OPPORTUNITIES
How ISO 9001:2015 applies the concept

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The revision of ISO 9001 of 2015 has brought some new requirements for companies that have quality management systems (QMS) according to the same framework. One of the novelties is the need for companies to take risks and opportunities into account in contextual and decision-making situations.
While the theme "risk" is already familiar in many companies, because of the assessment and control of the underlying risk of occupational safety, the theme "opportunities" may appear as a novelty in the overwhelming majority of companies, causing some potential confusion and uncertainty in how they should be addressed.
The ISO 9001: 2015 standard combines the two subjects (risk and opportunities) at different places in its content, creating a sense of parallelism between the two, which may add some further confusion to those who work on the subjects. To understand how the potential parallelism between the two themes can be misleading, we need to understand what is risk and what is opportunity.
Risk is the measure of assessment of a situation that could cause harm to a party involved (stakeholder). Risk is defined by a numerical value, which is the result of an equation that contains two or more independent variables. Thus, in a simplified and common language, the risk is the result of the value attributed to the effect that a potential hazard may cause to a party, multiplied by the likelihood of the same effect coming to fruition. Risk is a result calculated on the basis of different criteria, duly quantified according to a defined table. We can say that risk is the quantified result of the threat of a hazard if it occurs.
Opportunity is the opposite of the aforementioned threat. While the threat is negative insofar as it is synonymous with danger and harm (effects) to some involved party, the opportunity is understood as positive and can bring benefits to some involved party and therefore with interest for the same.
In this way, it can be seen that the terms risk and opportunity cannot be understood in a parallelism of meaning or application, but at different levels of understanding and use in the management activity and should therefore be treated differently. It will make more sense to establish a parallelism between threat and opportunity, where "risk" is the measure used to measure the first and the "interest" for the second.
It is based on this understanding that this white paper presents a model for assessing opportunities, in parallel with the model that measures the risks inherent in the threats, in order to harmonize understandings and approaches.

In the section "Introduction - 0.1 General", the ISO 9001: 2015 states, in paragraph (b), that the organization should "facilitate opportunities to increase customer satisfaction" as a potential benefit to the organization by implementing a quality management system based on the standard concerned. In paragraph c) of the same section it is stated that for the same effect the organization must "treat risks and opportunities associated with its context and objectives". Also, in the above paragraph, the standard indicates "the PDCA cycle allows an organization to ensure that its processes are endowed with adequate and properly managed resources and that opportunities for improvement are determined and implemented." Finally, it is indicated "risk-based thinking allows an organization to determine the factors likely to cause deviations in its processes and quality management system from planned results, implement preventive controls to minimize negative effects and take advantage of the opportunities that are emerging. "

The term opportunity arises in this introduction in different spheres and with possibly different meaning as to its condition of subject or object of action. Firstly, related to customer satisfaction, then to the contextual condition and objectives of the organization and also to the use of risk control, the term appears to assume the status of "object." However, with the improvement of processes the term seems to take more the condition of "subject".

As an object, opportunities may be the subject of actions, such as analysis, evaluation or implementation. As a subject, opportunities can take on the role of agent of actions over other objects. This philosophical dichotomy, although apparently of little value for quality management, offers us the possibility of understanding how we should treat any situation that is revealed or manifested as "opportunity" for whatever situation.

There are situations where opportunities arise independently of any action by the organization, such as (i) requests for new products or changes or improvement of existing products made by customers, (ii) requests for new customers in markets not previously exploited, (iii) or new technologies that require the use of products or services that the organization provides, but that the organization takes subsequent actions to take advantage of the opportunities offered, the "opportunity" assumes its subject condition. In these cases, opportunities should be evaluated at the level of the effect or impact they may have on the organization, in the economic, financial, commercial and operational spheres, and may be considered the time duration factor of the effect, but ignoring the probability of occurrence of the effect. In situations when opportunities arise as a result of actions developed by the organization, such as (i) analysis of internal and external contexts, (ii) design and development of products and services, and (iii) evaluation of the risks inherent to events, processes, actions of design and development of new products or improvement of existing products, complaints and proposals for improvement, the "opportunity" takes its condition of object. In these cases, opportunities should be assessed for the possible effect or impact on the organization and the likelihood (probability) of the same effect, and time may in some cases still be a factor to be considered. This difference in the approach to the evaluation of the opportunities described above has an implication in the partial or total use of the evaluation method that is suggested in this paper (Figure 1).

In order to evaluate any opportunity we have to identify the existence or degree of certainty in the assumptions considered as revealing opportunities. It is also necessary to identify the degree of freedom that exists for decision-making and for action. It is on the basis of certainty and degree of freedom for action that is determined the potential effect or value for the organization (benefit) that the opportunity can bring.

The possibility of occurrence of the effect and the level of capacity of the organization to make it happen are determinant for the final evaluation of the opportunity. When the analysis has a prospective scope, the period of time necessary to verify the occurrence is also essential for the final evaluation of the opportunity. The combination of these three factors (effect, occurrence and time) determines the degree of interest (IPN).

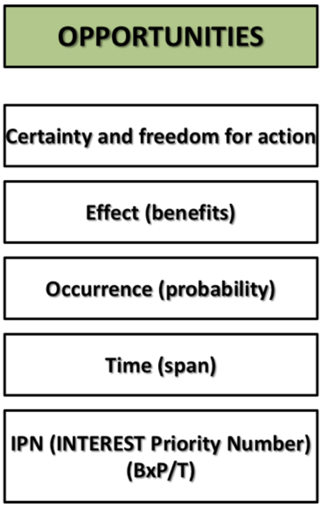

Figure 1

The decision to seize the opportunity and move forward with consistent action must be based on pre-established criteria that determine the “go” or the “no go”. Opportunities are, therefore, put side by side with threats, leading to the evaluation of the “interest priority number” (IPN) of the selves, as it is done with the assessment of the “risk priority number” (RPN) of the threats.

This analysis must be done in a systematic way at the level of the quality management in organizations, duly apprehended by all those who may have interest or influence in decision-making in the organization, and being documented.

Opportunities should be treated in accordance with the organization's ability to understand them and anticipate potential consequences as well as to develop and implement actions as a result of decisions made based on their evaluation.