P0620-01 Quality Objectives

ISO 9001:2026 Edition

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The following external standards and codes inform this procedure:

Standard	Title	Description
BS EN ISO 9000:2026	Quality management systems	Fundamentals and vocabulary
BS EN ISO 9001:2026	Quality management systems	Requirements
BS EN ISO 9004:2018	Quality management	Guidance to achieve sustained success
BS EN ISO 19011:2026	Auditing management systems	Guidelines for auditing
ISO 10004:2018	Quality management — Customer satisfaction	Guidelines for monitoring and measurement (where customer-experience objectives are in scope)
ISO 10014:2021	Quality management systems	Guidance for realizing financial and economic benefits (where Cost-of-Quality/financial objectives are in scope)
IATF 16949:2016	Quality management — automotive	Sector-specific KPI flow-down (where automotive customers are in scope)
AS9100D:2016	Quality management — aviation, space, defence	Sector-specific KPI flow-down (where aerospace customers are in scope)
ISO 13485:2016	Medical devices	Sector-specific objective requirements (where medical-device manufacture is in scope)

1.1.3 Terms & Definitions

Term	Definition
Quality Policy	Top-Management-issued statement of intent and direction for the quality management system, providing the framework against which quality objectives are set.
Strategic objective	A multi-year goal owned by Top Management, expressing organizational ambition (e.g., become a Tier-1 supplier in our customer's top performance band; achieve net-zero supply-chain emissions; double service capacity).
Functional objective	A 1-3 year goal owned by a function (Quality, Operations, Customer Service, Supply Chain) supporting one or more strategic objectives.
Departmental/process objective	A typically annual goal owned by a department or process, decomposed from the functional level.
Individual objective	A goal in an individual's annual performance plan (refer to P0723-01) supporting departmental and functional objectives.
Quality objective	In this procedure, the umbrella term covers objectives at any of the four levels above whose subject matter falls within the scope of the QMS (product quality, customer experience, supplier performance, capability, capacity, regulatory conformance, climate-related QMS impact).
KPI	Key Performance Indicator — a measurable representation of progress toward an objective. KPIs are leading (predict/influence outcome) or lagging (record outcome).
Target	The numerical or descriptive value the objective commits to reaching, with a date by which it is to be reached. Targets may be staged with intermediate milestones.
SMART	A criterion for well-formed objectives — Specific, Measurable, Attainable, Relevant, Time-bound. The standing test is applied to every quality objective at the setting stage.
Programme	The set of actions, with owners and dates, by which an objective is to be achieved. Captured in F0620-02 (Objectives Programme & Action Plan).
C/I/S classification	Each objective is classified as Control (maintain a current level of performance),

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The library is grouped into ten categories. A balanced annual slate of objectives typically draws KPIs from at least six categories.

Category	Typical KPIs (manufacturing | service)
Customer	CSAT score, NPS, customer-PPM (rejects/returns), customer line stoppages, customer scorecard score, Top-Quartile/At-Standard rating | CSAT, NPS, FCR (first contact resolution), customer-effort score (CES), retention rate, complaint rate per 1000 interactions
Product quality	First Pass Yield (FPY), internal PPM, scrap rate, rework rate, process capability (Cpk) on critical characteristics, escapes-per-million | service-quality-index, error rate per case, rework rate, first-time-right rate, quality-audit pass rate
Process/operational	OEE, schedule adherence, setup/changeover time (SMED), throughput | average handle time (AHT), case cycle time, process adherence (% cases on standard path), automation success rate
Supplier/partner	Supplier OTIF, supplier PPM, supplier scorecard score, time-to-resolve supplier NCRs, audit-finding closure | partner SLA conformance, partner CSAT, partner-issue resolution time
Delivery/fulfilment	On-Time-In-Full (OTIF), order-to-delivery cycle time, schedule adherence, perfect-order rate | SLA conformance, order-to-completion cycle time, missed-deadline rate
Financial	Cost of Poor Quality (CoPQ), warranty cost as % of revenue, scrap cost as % of revenue, customer-claim cost, cost-per-defect | cost per complaint resolved, rework cost as % of revenue, refund/credit rate, dispute-resolution cost
Improvement	Number of corrective actions raised/closed, 8D closure cycle time, kaizen events held, suggestion-scheme uptake, RPN reduction in PFMEA | Corrective actions raised/closed, root-cause cycle time, improvement initiatives delivered, suggestion-scheme uptake
Compliance & risk	Audit findings (internal/external/customer), regulatory-deadline conformance, calibration conformance %, top-10 risk score trend | audit findings, regulatory-observation closure, control-attestation completion, top-10 risk score trend
Climate-related (per ISO 9001:2026 Clause 4.1)	Climate-risk identification coverage of supply base; climate-related-objective achievement; climate-driven supply incidents (count/impact); customer climate-disclosure SLA conformance; product carbon-data accuracy at customer reporting | climate-risk identification coverage of partner/supplier base; supply-continuity tests under climate scenarios; customer climate-disclosure SLA conformance
Learning & growth/people	Training-plan completion, competence-matrix coverage, time-to-competence for new starters, employee-survey QMS engagement, suggestion-scheme uptake, cascade coverage (% staff with linked individual objective)

