Best Practices of an Integrated HSEQ Management System
Executive Summary

This paper is the final in a series about integrated quality, EHS and sustainability management systems. A Health, Safety, Environment and Quality (HSEQ) Management System integrates HSEQ people and processes with technology leveraging the harmonized ISO standards as a common global management framework that fosters integration and interconnectedness across global organizations to improve accountability, centralization, consistency, transparency, collaboration and compliancy.

Revisiting Operational Excellence

The first white paper in this series explored the concepts of ISO standards and harmonization and how they apply to business practices. As we saw, many organizations share some key operational goals, including:

- Ensuring safe and reliable operations
- Producing safe and effective products
- Increasing organizational effectiveness
- Engaging internal and external stakeholders
- Preventing unplanned incidents and events
- Preserving and transferring institutional knowledge

These smaller goals work towards the overarching idea of sustaining license to operate while improving business performance and maintaining compliance.

However, organizations face challenges that prevent them from achieving those goals. They still have accidents, incidents, injuries, illnesses and releases to the environment. These organizations struggle because they operate in silos, resulting in disparate and decentralized systems and data.

What organizations need to do is create conduits where people can function in their own departments yet have means to collaborate on an organization-wide level. This sets your organization apart from the others that are merely just complying with ISO standards but not fully integrating HSEQ for operational excellence. When you apply an entire set of systemic processes, practices and standards for managing internal and external risk and operations, you can work towards operational excellence and achieve the goals.

The previous paper touched on the importance of using standards as the backbone to this integrated, harmonized structure. Basing your processes on standards demonstrates credentials and shows a commitment to a sustainable business and ecosystem. The International Organization of Standardization (ISO) reported that 63% of organizations that registered under ISO standards attributed cost savings directly to ISO 14001, 74% reported improvements to their corporate reputation, 76% improved their compliance and 61% reported higher moral among staff.

An ISO harmonized management system provides a common framework for an integrated HSEQ management system. Integrating your management system brings together people, processes and technology, which is the foundation for achieving operational excellence.

The Workflow-Based Information Management System

Automating an integrated HSEQ Management System using a workflow-based platform connects functional silos. People in departments that previously had no contact are now working from the same system, so they have ample opportunities for collaboration. Workflows foster this because there is a clear path of information exchange from one party to the next, ensuring that all involved parties are contributing. Automating that workflow enables individuals to collaborate on activities using whatever device and location they choose.

A system like that allows you to set common goals and objectives throughout the whole organization. For example, let’s look at a few of the ISO standards that may apply to your organization:

- **ISO 9001**: The quality objectives may focus on product defects and process improvements.
- **ISO 45001**: The health and safety objectives may focus on things like exposure monitoring and hazard containment.
- **ISO 14001**: The environmental objectives may focus on water and waste measuring.
Each standard has unique objectives, yet they all share commonalities: the need for accountability, centralization, consistency, transparency, compliancy and integration. These commonalities require people, processes and technology to come together. They all follow a similar general process: identify applicable aspects, assess potential impacts, define necessary objectives, set reasonable targets and monitor performance.

The following section apply this process to common business processes to reveal opportunities for integration and harmonization.

Integration and Harmonization in Major Business Processes

When taking a close look at major business processes, we see many opportunities for integrating HSEQ systems and standards for overall business performance improvement.

1. Compliance Obligations

A great deal of HSEQ effort should be dedicated to achieving and maintaining compliance. Compliance can be further broken down into aspects that require automation and integration to succeed:

- **Obligations**: Defining applicable laws, regulations and standards lets you draft organization-wide policies and procedures. The specific citations and regulations can be used to shape procedures throughout all departments, so everyone is working towards the same goals.

- **Requirements**: An automated and integrated system allows you to import citations and requirements directly from regulatory bodies to your system, developing an electronic compliance plan that’s easily shared.

- **Tasks**: Once requirements are in place, action can begin. Assigning to responsible parties can be done through an automatic workflow, and notifications, reminders and alerts will be sent automatically.

- **Management of Change**: Receive automated notifications of change, review and approval. You can seamlessly document procedural updates and implement changes.

2. Risk Management

Risk-based thinking has become a backbone of many ISO standard revisions. To harmonize these principles with your processes, you need to evaluate what could go wrong in a given situation and what could present an adverse impact. Understanding inherent risk lets you implement controls to lower mitigate it.

ISO 31000 provides standards for the Risk Management process. On a general level, they include:

- Establish the context of the risk and what the potential impact would be.
- Identify the risk based on organizational hazards.
- Analyze and evaluate the risk using tools like a risk matrix or a bowtie matrix.
- Monitor and review the impact on risk, repeating the process if necessary.

Automating this process lets you integrate the information with the rest of your systems. This is important as risk is an underlying driver behind all processes under the latest ISO standards.

3. Document Control

An automated document control system is essential for integration, as all systems will have documented procedures and regulations to follow. There’s a set procedure that all departments need to follow when handling documents:

- Import electronic documents, such as downloading an OSHA form or audit template.
- Route, review and approve documents so they are accurate and sent to the correct recipients with the proper approval.
- Train employees on the documents and have them acknowledge that they received the document’s latest version.
- Schedule reviews and updates so each document is up to date.
This process ensures a proper workflow which perpetuates effective collaboration with team members acting within their defined roles.

4. Employee Training

Like when managing documents, strongly integrated organizations have a strategy for managing training and skills on a wide scale. This involves a few key aspects:

- **Person profiles**: Keeping an accurate and up to date record of employee, contractor and supplier information and training plans keeps all information accurate and all training consistent.

