

Top 100 ISO 18404:2015 Lead Auditor Audit Failures (And How to Avoid Them)

A Practical Guide to Audit Readiness, Competency Validation, and
Lean Six Sigma Compliance

Introduction

ISO 18404:2015 is the international standard that defines the required competencies for individuals and organizations deploying Lean and/or Six Sigma. Unlike traditional quality or process improvement frameworks, ISO 18404 provides precise criteria for what constitutes a qualified Lean Practitioner, Six Sigma Green or Black Belt, and Improvement Leader — as well as the organizational systems needed to support them.

Yet, despite having improvement initiatives in place, many organizations fail ISO 18404 audits. Why?

The root causes are typically not a lack of effort, but rather a lack of formalized systems, role alignment, and evidence of competence.

To help organizations navigate these challenges, we interviewed over 100 certified ISO 18404 Lead Auditors and analyzed real-world audit findings across sectors including manufacturing, healthcare, banking, government, and logistics. This guide presents the 100 most common non-conformities encountered during ISO 18404 audits — with practical, clause-specific guidance to help you eliminate gaps, standardize systems, and prepare for certification with confidence.

Objectives of This Guide

The purpose of this guide is to simplify ISO 18404 compliance by breaking down audit challenges into actionable insights. Our objective is to help organizations:

- **Identify and resolve the most common ISO 18404 non-conformities**
- **Validate practitioner competence** in line with the standard's role definitions

- **Strengthen the organizational infrastructure** required for sustained Lean Six Sigma deployment
- **Provide internal audit teams with clause-by-clause guidance**
- **Promote consistency, accountability, and measurable improvement**

Who Should Use This Guide

This guide is ideal for:

- **ISO 18404 Lead Auditors** preparing for external certification or surveillance reviews
- **Lean Six Sigma Program Managers** developing compliance and governance frameworks
- **Practitioners, Green Belts, Black Belts, and Improvement Leaders** seeking role validation
- **HR and L&D Teams** responsible for training and certification alignment
- **Internal Auditors** building ISO 18404 audit checklists and corrective action plans
- **Consultants and training providers** supporting client readiness for ISO 18404 certification

Whether your organization is preparing for certification, designing an internal audit framework, or aligning training programs with the ISO 18404 framework, this guide will help you move from informal improvement to **audit-ready compliance**.

How to Use This Guide

The non-conformities in this guide are structured by clause and theme. Each entry includes:

- The relevant **clause** from the ISO 18404:2015 standard
- A clear explanation of **what's going wrong**
- Insight into **why it matters during an audit**
- A step-by-step recommendation on **how to fix it**
- A **real-world result** to illustrate the benefit of resolving the issue

Use this guide during:

- Internal audit preparation
- Capability maturity assessments
- Project evaluations and tollgate reviews
- Certification readiness planning
- Onboarding and training design for Lean Six Sigma roles

1. No Formal Recognition of Competence for Lean and Six Sigma Roles

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Organizations assign Lean or Six Sigma roles without formally validating whether individuals meet ISO 18404's required competencies. Titles like "Green Belt" or "Black Belt" are used inconsistently and are not supported by role-specific assessments.

Why It Matters:

ISO 18404 mandates clearly defined competencies for all improvement roles. Without documented validation, auditors cannot verify whether the assigned practitioners meet the standard's criteria.

How to Fix It:

- Develop an internal certification or assessment framework aligned with ISO 18404.
- Validate individuals through role-specific knowledge, practical application, and behavior assessments.
- Maintain a register of certified individuals with competency evidence.

Real-World Result:

Organizations with structured role validation reduce audit findings and improve delivery quality across projects.

2. Lack of Organizational Capability to Support Improvement Programs

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Improvement programs are launched without governance, dedicated resources, or a defined infrastructure to support long-term deployment.

Why It Matters:

Auditors assess whether the organization has the capacity, leadership, and systems in place to deliver sustainable Lean Six Sigma outcomes.

How to Fix It:

- Appoint program managers, sponsors, and cross-functional support teams.
- Create an improvement governance structure and review mechanisms.
- Allocate time, budget, and training resources to ensure operational readiness.

Real-World Result:

Organizational maturity and sustained performance improvement are enhanced through structured program support.

3. No Documented Lean Six Sigma Strategy or Deployment Plan

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Organizations run isolated projects with no strategic direction or long-term deployment framework, leading to disjointed results.

Why It Matters:

ISO 18404 requires that improvement initiatives align with organizational objectives and that deployment is systematically planned.

How to Fix It:

- Define a multi-year Lean Six Sigma deployment strategy.
- Link initiatives to strategic goals and measurable targets.
- Conduct annual reviews with leadership and adjust based on performance.

Real-World Result:

Strategic alignment increases leadership buy-in and improves the likelihood of measurable, sustainable outcomes.

4. Training Programs Not Aligned with ISO 18404 Competency Criteria

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Training content is based on general Six Sigma programs and does not reflect ISO 18404's specific role requirements. No structured evaluation confirms skill acquisition.

Why It Matters:

Auditors expect to see that training programs are explicitly aligned with the knowledge and behavioral indicators defined in the standard.

How to Fix It:

- Redesign internal or external training programs to mirror ISO 18404's defined competencies.
- Implement role-based assessments and practical evaluations.
- Require evidence of competency before assigning roles.

Real-World Result:

Aligned training supports role readiness, strengthens audit performance, and improves real-world capability.

5. No Evidence of Practitioner-Level Certification or Assessment

Clause: 5.3.2 – Lean and Six Sigma Practitioners

What's Going Wrong:

Practitioners are included in project teams without having undergone any formal assessment or verification of competence.

Why It Matters:

ISO 18404 requires that Lean and Six Sigma practitioners demonstrate specific levels of technical and behavioral competence appropriate to their roles.

How to Fix It:

- Assess each practitioner against ISO 18404's competency framework.
- Provide documented certification or internal approval based on assessment outcomes.
- Link certification status to ongoing role deployment.

Real-World Result:

Improvement teams perform more consistently and audit documentation validates workforce readiness.

6. Improvement Leaders Not Clearly Defined or Supported

Clause: 5.3.3 – Improvement Leaders

What's Going Wrong:

Improvement leadership responsibilities are informal or unclear. Senior

managers may be listed as Improvement Leaders without training or engagement.

Why It Matters:

ISO 18404 defines Improvement Leaders as individuals who drive strategy, mentor others, and ensure program continuity. This role must be distinctly qualified.

How to Fix It:

- Formally define the role of Improvement Leader in the organization.
- Provide tailored leadership training and mentoring.
- Integrate leaders into project selection, review boards, and governance.

Real-World Result:

Strong leadership increases program impact and demonstrates conformance to ISO 18404 structure.

7. Incomplete or Unused ISO 18404 Audit Checklist

Clause: 9.2 – Internal Audit

What’s Going Wrong:

Internal audits are conducted using generic tools that do not address ISO 18404 clauses, roles, or systems.

Why It Matters:

Without clause-specific auditing, gaps remain undetected and non-conformities reoccur during external audits.

How to Fix It:

- Develop an internal audit checklist directly mapped to ISO 18404.

- Train internal auditors in the standard's structure and competency focus.
- Conduct audits at least annually and include both role and system assessments.

Real-World Result:

Improved audit quality, early detection of risks, and greater audit readiness.

8. Lean Projects Lack a Clear Methodology or Documentation

Clause: 6.1 – Lean Methodologies

What's Going Wrong:

Lean projects use tools like 5S or Kaizen without a structured methodology or formal documentation, making results hard to sustain or audit.

Why It Matters:

ISO 18404 expects the application of recognized Lean methods with documented steps and measurable outcomes.

