

March-May, 2011 Topic Thread

ISO 14001: A Look At Corporate Sustainability and Your QMS

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[New Series: ISO 14001, Corporate Sustainability and Your QMS](#) (Post 1):

As we begin this new 5-part series on ISO 14001, corporate sustainability and what it means to your QMS, we're excited to announce that in late 2011, we have several new clients who will be certifying to ISO 14001.

So what is ISO 14001 and what role does it play in corporate sustainability?

Researchers estimate that as much as 50% percent of a company's carbon footprint stems from its supply chain. Therefore, it's no surprise that businesses are looking to improve their sustainability scorecards and are turning the spotlight on their supplier networks. As a result, several new supply chain management trends are emerging. Corporate sustainability it seems is the next evolution of corporate social responsibility (CSR). **Corporate sustainability describes business practices built around social and environmental considerations.** It is a business approach that creates long-term consumer and employee value by not only creating a "green" strategy aimed towards the natural environment, but also taking into consideration every dimension of how a business operates in the social, cultural, and economic environment.

Under the umbrella of this business approach **can rest implementation of an environmental management system or EMS.** The ISO 14000 family addresses various aspects of environmental management. ISO 14001:2004 provides the requirements for an EMS and ISO 14004:2004 gives general EMS guidelines. While ISO 14001 does not specify levels of environmental performance, **the intention of ISO 14001 is to provide a framework for a holistic, strategic approach to the organization's environmental policy, plans and actions.**

Because ISO 14001 provides a foundation for corporate sustainability, many companies decide to implement ISO 14001 independently or maintain a dual certification to ISO 9001 and/or TL 9000, the telecom quality management system, thereby addressing both environmental and industry specific quality requirements.

Next week, we will outline the requirements of ISO 14001 and during the rest of the series we'll draw distinctions between ISO 14001 and recycling standards like e-Stewards and R2. Additionally, we will cover why ISO 14001 is the EMS of choice and what certifying to the standard does for your business from both an operations and marketing perspective. If you require more immediate information on ISO 14001 implementation, contact info@bizphyx.com.

[Can ISO 14001 Help An Organization Improve Its Environmental Performance? \(Post 2\):](#)

Last week, we began our new series on ISO 14001 and corporate sustainability by framing the basics of an **EMS** or environmental management system. In this installment, we are going to provide some depth to ISO 14001 and what a company can hope to achieve through its implementation.

An EMS based on **ISO 14001:2004 provides management with an exceptional tool that enables an organization to identify and control the environmental impact of its activities, products or services** and improve its environmental performance continually. ISO 14001 helps the organization implement a systematic approach for setting, obtaining and documenting the achievements of environmental objectives and targets.

ISO 14001 is based on the plan-do-check-act methodology, which has been expanded to include 17 elements, grouped into five phases that relate to plan-do-check-act (e.g. environmental policy, planning, implementation & operation, etc.). **Because ISO 14001 does not specify levels of environmental performance, the standard can to be implemented by a wide variety of organizations, whatever their current level of environmental maturity or size.** However, a commitment to compliance with applicable environmental legislation and regulations is required, along with a commitment to continual improvement. A fundamental principle and goal of the ISO 14001 standard, is the **concept of continual improvement.**

ISO 14001 is a tool that can be used to meet internal and external corporate objectives. **Internally, it can provide assurance to management that it is in control of the organizational processes** and activities having an impact on the environment. It can also assure employees that they are working for an environmentally responsible organization. Externally, ISO 14001 can communicate to stakeholders such as customers, the community and regulatory agencies that the organization complies with environmental regulations. **Additionally, ISO 14001 can support the organization's claims about its own environmental policies, plans and actions.**

Most importantly, it provides a framework for demonstrating conformity. ISO 14001 is a standard that is audited by an independent certification body. In the current business climate, concerns about corporate sustainability and a company's carbon footprint are front and center for many businesses, regardless of specific regulatory requirements. **Environmental impact and stewardship is equally about positioning and marketability.** In next week's article, we will outline how a company can gain a significant competitive edge by certifying to ISO 14001. A recent study completed by the *Journal of Operations Management* will be reviewed. This study illustrates how markets respond to sustainability efforts. It may not reveal what you think...so stay tuned! For more information on ISO 14001 implementation contact: info@bizphyx.com.

[Does Certifying To ISO 14001 Impact Your Company's Marketability? \(Post 3\):](#)

Last week, we discussed ISO 14001 in depth and outlined its framework as a quality management standard. In part 3 of our series, we will detail the many benefits of certifying to ISO 14001, including enhancing a company's marketability.

By implementing ISO 14001, a company can gain a competitive edge by decreasing costs through increased efficiencies. These efficiencies can include lowering energy and raw materials use and reductions in waste and pollution. Mitigated risks of accidents and emergency situations can also translate into greater profitability and productivity. Equally, in areas where environmental **responsibility is a requirement**, certification to ISO 14001 can create and maintain business development opportunities. But what about enhancing your company's positioning and marketability?

