

Delivering effective governance

A half-day event hosted by BSI on 8 November 2013 put governance under the spotlight and introduced BSI's new governance standard, BS 13500. Attendees learned that good governance is central to the long-term success of every organization; and found out how the new standard was valued by the wide range of varying organizations that had piloted it.

Taking the lid off

Michael Faber, chairman of the BS 13500 committee, chaired the conference. He described the day as 'a chance to take the lid off the standard, and find out why it came about'.

'A new and important standard'

Scott Steedman, Director of Standards at BSI, welcomed the publication of BS 13500, characterizing the standard as 'an important step forward in our strategy'. He explained that standards provide important knowledge for business and industry, which enables them to transform their performance. BS 13500, he said, will take its place among the important, innovative and influential framework standards that BSI is known for producing.

Why good governance matters

Alastair Cowie, Assistant Director, Corporate Law and Governance, at the Department for Business, Innovation and Skills, spoke on why governance matters. He noted that organizations are at the heart of human achievement, and as such our trust and confidence in them is hugely important. Organizations need to be transparent and accountable; and to be seen as open and trustworthy. In this context, BS 13500 will be a really relevant tool for helping UK companies embed improved governance going forward.

'Good governance is an asset that strengthens a company'

Patricia Cleverly, Director of Research, Strategy and Policy at Tomorrow's Company, spoke about BS 13500 in its wider context. Governance, she said, can be mistaken for a rigid route to compliance, but ought to be seen as a dynamic, vibrant and exciting way to harness all of an organization's talent to fulfil its purpose. For its part, BS 13500 can only add to the UK's depth of knowledge and expertise on governance and will be particularly helpful, she believes, to smaller companies.

Q&A sessions gave audience members the chance to quiz the speakers. One question was: 'How does the standard fit in with the UK Corporate Governance Code (UKCGC) and who would use it? Michael Faber explained that BS 13500 was written to complement and add value to the UKCGC, which it interprets in some respects, and strengthens. Also, while the UKCGC applies only to listed companies, BS 13500 can be used by all types and sizes of organization.

Applying BS 13500 in practice

The second half of the conference was given over to hearing from the five organizations that ran pilot implementations of BS 13500.

Construction giant **Carillion**, with 40,000 employees, was interested in BS 13500 because the firm wants to be at the leading-edge of governance best practice. As Tim George, Carillion's Deputy Company Secretary said, "We always want to raise the bar." Carillion found the standard easy to use, and it helped them find areas for improvement. Carillion wants to check their compliance with BS 13500 and recommended the standard to others.

Dean Fathers is Chairman of the **Nottinghamshire Healthcare NHS Trust** who piloted BS 13500 because they take every possible opportunity to demonstrate good governance practice to their stakeholders. They found the standard did 'translate' into their NHS context and felt that working through its requirements was an effective way to disseminate awareness about good governance to the Trust's 9,000 staff.

Eko UK Ltd is a Brighton-based consultancy and software development business with six staff. Lee Evans, their Technical Director, said that they'd found the standard really valuable. "We want to create, develop and innovate," he said, "and we need principles in place to do that. BS 13500 made us think about risk and tighten up our procedures. It made us more efficient and better than ever at what we do."

BeecherMadden, an award-winning recruitment agency, with 13 staff, was represented by its Associate Director, Luke Vile. The agency was interested in BS 13500 because they knew robust governance structures would be essential to their future growth plans. Working with the standard proved revealing and extremely useful. Vile said: "We were surprised by the number of processes we had that are essential to our business but not documented."

Finally Keith Jackson, the Managing Director of **JRI Orthopaedics** explained that JRI operates in the highly-regulated medical devices sector where safeguarding reputation is critical. "We learned from using BS 13500 that we already have very good governance," he said, "and we found some areas where we can do things differently." Jackson also thought that ultimately certified compliance with BS 13500: "would enhance our reputation, help demonstrate to stakeholders that we are a worthy preferred supplier and give us an important point of market differentiation."

The event concluded with a discussion on the potential future of BS 13500. Scott Steedman said that for now BS 13500 is a voluntary framework standard. In future the standard might be further developed to be used as the basis of certification, if people believed that that would deepen the benefits the standard could bring.

Find out more about BS 13500 and governance at www.bsigroup.com/bs13500.