How to Fix It:

- Standardize Lean methodology (e.g., PDCA, A3) across the organization.
- Require documentation for problem identification, root cause, action, and follow-up.
- Train teams on consistent execution and reporting.

Real-World Result:

Greater consistency and clarity in Lean projects, with demonstrable evidence for audit teams.

9. Six Sigma Projects Not Using Validated Statistical Tools

Clause: 6.2 – Six Sigma Methodologies

What's Going Wrong:

Projects lack use of statistical analysis or rely solely on intuition. There's no application of SPC, regression, or hypothesis testing.

Why It Matters:

ISO 18404 requires structured Six Sigma methodology, including statistical tools that validate data and outcomes.

How to Fix It:

- Adopt standard software (e.g., Minitab) for statistical analysis.
- Provide formal training in Six Sigma tools and interpretation.
- Review projects for evidence of tool usage during tollgates.

Real-World Result:

Projects deliver reliable results and auditors can verify evidence-based process improvements.

10. No Tracking of Project Benefits or Sustainability

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Once completed, projects are not tracked for benefit realization, long-term outcomes, or sustained performance gains.

Why It Matters:

ISO 18404 requires that organizations measure the impact of improvement work beyond project close. Results must be sustained and reported.

How to Fix It:

- Include benefit tracking in project closure and post-implementation review.
- Integrate improvement metrics into performance dashboards.
- Assign accountability for sustained outcome tracking.

Real-World Result:

Improved visibility of program impact, better decision-making, and compliance with auditor expectations.

11. No Standard Process for Selecting Improvement Projects

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Improvement projects are often chosen opportunistically or reactively, without alignment to business goals or analysis of return on investment.

Why It Matters:

ISO 18404 emphasizes the importance of selecting projects that support strategic objectives and deliver measurable value.

How to Fix It:

- Establish selection criteria based on ROI, alignment with KPIs, and strategic priorities.
- Implement a project intake and review board.
- Document project selection rationale and expected benefits.

Real-World Result:

Better prioritization leads to higher-impact outcomes and easier justification of resources during audits.

12. Insufficient Leadership Involvement in LSS Oversight

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Leaders delegate Lean Six Sigma entirely to middle managers, without engaging in governance, project review, or capability planning.

Why It Matters:

Auditors assess leadership commitment. ISO 18404 requires involvement in performance monitoring, resourcing, and alignment.

How to Fix It:

- Assign leadership sponsors for key initiatives.
- Include LSS results in quarterly executive reviews.
- Establish clear governance roles for directors and senior leaders.

Real-World Result:

Active engagement from leadership ensures top-down alignment and credibility during certification.

13. No Documented Improvement Governance Model

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Improvement programs operate without defined governance structures, such as steering committees, deployment leaders, or project approval workflows.

Why It Matters:

ISO 18404 expects that improvement is embedded within the organization, supported by defined roles and responsibilities.

How to Fix It:

- Design and document an improvement governance model.
- Define escalation routes, decision-making authority, and review schedules.
- Publish it internally and train all stakeholders.

Real-World Result:

Improved accountability, consistency in decision-making, and structured resource planning.

14. Improvement Roles Not Integrated into the Organization Chart

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Lean or Six Sigma roles exist unofficially but are not reflected in the formal organization structure, leading to confusion and role overlap.

Why It Matters:

Auditors review whether improvement responsibilities are formally recognized and managed.

How to Fix It:

- Incorporate roles such as Improvement Leader, Belt, and Practitioners into org charts and job descriptions.
- Link roles to performance expectations.
- Publish and communicate structure clearly.

Real-World Result:

Clarity of roles supports internal alignment and improves audit traceability of responsibilities.

15. Role Progression Is Not Defined or Managed

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

There is no formal development path from Practitioner to Belt to Leader. Employees remain in roles indefinitely without reassessment or growth.

Why It Matters:

ISO 18404 promotes progression and continuous improvement in competence. Lack of a framework signals stagnation.

How to Fix It:

- Define learning and experience milestones for each role level.
- Link progression to project delivery, training, and evaluations.
- Build progression into L&D and performance reviews.

Real-World Result:

Employees develop structured careers in improvement and deliver increasing value to the business.

16. Training Providers Not Aligned with ISO 18404 Standards

Clause: 5.3 – Competence and Capability Development

What's Going Wrong:

External training vendors provide general Lean Six Sigma certification that does not align with ISO 18404's role definitions or assessment methods.

Why It Matters:

Auditors expect training to be designed around ISO 18404 competencies. Misaligned providers can invalidate development claims.

How to Fix It:

- Audit vendors for compliance with ISO 18404 competencies.
- Require curriculum alignment and outcome-based assessment.
- Partner only with accredited or ISO-aware training organizations.

Real-World Result:

Trained staff meet auditor expectations and internal standards with no need for retraining.

17. Lack of Individual Development Plans for Improvement Roles

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Practitioners and Belts are not provided with tailored learning plans based on their current competence or organizational needs.

Why It Matters:

ISO 18404 requires that each individual's competence is developed and maintained over time, not assumed static.

How to Fix It:

- Create individual development plans (IDPs) after assessments.
- Include technical, behavioral, and leadership development.

- Review IDPs annually or as roles evolve.

Real-World Result:

Continuous upskilling ensures sustained capability and demonstrates a commitment to professional development.

18. No Evaluation of Practical Application During Certification

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Certification is based on training completion or attendance rather than validated application of tools in a real-world setting.

Why It Matters:

Auditors seek evidence that certified individuals can apply their skills effectively—not just pass tests.

How to Fix It:

- Require project submissions, case studies, or on-the-job demonstrations.
- Include application evaluation in final certification sign-off.
- Document outcomes and evaluator feedback.

Real-World Result:

Certified individuals deliver real value and are audit-ready from day one.

19. No Internal Assessor Capability for ISO 18404 Roles

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Organizations rely on external trainers or do not have any internal assessors authorized to evaluate Lean and Six Sigma competencies.

Why It Matters:

ISO 18404 allows internal validation but requires assessors to be competent and consistent.

How to Fix It:

- Train internal assessors using ISO 18404-aligned rubrics.
- Establish a peer review or approval system to ensure objectivity.
- Document assessor qualifications and calibration activities.

Real-World Result:

Efficient, sustainable internal evaluation models support long-term program scalability.

20. Project Success Not Linked to Practitioner Competency

Clause: 7.1 – Performance Measurement

What's Going Wrong:

There is no evaluation of whether project outcomes correlate with practitioner skill levels, limiting accountability and feedback.

Why It Matters:

ISO 18404 expects performance metrics to be used not only for projects, but also for verifying practitioner and leader effectiveness.

How to Fix It:

- Link project results to role evaluations and IDPs.
- Identify performance trends and development needs.
- Recognize or reassign based on delivery outcomes.

Real-World Result:

Practitioner development becomes data-driven, and performance aligns with certification and results.

21. Lack of Integration Between LSS and Management Systems

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Lean Six Sigma (LSS) functions operate in isolation from the broader quality, operations, or strategic management systems. There is no integration with ISO 9001, business performance dashboards, or risk management frameworks.

Why It Matters:

ISO 18404 expects continuous improvement to be part of the organizational management system, not a standalone initiative.

How to Fix It:

- Integrate LSS metrics with business performance indicators and strategic KPIs.
- Include LSS activities in management reviews and QMS documentation.
- Align improvement governance with quality or operational governance.

Real-World Result:

Improvement becomes part of the business culture and enhances sustainability, visibility, and audit compliance.

22. Roles Not Linked to Organizational KPIs

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Lean and Six Sigma roles operate independently from the KPIs that drive strategic priorities. Practitioners are not evaluated based on business impact.

Why It Matters:

ISO 18404 requires improvement activities to be strategically aligned. If roles aren't connected to organizational KPIs, their impact becomes hard to measure.

