

QUALITY MANUAL

CASE STUDY QUALITY MANUAL

AUTHOR

This quality manual sets forth the quality systems and policies and defines compliance with the ISO 9001: 2015 requirements.

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1. Introduction

This quality manual demonstrates and documents John Readings commitment to maintaining a high-level of quality and strong customer service within an environment

that has safety as a first priority, is focused on the customers, and fosters continual improvement.

The purpose of this manual is to:

- Describe John Readings' quality management system,
- Define responsibilities, authorities, and the interrelationships of the key operating management segments,
- Provide the direction for each of the functional activities,
- Provide controls that ensure the requirements for quality will be met.

1.1. Conformance and Compliance Standards

The quality manual is intended to demonstrate conformance to:

ANSI/ISO/ASQ Q9001-2008 *American National Standard: Quality management systems — requirements*. This standard is the United States' legal equivalent of the ISO 9001:2015 international standard. These two reference numbers may be used interchangeably in this manual and the quality management system. In all other references to this conformance standard in this manual or quality management system documents, the reference to the year of the current edition is not used. Reference to this conformance standard also implies reference to all guidance standards contained therein.

1.2 Company Overview

John Readings Pty Ltd is an Australian retail company trading under the name Reads. Its primary business is general bookselling however, over recent times and, in line with online service provision, it has purchased its own warehouse and now sources and stocks books from authors all over the world. It currently has 41 stores located in all Australian States and Territories and a large warehouse and distribution centre located in Newcastle.

Despite all the problems facing retail and bookselling in particular, the company has managed to grow with annual projections well above the average for the sector. Management attests that this is a result of visionary leadership, the employees and the exemplary customer service they provide. Everyone in the organisation is focused entirely on customer service and making sure every customer is satisfied. Quality underpins the company and all employees are focused on quality in all facets of the business as well as continuous improvement. John Readings is currently expanding its market reach as well as the products and services it provides. For further details see 'Company History'.

1.3 Abbreviations, Acronyms and Definitions

ANSI	American National Standards Institute
ASQ	American Society for Quality
Continual Improvement	Process of enhancing the quality management system to achieve improvements in overall quality and environmental performance in line with the organisation's quality policy.
Controlled document	Any document that affects the quality of the product and is reviewed and approved prior to release for use or reference.
ISO	International Organisation for Standardisation
Metrology	The science and practice of precision measurement
PDF	Portable Document Format, a file system extension used to designate a document that conforms to the requirements of international standard ISO 32000-1, <i>Document management – Portable document format – Part 1: PDF 1.7</i>
QMS	Quality Management System.
RSA	An algorithm for public-key cryptography which is suitable for digital signatures. This type of digital signature both authenticates the signer as the only person who could have signed it and authenticates that the document has not been changed since it was signed. (RSA stands for Rivest, Shamir and

Adleman, authors of the Massachusetts Institute of Technology paper that disclosed the method in 1978.)

2. Quality Management System

2.1 General Requirements

A quality system has been documented, implemented and maintained for the warehouse and online services of the company, as a means to ensure product conformance to specified requirements and continued compliance to ISO 9001:2015.

John Readings documents its quality system utilising the following hierarchy:

- **Quality manual:** First-level document that provides a general overview of the quality system and defines the quality policy. The quality manual is divided into sections corresponding to each of the elements of ISO 9001 quality system requirement,
- **Quality procedures:** Second-level documents that provide a more detailed explanation of the quality system elements and detail the structure of the quality system,
- **Work instructions:** Third-level documents that provide step-by-step instructions on how activities are to be carried out,
- **Quality forms and records:** Fourth-level documents or data that contain the information, charts, checklists, or other form of records as evidence to demonstrate conformance to specified requirements and the effective operation of the quality system.

In the course of developing this documented quality management system, the company:

- Identified the necessary processes and their application,
- Determined the sequence and interaction of these processes (see sequence and interaction diagram),
- Defined methods for evaluating the effectiveness of these processes through a quality policy, quality objectives, management reviews, and analysis of data,
- Ensured availability of resources,
- Established corrective and preventive actions and continual improvement processes.

