

ISO 9000 - Are you Sure It's Worth It?

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Hang on! Here comes the latest quality mania: ISO 9000. If your organization receives ISO 9000 certification, it will have reached the pinnacle of quality performance. World markets will fall before its feet. It just can't get any better. Wrong!

ISO 9000 is a standard of quality management that is required in many European countries. Now many U.S. companies are jumping on the ISO 9000 bandwagon, assuming that receiving ISO 9000 certification means that their journey to quality improvement is done, and that they will automatically be qualified to sell their products in Europe. This is a fallacy and a very harmful one.

ISO 9000 is a certificate, awarded by an often self appointed auditor or certifier, that says your lab, office or factory has met the quality management requirements defined by the International Standards Organization.

For starters, the process is expensive: cost for ISO 9000 certification can run to \$250,000.00. And it doesn't focus on making your company's quality better. ISO 9000 standards don't focus on improvement. What they provide is a framework for showing your customers how you do things like test pressure, train employees, and document and fix defects - the basics.

Where they get off the hook is with the word management. What ISO 9000 certification means is that you have developed the documentation of what you do - that you have the bureaucratic management methodology in place - to assure that your organization continues to internalize the processes you are currently using.

As a result, ISO 9000 certification does not drive process improvement - in fact it discourages it. You can receive certification for meeting the bare minimum standards. Then if you want to change your processes to improve your quality, you have to become re-certified, at additional cost-added bureaucratic expense.

Now, about the myth that ISO 9000 automatically qualifies your product for European markets. Let me give you an example to explain why this is a fallacious assumption.

There's a company in the Midwest that makes truck-mounted cranes. Their command of their processes and quality is so good that they could be ISO 9000 certified today. But they still could not sell cranes in Germany because their product does not meet the rigorous German requirements for multiple backup systems, which are not required in the U.S. To sell cranes in

Germany, this company would have to redesign its product - then get re-certified. And because each European country has its own ISO 9000 review board, receiving approval to sell in Germany would not automatically qualify this company to sell in England, France, Switzerland or any other European country. To sell cranes throughout Europe, the company would have to submit to ISO 9000 review in each country, then redesign and re-certify to meet the requirements of any country that will not accept the cranes designed for either the U.S. or German market. Entering the European market - with any product - is a complex and costly endeavor from every angle. ISO 9000 is not an international marketing quick fix.

On the other hand, the popularity of ISO 9000 certification is not totally misguided. If your company has no defined quality standards and procedures, going for ISO 9000 certification can help you get your act together.

What upsets me is hearing about organizations that were engaged in an ongoing process and quality improvement exercise - and getting some pretty astonishing results - but are now turning away from that effort to become ISO 9000 certified.

My question is does that investment make sense? First, is there real return, expanded markets, for the cash outlay? Second, will standardizing and requiring conformance to certified documented processes really improve your business if there is no thought given to whether the processes are valid?

It strikes me that, rather than give you a jump on the market, ISO 9000 certification can trap you into running in place. And that's the fastest way to lose the race to competitors who are concentrating on process improvement and doing it better every day.