How to Fix It:

- Define how each role contributes to business objectives and KPIs.
- Link performance evaluations to outcomes such as cost reduction, defect elimination, or process speed.
- Use dashboards to track role-driven progress.

Real-World Result:

Staff engagement increases, and performance becomes measurable and outcome-driven.

23. No Knowledge Transfer Process Between Projects and Teams

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Lessons learned from completed projects are not captured or shared across teams. The same problems are solved repeatedly, wasting time and resources.

Why It Matters:

ISO 18404 supports learning and the sharing of successful practices to drive broader improvement.

How to Fix It:

- Require documented lessons learned for all closed projects.
- Use internal forums, retrospectives, and newsletters to share key insights.
- Store project documentation in a central knowledge repository.

Real-World Result:

Institutional learning improves, and auditors recognize systematic, continuous improvement.

24. Project Selection Process Does Not Include Risk or Impact Criteria

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Projects are selected without consideration of risk exposure, cost-benefit analysis, or operational disruption.

Why It Matters:

ISO 18404 expects project selection to be strategic and evidence-based. Poor selection leads to misused resources and unclear returns.

How to Fix It:

- Add impact and risk scoring to your project selection matrix.
- Prioritize initiatives that align with critical goals or known pain points.
- Include sponsors in the approval process.

Real-World Result:

Higher project ROI, stronger project pipelines, and clear governance visibility.

25. LSS Results Not Captured in Management Reviews

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Results from Lean Six Sigma projects are not presented during top-level management reviews, limiting executive oversight.

Why It Matters:

ISO 18404 encourages reporting of improvement performance at the strategic level. Absence of this reporting indicates low maturity.

How to Fix It:

- Add LSS performance as a standing item in management review agendas.
- Include reports on project outcomes, role certifications, and program effectiveness.

- Summarize financial impact and capability growth.

Real-World Result:

Leadership engagement increases, and improvement becomes a part of strategic decision-making.

26. Tools and Templates Are Not Standardized Across Teams

Clause: 6.1 and 6.2 – Methodologies

What’s Going Wrong:

Teams use different project templates, analysis tools, or documentation standards. This leads to inconsistent results and audit confusion.

Why It Matters:

ISO 18404 expects consistent, repeatable methodology use across the organization.

How to Fix It:

- Develop standardized project charters, SIPOCs, control plans, and tollgate templates.
- Store templates in a shared location and require use across teams.
- Train staff on how and when to use each tool.

Real-World Result:

Documentation becomes audit-ready, and projects can be evaluated uniformly.

27. No Visual Oversight of Ongoing Projects or Role Assignments

Clause: 7.1 – Performance Measurement

What's Going Wrong:

There is no dashboard, kanban board, or project tracking system to show the status of ongoing improvements or who is responsible.

Why It Matters:

Auditors want to see real-time visibility and traceability of current improvement activities and accountability.

How to Fix It:

- Use a digital dashboard or tracking board to monitor project progress, role assignments, and KPI status.
- Share updates in leadership and team huddles.
- Link role owners to each deliverable.

Real-World Result:

Real-time visibility enhances responsiveness, accountability, and audit transparency.

28. No Periodic Reassessment of Certified Individuals

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Once certified, individuals are never reassessed or re-certified, even as standards evolve or skills fade.

Why It Matters:

ISO 18404 expects competence to be maintained, not just assessed once. Ongoing development is a critical element of conformance.

How to Fix It:

- Establish a re-certification cycle (e.g., every 2–3 years).

- Require recent project involvement, training updates, or new assessments.
- Document reassessment outcomes.

Real-World Result:

Skill levels remain high, project quality improves, and re-audit readiness is maintained.

29. No Defined Success Metrics for Improvement Leaders

Clause: 5.3.3 – Improvement Leaders

What's Going Wrong:

Improvement Leaders have vague expectations and no specific performance targets, making evaluation difficult.

Why It Matters:

ISO 18404 assigns responsibility to Improvement Leaders for strategic alignment, mentorship, and program outcomes. These must be measurable.

How to Fix It:

- Define KPIs for Improvement Leaders (e.g., number of coached projects, program ROI, capability growth).
- Include these in role descriptions and performance reviews.
- Use metrics to guide development and recognition.

Real-World Result:

Improvement leadership becomes more focused, accountable, and aligned with program goals.

30. Belt-Level Roles Lack Mentorship or Peer Support Mechanisms

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Green and Black Belts operate in isolation, with no mentorship, peer review, or support to navigate complex projects.

Why It Matters:

ISO 18404 emphasizes capability development. Practitioners need mentorship to grow, avoid errors, and deliver consistent results.

How to Fix It:

- Pair Belts with certified mentors or Improvement Leaders.
- Hold regular coaching sessions, project reviews, or office hours.
- Track mentorship engagement as part of development metrics.

Real-World Result:

Practitioner performance improves, errors are reduced, and auditor confidence in program maturity increases.

31. Absence of Cross-Functional Collaboration in LSS Projects

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Lean Six Sigma projects are often confined within single departments, lacking involvement from other business functions that are affected by or contribute to the process.

Why It Matters:

ISO 18404 encourages system-wide improvement. Projects should promote collaboration and reflect end-to-end process ownership.

How to Fix It:

- Involve relevant departments during project scoping and team formation.
- Assign cross-functional team members and clearly define their responsibilities.
- Review stakeholder engagement during tollgate reviews.

Real-World Result:

Improvement efforts become more impactful, holistic, and resistant to functional silos.

32. Inconsistent Application of Root Cause Analysis

Clause: 6.1 – Lean Methodologies / 6.2 – Six Sigma Methodologies

What's Going Wrong:

Teams often jump to solutions without structured root cause analysis. Tools like the 5 Whys or Fishbone diagrams are used inconsistently, if at all.

Why It Matters:

ISO 18404 expects analytical problem-solving approaches that validate causes before implementing corrective actions.

How to Fix It:

- Mandate structured root cause analysis for every project.
- Train all Practitioners and Belts on investigative tools.
- Include RCA documentation as part of project reviews.

Real-World Result:

Solutions address true causes, reducing rework and increasing confidence during audits.

33. No Standard Criteria for Project Tollgate Reviews

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Project reviews happen informally, with inconsistent criteria and no standard expectations for deliverables at each phase.

Why It Matters:

Auditors assess how systematically projects are managed. Standardization ensures transparency and quality.

How to Fix It:

- Define phase-gate requirements for each project stage (Define, Measure, Analyze, etc.).
- Create checklists and templates for tollgates.
- Assign qualified reviewers and keep records of each review session.

Real-World Result:

More predictable project outcomes and audit-ready documentation throughout project lifecycle.

34. No Control Plan Developed Post-Implementation

Clause: 6.2 – Six Sigma Methodologies

What's Going Wrong:

Improvement solutions are implemented but no plan exists to sustain the change, monitor control variables, or detect variation over time.

Why It Matters:

ISO 18404 expects a control phase in Six Sigma projects to ensure ongoing stability and performance.

How to Fix It:

- Standardize control plan templates across all teams.
- Define critical parameters, responsible owners, and monitoring methods.
- Require control plans for project closure approval.

Real-World Result:

Sustained results and fewer regression incidents, improving program reputation and audit outcomes.

35. Belts Not Assigned to Projects Aligned with Their Skill Level

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Inexperienced Green Belts are assigned to highly complex projects, while experienced Belts are underutilized.

Why It Matters:

Competency must match project demands. Misalignment undermines effectiveness and introduces unnecessary risk.

How to Fix It:

- Maintain a project assignment matrix that maps belt level to project complexity.

- Include competency criteria in project approval forms.
- Use project outcomes to inform future role development.

