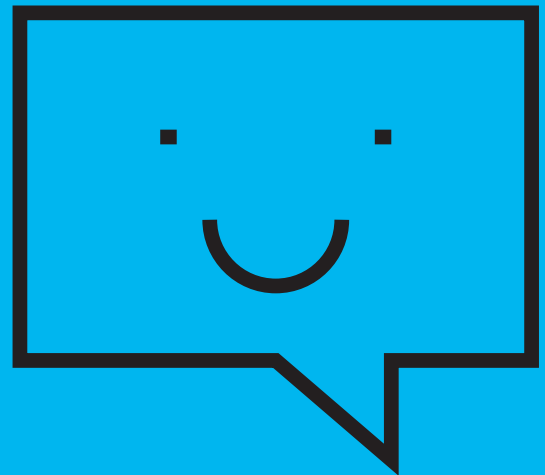
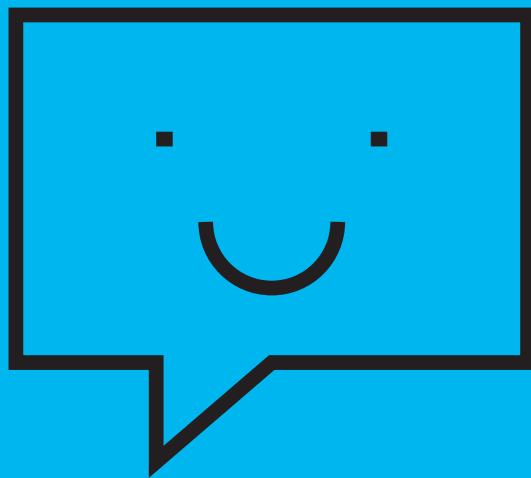


Engaging the Board

with AS9100 Revision D

By David Key
1st March 2017



AS9100:D

Contents

Executive Summary4

This Paper's Purpose5

The Issue6

Opportunities11

Approaching the Board.....14

Conclusion17

Further Help18

About E-Squared21

Executive Summary

AS9100D (Rev D), the new aerospace quality management standard due to come into effect in September 2018, is potentially transformational to organizations and Quality management professionals alike.

It presents aerospace companies with new supply chain opportunities whilst offering them a raft of sophisticated management practices to improve their competitive advantage on an ongoing basis.

Rev D is both a tactical means to maintain aerospace approved supplier status and a strategic means to improve an organization's overall management capability. It also has the potential to do the same for Quality managers: providing them with a set of career-development tools which could propel them up the management ladder.

With its focus on value, effective change management and an improvement approach to risk, Rev D makes it much easier for an aerospace organization to gain any new standards certification and thus to continually improve its competitive position.

REV D MAKES IT MUCH EASIER FOR AN AEROSPACE ORGANIZATION TO GAIN ANY NEW STANDARDS CERTIFICATION AND THUS TO CONTINUALLY IMPROVE ITS COMPETITIVE POSITION

It forms the bridge between the Board and the Quality team whilst serving as the unifying mechanism between operations, standards management and compliance.

However due to its newness, not every organization understands how to cross this bridge and thus how to gain the most from Rev D. That is the purpose of this paper, to alert both sides: the Board and the Quality team, to the huge possibilities that Rev D creates for improvement, whilst also smoothing the way for each to cross the bridge to meet the other.



David Key is managing Director at E-Squared and for the past 8 years has led the implementation of standards change management in a range of industries, from major aerospace organisations to public sector national defence.



This Paper's Purpose

The purpose of this paper is to alert aerospace boards of directors and their Quality teams to the huge opportunities Rev D presents for improvement.

In doing this it also addresses an issue which is clearly of concern to aerospace Quality managers: i.e. how to engage their boards of directors in any meaningful discussion about quality. This is essential given that:

01

Rev D requires a nominated Board director to lead its implementation and management. Without that the organization will most likely fail to be certified.

02

This is entirely new territory for most Quality managers. The majority have never had to engage and influence on a strategic level before.

As part of this we will put forward a compelling case for the Board's involvement and willing engagement; enabling the senior Quality team to approach their board, demonstrate the opportunities that Rev D offers and enhance their position.

Throughout this paper we will refer to Quality managers rather than Quality Managers. This is because the paper is aimed at all managers within the Quality department rather than Quality Managers exclusively.

The Issue

THE NATURE OF THE ISSUE?

