ISO 9004

A Process Approach to Sustained Success

Participant Workbook
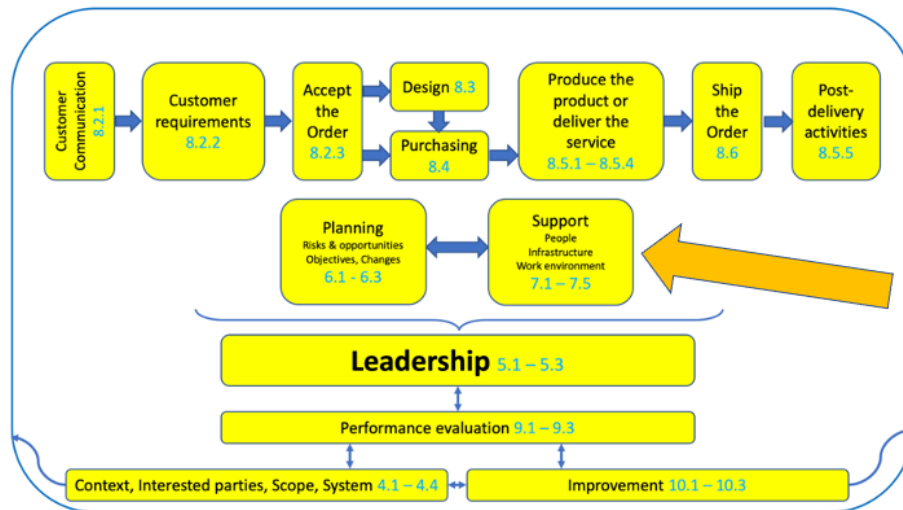## Lesson #3 – Clauses 9, 10 & 11

1. Resource Management [Clause 9]
    1. People [9.2]
    2. Organizational knowledge [9.3]
    3. Technology [9.4]
    4. Infrastructure and Work Environment [9.5]
    5. Externally Provided Resources [9.6]
    6. Natural Resources [9.7]
2. Analysis and Evaluation of Organizational Performance [Clause 10]
    1. Performance indicators [10.2]
    2. Performance analysis [10.3]
    3. Performance evaluation [10.4]
    4. Internal audit [10.5]
    5. Self assessment [10.6]
    6. Reviews [10.7]
3. Improvement, Learning and Innovation [Clause 11]
    1. Improvement [11.2]
    2. Learning [11.3]
    3. Innovation [11.4]

Now We'll Look at Clauses 9, 10 & 11

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    1. Improvement [11.2]
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    3. Innovation [11.4]

Clause 9 in ISO 9004 Lines Up With Clause 7 (Support) of the HLS Standards...

ISO 9001
ISO 14001
ISO 22000
ISO 27001
ISO 45001
ISO 55001
Others…

We Always Need People!

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    1. People [9.2]
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The Infrastructure Needs to be Adequate...

For services, too

And a supportive Work Environment

Clause 10 in ISO 9004 Matches Clause 9 (Performance Evaluation) in the HLS Standards

10.1 General

The organization should establish a systematic approach to collect, analyse and review available
information. Based on the results, the organization should use the information to update its
understanding of its context, policies, strategy and objectives as needed, while also promoting
improvement, learning and innovation activities.

The available information should include data on:

a) the organization's performance (see 10.2, 10.3 and 10.4);

b) the status of the organization's internal activities and resources, which can be understood through
internal audits or self-assessment (see 10.5 and 10.6);

c) changes in the organization's external and internal issues and the needs and expectations of the
interested parties.

These sources can help evaluate performance

Performance Indicators (10.2)

Performance Analysis (10.3)

Performance Evaluation (10.4)

Internal Audit (10.5)

Self assessment (10.6)   Management Reviews (10.7)

1. Performance indicators [10.2]
2. Performance analysis [10.3]
3. Performance evaluation [10.4]
4. Internal audit [10.5]
5. Self assessment [10.6]
6. Management Reviews [10.7]

Clause 11 has Guidance for Improvement, Learning and Innovation to Improve Your Organizational Resilience

11 Improvement, learning and innovation
11.1
Improvement, learning and innovation are interdependent and key aspects that contribute to the
sustained success of an organization. They create inputs into products, services, processes and
management systems, and contribute to achieving desired results.
The organization will experience constant change in its external and internal issues and in the
needs and expectations of its interested parties. Improvement, learning and innovation support the
organization's ability to respond to these changes in a manner that enables it to fulfil its mission and
vision, as well as supporting its achievement of sustained success.

Improvement (11.2) is the Best Insurance For Sustained Success

11.2 Improvement
Improvement is an activity to enhance performance. Performance can relate to a product or service,
or to a process. Improving product or service performance or the management system can help the
organization anticipate and meet the needs and expectations of interested parties and also increase
economic efficiency. Improving processes can lead to increased effectiveness and efficiency, resulting
in benefits such as cost, time and energy saving and reduced waste; in turn, this can lead to meeting the
needs and expectations of interested parties more effectively.
Improvement activities can range from small-step continual improvements to significant improvements
of the entire organization.
The organization should define objectives for improving its products or services, processes, structure
and management system, by using the results of the analysis and evaluation of its performance.

