



workshop

report

ISO Workshop Growing the services industry with ISO standards

28 April 2017, Vancouver, Canada

Executive summary, outcomes and next steps for ISO

This workshop was organized as part of the ISO strategy for service standardization, launched in February 2016. ISO developed this strategy as a response to requests from its members to further investigate the important topic of trade in services and the role of international standards. The workshop in Vancouver was the second international workshop to be held on this topic, and it follows on from the discussions and outcomes of the first event, which was held in June 2016 in Geneva, Switzerland. While the first workshop was held in conjunction with ISO/COPOLCO and focused on consumer issues, this workshop was organized in cooperation with ISO/CASCO and focused on conformity assessment issues related to services.

At the 2016 Geneva services workshop, several issues were raised that required further discussion and analysis – for example, issues related to ISO rules and processes (the ‘exclusion principle’ and ‘light QMS’). These issues were discussed again at the 2017 Vancouver workshop, where the conformity assessment experts in the audience brought another perspective to the table.

So, what’s next for ISO in the field of service standardization? What was learned in Vancouver that will shape

ISO’s next steps in the implementation of a strategy for services? We have identified three major challenges and actions to take in response:

Challenge One: Dialogue

- Increase our efforts to promote service standards by making the benefits of using standards clear and relevant to stakeholders (especially SMEs).
- Target audiences that have the capacity to influence and push for the development of standards or their implementation.
- Listen to the needs of the market and make sure that every service standard developed provides a benefit, adds value, rather than presenting a burden to the user.
- In terms of conformity assessment (CA), improve our communication about the available CA tools and better educate users about their benefits and how they work – there are tools that are accessible and easy to use for services, but CA is sometimes misunderstood and perceived as too complex and expensive.



Challenge Two : Development of standards

- Discussion on the "exclusion principle" and "light QMS" highlighted that ISO must be flexible enough to provide deliverables that really meet market needs and to adapt to changing needs that result from new trends.
- But it also confirmed that the current standards development process is viewed as robust and well-designed, with a majority of participants expressing doubts that relaxing existing rules with regards to the "exclusion principle" and quality management systems (QMS) would bring benefits.
- ISO therefore needs to find the right balance between offering the level of flexibility required to respond to market needs, and continuing to provide the value it offers as a standards development platform, which is the foundation of the ISO brand.
- The CA toolbox provides a solid foundation for the services sector. Existing tools should be adapted to new needs of the services market, but there is no obvious need to develop new schemes or tools.

Challenge Three : Leveraging the ISO network

- The role and responsibilities of ISO members are fundamental in raising awareness on service standardization and the ISO Central Secretariat should continue supporting and strengthening the ISO network, providing the necessary materials and training.
- Members should also express their own views and needs, and tell us how ISO can help them achieve their goals.
- This is not only about vertical communication, but transverse communication – continued exchanges of experiences, best practice and tools, as facilitated by the workshop in Vancouver.

About the next steps

- The technical aspects of workshop discussions will be considered by the ISO Technical Management Board (ISO/TMB), along with the results of a survey it is conducting of all members and ISO committees on the questions of the 'exclusion principle' and 'light QMS'.
- The ISO/TMB is overseeing the implementation of the services strategy and will discuss what new actions to take as a result of this workshop's outcomes.

If you have any feedback you would like to provide on the services workshop or the ISO strategy for service standardization, we would love to hear from you. Please send your comments to Belinda Cleeland :
cleeland@iso.org.

Context and purpose of the workshop : The ISO services strategy

The full services strategy is available for download from the ISO website :
www.iso.org/publication/PUB100393.html

The first part of the ISO services strategy concentrates on communication and outreach and aims to :

- Increase ISO's visibility as a developer of International Standards for services,
- Develop clear arguments in favour of service standardization, and
- Convey these arguments to stakeholders.

One of the primary goals of the workshop was therefore to bring together standards developers, standards users, service sector stakeholders and conformity assessment experts to raise awareness of how standards can benefit the services sector and share experiences, expectations, challenges and best practices in dealing with standardization and conformity assessment in the services sector.

So far, ISO has concentrated on the implementation on the first part of the strategy with the following actions :

- Two services workshops (Geneva 2016 and Vancouver 2017)
- Five **case studies** on benefits of service standards
- A breakout session at the 2016 ISO General Assembly
- A communication campaign in 2016 (a dedicated issue of *ISOfocus*, a services **micro-website**, and a social media campaign)
- Participation in a discussion on service standards and the implications for trade in services with WTO members of the GATS.

