

---

---

**Quality management —  
Guidelines for realizing financial  
and economic benefits**

*Management de la qualité — Lignes directrices pour réaliser  
les avantages financiers et économiques*

**iTeh STANDARD PREVIEW**  
**(standards.iteh.ai)**

[ISO 10014:2006](https://standards.iteh.ai/catalog/standards/sist/59f19592-e777-4974-a722-094db4a209e2/iso-10014-2006)

<https://standards.iteh.ai/catalog/standards/sist/59f19592-e777-4974-a722-094db4a209e2/iso-10014-2006>



**PDF disclaimer**

This PDF file may contain embedded typefaces. In accordance with Adobe's licensing policy, this file may be printed or viewed but shall not be edited unless the typefaces which are embedded are licensed to and installed on the computer performing the editing. In downloading this file, parties accept therein the responsibility of not infringing Adobe's licensing policy. The ISO Central Secretariat accepts no liability in this area.

Adobe is a trademark of Adobe Systems Incorporated.

Details of the software products used to create this PDF file can be found in the General Info relative to the file; the PDF-creation parameters were optimized for printing. Every care has been taken to ensure that the file is suitable for use by ISO member bodies. In the unlikely event that a problem relating to it is found, please inform the Central Secretariat at the address given below.

**iTeh STANDARD PREVIEW**  
**(standards.iteh.ai)**

ISO 10014:2006

<https://standards.iteh.ai/catalog/standards/sist/59f19592-e777-4974-a722-094db4a209e2/iso-10014-2006>

© ISO 2006

All rights reserved. Unless otherwise specified, no part of this publication may be reproduced or utilized in any form or by any means, electronic or mechanical, including photocopying and microfilm, without permission in writing from either ISO at the address below or ISO's member body in the country of the requester.

ISO copyright office  
Case postale 56 • CH-1211 Geneva 20  
Tel. + 41 22 749 01 11  
Fax + 41 22 749 09 47  
E-mail [copyright@iso.org](mailto:copyright@iso.org)  
Web [www.iso.org](http://www.iso.org)

Published in Switzerland

**Contents**

Page

|  |           |
|--|-----------|
| <b>Foreword</b> .....  | <b>iv</b> |
| <b>Introduction</b> .....  | <b>v</b>  |
| <b>1 Scope</b> .....   | <b>1</b>  |
| <b>2 Normative references</b> .....  | <b>1</b>  |
| <b>3 Terms and definitions</b> .....   | <b>1</b>  |
| <b>4 Structure of this standard</b> .....  | <b>1</b>  |
| <b>5 Application of the management principles</b> .....  | <b>4</b>  |
| <b>5.1 Customer focus</b> .....  | <b>4</b>  |
| <b>5.2 Leadership</b> .....  | <b>5</b>  |
| <b>5.3 Involvement of people</b> .....   | <b>6</b>  |
| <b>5.4 Process approach</b> .....  | <b>7</b>  |
| <b>5.5 System approach to management</b> .....   | <b>8</b>  |
| <b>5.6 Continual improvement</b> .....   | <b>9</b>  |
| <b>5.7 Factual approach to decision making</b> .....   | <b>10</b> |
| <b>5.8 Mutually beneficial supplier relationships</b> .....                                    | <b>11</b> |
| <b>Annex A (informative) Self-assessment of implementation of management principles</b> .....  | <b>12</b> |
| <b>Annex B (informative) Brief summaries of methods and tools referenced in Clause 5</b> ..... | <b>20</b> |
| <b>Bibliography</b> .....  | <b>25</b> |

## Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

International Standards are drafted in accordance with the rules given in the ISO/IEC Directives, Part 2.

The main task of technical committees is to prepare International Standards. Draft International Standards adopted by the technical committees are circulated to the member bodies for voting. Publication as an International Standard requires approval by at least 75 % of the member bodies casting a vote.

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights.