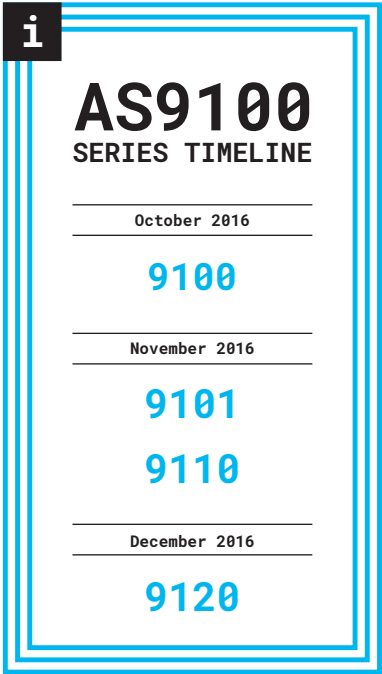
Quality managers can often find it difficult to engage with the Board, yet that is a requirement of Rev D.

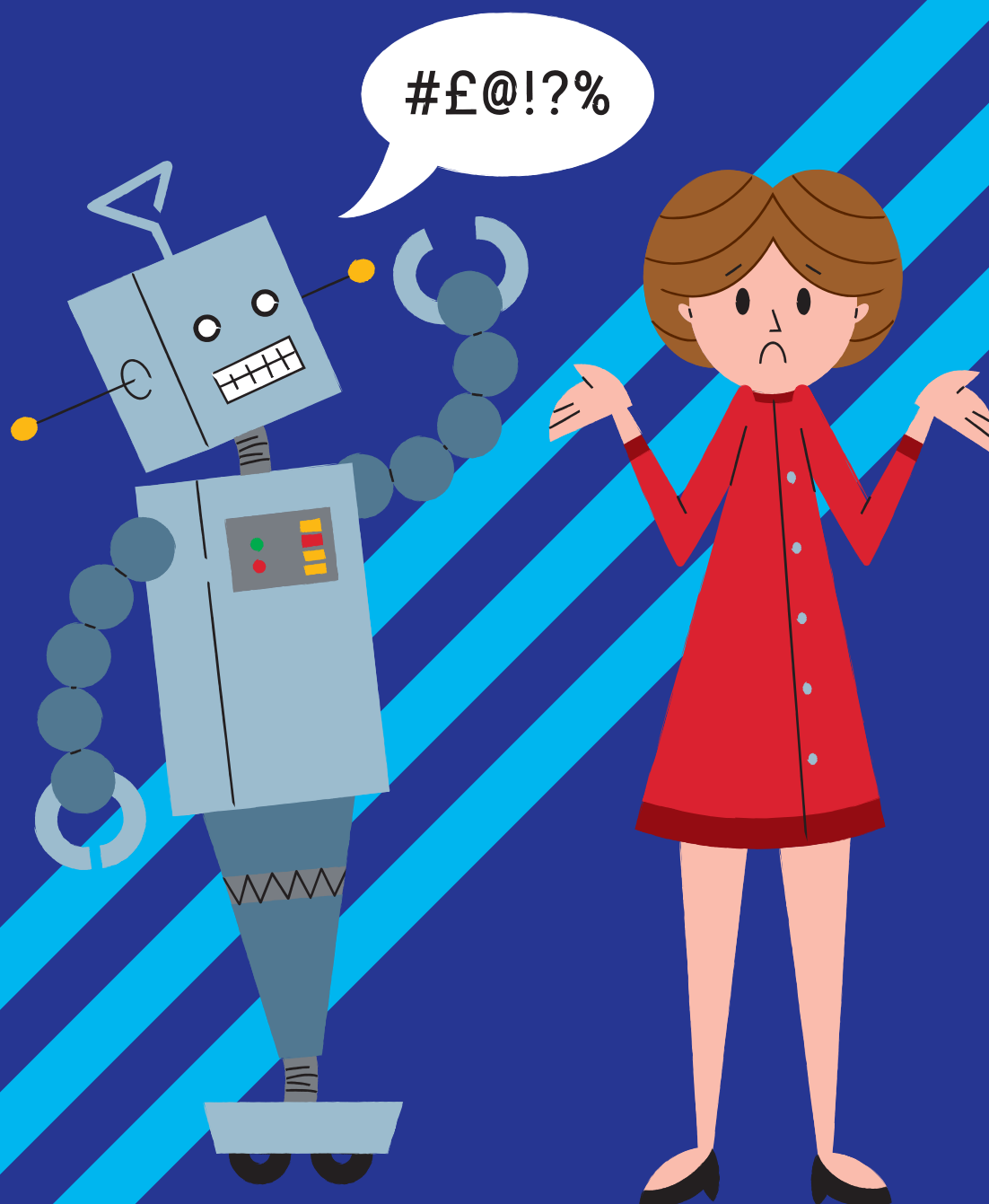
The conversations between the Quality department and senior management can sometimes seem like an alien dialogue between two very different cultures. One might focus on cost whilst the other focuses on revenue; one on compliance, the other on innovation; one on caution, the other on all-out growth.

