

Integrating Management Systems within the ISO Standards context

Today's free market economies increasingly encourage diverse sources of supply and provide opportunities for expanding markets. Fair competition needs to be based on identifiable, clearly defined common references that are recognised from one country to the next. A standard, internationally recognised, developed by consensus among trading partners, serves as the language of trade. The International Organisation for Standardisation (ISO) has developed around 8'700, mostly technical related standards on this basis. Standards Series such as ISO 9000, ISO 14000 and what is to be known as ISO 18000 and ISO 26000 are Management related. These standards contain **generic guidelines** for Management Systems in the area of Quality, Environment, Occupational Health & Safety and Human Resources.

What is ISO?

ISO is a word derived from the Greek *isos*, meaning "equal". ISO Standards are developed and updated by the International Organisation for Standardisation which has around 150 member bodies. A member body of ISO is the national body "most representative of standardisation in its country".(eg. Germany - DIN, USA - ANSI, Australia - SAA).

ISO 9000 Standard Series

More than 50 countries, as well as the European Community have adopted ISO 9000 which is recognised internationally as a benchmark for measuring quality in a trade context. Since its first issue in 1987, approximately 430'000 companies have been using ISO 9000. Being a standard coming from an organisation that is usually involved in the development of technical standards, ISO 9000 is often regarded as a document that belongs in the hands of a technician exposed to production line quality control. At a closer look, however, ISO 9000 Standard Series provide guidance in the development and application of Management Systems as well as Quality Control in Manufacturing and Administration.

Types of Management Systems

ISO has been developing a number of Management System Guidelines for various aspects of business. The most recent are the ISO 14000 Environmental Management System Guidelines. This is an international standard that will affect business in the near future. ISO 14000 has been designed to integrate with ISO 9000. However, apart from international standards there are local standards a company has to comply with. To remain compliant with local standards, further manuals and/or procedures are required (eg. lifting procedure in a warehouse to satisfy Work Safety requirements). A company may have several Manuals describing its Management Systems (eg. Human Resources, Quality, Security, Health/Safety, Finances). An overall link between the systems is often missing which makes the monitoring and the assessment of effectiveness difficult. Double handling of information, contradicting instructions, high maintenance costs, administrative excess and lack of overall transparency are common results.

Integrating Management Systems

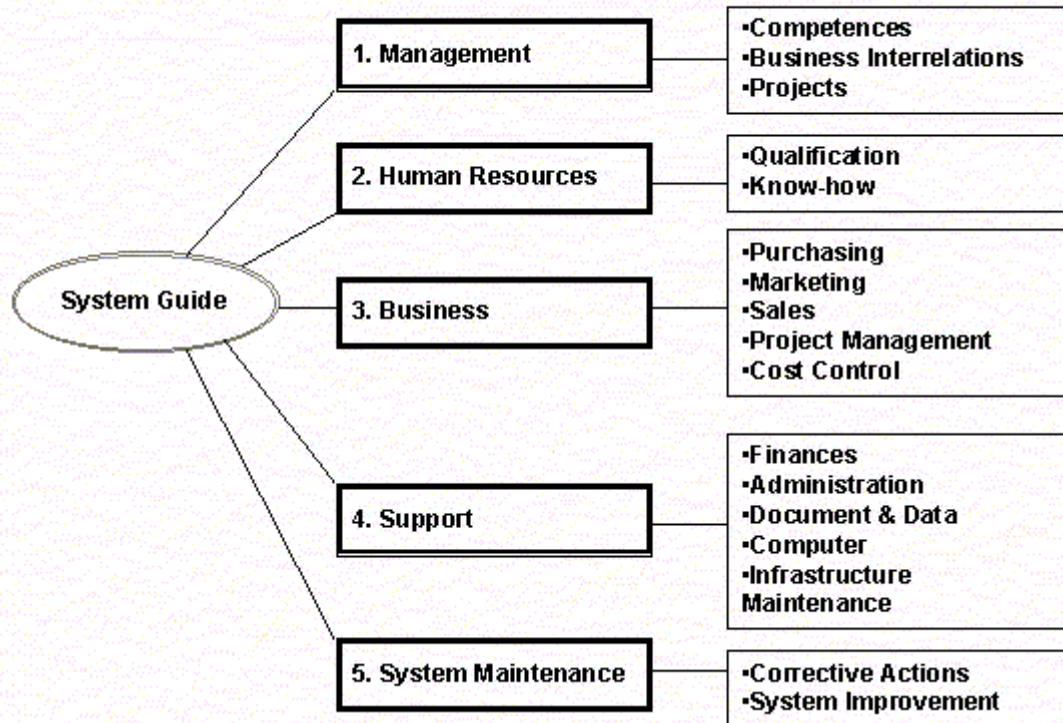
ISO 9000 Standard Series for Quality (of) Management Systems provide **generic guidance** for the development of an overall Management System, ISO 14000 provides guidance for Environmental Management, etc. Transparency and monitoring of all business activities can be achieved by integrating all systems into one.

Process Orientated Management Systems

Complaints that ISO 9000 is paralysing operations and, that it does not reflect reality are usually a result of not clearly understanding how the standard can be properly structured to address the needs of a company. ISO 9000 can be structured by focusing on "best practice" process rather than the standard, by fitting the standard to the process and not the process to the standard. Having recognised this, ISO has been working on a new structure for ISO 9000, called "Vision 2000", taking a process orientated approach to ensure that "best practice" as well as several standards can be addressed within one system. Focusing on process allows

the development of a practical "working document", providing an effective management tool. Having learned from the past, the trend to Process Orientated Management Systems started about three years ago in Europe and is finding increasing approval from certification bodies. Put into practice, a Process Orientated Management System may look like this:

Process Orientation in Practice



Sample outline of a System Structure

Benefits

- Describing Work/Process Flows within an organisation
- Providing an accurate working paper for Process Improvements
- Reduction of Paper volume compared to traditional Manuals
- Manual can be broken up in various operations of the organisation
- User friendly
- Cost effective

Points to consider (in getting certification)

Every company has its own culture and key individuals.

The business environment influences processes in certain ways (eg. employee market, laws, infrastructure, client, etc.)

To ensure competitiveness a company needs to ensure adequate flexibility in their system to effectively respond to changes in the business environment.

An effective system is a lean system that incorporates all necessary functions, controls of activities and "best practice" without being caught up in detail.

An effective system must also be flexible enough to enable the proper controls on outsourcing and sub-contracting of activities (eg. production, administration, service, etc.)

Services

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