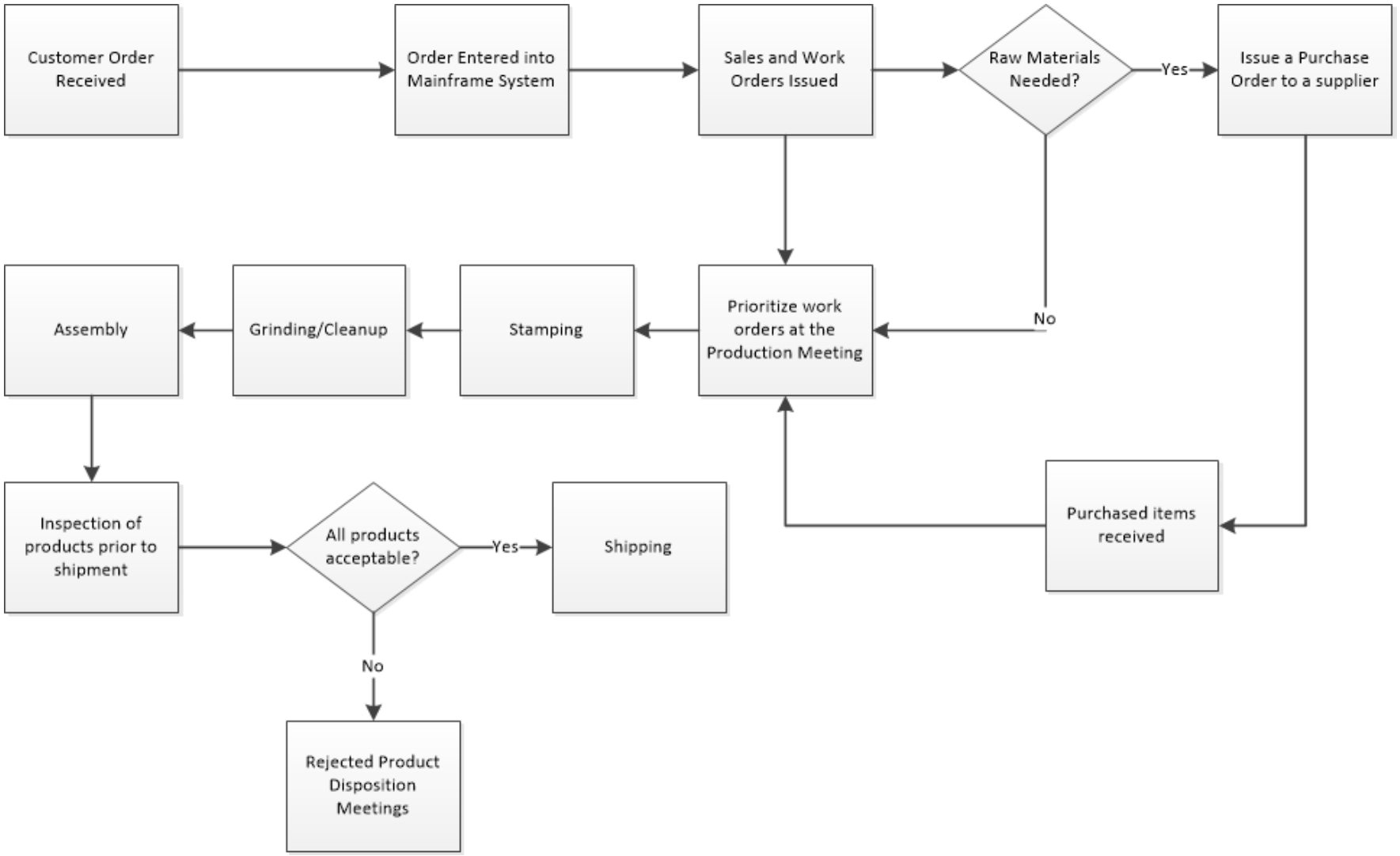
- Accordingly, we feel that for many of you, a few tweaks are all that will be needed to meet the requirement in a more effective way.

Let's improve an example of an interaction of processes

- We're going to review a sample of an interaction of processes and improve it in two key ways.

