

# ISO's long-range strategies 1999-2001

## ISO's vision

**1** Approaching the 21st century, ISO (International Organization for Standardization) sees a world in which global trade between nations continues to grow at a rate 3 to 4 times faster than national economies; a world in which the design, manufacturing, marketing, and customer service operations of a growing majority of individual enterprises are distributed across many countries; and a world in which electronic communications have dramatically increased human collaboration in every field and between all countries.

The increasingly rapid development of technology in many sectors will continue to present major opportunities as well as underlying dangers for the general welfare of society. It will therefore be incumbent on all social and economic partners to collaborate closely in guiding the applications of appropriate technologies toward sustainable economic development and global prosperity.

In this rapidly evolving scenario, globally applicable standards will play a key role. Such standards, whether developed by ISO or others, will become one of the primary driving forces to support international commerce. In this context ISO intends to be recognized globally as an influential and innovative leader and as an effective and responsive producer in the development of globally applicable International Standards which meet or exceed the expectations of the community of nations. It shall strive at all times to perfect the application of consensus and transparency principles in standardization, and in this way promote the values of rationality, utility, safety and environmental protection for the benefit of all peoples.

**2** Standardization is essentially an economic undertaking made possible by the achievement of widespread agreements on the coherent and mutually beneficial use of science, technology and business know-how. The prime object of ISO and its governance is laid down in the *ISO Statutes*, i.e. to promote the development of standardization and related activities in the world with a view to facilitating international exchange of goods and services and to developing cooperation in the spheres of intellectual, scientific and economic activity. In the light of present and anticipated developments, the objectives of ISO may also be enumerated as follows:

- 2.1** ISO shall produce International Standards and actively promote their voluntary adoption and use in order to make worldwide industry and trade as efficient as possible.
- ISO standards shall be amenable for use in conformity assessment and shall promote quality and reliability at competitive prices at all levels of industry and trade for the ultimate benefit of consumers.
  - ISO standards will promote human and societal benefits whenever applicable in relation to health, safety and environment, and in relation to general market and growing trade needs.
  - ISO standards will, when applicable, be suitable for reference in the regulatory and procurement activities of federal, state and local authorities.
- 2.2** ISO shall have an organization capable of quickly adapting to changes and needs of the world community which it serves.
- 2.3** In order to respond to the needs of the user community and demand for fast and cost-efficient production and implementation of standards, the organizational entities of ISO shall combine the knowledge of standards making and the knowledge of business operations, paralleling ISO member trends.
- 2.4** ISO shall be organized in a democratic manner and attempt to accommodate the views and wishes of all its members, with governance values respecting the need for balanced representation and consensus-based decision-making.
- 2.5** In each of its undertakings, ISO must perform as well as, or better than, any other international standardizing organization in the world.

**3** The key concepts underlying ISO's operational model and business stance are:

***Value – Partnership – Optimization***

These words summarize the key strategic lines to be pursued by ISO, concerning the capability to understand, serve and possibly anticipate market needs (value), to ensure maximum participation and collaboration among all the relevant parties at the various stages of the ISO system (partnership), to re-engineer the core business processes making extensive use of information and communication technologies, to be able to better gather the resources required to support the ever growing standardization demand of the 21st century and to make the most effective use of them for the improvement of ISO's services and total system cost reduction (optimization).

From a full analysis of ISO's current strengths, weaknesses, opportunities and threats, five major strategies have been constructed from relevant strategic elements. These are expressed as ISO's commitments to:

**3.1 Increasing ISO's market relevance by**

**3.1.1 Better understanding market needs and improving the participation of enterprises**

The most important factors affecting ISO's market relevance concern the capability to understand and serve market needs, and to assure the best participation of enterprises in the ISO system at the different levels (technical and policy). These two aspects are clearly interrelated and mutually supportive. Because better participation of enterprises, with more involvement of industry's management in important decision-making within the ISO's standard development process, will improve the understanding of market needs and, in turn, improved understanding of market needs will improve enterprises' participation.

ISO will undertake several actions and introduce organizational improvements to pursue the above objectives. More efforts will be dedicated to the analysis of the standardization needs in the various industry sectors, including a systematic review of the adoption/use of existing International Standards and of the status of current projects, together with a careful evaluation and planning of possible future initiatives, in accordance with characteristics and trends in the various industries. ISO should also keenly and proactively continue to search for new products and services (deliverables) to meet ever changing market needs. Furthermore, ISO should anticipate market needs for standardization in order that, proceeding one step ahead of market consolidation, will be able to take more proactive initiatives in standards development.