As a result, all sorts of different perceptions and emotions can develop through no fault of either group. Other departments may sometimes perceive Quality to be somewhat separate and peripheral to them and this can occasionally be reflected at Board level. Quality, on the other hand, might argue that its role is central to the delivery of excellence throughout the organization and thus should permeate every action.

But one topic about which both groups agree is operations. Quality talks about doing the right things right (i.e. operating the most effective processes correctly). The Board talks about effectiveness and efficiency. Both are very similar and move the organization towards a common outcome: they just use different language to describe it.

It is that language which is both the barrier to progress and the means to success. If we can find a form of dialogue between Quality and the senior management team that addresses the operational issues in meaningful ways for both teams, we may have a way of bringing them together.

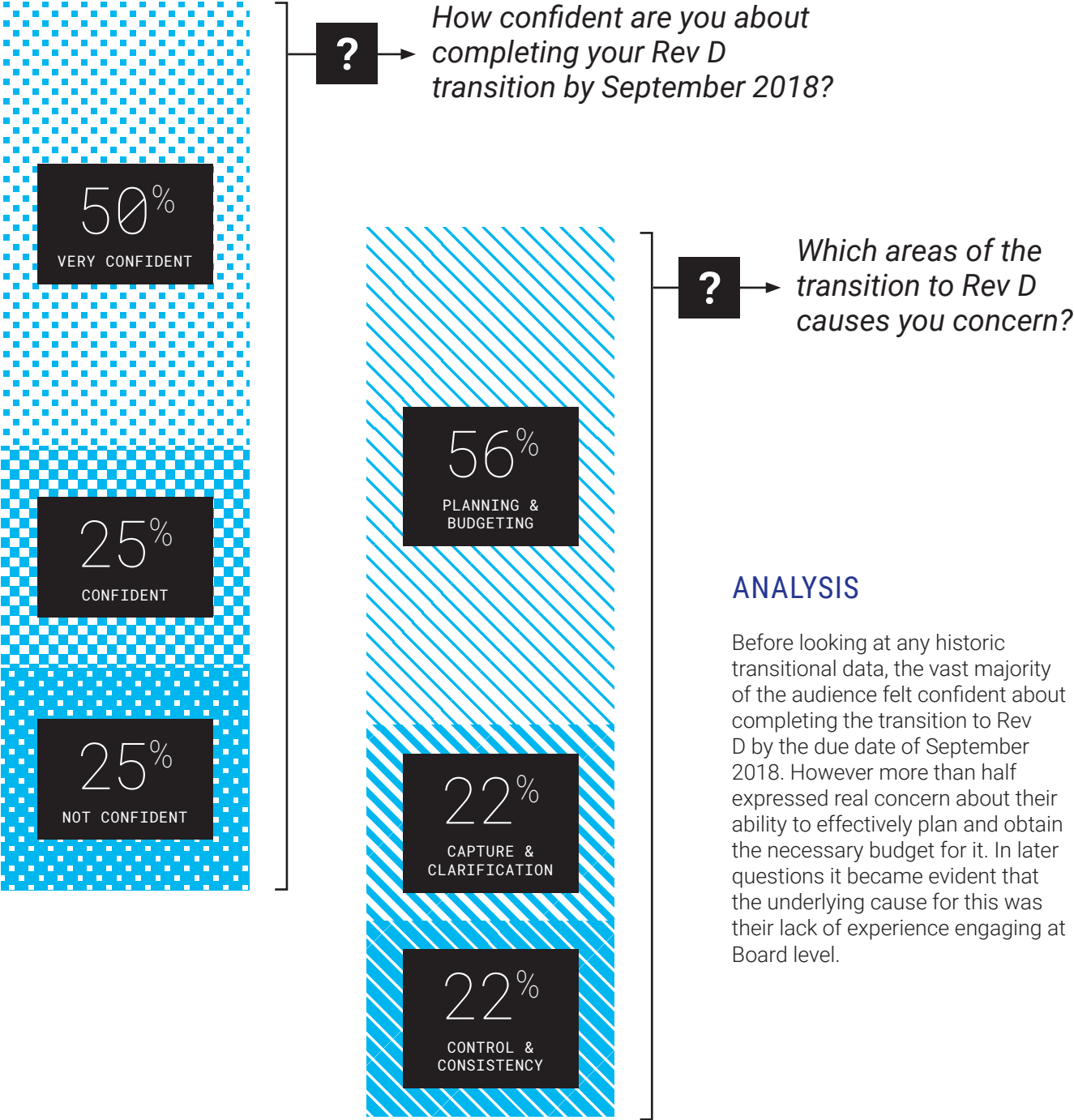




QUALITY MANAGERS AND THE BOARD MUST
SPEAK THE SAME LANGUAGE.