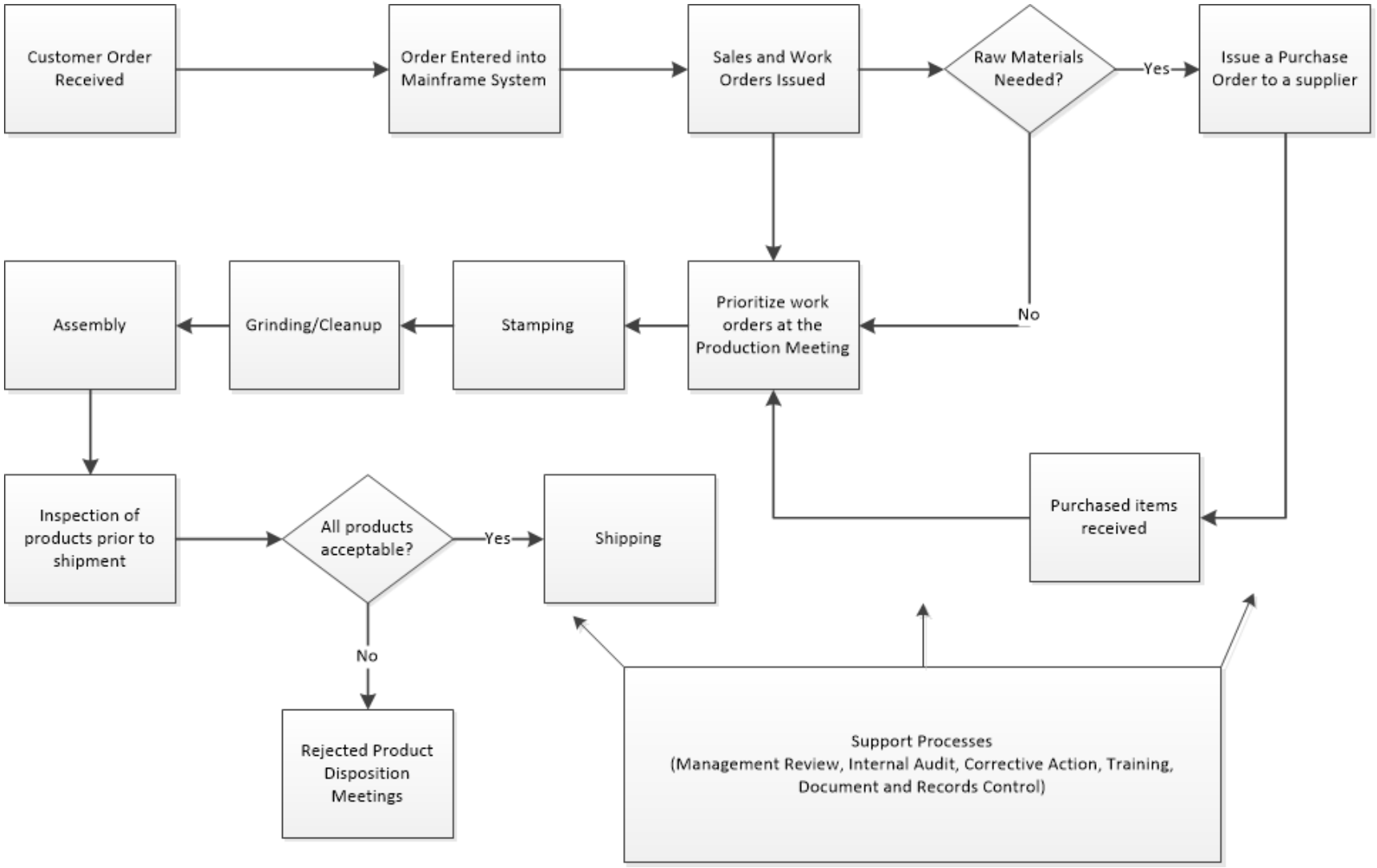
- Let's begin by reviewing the raw interaction of processes.

- Please note that this example is not reflective of any particular PJR client and was created solely for the purpose of this presentation.