To ensure maximum effectiveness of these actions, a reorganization of the current technical committee/subcommittee (TC/SC) structure, introducing “industry sectors”, has to be taken into serious consideration, with all its implications on the existing ISO processes.

Recognizing the reality that standards with global market relevance are developed by a significant number of organizations, ISO should be fully flexible and encourage these organizations to participate as partners in the ISO system. ISO will work to develop constructive cooperative arrangements with such organizations.

More efforts will be dedicated to broadening and strengthening the participation of enterprises, both small and medium sized enterprises (SMEs) as well as large organizations, within the ISO system.

For this purpose, a more active representation of enterprises or industry associations in the ISO governance and technical management bodies will be considered. While preserving the principle of channelling input through ISO’s national members, this may imply a revision of the current organizational structure. More active participation and responsibility of enterprises or other entities representing groups of enterprises (especially in the case of SMEs) in the technical bodies will be strongly encouraged, making use of better communications, new products and services, project management techniques and Information and Communication Technology (ICT) solutions (see following clauses).

### **3.1.2 More effective representation of consumers and of other social forces**

ISO will continue to be extremely concerned about the transparency of its activities and will improve its capabilities to meet the expectations of the end users or beneficiaries of our standards, namely, consumers. As we declare within the ISO’s key objectives, indeed, what we do is for the “ultimate benefit of consumers”.

ISO will also strive to strengthen its cooperation with international and national consumer organizations which support ISO’s objectives, both in building consumer awareness of, and confidence in international standardization, and in gaining consumer interest input for national delegations to ISO TCs.

This implies a focused, constant effort to ensure the involvement of consumers and of all the other relevant social forces in the various stages of the standards development process. Modification to the existing procedures aimed to better guarantee these interests in the ISO decision-making process (such as, for example, mechanisms whereby ISO policy committees or other relevant parties could appeal against decisions taken by the ISO Technical Management Board, TMB) should also be seriously considered.

### 3.1.3 Strengthening technical programme management

In order to increase market relevance, it is essential to ensure that technical programme management will follow guidelines in complete adherence to the focus set on market needs. In what follows, the key strategies for this purpose are stated.

- *Improving systematic priority setting*

ISO will introduce and actively implement rules and procedures within the TC/SCs system to improve the identification and ordering of priorities for International Standards in relation to the particular timing and market needs of specific sectors. For this purpose, a “business case template” to be used by TC/SCs to support new work item proposals will be introduced.

Emphasis will increasingly be put on completing high priority standards projects, and on making use of interim technical reports when consensus on complete technical solutions and/or market needs cannot be reached. Members, when they are responding to important issues relating to ISO’s policy and its new work, should make all reasonable efforts to ensure that their decisions reflect the viewpoints of higher level management in the relevant industries and parties concerned.

- *Proactive application of project management concepts and techniques*

ISO will be much more insistent that approved work is actively and fruitfully pursued to completion using appropriate project management techniques to ensure commitment of necessary resources and timely results. Work for which these commitments are not met will be dropped from consideration, at least for the immediate future.

A planned completion date and supporting timetable of actions shall be established for each project, with a requirement and procedure for ISO Central Secretariat (ISO/CS) staff, the parent TC, and the responsible member body to be informed when slippage occurs or is expected, so that possible assistance or remedial action may be considered.

- *Periodic re-evaluation of current needs for standing committees*

Recognizing that in nearly all standardization organizations, the TCs, SCs, and other standing committees/groups tend to remain in existence indefinitely and that as long as they exist they will undertake new work, ISO will periodically evaluate the current market needs to decide whether to maintain the existence of all of its standing committees, including all TCs and SCs.

Justifications for the continued existence of TCs can, for example, be supported by the willingness of directly affected parties to provide

funding support for TC/SC secretariats. Also, it is recognized that certain TCs dealing with fundamental and horizontal subjects (units, technical drawings, symbols, etc.) may always be needed. Nevertheless, it is true to say that unless ISO as a whole, i.e. its policy and technical governance bodies, are successful in assessing if there is a continuing need for all of its standing committees, it will be increasingly difficult to cover ISO's costs, and maintain its long term relevancy.

- *Enhancing TC/SC leadership training, and ensuring secretariat support obligations*

In order to help ensure effective programme management, priority setting, and project management, ISO will take steps to ensure adequate training for chairmen and secretaries of TCs and SCs, particularly for those countries taking secretariats for the first time. Performance standards for secretariats shall be developed to provide a basis for evaluating their work in administering work programmes and determining what remedial action may be needed.