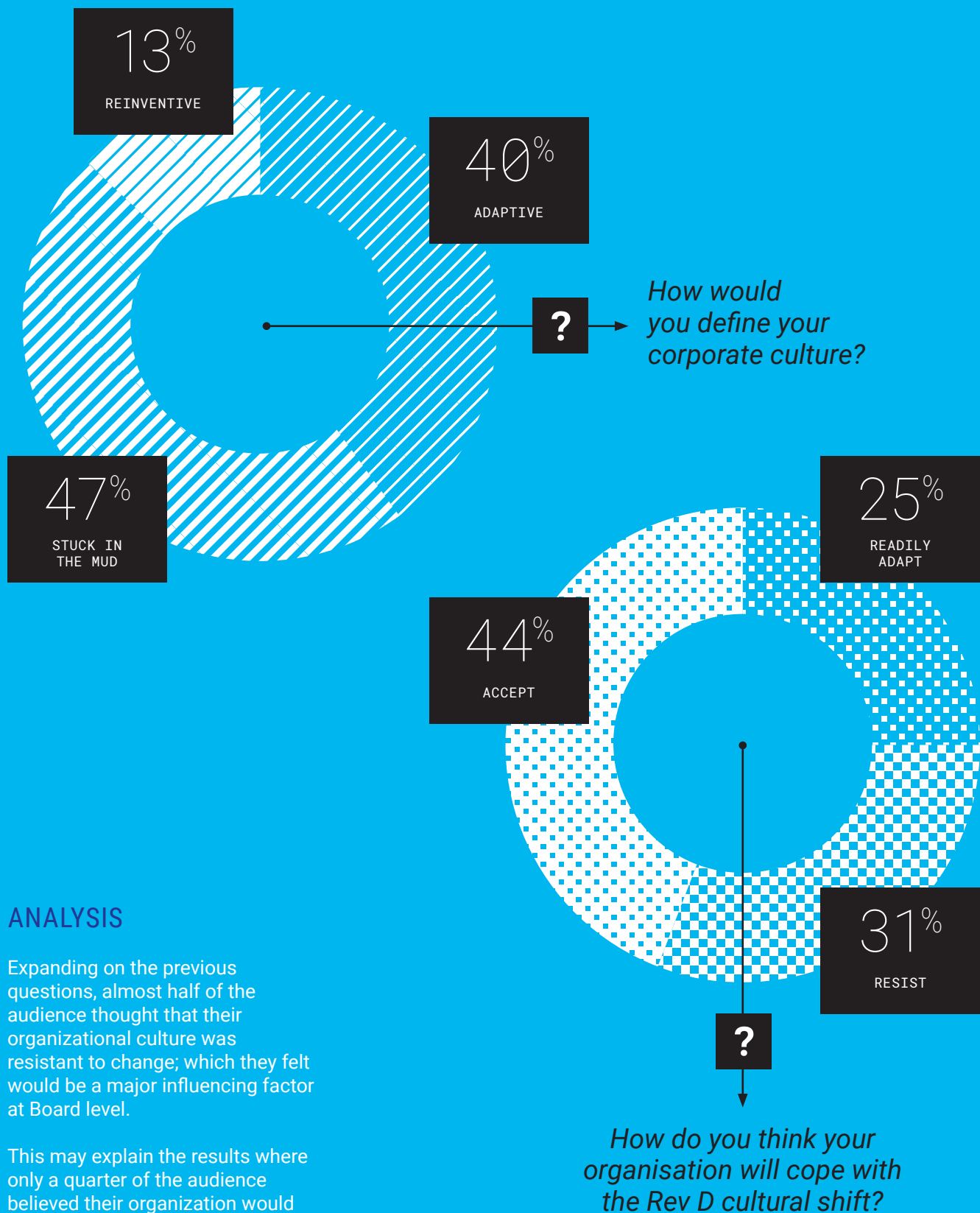
THE SCALE OF THE ISSUE

This issue has been brought to our attention at E-Squared through the series of webinars we have been running on Rev D. At every webinar we have asked our audience a series of poll questions, some of which cover management engagement. The results are shown below.



