

YOUR ONGOING RELATIONSHIP WITH PJR

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WEBINAR HOUSEKEEPING

All participants have been muted.

Please type your questions in the “Question” section of the dashboard– we will take questions at the conclusion of this presentation.

Please note that copies of today’s presentation will be available for download shortly.

This webinar (and all other past PJR webinars) will also be available for viewing on our website under “Previously Recorded Webinars.”

POLL #1

OVERVIEW OF TOPICS

Partners in certification

Changes

Short-Notice Audits

The Dispute Process

PARTNERS IN YOUR CERTIFICATION

Perry Johnson Registrars (PJR) views itself as a partner in your certification. From our perspective the relationship extends far beyond the initial certification audit.

We want you to keep us involved when you face challenges in your quality management system. Use the resources we offer to get the most out of your certification efforts!

CHANGES – AND WHAT TO DO ABOUT THEM

All companies face the potential for change over the duration of their existence.

Some changes are of minimal impact and end up meaning nothing in the long run.

Other changes have seismic impacts on an organization's business and future.

When a change potentially impacts your certification – PJR needs to be informed so that we can take the proper actions.

CONTRACTUAL OBLIGATIONS

Any PJR contracted client is bound by the official terms and conditions we've established in PJR form "F-3." (pjr.com/registration-document-download)

The F-3 includes a provision that reads as follows: *"It is incumbent upon the Organization to notify PJR in writing and in a timely fashion of material changes."*

PJR's requirement is rooted in a clause from ISO 17021-1:2015 (8.5.3 – *Notice of changes by a certified client.*)

The F-3 then goes on to provide a (fairly) complete list of what constitutes a "material change."



CATEGORIES OF MATERIAL CHANGE

LEGAL

The first major category of material changes refers to the legal nature of the organization. These include changes in any of the following:

- Ownership of the organization;

- Legal status of the organization (corporation, partnership, limited liability company, etc.)

Changes of this nature may or may not have any impact on a company's certification.

CATEGORIES OF MATERIAL CHANGE

OPERATIONAL

The second major category of material changes refers to the operational aspects of the organization. These include changes in any of the following:

Changes in the scope of operations (what appears or is intended to appear on the certificate scope statement);

Changes in the management system and/or processes;

Changes in key managerial, decision-making or technical staff; and

Changes in the number of employees.

Changes of this nature will usually bear some impact on the company's certification.



CATEGORIES OF MATERIAL CHANGE

PHYSICAL



The final major category of material changes refers to the physical aspects of the organization. These include changes in any of the following:

Changes in the organization's location/address and/or number of sites (added, removed, etc.); and

Significant damage to a site, e.g., damage by fire or natural disaster such as a flood.

Changes of this nature will usually bear some impact on the company's certification.

WHAT IS PJR OBLIGATED TO DO ABOUT A MATERIAL CHANGE?

ISO 17021-1:2015 (in clause 8.5.3) requires PJR to “take action as appropriate” in response to the reported change. The extent and timing of the action are dependent on the nature of the change and its impact on the certificate that has been issued (if any.)

Some changes will be judged as having little to no impact and may require no specific action by PJR at all.

Almost all material changes will (at minimum) require that a contractual amendment be written to capture the change and document it’s mutual approval by PJR and the organization.

Ideally the reported change will be assessed as part of the normal auditing cycle – however this is not possible in all circumstances.

“SHORT-NOTICE AUDITS”

ISO 17021-1:2015 (in clause 9.6.4.2) makes an allowance for PJR to perform “*audits of certified clients at short notice in response to changes.*”

This same verbiage is also listed in the F-3 making it a binding part of our client contract.

Depending on the nature of the change, PJR refers to “short-notice” audits by one of a few internal titles:

- “Scope Expansion” – this term is typically used when an organization is adding a new building/site to their certification. It may also be used in situations where the organization’s scope is expanding (new products, new processes, etc.);
- “Onsite Assessment – OA” – this term is intended to be a “catch-all” for any short notice audit that isn’t technically a Scope Expansion.

Certain certification schemes have special add-on requirements for “short notice” audits.

- The IATF requires a “Special Audit” – IATF Special Audits fall under IATF Rules 5th Edition requirements.
- In AS91XX these are referred to as “Special Audits for Aerospace” – but the ISO 17021-1 requirements are in play for these assessments.

WHAT TO EXPECT DURING A “SHORT NOTICE” AUDIT

Regardless of what they’re called – the organization can expect the short notice audit to generally follow the same steps as a regularly sequenced audit.

This means the following:

- An audit plan
- An opening and closing meeting
- Interviews with staff members
- Review of company documentation

The audit is intended to be a targeted sampling of the change itself.

EXAMPLE 1

SITE RELOCATION

In the case of a site relocation/change in address – the following items will likely be sampled:

- Management review assessment of relocation impact;
- Internal audit assessment of impact;
- Documentation updates (policies, procedures, etc. to reflect the new location);
- Advertising updates;
- Contractual updates;
- Equipment set-up/maintenance steps taken;
- Training activities for newly hired team members (this obviously depends on how far the organization has moved);
- How customers/interested parties were informed – issues therein (if any); and
- Changes to the scope of operations (if any.)