The second part of the services strategy concentrates on understanding market interests ; on finding out what stakeholders need and in which sectors there is the greatest potential for benefit from the development of international service standards. Discussions at both ISO services workshops provided some useful input on trends affecting the sector and potential future areas of work, and this will be complemented by further studies in future. The implementation of the second part of the services strategy will begin in the second half of 2017.



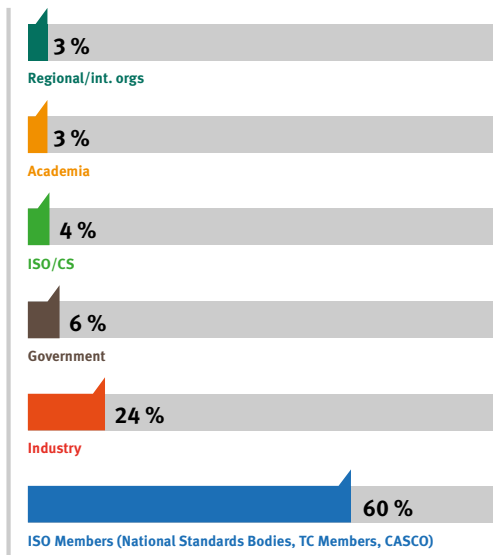
Participants

In order to draw maximum interest to the event from standards bodies and conformity assessment experts, the workshop in Vancouver was planned to coincide with the yearly plenary meeting of the ISO Committee on Conformity Assessment (ISO/CASCO) and the joint meeting of the Pacific Area Standards Congress (PASC) and the Pan-American Standards Commission (COPANT), both taking place in Vancouver before and after the workshop, respectively.

There was strong interest in the workshop, with demand outnumbering the available places. We welcomed 152 participants from 44 countries.

The breakdown of participants by sector is shown in the chart below.

Workshop participants





Summary of workshop sessions

The full workshop **agenda** is available on the workshop website.

Welcome and opening



John Walter

ISO president-elect and
CEO of the Standards
Council of Canada



Nicolas Fleury

ISO Deputy
Secretary-General



Frank Makamo

ISO/CASCO
Chair

Participants were warmly welcomed by the workshop hosts, the Standards Council of Canada (SCC), as well as representatives from the ISO Central Secretariat (ISO/CS) and the ISO Committee for Conformity Assessment (ISO/CASCO). The key message was that, while ISO is well-placed to move forward in the fast growing services sector, input from stakeholders on their priorities and needs is vital to ensure that ISO remains relevant. Participants were invited

to contribute actively, to share best practice and make the most of this opportunity to interact with each other to better understand the priorities and challenges of the sector. They were specifically instructed to focus on the *HOW* and encouraged to come up with concrete proposals for action and priorities for *HOW* ISO should help its members to raise awareness, foster stakeholder engagement, identify key new work areas, etc in the services sector.

International service standards – The context

Introductory presentations – setting the scene

The ISO strategy for service standardization – where to from here?

Belinda Cleeland, ISO/CS Head of Technical Policy

The ISO strategy for services was borne of a request from the ISO General Assembly, in acknowledgement of the steadily increasing economic importance of services as value added % of GDP almost worldwide. Trade in services has grown in importance in the world economy, year after year, and services are becoming a dominant driver of economic growth, both in developed and developing countries. However, there has been no corresponding increase in the number of standards developed for the services sector, with the number of ISO standards for services reaching only around 3% of the catalogue (approximately 700 documents). Recognizing that standards for services can offer numerous benefits to service providers and consumers alike – such as providing benchmarks for quality, reducing uncertainty and information asymmetries, increasing trust, and facilitating service exchange across borders – the ISO members wished to develop a strategy to raise awareness about service standards and promote their use and development.

From what had been done on the ISO services strategy so far (see the above section ‘context and purpose of the workshop’ for details), it is clear that the main challenges facing ISO and its members are:

- Raising awareness about benefits of service standards
- Improving stakeholder engagement (stakeholder ‘buy-in’)
- Exchange of information and experience between members
- Engaging with external organizations (e.g. WTO)

But addressing these challenges is not so straightforward because the services sector is not only highly heterogeneous with many locally-operating SMEs, but also a sector where there is a lot of innovation and regulation. Workshop participants were asked to consider some of these challenges during the roundtable discussions – in particular 1) whether the highly regulated nature of the sector limits the usefulness of International Standards, or provides an opportunity for standards to help bring about regulatory convergence, and 2) whether ISO rules and processes need to be made more flexible to better suit the specific needs of this innovative sector with so many SMEs. See the summary of discussions from Roundtable 1 for more details.

