

0	Introduction
	This guide assists auditors to form judgements on how well the 8 principles of ISO 9001, (as described in ISO 9004 clause 4.3), are being met. Auditors are required to search for the indicators for each principle within the auditee's organisation and, in accordance with the Grading Performance table below, score the auditee organisation's performance. The auditor is expected to apply this scoring method to each of the key processes indicated in their Audit Plan. The resulting score is used to indicate process effectiveness for ISO 9001 audit purposes.

## Grading Performance

SCORE	
1	None of the principle's indicators are present.
2	Some of the indicators are present.
3	All indicators have been addressed
4	All indicators are present but with a few shortfalls.
5	All indicators are present and there is only limited potential for better application.

## The Eight Principles

1	<b>Customer Focus</b>
	Organizations understand current and future customer requirements including needs and expectations, meet them, and strive to exceed expectations.
Indicators	Customer requirements researched. Own objectives linked to customer requirements. Customer requirements passed on within organization. Customer satisfaction measured and responded to. Customer relationships managed systematically. A balance maintained between satisfying customers and other stakeholders.
2	<b>Leadership</b>
	Leaders establish unity of purpose and direction. They create the environment for people to achieve objectives.
Indicators	All stakeholders' needs considered Produced vision / mission statements. Defined goals and targets Established shared values and an ethical culture. Established a proactive environment avoiding aspects that could affect relationships. Provision of adequate resources, authority and responsibility and training. People's contributions recognised and encouraged.
3	<b>Involvement of people</b>
	People at all levels in the organization are fully involved and their abilities are utilised.
Indicators	People understand the importance of their contribution. People identify constraints to their performance. People accept ownership of problems. People evaluate their performance against goals. People actively seek opportunities to improve. People freely share knowledge and experience. People openly discuss problems and issues.
4	<b>Process approach</b>
	A desired outcome is achieved efficiently when activities and resources are managed as a process.
Indicators	Activities are defined systematically to obtain a result. Responsibility and accountability is defined.

	Analysis and measurement of key activity capabilities.
	Interfaces are identified.
	Focus on resources, methods, and materials improve key activities.
	Risk evaluation, of consequences and impact on customers, suppliers and stakeholders.
5	<b>System approach to management</b>
	Managing interrelated processes as a system leads to ensure effectiveness, efficiency and meeting objectives.
Indicators	Most effective and efficient system structure.
	Dependencies of one process on another within the system are understood.
	Actively harmonize and integrate processes.
	Reduce barriers to achieving objectives by ensuring understanding of roles and responsibilities.
	Define resource constraints prior to action based upon organization capability.
	Define how specific activities should operate.
	Measure & evaluate to continually improve the system.
6	<b>Continual improvement of performance as an objective</b>
Indicators	A consistent organization-wide approach to continual improvement in performance exists.
	Personnel trained in continual improvement are available.
	Objectives are set for every individual to participate in continual improvement actions.
	Goals are set to measures continual improvement.
	Improvements are acknowledged.
7	<b>Factual approach to making decisions</b>
	Analysis of data contributes to effective decisions.
Indicators	Data and information is accurate and reliable.
	Data is accessible to those who need it.
	Data and information analysis uses valid methods.
	Factual analysis, balanced with experience and intuition are the basis of decisions.
8	<b>Mutually beneficial supplier relations</b>
	There is mutual interdependence of organisation and supplier.
Indicators	Relationships balance short-term gains with long-term considerations.
	Expertise and resources are pooled with partners.
	Key suppliers are selected methodically.
	There is clear and open communication.
	Information is shared on future plans
	There are joint development and improvement activities.
	Inspiring, encouraging and recognizing improvements and achievements by suppliers.