ISO 10014 was prepared by Technical Committee ISO/TC 176, *Quality management and quality assurance*, Subcommittee SC 3, *Supporting technologies*.

This first edition of ISO 10014 cancels and replaces ISO/TR 10014:1998, which has been technically revised.

The intent of this edition is to improve the relationship of ISO 10014 with the ISO 9000 series of International Standards and to include a new structure relating to the quality management principles. Also, the title and the scope have been revised to reflect the changes in the ISO 9000 series and to give guidance for performance improvement and realization of the aim of this International Standard.

iTeh STANDARD PREVIEW  
(standards.iteh.ai)

ISO 10014:2006  
<http://standards.iteh.ai/catalog/standards/siv/59119592-e777-4974-a722-094db4a209e2/iso-10014-2006>

## Introduction

This International Standard is addressed to top management. It provides guidelines for realizing financial and economic benefits through the effective application of eight quality management principles derived from ISO 9000:2005. These principles are subsequently referred to as “management principles” within the body of this standard. The intent of this document is to provide top management with information to facilitate effective application of management principles and selection of methods and tools that enable the sustainable success of an organization. A self-assessment is included as a gap analysis and prioritization tool (see Annex A).

This International Standard builds upon these interrelated management principles to develop processes that facilitate the realization of the organization’s objectives.

The management principles are

- a) customer focus,
- b) leadership,
- c) involvement of people,
- d) process approach,
- e) system approach to management,
- f) continual improvement,
- g) factual approach to decision making, and
- h) mutually beneficial supplier relationships.

Adoption of these management principles is a strategic top management decision. It affirms the relationship between effective management and realization of financial and economic benefits. Deployment of appropriate methods and tools fosters the development of a consistent systematic approach for addressing financial and economic objectives.

Economic benefit is generally attained through effective management of resources and implementation of applicable processes for improving the overall worth and health of the organization. Financial benefit is the result of organizational improvement expressed in monetary form, and realized by cost-effective management practices within the organization.

Successful integration of the management principles relies on the application of the process approach and the Plan-Do-Check-Act (PDCA) methodology. This approach enables top management to assess requirements, plan activities, allocate appropriate resources, implement continual improvement actions and measure results in order to determine effectiveness. It allows top management to make informed decisions, whether they relate to the definition of commercial strategies, the development of a new product or the execution of financial agreements.

Financial and economic benefits that can result from the application of the management principles include

- improved profitability,
- improved revenues,
- improved budgetary performance,

## ISO 10014:2006(E)

- reduced costs,
- improved cash flow,
- improved return on investment,
- increased competitiveness,
- improved customer retention and loyalty,
- improved effectiveness of decision making,
- optimized use of available resources,
- heightened employee accountability,
- improved intellectual capital,
- optimized, effective and efficient processes,
- improved supply chain performance,
- reduced time to market, and
- enhanced organizational performance, credibility and sustainability.

This International Standard is applicable equally to organizations with products that include services, software, hardware and processed materials. It is relevant in both the public and private sector and can provide useful guidance regardless of the number of employees, diversity of product offerings, revenues, complexity of processes or number of locations. It also provides support to public and governmental organizations to facilitate sustainable economic growth and prosperity.

# Quality management — Guidelines for realizing financial and economic benefits

## 1 Scope

This International Standard provides guidelines for realizing financial and economic benefits from the application of the ISO 9000 quality management principles.

NOTE These are herein referred to as “management principles”.

This International Standard is directed to top management of an organization and complements ISO 9004 for performance improvements. It provides examples of achievable benefits and identifies management methods and tools that are available to assist with the achievement of those benefits.

This International Standard consists of guidelines and recommendations, and is not intended for certification, regulatory or contractual use.

iTeh STANDARD PREVIEW

## 2 Normative references (standards.iteh.ai)

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 9000:2005, *Quality management systems — Fundamentals and vocabulary*

## 3 Terms and definitions

For the purposes of this document, the terms and definitions given in ISO 9000 apply.