Process-level KPIs for the objectives process itself:

In addition to the library above (which serves objective-setting), the following KPIs monitor the objectives process and are reviewed by the Quality Manager:

KPI	Target	Frequency	Owner/Source
% of objectives Closed-Achieved at year-end	≥ 75%	Annual	Quality Manager/F0620-01
% of objectives Off-Track at any monthly review	≤ 15%	Monthly	Quality Manager/F0620-04
Cycle adherence — % of monthly/quarterly reviews held on schedule	≥ 95%	Quarterly	Quality Manager/meeting log
Cascade coverage — % of in-scope staff with ≥ 1 linked individual objective	≥ 95%	Quarterly	HR Manager/appraisal records
Time-to-correct off-track objective (At-	≤ 60 days	Per case	Quality Manager/F0620-01

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KPI	Target	Frequency	Owner/Source
Risk → On-Track)			
Average days from material change to Register update	≤ 5 working days	Quarterly	Quality Engineer/Coordinator
KPI data integrity audit findings (per audit cycle)	≤ 2 minor; 0 major	Per audit	Quality Manager/P0920-01

1.5.2 Reporting Cadence

Performance against objectives is reported at the cadences below. Each cadence has a defined audience, content, format, and owner. Routine reporting at cadence does not replace exception reporting — any objective moving to At-Risk or Off-Track is escalated immediately, regardless of the next scheduled cadence.

Cadence	Content	Audience	Format	Owner
Daily/shift	Operational KPIs feeding active objectives (FPY, scrap, OEE in manufacturing; AHT, SLA, FCR in service)	Production/service team, supervisors	Andon/shift handover	Production Supervisor/Service Lead
Weekly	Operational dashboards; new exceptions; recovery-plan status	Operations Manager, Quality Manager	Email/intranet dashboard	Quality Engineer
Monthly	Functional and departmental dashboards; objective lifecycle states; CoPQ trend	Functional Mgrs, Quality Manager	Monthly business review (MBR)	Quality Manager
Quarterly	Strategic-objective progress; customer scorecards; financial KPIs; QBR pack (F0620-05)	Top Management, Functional Mgrs	Quarterly Business Review (QBR)	Quality Manager
Annually	Full-year results, lessons learned; next-year objectives slate; climate-action review	Top Management	Management review (P0930-01)	Quality Manager

1.5.3 Triggers for Substantive Review

In addition to the periodic reviews above, a substantive review of the active objectives slate is mandatory upon any of the following:

- A regulatory change that materially affects an active objective's scope, target, or KPI definition;
- A major contract win or loss that materially shifts the customer mix, capacity demand, or strategic priorities;
- A merger, acquisition, divestment, or restructure that changes the perimeter of the QMS;
- A serious incident — recall, regulatory observation, customer line stoppage, significant escape, severe complaint trend — indicating that the active slate has not addressed an emergent risk;
- A climate event with material impact on supply continuity, materials availability, or customer commitments — triggering review of climate-related objectives and potentially adding new ones in-cycle;
- A management-review decision to revise the slate (P0930-01);
- Sustained Off-Track status of a strategic-level objective over two consecutive quarters, requiring re-resourcing, re-scoping, or retirement decision by Top Management;
- An audit finding (internal, external, customer, or regulatory) that the objectives process itself is not operating as designed.

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