For more details on any of these presentations, see the PPT slides available on the workshop website: www.cvent.com/d/cvqtlr

Service standards and conformity assessment

Sean MacCurtain, ISO/CS Director of conformity assessment and consumer policy

Service standards are written with the intent to be implemented. As consumers, we all want to know how well these standards are implemented and whether the services we use meet our expectations or not. Conformity assessment allows us to determine this in a consistent way, regardless of where we are in the world.

The ISO Committee on conformity assessment (ISO/CASCO) works to ensure a consistent approach to conformity assessment and develops standards for conformity assessment activities and bodies, compiled in what is commonly called, the ISO/CASCO Toolbox. CASCO treats service standards in much the same way as product standards, meaning it is the service that is certified. How the system works? First, an ISO/TC develops a set of service requirements that will be implemented by the service industry. To demonstrate that a service meets the requirements of a standard, a series of conformity assessment activities can be performed, such as inspection, auditing, certification or accreditation. Depending on the activity or the combination of them as well as the level of risk associated with it, the

process will give rise to a claim of conformity and possibly, a certificate, for example. This claim gives the end user confidence in the service he buys and if the conformity assessment was performed according to international standards and rules in place, it can be recognized and accepted everywhere. This is why a harmonized approach to conformity assessment at national, regional and international level is so important.

The steps described above can be combined and referred to as a scheme. Basically, a scheme contains all requirements the service needs to meet to successfully demonstrate conformity. CASCO has recently developed a Technical Report, ISO/IEC 17028 that provides guidelines and examples of a certification scheme for services. There are other CASCO standards that can also apply to services, including ISO/IEC 17007, *Fundamentals of product certification and guidelines for product certification schemes*; ISO/IEC 17065, *Requirements for bodies certifying products, processes and services*, and ISO/IEC 17020, *Requirements for the operation of various types of bodies performing inspection*.



Panel 1 – The standardization experience so far



Panellists:

- **Duncan Ellison**, Chair of the SCC Mirror Committee for ISO/TC 224
- **Alister Dalrymple**, Director of Business Development and Partnerships at AFNOR Group and CASCO expert
- **Karla McKenna**, Director of Market Practice and Standards at Citi and Chair of ISO/TC 68
- **Javier García Díaz**, Standards Director of UNE and ISO/TC 228 Secretariat
- **Kumi Nakamura**, Secretary of ISO/TC 232/WG3

This panel was designed to bring together speakers who have been involved in the development of some of ISO's better-known service standards in various fields, including drinking water systems, tourism, learning and financial services. They discussed the challenges encountered during their development, and how they see the future of service standardization and related conformity assessment activities. Panellists described the key drivers for service standards, which turned out to be quite different, depending on the sector. For water services, Duncan Ellison (ISO/TC 224) described how the driver for standards came both from consumers (who demanded a certain level of water quality and provision) and utility companies (which needed a way to develop indicators for measuring the quality of the service they were providing). While in the finance sector, Karla McKenna (Chair of ISO/TC 68) explained that demand was driven by the industry itself, since standards are necessary to facilitate commerce. In the cases of tourism in Spain and learning services in Japan, government and policy played a role in the push for standards. Javier Garcia (TIO/TC 228) noted that the initial impetus for tourism standards in Spain had come from a political decision to implement a long-term strategy to change the Spanish tourism model. And Kumi Nakamura (TC 232/WG 3) described the key role of the Japanese Ministry of Labour in the development of services for learning standards, which was linked to a need to increase the workforce by providing better training and learning services.



In the end however, all panellists agreed that no matter the sector and the initial driver, there has to be a demand from the stakeholders and these stakeholders need to be engaged in the standards development process if the resulting standards are going to be relevant and used.

Stakeholder engagement was found to be a challenge by all, for various reasons. For one thing, the ‘voluntary’ nature of standards work makes it hard for some stakeholders to get engaged, which is why TC 68 Financial services does not ask for the same level of commitment from everyone – for example some people may be able to participate in WGs, but others may just comment on drafts. In sectors where use of standards is not yet the norm, there is the added challenge of explaining what standardization is all about. For this, you need success stories and visionaries – people who have participated in the process and can help to get others involved. You also need to raise awareness, which was done in Japan by engaging

with industry associations and holding international symposia where experts in the sector would speak about their experience using standards.