NOTE 1 In ISO 9000:2005, the term **product** (3.4.2) is defined as the “result of a process”, where **process** (3.4.1) is defined as “set of interrelated or interacting activities which transforms inputs into outputs”. The term product encompasses four generic product categories: services, software, hardware, and processed materials. These terms are further described in ISO 9000.

NOTE 2 Documents referenced outside the ISO 9000 family of standards might have terms and definitions that differ from those of ISO 9000.

## 4 Structure of this standard

**4.1** This International Standard is designed to assist top management identify and realize benefits by the application of the management principles. To achieve financial and economic benefits, relevant processes have been identified for each principle, and examples of methods and tools have been provided to assist in the application of the principles.

The added value from the expected benefits should reflect the interrelationships between principles, processes and a holistic view of the organization and its interested parties.

4.2 Clause 5 combines the process approach, the eight management principles and the Plan-Do-Check-Act (PDCA) methodology. This is reflected in the flowcharts found in 5.1 to 5.8, inclusive. The key selection tool to determine the most appropriate subclause for priority improvement action is self-assessment (see 4.3 and Annex A).

Examples of applicable methods and tools are presented within the Plan, Do and Check columns in each flowchart. The list of methods and tools shown in the Plan, Do and Check columns is not exhaustive, and users should select those most appropriate to their organization. Some methods and tools are utilized in more than one subclause indicating the interrelationship between principles.

The subclause on “Continual improvement” (5.6) illustrates how the PDCA approach can be effectively applied to top management’s strategic planning and review process in order to realize and further improve financial and economic benefits. Subclause 5.6 is embedded within the Act column of all other subclauses in Clause 5.

The output from implementing the overall process is financial and economic benefits. The achievable benefits are examples and are not intended to be all inclusive. A generic representation of the overall process model for realizing financial and economic benefits is shown in Figure 1.

