

The Frugal Certification Process

How to be ISO 9000-certified without losing your mind or emptying your wallet.

Amy Zuckerman

Much about ISO 9000 is the subject of noisy debate. But on one thing almost everyone, true believers and critics alike, agrees: Getting ISO 9000 certification can be expensive. Companies can expect to spend at least \$35,000 for basic certification and six-month checkup fees over a three-year period. These figures do not include hidden costs like time and money spent on internal improvements required to meet ISO 9000 certification. But the really big-ticket items in the process are employee time and the cost of bringing in outside consultants. Many ISO 9000 consultants charge upwards of \$1,800 a day.

However, there are ways to get an ISO 9000 certificate without blowing the top off your corporate budget. Certain "danger zones" that lead to increased spending appear during the certification process. Avoiding these can save your company thousands of dollars. These danger zones include initial panic, lack of information

on ISO 9000, internal disorganization and reaching for outside help unnecessarily.

Don't Panic

Your decision about whether to pursue ISO 9000 certification should be a rational one, based on a careful assessment of your company's needs. Don't be steam-rolled into certification by hype. You may not need to go through the process. Check with industry leaders and your major customers. Take your lead from them.

Companies with local or regional operations and no contact with multinationals or exporting may find little or no pressure to pursue ISO 9000 certification. Suppliers to the automobile and metal tooling industries, for example, are being told by industry leaders to hold on seeking ISO 9000 certification while their industries find ways of weaving ISO 9000 into a "one-stop shopping" approach that offers guarantees that a company is working efficiently and producing a quality product.

Don't embark on ISO 9000 unless you feel it's



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necessary for efficient operation of your company and will assist you to stay competitive. It may be worthwhile to assess where your company stands vis-à-vis these standards. In this case, either conduct an in-house audit using your own staff, or hire a consultant to help with this one task.

Many companies are seeking certification to increase acceptability to overseas markets, as a marketing tool and as a means of improving their products and internal performance. Companies that have succeeded in obtaining an ISO 9000 certificate claim increased productivity, fewer on-the-job accidents, higher employee morale and better communication. While ISO 9000 is still in its relative infancy and cer-

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tificate holders remain rare in many industries, the certificate can be used as a marketing tool and to get a leg up on the competition.

Don't Rush

Don't embark on ISO 9000 certification in a hurry. Know as much about ISO 9000 as possible before embarking on a certification program. If a customer is pressuring you to become certified, negotiate a realistic timetable given your company's resources. Some customers are willing to subsidize the cost of ISO 9000 certification, so check with your customer base before proceeding.

Next, appoint someone in-house to oversee your certification process. Make sure this individual is aware of all aspects of your operation. As much as possible, ISO 9000 should be a home-grown process involving employees throughout your company.

The more you can rely on your employees to oversee certification, the less you will need to rely on outside consultants—and the less you will need to pay them. Your own employees know the most about your company, its operating procedures and its culture. They can be assisted by consultants on an as-needed basis.

Plan Ahead

Lack of in-house preparation and coordination may cost a company thousands of extra dollars. ISO 9000 is oriented heavily towards documentation of procedures. Determine a

system for collecting, processing and formatting documentation of your operating procedures *before* embarking on meeting a registrar's ISO 9000 demands. Companies that lack quality control manuals must devise a means of culling information from employees, recording that information and formatting it, all the while continuing to operate their business. Even those with quality control departments and manuals may find their systems require an overhaul.

Because few manufacturers or even service companies tend to involve employees in reporting and documenting their functions, ISO 9000 can seem bewildering and even overwhelming. How to organize the work that leads to certification while staying in business can seem daunting. Rather than take a pause and create a system, many companies hire outsiders to move the process along for them.

Up-front organization and creation of a documentation system that suits your company may save countless hours of confusion in the long run. Saving hours almost always equals saving dollars.

Use Teamwork

Organize your management and employees to work under an ISO 9000 team system. If you read between the lines, you can tell that ISO 9000 is employee-intensive, meaning that it encourages involvement by as many

employees as possible. Although employee input may be extremely positive and beneficial to a company in the long run, involving employees in unfamiliar tasks can prove difficult, confusing and costly in the short run.