An organization can demonstrate environmental leadership by implementing ISO 14001. Customers want to do business with organizations that are committed to protecting the environment. **ISO 14001 certification can help to establish your company's environmental credibility and commitment to quality** and can also improve your corporate image and community goodwill. Certifying to ISO 14001 can also foster improved relationships with shareholders and environmental organizations.

A study done by the [Journal of Operations Management](#), which was featured in a March 24, 2011 article in GreenBiz.com, revealed some interesting facts about the impact of "green initiatives", including ISO 14001. The study, which was conducted by researchers at the Georgia Institute of Technology and Michigan State University, analyzed how environmental performance affects shareholder value through stock market reactions. **Interestingly, the markets ignored announcements out recycling programs, eco-friendly products and even LEED certification.** Only 3 categories generated a positive reaction to share prices. Certification to ISO 14001 resulted in one of the most significant positive reactions ([full article in GreenBiz](#)).

Why ISO 14001 certification and not emissions reductions? ISO 14001 is a globally recognized quality management system. It is audited by an independent third party and it validates that an organization has a serious commitment to environmental stewardship, sustainability and quality.

Imagine creating new business opportunities, enhancing marketability, decreasing costs and improving your organization's productivity with one strategic move: **certifying to ISO 14001**. Next week, we will clarify the difference between ISO 14001 and other environmental initiatives such as R2 and e-Stewards and we'll begin to review current catch phrase: "**being green**". For assistance with ISO 14001 implementation contact info@bizphyx.com.

Does Certifying To ISO 14001, R2, RIOS or e-Stewards Make Your Organization “Green”? (Post 4):

Today, companies often make the statement that they are “green”, but what does that really mean? Does it mean they recycle their paper shredding and plastic bottles, or that they participate in voluntary eco-friendly activities and fundraisers? Is being “green” a philosophy, a set of measurable actions or merely a catch phrase? In many cases, it’s all of the above and the peddling of green products, green marketing and recycling is now its own billion-dollar growth industry.

In the world of quality management and corporate procurement, **measurement is the key challenge when a company says they’re green**. Any company can make sweeping statements and proclamations about their eco-initiatives, but how do they measure and continuously improve these efforts? An organization can do so by certifying to a quality standard like ISO 14001. As discussed in previous installments, it is an environmental management system that is independently audited by a third party.

We’ve been asked by several of our clients about other environmental programs related to recycling like R2, e-Stewards, etc. Many are confused by all of these standards and initiatives, especially when doing business in states like California, with heavy regulatory requirements. These standards only apply to recyclers. Even though most of you are not recyclers, you may deal with recyclers in your own supply chain. Let’s briefly outline the top 3, since recycling standards are front and center in the effort to be seen as green:

R2: R2 is better known as Responsible Recycling (R2) Practices. Supported by the USEPA, it’s a set of guidelines for accredited certification programs to assess electronics recyclers’ environmental, worker health and safety and security practices. Voluntary R2 practices include general principles and specific practices for recyclers disassembling or reclaiming used electronics equipment including those electronics that are exported for refurbishment and recycling. The standard applies to actual recyclers and the number of R2 recyclers is really quite small. R2 is based on the “plan-do-check-act” model for continual improvement, like ISO 9001 and other ISO based standards. ANAB requires that CBs (registrars) who certify companies to R2 be qualified to certify companies to ISO 14001.

e-Stewards: The e-Stewards Initiative is a project of the Basel Action Network (BAN), which is a 501(c)3 non-profit, charitable organization, based in Seattle, Washington. BAN has designed and developed a system by which recyclers, refurbishers and processors may obtain independent third-party certification of their conformance with the e-Stewards standard. A representative of BAN informed us that the USEPA also recognizes e-Stewards. The e-Stewards program acknowledges the value in ISO 14001, as its own certification “requires a certified ISO 14001 environmental management system that builds in occupational health and safety requirements specific to the electronics recycling industry”. Again, this standard is related to actual electronics recyclers and there is currently some dispute between the e-Stewards standard and R2 regarding hazardous materials.

RIOS: The Recycling Industry Operating Standard (RIOS) is managed by (ISRI) The Institute of Scrap Recycling Industries, Inc. and is another standard for recyclers. It is an integrated management system standard that combines the management of quality, environmental, occupational health and safety (QEH&S) issues into a single unified system.

Developed specifically by and for the scrap recycling industry, RIOS provides a framework for recycling facilities to use to achieve measurable, continual improvement in their QEH&S performance, without the need to spend time and money in developing and implementing three different systems. This system is also not without criticism. With RIOS, there appears to be a conflict with R2 and e-Stewards regarding “voluntary” efforts (vs. those that are audited) and the terminology used.

So what do you do if you’re not a recycler, but are asked about these standards, regarding your own suppliers? We suggest that you consider responding with a statement that you’re not a recycler (more specifically that you’re not an electronics recycler), but that in compliance with your own QMS/EMS, you send materials to recyclers that can provide documentation that they use an environmentally responsible disposal method, like the 3 outlined above (if applicable). You may even choose to list these recyclers in an RFP. Specific to your quality management system, we also suggest that you consider **adding in the control of outsourced processes section of your ISO 9001 or TL 9000 QMS**, that you attempt to use these certified recyclers, when possible.