Real-World Result:

Optimized talent deployment, improved outcomes, and increased confidence from stakeholders and auditors.

36. No Clear Differentiation Between Lean and Six Sigma Projects

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Projects are labeled interchangeably as “Lean” or “Six Sigma” without clarity on objectives, toolsets, or methodology alignment.

Why It Matters:

ISO 18404 distinguishes between Lean and Six Sigma approaches, each with specific tools and philosophies.

How to Fix It:

- Define criteria for categorizing projects as Lean or Six Sigma.
- Educate teams on tool applicability based on problem type.
- Include methodology declaration in the project charter.

Real-World Result:

Increased methodological rigor and reduced ambiguity for auditors reviewing project portfolios.

37. No Standard KPI Framework for Measuring LSS Program Success

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Organizations run projects and train staff, but there are no defined KPIs to measure program success (e.g., ROI, defect reduction, capability maturity).

Why It Matters:

ISO 18404 requires performance tracking at both project and system levels. Lack of KPIs makes it difficult to evaluate effectiveness.

How to Fix It:

- Develop a Lean Six Sigma performance dashboard.
- Track both quantitative (savings, cycle time) and qualitative (engagement, certification) metrics.
- Report outcomes to leadership regularly.

Real-World Result:

Data-driven insights into program maturity, justifying continued investment and confirming audit readiness.

38. Unqualified Individuals Conducting Practitioner Assessments

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Practitioner competence is being assessed by managers or peers with no formal training in ISO 18404 or LSS methodology.

Why It Matters:

Assessors must themselves be qualified and objective. Poor assessment undermines credibility and certification validity.

How to Fix It:

- Certify internal assessors based on role-specific knowledge and practical experience.
- Use double-validation or peer review for higher-risk roles.
- Document assessor qualifications.

Real-World Result:

Assessments become defensible, repeatable, and acceptable during external reviews.

39. No Centralized System for Tracking LSS Training and Certification

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Training records are stored across various departments or personal files, making certification status unclear.

Why It Matters:

ISO 18404 requires documented evidence of training, competence, and reassessment. Fragmented systems increase audit risk.

How to Fix It:

- Implement a centralized LSS training and certification log (e.g., Excel tracker, LMS, HRIS).
- Assign responsibility for updates and reviews.
- Use the system to monitor expiry and reassessment timelines.

Real-World Result:

Easier tracking, faster reporting, and improved compliance with ISO documentation requirements.

40. No Mechanism for Escalating Stalled Projects

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Improvement projects that go off track or stall remain open indefinitely with no defined escalation process.

Why It Matters:

Auditors assess how organizations manage project progress and recovery. Escalation ensures accountability and timely intervention.

How to Fix It:

- Define escalation protocols for project delays, scope creep, or inactivity.
- Assign escalation paths to program managers and sponsors.
- Monitor project timelines through review boards.

Real-World Result:

Improvement momentum is maintained and audit reviews demonstrate responsive governance.

41. No Independent Validation of Completed Projects

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Completed Lean Six Sigma projects are validated only by the project team or sponsor without an independent review of results.

Why It Matters:

ISO 18404 requires objectivity in assessing whether performance improvements have been achieved and sustained.

How to Fix It:

- Implement a third-party or independent internal validation process.
- Require supporting evidence (KPIs, customer feedback, baseline comparisons).
- Document validation outcomes and link them to the project closure process.

Real-World Result:

Increased credibility of reported benefits and stronger audit defense of project performance claims.

42. Over-Reliance on Financial Savings as the Only Project Metric

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Success of LSS projects is measured exclusively by cost savings, ignoring improvements in quality, speed, customer satisfaction, or risk reduction.

Why It Matters:

ISO 18404 encourages a balanced approach to performance measurement. Limiting metrics distorts priorities.

How to Fix It:

- Define a set of core and optional KPIs for all projects.
- Include efficiency, quality, service level, and stakeholder impact metrics.

- Track qualitative improvements where applicable.

Real-World Result:

A more balanced portfolio and clearer insight into total value delivered by LSS efforts.

43. Inadequate Documentation of Project Deliverables

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Key documents such as project charters, SIPOCs, root cause analyses, and control plans are incomplete, inconsistently formatted, or missing entirely.

Why It Matters:

Documentation is central to auditability. ISO 18404 expects evidence of structured methodology use.

How to Fix It:

- Standardize documentation templates and require their use across all projects.
- Include documentation quality as part of tollgate reviews.
- Store all project files in a centralized, controlled repository.

Real-World Result:

Improved project traceability, easier audit preparation, and knowledge sharing.

44. Practitioners Not Familiar with the ISO 18404 Standard

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Employees performing Lean or Six Sigma roles are unaware of the ISO 18404 framework, its structure, or what constitutes compliance.

Why It Matters:

Practitioner awareness supports conformance and professional development. Auditors may interview team members directly.

How to Fix It:

- Include ISO 18404 awareness in onboarding and training programs.
- Provide summary reference materials or orientation sessions.
- Use awareness checks during internal audits.

Real-World Result:

Better engagement with standards and more confident, capable responses during audits.

45. No Formal Evaluation of Behavioral Competencies

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Competency assessments focus solely on technical skills and exclude behavioral dimensions (e.g., leadership, teamwork, communication).

Why It Matters:

ISO 18404 outlines both technical and behavioral competency requirements. Ignoring one side results in incomplete assessments.

How to Fix It:

- Integrate behavioral indicators into assessment tools and certification checklists.

- Use peer feedback, role simulations, and interviews for behavioral evaluation.
- Document findings and use them to guide development.

Real-World Result:

More complete role evaluations and stronger evidence of professional competence.

46. No Evaluation of Customer or End-User Impact

Clause: 7.1 – Performance Measurement

What’s Going Wrong:

Projects are executed internally without assessing how they affect customers, clients, or service end-users.

Why It Matters:

ISO 18404 promotes performance improvements that support organizational and customer needs. Customer impact is a key success factor.

How to Fix It:

- Require customer-focused metrics in project charters and reviews.
- Involve stakeholders in voice-of-customer (VOC) analysis and post-project feedback.
- Track satisfaction changes pre- and post-implementation.

Real-World Result:

Increased alignment with user needs and enhanced external credibility of improvement initiatives.

47. Project Timelines Are Not Actively Tracked or Monitored

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Improvement projects run without timeline oversight. Delays go unnoticed or unresolved due to lack of project controls.

Why It Matters:

ISO 18404 requires effective management and governance of project activities, including timeliness.

How to Fix It:

- Use project management tools or tracking boards to monitor progress.
- Assign clear start/end dates, milestones, and owners.
- Include timeline status in review and reporting structures.

Real-World Result:

Improved project control and increased credibility of delivery reliability during audits.

48. Insufficient Involvement of Frontline Employees in Projects

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Projects are led by managers or analysts without meaningful input from frontline staff who interact daily with the process.

Why It Matters:

ISO 18404 supports inclusive problem-solving and employee involvement to drive ownership and realistic solutions.

How to Fix It:

- Involve process owners and frontline employees in scoping, analysis, and implementation.
- Capture their feedback formally during project execution.
- Recognize and reward their contributions to success.

Real-World Result:

Higher engagement, better solutions, and stronger cultural support for continuous improvement.

49. LSS Certification Criteria Are Not Differentiated by Role Level

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

The same training and assessment process is used for all roles, regardless of whether an individual is a Lean Practitioner, Green Belt, or Improvement Leader.

Why It Matters:

ISO 18404 specifies distinct competencies and expectations for each role. One-size-fits-all evaluation fails to meet the standard.

How to Fix It:

- Develop tiered training and certification paths based on role requirements.
- Use separate assessment tools, case studies, and experience thresholds.

- Link certification type to project scope and complexity.