Customer Order Received
Order Entered into Mainframe System
Sales and Work Orders Issued
Raw Materials Needed?
Yes
Issue a Purchase Order to a supplier
No
Prioritize work orders at the Production Meeting
Stamping
Grinding/Cleanup
Assembly
Purchased items received
Inspection of products prior to shipment
All products acceptable?
Yes
Shipping
No
Rejected Product Disposition Meetings

Improvement 1: Identification of "Support" processes

- Some of the IOP documents that get rejected lack a specific place to identify what many companies consider to be "support" processes.
- It is important to note that ISO 9000 and ISO 9001 do not draw any particular distinction between classifications of processes. Nevertheless, the concept of key/core processes is a common one.
- As a result, many of the items that are characterized as support/management processes are left off of the IOP.
- Such items include, but are not limited to:
  - Management Review;
  - Internal Audit;
  - Training;
  - Corrective Action
- Let's apply this improvement to our test model.

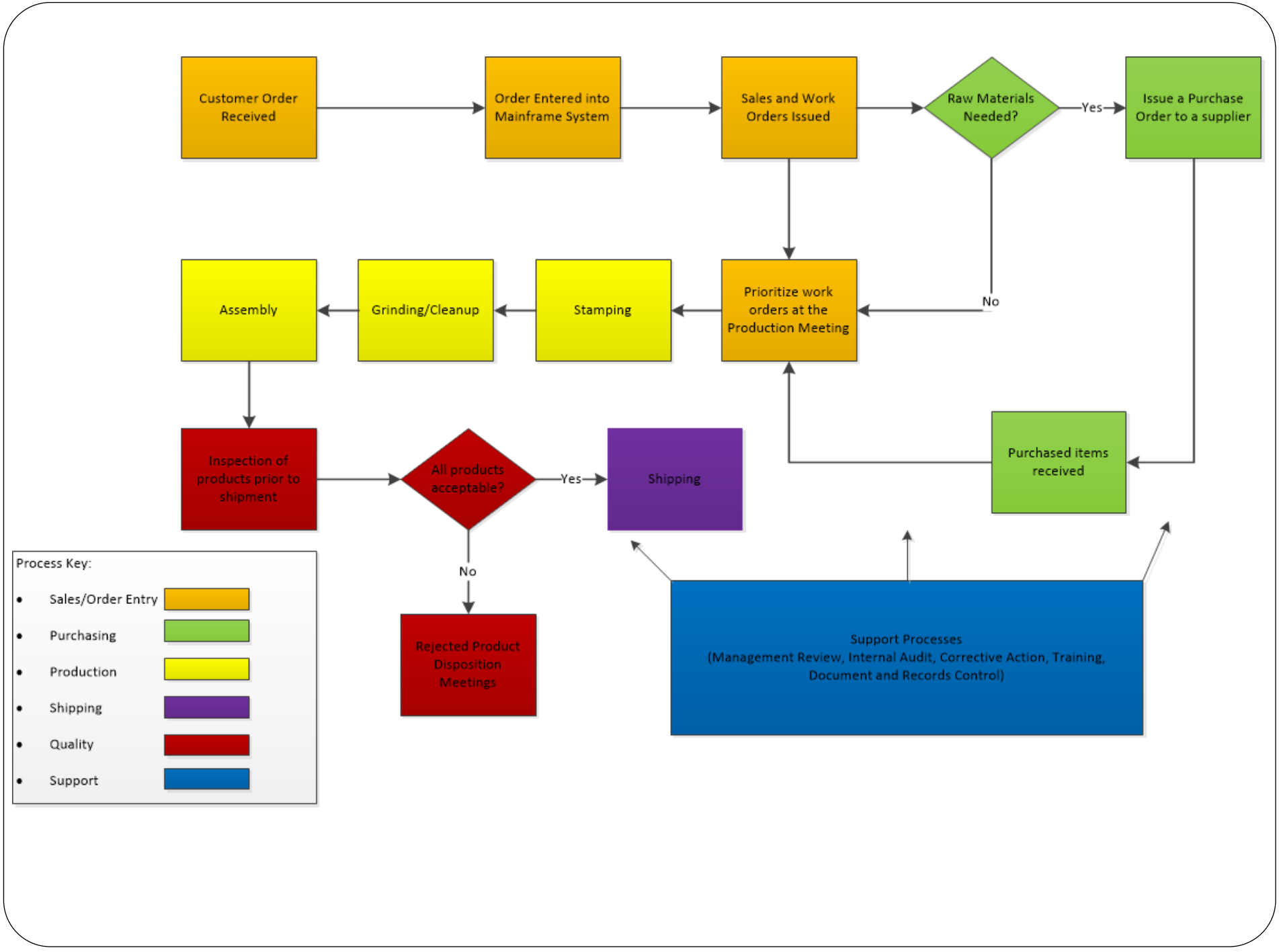

Customer Order Received
Order Entered into Mainframe System
Sales and Work Orders Issued
Raw Materials Needed?
Yes
Issue a Purchase Order to a supplier
No
Prioritize work orders at the Production Meeting
Stamping
Grinding/Cleanup
Assembly
Inspection of products prior to shipment
All products acceptable?
Yes
Shipping
No
Rejected Product Disposition Meetings
Purchased items received
Support Processes
(Management Review, Internal Audit, Corrective Action, Training, Document and Records Control)