As the discussion turned to conformity assessment (CA) for services, Alister Dalrymple (Convenor of a number of CASCO working groups) noted that generally certification in services was quite new and there is still some confusion between services certification per se, and ISO 9001 certification. The extensive use of online services brings a new challenge to the conformity assessment community. However, the tools are here and some sectors are more advanced than others in using and tailoring them to their needs. The audience challenged the panellists about the impact of related new trends, such as the prevalence of online reviews, on the relevance and need for CA in certain sectors. For example, websites such as Trip Advisor seem to be becoming increasingly important in business-to-consumer (B2C) services and used by consumers as a sort of ‘default certification body’. This ‘informal’



evaluation of a service is often all that consumers have to rely on because we often lack reliable tools to evaluate services. Panellists agreed that this was a gap that could be filled by International Standards. Some also noted that their committees had been interested in developing standards that could be used for conformity assessment and, in particular management system standards. This led to a debate about the ‘exclusion principle’, which is a rule in ISO whereby the requirements for a product/service cannot be in the same standard as the management system. In TC 232, Kumi Nakamura explained how they had inadvertently broken this rule because they did not realise they were mixing MSS and service requirements. She noted that for SMEs, it would be useful to have some quality management system (QMS) requirements included with service requirements in one standard, but she also warned that this could lead to confusion about what is being certified – the service or the provider? Alister Dalrymple explained that this is something already done in CASCO standards, where management system requirements support the technical requirements. Javier Garcia added that, at least in the tourism sector, what stakeholders want is more flexibility – they want to be able to create tailor-made solutions, adapted for their needs. (All workshop participants had the opportunity to further discuss this issue during roundtable discussion 1).

To conclude, the panellists were asked to provide one recommendation each for ISO and its members. This was their advice:

- **Promotion/awareness raising** – clarify the benefits of service standards and make them more visible; promote the ISO brand.
- **Stakeholder engagement** – create communities of influential stakeholders at national level to strengthen the buy-in amongst other stakeholders and facilitate the implementation of service standards.
- **More flexibility in the rules** – think about service standards outside of the strict ISO rules, leave some room to create adapted solutions.
- **Development time** – take further actions to shorten development time and get solutions to market faster.
- **Service measurement** – concentrate on developing standards that provide guidance on how to measure/evaluate the quality of a service against set objectives (for example ISO 24510:2007).

Roundtable discussion 1 – The ISO system as a venue for creating service standards

The first roundtable discussion offered participants the opportunity to have their say on some of the issues discussed by the panellists in Panel 1 and on how well ISO and its members are equipped to deal with standardization for the services sector. There were three discussion questions, and tables could choose which questions they wished to discuss:

1. Market needs

- **How can standards bodies best identify service-related standardization needs?**

Participants re-iterated what was mentioned in Panel 1 – the importance of sharing success stories and focusing on communication and dissemination of information about the benefits of standards. Business owners are too busy doing business to deal with things perceived as overheads (such as standards) – the concrete value of standardization has to be demonstrated, for example, using case studies. Advice to ISO members was to create a stakeholder engagement strategy for the service sector at national level, and to not just target end-users of standards (service providers), but also industry associations, regulators and consumers. To decide who to target, one table suggested creating a matrix, with criteria such as economic importance, regulatory framework and safety-driven aspects, and using these criteria to rank different sectors in order to determine which ones would benefit most from international standards. Several members mentioned that they would welcome the opportunity to learn about what other members are doing in the area of services or how they have addressed service standardization in their national strategies.





The fast-moving innovation cycle was mentioned as one major challenge when it comes to identifying market needs, since standards are not developed fast enough to keep up. The other major challenge identified was the fact that service provision is linked to emotional needs rather than technical/physical needs. Because of this, regional and cultural differences would likely affect how services are consumed and evaluated, meaning that a ‘one size fits all’ solution will be more difficult to develop at the international level.

2. Regulation of services

Many services are highly regulated to further policy objectives such as minimizing negative externalities, stopping anti-competitive practices or promoting job creation.