What if you’re not yet certified to an environmental QMS? **Then, we encourage you to obtain a dual certification to ISO 9001 & ISO 14001 or TL 9000 & ISO 14001.** Doing so, will give you the framework to respond to these requests, while realizing the many other benefits of ISO 14001, outlined in the previous installments of this series.

As an organization, do any of these initiatives or standards certify that you’re actually “green”? Next time, we will conclude our 5-part series, by helping you to determine what being green means to your organization and how certifying to an EMS may be a very profitable answer to this challenge. If you need immediate help contact info@bizphyx.com.

[Will Certifying To ISO 14001 Make Your Business "Green"? \(Series Conclusion\) \(Series Conclusion\) \(Post 5\):](#)

This week we are wrapping up our 5-part series on ISO 14001 and corporate sustainability. In previous installments, we defined the standard and outlined how it can help an organization improve its environmental performance and marketability. After reading this final article, we hope that you will better understand the term “being green” and what this means to your organization. Therefore, ask yourself what does “being green” mean to you and to your business? If you Google the question, you will be surprised by the range of answers and opinions!

That’s because the answer to this question is somewhat subjective based on the definition of what is a “green business”. In last week’s installment, we began to address some practices that people often use to define a business as green, such as recycling. But is a green business an organization that recycles (only)? Or is it a company that attempts to reduce its carbon footprint? Is it a corporation whose facilities are **LEED certified**? (LEED, or Leadership in Energy and Environmental Design, is an internationally-recognized green building certification system.)

There is no one definitive answer. The answer can be unique to the organization, its products and services, its customers and its customer’s requirements, whether legal or regulatory. That’s why when companies say they’re green, we often ask, *what does that mean?* **The term “being green” is generic and is an umbrella for a multitude of philosophies, ideas and practices regarding the environment.**

There are two important points that we hope you will take away from this article. **First, as a result of the most noble of intentions on the part of companies and individuals to mitigate damage to the environment, the “green movement” has also attracted “green entrepreneurs”, who add to the confusion.** There are alliances, coalitions and NGOs (non-governmental organizations) that claim that they can help you “greenify” (not a joke) your business or **certify your business** as green. **That’s because the field is wide open and “green” is not any one measurable concept or standard.** Often, these organizations may promote or sell programs, checklists, training and workshops.

Following a checklist and then adding a logo to your website may add little value to your business in terms of supply chain requirements. **The concept of “being green” doesn’t necessarily equate to a quality standard or quality management system.** Don’t fall into this trap and spend tens of thousands of dollars on workshops and certificates, only to find out that your best first step (and perhaps only step), should be certifying to a globally recognized and independently audited quality standard, like ISO 14001.

Second, if you’re serious about implementing an EMS, whether the need is based on a customer’s supply chain requirements or it’s rooted in a long-term corporate strategy, we suggest ISO 14001. Why? Let’s re-cap what we’ve covered in our last 4 articles:

- **ISO 14001 is the most widely recognized EMS, both in the US and internationally.** **Implementation** can be a very wise business decision in a variety of ways, including cost reduction within your own company. It also works in tandem with other more specialized environmental initiatives such those regarding recycling (discussed in a previous article).
- **ISO 14001 is a framework from which an organization can continuously improve its environmental performance.** ISO 14001 is part of the ISO 14000 family of standards. For example, if required, an organization may decide to additionally implement ISO 14064, which is a series of three standards for reporting of greenhouse gases. The ISO 14000 family (and ISO 14001 specifically) is an excellent foundation from which to build.
- ISO 14001 can support the organization's claims about its own environmental policies, plans and actions. It provides a framework for demonstrating conformity. ISO 14001 is a standard that is audited by an independent certification body. **This is critical, because with many other green initiatives, claims are often not measured or substantiated, let alone audited.** This is one reason why many suppliers are being asked to certify to ISO 14001 (in addition to ISO 9001 and TL 9000) to enter a customer's supply chain.
- **Certifying to ISO 14001 can differentiate your organization from competitors and positively impacts the marketability of your organization** as evidenced by a recent study in the *Journal of Operations Management*.

We know from our work with supply chain executives, that **ISO 14001 is increasing as a supplier requirement and this reinforces the validity of the 4 points previously mentioned.** As a result, we are currently working with clients to implement both ISO 14001 & ISO 9001 and ISO 14001 & TL 9000, at the same time, thereby addressing both environmental and industry specific quality requirements. Additionally, we are working with clients to upgrade their existing quality management systems to include ISO 14001.

Emerging supply chain trends regarding corporate sustainability will inevitably transition into required business practices in the decades to come. You can get in front of these trends by positioning your organization to be **better environmental stewards now**, while potentially increasing your profitability and marketability, by implementing an EMS like ISO 14001.

For information about implementing ISO 14001 or upgrading your current quality management system, please contact [BIZPHYX](http://www.bizphyx.com).