Improvement processes should follow a structured approach. The methodology should be applied
consistently for all processes.
The organization should ensure that improvement becomes established as a part of the
organization's culture by:
a) empowering people to participate in and contribute to the successful achievement of improvement
initiatives;
b) providing the necessary resources to achieve improvements;
c) establishing recognition systems for improvements;
d) establishing recognition systems for improving the effectiveness and efficiency of the
improvement process;
e) engagement of top management in improvement activities.
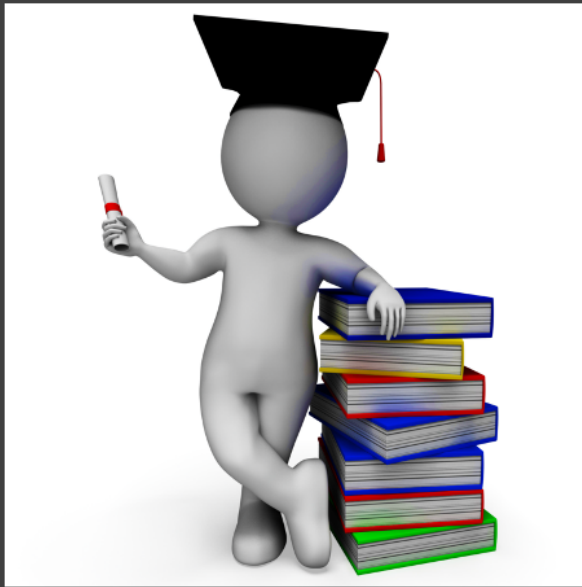
Learning (11.3) Makes Your People More Valuable and Can Really Help Morale

11.3 Learning

11.3.1 The organization should encourage improvement and innovation through learning. The inputs
for learning can be derived from many sources, including experience, analysis of information, and the
results of improvements and innovations.
A learning approach should be adopted by the organization as a whole, as well as at a level that integrates
the capabilities of individuals with those of the organization.

11.3.2 Learning as an organization involves consideration of:
a) collected information relating to various external and internal issues and interested parties,
including success stories and failures;
b) insight through in-depth analysis of the information collected.
Learning that integrates the capabilities of individuals with those of the organization is achieved by
combining the knowledge, thinking patterns and behaviour patterns of people with the values of the
organization.

Knowledge can be explicit or tacit. It can originate from inside or outside the organization. It should be
managed and maintained as an asset of the organization.
The organization should monitor its organizational knowledge and determine the need to acquire, or
more effectively share, knowledge throughout the organization.
11.3.3 In order to foster a learning organization, the following factors should be considered:
a) the organization's culture, aligned with its mission, vision and values;
b) top management supporting initiatives in learning, by demonstrating its leadership and through
its behaviour;
c) stimulation of networking, connectivity, interactivity and sharing of knowledge both inside and
outside the organization;
d) maintaining systems for learning and sharing of knowledge;
e) recognizing, supporting and rewarding the improvement of people's competence, through
processes for learning and sharing of knowledge;
f) appreciating creativity and supporting diversity of the opinions of the different people in the
organization.
Rapid access to, and use of, organizational knowledge can enhance the organization's ability to manage
and maintain its sustained success (see 9.3).

Innovation (11.4) Will Keep You Ahead of Your Competition

11.4 Innovation

11.4.1 General

Innovation should result in improvement leading to new or changed products or services, processes,

market position, or performance, enabling realization or redistribution of value.

Changes in the organization's external and internal issues and the needs and expectations of interested

parties could require innovation.

To support and promote innovation the organization should:

a) identify specific needs for innovation and encourage innovative thinking in general;

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b) establish and maintain processes that allow for effective innovation;

c) provide the resources needed to realize innovative ideas.

11.4.2 Application

Innovation can be applied at all levels of the organization, through changes in:

a) technology or products or services (i.e. innovations that not only respond to the changing needs

and expectations of interested parties, but also anticipate potential changes in the organization

and in the life cycles of its products and services);

b) processes (i.e. innovation in the methods for production and service provision, or innovation to

improve process stability and reduce variation);

c) the organization (i.e. innovation in the constitution and the structures of the organization);

d) the organization's management system (i.e. to ensure that competitive advantage is maintained and

new opportunities are utilized, when there are emerging changes in the organization's context);

e) the organization's business model (i.e. innovation in responding to distribution of value to customers

or changing market position in accordance with interested parties' needs and

expectations).

11.4.3 Timing and risk

The organization should evaluate the risks and opportunities related to its plans for innovation

activities. It should give consideration to the potential impact on the managing of changes and prepare

action plans to mitigate those risks (including contingency plans), where necessary.

The timing for the introduction of an innovation should be aligned with the evaluation of the risk

associated with undertaking that innovation. The timing should usually be a balance between the

urgency with which it is needed and the resources that are made available for its development.

The organization should review, improve and innovate based on the results of its performance

evaluation (see Clause 10).

The organization should use a process that is aligned with its strategic direction to plan and prioritize

innovation initiatives.

The results of innovation should be reviewed in order to experience learning and to increase

organizational knowledge.

Quiz!