- **Is there room for International Standards in areas of the services sector that are highly regulated?**
- **Is there a benefit to ISO engaging stakeholders in these areas?**
- **How are regulators using existing conformity assessment when dealing with services traded cross-border?**

Question 2 was the least popular discussion question in terms of the number of tables that chose to tackle it, but all who discussed it agreed that there is definitely room for international standards and that the benefits remain clear, despite the level of regulation. Performance standards, in particular, have potential to be beneficial in regulated areas, and the brand of ISO is very important in terms of ‘selling’ the benefits to stakeholders. The financial sector was mentioned as an example, where international standards are widely used even in a highly-regulated context. The real challenge for ISO members is engaging with regulators and getting them involved in standards development.

Regarding conformity assessment, participants agreed that there is potential for CA across borders and that certification of a service can provide a competitive edge to service providers as well as protect end-users. However, some people argued that cross-border CA is not as straightforward for services as for products, and therefore we need more experience with international service standards before addressing potential changes needed in the CA system.



3. Rules and procedures

Feedback from the previous workshop on services was that there are two rules in the ISO system that sometimes hinder the development of services standards or diminish their benefit or attractiveness to end users – the ‘exclusion principle’ and the fact that ‘light’ QMS is not allowed.

- Do you think the exclusion principle should be maintained? If so, why? If not, why not?
- Do you think that ISO should allow a ‘light’ QMS or allow a selection of QMS requirements to be included in service standards?
- What would be the impact on conformity assessment if either/both of these rules were changed?

Discussions on question 3 produced perhaps the liveliest debate of all the questions. On balance, opinion was that ISO should maintain the exclusion principle and not allow a ‘light’ QMS (5 tables to 2 argued for this outcome). However, discussions at the tables were extended and nuanced.

Arguments for change

Those who argued that ISO should get rid of the exclusion principle explained that it is much more difficult to make the distinction between management system requirements and provisions in the case of services as opposed to in the case of products. On the question of ‘light’ QMS, there were more people in favour of considering a ‘light’ option than were in favour of scrapping the exclusion principle – there was more openness around this possibility. Those

that argued in favour of a ‘light’ QMS explained that stakeholder needs should come first and that if they want the extra flexibility, it should be possible to include QMS elements in a service standard – it would just need to be very clearly communicated what the ‘light’ QMS option is and when it should be used (including guidance provided to committees). Some suggested that TC 176 could provide case studies on how a ‘light’ QMS would work. Generally, the CASCO community was not in favour of a ‘light’ QMS, indicating that it could cause confusion in the market. However there were those that were of the opinion it would facilitate efficient implementation of the service standards, especially by SMEs.

Arguments for maintaining the status-quo

Participants who argued that the exclusion principle should be maintained explained that having multiple management systems as part of many service standards in different sectors could lead to inconsistencies and risk losing the ‘purity’ of the management system elements – that is, if the context is different each time,

the meaning of clauses could change. This could create risk for the integrity of the standard and the integrity of ISO. The maintenance of these standards would be an issue for the same reason – further diversion may occur as standards are revised. The issue of the High Level Structure (HLS) was also raised, since this common structure for management systems makes it a lot easier for companies to become certified to more than one MSS and we must always keep in mind the ease of use for the end-user. If the current version of ISO 9001 is deemed to not be suitable for the services sector, another suggested solution was to develop a sector application of ISO 9001 for the services sector, and/or to add an annex to ISO 9001 to inform auditors about specific differences in the services sector that should be taken into account during the application of ISO 9001.

The TMB is currently conducting a survey of ISO members and committees to get further feedback on these two questions. The TMB will consider all the input received at this workshop and from the survey when deciding whether or not to reconsider these two ISO rules.



The services sector – Trends and priorities

Panel 2 – Views from the services sector

Speakers on this panel were engaged to provide an industry perspective on how new trends are shaping/changing the needs of the sector, what challenges they face, and what standards can offer service companies. They came from a range of service industries, including software and IT engineering, e-commerce, adventure tourism and financial services.

Each panellist had a different perspective on the most important trends, depending on their field. Unsurprisingly, advances in computing, growth in internet usage and digitalization of information (creation of data) were mentioned several times. In the IT industry, François Coallier explained how the growth of cloud computing is creating a lot of new services, which are needed because of the huge increase in the amount of data being created

and stored. Similarly, in the finance industry, Karla McKenna mentioned how the trends of FinTech and the use of more and more data are increasing the demand for international standards (for example to facilitate data transmission and comparison).

Junfang Zheng, from Alibaba, described how the rise of the internet has hugely impacted the way retail sales are made, with 15.5% of retail sales in China now being made online via platforms like Alibaba. Standards have significantly helped this business by creating more consumer confidence in things like online payment processes. However, she also noted that newer trends, such as servitization – where people are more and more buying services associated with traditional product offerings – are providing a challenge to the traditional business model, with customization and personalization of products becoming more sought after.