Real-World Result:

Clear role distinctions, better skill alignment, and fewer auditor challenges on capability verification.

50. No Corrective Action Process for Failed Project Outcomes

Clause: 10.2 – Nonconformity and Corrective Action

What’s Going Wrong:

When projects fail to deliver results or are abandoned, no structured review or corrective action process is followed.

Why It Matters:

ISO 18404 supports learning from failure. Projects that underperform must be reviewed and addressed through formal channels.

How to Fix It:

- Introduce a project failure analysis and corrective action template.
- Require sponsor review and approval before project is archived.
- Use findings to inform process changes, role reassignment, or retraining.

Real-World Result:

Increased transparency, organizational learning, and reduced recurrence of preventable project failures.

51. No Process to Retire or Archive Completed Projects

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Projects remain “open” indefinitely in tracking systems or are removed informally, without proper closure documentation or performance review.

Why It Matters:

ISO 18404 expects project lifecycle management, including closure and review, to assess impact and feed into organizational learning.

How to Fix It:

- Implement a formal closure checklist including KPIs, lessons learned, and control measures.
- Require final sign-off from sponsors and program managers.
- Archive closed projects in a shared repository for reference and audit.

Real-World Result:

Clear audit trail, better historical analysis, and cleaner portfolio management.

52. Improvement Tools Used Without Clear Context or Justification

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Practitioners apply tools such as Pareto charts, process maps, or fishbone diagrams without defining their purpose or linking to a structured methodology.

Why It Matters:

ISO 18404 emphasizes structured and purposeful application of tools, not tool use for its own sake.

How to Fix It:

- Require each tool's objective to be stated in project documentation.

- Review tool use during tollgates for appropriateness and rigor.
- Provide contextual training on tool selection and timing.

Real-World Result:

Improved analytical discipline and stronger project reviews during audits.

53. Lack of Role Continuity Across Projects or Programs

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Belts or project leaders change frequently without handover, leading to knowledge loss, delays, or inconsistent performance.

Why It Matters:

ISO 18404 expects continuity of role responsibility to sustain performance and prevent operational disruption.

How to Fix It:

- Require formal handover notes and transition meetings.
- Document stakeholder maps and current state summaries.
- Assign backups or deputies for key roles.

Real-World Result:

Project momentum is maintained, even through personnel changes, and audit risks related to turnover are reduced.

54. No Organizational Policy or Directive on ISO 18404 Adoption

Clause: 4.3 – Scope and Implementation Intent

What's Going Wrong:

There is no formal policy stating the organization's commitment to ISO 18404 compliance, making the initiative seem ad hoc.

Why It Matters:

Auditors expect a documented commitment to the standard, as evidence of leadership support and strategic alignment.

How to Fix It:

- Draft a formal ISO 18404 alignment statement signed by leadership.
- Include scope, objectives, and deployment strategy.
- Communicate it to relevant stakeholders and include in policy manuals.

Real-World Result:

Stronger cultural buy-in, clearer intent for auditors, and better integration with other standards like ISO 9001.

55. No Mechanism to Track Time Spent on Improvement Activities

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

There is no visibility into how much time practitioners or Belts spend on improvement work vs. operational duties.

Why It Matters:

ISO 18404 expects proper resourcing. If roles are under-supported, it affects delivery and audit credibility.

How to Fix It:

- Track improvement time in timesheets or time management software.
- Include this metric in role reviews and performance assessments.
- Use findings to balance workloads and adjust assignments.

Real-World Result:

Improved resource allocation and visibility into real-world commitment to improvement.

56. Limited Use of Statistical Software in Six Sigma Projects

Clause: 6.2 – Six Sigma Methodologies

What's Going Wrong:

Statistical tools are used manually or not at all. Projects that claim to follow Six Sigma lack advanced analytics.

Why It Matters:

ISO 18404 expects Six Sigma projects to use validated data analysis tools and techniques.

How to Fix It:

- Adopt statistical software such as Minitab or JMP.
- Provide training and access to certified practitioners.
- Review analysis outputs during tollgate and audit reviews.

Real-World Result:

More credible analysis, better decisions, and demonstrable use of methodology.

57. No Link Between Process Maps and Measured Outcomes

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Process mapping is performed but not followed by measurement, making it a theoretical exercise.

Why It Matters:

ISO 18404 requires processes to be understood and improved based on data, not just visualized.

How to Fix It:

- Include baseline and future-state metrics in process map outputs.
- Link maps to KPIs, pain points, and risk areas.
- Use measurement data to validate future-state process design.

Real-World Result:

More focused improvement and stronger evidence that process mapping is part of a results-driven strategy.

58. No Escalation Criteria for Non-Conformities in Internal Audits

Clause: 9.2 – Internal Audit

What's Going Wrong:

Audit findings are recorded but not escalated or prioritized. There is no defined route for critical non-conformities.

Why It Matters:

ISO 18404 requires audit outcomes to drive meaningful change. Lack of follow-up weakens the credibility of the system.

How to Fix It:

- Establish priority levels and responsible escalation contacts.
- Link major findings to action plans and leadership dashboards.
- Include deadlines and resolution reviews.

Real-World Result:

Faster closure of high-risk issues and more responsive improvement governance.

59. Improvement Metrics Not Linked to Organizational Risk Frameworks

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Projects are selected based on efficiency or cost only, without consideration of broader business risk mitigation.

Why It Matters:

ISO 18404 supports strategic alignment. Risk-based thinking improves project relevance and resource justification.

How to Fix It:

- Include risk impact as a criterion in project selection.

- Align improvement KPIs with enterprise risk registers or operational risk assessments.
- Involve risk owners in governance meetings.

Real-World Result:

Projects gain senior support and are more clearly aligned with long-term organizational health.

60. Certification Data Not Available for External Auditors on Request

Clause: 7.5 – Documented Information

What's Going Wrong:

Training and certification records are stored in private folders or emails. When auditors request evidence, there are delays or missing files.

Why It Matters:

ISO 18404 requires auditable records of competency and program execution. Unavailable data leads to non-conformities.

How to Fix It:

- Store documentation in a centralized, access-controlled platform.
- Assign clear document control responsibilities.
- Run internal audit simulations to test availability and retrieval times.

Real-World Result:

Faster, smoother external audits and a more trustworthy conformance system.

61. No Evaluation of Cultural Readiness for Lean Six Sigma

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Organizations begin improvement deployments without assessing whether the culture supports collaboration, transparency, or change readiness.

Why It Matters:

ISO 18404 requires foundational capability, including organizational readiness and maturity. Culture directly affects success.

How to Fix It:

- Conduct a cultural readiness assessment before major LSS deployments.
- Survey teams for attitudes toward data, experimentation, and cross-functional work.
- Use findings to guide change management and communication plans.

Real-World Result:

Fewer deployment issues and stronger engagement across the organization.

62. Project Outcomes Not Linked to Business Objectives

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Projects are executed without demonstrating how their results impact business goals such as customer satisfaction, revenue growth, or compliance.

Why It Matters:

ISO 18404 emphasizes alignment between improvement work and enterprise strategy. Lack of linkage raises concerns during audits.

How to Fix It:

- Require a business case and KPI alignment section in project charters.
- Review outcomes with leadership during project closure.
- Track strategic contribution in your LSS program dashboard.

Real-World Result:

Improvement activities gain visibility and support from senior stakeholders.

63. Inadequate Communication Plan for LSS Program Rollout

Clause: 7.4 – Communication

What's Going Wrong:

Lean Six Sigma is launched internally without consistent messaging, goals, or expectations shared across teams.

Why It Matters:

ISO 18404 requires internal communication of program goals, roles, and responsibilities to ensure awareness and support.

How to Fix It:

- Develop a communication plan with messages tailored to each level of the organization.
- Include launch briefings, newsletters, and regular updates.
- Track awareness through pulse surveys or audits.