In addition, ISO will rigorously enforce adherence to the obligations that TC/SC secretariats have to ISO as a whole.

### **3.1.4 Advancing partnership relationships with international organizations and other institutions**

A larger circle of partnerships with international organizations and other institutions will allow ISO to improve the usability of international standards in a variety of contexts, and will contribute to the overall recognition of ISO at world level.

WTO, the World Trade Organization headquartered in Geneva which administers the multilateral trade agreements of the Uruguay Round (1994), including new WTO Codes on Technical Barriers to Trade (the Standards Code), and Trade and Environment, is an exemplary case, recognizing the WTO policy to encourage the adoption and use of international standards whenever possible. Thanks to its leadership in standards information services, standards development and conformity assessment programmes at international level, ISO has become recognized as providing a special technical support role in relationship to the new and expanded WTO programmes.

ISO will make further efforts to strengthen the partnership with WTO and provide support where relevant in respect of the implementation of the Technical Barriers to Trade Agreement. ISO will also work to establish similar relationships with other institutions, including organizations like UNCTAD, UNIDO, UNDP and other international, regional or national organizations. Through these relationships, ISO will be able to add value to the enterprises working with both parties (ISO as well as other institutions) and to achieve further visibility from the business, consumer and public authority communities. Through these

relationships, ISO expects also to enhance its capability to support its assistance programmes targeted at developing countries.

ISO will continue its efforts to improve its inter-working relationships with IEC and ITU and other international, and broadly based regional, standardizing bodies (e.g. OIML, ILO and UN/ECE) to further develop a highly credible global conception of a coherent and effective “International Standardization System”. In this context, the partnership between ISO, IEC and ITU needs to be strengthened whenever possible.

## **3.2 Promoting the ISO system and its standards**

### **3.2.1 Improving outreach to industrial leaders**

There is a need to convey the concept that standards have a strong impact on businesses and that involvement in international standardization and ISO brings strategic and practical benefits to the participants and their sponsoring organizations.

More direct contacts with business, industrial, governmental and association leaders, organized by the member bodies with support from the ISO Principal Officers and the Central Secretariat, will help significantly to improve understanding and appreciation of ISO at top and middle management levels within companies and other organizations, and to encourage them to be involved in ISO’s important decision making on policy, priorities and technical work.

There is also a strong need to improve understanding of how the consensus principle operates effectively in ISO (consensus among substantially affected parties, which does not mean unanimity but rather an open and demonstrable attempt to achieve unanimity) and of how it is possible for any grouping of enterprises, consumer associations and other organizations to maintain a balanced approach between recourse to the full extent of the consensus principle and rapid satisfaction of specific, urgent needs within the framework of the various ISO products and services.

### **3.2.2 Improving communications and information delivery**

A strong effort to substantially renew and improve communications is needed. Richer, updated and easy to access information concerning the activities of the ISO system, comprehensive and modern information resources on the whole spectrum of news, facts, points of view and reference information covering standardization (with the aim of demonstrating how much it can affect business and human-social relationships), new means of managing relationships with customers and the general public should be devised and implemented in a highly coordinated way by the community of the ISO members.

Looking into the immediate future, it is necessary, in view of its unprecedented potential in terms of access, interactivity and availability of information, to consider the Internet as the primary channel of communication with the various audiences potentially interested in the standardization system. This will require a full redesign of the overall information and communication activities with a "Internet-centred approach", where the Internet is the definitive reference medium (information and communication should be designed and delivered through the Internet first) and all other media are regarded as "by-products".

### **3.2.3 Strengthening member commitments to demonstrate and promote use of ISO standards**

Creating ISO standards is a costly proposition and to justify these costs there would seem to be better ways than are currently used to demonstrate that ISO standards are widely used.

The ISO system must ensure the development and/or acceptance of internationally applicable and acceptable standards that facilitate international trade. Standards developed within the ISO environment must focus on projects that are market relevant and globally acceptable.

This will lead to decreased expenditures and increased use/implementation of the resulting International Standards that better justify the cost of their development. Consideration will be given to:

- strengthening the commitment of all member bodies and other appropriate entities to use the ISO system where appropriate;
- linking positive votes with member body commitments to effectively promote implementation of approved standards in their countries via formal national adoption and/or other techniques; and
- documenting and demonstrating the wide use of International Standards by users (if insufficient evidence exists to demonstrate wide use, consideration shall be given to withdrawing the International Standards concerned).

