



HOW

**CERTIFICATION TO ISO
NORMS ADDS VALUE
TO YOUR ORGANIZATION**



**BUREAU
VERITAS**

Certification in **TODAY'S CONTEXT**

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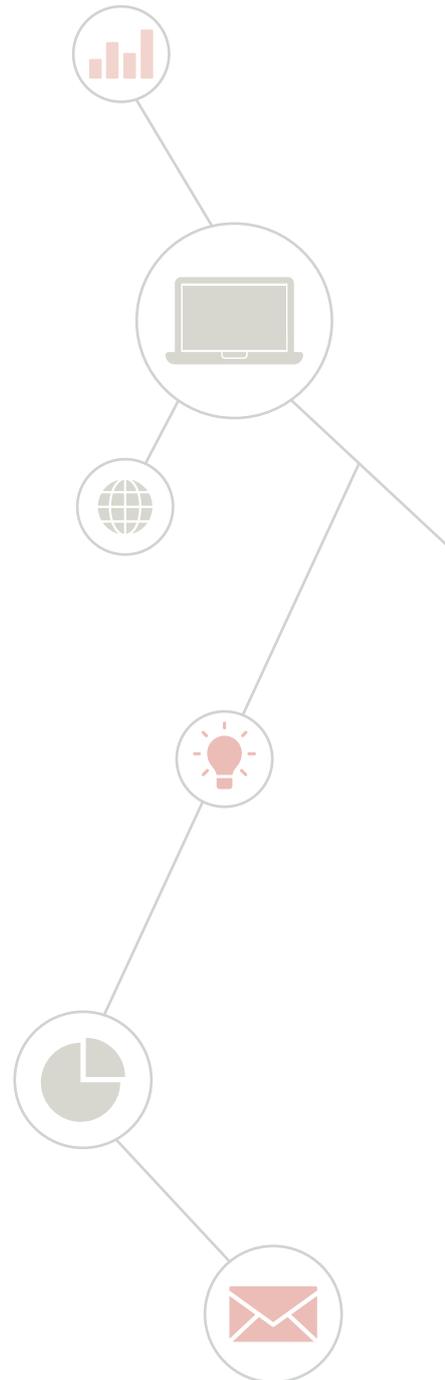
CERTIFYING AN ORGANIZATION TO ISO NORMS AT A TIME OF CHANGE AND INCREASED CUSTOMER AND STAKEHOLDER EXPECTATION REMAINS AN ADVANTAGE.

Organizations and their leaders worldwide are facing change at unprecedented speed. Boundaries between sectors of activity are widening due to the spread of digital technology, driving more intense globalization and the need for new skills. A broader range of stakeholders is demanding increased accountability for companies' impact on society and the environment. Companies must be resilient and continuously transformative to deal with these changes and remain competitive.

(See Endnote 1)

How does certification help companies in this context?

This white paper explains how certification helps organizations better face the future while maintaining a continuous improvement approach. The ISO norms focus around the three main areas of Context of the Organization, Leadership, and Risk. We examine these concepts, along with the theme of continuous improvement, which remains a key element of the certification process. We conclude with a summary of how certification provides a major lever for organizations to perform in today's environment.



DEALING WITH CHANGE

Embedded Leadership and the Context of the Organization

CEOs see regulation, competition, and customer behavior as the top industry disruptors. The ISO norms favor approaching change in a planned and systematic way, by taking into account: potential consequences; the integrity of the management system; the availability of resources, and the allocation or reallocation of responsibilities.

A specific requirement of the standards is embedded leadership:

the concept that continuous improvement needs to be backed and led by top management, with employees also fully understanding and taking ownership for their roles. The level of involvement by the CEO and managers in certification, as favored by the norms, is ultimately designed to have a positive effect on customer satisfaction: when only the quality function is involved with certification and its related processes, while other parts of the business are uninvolved or unaware of it, there is likely to be a negative impact.

(See Endnote 2)

MANY ORGANIZATIONS FAIL TO IMPLEMENT THEIR STRATEGIC PLAN DUE TO A LACK OF CONSISTENCY.