2.2 Documentation Requirements

2.2.1 General

The responsibility to develop and effectively implement quality system procedures is held by the process leaders of each Level 2 procedure. Procedure details depend upon the complexity of the work, the methods used, and the skills and training needed by personnel to carry out the activity.

At a minimum, the quality management system includes:

- Documented quality policy and objectives,
- Quality manual,
- Documented procedures required by ISO 9001:2015,
- Documents identified by the organisation as necessary to ensure quality,
- Records required by ISO 9001:2015.

All Level 1 and Level 2 controlled documents receive final approval from the process leader and/or the ISO management representative.

All management affected by the controlled documents are responsible to ensure that their personnel are adequately informed and trained, as necessary, to ensure the proper implementation of the procedure. Procedures and quality records may be created and/or maintained in the form of paper copy, electronic copy, or in other media as deemed appropriate.

2.2.2 *Quality Manual*

John Readings has established and maintains a quality manual that includes:

- The scope of the quality management system,
- Documented procedures established for the quality management system (which are referenced in the process sequence and interaction below),
- A description of the interaction between quality management system processes. It is defined, in general, in the process sequence and interaction below and in detail in the Level 2 documents.

2.2.3 *Control of Documents*

John Readings has established and maintains procedures to control all documents and data that relate to the requirements of ISO 9001:2015, including documents of external origin, such as standards and electronic media (*see procedure Document Control*).

The Level 1 and 2 process sequence and interaction outlines the procedures and documents within the quality system.

The quality manual defines the policies and structure of the quality system.

Quality procedures describe work processes and how specific ISO 9001:2015 requirements are met. Quality procedures are typically defined using a flowchart format.

Work instructions define how a particular work process or part of a process is performed when the absence of such instructions would adversely affect quality.

Quality records, (including forms, reports, and computer-stored data) provide evidence of the effectiveness of the quality system.

Quality system documents may be initiated by anyone and are issued after review and approval by authorised personnel. All documents are reviewed for adequacy prior to issue.

- Level 1 (quality manual): approved by the CEO and management representative,
- Level 2 (quality system procedures): approved by the process leader or the management representative,
- Level 3 (work instructions): approved by the process leader,
- Level 4 (forms): approved by the CEO.

2. 2. 4 Control of Records

There is a documented procedure for identification, collection, filing, storage, retention and disposition of quality records (*see procedure Record Control document*).

Quality records are maintained to demonstrate conformance to specified requirements and the effective operation of the quality system. Pertinent supplier quality records are an element of these data.

3. Management Responsibility

3.1 Management Commitment

John Readings management demonstrates its commitment to the development and implementation of the quality management system, and its continual improvement, by:

- Communicating to the organisation the importance of complying with customer, regulatory and statutory requirements,
- Establishing and communicating the quality policy,
- Establishing, communicating and enforcing quality objectives,
- Conducting management reviews,
- Providing for necessary resources.

3.2 Customer Focus

John Readings is committed to meeting all customer expectations and requirements and maintaining a procedure for determining the level of customer satisfaction.

The company periodically surveys customers on how they perceive the company, its services and products. It also maintains a file on all customer-initiated surveys; correspondence, by emails or letters that reflect on John Readings either negatively or positively; and reviews with management on an annual basis.

3.3 Quality Policy

John Readings senior management team has established and ensures that the quality policy:

- Is appropriate to the purpose of the organisation,
- Provides a framework for establishing and reviewing quality objectives,
- Is communicated and understood throughout the organisation,

- Is reviewed for continuing suitability.

Quality Policy

John Readings, its management, and entire staff see their “mission” as total customer satisfaction which involves a commitment to comply with the requirements of ISO 9001 and continually improve the effectiveness of the quality management system. We expect to achieve this by creating a healthy working environment, encouraging staff to be involved with their work and the work of their associates; by fostering an atmosphere of sharing ideas, speaking up about things that concern them, and listening to each other. If we accomplish this, we believe we can consistently improve our products and services and reach our goal of total customer satisfaction.

