

STRIVING FOR STANDARDS

ORGANISATIONAL STANDARDS CERTIFICATIONS, SUCH AS ISO QUALITY CERTIFICATIONS, ARE GAINING MORE INTEREST FROM ENTERPRISES IN THE MIDDLE EAST, BUT THE PROCESS FOR QUALIFYING FOR STANDARDS CAN BE LONG AND EXPENSIVE. DO STANDARD CERTIFICATIONS DELIVER ENOUGH BENEFIT TO JUSTIFY THE INVESTMENT?

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Achieving organisational standards helps companies to set best practice, but the process can involve a lot of effort.

BY KERI ALLAN

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Haji: Qualification for standards is just the start, organisations need to manage and maintain them, which comes at a cost.

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rganisational standards certification is growing in popularity amongst IT businesses in the Middle East, partly due to market maturity and partly due to the move to shift workloads to partners in areas such as cloud and managed services.

Those that interest organisations most are ISO certifications related to IT service management, security and general quality and although not compulsory, they're becoming more and more important to customers and partners, highlighting an organisation's credibility.

"ISO and industry specific certifications set standards to improve efficiency, quality and transparency of organisations. It helps create best

practices and assurances. The requirements, specifications and guidelines established by standards or certifications measure the consistent quality of products, operations and/or services including safety, security and reliability," says Sachin Bhardwaj Director – Marketing & Business Development, eHosting DataFort.

Such standards also help companies to stand out internationally, Bhardwaj adds.

"In the Middle East, organisations adopt either European or American standards in various industries. As such, home-grown enterprises and SMEs in the region strive to obtain ISO and other relevant certifications for healthy international competition. Being



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Certification can involve changes to business processes, which should be weighed against ROI, says Sashi.

recognised as a certification holder opens doors to new markets and helps businesses grow.”

“From an organisation perspective, the certification helps to establish a systematic method of working and removes any personal interpretation,” continues Raghavendra Rao, vice president and Global Manufacturing Leader, Frost & Sullivan. “In keeping with the fact that most organisations in the Middle East employ a large number of expats, establishing standard work procedures will help to restrict discrepancies.”

Standards don’t just remain static however. It is exciting times as well, as ISO is currently undergoing the single largest transformation in its history.

“Annex SL is an ISO project that is unifying the format of all ISO management system standards,” says Basem Obaid, Lloyd’s Register Quality Assurance (LRQA) business manager and area general manager, MEA. “In the future, all new and revised ISO standards will have the same structure, featuring ten clauses and will use common terminology and definitions across all standards. In addition, ISO 9001 – the international quality management system (QMS) standard – and the most widely adopted ISO standard, with over 1.2 million certificates in circulation globally, is undergoing its most significant change since 2000 and will be published next year as ISO 9001:2015.

“Some of the changes that are now in the final stages of approval

include the formal introduction of the management of risk and requiring organisations to have a demonstrable understanding of their external environment embedded in their QMS. These are but a few of the changes to ISO 9001 that will ultimately help organisa-

KEEPING REFRESHED

A lot of work goes into achieving ISO certification, however once achieved do companies continue to refresh these or get the ‘stamp of approval’ and then consider the job done?

“I notice that most organisations keep up with recertification, however, there is a tendency for recently certified organisations to loosen up the commitment to the standards after the certifications, as they think that since they have the certification the work stops there. This is not correct; it is a continuous work to live with the certification,” says Dr Jassim Haji, Director Information Technology, Gulf Air - Information Technology.

“For [our] standards, the recertification is conducted every three years and there is a surveillance audit once a year. However, Gulf Air conducts an internal audit twice a year.”

And Gulf Air is not alone.

“At eHDF we conduct regular audits and evaluation programs to align our work with global industry standards, we prioritise adhering to standards to achieve the best of efficiency and customer satisfaction,” notes Sachin Bhardwaj director – Marketing & Business Development, eHosting DataFort.

Basem Obaid, Lloyd’s Register Quality Assurance (LRQA) Business Manager and Area General Manage MEA, agrees that once the first certification is achieved, businesses are more likely to see the benefits of keeping them refreshed.

“Certification is very often a journey, with the initial decision to embark on the road to independent certification being a customer requirement or an internal stakeholder who strongly believes in the reputational value of certification from a globally recognised brand. Those are some of the most frequent drivers of the initial three-year certification cycle for organisations. That journey usually leads to tangible improvements in business practices and processes for the many thousands of clients that we serve worldwide.