EXAMPLE 2

OWNERSHIP CHANGE

In the case of an ownership change – the following items will likely be sampled:

- Managerial changes (if any);
- Process or process control changes (if any);
- How customers/interested parties were informed – issues therein (if any); and
- Changes to the scope of operations (if any.)

EXAMPLE 3

NEW PRODUCTS OR PROCESSES

In the case of a scope expansion that doesn't involve a locational change– the following items will likely be sampled:

- Management review assessment of the new process(es);
- Internal audit assessment of the new process(es);
- Documentation updates (policies, procedures, etc. to reflect the new process(es);
- Equipment set-up/maintenance steps taken for any new equipment needed for the new process(es); and
- Training activities for all personnel who are responsible for the new process(es.)

NONCONFORMANCES DURING A SHORT-NOTICE AUDIT?

It is always possible for any audit activity to result in a nonconformance.

Any nonconformance issued in a short-notice audit is subject to the same expectations for timing and response applied to regularly scheduled audits.

HOW QUICKLY WILL WE GET OUR NEW CERTIFICATE?

If the certificate requires an update following the short-notice audit, the auditor is required to prepare a certificate application reflecting the intended adjustments. You should expect the auditor to discuss the contents of the certificate application with you and ensure you agree with the preparation.

PJR's process for review and approval of audit packages is adhered to for short-notice audits.

Wherever possible PJR endeavors to respond quickly to any emergency requests for expedited certificate issuance.

WHEN WE DON'T AGREE

THE DISPUTE PROCESS



PJR is proud of its history of thousands of satisfied clients. We currently have (at last count) over 6000 active certifications in a wide variety of industries and territories.

Did you know that PJR audits in over 20 countries including England, Jamaica, Brazil, Italy, Germany, Guatemala, Japan, Mexico, and Thailand?

With so many audits every year it is remarkable that PJR processes (on average) fewer than 20 disputes a year.

Let's explore this (at times unpleasant but necessary) part of the certification process a bit further.

WHAT IS A DISPUTE?

The term “dispute” has no official definition in ISO 17021-1:2015 or ISO 19011: 2018. The term “appeal” is used in Section 9.7 of ISO 17021-1:2015, but this term also has no official definition.

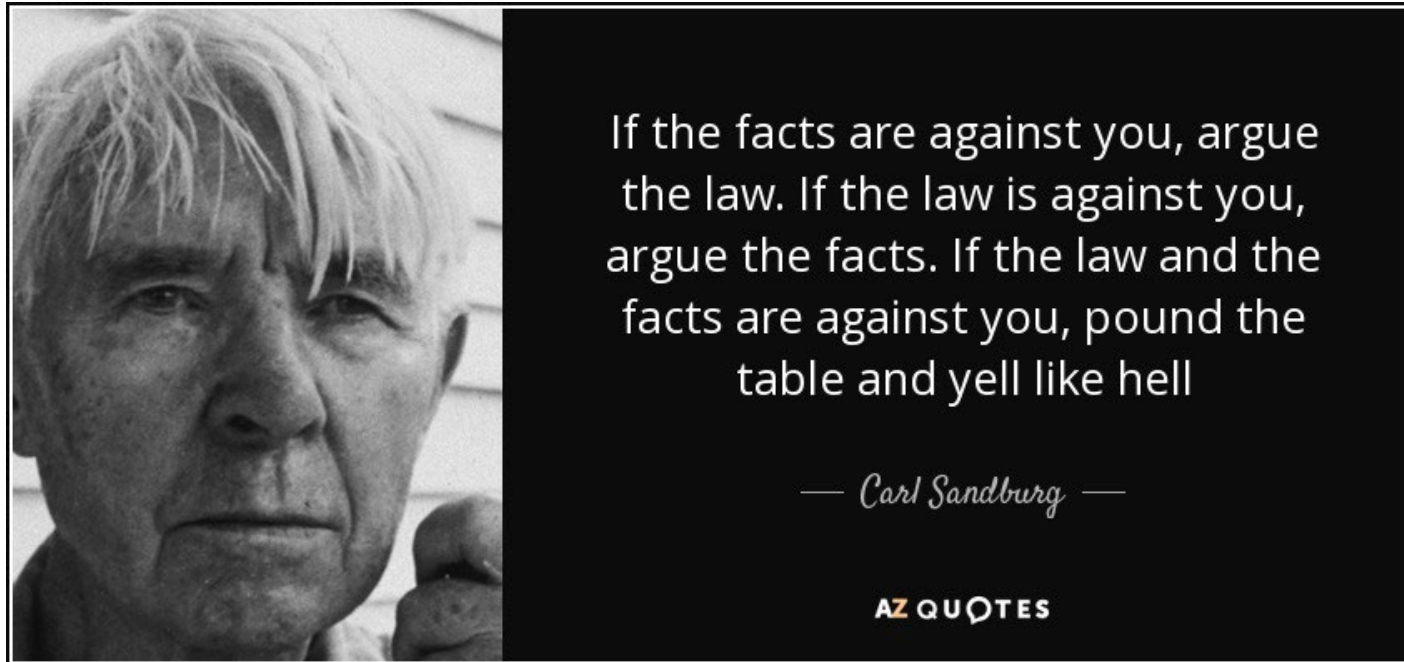
Disputes (appeals) are generally understood as an officially filed disagreement on the part of the auditee to one or more of the conclusions reached in the audit process (typically in the form of nonconformances.)

