



More than a license to operate: Certification facilitates business improvement.

The process of achieving certification delivers insights that enable continuous improvements for better performance, increased efficiency, enhanced safety and greater sustainability.

Some organisations view certification and assurance services as a necessary evil, but companies that take this myopic view are missing the bigger picture and in the process are missing out on the value the certification and assurance process can deliver to the bottom line.

Stephane Ponthieux, Director of Operation Performance and Customer Experience at **Bureau Veritas** (BV), says part of the problem is that for some companies, an audit is viewed simply as a means to an end. But if an organisation does not understand the value that can be extracted from the data produced by the certification process, it misses the opportunity to use the process to effect change.

“The certification journey raises questions and uncovers weaknesses, but the process also gives companies insights into their strengths”, Ponthieux explains. Capitalising on those strengths can improve performance and ultimately, the company’s competitiveness because the IP contained in a company’s documents provides the elements for building a solid foundation for betterment.

According to Jack Tsouramanis, Business Assurance Global Key Customer Programme Manager at **DNV**, deriving value from the certification process is predicated on understanding it in terms of business improvement.

“A focus on business improvement benefits the entire business value chain and ecosystem, from suppliers and employees, to customers, through the extended stakeholder community. Business improvements encompass many business disciplines – financial, productivity, efficiency, customer satisfaction, employee satisfaction and wellbeing, social and environmental impacts, and resilience/business continuity/ disaster recovery to name but a few”, Tsouramanis says.

“Independent third-party certification has been adopted by millions of organisations worldwide – both large and small – as a fundamental part of their strategy to manage risk, drive improvements and meet their corporate obligations.”



Kevin Smith, Head of Certification Products – **LRQA**, says the value of third-party monitoring is that it lets companies know if they are doing the right things by giving them a new perspective that enables them to visualise performance through a different lens.

“Certification looks at a point in time, but ongoing surveillance periodically takes the pulse of the business”, Smith explains. The information that emerges from an audit helps companies make iterative changes that allow them to keep their competitive edge. Because the standards require companies to improve, he says, *“A business that isn’t improving de facto isn’t complying with the standard.”*

Alfred Au, Global Technical Director for Assurance at **BSI**, says although compliance is the first thing people look at, a key element in every standard is ongoing improvement. *“The true intent of the standard is to support an organisation from a business perspective, and the value a company derives from the process is determined by how seriously companies take the findings.”*

Ahmad Al-Khatib, Business Development and System Certification Director at **BSI** agrees, *“Engaging an organisation’s leadership team in an audit helps the company culture to evolve by supporting the organisation and acting as a catalyst to embed best practices in the company’s DNA.”*

“Certification is about unlocking an organisation’s performance and effectiveness. It is an instrument for helping a company become more successful, more sustainable and more resilient.”

When a company recognises the extent of the value, Al-Khatib says, *“Certification is no longer a ‘nice to have’. It becomes a strategic business imperative the company uses to become fit for purpose, to continue to be resilient, to continue to be sustainable, and to continue to be successful.”*

Stages of a certification audit

- 1 Auditors review a documented system against a standard – and according to the scope of certification – to ascertain the organisation’s preparedness for the certification audit. At this stage, auditors are making sure the systems in place meet the requirements and scope of the certification as well as the needs of the organisation.**
- 2 During the certification audit (aka Stage 2 Audit) experts check compliance with requirements in the standards as well as the organisation’s own procedures.**
- 3 Certification is awarded when the auditors determine a company meets all the critical requirements.**
- 4 Achieving certification triggers the beginning of the continual improvement journey.**
- 5 Ongoing surveillance visits, conducted at defined intervals, ensure the organisation maintains the management system against the requirements of the standard and continually works to improve it.**





Improving risk management

One of the ways companies achieve success through the auditing and certification processes is by reducing risk.

Having an independent party perform an audit is a distinct advantage because it provides a different perspective that helps the company see beyond what is on the surface, says TÜV SÜD Global Product Performance Manager Sustainability Sara Brandimarti. The audit creates what she refers to as 'a map' that allows an organisation to understand where risks are so they can be addressed.