3.4 Quality Planning

3.4.1 Quality Objectives

John Readings’ senior management team has established quality objectives, including those necessary to meet customer requirements, at all relevant functions and levels within the organisation. The quality objectives are measurable and consistent with the quality policy. Strategic quality objectives are summarised as:

1. On time delivery,
2. Minimise customer returns from factory defects,
3. Increase customer satisfaction.

John Readings’ quality objectives are defined and reviewed periodically in management review. Performance against these objectives is evaluated during management review meetings and documented in meeting minutes.

3.4.2 *Quality Management System Planning*

John Readings' senior management team ensures that:

- The planning of the quality management system is implemented by Senior Management and carried out by process leaders and other company employees in order to meet the requirements given in section 2.1 as well as the quality objectives,
- The integrity of the quality management system is maintained when changes to the quality management system are planned and implemented. John Readings manages changes to its QMS through document control and training processes. It monitors its change performance through internal audit and management review) processes.

3.5 Responsibility, Authority and Communication

3.5.1 *Responsibility and Authority*

The CEO has delegated to each department manager, the freedom and authority to manage, perform and verify work affecting quality in his or her own department. Specific authorities for the CEO and his/her delegates include:

CEO

- Assure the overall quality of John Readings products and services,
- Assign organisation authorities required to ensure compliance with the quality system defined in this manual.

Quality Manager (Management Representative)

- Perform the function of the ISO management representative as appointed by the CEO,
- Ensure the quality system is established and maintained throughout the organisation,
- Develop and maintain relevant quality system procedures intended to ensure products meet all customer specifications.

Managers

- Lead and initiate actions to prevent the occurrence of any nonconformities relating to product, process, and the quality system,
- Ensure the quality system is maintained through appropriate audits, tests, inspections, and surveys,
- Review organisational requirements and provide recommendations for changes,
- Report quality and nonconformance data and trends,
- Maintain methods for appropriately identifying and tracing product,
- Identify resources to maintain the quality system.

All Employees

- Understand and support the quality policy and the appropriate elements of the quality system for their areas of work,
- Dedicate efforts to the reduction, elimination and prevention of quality deficiencies,
- Initiate action to prevent the occurrence of nonconformities related to product, process, and quality system.

3.5.2 *Management Representative*

John Readings has assigned the position of management representative to the Director Operations. In the capacity of management representative, this position reports directly to the CEO. Irrespective of other responsibilities, the management representative has the authority, delegated by the CEO to:

- Ensure the quality system is established, implemented, and maintained in accordance with ISO 9001 requirements,
- Evaluate and report on the performance of the quality system to management for review and as a basis for improvement of the quality system,
- Ensure the promotion of awareness of customer requirements throughout the organisation.

All John Readings employees are required to know to whom the responsibility of management representative has been assigned.

3.5.3 *Internal Communication*

John Readings has processes in place that ensure effective management of activities from sales order entry through production. The company uses a multi-disciplinary approach for decision making and has the ability to communicate necessary information and data regarding the effectiveness of the quality system.

Methods for internal communication may include:

- Meetings,
- Memos,
- Display boards,
- Emails.

3.6 Management Review

3.6.1 General

John Readings senior management team holds management review meetings to review the quality system at least once per year to ensure its continuing suitability and effectiveness in relation to ISO 9001:2015 and this quality manual. Records of management reviews are maintained.

3.6.2 Review Input

The activities reviewed during management review meetings include, but are not limited to, the following:

- Internal audit status,
- Corrective and preventive action summary,
- Delivery performance,
- Customer feedback, complaints,
- Operations performance metrics,
- Recommendations for improvement,
- Previous management review activities,
- Changes that could affect the quality management system.

3.6.3 *Review Output*

The output from management review meetings include decisions and actions relating to:

- Improvement of the effectiveness of the quality management system and its processes,
- Improvement of the product related to customer requirements,
- Resource needs.

4. Resource Management

4.1 Provision of Resources

Management has the responsibility and authority to ensure there are adequate resources to support the quality system throughout their functional area of responsibility.