The certification to ISO standards is an opportunity to re-evaluate a company's strategic plan, challenging the whole supply chain, including customers, employees, suppliers, and regulatory authorities. Ultimately, the ISO norms can help to better align strategic and operational management functions so that they result in an improved system which supports an organization's global business and corporate social responsibility goals.

We are also convinced that when the CEO of a company has ownership of the Management System, the organization operates more efficiently. Not only is the System being used as a tool to deliver internal business improvement and to meet regulatory compliance, but certification is generally considered to have a positive effect on revenue.

(See Endnote 3).

ISO NORMS PLACE NEW EMPHASIS ON AN ORGANIZATION'S SPECIFIC CONTEXT.

To anticipate and exceed customer expectations, which has been identified as a major preoccupation of organizations today, companies need to abandon the old precept of prioritizing only product, employees, and process, and rethink the unique context of their activities in association with the needs and demands of a wider set of stakeholders.

This can be achieved through an examination of the business environment, the current market, competitors, new technologies, prices, perceived quality, and user trends, necessary to remain competitive. With this information, management is able to set goals and plan their implementation in line with these specific needs and demands. In this context, the ISO norms focus on process rather than on procedure, which gives an organization more freedom to show how it controls its risks and impacts on stakeholders.

“*The level of involvement by the CEO and managers in certification, as favored by the ISO norms, is ultimately designed to have a positive effect on customer satisfaction.*”

MANAGING RISK

Broadening the organization's approach to risk

CEOs see more opportunities and risks today than several years

ago and are more confident in their business growth prospects than they are about global economic growth. They are also becoming more concerned about a wider range of risks. Risks they mention globally include: inadequate infrastructure and energy costs; access to key skills; staff retention; avoiding the loss of know-how; social instability.

SUCCESSFUL COMPANIES HAVE A RISK-BASED APPROACH IN THEIR DNA.

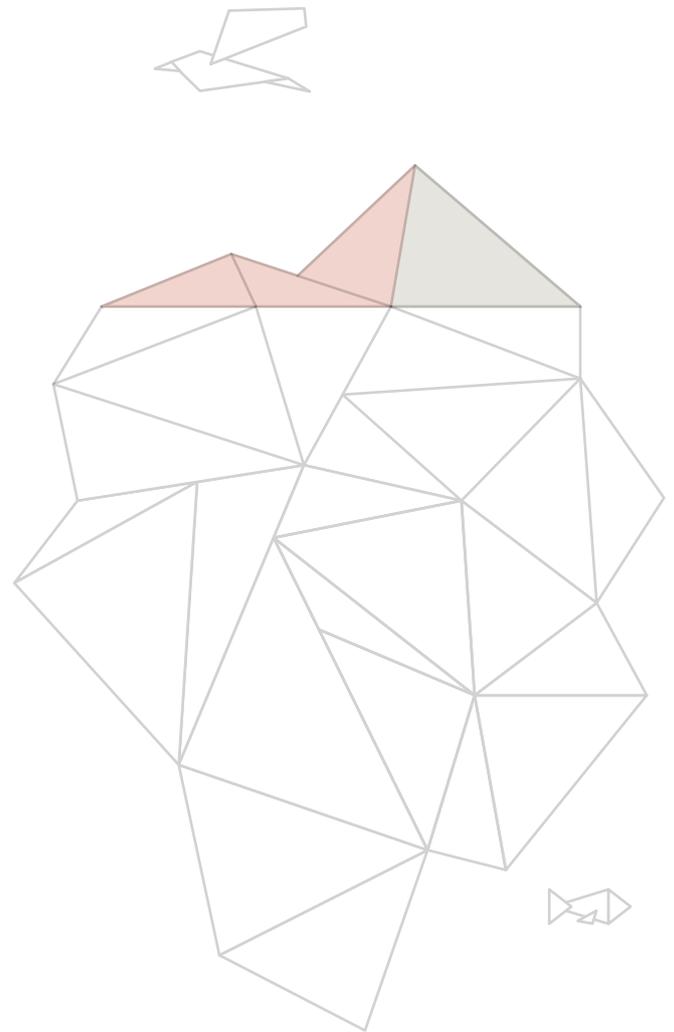
Nowadays, management no longer perceives risk as only a negative concept. The ISO norms reflect this new approach, where risks can be seen as opportunities or threats, and part of the internal culture of prevention and improvement. One strong driver for certification is managing the risk to suppliers and other stakeholders for companies involved in exporting goods or services to overseas markets.