ANALYSIS

Before looking at any historic transitional data, the vast majority of the audience felt confident about completing the transition to Rev D by the due date of September 2018. However more than half expressed real concern about their ability to effectively plan and obtain the necessary budget for it. In later questions it became evident that the underlying cause for this was their lack of experience engaging at Board level.



ANALYSIS

Expanding on the previous questions, almost half of the audience thought that their organizational culture was resistant to change; which they felt would be a major influencing factor at Board level.

This may explain the results where only a quarter of the audience believed their organization would readily adapt to the cultural change associated with the introduction of Rev D. By far the majority believed that instead, their organizations would either grudgingly accept or actively resist its introduction.



REV D PRESENTS EVERY
QUALITY MANAGER WITH
AN OPPORTUNITY TO
**ELEVATE THEIR POSITION
IN THE ORGANIZATION
AND TO EXTEND THEIR
ROLE TO INCLUDE A
LARGE ELEMENT OF
CHANGE MANAGEMENT,**
SHOULD THEY WISH TO
DO SO.



Opportunities



Rev D presents opportunities for both Quality Managers and the business as a whole.

THE OPPORTUNITY FOR QUALITY MANAGERS

Prior to Rev D, AS9100's ownership resided largely within the Quality department. Both AS9100's tactical approach to quality management and the dearth of strategic information available to boards of directors about Rev D, has meant that most will be totally unaware of the real benefits of the standards change. This presents a great opportunity for Quality managers to draw those benefits to their Board's attention, to lead its effective implementation, to change the perception of Quality at Board level and to reap the rewards from doing so.

This also represents a real career development opportunity for Quality Managers should they wish to take it. Not only is Rev D capable of transforming the organization but it is also capable of transforming the nature of Quality management. Out goes over-regulation by paper and heavy control; in comes enlightened management through empowerment, a renewed focus on customer value and an emphasis on continuous improvement. All that needs leading and the change needs managing. Who better to lead that change than the Quality management team?

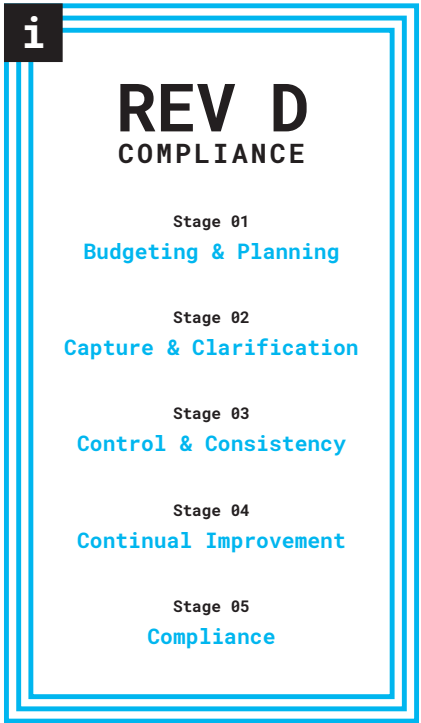
High Level Structure. Any leader will want to hear about that and the Quality Manager that delivers such good news can only be seen in a very positive light.

Thus Rev D presents every Quality manager with an opportunity to elevate their position in the organization and to extend their role to include a large element of change management, should they wish to do so.

'IN COMES ENLIGHTENED MANAGEMENT THROUGH EMPOWERMENT, A RENEWED FOCUS ON CUSTOMER VALUE AND AN EMPHASIS ON CONTINUOUS IMPROVEMENT'

Rev D is fundamentally different to any of the previous AS9100 iterations. It encourages organizations to look at their operations in an entirely different way: from the perspective of value not function. If the experience with ISO:2015 (which is the foundation for Rev D) is anything to go by, this will present the Board with a significant challenge for which they will be looking for guidance and practical leadership of the resultant change.