Panellists:

- **François Coallier**, Professor at École de technologie supérieure de Montréal, and Chair of ISO/IEC JTC1/SC7 and SC41
- **Junfang Zheng**, Chief Platform Governance Officer of Alibaba Group
- **Mary Beth Cook**, Director, Cook and Associates, Limited
- **Garth Gulley**, Director of Waitoa NZ Ltd
- **Karla McKenna**, Director of Market Practice and Standards at Citi



In the adventure tourism industry, the impact of the internet is also being felt, with Garth Gulley, from Waitoa NZ, explaining how the speed and reach of social media can have a huge effect on business, with bad experiences quickly becoming damaging for companies. Picking up from the Panel 1 discussion on internet platforms and social media as an ‘informal’ kind of CA, he added that the usefulness of CA in this industry really depends on the level of risk. For activities that are not dangerous, social media reviews might be enough, since operators running low risk activities will not get certified anyway. But for high risk activities, social media could never be a substitute for proper CA – when the risk is high, people want more confidence.

For Mary Beth Cook, from the point of view of small business, there is a notable trend towards more SMEs in the service sector wearing ‘multiple hats’, acting as business manager, service provider and more, with a heavy load of compliance to deal with... tax, regulations, etc. One of the challenges of this, from the point of view of standards developers, is that standards seem to have an image problem amongst this audience, who see them as obligations to comply with, rather than as opportunities to get a competitive advantage.

Garth Gulley added that, in the highly regulated adventure tourism industry, too, there is this perception that standards are another kind of regulation – stakeholders do not understand that standards are driven by the market and instead think they are just another thing to comply with. This problem is certainly not unsolvable, but perhaps requires a new marketing approach for standards along with better engagement with stakeholders who are unfamiliar with standardization.

Once more, panellists were asked to each provide one takeaway message or piece of advice for ISO. Some common themes emerged with Panel 1, albeit seen from a different perspective:

- **Stakeholder engagement** – ISO needs a structure to draw in new stakeholders. Standards people talk to each other all the time, but there is a need to bring in NEW stakeholders, people unfamiliar with standards.
- **Awareness raising /informing stakeholders** – ISO needs to tell stakeholders what is going on and to better communicate on the use and implementation of standards – more data.
- **New products** – Standards are only part of the ‘machine’ and are not written for business owners. ISO should produce more handbooks, for example.
- **New approaches to development** – ISO needs to break down silos (discrete TCs) and start to use a systems approach (for example, where there is high level coordination between multiple, related TCs working in services).
- **Partnerships** – ISO needs to continue working with other standards development organizations, to fast-track documents and get access to more resources.



Roundtable discussion 2

– Evolution of the services sector and the role of standards

The second roundtable discussion asked participants to discuss how ISO and its members could/should engage stakeholders in the services sector, in the context of what they just heard from the speakers in Panel 2. As for the first roundtable discussion, there were three questions for participants to choose from :

1. Stakeholder engagement

• What can be done to strengthen the ‘buy-in’ from service sector companies?

This question was the most debated, with suggestions for improvement focusing on developing clear messages about the benefits of service standards for stakeholders, and also changing established misperceptions.

We heard that there are two sides to this problem: getting people to participate versus getting people to use the standards.

For the former problem, getting people to participate, participants emphasized that we need to be clear and tangible about what we are offering companies – what are the immediate benefits that the companies will get for their investment in standardization? It would be helpful if we could give those willing to participate a more visible role somehow, for example by allowing company logos on ISO drafts that are circulated at WG or TC level, and/or at meetings. Other ideas included NSBs targeting industry organizations and offering them package deals for participation in return for help recruiting their stakeholders, and NSBs promoting the links between standards and the UN sustainable development goals or social responsibility in such a way that companies could tie their participation in the standards development process into their

own brand development and marketing. And for the future, in order to facilitate the participation of the next generation of experts in standards development, participants suggested that ISO members should focus on education. In certain more traditional sectors, like engineering for example, people learn about standards as part of their training. This is not at all the case in many other sectors, services included. Education could be a way to ‘make standards part of an industry’s DNA’.

