

Are you making the most of your standards in a challenging economic climate?

Over the course of 2008 the UK has experienced much uncertainty as a result of climate changes, financial instability, data loss and an increasing amount of economic upheaval. Under an ever increasing pressure to keep the confidence of customers, employees, shareholders and a growing array of other organisational stakeholders, businesses are turning to management system standards to ensure more predictable outcomes and repeatable successes, and to build confidence and trust.

Management systems based on industry best practice enable companies to be consistent in the delivery of products and services regardless of the environment they find themselves in. With this in mind, companies committed to developing and embracing management standards are likely to have a clear competitive advantage during a challenging economic period.

Most businesses will recognise the challenges below as fundamental elements of their 2009 strategy:

- Maintain existing customers
- Win new customers
- Improve operating margins
- Reduce costs
- Secure the supply chain
- Build a platform for future growth

In an economic downturn competition for business is fierce. Differentiating factors become even more important and certification to an internationally-recognised management system standard is one that customers are demanding in their suppliers. With a challenging year ahead, businesses must continue to focus on those key actions that are pivotal to delivering revenue growth whilst at the same time tightly controlling their costs. They must also make every effort to sustain a pipeline of new sales opportunities for next year and improve customer satisfaction and loyalty. Certification to management standards is one way which can enable them they can do this, and to demonstrate externally that they have done so.

“The certification message is a good one,” says Rob Wallis, Managing Director for BSI Management Systems UK. “Regardless of the size of your organisation or your specific area of business, now is the time to shout about being certified to a management system.” Wallis highlights five powerful reasons why certification rather than compliance can create a robust platform from which to operate your business in times of economic challenge:

- Boosts credibility/reputation and can be used as a marketing tool
- Increases chances of winning tenders
- Helps build powerful relationships with regulators
- Can help achieve lower insurance premiums
- Provides a fresh set of eyes from outside the organisation
- Will identify opportunities for improvement and change

There are many examples of companies implementing a standard-compliant management system to support change and to give their organisation the necessary robustness. Traditionally the sort of changes that have been addressed include restructuring, periods of rapid business growth and new product introduction. In a tough business environment, changes are often different and less positive but it is without doubt that strong and well-managed businesses are going to be those who not only survive but also prosper. For this reason, management systems standards are more relevant today than ever.

Recently promoted up the table of potential supply chain risks is that of business failure. Consequently there is an understandable shift in organisations towards demanding to see evidence of business continuity planning at every level in the chain, such as a certificate for the Business Continuity Management standard. According to the Cabinet Office, 53 per cent of businesses do not have a business continuity plan. As we begin to see fragility in supply chains, corporate cutbacks and a lack of credit availability, the requirement for ever more stringent business continuity planning becomes ever more critical.

Similarly with environmental matters and social responsibility policy beginning to impact at all stages of business, from tendering, to recruitment and staff retention, BSI is seeing a trend in companies engaging with the benefits of certification to Environmental Management System standards. The environment is a topic high on the board room agenda and in many cases being certified to ISO 14001 is necessary, not only improving opportunities for tender but in some cases even providing a licence to trade as many companies promise their customers that they will only work with other ISO-certified vendors.

It can also help the business to focus on areas where efficiencies can be made to reduce costs in the business. ISO 14001 calls for all impacts to be identified and

controlled, in doing so waste and use of raw materials such as water and energy is minimised.

Wallis continues, "Driving continual business process improvements within your organisation is vital at the moment. It is a mistake to think that standards should be the obvious casualty in a recession. On the contrary, businesses want and need improved management systems to help them achieve even more."

Commitment to quality, health and safety and the environment will enhance a business's reputation as a socially responsible employer, and certification through standards such as OHSAS 18001 for health and safety can assist with creating this reputation. During tough economic times, staff become more important than ever, and ensuring they are well motivated and productive is key for businesses. Well-motivated staff are more likely to produce more customer satisfaction than those who are demotivated.

"It is important to create an environment that people will want to work in and one which will get the best out of people," Wallis explains. "Staff that are motivated, skilled and knowledgeable about what they are doing will help the business to prosper, so it is important to hang onto the skilled staff that you already have rather than go hunting for new talent along with everyone else. Good staff will also be crucial to help businesses cope with the aftermath of the credit crunch."

Although times may be tough and outgoings closely monitored, certification should be looked at as an investment that will allow the business to prosper. Every business will be affected by the credit crunch in some way or other, so keeping on top of competitors and growing market share will be crucial. Where money is tight, customers will feel the need to spend wisely. Certification to ISO 9001 will help a business develop a strong reputation as a company that delivers high quality, helping to retain existing customers and attract new ones.

"With companies facing challenging times and competition for customers fiercer than ever before, certification can boost confidence and reputation making the difference between a lead and a sale. Customers are trading carefully and making decisions based on more factors than before meaning businesses have to jump through hoops in order to secure business. Being able to prove commitment to high quality, high customer experience, and the environment will help to drive up sales. It is also important that a business has strong foundations; having stringent business continuity planning and health and safety procedures will make your business more resilient to disasters meaning that you can continue operating at a consistent or improved level," concludes Wallis.

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About BSI Management Systems

BSI Management Systems is one of the world's largest certification bodies, with over 60,000 certified locations and clients in more than 100 countries. Operating through a global network, BSI Management Systems provides assessment, certification and training services in all critical areas of management disciplines including:

- Business continuity
- Environment
- Food safety
- Health & safety
- Information security
- Integrated management
- Quality
- Social accountability
- Sustainable development
- IT service management

BSI Management Systems is part of **BSI group**, a global independent business services organisation that inspires confidence and delivers assurance to customers with standards-based solutions. Originating as the world's first national standards body, the group has over 2,250 staff in more than 50 global offices. The group's key offerings are:

- Development and sale of private, national and international standards and supporting information
- Second and third-party management systems assessment and certification
- Product testing and certification of services and products
- Performance management software solutions
- Training services in support of standards implementation and business best practice

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