WHAT LEADS TO A DISPUTE?

Typically, a dispute is filed for one of two things:

The auditor and auditee are at an impasse as to the merits of the evidence; or

The auditor and auditee are at an impasse as to the merits of the relevant audit criteria.



WHAT SHOULD BE DONE BEFORE FILING A DISPUTE?

PJR has trained its auditors to be forthright in sharing suspected nonconformances with the auditees from the moment they are discovered.

This is intended to give the auditee a chance to present all available evidence. In this way all sides can be confident that the auditor is making as informed a decision as possible.

We also emphasize to our auditors that if all available evidence has been seen and the nonconformance is still not acceptable to all parties – it is best to document the nonconformance and move on.

Time spent arguing the merits of a nonconformance is time detracted from the auditing process, and potentially will impact the auditor's ability to meet all audit objectives.

THE DISPUTE PROCESS

“Front to Back” (Part 1)

ISO 17021-1:2015 clause 9.7.1 requires PJR to have a *“documented process to receive, evaluate and make decisions on appeals.”*

PJR’s process is outlined in procedure PRO10 – “Dispute Procedure.” PRO-10 is available for download anytime from the PJR website.

Just look towards the bottom of the homepage for the link titled “Registration Document Download.”

Your dispute process begins by reaching out to PJR’s team at HQ and requesting a copy of PJR form 217 *Dispute Resolution Request Form.* Per the PRO-10:

Dispute requests are due to PJR within 15 calendar days of the end of the audit; and

A separate F-217 is needed for each nonconformance you are disputing.

THE DISPUTE PROCESS

“Front to Back” (Part 2)

The top portion of the F-217 provides a space for you to record basic information about the audit (auditee name, auditor name, date of request, etc.)

The “Resolution Request” is the primary section to complete and provides the following fields:

- 1) Certification Criteria – this should be used to capture the nonconformance number as assigned by the auditor.
- 2) Auditor/CB Finding – this should be a summary (or direct copy) of the nonconformance issued by the auditor.
- 3) Justification for dispute request – this should be a summary of why you are disagreeing with the nonconformance written by the auditor. Your statement should include any points of disagreement on the evidence, the audit criteria, or other relevant points.
- 4) Description of attachments – this should be a summary (as detailed as possible) of what you’ve provided PJR to substantiate your dispute. This evidence can be in any format.

THE DISPUTE PROCESS

“Front to Back” (Part 3)

Once PJR has received all necessary dispute paperwork from you we will act to schedule a dispute hearing for you.

The Dispute hearing is led by the Dispute Chairperson and includes the following participants:

- Auditee representative(s);

- The Auditor who wrote the contested nonconformance;

- The Dispute panel (three Lead Auditors from the scheme (ISO 9001, ISO 14001, etc.) who will make the final decision on the disputed item.

Each side is given ample time to present their side of the situation and the dispute panel may have questions for both auditee and auditor.

THE DISPUTE PROCESS

“Front to Back” (Part 4)

After the dispute hearing is concluded the dispute panel will have a private discussion and render its final decision on all disputed items.

The dispute panel’s decision is considered final and binding.

You will receive a copy of all completed dispute decisions.

POTENTIAL DISPUTE PROCESS OUTCOMES

The following outcomes are possible following the dispute process:

The disputed nonconformance is upheld – in this case, the dispute committee has rejected your argument, and you must respond to the nonconformance in the prescribed fashion;

The disputed nonconformance is overturned – in this case the dispute committee has accepted your argument and has instructed the auditor to remove the nonconformance from the official audit report. You should expect to receive an updated audit report in these cases;

The disputed nonconformance is upheld but reduced/revised – this usually refers to a situation where a portion of a nonconformance is seen as legitimate, but another part needs to be removed. It may also refer to a situation where a major nonconformance is reduced to a minor nonconformance. Lastly it may also be concluded that the NCR was warranted but needs to be revised to make more sense. You should expect to receive an updated audit report in these cases.



CONCLUSION

PJR wants our clients to think of us as a trusted partner in the certification process on audit day and beyond.

We hope you will keep us in the loop when things come up and let us use our many resources to your benefit.



Please tune in for one of our other webinars

“Understanding PJR's PRO-3 and related bylaws governing proper promotion of your management system certification”

This webinar explores the myriad of requirements pertaining to the advertising of your management system certification. If you're newly certified and want to be sure you're doing the right thing in promoting it – this webinar will be very pertinent to you.

“The Interaction of Processes and it's importance to a successful audit” is presented on a semi-annual basis.

This webinar explores the critical topic of processes and how important it is to define them correctly to ensure your audit goes smoothly.

We offer a variety of webinars on other topics including Stage 1 Audits, AS9100, ISO 13485:2016, IATF 16949, and ISO 14001:2015.

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Questions?

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