Each member of management is to provide adequate resources to:

- Implement and maintain the quality management system and continually improve its effectiveness,
- Enhance customer satisfaction by meeting customer requirements,
- Place trained personnel in the right place at the right time to ensure John Readings meets its company goals and objectives.

4.2 Human Resources

4.2.1 General

The competence of personnel performing work affecting conformity to product requirements is determined based on appropriate education, training, skills and experience.

4.2.2 Competence, Awareness and Training

John Readings has established and maintains a documented procedure for identifying training needs and providing for the training of all personnel performing activities affecting conformity to product requirements, (*see training procedure*). This procedure includes:

- Determining the necessary competence of personnel performing work affecting quality,
- Providing training or other actions to meet these competency needs,
- Evaluation of the effectiveness of the training and other actions taken,
- Ensuring that personnel are aware of the importance of their activities and how they contribute to the achievement of quality objectives.

Appropriate records of training are maintained.

4.3 Infrastructure

John Readings management utilises a systematic approach to facilities, equipment, and process planning, incorporating cross-functional teams to optimise performance. Resources and systems are maintained to effectively develop and manage all tooling. Capability requirements are reviewed during the quotation process to ensure an accurate quoting process.

4.4 Work Environment

John Readings has determined and manages the work environment to assure its suitability for achieving conformity to product requirements. It maintains a safe and healthy work environment in conformance with all relevant legislation, regulations and codes that may apply.

5. Product Realisation

5.1 Planning of Product Realisation

John Readings plans, and has developed the processes needed for, product realisation. Planning of product realisation is consistent with the requirements of the other processes of the quality management system.

The quality planning process, when initiated, provides for the following:

- Identification and acquisition of necessary controls, equipment, fixtures, resources and skills needed to achieve business goals and objectives,
- Provision for procedures, work instructions, inspections, tests, etc. to ensure product is manufactured to customer expectations and requirements,
- Updating test and inspection equipment and techniques,
- Clarification of all acceptable standards of features and requirements of finished product,
- Identification and preparation of quality records.

5.2 Customer-Related Processes

5.2.1 *Determination of Requirement Related to the Product*

The determination of the requirements relating to the product includes:

- Requirements specified by the customer, including delivery and post-delivery,
- Requirements not specified by the customer but necessary for intended use, where known,
- Statutory and regulatory requirements relating to the product,
- Additional requirements determined by the organisation.

5.2.2 *Review of Requirements Related to the Product*

There is a procedure for contract review and for the coordination of contract review activities to ensure customer requirements and amendments to these requirements are communicated in a controlled manner (*see procedure Sales Order Processing Procedure*).

The contract review procedure requires the appropriate review of each proposal, contract, or order to ensure that:

- Customer requirements and contract scope are adequately defined and documented,
- All terms and conditions of sale are clearly defined and documented,
- Any contract or accepted order requirements differing from those in the quotation tender are resolved, documented, and acknowledged by the customer,
- Both John Readings and the customer have the capability to meet the contract or accepted order requirements,
- Proprietary information is adequately protected,
- Adequate definition of the responsibilities of both John Readings and the purchaser including specification, acceptance, and related support activities.

Amendments to a contract or customer's specification are handled and correctly transferred to the concerned functions within the company and confirmed with the customer.

Where the customer provides no documented statement of requirements, the customer requirements are confirmed by John Readings prior to acceptance.

Records of contracts, contract reviews, proposals and contract amendments are maintained in the customer file.

5.2.3 *Customer Communication*

John Readings has determined and implemented effective arrangements for communicating with customers in relation to:

- Product information,
- Inquiries, contracts or order handling, including amendments,
- Customer feedback, including customer complaints.

5.3 **Designs and Development**

John Readings is claiming an exclusion to standard requirement 7.3 Design and Development. The company prints and processes products to its customers' designs. While John Readings may participate with the customer in the design process, design responsibility remains with the customer in all cases.

5.4 **Purchasing**

5.4.1 *Purchasing Process*

Procedures are established and maintained to ensure that services and products in the production of John Readings products, which contribute to the quality of the product, conform to specified requirements (*see purchasing procedure*).