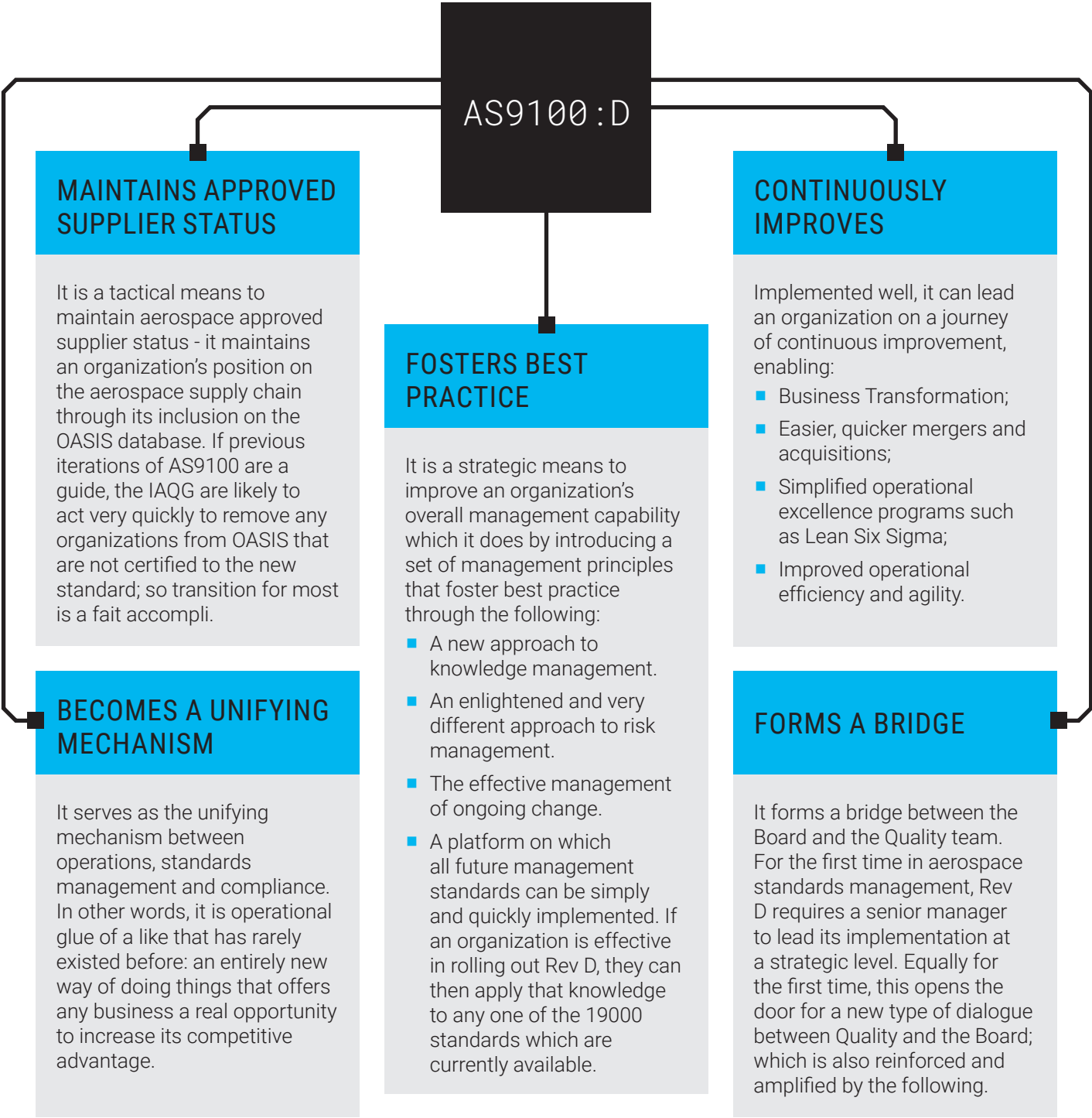
In addition, once an effective, value-driven management system for Rev D is in place, it will make it much easier for the organization to define and improve its competitive advantage and thus gain new standards certifications of any type. This is due to the value-driven operational hierarchy that Rev D encourages and the common design of future management standards based on the ISO:2015



THE OPPORTUNITY FOR THE ORGANIZATION

Those organizations that quickly grasp the powerful benefits of Rev D are likely to leap ahead through the competitive advantage it creates.

Conversely those that are slow to grasp its implications will be left behind. Rev D is attractive to every aerospace company on a number of levels. Those organizations that achieve Rev D certification first will win the initial prizes and those that adopt its inherent continuous improvement ideology will win the greatest prizes. It is in the interests of every aerospace company to attain Rev D at some point.





REV D IS FUNDAMENTALLY
DIFFERENT TO ANY
OF THE PREVIOUS
AS9100 ITERATIONS.
IT ENCOURAGES
ORGANIZATIONS TO LOOK
AT THEIR OPERATIONS IN
AN ENTIRELY DIFFERENT
WAY: **FROM THE
PERSPECTIVE OF VALUE
NOT FUNCTION.**



Approaching the Board –



LEARN THE
LANGUAGE

LEARN THE LANGUAGE

As we said earlier, the key to Quality engaging with the Board is to find a form of dialogue between them that addresses the operational issues in meaningful ways for both. Quality talks about doing the right things right; the Board talks about effectiveness, efficiency, profit and loss.