The key to gaining critical risk insights is to gather complex information across a company, she explains, noting that in the absence of an audit, most companies rely on individual process owners to share information.

"Many problems do not belong to one process. They lie between processes", Brandimarti says, "and an audit breaks down boundaries."

The findings of an audit allow the company to understand where there are criticalities that they otherwise would not see. *"This is a huge opportunity to resolve risks that allow a company to be more competitive",* she says.

According to Cy Sharp, Global Certification Manager at **ABS Quality Evaluations**, while everything in the standard is critical, some things are *"more critical"*, and risk-based processes are at the top of the list.

Sharp believes improving processes can reduce risk to worker's health and safety, improve sustainability and ensure that the quality of products and services meets expectations.

"Every company is doing management review as part of the process required to maintain certification, but many companies are not as effective as they could be because they're missing the chance to dive in and make that management system more risk-based and robust to help them grow as a company". Experienced auditors can help companies get the best value from their efforts by using the management system assessment to identify risks. "We help by encouraging companies to become as prescriptive as possible within their management system so they can get consistent outputs", he says.

One of the ways this happens is by identifying weaknesses, which Sharp defines as *"opportunities to capture improvements."* These opportunities often become evident through a nonconformance.



“While there are different flavours of nonconformances, it is those that speak to the effectiveness of a process that stand out from the rest because we are calling out the fact that a process is not as effective as it should be”, Sharp explains.

“This puts a company to task and tells them, ‘You have a process, you’re doing the process, but you’re doing it incorrectly,’ or ‘You’re missing the point behind what the process was designed to achieve’.”

“Recognising where an established process falls short is the first step in initiating refinements that ensure the process remains effective”, he says.

Jonathan Hall, Global Head of Certification at **SGS** agrees.

“When we identify a nonconformance, we make sure companies are identifying the root cause, not just identifying a problem and putting a plaster on it. Knowing the root cause and how far an issue extends in the organisation allows the company to truly address critical concerns.”

Audit leads to improved supply chain management

In some cases, an audit uncovers a risk that would not have surfaced under normal day-to-day operations. For a company being audited by **TÜV SÜD**, inaccurate reporting in the logistics department was misrepresenting activities that were negatively impacting supply chain management.

In the course of an audit, it became apparent that the logistics manager was not appropriately reporting what was happening in their department. Workers were not following established procedures, and an already strained supply chain was close to breaking. Without the audit, this problem would not have surfaced until there was an incident, which would have had significant repercussions on production and profits.

The verification process revealed a potentially debilitating failing. With the weakness exposed, company leadership implemented structural changes to ensure the procedures would be followed correctly so the supply chain would be strengthened and productivity would not be jeopardised.



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Cy Sharp
Global Certification Manager
ABS Quality Evaluations





Certification validates commitment to energy management

ABS Quality Evaluations has awarded ISO 50001 certification to the Corporation of the City of Mississauga, Ontario, Canada, for its Energy Management System, which includes community and recreation services at the Frank McKechnie Community Centre – the first municipal facility in Canada to achieve this certification.

ISO 50001 supports energy management system development based on a model of continual improvement that ensures more efficient energy use through the creation of policies and plans with fixed targets and objectives.

The certification earned by the City of Mississauga highlights its leadership in energy conservation and its commitment to a sustainable city for its residents by demonstrating its alignment with the long-term vision of becoming a ‘zero-carbon’ city.

“Our city and environment is changing”, says Paul Mitcham, city manager and chief administrative officer for the City of Mississauga. *“This certification is a great testament to our commitment to improving building energy performance while advancing our Five Year Energy Conservation Plan (2019-2023) and Climate Change Action Plan.”*

Establishing objective evidence of ESG performance

“Corporate social responsibility is the main yardstick by which global organisations are measured”, says **DNV’s** Jack Tsouramanis, *“and management systems play an intrinsic role within the ESG strategy and aspirations of many companies.”*

Consumer awareness and expectations are undergoing profound changes that impact buying habits and investment decisions, so ESG performance is becoming increasingly important. This is something DNV welcomes, according to Tsouramanis, who says his company is investing heavily to help companies stand up under scrutiny.