John Readings procedures ensure suppliers and contracted services, which impact conformity to product requirements, are assessed and selected based on their ability to meet company specified requirements. The assessments are documented. The procedure for evaluation of suppliers includes monitoring of delivery, quality, and any other items required on the purchase order, see supplier evaluation procedure.

Suppliers are approved based on one or more of the following:

- Product evaluation or functional test,
- Documented experience of technical and quality performance,

- Past performance meeting John Readings requirements for quality, cost and delivery.

5.4.2 *Purchasing Information*

Purchasing documents clearly and completely describe ordered products. Purchasing documents clearly define, where appropriate:

- Material requirements and may include reference to applicable drawings, schematics, inspection instructions, relevant technical data and quality system standards,
- Requirements for qualification of personnel,
- Quality management system requirements.

Purchasing reviews and approves all purchasing data for adequacy and completeness prior to release to suppliers.

5.4.3 *Verification of Purchased Product*

John Readings does not require verification of purchased product at the supplier's premises (source inspection).

Purchased and customer supplied products and services are prevented from use until the required verifications are conducted and the product or service is verified as conforming to specified requirements. Incoming product is inspected prior to release to production (*see Verification of Purchased Materials procedure*).

Verification of the specified requirements is in accordance with the purchase order. John Readings utilises receiving inspection as the method to ensure incoming product meets requirements.

John Readings does not permit the early release of incoming material for urgent production purposes prior to verification.

If specified in the contract, John Readings customers have the right to verify at the supplier facilities that the product conforms to specified requirements.

- Customer verification does not preclude subsequent rejection by the customer,
- Customer verification is not sole evidence of effective control of quality.

5.5 Production and Service Provision

5.5.1 Control of Production and Service Provision

John Readings plans and carries out production under controlled conditions (see *Component Preparation and Test procedure*) which include, as applicable:

- Availability of product characteristic description information such as drawings and schematics,
- Availability of work instructions, where the absence would adversely affect quality,
- Use of suitable equipment,
- Availability and use of measuring devices,
- Implementation of measuring processes where required to assure product quality,
- Implementation of suitable release, delivery and post-delivery activities.

5.5.2 Validation of Processes for Production and Service Provision

John Readings is claiming exclusions to standard requirement 5.5.2 Validation of Processes for Production and Service Provision. There are no processes utilised by John Readings for which final inspection is not performed. There are no processes used by the company that do not practically lend themselves to final inspection.

5.5.3 Identification and Traceability

Documented procedures describe how raw material, in-process items, and finished goods are uniquely identified.

Inspection and test status for all products is identified by suitable means as defined in documented procedure. The status identified indicates the conformance or nonconformance of product with regard to inspection and tests performed.

5.5.4 *Customer Property*

All products provided by John Readings customers for incorporation into their products, or for activities connected with their product, are controlled according to documented procedures (*see Verification of Material Received procedure*).

Any such product that is lost, damaged, or is otherwise unsuitable for use shall be recorded and reported to the customer.

Verification of the customer property by John Readings does not absolve the customer of the responsibility to provide acceptable products nor shall it preclude subsequent rejection.

5.5.5 *Preservation of Product*

John Readings has established documented procedures for preventing damage or deterioration to material, work-in-process and finished product through handling, storage, packaging, preservation and delivery.

5.6 Control of Monitoring and Measuring Equipment

There is a documented procedure to control, verify, and maintain inspection, measuring, and test equipment used to demonstrate conformance of product to the specified requirements (*see Control of Monitoring and Measuring Equipment procedure*).

Inspection, measurement and test equipment are used in a manner that ensures that measurement uncertainty is known and consistent with required measurement capability.

When the technical data pertaining to the measurement equipment is a customer-specified requirement, such data shall be made available for verification that the measuring equipment is functionally adequate.

