The importance of leadership in ISO management system standards
Background and overview to ISO Management system standards

ISO has over the years published many management system standards for topics ranging from quality and environment to information security, business continuity management and records management. Despite sharing common elements, ISO management system standards all have different structures. This, in turn, results in some confusion and difficulties at the implementation stage.

Leadership, the ability to motivate groups of people towards a common goal, is an important skill in today's business world. Without strong leadership, many otherwise good businesses fail. Many of the world's most respected leaders have several personality traits in common. Some of the most recognizable traits are the ability to initiate change and inspire a shared vision, as well as knowing how to 'encourage the heart' and model the skills and behaviours that are necessary to achieve the stated objectives. Good leaders must also be confident enough in themselves to enable others to contribute and succeed.

The difference between leadership and management

Management is mostly about processes. Leadership is mostly about behaviour.

Management relies heavily on tangible measurable capabilities such as effective planning, the use of organizational systems, and the use of appropriate communications methods.

Leadership instead relies most strongly on less tangible and less measurable things like trust, inspiration, attitude, decision-making, and personal character. These are all necessary to motivate an organization to achieve its management systems objectives.
How is leadership being incorporated into today's new ISO standards?

Firstly let's understand how Leadership is defined by ISO.

'Leadership is the person or group of people who directs and controls an organization at the highest level. Top management has the power to delegate authority and provide resources within the organization. If the scope of the management system covers only part of an organization, then top management refers to those who direct and control that part of the organization.'

Defining the responsibilities of leadership according to Clause 5

This states that top management shall demonstrate leadership and commitment by ensuring:

- the policy and objectives are established for the management system and are compatible with the strategic direction and the context of the organization. Please note the Context of the organization, clause 4, is a new requirement compared to the current versions and leadership will have to demonstrate an understanding of the business environment and its impact on the organization;
- the policy is communicated, understood and applied within the organization;
- the integration of the management systems requirements into the organization's business processes and promoting the process approach;
- the resources needed for the management system are available;
- the management system achieves its intended results;
- they take accountability of the effectiveness of the management system;
- they communicate the importance of an effective management system and of conforming to the management system requirements;
- they engage, direct and support people to contribute to the effectiveness of the management system;
- promotion of continual improvement and innovation;
- they support other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.

Leadership and policy

Leadership needs to establish, review and maintain a policy, but also needs to ensure that it is applied within the organization.

Roles and responsibilities

Leadership needs to ensure that responsibilities and authorities for relevant roles are assigned, communicated and understood within the organization.

Organizational change

Leaders need to ensure the integrity of the management system is maintained when changes are planned and implemented. Some of the above tasks will of course be delegated, but it is the management's responsibility to ensure they are planned, implemented and achieved.

What are the benefits?

Let's look at what is said about leadership by ISO as one of the 7 quality management principles that underpin management systems.

Leaders establish unity of purpose and direction of the organization. They should create and maintain the internal environment in which people can become fully involved in achieving the organization's objectives.

Applying the principle of leadership typically ensures that:

- People will understand and be motivated towards the organization's goals and objectives
- Activities are evaluated, aligned and implemented in a unified way
- Miscommunication between levels of an organization will be minimized

- A clear vision of the organization's future is established
- Challenging goals and targets are set
- Shared values, fairness and ethical role models are established at all levels of the organization
- Trust is established and fear is eliminated
- People are provided with the required resources, training and freedom to act with responsibility and accountability
- People are inspired, encouraged and their contributions are recognized.
What does this mean for organizations and how can they prepare?

The major additional or strengthened requirements for leadership compared to the existing management system standard requirements are:

1. The ability to demonstrate an understanding of the business environment and how it impacts on the organization’s strategy. The system objectives need to be compatible with this strategy and set at relevant levels within the organization. The organization needs to be able to demonstrate alignment between system objectives and its strategic direction.

2. Ensuring they have identified the significant risks that can have an impact on the achievement of the system objectives, for instance customer satisfaction in the case of ISO 9001.

3. Review the approach to process identification and management and ensure there are clear responsibilities and authorities defined for those processes. How the processes contribute to the achievement of the system objectives needs to be clearly identified. Measures need to be established.

4. Internal communication channels need to be reviewed for their effectiveness and the policy needs to be applied within the organization.

5. The process for managing change and improvement within the organization should be reviewed and leaders need to ensure that the effectiveness of the system is maintained during improvement and other organizational changes.

Many of the leadership responsibilities are contained in the standard text of Annex SL. So the principles and requirements for the other management system standards will be very similar, but with a changed focus for instance environmental management or health and safety management.

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