## **3.3 Optimizing the use of resources**

### **3.3.1 Serving market needs and funding the operations accordingly**

ISO will increase its efforts to orient its activities to best serve market needs. This will require a clear description and categorization of the various services provided to the different customer groups by the organizations belonging to the ISO system (member bodies, TC/SCs, policy development committees, Central Secretariat). A thorough evaluation of the value added by the fundamental services, compared to the cost incurred in providing them, will improve the understanding of

the overall allocation of resources, helping to pursue the best fit with market needs.

This analysis will also help to clarify the criteria used in funding the ISO system and will lead to reconsideration of the present funding structure.

Following this approach, the ISO Central Secretariat specifically should classify its activities as “basic services”, related to the execution of general mandatory tasks, and “additional services”, related to providing specific added value to the Member bodies and to third parties. Taking into account that the funding sources can be divided into three principal categories, i.e. subscription fees, sales (of products and services) and sponsorships/donations (to support specific programmes, such as those involving assistance to developing countries), the ISO governance bodies should define clear strategic objectives regarding the respective share of each of those funding components. In general terms, it seems reasonable to expect a greater increase in the revenues from services and sponsorships/donations, which relate to the development of new services and new programmes, than in the members’ subscription fees, which are mostly related to “basic services”.

### **3.3.2 Focus on priorities and cost reduction**

An essential aspect in optimizing use of available resources is the capability to maintain a focused approach. ISO will define and apply strict criteria to ensure that the appropriate resources are allocated to its highest priority programmes and lines of action.

To succeed, this approach has to be followed consistently at all levels within the system (CS, policy development committees, Technical committees) and will require the best coordination among the various bodies concerned.

Continuous improvement and cost reduction are also key factors. In all of its operations, central and distributed, ISO will make every conceivable effort to improve its performances, devising ways of working more intelligently by doing a better job of managing its processes and by using ICT solutions to make better use of the available human resources.

Consistent with the key concepts of value and optimization, ISO will continuously assess the value and cost effectiveness of the services it provides to its members and their constituencies, and to its international partners, fully embracing the spirit of more value for less cost wherever possible.

For each required service and for all new developments introduced for improving the efficiency and the quality of operations, a careful cost-benefit analysis has to be undertaken, providing clear economic justification.

### **3.3.3 Full exploitation of the ICT enabling potential**

It is now sufficiently and generally clear that the use of modern Information and Communication Technology (ICT) infrastructures and applications can be extremely helpful in improving the efficiency of the processes of the standardization system (reducing time and costs) and in improving its openness (lowering the access threshold).

While continuing to pursue this objective, ISO should carefully plan a major step forward and begin to think of the system more and more as a *Virtual organization*: an organization that can be (partly) re-designed and managed, in terms of its core business processes, to take full advantage of the available ICT infrastructures and applications.

The Internet, with the variety of underlying technologies, products, computing and business-related models that currently drive the development of the ICT sector, will clearly be the cornerstone of this approach. In strategic terms, there are four major areas of development (some of which are already partially covered by ongoing projects) which ISO should address to build a consistent *Virtual organization*, making use of the Internet infrastructure and the appropriate underlying technologies to:

- a) support the entire standardization process;
- b) support decision-making and consensus building;
- c) create a comprehensive information resource;
- d) adopt and implement electronic commerce techniques for the delivery of products and services.

## **3.4 Stimulating new self-sustaining technical programme elements**

### **3.4.1 Expanding the scope of ISO technical services**

ISO will undertake to define, enhance and promote flexible mechanisms and procedures by which ISO can:

- readily adopt existing, globally accepted standards which have been developed outside the ISO TC/SC structure (e.g. through fast track approval procedures);
- directly assist supplier and user groups (e.g. industry consortia) whose purpose is to define urgent and future needs for International Standards in specific sectors, and/or to formulate and test alternative solutions for such needs;
- initiate rapid multinational planning responses to global market and political demands for new standardization programmes (as, for instance, in the case of the Strategic Advisory Group on Environment – SAGE – for environmental initiatives).

### **3.4.2 Promoting ISO standards for services**

With increasing emphasis on free and open international trade in services (insurance, finance, tourism, education, etc.), needs for international standards in these sectors are felt more strongly than ever before. For the benefit of service consumers at all levels these needs represent opportunities for ISO to extend its standards development programmes into these new sectors. ISO therefore needs to build up close cooperation with the various organizations representing relevant interests in the service sectors, and to assume a coordination role to promote more consistent standardization in those sectors.