“It is essential that we continue to evolve and remain relevant as an industry as the business landscape changes”, he says. *“The rigour and independent oversight associated with management system certification provides the ideal foundation upon which clients can build an ESG strategy and allows them to be trusted and credible for shareholders, stakeholders and customers”,*

something Tsouramanis believes is absolutely critical.

Third-party audits also help companies establish credibility and avoid accusations of greenwashing, which **DEKRA** Head of Strategic Development David Salmon says has become a serious concern.

Certification services introduce rigour to assessments and provide companies with unbiased evidence that ESG objectives are being met. This is particularly important for companies that have set ambitious goals. *“The higher the pedestal you put yourself on, the harder you are going to fall if the claims you are making are untrue”,* he says.

Third-party assessments help companies protect their brands too, Salmon says. *“Protecting brand value is a massive issue, and with social media, accusations can spread quickly. If a company is not guilty of infractions, audit data clearly shows when claims are specious.”*



Digging into the data

According to **BSI** Group Senior VP Global Assurance Marketing Janice Gaub, *“Certification used to be like Harry Potter, tucked away under the stairs. Now, it’s integral to a company’s business success”*.

The reason is that companies are starting to see value in the data gathered during the process, she says. *“Data is empowering because it leads to insights that enable business improvement.”*

Unlocking the power of the data means better decision-making and a greater understanding of the broader reaching implications of those decisions, she explains, noting that AI (*Artificial Intelligence*) and ML (*Machine Learning*) can capitalise on the data and continuously learn from it to refine operations. *“Businesses have all this great data because they are certified”*, Gaub says.

Helping companies compile data is half of the picture says **DEKRA**’s David Salmon. The other half is helping them figure out what data has value in terms of their business objectives.

“There’s a big difference between big data and just having a lot of data”, Salmon says. *“Everyone is protective of data value, but the truth is that some data is valuable and some isn’t.”*

One of the roles of the certification body is to help companies determine what data will contribute to better business decisions and to focus on only that portion of the data. *“You don’t need to collect everything”*, he says. *“We can point companies in the right direction about what data they should be continuously collecting for us to help them in the future and to demonstrate to us how they’ve improved.”*

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Janice Gaub
Sr. VP Global Assurance Marketing
BSI Group

Certification delivers service continuity

OCTO Telematics Group S.P.A, a leading provider of telematic services and advanced data analytics for the insurance sector, has more than six million connected users worldwide and the largest database of vehicle telematics data in the world.

Third-party audits and information security management system certification from **LRQA** help OCTO demonstrate it has the processes and procedures in place to protect business critical information and data. This, combined with an ISO 9001 certified quality management system, ensures that customers can trust the quality and security of OCTO products and solutions.

“OCTO began implementing quality and information security management systems over 10 years ago. Since then, and as our business has become increasingly global, we’ve begun to adopt a more progressive and integrated approach that is strongly aligned with business processes”, says OCTO Chief Information Security Officer Attilio De Bernardo.

“We identified LRQA as the certification body that could add value and help us achieve this. The result is an effective integrated system that demonstrates the OCTO vision to the wider business, customers and suppliers.”

OCTO had a continuity plan prior to certification, but the company’s entire executive committee gave a strong mandate to strengthen that plan to face the most unprecedented situations, a crucial decision that meant OCTO had started the ISO 22301 Business Continuity Management certification process long before the COVID-19 pandemic had an impact.

“As a result, during the pandemic, we were able to guarantee the total continuity of our services in every part of the world. Our certification... is a clear management choice that provided assurances to our customers”, De Bernardo says.



The value of benchmarking

Showing improvement is integral to maintaining certification. The data gathered about a company during an audit to establish a benchmark helps companies see exactly where advances are being achieved.

“What we provide is not a direct comparison with a competitor”, **DEKRA’s** Salmon explains. It is a measure of the company’s performance at the time of the audit that can be used for comparison at another point in time to see how the company measures up.