Improvement 2: Creation of an IOP "key"

- By far, the most popular strategy that we have seen and accepted for this issue is to create a "key" that identifies what the processes are (usually by numbering/alpha characters.)

- This enables the IOP to stay as-is, but serves the quality system and audit process by naming the processes made up by the various process steps shown.

- Let's make this additional improvement to our test model.


Customer Order Received
Order Entered into Mainframe System
Sales and Work Orders Issued
Raw Materials Needed?
Yes
Issue a Purchase Order to a supplier
No
Prioritize work orders at the Production Meeting
Stamping
Grinding/Cleanup
Assembly
Inspection of products prior to shipment
All products acceptable?
Yes
Shipping
No
Rejected Product Disposition Meetings
Purchased items received
Support Processes
(Management Review, Internal Audit, Corrective Action, Training, Document and Records Control)
Process Key:
Sales/Order Entry
Purchasing
Production
Shipping
Quality
Support

Now we've got something!

- By these two small adjustments, we've kept the content of the IOP as it was before, but we've accomplished two key goals:

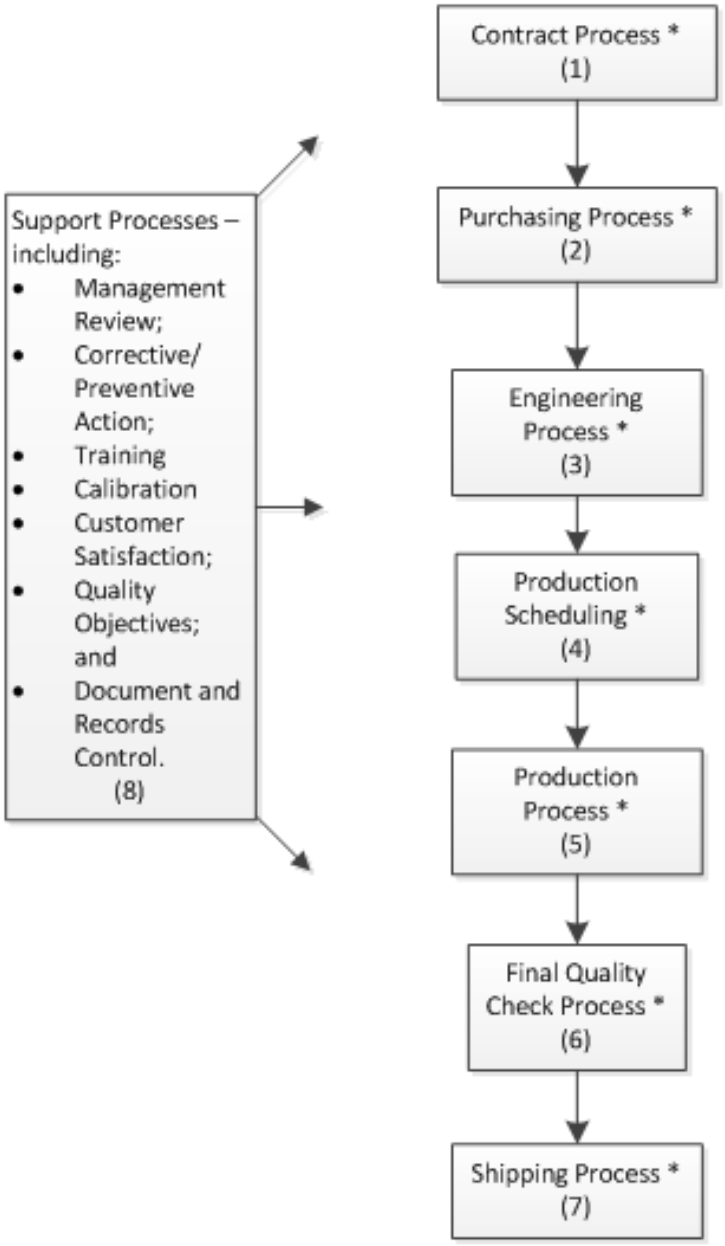
  1. The IOP now identifies what the company's processes are; and
  2. The IOP now reflects support processes.