- **Requirements**: People need to know what’s expected of them. Standardizing job positions and assignments lets you harmonize with compliance requirements as well as sync with all departments for responsibilities and job descriptions.

- **Course profile**: Keeping a document of course information, course content, test templates, schedules and attendees keeps training consistent.

- **Courses**: Training content that can be accessed from the platform to provide an integrated training solution.

- **Deliver training**: Documenting who completes courses, takes tests, evaluates the courses and certifies the employees hold everyone accountable for acting up to standards across the whole organization.

To be part of an integrated management system, the employee training program needs to be linked with risk management, document control and other organization-wide processes.

5. Audit Management

Audits are a critical component in making sure your organization is maintaining compliance and operating as efficiently as possible. Automating audits lets you import checklists and questionnaires, plan and schedule audits, perform the audit and document findings, analyze the results and assess for risk, issue and complete corrective actions and distribute a final report.

Audits require automation to be effective because they need to be tied to the compliance plan, risk management strategy and other underlying criteria that you are auditing for. When utilizing an automated audit process, you can successfully integrate ISO standards and other internal processes for best results.

6. Incident Management and Corrective and Preventive Action

Incident management is another business process that needs harmonization and integration to thrive. Closely related to how you manage incidents is how you correct and prevent them—therefore, your corrective and preventive action system should also be integrated automated. Automation plays an important role in the key incident management and corrective action steps:

- **Notification**: Whether via mobile device or desktop, you can have automatic routing and notifications.

- **Investigation**: Integrate tools like risk assessment and root cause analysis to figure out what caused the issue and what impact it may have on your organization.

- **Corrective Action**: Automatically assign, accept, plan, complete, verify, close and document the action plan for correcting an issue.

- **Reporting**: Reports can be generated electronically or on paper and sent to internal or external stakeholders.

This process can apply to safety and health, product defects, supplier issues, security threats and several other types of incidents. Integration allows for easy transfer to regulatory report templates that are driven right from the management system. It also fosters the use of risk management through risk tools, which further helps harmonize the process with ISO standards. Furthermore, training is often needed after an incident, to close the gap that may have led to it. The result is a completely integrated process that brings together several systems for overall incident management and reduction.

7. Management of Change

Managing change is crucial in an ever-changing business landscape. With an automated system you can adapt by centralizing the information necessary for:
Initiating change
- Determining stakeholder applicability
- Analyzing potential impacts
- Implementing plans and actions
- Completing and verifying the effectiveness of the actions
- Reporting and documenting the changes

Harmonizing this process across all areas of your organization allows for smooth transitions and updates for changing regulations and requirements. Integration is a way to check that your changes will conform to risk rules, policies and compliance regulations. This allows you to manage change more efficiently and more transparently across all groups that have a stake in that change.

8. Centralized Reporting and Recordkeeping

Centralizing your data in one place for all departments to contribute to is an effective integration strategy. Analytics let you drill down on individual data points but also see overall trends, which gives you the business intelligence from all processes for faster and more effective decisions. Exporting data into comprehensive reports can also be used to collaborate internally and externally, so everyone can make decisions based that work towards continuous improvement. Applying that principle to all departments and systems improves overall business processes, which is the first step towards operational excellence.

The Value of Performance Improvement

Taking these steps to drive performance improvement adds value to your organization by helping you move past others who are just focusing on meeting compliance regulations. Pushing past the basics, your organization can move up the organizational maturity curve. Integrating processes and harmonizing standards takes you from an ad hoc state to an optimized state. This means that instead of relying on individual efforts with no explicit processes or organizational support, you have social collaboration, advanced analytical tools and feedback tools to facilitate real-time continuous improvement.

Some additional values your organization will experience:
- A safe, healthy workplace that attracts and retains talent
- Optimized use of assets
- Smaller environmental footprint
- Lower costs with higher margins
- Enhanced reputation and stakeholder confidence

Underlying these benefits is a positive culture change. You will have people, processes and technology that function both locally in their specific areas as well as accounting for the operation as a whole. The result is an improvement of operations and processes, leading to a more efficient and less redundant organization with better operational flow. This allows you to go beyond just complying with ISO regulations, but harmonizing them with an integrated HSEQ system for operational excellence.

Closing Thoughts

Operational excellence is more than just complying with regulations. It requires additional efforts to achieve goals regarding organizational effectiveness, collaboration, safety and environmental impact. This may seem like it would require a lot of time and resources to coordinate, but that’s not necessarily the case. Including technology in your processes automates many processes and integrates them throughout all departments under the same ISO standards. This lets everyone work together towards common goals using the same tools and information. Now, all processes can transcend basic requirements and focus on achieving operational excellence.

About EtQ

EtQ is the leading Quality, EHS, Operational Risk and Compliance management software provider for identifying, mitigating and preventing high-risk events through integration, automation and collaboration. At the core of EtQ’s framework is a compliance management platform that enables organizations to implement best-in-class compliance processes configured to meet their existing processes, create new compliance processes and automate and control their compliance ecosystem. EtQ’s product lineup includes Traqpath™ for individual compliance users, Verse Solutions™ for small to medium sized businesses and Reliance™ for enterprise organizations. EtQ was founded in 1992 and has main offices located in the U.S. and Europe. To learn more about EtQ and its various product offerings, visit www.etq.com or blog.etq.com.