



Using ISO 9001:2015 for System Integration

ISO 9001:2015 provides high-level structure for the integration of various partial management systems. It also positions itself as an integral part of sustainable development.

Before developing the integrated management system, it should be noted that there are four levels of integration:

- a) strategic integration
- b) system integration
- c) financial integration
- d) reporting integration

Strategic integration is integrating quality, environmental, social and governance (ESG) criteria with corporate strategy, objectives and key performance indicators. This requires the risk assessment, materiality analysis of stakeholder requirements and strategic planning.

System integration is integrating the various partial management systems into a responsible (integrated) management system, such as quality management (ISO 9001), environmental management system (ISO 14001), occupational health and safety management (OHSAS 18001), social accountability (SA 8000), knowledge management and risk management.

Financial integration is integrating quality and ESG criteria with the key value drivers for creating long-term sustainable value. Key value drivers include revenue growth, cost savings, risk avoidance and operational efficiency. For example, how must cost saving can be achieved if cost of poor quality reduces 20%?

Reporting integration means integrating financial report with the non-financial report to produce an integrated report. For example, ESG report is the main non-financial report required by regulators, which shows the ESG subject areas, aspects and KPIs. An integrated report shows the output of financial integration.



RMSA

CR8001 ESG Management Standard[®] developed by Responsible Management Standard Association (RMSA) is the first de facto standard which provides the specific requirements and framework for the ESG integration based on ISO 9001:2015.

The functions of CR8001 ESG Management Standard[®] are as follows:

- a) Examine current practices and policies of management systems;
- b) Identify the performance gaps;
- c) Determine what needs to be changed;
- d) Decide how the responsible (integrated) management system can be developed;
- e) Use the standard for ESG audit;
- f) Develop the ESG reporting system to meet the mandatory requirements.

The key barriers of using ISO 9001:2015 for system integration include:

- a) lack of management principles for responsible (integrated) management system;
- b) lack of ESG factors for strategic decision;
- c) lack of key performance indicators (KPIs);
- d) lack of financial integration;
- e) lack of ESG integrated reporting format;
- f) lack of format approach for responsible management and auditing.

Management principles are very important to develop the policies, norms and values of an organization.

ISO 9001:2015 provides seven management principles of quality management, but they are not used to develop the responsible (ESG) management system.

UN Global Compact, ISO 26000, SA 8000 and ISO 14001 provide different aspects of management principles for responsible management. It is highly recommended that these management principles should be reviewed, compared and selected to suit the strategic direction of sustainable development.

For example, “customer focus” is the first quality management principle of ISO 9001:2015, this principle should be changed to “stakeholder focus”. Customer is only one of the stakeholders, which can be on the top priority of the stakeholder map. The other stakeholder requirements should also be identified.