

Insight aims to provide useful information, links and tips in the areas of Risk Management, Occupational Health and Safety, Business Continuity Management, and other areas relating to management systems and corporate governance.

This issue:

- The new ISO 9001 Quality Standard and Risk
- Developing Wellbeing Programs
- The Cost-Benefit Equation for Business Continuity

The new ISO 9001 Quality Standard and Risk

In the lead up to the release of the revised version of the *ISO 9001 Quality Management Systems* Standard, there was a great deal of discussion and conjecture about how the Standard’s requirements might change. Much of this discussion was around the planned introduction of risk-based thinking into quality management.

Whilst the management of risk was implied within the superseded ISO 9001:2008 version of the Standard, it is now explicit in the recently released 2015 version.

In reviewing the requirements around risk-based thinking now in the Standard (listed below), it is evident that they are not novel concepts, and most organisations with management systems that meet the requirements of ISO 9001:2008 will be already fulfilling many of these however, what is different is that these requirements must now be *formally considered and included* in an organisation’s management system.

In essence, the new ISO 9001:2015 mirrors *ISO 3100 Risk Management*, with organisations required to consider their risk appetites when planning their products or services.



Organisations seeking to ensure their readiness for certification under the revised ISO 9001:2015 should ensure that the risk-based thinking encapsulated in the clauses quoted below are evident in their management systems.

Whilst there is a three-year transition period to migrate current quality management systems to the new edition of the Standard, the revisions are designed to improve business performance and it would benefit organisations to start the transition process prior to this time.

Specific references to risk in the new ISO 9001:2015 include:

- **4.4.1 f) Quality Management System and its processes** – Organisations are required to

determine the risks and opportunities in accordance with clause 6.1.

- **5.1.1 d) Leadership and commitment** – The use of a process approach together with risk-based thinking is promoted.
- **5.1.2 b) Customer focus** – Risks and opportunities that can affect the conformity of products must be contemplated.
- **6.1.1 & 6.1.2 Actions taken to address risks and opportunities** – Actions taken to address the risks and opportunities must be proportional to the potential impact of the risk.
- **8.1 Operational planning and control** – Organisations are required to review the consequences of unintended changes and must take action to mitigate adverse effects.
- **8.3.3 Design and development inputs** – There is a design input requiring organisations to review the potential consequences or product or service failure.
- **8.5.5 b) Post delivery activities** – Where post delivery activities are required, organisations must now consider potential undesired consequences related to these activities.
- **9.1.3 e) Analysis and evaluation** – Actions taken to address risks and opportunities must be addressed.
- **9.3.2 Management Review** – Reviews must now consider the effectiveness of actions taken to address risks and opportunities from clause 6.1 that includes the planning requirements for addressing risks and opportunities
- **10.1 b) Improvement General** – Correcting, preventing or reducing undesired effects as a risk.
- **10.2.1 Non conformity and corrective action** – Post non-conformances, organisations are required to update their risks and opportunities as determined during the planning phase.

Please [contact QRMC](#) for more information.

Developing Wellbeing Programs

In recent years, the development and implementation of workplace wellness or wellbeing programs has emerged as a mechanism to address the longer-term worker health and welfare needs, beyond the more immediate and measurable workplace safety outcomes.

Such programs can be costly and often struggle to achieve engagement with the workforce. However, if designed well, they can reduce worker injury levels and rehabilitation costs, increase productivity, provide inspiration for healthier lifestyle decision-making, and boost morale in the workplace.



Some strategies to help achieve a successful wellness program include:

- Make sure the physical and psychological needs of the target workers are understood, including any constraints inherent in the physical environment and the workplace culture
- Include preventative activity in the program, but also give consideration to the role of proactive interventions targeting workers already suffering from poor health or at risk of poor health outcomes.

- Identify the potential barriers to engagement so as to enable pre-emptive mitigation and maximise participation. This process should include getting input from workers.
- Normalise healthy choices and behaviours by real-life stories that demonstrate their positive effects.
- Develop clear and measurable objectives for the program so that those responsible for its implementation know what they're striving to achieve, and so that the return on the investment of the program can be accurately measured.
- Provide feedback to staff regularly over the progress of the program.

Please [contact QRMC](#) for more information.

The Cost-Benefit Equation for Business Continuity

The pressures on businesses to minimise costs and try to maximise profits in an uncertain economic environment are considerable. With the worldwide impacts of the global financial crisis still fresh in our memories, and gloomy predictions ever-present about the economic stability of Europe, China and the USA, no CEO or Director wants to commit funds to unproductive activities.



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Implementing a strong business continuity program can require a significant outlay of time and resources, depending on what components are already in place and how much risk management and business continuity expertise is already embedded in the organisation. So can the expenditure be justified?

Some of the benefits of business continuity programs which offset the cost in time and resources, some obvious and some less so, include:

- Reduced loss of productivity and/or assets (incorporating the protection of people, facilities and activities) in the event of a business interruption
- Improved reputation, stakeholder confidence etc. as a marketable element
- Savings on business interruption insurance premiums
- Meeting contractual requirements
- Meeting compliance requirements (in some businesses and industries)
- Improving efficiencies across the organisation as a whole, due to the increased understanding (from the business impact analysis process) of what current business processes are in use, and importantly, their impact on and value to the organisation
- Improving stakeholder understanding of business risk

Some of these are of course more easily quantifiable than others. A robust risk management process used to assess the possible risks to business continuity can assist in this regard. However, generally the benefit to the business of a vigorous business continuity program will more than compensate for the effort taken to implement it. After all, a robust business continuity program provides a good return on the investment when the alternative might be going out of business.

Please [contact QRMC](#) for more information.