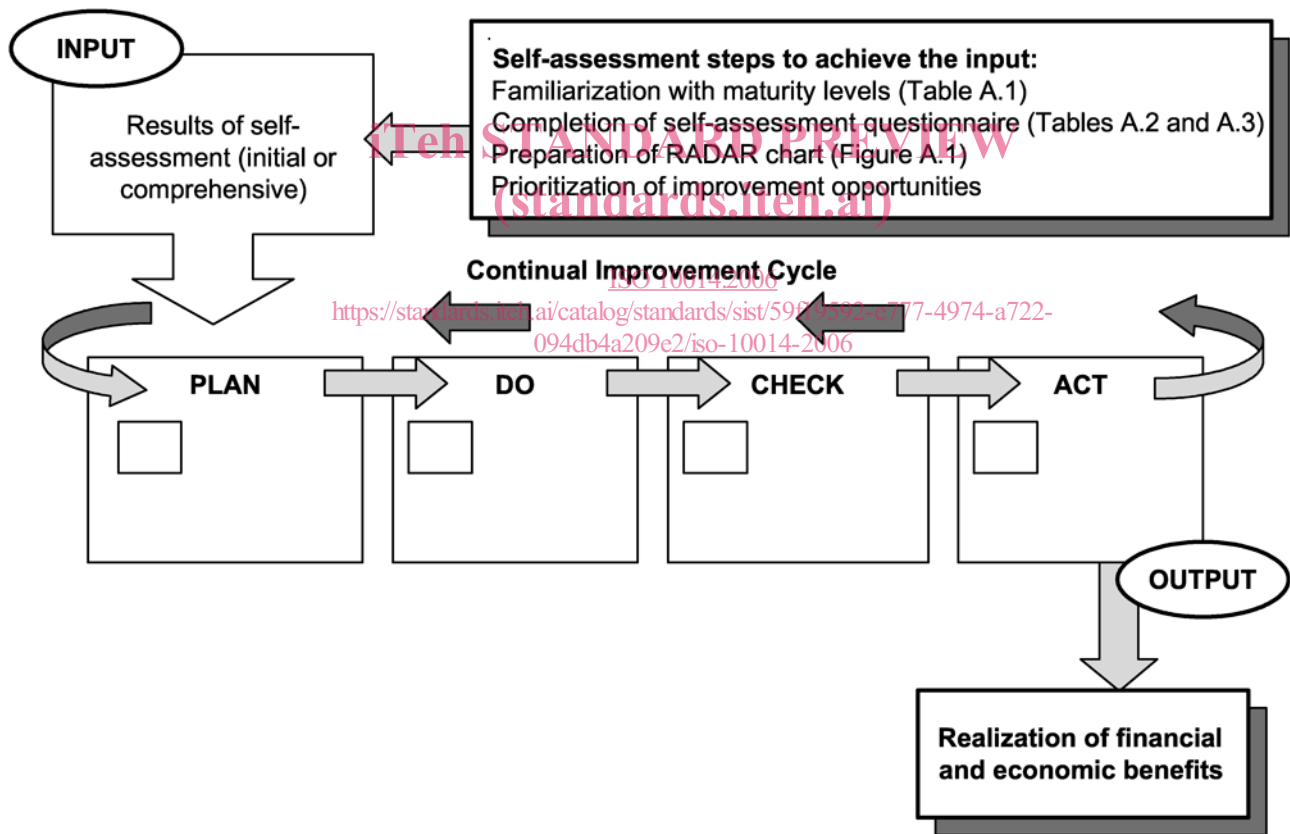


Figure 1 — Generic representation of the overall process



**4.3** Prior to using the self-assessment questionnaires, the assessment team should familiarize themselves with the maturity level descriptions (Table A.1). The assessment team should first use the initial self-assessment questionnaire (Table A.2) to obtain a quick overview of the organization's maturity. This process should take approximately 1 h. The information gained improves the selection process for future self-assessments and should stimulate comparisons throughout the organization, across functions and between working levels. If the average maturity is found to be less than Level 3 for any particular principle, significant benefit should result when top management continues the assessment of that principle using the comprehensive self-assessment questionnaire (Table A.3).

**4.4** When selected, the comprehensive self-assessment should be recognized as an important value-added milestone for the organization, worthy of the extra investment in time needed to complete it. Following the completion of a self-assessment questionnaire, a RADAR chart (Figure A.1) should be prepared that provides a pictorial view of the organization's maturity status. Continuing generation of RADAR charts provides an ongoing illustration of the organization's progress.

Value-added self-assessment relies for its integrity on objectivity, openness and the effective involvement of people during the evaluation of maturity levels. If there is a concern with respect to openness, consideration should be given to having a broad selection of employees complete the questionnaire anonymously.

**4.5** Some common methods and tools are briefly presented in Annex B. Those listed are not intended to be all inclusive. It is recommended that top management further investigate the available methods and tools and implement those that reflect the specific needs of the organization.

## iTeh STANDARD PREVIEW (standards.iteh.ai)

ISO 10014:2006

<https://standards.iteh.ai/catalog/standards/sist/59f19592-e777-4974-a722-094db4a209e2/iso-10014-2006>

## 5 Application of the management principles

### 5.1 Customer focus

“Organizations depend on their customers and therefore should understand current and future customer needs, should meet customer requirements and strive to exceed customer expectations.” (ISO 9000:2005)

