

ISO 9000 : HOW TO GET IT RIGHT FIRST TIME

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INTRODUCTION

Thank-you for the opportunity to participate in this seminar. I had to smile when I first saw the title "ISO 9000 - How To Get It Right First Time " If you think I am about to reveal a guaranteed method of becoming ISO 9000 certified without any problems than you will be disappointed.

What I would like to do today is reflect on some my experiences of working as one of the team at CHH Taupo , particularly in regard to their ISO programme .The Taupo mill successfully completed ISO 9002 certification last December and ,I believe have just passed their first six monthly audit.

When I look back on the ISO process at Taupo , one of the most important steps was the recognition given by the Site Manager to every member of staff at a special presentation held at the Great Lake Centre in Taupo to celebrate ISO certification.

What was also important was the commitment shown by the Carter Holt Harvey CEO ,the Minister of Forests ,the Director of Telarc and other guests who took the time to attend that event.

There was a lot of work put into the ISO

programme by a lot of people to help get it started and that day highlighted the importance of quality to the growth and development of to the site.

People NATURALLY strive for QUALITY :

- Quality of Life
- Quality Time
- Quality Logs
- Quality Product
- Quality Education
- Quality Research

If people naturally strive for Quality then why do we need standards like ISO 9000 ?

WHY USE ISO 9000?

ISO 9000 is a series of standards designed as a guide for establishing , maintaining and improving methods of how quality is managed in an organisation.

They have been used to introduce people to the concepts of getting things right first time by avoiding waste and making sure consistent standards are used in work practices.

They are a training tool but also provide a basis for measurement of how well you are doing by assessment by a third party.

Standards are often developed as a response to a problem without the need of formal quality systems. Have you ever heard someone say after the wrong brand or stamp has been applied to a load of logs or plywood or timber or documentation etc. "We must sort out that problem so that it never happens again....but we haven't got time because we're so busy with this damn boat..."

The ISO approach assists you in resolving these types of issues by providing a routine way of dealing with quality problems. These standards have become increasingly popular as the industrialised world latches onto quality in the 1990's.

ISO 9002 is the standard that was used as a guide for the CHH Taupo quality system .It applies to operations where ~~there are~~ there are a number of different processes involved in production and quality is important at every step , not just at the end.

Most wood processing companies in NZ have used or will use this standard if they are involved in an ISO programme.

All operations within the CHH Timber have adopted the ISO standards as part of the group's moves into Total Quality Management. The group policy clearly sets out the company's commitment and objectives to accomplishing this change.

ISO 9002 - GETTING STARTED

The process of becoming certified is actually quite straightforward ,in hindsight

- as most things are. You simply need everyone to understand the ISO standard requirements, make sure you work together to develop or revise the relevant parts of your operating methods , and get an accredited assessor to come and check you out .Once you've fixed any areas they will inevitably find wrong you become certified and continue to work on improving your quality . You get checked up on every six months to make sure you are doing this.

The first phase is learning enough so you can get started and this applies to all staff.

At CHH Taupo formal Team Briefing and informal team talks were used for this purpose and, looking back , we would probably spent more time on this initially.

Some companies that will dedicate 1 to 3 days introducing ISO with other complementary training so that staff can learn about the benefits and play a role in the implementation phase.

You may need to use specialist staff if you are tackling areas unfamiliar to you so that you start in the right direction.

It's worth finding out about other people's approach to quality and ISO.

The CHH Taupo site was visited by staff from a certified site soon after we first heard of ISO to see how good or bad our quality standards were.They said that most of what we did complied with the standard but was not documented adequately.If we did that and addressed areas such as calibration, specifications, quality fault reporting, product traceability, document control - to name a few - we would be well on our way.

A time frame of 12 to 18 months was realistic according to our visitors and they were right.

Sounded straight forward enough and away we went .We were pretty enthusiastic about the possibilities and even if we didn't understand all the jargon there seemed to be enough common sense in the idea.

SOME OF THE SPECIFICS

There are about 15 to 20 areas that the standard requires some formal documentation. Looking at some of these in terms of the CHH Taupo operation...