To have any real impact, Quality need to understand this difference and present their case using the language of effectiveness, efficiency, profit and loss.

‘QUALITY TALKS ABOUT DOING THE RIGHT THINGS RIGHT; THE BOARD TALKS ABOUT EFFECTIVENESS, EFFICIENCY, PROFIT AND LOSS.’

That primarily means understanding and communicating the impact of Rev D on the organization's profitability and presenting the case for change in those terms. That in turn, will come down to an understanding and communication of Rev D's effect on the organization's competitive advantage, the delivery of new or additional customer value and the effective management of major change programmes.



UPSKILL IF
REQUIRED

UPSKILL IF REQUIRED

To do this a Quality Manager may need to understand several new concepts. These might include the following.

- The concept of value chains, which underpins the understanding of competitive advantage, the delivery of value and the implementation of the High Level Structure for all ISO:2015 standards.
- Industry analysis, which covers tools such as PESTLE and 5 Forces: both used in understanding organizational context, also as part of the High Level Structure
- Methodologies for understanding and implementing change management, particularly: why employees resist change and the various approaches for overcoming that resistance.

Whilst for some this may seem onerous; for others, it will present a career development opportunity. Not only will this enable Quality Managers to become much more strategic, with all of the Board level involvement that implies, but also to move into the broad area of change management.



PRESENT THE
BUSINESS CASE



OFFER A
COMPREHENSIVE
SOLUTION

PRESENT THE BUSINESS CASE

Presenting a clear business case will engage the Board.
The steps for creating it are:

01

Clarify your organisation's strategic requirements from Rev D. Define what it needs to achieve and how Rev D will enable it to achieve that.

02

Define the scope and scale of your management system – one of the most important areas for Rev D certification.

03

From this define the nature and scale of the implementation project so as to arrive at an effective implementation plan. Ideally this should cover:

- The effective capture and operational clarification of the knowledge required to implement the management system. Once this is completed everyone should understand how the business works to deliver the customer value specified in the Scope.
- The practical use of the management system to drive operational consistency and thus the consistent delivery of Rev D requirements.
- The specification of a mechanism to drive continuous improvement including process change. That might include definitions of process ownership and a RACI matrix.
- All requirements for Rev D compliance: including the operational testing of an effective risk management programme based on continuous improvement.

04

Build a detailed financial model of the expected return on investment for the project. This must include profitability increases as a result of the improved competitive advantage rev D will create.

05

Gain Board level agreement to all of the above

06

Secure budgetary and management commitment, including:

- The involvement of a nominated Board director as the project's leader;
- A commitment to provide sufficient manpower (which at this point may be unspecified) from across the entire organisation to fully; and effectively resource each phase;
- A full-time project manager/change manager/team.



REMEMBER THE BOARD
WILL NOT HAVE THE
SAME LEVEL OF
KNOWLEDGE ABOUT REV D
AS THE QUALITY
DEPARTMENT AND SO
**THEY WILL BE LOOKING
TO IT FOR LEADERSHIP.**



OFFER A COMPREHENSIVE SOLUTION

Whilst the business plan must by necessity be detailed, it may not answer all the questions the Board may have, especially the following.

- Who do we have that is capable of leading this project to a successful conclusion?
- Who can identify and harness the required resources?

This is where an upskilled Quality Manager might step forward and if this is the same person that has presented the business case, so much the better.

Remember the Board will not have the same level of knowledge about Rev D as the Quality department and so they will be looking to it for leadership. The person that steps forward to offer that leadership and thus a comprehensive solution to the Rev D “problem” will be

seen in a very favourable light. And in this regard, the more comprehensive the offered solution, the better. That might include the resourcing of any external project support the organization may need: from equipment, tools, software and advice to staff training and coaching in its use. At a detailed level it may also include anything which might accelerate the project’s completion, reduce its cost and thus increase its operational benefits. In other words, it involves offering the Board a fully comprehensive solution.

Conclusion

WHAT WILL REV D MEAN?

>> No longer will it be sufficient for aerospace companies to innovate in products and services alone: Rev D is demanding evolutionary change to underlying business practices which provides much more than just a tactical means to maintain aerospace Approved Supplier status.

01

A strategic means to improve an organization's overall management capability.

02

A bridge between the Board and the Quality team.

03

The unifying mechanism between operations, standards management and compliance.

04

The means to lead an organization on a journey of continuous improvement.

HOW CAN THIS BE DONE?