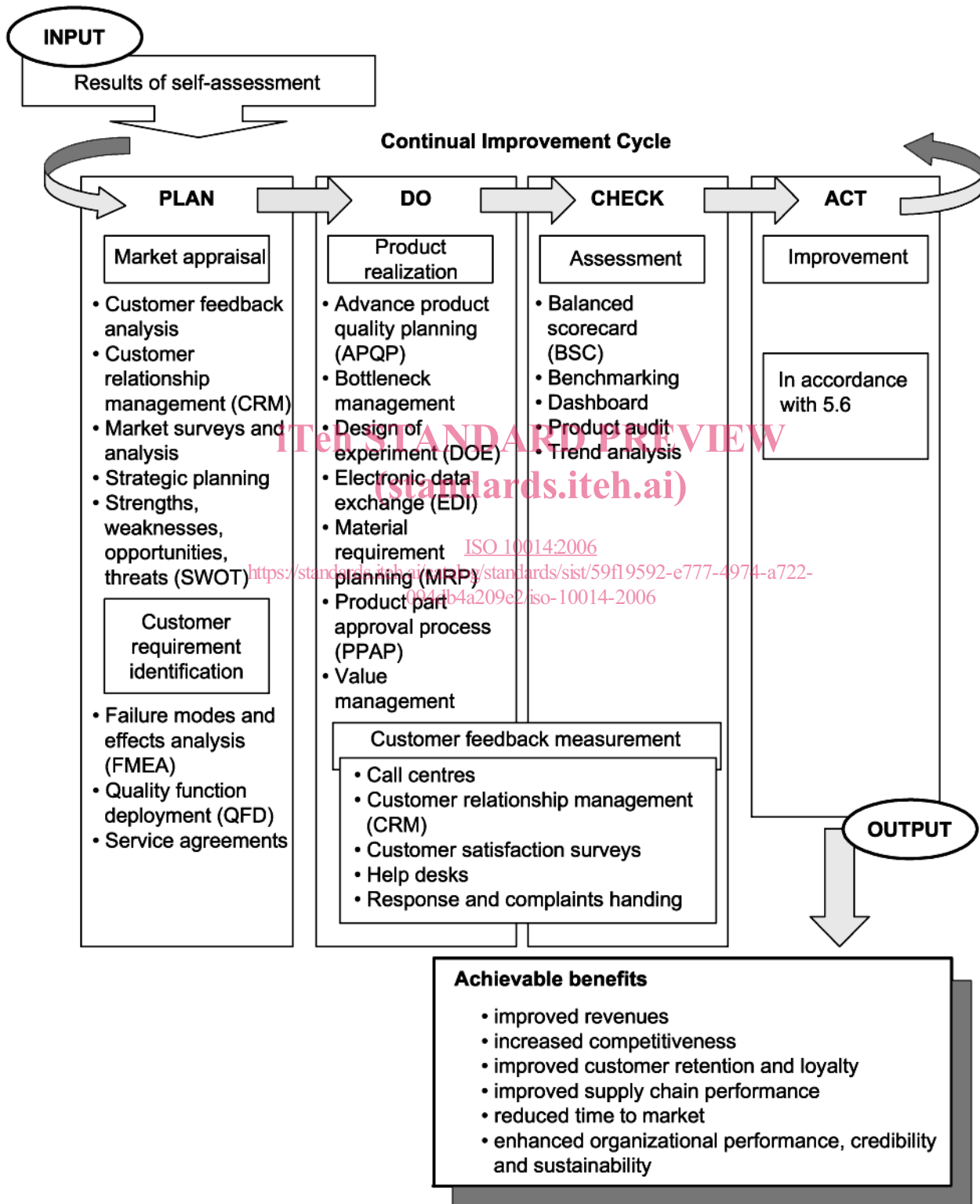


Figure 2 — Customer focus

5.2 Leadership

“Leaders establish unity of purpose and direction of the organization. They should create and maintain the internal environment in which people can become fully involved in achieving the organization’s objectives.” (ISO 9000:2005)