For the latter problem, getting people to use standards, participants agreed that it would be useful to have more impact studies; concrete examples so you can quantitatively and qualitatively explain to stakeholders the impact of standards and what would be the consequences of not implementing them. In addition, it may be necessary to better explain the difference between voluntary standards and regulations – as we heard in Panel 2, standards have an image problem and are often perceived as another obstacle, akin to more regulation. Basically, we need to gather concrete data through studies and surveys and do a big marketing exercise, including, for example, testimonials and stakeholder workshops.

But what about the format of deliverables? Participants also mentioned, once again, the speed of development and the need to have different kinds of deliverables on offer – ISO must be able to adapt its solutions to the needs of companies/sectors and to get things to market faster. The ISO International Workshop Agreement (IWA) was suggested as one deliverable that offers these advantages and could be used more in the services sector. But it was also argued that not many people know what is available and understand the difference between the different types of deliverables – ISO might need a document explaining what the different deliverables are and the advantages and disadvantages of each one. This is something that could be given to TCs so they can choose what products to develop.

Participants also questioned the model by which standards are made available to users and the impact this has on stakeholder ‘buy-in’. Essentially, some people consider the ‘pay to purchase’ model to be past its expiry date and feel that the standardization industry must begin to consider new business models that can make standards available for free.

2. Trends

- How will the trends impacting the evolution of the services sector (e.g. digitalization, changing consumer behaviour) affect the need for standards and conformity assessment? For example, how can conformity assessment be done for virtual or internet-based companies?

In the discussion on trends, participants explained that certain trends (such as increasing web-based delivery of services) were increasing the need for consumer trust, and hence the need for standards. However, some felt that in order to face the fast changing environment in the services sector that is driven by digitalization and changing consumer behaviour, standards must be more flexible in terms of their structure and accessibility.

Given the limits to flexibility in standards development, it was suggested that NSBs and stakeholders should assess the maturity of the sector before deciding to develop standards or other deliverables – in some cases it might be necessary to wait until the sector is more mature before developing international standards.

3. Conformity assessment

- Does the existing conformity assessment system (certification, inspection, testing, and accreditation) address the needs of the services industry sufficiently? If not, what needs to be changed?

Participants agreed that the existing conformity assessment system is largely adequate for the needs of the services sector. For most people, the problem was not so much that the system has weaknesses or gaps, but rather that it is not well understood, particularly by consumers. Therefore, the priority should be on consumer education about what CA is and what its benefits are.

National and regional strategies moving forward

Panel 3 – Views from national and regional standards organizations

Speakers on this panel were all representatives of national standards bodies or regional standardization organizations. They discussed what their organizations are currently doing, whether their experiences reflect those ideas/opinions/insights expressed at the workshop, and what they have learned that will help them shape their work on service standardization in future.

At the national level, the majority of ISO members and regional organizations represented described standardization for services as a topic that is very much on their radar. Some members, such as UNE (Spain) described how they had already been working on service standards and certification of services for a long time now (16 years), while others such as ANSI (USA) had more recently made services a priority, with the launch of a service sector initiative in 2013. COPANT (the Pan American Standards Commission) is forming an ad-hoc group to focus on the service economy, while SPRING (Singapore) has created a recent committee on services and is currently focusing on robotics, finance and interoperability of systems. NEN (the Netherlands) was the one member taking a different approach by not giving service standardization any particular priority or attention, but rather just treating it exactly the same as product standardization. However, at European level, Jelte Dijkstra described how NEN is participating in the CEN strategic advisory group on services, which is working to promote services standardization in the context of the EU ambition to create a single market for services.

Panellists

- **Javier Muñoz**, International Cooperation
Director of UNE
- **Reinaldo Figueiredo**, Senior Program
Director for Product/Process/Services
Accreditation Programs in ANSI
- **César Díaz Guevara**, Chief Executive Officer
of INEN and Member of the COPANT Board
of Directors
- **Tak Leong Cheong**, Director of
Standardisation Division in SPRING
and PASC Secretary
- **Jelte Dijkstra**, Manager AgroFood &
Consumer affairs at NEN & member
of the SAG S in CEN



Awareness raising was the main challenge that was raised by this group of speakers, who echoed comments from earlier panels about the need for good communication materials that clearly outline the benefits of service standards, such as case studies. Some members felt that they currently lack these communication tools, which makes it more difficult to get stakeholders interested. For this reason, as part of CEN's strategy on services, the first action is to create a toolbox of materials to use for stakeholder engagement. In terms of best practice for awareness raising, speakers mentioned the importance of using of social networks, working with universities, and creating links with policymakers. They explained how sometimes targeting only a few key stakeholders in an industry can have a great influence, if you can engage these stakeholders as 'standards ambassadors' to share their experiences and engage others in the sector. From the audience we heard more examples of members' efforts to promote service standardization. In Japan, JSA has been organizing service standards forums and has had success in getting lots of input from national stakeholders in this way. They have created

national standardization committees in the services sector and plan to develop basic principles for overall quality of service management in Japan in 2017. In Canada, SCC recently organized a very successful workshop on the sharing economy, with a wide range of service sector stakeholders participating. As a result, they have very quickly developed an ISO International Workshop Agreement (IWA) on the subject, which will be published soon.