Management responsibility:

Quality policy,job descriptions that define responsibility and authority are essential - some work was required to formalise job descriptions ,policy was OK.

Contract review:

We took this to mean don't take any orders if you can't get them right which is essentially what it means. The existing methods of documenting customer requirements were pretty good but the members of the sales team produced a more consistent way of handling customer orders,enquiries and complaints which led to fewer errors. It involved working with production staff and customers to streamline how they interacted - a worthwhile exercise and an on-going one. For example how did they amend orders if a customer advised them of a change. How was this information passed onto the relevant production people.Sounds like simple stuff but on a site of 260 staff it pays to have a standard method of doing even the most simple things.

Purchasing:

The standard requires you to assess the overall performance of your suppliers - not just buy on price.

You have to demonstrate that you define your requirements, and verify that's what you get, to ensure minimum waste.

In the long run it makes sense to work with your suppliers to adopt the same approach to quality as it should lead to a better relationship with your suppliers.

Take log suppliers for example - in the current market where prices have increased rapidly it is critical that you understand exactly how log grades from different suppliers match up and who supplies the best quality deal overall.

Again it comes back to a step by step approach of defining how logs are specified , how they are ordered , how they are checked for quality , how below specification logs are sorted, who are the appropriate people to deal with in each area and so on.

Most suppliers to CHH Taupo were keen to improve quality and when any serious problems were encountered required their contractors to inspect the logs and discuss how their problems affected the mill.

One of the best forums to improve quality are visits by mill staff to the suppliers and vice versa to talk about each others problems and look at ways of resolving them.

Product identification and traceability:

The standard requires that you are able to trace back and identify when and where

and by whom product was produced. In the event of a problem this helps identify any causes that can be isolated and dealt with. Improving this area helps with log quality problems, within site problems and also customer problems and can help establish whether or not your quality checks are working.

For example if you receive a complaint on a batch of product that can be rapidly traced to records that show it was checked out then it may indicate that the testing method or equipment is inadequate.

Process control:

The standard requires evidence that each of your operations processes are under control. Common sense has probably already prevailed for this to have occurred in your operation. Each of the production managers went through each of their processes with the staff involved to draw up standards and references to specifications and training requirements.

The sawmill staff split their operation into separate areas and produced standards for each area that provided for checks on incoming and outgoing logs and timber.

Quality fault reporting and corrective action:

This is one area that our operation had nothing in place and is potentially one of the most beneficial. The standard requires that you have a formal reporting procedure for all quality faults and a follow up corrective action phase that looks at finding long term solutions to the problem. Reporting faults indicate areas for improvement and must be encouraged - covering up should be frowned upon.

ASSESSMENT

This gives you a brief outline of how we dealt with some of the areas in the standard. The other main areas that had to be addressed prior to assessment were

- * standards for handling, packaging and storage.
- * staff involvement in reviewing and improving the system
- * checks to make sure that only current documents are in use
- * storage of quality related information
- * assessing and providing for training needs
- * use of statistical control methods where appropriate

Once the documentation was prepared we then checked out that what we had actually put together was actually happening. This brought about a few changes but the site was ready for assessment.

Three assessors from Telarc spent 3 days on site and asked a number of people a number of questions, inspected records, and generally got to know the culture of the site and finally approved our application for registration.

The planning started for the celebration. One more important step had been taken towards changing the way we operated.

SUMMARY

The chances of getting an ISO programme right first time depends on creating the right environment.

While the ISO preparation was occurring there a number of other developments on site that helped to develop communication and motivation.

Efforts were being made to improve the relationships with customers by hosting mill visits and assisting with product promotion and training for customers.

The workforce was becoming more stable and more skilled and managers and supervisors were placing more emphasis on team building as a result of specific training in this area.

Quality was being taken a lot more seriously and was being considered almost as important as production. That was a change in the right direction. Getting ISO right first time is the first step. The ultimate challenge is producing every order right first time, on time for a long, long time.