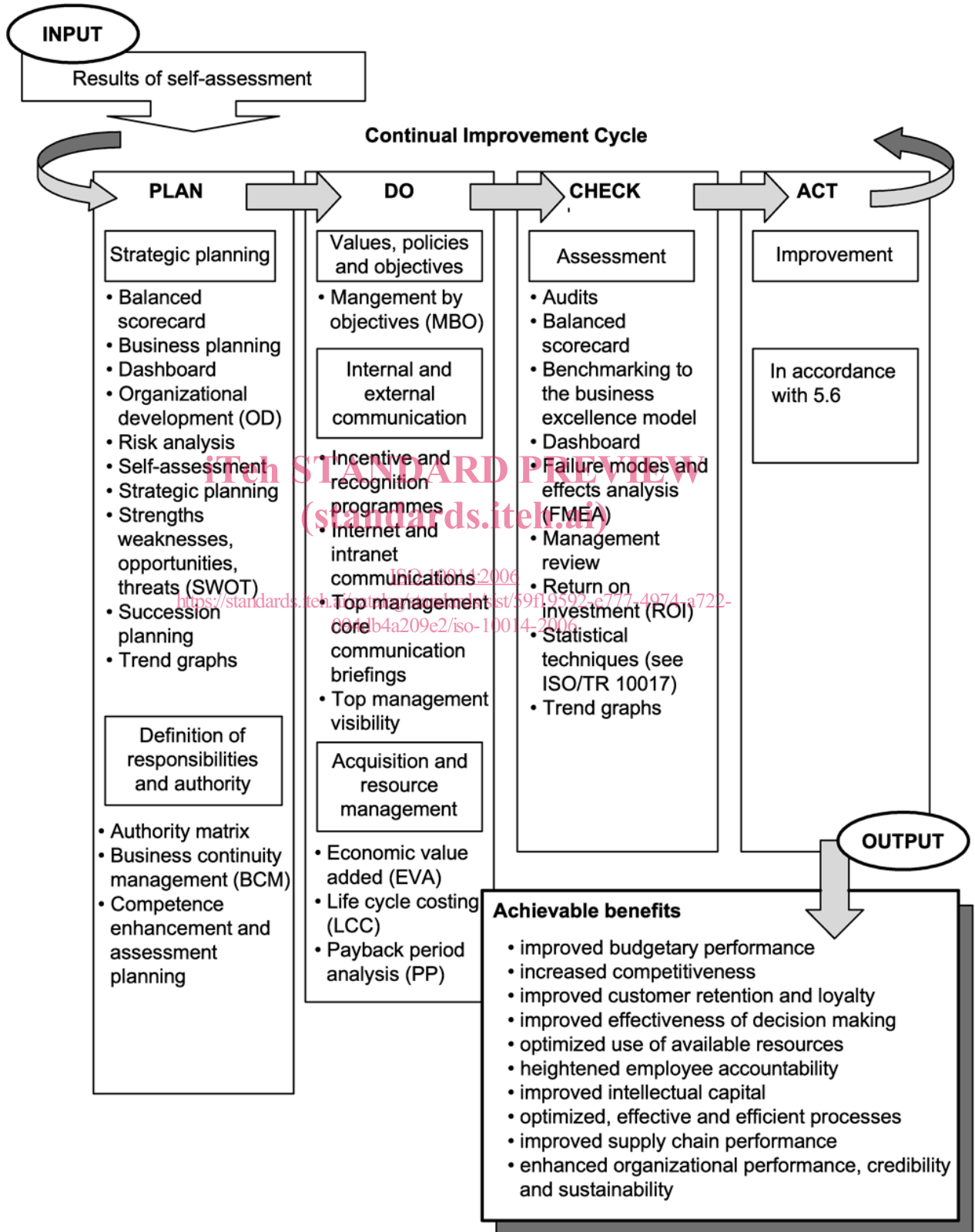


Figure 3 —Leadership

5.3 Involvement of people

“People at all levels are the essence of an organization and their full involvement enables their abilities to be used for the organization’s benefit.” (ISO 9000:2005)

