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ISO 9001 Auditing Practices Group
Guidance on:

Customer feedback

1) Introduction

The customer feedback process is a critical part of the quality management system and should therefore receive adequate attention during a third party audit. Feedback from the customer is one of the primary performance indicators that can be used to judge the overall effectiveness of the QMS. It is important, therefore, for the auditor to verify that

    a) the organization's customer communication channels promote an adequate awareness of the process by which customers can provide feedback

    b) inputs to the customer feedback process include relevant, representative and reliable data,

    c) this data is analyzed effectively, and

    d) the output from this process provides useful information to the management review and other QMS processes, to enhance customer satisfaction and drive continual improvement.

2) What are the requirements?

2.1) The overall objective of ISO 9001, is to specify requirements for a quality management system where an organization:

    a) needs to demonstrate its ability to **consistently provide products and services that meet customer and applicable statutory and regulatory requirements**, and

    b) aims to **enhance customer satisfaction** through the effective application of the system, including processes for improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.

2.2) Clause 8.2.1 requires the organization to *"Communication with customers shall include (…) obtaining customer feedback relating to products and services, including customer complaints."*

2.3) Clause 9.1.2 of ISO 9001 states:

"The organization shall monitor customers' perceptions of the degree to which their needs and expectations have been fulfilled. The organization shall determine the methods for obtaining, monitoring and reviewing this information."

ISO 9000 defines *monitoring* as " determine the status of a system, a process, a product, a service or an activity". It is important for auditors to recognize that there is no specific requirement in ISO 9001 for the organization to perform formal customer satisfaction surveys, or other measurements of customer satisfaction, though this could of course be a useful tool in monitoring customer perceptions. It is therefore important that the organization tries to see things from the customer's perspective, and *monitors the customer's perceptions*; *measurement* of customer *satisfaction* may be appropriate in some situations, but it is not a direct requirement of the standard.

NOTE: In addition to these specific references to the customer feedback process, there are a number of indirect references throughout the whole of the standard, which the auditor needs to take into account. Examples include feedback as part of the design and development process, process validation and others.

3) What should be addressed when auditing customer feedback processes?

Customer feedback needs to be *audited* as a process, not as a "clause of the standard". An evaluation also needs to be performed on the way in which the process is managed, as well as its ability to provide meaningful information with which to judge the *overall* effectiveness of the QMS. The way in which the organization obtains this feedback ("the method") is up to the organization to define.

The auditor should therefore be aware of the many factors that can affect the organization's approach, and should recognize that there is no fixed "recipe". Due consideration should be given to factors such as:
- an organization's size and complexity
- the degree of sophistication of products and services, and customers
- the risks associated with the products and services
- the diversity of the customer base

3.1) Prior to the audit of the customer feedback process (preparation stage)

The auditor needs to be aware of the specific characteristics of the organization's products and services that are likely to impact customer satisfaction. Throughout the audit the auditor should be alert for indications that may suggest customer satisfaction or dissatisfaction which could serve as input into the audit of the customer feedback process. Good sources of such information may include, for example:
- Goods returned by the customer;
- Warranty claims;
- Revised invoices;
- Credit notes;
- Articles in the media;
- Consumer websites;
- Direct observation of, or communication with, the customer (for example in a service organization).

3.2) During the process assessment

These are some of the issues an auditor should address during an audit of the customer feedback process:

a) What is the desired output of this process? What information is actually *available* on customer perceptions? How is this information used by management to drive

improvements to the product, processes and the QMS?

- • Are all customer categories covered by this information? It is important to remember that the organization may have more than one category of customer - see the definition of "customer" in ISO 9000. For example, a manufacturer may sell to wholesalers, who then sell to retailers, who in turn sell to the general public. In this case the organization may need to address all types of relevant interested parties as they may have different perceptions. The organization could be satisfying one group and upsetting another.

b) **How** is the data collected to feed the process?

- • There are many ways for an organization to monitor its customers' perceptions, and the auditor should avoid preconceived ideas about how this should be done. Some examples of techniques the organization can use include:

  - o face-to-face evaluations, which may be appropriate in many service organizations such as hotels – "How was your stay with us?" or restaurants "I hope you enjoyed your dinner"
  - o telephone calls or visits made periodically or after delivery of products and services,
  - o questionnaires or surveys carried out by the organization itself, or by independent market researchers
  - o other contacts with customers, for example by service or installation personnel
  - o internal enquiries among the organization's personnel who are in contact with customers,
  - o evaluation of repeat business
  - o monitoring accounts receivable, warranty claims, etc.
  - o customer complaints analysis

  Often complaints are the only **spontaneous** feedback received from customers, and these should be analysed for any trends, key concerns, impacts etc. It must be stressed, however, that customer complaints should not be the only input for monitoring customer perceptions. Also, the auditor should avoid reaching conclusions only by looking at specific individual complaints - these should always be put in the context of their overall impact on the QMS.

c) How reliable is the information?

- • In an ideal world, the organization would monitor the perceptions of all customers, but the costs of doing so might be prohibitive. Therefore it is necessary to verify the criteria the organization has used for any sampling of its customers, to ensure that this is representative, and reflects the risks both to the organization and its customers.
- • The auditor should seek to verify the information provided by comparing with other evidence obtained during the course of the audit (see 3.1).
- • In some cases it may be appropriate for the auditor to verify information directly with the organization's customers, though a certain diplomacy will be required when doing this.

d) How is the data analyzed?

- Simply collecting data on customer perceptions is not sufficient – the auditor must follow the process through, to check how the data is analyzed and evaluated, and what conclusions are made with respect to the effectiveness of the QMS.
  - o Are there any trends?
  - o Is the situation stable, improving, or deteriorating?
  - o Are customer needs and expectations changing?

- Although it is not a requirement of ISO 9001, it may be appropriate to ask the organization about industry comparisons, or benchmarking activities, in order to put customer feedback into perspective

e) How does the information generated by this process feedback into the QMS as a whole?

- Organizations should be using the results of the customer feedback process to trigger nonconformities, corrective actions, improvement opportunities as one of the overall measures of the QMS performance. The way in which these processes interact should also be subject to audit.
- The auditor should be able to recognize that the output from the customer feedback process forms an important input into other QMS process, such as data analysis, management review and improvement processes.
- An auditor who strives to add value will try to ensure that the organization recognizes the benefits a sound customer feedback process can bring, and will encourage (but can not require) the organization to think beyond simply "meeting the requirements of the standard".

f) What are the links to other QMS processes?

- The auditor should recognize that the customer feedback process has important links and interfaces with several other QMS process that include, but are not limited to:
  - o Management review
  - o Process validation
  - o Customer communication
  - o Design and development controls and changes

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