A benchmark is a tool that allows the company to determine the types of information it should be gathering to enable the best comparison in the future.

“In the findings, we’re giving companies their status, and they use that information to target areas for improvement”, he says.

The same logic applies to a localised problem, says **BV’s** Stephane Ponthieux. When one location is not performing as well as others, the irregularity shows up, and the company can easily go straight to the site to investigate the issue further.

In large companies with multiple sites, benchmarking data can be used internally to observe performance variations among locations.

“Where there is a common issue that is impeding performance in multiple locations, the company can tackle it globally”, he says.

This has tremendous value because it also allows companies to identify strengths that can be replicated.

Benchmarking through consolidation

A leading, global facilities management company with operations in many countries was engaging with multiple bodies for their certifications to ISO 9001 (*quality*), ISO 14001 (*environmental*) and ISO 45001 (*health & safety, OHSAS 18001 at the time*). This approach was very costly and inefficient. With no central coordination and oversight and certificates on different cycles with multiple expiry dates, their ability to get the best value from the certification process was limited.

The **DNV** team embarked on a certification consolidation journey with this client to provide both financial and operational benefits by rationalising the number of certification providers to a single body that could meet their global QHSE certification requirements. DNV set up multi-channel communication with each country and established a comprehensive project plan that clearly mapped the certification consolidation process, how it would be mobilised, and the ongoing review and monitoring. They created a robust project governance and auditing structure with clearly defined roles, responsibilities, and client interfaces and defined concrete milestones to track progress. With a solid system in place, DNV began the process of consolidation and alignment.

This process resulted in a new certification that encompasses 236 sites in 20 countries supported by an integrated audit approach. Through the powerful digital platforms and tools at its disposal, DNV provides a holistic overview of the company’s certification that is underpinned by a suite of tailored reports consolidating the results of the global audits, which contain valuable performance and benchmarking information to support ongoing business improvement.



Partnering for success

Using an audit effectively requires a company to think about the process differently and to see the auditors as partners rather than adversaries. That change in thinking changes everything, says **SGS's** Jonathan Hall.

"It gives us a new perspective because we can have a conversation at the start of a process and ask about areas where there are concerns", he says. "We can look at internal audits before our audit begins and tease out stuff that we might not have been able to see otherwise."

Although this is a relatively new concept, **LRQA's** Smith believes companies can make the mental transition to seeing the auditor as a partner relatively easily when they recognise that in paying for an audit, the company is paying for an expert opinion.

Auditors are not just ticking boxes. They are looking at processes, gathering and analysing data, and generating a report in the process of granting certification. *"The executive summary of the audit report gives a synopsis of the strengths and weaknesses of the company's*

systems and identifies areas of improvement for the business", Smith says, "but there is a lot of verbal feedback during an audit as well that can include suggestions for improvement."

The dialogue during the audit also introduces the opportunity for the company to ask questions of itself, he says. Instead of simply looking at processes in terms of passing the audit, the company can look at itself more critically and ask, *'Why am I doing this? Is it improving what we do or just meeting the standard? What's the worst that can happen if I don't do it?'*

Global President, **Intertek Business Assurance and Food Services**, Calin Moldovean, Intertek, agrees. *"The work we do is really helping a company manage its business in a better way", he says. Instead of thinking, "Someone's going to find things that jeopardise certification", the organisation sees the output of audits as inputs to management decision-making process and strategy, and the positive impact on the business is unmistakable.*

This level of input happens when the audit team gets to know the client organisation and appreciates why the management system has been defined in a particular way with a particular focus, Moldovean says. This level of understanding allows the auditors to challenge the company on its decisions by holding up a mirror and asking difficult questions: *"You took that direction. How is that process being implemented?"*

In short, he says, as a partner, the auditor can draw attention to areas that meet the letter of the law but not the spirit of the law. *"It isn't lecturing", he says. It is looking critically at operations – not simply at meeting criteria for certification – and understanding what makes a difference in terms of quality, risk, and performance. We can ask, "Does the behaviour we're observing match your goals as an organisation, or is it just fulfilling the standard?"*

It is these sorts of observations that deliver far more value than a certificate, Moldovean says.