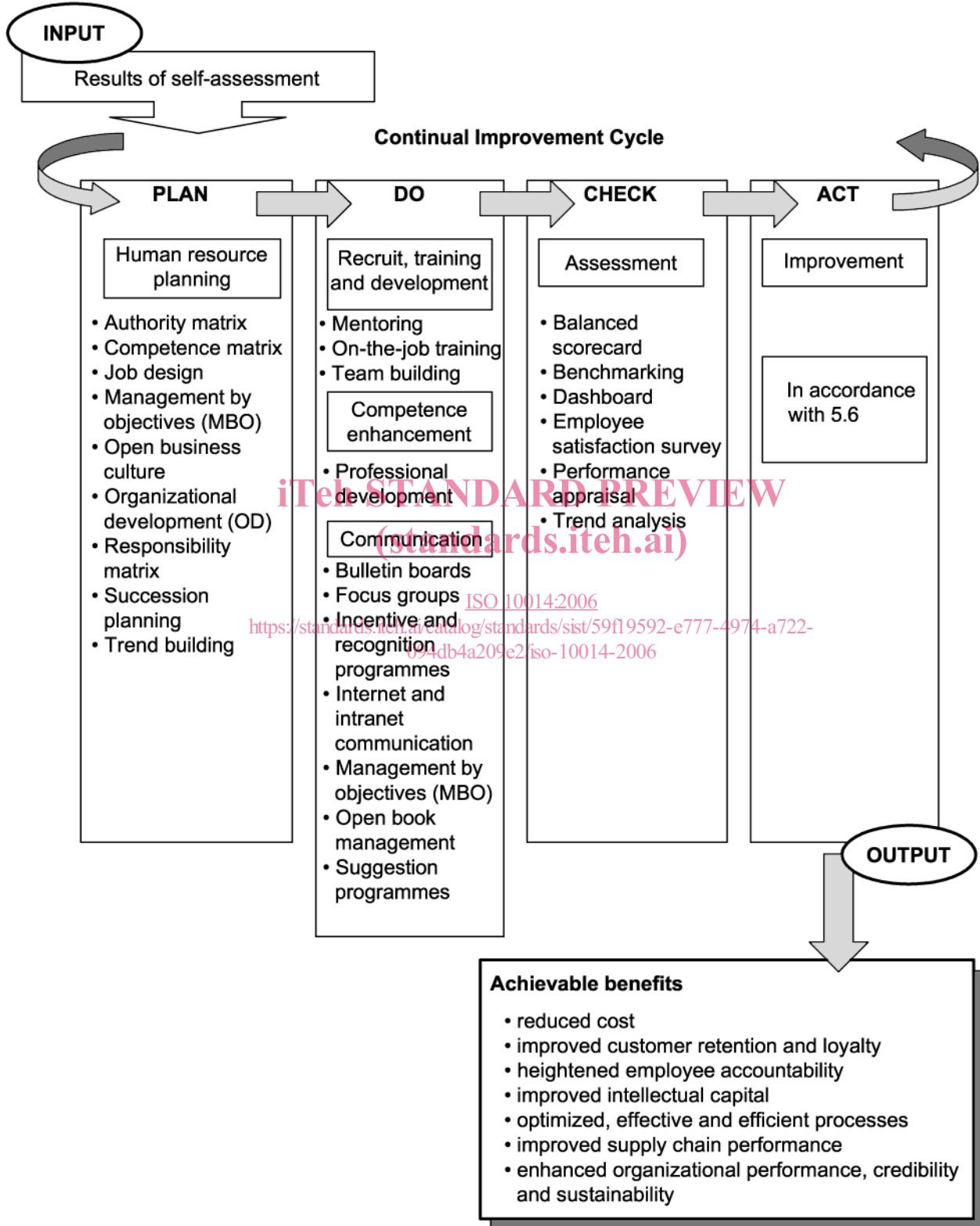


Figure 4 — Involvement of people