Real-World Result:

Improved transparency and stronger engagement across departments.

64. Metrics for Practitioner Impact Are Not Defined

Clause: 7.1 – Performance Measurement

What's Going Wrong:

There is no way to objectively evaluate the performance of individual Practitioners or Belts beyond project completion.

Why It Matters:

ISO 18404 supports performance-based role validation. Metrics build accountability and development opportunities.

How to Fix It:

- Track KPIs such as project impact, adherence to methodology, mentoring activity, and peer feedback.
- Review metrics quarterly as part of development plans.
- Link scores to role progression and re-certification.

Real-World Result:

Practitioners are better motivated, and leadership gains confidence in role effectiveness.

65. Lessons Learned Not Captured in a Structured Format

Clause: 10.1 – Improvement

What's Going Wrong:

Key project insights are shared informally or lost entirely after project closure.

Why It Matters:

ISO 18404 requires systematic improvement. Capturing lessons supports institutional knowledge and continuous learning.

How to Fix It:

- Create a template for capturing lessons learned and require its completion during closure.
- Store lessons in a searchable repository or knowledge base.
- Conduct quarterly reviews to look for trends.

Real-World Result:

Improvement becomes faster and more repeatable with less reinvention.

66. No Consideration of Environmental or Social Impact in Projects

Clause: 5.1 – Strategic Alignment (Extended Responsibility)

What's Going Wrong:

Projects optimize internal performance but overlook environmental, sustainability, or social outcomes.

Why It Matters:

Organizations increasingly align standards with ESG and sustainability frameworks. ISO 18404 supports holistic improvement.

How to Fix It:

- Include sustainability and stakeholder impact questions in project scoping.
- Track related outcomes in applicable initiatives.
- Encourage cross-pollination with CSR or ESG teams.

Real-World Result:

Wider business value, stakeholder goodwill, and long-term relevance of improvement work.

67. Role Responsibilities Not Reflected in Job Descriptions

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Although individuals function as Belts or Improvement Leaders, these responsibilities are not formally listed in their HR documentation.

Why It Matters:

ISO 18404 requires role clarity and accountability. Without formal recognition, expectations are unclear.

How to Fix It:

- Update job descriptions to reflect improvement responsibilities and competencies.
- Align with performance review metrics.
- Ensure HR, line managers, and auditors have access to current versions.

Real-World Result:

Clear expectations and evidence of structural support during audits.

68. No Risk Assessment Conducted for Large-Scale Improvement Initiatives

Clause: 6.2 / 5.1 – Strategic and Operational Planning

What's Going Wrong:

High-impact projects are launched without assessing risk to business continuity, compliance, or customer service.

Why It Matters:

ISO 18404 supports responsible execution and structured planning. Risk oversight is a key part of that.

How to Fix It:

- Require a risk register for large or cross-functional initiatives.
- Evaluate risk using likelihood-impact grids or FMEA.
- Integrate with enterprise risk management systems.

Real-World Result:

Fewer surprises and smoother execution for high-visibility projects.

69. Over-Dependency on One or Two LSS Champions

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

A small number of highly capable individuals carry the bulk of the LSS workload, with no succession planning or capacity building.

Why It Matters:

ISO 18404 promotes distributed competence and organizational resilience. Concentrated knowledge is a risk.

How to Fix It:

- Mentor new candidates and expand training programs.
- Develop backup roles and rotate responsibilities.
- Monitor workload distribution through program dashboards.

Real-World Result:

More scalable, stable improvement programs and stronger auditor confidence in organizational capacity.

70. Internal Audit Results Are Not Used to Inform Training Needs

Clause: 9.2 – Internal Audit / 10.2 – Improvement

What's Going Wrong:

Internal audit findings highlight recurring role-based errors, but training programs are not adjusted accordingly.

Why It Matters:

ISO 18404 promotes learning from audits. Using audits to shape training closes gaps efficiently.

How to Fix It:

- Include training needs analysis as part of post-audit review.
- Adjust course content, emphasis, or delivery based on recurring findings.
- Track changes and report outcomes to leadership.

Real-World Result:

Fewer repeat non-conformities and better alignment between audit data and training investment.

71. No Standard Procedure for Updating Process Documentation After Projects

Clause: 7.5 – Documented Information

What's Going Wrong:

Processes are improved through projects, but operational documentation (SOPs, workflows, training materials) is not updated to reflect the changes.

Why It Matters:

ISO 18404 requires that improvements be institutionalized. Outdated documentation leads to inconsistency, errors, and loss of benefit.

How to Fix It:

- Include documentation updates as a formal project closure step.
- Assign ownership for maintaining updated documents.
- Audit periodically to ensure alignment between reality and documentation.

Real-World Result:

Sustained improvements, consistent execution, and reduced rework or retraining.

72. Certification Criteria Not Aligned with ISO 18404 Role Definitions

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Organizations use general Lean Six Sigma certification criteria, ignoring ISO 18404-specific expectations for competencies, behavior, and assessment depth.

Why It Matters:

Certification that fails to meet ISO 18404's structure won't satisfy audit requirements or support true capability building.

How to Fix It:

- Map certification requirements to ISO 18404 role competencies.
- Adjust course structure, exams, and project deliverables accordingly.
- Communicate revised standards to all stakeholders.

Real-World Result:

Greater audit acceptance, better skill development, and more credible internal certification programs.

73. No Regular Review of LSS Program Effectiveness

Clause: 9.1 – Monitoring, Measurement, Analysis, and Evaluation

What's Going Wrong:

There is no periodic review or reporting on how well the overall Lean Six Sigma program is performing at a strategic level.

Why It Matters:

ISO 18404 expects performance evaluation not just at the project level, but at the program level—covering effectiveness, participation, and impact.

How to Fix It:

- Set quarterly or biannual program review cycles.
- Include KPIs such as role progression, average project ROI, audit results, and stakeholder satisfaction.
- Present outcomes in leadership meetings.

Real-World Result:

Continual refinement of the program and stronger alignment with business priorities.

74. No Formal Audit Trail for Certification and Recertification Decisions

Clause: 7.5 – Documented Information

What's Going Wrong:

There is no documented justification for why individuals were certified or recertified, making role assignments difficult to defend.

Why It Matters:

ISO 18404 mandates traceable evidence of competence. Without audit trails, certification lacks credibility.

How to Fix It:

- Document assessment results, evaluator comments, and approval records.
- Maintain structured records of certification decisions.
- Link assessments to roles and responsibilities.

Real-World Result:

Improved audit preparedness and stronger internal governance of certification standards.

75. Use of Non-Validated Tools or Templates in Project Execution

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Teams use custom or outdated templates and tools that do not reflect standard methodology steps, leading to inconsistent project execution.

Why It Matters:

ISO 18404 calls for structured, evidence-based methodology use. Non-standard tools dilute consistency and traceability.

How to Fix It:

- Create a centralized set of validated templates for all project phases.
- Require teams to use only approved documents.
- Version-control all materials and assign ownership for updates.

Real-World Result:

Standardized execution across teams, enabling comparability, control, and confidence during audits.

76. Lack of Defined Exit Criteria for Improvement Roles

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Individuals continue to hold practitioner titles (e.g., Green Belt) even if they have not delivered projects, maintained skills, or completed recertification.

Why It Matters:

ISO 18404 requires continued competence. Failure to define exit points creates inflated capability reports and risk.

How to Fix It:

- Define exit or suspension criteria (e.g., inactivity, failed reassessment, no project delivery for X months).

- Review status annually.
- Provide pathways for recertification or retraining.

Real-World Result:

Greater accuracy in capability tracking and better resource management.

