



STRATEGIC AND POLICY ISSUES

Item for decision.

3.3.1 Proliferation of Management System Standards (MSS)

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The issue of the need for better coordination and coherence in the area of MSS was raised as part of the TMB agenda item on MSS by the representative of DIN at the 62nd TMB meeting in February 2015 (see TMB working document 23/2015, [N188](#)). However, time did not allow for a sufficient discussion of this issue at the February meeting, so this issue is once again being raised for discussion and decision. Details of the problem are presented in Annex 1.

Although the JTTCG has not discussed this issue formally, it has been mentioned in passing on a number of occasions. One of the outcomes of the JTTCG discussion on this was to request the JTTCG Secretary (Mr. José Alcorta) to add all MSS committee leaders to the JTTCG. This was done, and Mr. Alcorta also sent a letter explaining why they had been added and encouraging them to take an active role in the group. He also asked the JTTCG to look into developing a high level guide/leaflet for new JTTCG members, since they are unaware of their responsibilities and are lost in the process, which then results in poor participation and commitment. JTTCG is aware that they have little to no power to tackle the increase in MSS, and this is why the Appendices to Annex SL were revised and improved to provide more guidance to those who are developing MSS.

Recommendation: The TMB secretariat proposes that the TMB create a Task Force to address the issue, under the convenorship of DIN, and with a membership made up of interested TMB members or their nominated representatives, plus the leadership of the JTTCG. This new Task Force shall take into account the work done by the TF on Coordination and coherence of ISO's technical work and ensure that its recommendations are in line with the principles developed by this TF. The work of the new TF would be a sub-item under action 4 in the proposed TMB work plan for 2016 (see Annex 2).

TECHNICAL MANAGEMENT BOARD RESOLUTION XX/2015

Creation of a TMB Task Force to address proliferation of MSS

The Technical Management Board

Approves the creation of a TMB Task Force to address the issue of proliferation of Management System Standards (MSS), to be made up of the following TMB members (or their representatives, one

from each member) XXX, XXX, XXX, XXX... plus the leadership of the JTTCG, under the convenorship of DIN (Germany);

Requests that the new Task Force take into account the work done in 2015 by the Task Force on 'Coordination and coherence of ISO's technical work' and ensure that its recommendations are in line with the principles developed by this Task Force, and

Further requests that the new Task Force report back to the TMB with its recommendations by the end of 2016.

TECHNICAL MANAGEMENT BOARD ACTION The TMB is invited to approve the above draft TMB Resolution.

Problematic trends of proliferating standards on processes in organizations

Concerns of German Stakeholders

ISO/TMB N 270

International Standards, especially management system standards are meant to support organizations as end users in managing their business and achieving their objectives. The inherent potential value of a standard lies in the consolidation of the knowledge and experience of many people into a single document and in a form that adds value to the end-user by supporting efficiency and reducing unnecessary divergence and inconsistency.

Provided the topic has sufficient relevance for the market the standards are generally well received, accepted and used by a wide public.

Lately an abundance of projects in all fields of management of organizations can be observed. Many of these projects are addressed in newly established Project Committees instead of existing TCs. This increases the risk of related items overlapping in wide areas and results in deliverables that are not complimentary and sometimes even contradictory, which confuses stakeholders and end users. This might lead to a loss of credit and reputation for ISO and their deliverables.

Therefore Germany suggests that ISO addresses these concerns in TMB with a view of taking the necessary steps to preventing this undesirable development.

The problems described can be identified in the whole field of standards on organizational processes, including but not limited to Type-A or Type-B Management System Standards (MSS).

An example for the danger described above is ISO 19600 Compliance management Systems (CMS) and ISO 37001 Anti Bribery Management Systems (ABMS). ISO 19600 has been published in December 2014 as a Type-B MSS. A wide acceptance is expected for this standard, which is well balanced and constructed to cover all types of compliance risks, including bribery risk. The ISO 37001 project was started with a time lag but in its scope widely duplicates the content of ISO 19600 with the target of becoming a Type-A MSS. Already today market participants are irritated by this development.

Several practical aspects could be mentioned in arguing against this development, the most important of all: bribery risks are typical compliance risks that should be managed within one integrated compliance management systems like the one originating from ISO 19600. There seems to be no justification why bribery risk should deserve a particular standard while other typical compliance risks (e.g. export control, data protection, tax, customs, etc.) would not and finally why a MSS for those risks should be certifiable and the other not. The fundamental question is whether ISO will maintain this trend: in this case further specific ISO standards on any particular compliance risk should follow. This, in the end however, would make ISO 19600 superfluous and mean in practice that organizations would be forced to implement several management systems for related and similar issues. A great confusion within the organizations could be the outcome. This development seems to be also against the newest trends where organizations, in order to reduce the costs and enhance the effectiveness and transparency are integrating the management of different compliance risks within one centralized compliance management system.

From our point of view this dilemma can only be resolved by consequently step by step integrating different compliance risks forming vertical compliance management items into ISO 19600 thereby creating a robust and universally applicable CMS that end users can easily implement.

Another field where we see the danger of proliferation is risk management. The scope of ISO 31000 “Risk Management – Principles and Guidelines” lists two specific purposes – firstly to assist organizations of all types to manage risk effectively and secondly to ‘harmonize’ risk management processes in other standards.

The problem starts with the adoption of different definitions for identical terms – risk being the most prominent example where ISO not even in Annex SL Appendix 2 clause 3.09 by »omitting« the words »on objectives« (and thereby arguably creating a completely different definition) follows its own definition in Guide 73:2009 clause 1.1 and ISO 31000. Other examples are the late attempts to create NWIPs for »disruption related risk« and »supply chain risk management« and more being discussed (namely e.g. »human and cultural factors« and »risk management maturity«). For both NWIP proposals the justification studies were accompanied by documents widely copying the text of ISO 31000 without giving any reasons for creating a separate document or discussing restricting work to a companion document that is clearly integrated into a structured family of standards. The as of today unresolved competition between ISO/TC 223 / ISO/TC 292 on the one side and ISO/TC 262 on the other side in the field of disruption related risk might become the third area of risk for ISO in the described context.

It is acknowledged and well received that ISO has introduced several mechanisms to avoid unnecessary proliferation of management system standards. The requirement in the ISO Directives to provide a justification study detailing e.g. the market needs for MSS, and the assessment of these studies by the MSS TF are important steps in the process. Also, the universal application of the High Level Structure is expected to lead to an improved applicability of MSS in the market.

However, these measures alone do not seem to fully address the issues mentioned above, as the MSS TF might not be able to judge already on the basis of the new work item proposal whether there is an overlap of a newly proposed standard with an existing one.

ISO should therefore avoid processing NWIPs in fields of well established or newly created standards without prior consensus on a consolidated structure of the standards family. This includes (but is not limited to) determining which TC a standard is allocated to and whether there might be the need to address several proposals in joint groups.

In the past ISO/TMB has taken decision e.g. to consolidate and integrate the standards field of security (ISO/TC 292) or educational management (ISO/PC 288). Such thinking should also be applied in the field of other MSS and related standards. Universal consensus and usability of the organizations in the market are the paramount factors of success for ISO standards regardless whether they are MSS or other types of standards.