It is challenging to produce the same products in different countries, and certification can provide reassurance in this context.

Businesses that want to grow profitably need to think how they create value for customers. Many have entered a new sector or subsector in the past few years or have considered doing so and certification provides security in this context.

ISO NORMS CAN GUIDE ORGANIZATIONS IN ESTABLISHING A STRATEGY TO ELIMINATE RISKS SEEN AS THREATS.

Options, which the norms suggest for addressing risk, include: avoidance of risk, eliminating risk, hedging the likelihood or consequences of risk, or acceptance of risk by informed decision. The chart opposite shows a risk matrix model showing how risks can be approached in an organization.



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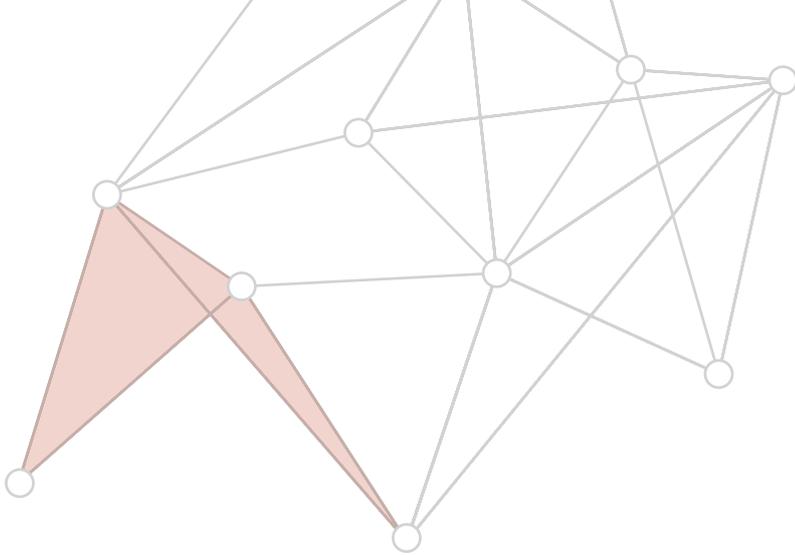
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Risk assessment

IMPACT		LIKELIHOOD		
	Low	Moderate	High	
Significant	Considerable management required	Must manage and monitor risks	Extensive management essential	
Moderate	Risk may be worth accepting with monitoring	Management effort worthwhile	Management effort required	
Low	Acceptable risks	Accept & monitor risks	Manage & monitor risks	