“In turn, these improvements lead to greater efficiencies which help to reduce costs, errors and, ultimately, improved customer satisfaction. Therefore, it is our experience that organisations maintain their certification indefinitely, renewing it every three years, with annual visits to ensure the maintenance of the system and compliance to the standard in question.”

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tions in the Middle East deliver improved customer satisfaction and performance,” he says.

The process of achieving a standard and being audited can be very time consuming and intensive, and the length can vary depending on the business.

“[Time] depends on the scale of organisation, the type of operations such as manufacturing or trading and the processes deployed. It also has a bearing on the number of locations the organisations operates from, in particular the production units and/or the warehouse it owns and operates,” Rao notes.

Gulf Air, for example, holds ISO 27001, ISO 20000 and ISO 9001. The business worked in advance to have many processes in place, and so each standard took five to six months work to achieve.

DHL also holds several ISO certifications including ISO 20000, making it the first logistics provider in the Middle East to receive the globally recognised accreditation. IT Manager Praveen Sashi highlights the work that goes into achieving these goals.

“There is significant time, effort and cost which needs to be invested in fulfilling the stringent requirements of the quality system that may include process changes, resourcing, documentation, training, inspections, audits etc. For example, all employees need to be educated on the process and we need to ensure that the process is followed and consistent every time. However, like any business proposition it needs to be viewed in terms of return on investment,” he explains.

“[The time taken is] dependent on the existing processes and standards that a company has in place, however, it could take anywhere between 9 -18 months and involves three month checkpoint meetings and reviews to make sure that the company is on track and meeting the necessary requirements before going onto certification.”

Costs are also high, as Dr Jassim Haji, Director Information Technology, Gulf Air - Information Technology notes.

“Usually it varies, but around \$5,000 towards per annum for each certification plus the cost of internal resources to manage such certifications. A full team of IT Governance, which includes security, quality, performance and service management, is required to maintain such high standards.

“Organisations have to consider the overhead that could result from such certifications. Even though there will be an improvement in business operations, security and quality, that usually comes at



a price naturally, which is an overhead or added effort to perform the same task. This is expected and normal, the issue comes when organisations don't take that into consideration for their planning and setting the expectation right,” he adds.

But in the end, do businesses feel that standards are worth such large investments? The simple answer is yes!

“Not only does it showcase the recognition from an external party, it also benchmarks our business processes and practices against the stringent requirements of an internationally accepted and industry leading standard. It also identifies the need to further enhance and improve our internal processes which ultimately leads to enhancing service quality,” says Sashi.

“From our experience it was definitely worth it,” continues Haji. “ISO 27001 helped us to ensure information security and protection - the most precious thing for any organisation - and to find areas of weaknesses within the organisation and put an action plan for their resolution. And ISO 20000 was crucial in streamlining and improving the IT services we offer our customers to ensure their satisfaction and smooth business operations.”

“Having such an accreditation is extremely valuable and lends

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Bhardwaj: Standards bring operational benefits to an organisation, and bolster a company's reputation.

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Standards help organisations to improve customer satisfaction and performance, says Obaid.



credibility to an organisation," adds Bhardwaj. "It also ensures companies streamline their operational priorities according to demands within the industry and from customers.

"International certifications and standards have numerous benefits including cost efficient management processes: certifications contribute to overall cost efficiency and also ensure consistent quality of services of products. [They also] lower trade barriers: standardised certifications can assist businesses with global market growth as it lends credibility to an enterprise," he concludes. ■

DO PARTNERS AND CUSTOMERS REALLY UNDERSTAND THE VALUES THAT CERTIFICATIONS REPRESENT?

The majority of customers in the Middle East today are aware of international certifications and often use them to gauge a company's reliability. However, not all partners or customers understand or appreciate them, says Dr Jassim Haji, Director Information Technology, Gulf Air - Information Technology.

"But when they see how the business improves after these certifications, they start to see the difference," he notes.

It also appears that businesses in the region shout about their certification successes more than most others across the world, with more use of standards in marketing.

"The Middle East is one of the areas of the world where our clients most prominently display and communicate their certification with LRQA and many examples can be found on our global website," says Basem Obaid, Lloyd's Register Quality Assurance (LRQA) Business Manager and Area General Manager MEA.

"This proactive communication of standards and independent certification by organisations has helped educate the wider market as to the meaning, relevance and importance of management systems assessment, training and certification. Therefore, while there is still room for further educating of partners, clients and consumers about management systems standards, assessment and certification, we feel that our clients have a very proactive stance on leveraging the value of their certification from LRQA."