For all test equipment used for product verification, John Readings does the following:

- a. Selects the device based upon the measurements to be made and the accuracy and precision required,
- b. Documents the basis used for calibration in situations where no standard exists for calibration,
- c. Identifies, verifies, and labels the device prior to use and re-verifies the device at prescribed intervals,
- d. Provides instructions for calibration method and frequency,
- e. Assesses the validity of previous test results when test equipment is found to be unacceptable during testing or re-verification activities,
- f. Safeguards all test equipment against misuse, environmental changes that could affect calibration accuracy, unintended access or changes that would invalidate the verification status of the systems,
- g. Equipment is calibrated using standards having a known valid relationship to internationally or nationally recognised standards,
- h. Equipment is handled, stored and preserved in a manner such that the accuracy and fitness for use are maintained.

Records of all calibration activities for inspection, measurement and test equipment are maintained.

6. Measurement, Analysis and Improvement

6.1 General

John Readings plans and implements the monitoring, measurement, analysis and improvement processes needed to:

- Demonstrate conformity to product requirements,
- Ensure conformity of the quality management system,
- Continually improve the effectiveness of the quality management system.

This includes determination of applicable methods, including statistical techniques, and the extent of their use.

6.2 Monitoring and Measuring

6.2.1 *Customer Satisfaction*

John Readings is intent on meeting or exceeding all customer expectations and requirements. As part of that process, it analyses and reviews all customer feedback, including a customer satisfaction survey that it sends out periodically. It also maintains records on customer ratings of John Readings as a vendor. All of this material is reviewed by management on an annual basis for determining the level of customer satisfaction.

6.2.2 *Internal Audit*

John Readings conducts internal audits at planned intervals to determine whether the quality management system:

- a) Conforms to the planned arrangements, to the requirements of this International Standard and to the quality management system requirements established by the organisation, and
- b) Is effectively implemented and maintained.

An audit program will be planned, taking into consideration the status and importance of the processes and areas to be audited, as well as the results of previous audits. The audit criteria, scope, frequency and methods are defined. The selection of auditors and conduct of audits will ensure objectivity and impartiality of the audit process. Auditors will not audit their own work.

The responsibilities and requirements for planning and conducting audits, and for reporting results and maintaining records are defined in *The Audit* procedure.

The management responsible for the area being audited will ensure that any necessary corrections and corrective actions are taken without undue delay to eliminate detected nonconformities and their causes. Follow-up activities will include the verification of the actions taken and the reporting of verification results.

6.2.3 Monitoring and Measurement of Processes

Documented procedures define the methods used for controlling the manufacturing processes and make reference to any applicable instructions utilised to define how work is conducted. Where required, these procedures are available at the workstation.

In general, the effectiveness of processes is evaluated by measuring compliance with the quality policy and quality objectives. The quality policy is stated in section 1.3 and the quality objectives are stated in section 1.4.1 of this manual. Performance against these objectives is evaluated during management review meetings and documented in meeting minutes.

6.2.4 Monitoring and Measurement of Product

Product is inspected and/or tested in order to verify that the specified requirements for the product are met. Required inspection and/or testing, and the records to be established are detailed in the quality plan, and/or documented procedures.

In-process inspection and testing is performed as required by documented procedure.

John Readings procedures ensure that in-process inspection and testing is carried out and defines the criteria for holding of products until these inspection and tests activities have been completed and necessary reports have been verified.

All final testing is conducted in accordance with the quality plan or documented procedures to complete the evidence of conformance of the finished product to the specified requirements.

The quality plan or documented procedures require that:

- Product is held until all the required testing has been carried out and the results meet specified requirements,
- Final inspection may include accumulation of in-process inspection results or specific final testing as appropriate,
- Final inspection and testing includes the verification that all previous inspection and testing activities, including those specified at receipt of products or in-process, have been carried out with results meeting the specified requirements.

All inspection and testing is recorded and approved by the personnel performing the inspection and/or testing to provide evidence the product has been inspected and/or tested.

- These records show clearly whether the product has passed or failed the inspections and/or tests according to defined acceptance criteria,
- Traceability exists between the test records and the product tested,
- Where the product fails to pass any inspection and/or test, the procedure for control of nonconforming product shall apply.

6.3 Control of Nonconforming Product

Product that does not conform to specified requirements is prevented from unintended use. Controls are provided for identification, documentation, evaluation, segregation, disposition of nonconforming product, and for notification of the functions concerned.