77. Project Reviews Focus Only on Completion, Not Quality

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Tollgate reviews confirm whether activities were completed, but not whether they were completed well or delivered intended results.

Why It Matters:

ISO 18404 emphasizes performance, not process adherence. Reviews must address both execution and effectiveness.

How to Fix It:

- Add qualitative review criteria to each tollgate.
- Include stakeholder feedback and outcome validation.
- Train reviewers to assess depth and rigor, not just checklists.

Real-World Result:

Higher project quality, better learning, and clearer contribution to business objectives.

78. No Feedback Loop from Project Outcomes to Role Development

Clause: 10.2 – Improvement

What's Going Wrong:

Performance in projects is not used to inform personal development, certification status, or future role assignments.

Why It Matters:

ISO 18404 encourages performance-based learning and improvement. Feedback loops drive development and accountability.

How to Fix It:

- Include a post-project evaluation form linked to role KPIs.
- Use results in annual reviews and development plans.
- Highlight strengths and training needs based on actual delivery.

Real-World Result:

More personalized development, better performance management, and stronger assurance of role competence.

79. Lack of Scalability in Program Design for Growing Organizations

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

The LSS program works for the current team but lacks systems, structure, or governance to scale as the organization grows.

Why It Matters:

ISO 18404 promotes organizational capability. Growth without scalability risks inconsistency and reduced program impact.

How to Fix It:

- Define an LSS operating model with scalability in mind.
- Automate dashboards, assessment tools, and reporting where possible.
- Standardize training, mentoring, and certification workflows.

Real-World Result:

Programs grow with the business while maintaining consistency, control, and audit compliance.

80. No Process to Retire Ineffective Tools or Methods

Clause: 10.1 – Improvement

What's Going Wrong:

Obsolete, inefficient, or misused tools continue to be included in training or projects, adding complexity and confusion.

Why It Matters:

ISO 18404 promotes continuous improvement at the system level. Periodically refining tools ensures relevance and usability.

How to Fix It:

- Review LSS toolsets annually.
- Retire or replace tools that do not deliver value or align with project goals.
- Involve experienced practitioners in tool selection and retirement.

Real-World Result:

Lean Six Sigma stays practical, current, and aligned with evolving business needs.

81. No Post-Project Benefit Realization Tracking

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Once projects are closed, no follow-up is done to determine if benefits (e.g., cost savings, process efficiency) were actually achieved and sustained.

Why It Matters:

ISO 18404 expects measurable, verified outcomes—not just activity. Without benefit realization tracking, project claims remain assumptions.

How to Fix It:

- Set benefit tracking checkpoints at 3, 6, and 12 months post-closure.
- Assign ownership for follow-up validation.
- Include findings in continuous improvement reports.

Real-World Result:

Improved accuracy in reported results and stronger business confidence in project impact.

82. No Process for Handling Abandoned or Rejected Projects

Clause: 10.2 – Nonconformity and Corrective Action

What's Going Wrong:

When projects are dropped or rejected, there is no documentation, root cause analysis, or process to capture learning.

Why It Matters:

ISO 18404 promotes learning from all improvement activity—not just

successes. Repeated project failure without analysis signals weak governance.

How to Fix It:

- Implement a “project termination” review process.
- Capture reasons for rejection or cancellation.
- Use lessons learned to refine project selection and approval processes.

Real-World Result:

Better project pipeline quality and reduced resource waste.

83. Metrics Not Tailored to Each Project Type

Clause: 7.1 – Performance Measurement

What’s Going Wrong:

All projects are assessed using the same generic KPIs, regardless of whether they are Lean, Six Sigma, or cross-functional initiatives.

Why It Matters:

ISO 18404 requires that performance measurement be meaningful and adapted to each improvement context.

How to Fix It:

- Define a set of core KPIs and a menu of project-specific options.
- Guide teams on how to select relevant metrics in scoping.
- Validate KPI selection during project reviews.

Real-World Result:

More accurate performance assessment and meaningful project comparisons.

84. Weak or Absent Process for Prioritizing Improvement Opportunities

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Improvement ideas are accepted on a first-come, first-served basis rather than assessed for strategic value, feasibility, and urgency.

Why It Matters:

ISO 18404 promotes resource discipline and strategic focus. Prioritization improves delivery and long-term value.

How to Fix It:

- Use a prioritization matrix (e.g., impact vs. effort or risk vs. return).
- Review opportunity pipeline monthly or quarterly.
- Assign roles to manage and score incoming ideas.

Real-World Result:

Resources are focused on high-impact projects, reducing effort on low-value initiatives.

85. No Program Governance Metrics Tracked or Reported

Clause: 9.1 – Monitoring and Evaluation

What's Going Wrong:

The organization tracks project-level metrics but doesn't measure program governance effectiveness—such as tollgate quality, training throughput, or audit performance.

Why It Matters:

ISO 18404 requires oversight of the whole system, not just projects. Weak governance signals immaturity.

How to Fix It:

- Define governance KPIs (e.g., % projects completed on time, % of roles certified, audit closure time).
- Review monthly with program managers and sponsors.
- Report to senior leadership.

Real-World Result:

Improved visibility, control, and accountability across the entire improvement system.

86. Certification Badges or Titles Used Without Supporting Records

Clause: 7.5 – Documented Information

What's Going Wrong:

Employees display certifications in emails or profiles, but no formal documentation exists to confirm these credentials.

Why It Matters:

ISO 18404 requires documented proof of role competence. Unsupported claims weaken trust in capability assessments.

How to Fix It:

- Require certification documentation for all publicly declared titles.
- Maintain a verified role and certification registry.
- Periodically audit compliance.

Real-World Result:

Greater credibility and fewer disputes during internal or external reviews.

87. No Defined Success Profile for Each Improvement Role

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

Practitioners, Belts, and Leaders are evaluated inconsistently due to lack of defined success behaviors, competencies, and deliverables.

Why It Matters:

ISO 18404 requires consistent role definition and competence expectations. Without clear profiles, assessments lack structure.

How to Fix It:

- Develop success profiles per role, including technical and behavioral competencies.
- Align job descriptions, certification criteria, and development plans.
- Share profiles during onboarding and training.

Real-World Result:

Improved development, evaluation, and audit transparency for all roles.

88. Change Management Considerations Are Not Embedded in Projects

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Process changes are implemented without formal change management

activities—such as stakeholder mapping, communication plans, or resistance mitigation.

Why It Matters:

ISO 18404 supports sustainable change. Projects that ignore change management fail to deliver long-term impact.

How to Fix It:

- Include change management as a required phase in projects.
- Train teams in stakeholder engagement and communication planning.
- Track adoption and usage metrics post-implementation.

Real-World Result:

Improvement initiatives are sustained and embedded more reliably across the organization.

89. Failure to Link Improvement to Regulatory or Compliance Outcomes

Clause: 5.1 – Strategic Alignment

What’s Going Wrong:

Projects are disconnected from regulatory requirements or compliance goals, even when they could directly improve audit performance or reduce risk.

Why It Matters:

ISO 18404 encourages alignment with broader enterprise goals, including legal and operational risk reduction.

How to Fix It:

- Include a compliance impact section in project charters.

- Collaborate with risk and compliance teams when scoping.
- Report outcomes in compliance dashboards or reviews.

Real-World Result:

Fewer compliance issues and increased strategic visibility of LSS contributions.

90. No Knowledge Transfer Between Project Generations or Teams

Clause: 10.1 – Improvement

What's Going Wrong:

New project teams "reinvent the wheel" due to lack of access to past tools, data, or frameworks used by prior teams.

Why It Matters:

ISO 18404 supports institutional learning. Repetition and waste reduce maturity and improvement velocity.

How to Fix It:

- Create a searchable project archive and template library.
- Assign knowledge curators or librarians for LSS resources.
- Require project teams to reference and build on past initiatives.