Those who have succeeded in earning ISO 9000 certificates did so because management was firmly behind the process, but did not actively lead it. Management assisted in the creation of a team system that involved employees as ISO 9000 coordinators, data collectors and ultimately as

conduct pre-assessment audits, train employees in internal auditing and assist in creation of a quality manual that meets ISO 9000 regulations.

Shop for a registrar who fits your company's bureaucratic style. Negotiate the best price possible. Registrars operate in the free market and are facing tough competition in the United States and Europe.

While new standards are being designed and new guidelines for ISO 9000 implementation are being drawn up over the next five years or so, individual reg-

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in-house auditors. The person chosen to oversee ISO 9000 certification should be well respected by employees of all levels.

Choose Outside Help With Care

Don't hire outside help carelessly or unnecessarily, and use that help sparingly. Now that you have your employees organized and have set up a system for collecting and processing data, hire a "quality" registrar. Such a registrar will guide you through the ISO 9000 standards. When selecting a consultant, search hard for one who will offer a means of saving costs and streamlining your ISO 9000 certification system, rather than adding on possibly needless hours of work. A quality consultant can help interpret the ISO 9000 standards, determine where your company ranks vis-à-vis ISO 9000 standards,

istrars will still serve as the "interpreters" of the ISO 9000 standards. For this reason, it's important that companies embarking on ISO 9000 find the right registrar to suit their own needs and the requirements of their overseas customers. Small companies report that it's best to pick a registrar who's aware of the needs of a smaller business and will not enforce needless work and bureaucracy where none is required.

Horror stories about Europeans rejecting American-based certification are becoming common. *Not all American registrars are unacceptable to overseas customers.* If you want to work with Americans, check first with customers to determine your registrar's acceptability. There's no need to avoid American registrars. But there's also
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(continued from page 40)
no need to find certification rejected after years of effort and money spent.

Finding an acceptable registrar will become more crucial as European national accreditation boards set higher standards. In recent weeks a report that may change the ISO 9000 landscape has been released by the Commission of the European Communities—an EC body. "Elements of a Community Quality Policy" calls for the creation of a pan-European quality program uniting the public and private sectors.

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Although the ISO 9000 standards would be used as a basis for the program, the ISO 9000 certificates would be de-emphasized. This proposal is still in the discussion phase, but it bears watching and is one more reason why companies seeking certification need to be particularly cautious as they proceed.

Interview as many registrars as time permits. Use these interviews as a means of learning more about the ISO 9000 certification process. Do not hire a registrar until you are ready to start the ISO 9000 process.

Select outside help at a time in the process when that assistance is most needed. Learn as much about the ISO 9000 process as you can so you will get the most bang from your bucks when outside assistance appears beneficial.

And don't hire a consul-

tant without checking all references thoroughly. This tip should seem unnecessary. But officials at the United States RAB report countless cases of companies that have rushed forward with ISO 9000 certification in a helter-skelter fashion. They hire someone to assist without checking his or her background, then complain later when the so-called consultant has overcharged them or proven otherwise deficient.

Richard Clements, director of the National ISO 9000 Support Groups, reports that a survey of

roughly 800 ISO 9000 consultants indicates that less than a third of them had received formal ISO 9000 training. He agrees with the RAB that companies should be most selective when hiring outsiders. Take a little more time upfront and do proper screening. ISO 9000 preaches quality at all levels of an operation and a job. Checking references is the first step to doing this job—seeking ISO 9000 certification—properly.

It's true that the whole ISO 9000 plan is the subject of a good deal of controversy, but there is no need to leap on the bandwagon before you look or to refuse to ride along at all. Careful planning, research and implementation can make the process a positive one for your company. ■

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TO ERR IS HUMAN . . .

Three equations from "Minimizing Backlash in Spur Gears" by Richard L. Thoen, which appeared in our May/June issue were incorrectly printed. The correct versions are shown below.

The equation in the bottom left-hand column of page 26 should read:

$$\frac{S_b/2}{r_b} = \frac{S/2}{r} \text{ or } S_b = S \frac{r_b}{r}$$

The equation in the top right-hand column of page 26 should read:

$$\frac{S_b/2}{R_b} = \frac{S/2}{R} \text{ or } S_b = S \frac{R_b}{R}$$

Equation (7) on page 29 should read:

$$\text{inv } \phi = \text{inv } \Phi + \frac{\Delta T + \Delta t}{2C_b}$$

We apologize to Mr. Thoen and regret any inconvenience these errors may have caused our readers.