In terms of their recommendations for what ISO should do next, these were the key pieces of advice from the perspective of standards development organizations:

- **Listen to the market** – Just because we are trying to raise awareness of the benefits of service standards and to engage more stakeholders does not mean we should lose sight of the fact that we only develop standards where the market requests them.
- **Listen to the stakeholders** – When it comes to the rules and processes of standards development, listen to the feedback (e.g. on the exclusion principle).
- **Promote current ISO service standards more** – Do not focus on the number of new work items coming in – ISO work items on services will increase as national work increases. For the moment, a lot more can be done to promote those ISO service standards that already exist.
- **Remember the human element of services** – We need to approach service providers differently from product producers, because with services, competencies of providers are an integral part of the service. Stakeholder engagement needs to keep this in mind and not forget the emotional connection.



Closing and conclusions

Conformity assessment (CASCO)

The ISO Director for conformity assessment, Sean MacCurtain, admitted that he had expected workshop participants to challenge the CASCO toolbox more than they did, but was pleased to hear that the majority of people found it to be a very solid foundation for the needs of the services sector. Nevertheless, it was clear that more work is needed in terms of adapting the toolbox to accommodate new challenges, such as e-platforms and e-commerce.



The most obvious improvement area for the conformity assessment community, however, is communication – we need to be able to better communicate what we do and why, using success stories to promote good conformity assessment practices and the benefits they can bring to services across all sectors. We need to improve our communication with SMEs, to help them understand and appreciate the benefits of conformity assessment, and how it can give them a competitive advantage and level the playing field. In addition, more awareness raising activities should be done to help end-users understand what the different marks and rating systems mean – for example, what is the distinction between Trip Adviser and other social media, and a formal certification scheme for a service?

While CA does already address the key element of competence, we could also improve on how this is built into the system. We need to educate consumers about online reviews and CA, and what the difference is. This workshop has provided useful input for CASCO who will use this information to work towards making sure that the CASCO toolbox reflects market needs, including those of the services sector.



The ISO services strategy

The ISO Deputy Secretary General, Nicolas Fleury, thanked participants and speakers for their active contributions and noted that a lot of interesting ideas and insights had come out of the workshop that would help ISO in determining the next steps of its services strategy. He identified three major challenges that ISO needs to address.

The first challenge is that of establishing dialogue. It seemed like almost every workshop panel and roundtable talked about the importance of communication and the need to increase our efforts to promote standards and their benefits. This sort of communication requires a constant effort and also a continual assessment of market needs as, after all, it is of paramount importance that we listen to what the market wants. ISO needs to establish and maintain a dialogue – so, two-way communication, not just one – with members and, through them, with stakeholders.

The second challenge is the standards development process and the question of determining how flexible it needs to be in order to meet the demands of the services sector. The value of the ISO standards we produce is generated largely through our robust processes, so we need to be careful not to jeopardize this and carefully consider how to find the right balance between robustness and flexibility.

The third challenge is leveraging the ISO network and making better use of the ISO members in terms of getting them to raise awareness of service standardization, allowing them to exchange best practice and tools, and giving them the chance to tell us what they want and need from ISO, in the area of standardization for services.

ISO would like to sincerely thank all of the panelists and participants for their contributions to the workshop. The input received from the wide variety of stakeholders present will help to determine the future direction of the ISO strategy on service standardization.





About ISO

ISO (International Organization for Standardization) is an independent, non-governmental international organization with a membership of 162 national standards bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market-relevant International Standards that support innovation and provide solutions to global challenges.

ISO has published more than 21 600 International Standards and related documents covering almost every industry, from technology to food safety, to agriculture and healthcare.

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International Organization for Standardization

ISO Central Secretariat
Chemin de Blandonnet 8
Case Postale 401
CH – 1214 Vernier, Geneva
Switzerland

iso.org

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