Expanding business partners with BV to facilitate growth

For companies that grow through acquisitions, integrating new businesses while continuing to meet financial performance goals is a formidable challenge that is made easier by working with a certification body.

For one of BV's clients, employing audits and an integrated management system approach simplified the process of expanding its global presence. Collaboration with experts at BV allowed the organisation to improve its business performance and demonstrate continuous improvement as new companies were incorporated.

By capitalising on insights gained from highly qualitative audit data, the company swiftly identified problem areas and developed targeted solutions to address them, ensuring operational excellence and achieving consistent financial performance gains.





Keeping pace with change

Jonathan Hall, of **SGS**, says one of the most significant benefits assurance services provide is that they continue delivering value as working conditions change – conditions, for example, like those that emerged as companies instituted work-at-home policies to protect employees during the Covid-19 pandemic.

“Having staff work remotely has made procedures absolutely paramount”, Hall says, and that means processes and systems must be in place to manage shifting conditions.

He points to a situation that many employees have encountered starting with a new company during the pandemic, noting, *“They may have worked at the company for months or even years before meeting a colleague or coworker.”*

In situations like this, where workers are dealing with isolation, *“Working with SGS helps companies use systems to keep a handle on driving the business forward”,* Hall says.

His colleague, Global Head of Marketing Santa Marku, says working closely with a client and

understanding the culture, the goals, and the specific conditions is the best way to provide what each client needs. *“It’s all about supporting them around their business rather than purely focusing on selling all the time. A more data-driven and structured approach to improvement means we can share relevant content that will help clients assess their situation and then take steps they need to thrive.”*

That happens, she says, by staying alert to subtle changes and signals over time and taking action.

Change made easy

BSI works with companies to unlock exceptional performance. For one company, focusing on its quality management system (QMS) with the help of BSI experts allowed it to work through internal changes without compromising performance or safety.

“Certification enabled us to apply process-based thinking and reach continuous improvement while carrying out change. This comprehensive Quality Management System took our tailored fast-turnaround and cost-effective services to the next level.”

Aerospace company, Netherlands



Intertek manages growing pains with bolstered QMS

EmeSec Inc. is a small, service-disabled veteran owned consulting company that helps clients effectively manage day-to-day information security.

EmeSec experienced 400% growth over a four-year period and wanted to ensure its processes adapt to its growth. Without a corporate quality process, procedures would be too cumbersome and difficult to enforce, which could have compromised performance.

The company pursued ISO 9001 certification with Intertek and quickly implemented the ISO 9001 standard within the QMS to serve as both a standard and a measure of activities to be accomplished. The QMS functions as a foundation for exploring all the company's processes and by applying the ISO 9001 standard, the company has resolved Human Resources issues, improved the proposal response and subcontracting processes, more effectively identified, managed, and accomplished key deliverables and refined its revenue growth strategy.

“Developing the QMS early, as a rapidly growing service organisation, has been helpful in identifying key management indicators (metrics) and in reducing risk as the company takes on more multi-year and complex tasks. Our staff is now focused on measurable performance and consistent outcomes.”

Maria Horton
CEO and President
EMESEC Inc.

Embracing change

DEKRA's David Salmon says the important role certification bodies play in enabling business improvement is to remain relevant, and that means being agile and flexible enough to meet the changing needs of the industries being served.

In a world that is constantly evolving, certification bodies have to keep step, if not a step ahead.

“What's relevant now is not what was relevant 20 years ago”, Salmon says. “Everything is moving all the time. There is no status quo.”

Certification cannot be “purely a measurement”, he says. “It has to facilitate improvement.”

The truth is that change needs to take place within an organisation as well if companies are to obtain

the best value from certification services. Instead of thinking of certification as an end in and of itself, companies need to view certification as a means to an end.

The value is in the process. And the results – better performance, increased efficiency, enhanced safety, and greater sustainability – speak for themselves.