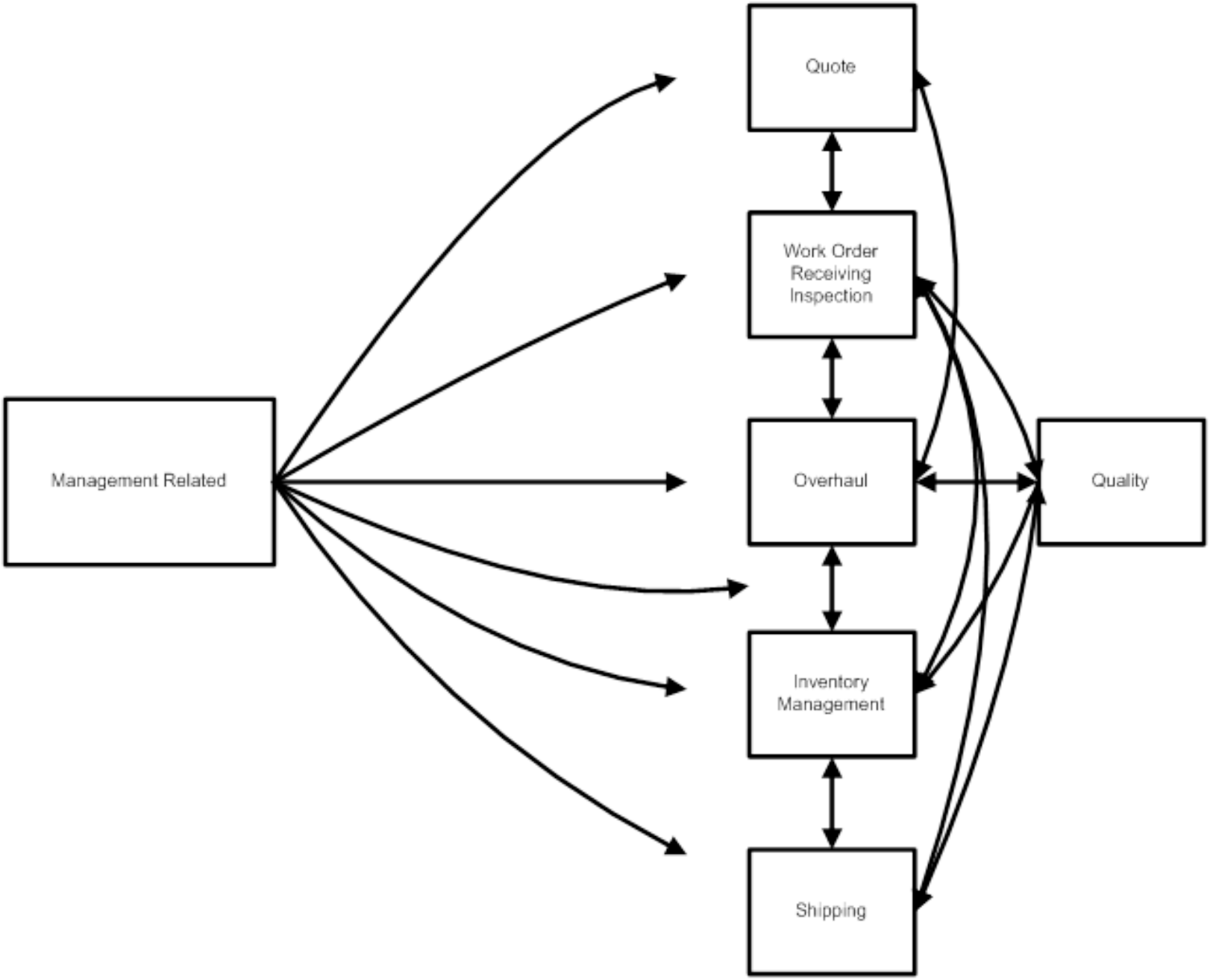
- This IOP is ready for audit assessment!