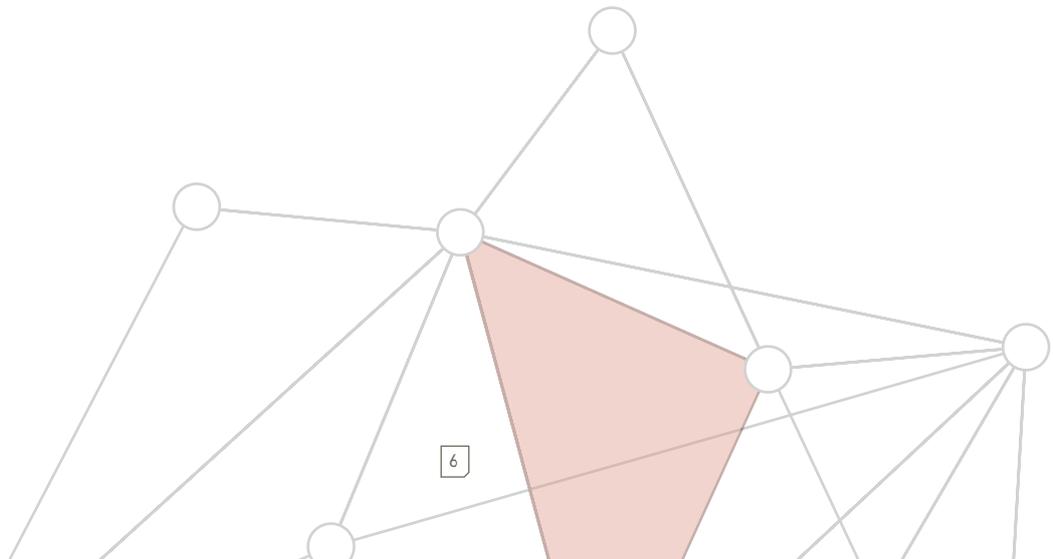
CONTINUOUS IMPROVEMENT

Ensuring further added value

Applying the norms in an organization is a good way to identify new opportunities for continuous improvement and for managing risk adequately. Certification will need to consider information related to quality performance and trends, with results measured through monitored indicators, such as those measuring coverage, efficiency, customer satisfaction and competitiveness.

Re-evaluating the business organization and seeing the overall certification process as a guarantor of quality, environmental and social responsibility, not just final certification, is key. New opportunities can be gained from matching the strategy with a new and improved Management System. The ISO norms themselves evolve, as we know, and as an organization changes, certification needs to accompany and accommodate this change. Certification is valuable because a third-party verification has more impact than that same company stating its own levels of excellence.

(Endnote 4)



CONCLUSION

We have seen how ISO Quality, Environment and Health & Safety norms can provide an opportunity to mobilize and broaden leadership around the issue of Quality, Environment, and Occupational Health and Safety within the whole organization; how it can revitalize internal processes in line with wider social and environmental expectations, broaden the approach to risk to include threats and opportunities, and pursue the path of continuous improvement to ensure an organization remains competitive in the long term.

At a time of accelerated disruption combined with a shift in the expectations of customers and other stakeholders, certification to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 norms is a lever which can help your organization achieve the points we have noted in the table below, with reference to the main concepts in the norms:

KEY CONCEPT IN THE ISO NORMS	CERTIFICATION CAN BE A LEVER FOR YOUR ORGANIZATION BY...
<p>LEADERSHIP</p> 	<p>... helping to mobilize the broader management and employee base around Quality, Environment, and Occupational Health and Safety issues, as well as boost top management support, ultimately leading to improved customer satisfaction</p>
<p>RISK</p> 	<p>... engaging a broader risk management approach: risk also as opportunity</p> <p>... providing a safeguard when entering and exporting to new markets overseas</p> <p>... reassuring potential partners when entering new sectors of activity</p>
<p>CONTEXT OF THE ORGANIZATION</p> 	<p>... reflecting customer and society demands for more accountability towards a wider set of stakeholders</p> <p>... reassuring potential partners when entering new sectors of activity</p>
<p>PROCESS</p> 	<p>... pursuing the path towards continuous improvement using updated standards and moving away from procedure towards process</p> <p>... aligning Quality, Environment and Health & Safety Management Systems further through the High Level Structure (HLS), the common structure for the main ISO standards</p>

Key sources we have referred to:

(Endnotes)

1
PwC annual survey of CEOs globally (2015 and 2016)
Link: <http://bit.ly/BV-CEO-Survey>

2
Harvard Business Review, April 2014: article entitled 'Creating a Culture of Quality'
Link: <http://bit.ly/CreatingCultureQuality>

3
The Independent International Organization for Certification (IIOC)
Link: <http://bit.ly/IndependentIOC>

The International Accreditation Forum (IAF)
Link: <http://bit.ly/IAF-PDF>

4
'What is Auditing?' from the American Society for Quality (ASQ)
Link: <http://bit.ly/ASQ-auditing>



HOW CAN BUREAU VERITAS ENSURE YOUR ORGANIZATION MEETS CERTIFICATION REQUIREMENTS?

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