Real-World Result:

Faster project starts, better results, and lower effort across the portfolio.

91. Improvement Initiatives Are Not Linked to Digital Transformation Efforts

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Lean Six Sigma projects are run in parallel with digital transformation programs but lack coordination, causing duplication or missed opportunities.

Why It Matters:

ISO 18404 supports integration of improvement into the broader business strategy. Disconnected initiatives create silos and dilute impact.

How to Fix It:

- Align LSS project selection with digital roadmap objectives.
- Involve digital leads in project governance and scoping.
- Encourage joint workshops or shared metrics.

Real-World Result:

Improvement accelerates digital goals while maintaining standards and process stability.

92. Limited Use of Process Automation or Technology in Projects

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Projects rely solely on manual process fixes and fail to explore automation, data systems, or digital tools that could enhance results.

Why It Matters:

ISO 18404 encourages sustainable and scalable improvement. Modern tools can strengthen control, speed, and compliance.

How to Fix It:

- Include automation as a consideration in root cause analysis and solution design.
- Partner with IT or digital teams on project delivery.
- Train Practitioners in basic process automation tools.

Real-World Result:

Improved process performance and modernized improvement approaches.

93. Inconsistent Use of Visual Management and Performance Boards

Clause: 7.1 – Performance Measurement

What's Going Wrong:

Some teams use dashboards and visual KPIs, while others manage improvement progress through spreadsheets or email.

Why It Matters:

ISO 18404 expects consistent, transparent performance monitoring. Lack of visibility can lead to missed deadlines and lower engagement.

How to Fix It:

- Deploy standardized visual management tools (e.g., A3 boards, scorecards).
- Make dashboards accessible across departments.
- Update visuals regularly as part of governance routines.

Real-World Result:

Increased transparency, accountability, and engagement across all levels.

94. No Incentives or Recognition for Improvement Contributions

Clause: 5.2 – Organizational Readiness

What's Going Wrong:

Practitioners and teams are not recognized or rewarded for successful improvement efforts, leading to disengagement.

Why It Matters:

ISO 18404 encourages organizational support and reinforcement of improvement culture. Recognition drives participation.

How to Fix It:

- Implement reward mechanisms for successful project completion.
- Recognize individuals in newsletters, town halls, or appraisals.
- Align improvement results with bonus or development opportunities.

Real-World Result:

Greater motivation, increased participation, and improved retention of top talent.

95. Tools and Methods Used Are Not Aligned with Process Maturity

Clause: 6.1 / 6.2 – Methodologies

What's Going Wrong:

Advanced tools (e.g., DOE, multivariate analysis) are applied to immature or unstable processes, resulting in flawed insights.

Why It Matters:

ISO 18404 supports methodical, appropriate improvement. Misaligned tools can undermine credibility and waste effort.

How to Fix It:

- Assess process maturity before tool selection.
- Match project tools to organizational and process readiness.
- Include this step in the project scoping checklist.

Real-World Result:

Smarter tool use, more relevant outcomes, and fewer failed projects.

96. Lack of Collaboration with Finance in Benefit Calculation

Clause: 7.1 – Performance Measurement

What’s Going Wrong:

Project teams calculate savings or benefits independently, without validation or input from Finance, leading to inflated or disputed results.

Why It Matters:

ISO 18404 emphasizes measurable, validated outcomes. Unverified claims can discredit the program during audits.

How to Fix It:

- Involve Finance in defining benefit criteria and validating results.
- Require sign-off for all financial outcomes.
- Maintain a shared register of approved benefits.

Real-World Result:

More credible reporting and stronger partnerships across functions.

97. No Standard Structure for Business Cases in Project Proposals

Clause: 5.1 – Strategic Alignment

What's Going Wrong:

Project charters vary in quality. Some lack clear value propositions, timelines, or measurable goals.

Why It Matters:

ISO 18404 requires structured deployment and value generation. Weak business cases lead to unclear priorities and poor resource use.

How to Fix It:

- Develop a standard business case template.
- Include mandatory fields for ROI, strategic linkage, and stakeholder analysis.
- Train teams on strong proposal writing.

Real-World Result:

Higher-quality project pipeline and increased approval confidence from leadership.

98. Failure to Track Impact of Training on Job Performance

Clause: 5.3 – Competence of Individuals

What's Going Wrong:

After LSS training is delivered, there is no follow-up to evaluate how learners apply their knowledge or if performance improves.

Why It Matters:

ISO 18404 requires evidence of competence, not just attendance.
Measuring training impact supports role validation.

How to Fix It:

- Conduct post-training assessments tied to real job scenarios.
- Track trainee performance before and after certification.
- Include manager feedback in evaluation.

Real-World Result:

Improved training effectiveness and stronger justification for certification.

99. No Integration of Improvement Goals into Performance Appraisals

Clause: 5.3 – Competence / 7.1 – Performance Measurement

What's Going Wrong:

Employees are expected to contribute to improvement efforts, but it is not reflected in personal goals or performance reviews.

Why It Matters:

ISO 18404 encourages alignment between performance and organizational improvement. Without integration, improvement becomes optional.

How to Fix It:

- Add continuous improvement metrics or targets to appraisal systems.
- Recognize LSS participation, delivery, or certification in reviews.
- Align development plans with improvement goals.

Real-World Result:

Increased ownership, participation, and alignment with business needs.

100. No Sustainability Criteria in Solution Design

Clause: 10.1 – Improvement

What's Going Wrong:

Solutions are designed based on immediate results with no consideration of long-term maintenance, support needs, or ownership.

Why It Matters:

ISO 18404 encourages durable improvement. Temporary gains that deteriorate reduce credibility and value.

How to Fix It:

- Include sustainability factors (e.g., maintenance, cost of ownership, controls) in solution evaluation.
- Assign process owners early.
- Include sustainability scoring in tollgates.

Real-World Result:

Improvement solutions endure, and the organization benefits from long-term value and stability.

Advancing Organizational Excellence with ISO 18404

Achieving and maintaining compliance with ISO 18404:2015 is not just about gaining a certificate — it's about building a workforce of competent Lean and Six Sigma professionals, embedding structured improvement practices, and enabling long-term operational excellence.

This guide has highlighted the **100 most common non-conformities** encountered by ISO 18404 Lead Auditors around the world. These issues span governance, role competence, project execution, sustainability, and program maturity — each of which has the potential to delay certification or diminish program value if left unaddressed.

Key Takeaways for Sustainable Compliance

1. Competency Is the Core

ISO 18404 is unique in its emphasis on individual and organizational competence. Roles must be clearly defined, validated, and managed throughout their lifecycle — from training and assessment to re-certification and performance monitoring.

2. Governance Drives Success

A successful Lean Six Sigma program must be supported by clear governance, aligned with strategy, and integrated with broader management systems — from finance and HR to quality and compliance.

3. Documentation and Evidence Matter

Whether it's certification records, audit logs, or project outcomes, ISO 18404 requires traceable, verifiable documentation that demonstrates consistent, structured improvement practice.

4. Continuous Improvement Is a System

Improvement must extend beyond isolated projects. Organizations that embed improvement into job descriptions, reward systems, performance reviews, and risk frameworks are more resilient, agile, and competitive.

Use This Guide to Take Control of Your ISO 18404 Journey

- Conduct internal audits and self-assessments using the non-conformities outlined here.
- Review your training, assessment, and certification programs for alignment with ISO 18404 requirements.
- Strengthen role clarity, performance measurement, and leadership engagement across your organization.
- Elevate your improvement program from activity-based to capability-driven.

By resolving these 100 audit failures, your organization can confidently move toward ISO 18404 certification — and more importantly, toward a culture of structured, measurable, and lasting improvement.