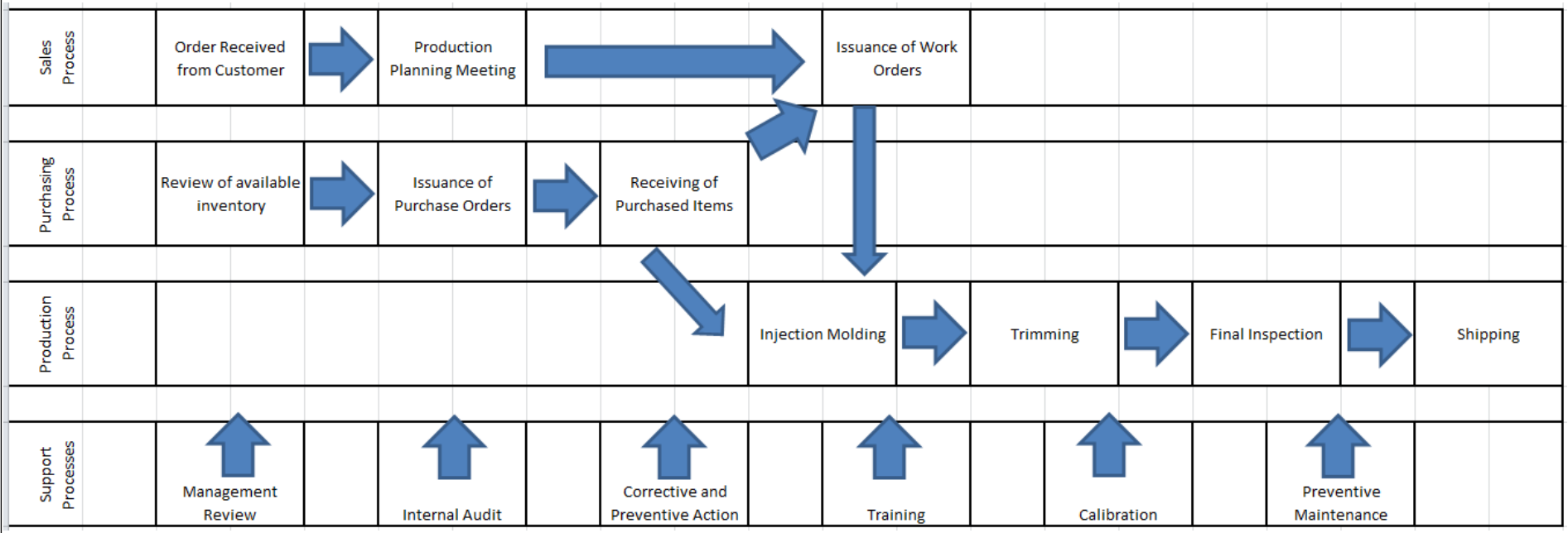
There's more than one way to accomplish this!