The responsibility for review and authority for the disposition of nonconforming product is defined.

Nonconforming product is reviewed in accordance with the documented *Control of Non-Conforming Product* procedure.

- Use-as-is,
- Return to supplier,
- Scrap,
- Rework or repair.

Where required by the contract, the proposed use or repair of product that does not conform to specified requirements is reported to the customer or customer's representative for concession.

The description of a nonconformity that has been accepted "as is" is recorded to denote the actual condition and will be maintained in the completed job folder for this customer.

Repaired and/or reworked product is re-inspected in accordance with the quality plan and/or documented procedure.

6.4 Analysis of Data

Company-level data is used throughout the company to better ensure the ability to meet customer expectations. The management review process includes analysing this data for problem solving and problem prevention purposes.

Trends in company level data are analysed and compared to overall business goals and objectives. Key product and service features are included in analysis and if deficiencies are noted, action is taken to correct them to ensure customer satisfaction.

6.5 Improvement

6.5.1 *Continual Improvement*

John Readings management system and practices promote continuous improvement in quality, service and price that benefit all customers.

- Each activity within the company pursues continuous improvement in all aspects of performance, with emphasis on customer-perceived quality, cost, and delivery factors,
- Executive management monitors selected objective indicators of performance,
- Long-term performance history is periodically evaluated, and trends are analysed,
- Targets are established based on performance. Priority is given to indicators that do not attain satisfactory customer performance levels,
- Performance is monitored against planned targets. Formal corrective action is initiated when planned targets are repeatedly missed.

6.5.2 *Corrective Action*

Procedures are documented and maintained to implement corrective actions (see *Corrective and Preventive Action procedure*). Employees, customers and suppliers are encouraged:

- To propose corrective actions to eliminate actual or potential nonconformities,
- To continuously improve processes and products.

Any corrective action taken to prevent the reoccurrence of nonconformity shall be to a degree appropriate to the magnitude of the problem and commensurate with the risks encountered.

Any changes to documented procedures resulting from corrective action are implemented and recorded.

The corrective action system procedure includes consideration of the following:

- Effective handling of customer complaints and reports of product non-conformance,
- Investigation of the cause of nonconformities relating to product, process, and quality system, and recording the results of the investigation,
- Determination of the corrective action needed to eliminate the cause of nonconformities,
- Application of controls to ensure that corrective action is taken and that it is effective,
- Confirmation that relevant information on actions taken is submitted for management review.

The typical corrective action will consider the following disciplined problem-solving steps:

- Problem statement and description,
- Containment (action required to address the immediate problem),
- Root cause,
- Long-term solution,
- Preventive action,
- Monitoring status.

Records of corrective actions taken will be maintained.

6.5.3 Preventive Action

Procedures are documented and maintained to implement preventive actions (see *Corrective and Preventive Action procedure*). Preventive actions are taken to eliminate the causes of potential nonconformities in order to prevent their occurrence. Preventive actions will be appropriate to the effects of the potential problems.

The preventive action system procedure includes consideration of the following:

- Use of appropriate sources of information such as design processes and work operations that affect product quality, concessions, audit results, quality records, service reports, root cause analysis, and customer and employee complaints to detect, analyse and eliminate potential causes of nonconformities,
- Determination of the steps needed to deal with any problems requiring preventive action,
- Initiation of preventive action and application of controls to ensure that it is effective,
- Confirmation that relevant information on actions taken is submitted for management review.

Records of preventive actions taken will be maintained.

Summary of Changes

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Rev	Description of Change	Date	Approved by:
A	Initial release	8/26/11	CEO
B	Revised quality policy and quality objectives.	11/22/12	CEO
C	Updated the manual to reference relevant procedures.	8/28/13	CEO
D	Updated organisational chart	11/1/14	CEO
-	Updated organisational chart	5/8/15	CEO
-	Para. 5.5.3 deleted traceability not required statement; Para. 5.5.4 Changed Customer Property procedure to 1000VM; Para. 7.5.5 Updated ESD procedure to 1000D-W103	9/17/17	CEO
-	Updated organisational chart	10/29/18	CEO