The Process Approach
Adding Business Value and Minimizing Risks

David Mui
Introduction

Management systems are sometimes misunderstood as nothing more than a heavy administrative burden providing limited business benefit. Many organizations with management systems in place have not effectively defined the processes, and have not put the required measurements in place. Perhaps it is because they think “ISO 9001 is separate from how we run the business,” and limit their management system to simple checklists and work instructions.

By maintaining these beliefs, organizations are missing out on significant opportunity. Increasingly, customers and stakeholders are not satisfied with basic compliance – they are looking for less reliance on procedures, and more focus on risk management. This brings the value of the ISO standards in question. How can an international standard unite with a strategic business plan?

Using the Process Approach

The Process Approach is more than an auditing technique – it’s a philosophy. It means shifting focus away from basic compliance to embrace an “improvement” mindset. When activities and related resources are managed as a process, the desired results can be achieved more efficiently.

A process is commonly defined as a number of reproducible, interacting activities that together convert an input into an output.

An input is something that drives or starts the process, such as people, resources, or materials. Multiple inputs can, and usually do, exist.

An output is a deliverable resulting from the process, addressing the expectation of a customer (either external or internal). Typically an output is a product, a service, or the input into another process.

The Process Approach is a review of the sequence and interaction of processes and their inputs and outputs. It’s looking at the management system as not just a document, but an active system of processes that addresses business risk and
customer requirements. A process-based audit would ask questions such as “Who is the process owner?”, “What are your customer requirements?”, and “How do you demonstrate improvement?” … not “Show me your procedure.”

The Turtle

A Turtle Diagram is just one of the auditing techniques that can be used to evaluate a process. Asking With What, With Who, How, and How Many results in evidence of effectiveness, measurement to goal, evaluation of internal and external customers, and focus on deliverables.

With What names the tools, equipment, and resources needed to perform an activity. This could include equipment, software, hardware, or support from other departments.
**With Who** defines the human resources required for performing a task. This includes a definition of competency requirements such as skills, education, experience, and training.

**How** identifies all the supporting documentation that may exist to support this process.

**How Many** is process monitoring – identifying the measurements needed to assess the effectiveness of the process, in support of the business plan. There should be evidence of continuous improvement and corrective action in the process.

Process analysis with the Turtle can encompass many elements, including:

- Activities
- Resources/Linkages
- Methods/Tools
- Measurements
- Regulatory requirements applicable to the process
- Risks associated with the process
- Effectiveness and Efficiency
- And perhaps most importantly: customer requirements, both external and internal

The results of the Turtle yield many benefits to the business. First and foremost, it provides process measurements that can be linked directly to the organization’s strategic plan. It provides a means to assess both external and internal customer expectations, as well as any business risks associated with the process. It allows for use of the PDCA cycle (Plan, Do, Check, Act) as it applies to the process. And finally, it allows for an important deliverable out to the management team – a SWOT analysis.
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**SWOT Analysis**

SWOT is a business tool that translates “ISO language” into a format that senior management can more easily understand. A SWOT analysis provides feedback on the Strengths, Weaknesses, Opportunities and Threats to the organization. This approach is widely used to assess risks, benchmark competitive differentiators, and determine new business strategy.

A SWOT analysis looks at:

- **Strengths**: Present view. Best practices and benchmarks – learn from these and apply them to other processes.
- **Weaknesses**: Present view. Areas that comply but are not fully effective, and therefore require correction.
- **Opportunities**: Future view. Areas of improvement to consider.
- **Threats**: Future view. Areas of high risk and/or non-compliance.

The results of this analysis can be summarized into a SWOT diagram, such as this one:

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Weekly meetings</td>
<td>1. Broken PDCA</td>
</tr>
<tr>
<td>2. Internal Audit process</td>
<td>2. Tool design and maintenance</td>
</tr>
<tr>
<td>3. Monitoring of Corrective Action</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sales</td>
<td>1. Action plan</td>
</tr>
<tr>
<td>2. Operator instructions</td>
<td>2. Training needs</td>
</tr>
<tr>
<td>3. Supplier reports</td>
<td></td>
</tr>
</tbody>
</table>

**The Impact of the Process Approach**

Any organization seeking to certify its management system still needs to meet the requirements that are presented in the appropriate standard. But the standard by itself does not necessarily add value to the organization, or bring benefit to senior management. By assessing the effectiveness of operational processes in achieving overall company goals and objectives, the concept of risk is now being considered.
What’s more, it results in solid feedback that is presented in a language that the management team can understand.

A process-based management system is not an administrative burden – in fact, it’s a necessity for a truly competitive business. It is a critical tool that provides continuity throughout operations, forming the link between policy, requirements, performance, objectives, and targets.

About the Author

David Muil is Intertek’s General Manager for Systems Certification in Canada. David has over 15 years' experience in the third-party registration business, in addition to experience in quality and management roles in the Aerospace and Automotive industries. David holds a degree in business and economics from McMaster University (Hamilton, ON, Canada), and continued post-graduate studies in business at the Henley Management College (London, England). He has also attained a Green Belt designation in Six Sigma.

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