

# AGMA Exec Speaks Out on ISO 9000

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**W**ith all the heated debate and hoopla surrounding ISO 9000 certification, everyone seems to have an opinion about whether to sign up. Executives in the gear industry are flooded with information and ideas that often seem at odds. *Gear Technology* asked AGMA executive director Joe T. Franklin, Jr. to give an industry perspective on the pros and cons of ISO 9000 certification.

AGMA itself is not directly involved with the ISO 9000 program or its implementation, nor has the organization taken an official stance on the program; however, AGMA is very vocal in its support of improving the quality of manufacturing worldwide, particularly as it may apply to gear manufacturing. Franklin says, "Our members would say that anything you do that improves the quality of your product and the confidence of the buyer in the quality of your product is something you should look at carefully."

Currently, fewer than a dozen AGMA members have become ISO 9000-certified. But those that Franklin has spoken with are almost unanimously in favor of the program. The ISO organization considers ISO 9000 a "quality management" standard, and one of the reasons for its popularity is that it is a highly disciplined process that forces companies to look more closely at their quality and the technical standards they use. "If somebody says they make grade II AGMA quality 10 gears, the ISO 9000 process simply makes them go back and validate every step," Franklin says. "For example, the incoming steel has to be good enough to support grade II loads, just as the tooth surface and the tooth tolerances at the end of the line have to be good enough for a quality 10 gear."

Regardless of the number of proponents who say the program improves quality, many detractors express concerns about the certification process. Chief among these concerns is the price tag. Many gear companies may not be able to afford the high cost of hiring a consultant, making the necessary changes and getting certified. In addition, it may be hard to measure how well the cost of certification is recovered. Some companies will be able to identify specific orders that were a result of certification, but generally certification will be only one of several factors that will lead to a sale.

"But for some companies, whether to become certified is largely a function of customer demand," Franklin commented. "It may be especially important when approaching new customers. Current customers already know a company's product and its quality, but for new customers, especially overseas, ISO 9000 certification may provide a level of assurance."

While there has been a lot of publicity about how ISO 9000 certification has become a booming business in its own right, that it's the latest flavor-of-the-month panacea and merely a cash cow for its marketers, nearly all of those AGMA members who are certified say that the program works. Quality has improved, they say.

Some have argued that the lack of regulation of the ISO 9000 certification program leads to a subjective certification process, that companies certified in America may not receive the same respect as companies certified in Europe. But of the companies

Franklin has talked to, most say that the certification process is rigorous no matter who performs it. "They said ISO 9000 is to some extent subjective because it is a standard, but they totally disagreed that different assessors would rate you differently. They said that if you can pass one, you will pass all of them, and if you fail one, you will fail all of them."

While the certification process in America may be equivalent to the certification process in Europe, companies considering certification need to be wary of how their certifier is perceived by their customers. In the purchasing environment, the perception of quality may play an even larger role than quality itself.

Another criticism of the ISO 9000 program has been the concern over whether the program will become obsolete. Recently, the Commission of the European Community has unveiled plans for the creation of a European quality program. Although their program would use standards similar to ISO 9000, it would de-emphasize the certification process and focus more on the pursuit of quality for quality's sake.

But Franklin comments, "It is pretty astounding what people from Japan and Europe and other parts of Asia and the United States can do when we all sit down and agree first that we have a common objective. That objective is the best technology we can put together, as opposed to what sometimes comes across from the EC organization's formal position, which is the best way to keep business within the EC."

While he thinks the muscle flexing of the European Community may make people stop and think about whether ISO 9000 will last, the trend in industry is definitely toward some form of third-party certification. "Somebody, some third party, is going to stamp people 'good enough,' whatever that is," he explains, "and that is going to carry some weight within the purchasing community."

And when a program actually works to increase the quality of the product—as ISO 9000 proponents say it does—so much the better, says Franklin. "If you were evaluating hospitals in your neighborhood as to where you would go if you broke your leg or where you would go if you were going to have a child or your spouse were going to have a child, you would not ask, is this a clean hospital? That is an assumption. Part of the definition of being a hospital is being clean," he says. "I don't know when it will be, but at some point in the not-too-distant future, a basic assumption of being in the business means you are third-party certified by somebody to a quality standard."

"European gear manufacturers are virtually all ISO 9000-certified. During a recent meeting of the European gear industry, it was clear that they felt the customer expected ISO certification as a minimum condition."

As to whether that quality standard will be ISO 9000 or some other program, Franklin and AGMA have no ready answer. There are no easy choices regarding ISO 9000. The need for certification will have to be determined on a company-by-company basis, with each company evaluating its current quality standards and the requirements of its present and future customers. But for those who have made the investment, Franklin says, certification seems to be paying off. ■