To do this Rev D requires Board level leadership and a genuine dialogue between the Quality team and the Board. This offers an entirely new career development opportunity for Quality managers if they are prepared to:



Learn the language of the Board.



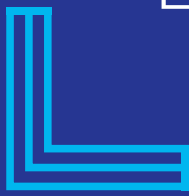
Upskill to understand and present a range of concepts which may be new to them and the Board alike.



Present a solid business case for change.



Offer a comprehensive change management solution, which may well involve them leading from the front.



**MAKE CHANGE FLY WITH
OUR FREE PLANS, TOOLS
AND TECHNIQUES TO
MAKE STANDARDS CHANGE
EASIER, QUICKER AND
MORE EFFECTIVE.**

Further Help

Having been involved with AS9100 since the times of Revision B and with over 6000 aerospace employees already using Isoma to manage compliance, we have built a wealth of knowledge and resources to aid managers in the transition: as we did when Revision C was introduced.

INDIVIDUAL GUIDANCE

One to one help and guidance on all aspects of AS9100 Rev D's implementation.

From system set up to effective change management, we offer personal advice and guidance. Just call **David Key** on **0113 366 2091** if you would like to arrange or discuss this.

SUPPORTING MATERIALS

A range of supporting materials, from online forums to documents.

As part of our drive to help companies manage the Rev D change we'll be offering a range of free insights into the changes, from blog posts to white papers. To access our resource library visit:
www.esquared.systems/category/resources/

WEBINARS

Five free webinars covering the transition to AS9100 Rev D.

As part of our commitment to make standards change easier, E-Squared have partnered with Advanced Certification and Pecan Partners to offer free webinars on the change to Rev D. The webinars share plans, tools, tips and techniques to make the change easier, quicker and more effective. To view these webinars simply visit: www.esquared.systems/tag/AS9100-webinars/

i

WEBINAR

DETAIL CHECK

Totally free

+

Expert speakers

+

Practical solutions

+

Insider knowledge

WEBINAR 1

LESSONS FROM ISO 2015

- Hear an auditor's perspective on the transition
- Pick up vital tips for successful accreditation in Rev D and ISO 2015

WEBINAR 2

PLANS TO AVOID OVERSTRETCH

- Take away an effective, 4-phase programme
- Manage tight timescales
- Ensure support throughout the transition

WEBINAR 3

TECHNIQUES TO OVERCOME RESISTANCE

- Improve project success rates
- Deploy at scale
- Prepare for continuous change

WEBINAR 4

SYSTEMS WHICH ENGAGE EVERYONE (PART 1)

- Drive culture change
- Become a single point of focus for the whole company
- Simplify and reduce the costs of standards management

WEBINAR 5

SYSTEMS WHICH ENGAGE EVERYONE (PART 2)

- Part 1 recap
- Isoma System demonstration

We believe change begins with people

So we create business transformation systems to **engage and energise the workforce**, not just automate it.



About E-Squared

“ E-Squared believes change begins with people: so business transformation systems should energise a workforce, not just automate it. That’s why we create highly engaging software which unlocks business potential and empowers people to create enterprise-wide, positive change. Our flagship product Isoma is designed to be the ultimate business transformation system. Highly configurable, it delivers increased competitive advantage through the application of our unique Kinetic Code. ”

From the early 2000’s process automation was sold as the universal panacea for all business needs, including business improvement, transformation and change management. However as many of us have experienced, change cannot take off without engaging the hearts and minds of the people affected, and automated systems stifle business innovation by removing the human element. We feel it’s time to put people back in charge: and we formed **E-Squared** to do just that.

After acquiring the pioneering **Qmap** software in 2008, we developed a range of products that have led to **Isoma**: the ultimate business transformation platform. Isoma truly energises a workforce and empowers it to deliver enterprise-wide positive change. Highly configurable, it unlocks latent potential to deliver increased competitive advantage through the implementation of our unique **Kinetic Code**: our formula for creating powerful systems that enhance business performance.



David Key is managing Director at E-Squared and for the past 8 years has led the implementation of standards change management in a range of industries, from major aerospace organisations to public sector national defence.

CONTACT US

+44 (0) 113 366 2091
info@esquared.systems
www.esquared.systems

Twitter: @ESquaredSystems
LinkedIn: E-Squared Systems

E-Squared UK Ltd.
2 Wellington Place
Leeds
LS1 4AP



E-SQUARED

+44 (0) 113 366 2091
www.esquared.systems
info@esquared.systems

E-Squared UK Ltd.
2 Wellington Place
Leeds, LS1 4AP

Registered in England and Wales
Company No. 06645163
UK VAT No. 939935268

AS9100:D