



Understanding Context

Context of the organisation is one of the new requirements of ISO9001:2015. It also applies to ISO14001:2015 (Environment), ISO27001:2013 (Security) and the soon to be published ISO45001 (Health and Safety). An organisation must consider both the internal and external influences that can impact its strategic objectives, the planning of the Quality Management System (QMS) and its scope.

Clause 4 of the standards states that the organisation must determine its context. This means that you need to identify and determine influences on the organisation and how they reflect on the QMS, the company's culture, objectives and goals, complexity of products, flow processes and information, size of the organisation, markets, customers, political climate, etc. It is also a basis for identifying risks and opportunities in a business context

How do I start?

Although the standard doesn't describe the method of determining the context of the organisation there are some useful business models that can help, such as:

- PESTLE (Political, Economic, Social, Technology, Legal and Environment (and/or Ethical))
- SWOT (Strengths, Weaknesses, Opportunities, Threats)
- Mind Mapping



What are internal and external influences?

When defining the context, you should focus on issues that could have a direct impact on the company's success and its ability to maintain the expected level of service or product. Consider the stake holders who have a vested interest in the company – from suppliers and customers, share holders and staff to your neighbours or your bank!

An organisation's **internal context** is the environment in which it aims to achieve its objectives. Internal context can also include its approach to governance, the contractual relationships with customers and its interested parties, things that need to be considered related to the culture, beliefs, values or principles inside the organisation, as well as complexity of processes and organisational structure.

To determine **external context**, you should consider issues arising from the social, technological, environmental, ethical, political, legal, and economic environment. Examples of external context may include:

- Government regulations and changes in law
- Economic shifts in the organisation's market
- Who are the competition?
- Events that may affect corporate image
- Changes in technology

All this information is in the heads of CEOs, MDs and senior managers, but it is rarely written down. Brainstorming sessions are helpful in engaging staff and their understanding of external influences that could affect their work. Fully considering this information can be very valuable and demonstrates where you stand as an organisation. It also demonstrates leadership involvement which is critical in the new standards.

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Interested parties could include direct customers, end-users, suppliers and partners, regulators, and others. It may also include people within the organisation, owners and shareholders and even society. These parties add value to the organisation or are impacted by the activities within your organisation. Identifying and meeting their needs is important to implementing an efficient and effective quality management system. Their feedback can really help you determine what could be improved in your organisation and how.

Managing the information

Once all this information is gathered, it must be documented. The standard is pretty explicit about this requirement. Regular management review is necessary, to monitor the organisation's internal and external issues and information gathered to define context can be very useful for identifying improvement. Knowing the context of your organisation and opinions of your interested parties can help you to improve your organisation and make it even better.