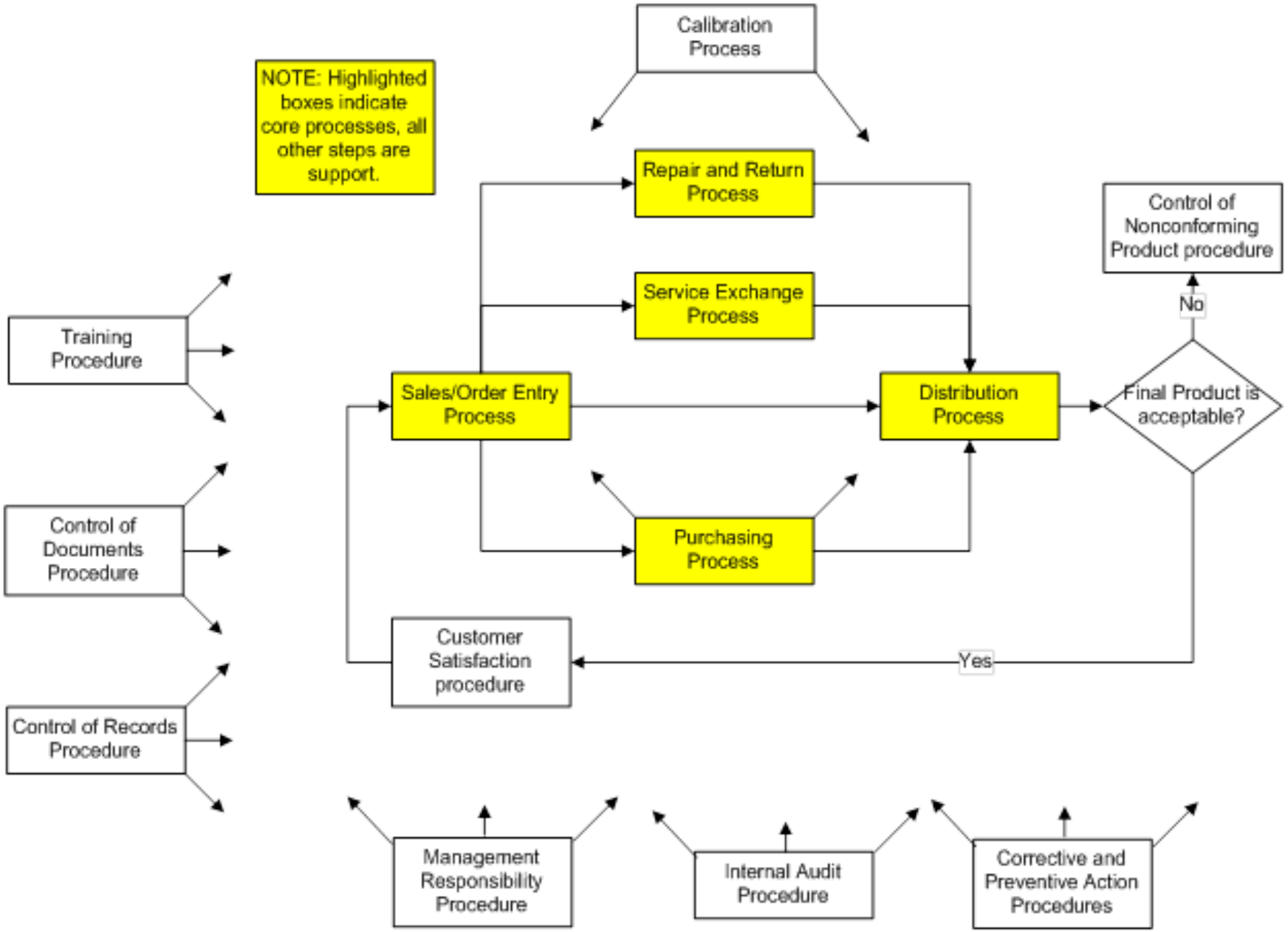
- It is important that you understand the wide variety of methods PJR has seen and accepted over the years in fulfillment of this requirement.

- We'd like to share some additional examples to give you some additional ideas as you prepare/revise your IOP to ensure it meets all applicable requirements while adding the maximum value to your organization.


Contract Process *
(1)
Purchasing Process *
(2)
Engineering Process *
(3)
Production Scheduling *
(4)
Production Process *
(5)
Final Quality Check Process *
(6)
Shipping Process *
(7)
Support Processes – including:
• Management Review;
• Corrective/ Preventive Action;
• Training
• Calibration
• Customer Satisfaction;
• Quality Objectives; and
• Document and Records Control.
(8)


Quote
Work Order Receiving Inspection
Management Related
Overhaul
Quality
Inventory Management
Shipping


Sales Process
Order Received from Customer
Production Planning Meeting
Issuance of Work Orders
Purchasing Process
Review of available inventory
Issuance of Purchase Orders
Receiving of Purchased Items
Production Process
Injection Molding
Trimming
Final Inspection
Shipping
Support Processes
Management Review
Internal Audit
Corrective and Preventive Action
Training
Calibration
Preventive Maintenance


Calibration Process
NOTE: Highlighted boxes indicate core processes, all other steps are support.
Repair and Return Process
Control of Nonconforming Product procedure
Service Exchange Process
No
Training Procedure
Sales/Order Entry Process
Distribution Process
Final Product is acceptable?
Control of Documents Procedure
Purchasing Process
Customer Satisfaction procedure
Yes
Control of Records Procedure
Management Responsibility Procedure
Internal Audit Procedure
Corrective and Preventive Action Procedures

Conclusion

- PJR wants to ensure that we provide our clients with a value added audit while meeting all applicable requirements.

- It is our hope that you will use the points of this presentation to develop an even better understanding of what your processes are.

Thank you!

- Questions?