### **3.4.3 Advancing global conformity assessment recognition**

When conformity assessment is relevant to the conduct of international trade, ISO standards are increasingly used as the basis for certification services. ISO therefore faces new needs to ensure that requirements for conformity assessment contribute to building worldwide customer confidence and do not in themselves become barriers to trade.

## **3.5 Upgrading national standards infrastructures in developing countries**

### **3.5.1 Upgrading of standardization infrastructures in developing countries**

Experience gained by ISO in providing training and advisory services to ISO members from developing countries shows that assistance programmes could usefully be extended to focus on securing basic "threshold level" standardization infrastructures (metrology, calibration, standards information, testing and certification) which can become and remain viable in the particular social and economic environment of the country concerned. To a certain extent, similar needs exist in some ISO member countries which are undergoing transition to market economies. There is significant opportunity here for ISO to use its experience and play an educating and focusing role with respect to international aid agencies and other donors.

As the activity of international standardization become increasingly computerized, those ISO members who do not have an adequate ICT infrastructure risk becoming more isolated from the mainstream ISO activities. However, the rapid progress in this area represents a great opportunity and a challenge for developing countries and economies in transition: the opportunity to catch up with the industrialized countries through the challenge of rapidly developing the necessary infrastructures and exploiting their potential.

This will be another key priority area where ISO will develop specific and continuous assistance programmes.

### 3.5.2 Donor programme support

Technical assistance programmes for developing countries are sponsored by many organizations, some at international level, e.g. UNCTAD, UNIDO and UNDP, and many in the bilateral assistance context (national and regional governmental agencies). ISO members in donor countries are best positioned to influence their own agencies with appropriate support, as needed, from the ISO Programme for developing countries, which should focus on influencing those agencies which operate at international level.

## Summary of ISO's major strategies 1999-2001

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<i>Major Strategies Strategic elements</i>	<i>Initiating and responsible ISO body</i>	<i>Key tasks<sup>1</sup></i>	<i>Implementing ISO bodies</i>
<b>4.1 Increasing ISO's market relevance</b>			
Better understanding market needs and improving participation of enterprises	Council	<ul style="list-style-type: none"> <li>– <i>Organizational improvements</i></li> <li>– <i>Ad hoc initiatives</i></li> </ul>	Member bodies' senior management, TMB, ISO/CS
Strengthening technical programme management	Council (strategic guidelines) and TMB (rules, procedures)	<ul style="list-style-type: none"> <li>– <i>Enhancement and continuous management of procedures</i></li> <li>– <i>Implementation support (e.g., tools, training)</i></li> <li>– <i>Monitoring and control</i></li> </ul>	Member body secretariats
Advancing partnerships with international organizations and institutions	Council	<ul style="list-style-type: none"> <li>– <i>Ad hoc initiatives</i></li> <li>– <i>Establishment of continuous programmes</i></li> </ul>	ISO/CS, Principal Officers, Member bodies' senior management
<b>4.2 Promoting the ISO system and its standards</b>			
Improving outreach to industrial leaders	Council	<ul style="list-style-type: none"> <li>– <i>Ad hoc initiatives</i></li> <li>– <i>Establishment of continuous programmes</i></li> </ul>	ISO/CS, Principal Officers, Member bodies' senior management
Improving communications and information delivery	Council and GA (strategic guidelines) and INFCO (detailed planning and control)	<ul style="list-style-type: none"> <li>– <i>Definition of a strategic plan</i></li> <li>– <i>Finalize coordination</i></li> <li>– <i>Monitoring and control</i></li> </ul>	ISO/CS, regional organizations, Member bodies
Commitment to demonstrate usage of ISO standards	Council	<ul style="list-style-type: none"> <li>– <i>Policy definition</i></li> <li>– <i>Monitoring and control</i></li> </ul>	Member bodies

<sup>1</sup> details of specific initiatives and target dates for the various strategic elements will be included in the relevant Council working documents.

# Summary of ISO's major strategies 1999-2001

(continued)

<i>Major Strategies Strategic elements</i>	<i>Initiating and responsible ISO body</i>	<i>Key tasks<sup>1</sup></i>	<i>Implementing ISO bodies</i>
<b>4.3 Optimizing the use of resources</b>			
Serving market needs and funding operations accordingly	Council	<ul style="list-style-type: none"> <li>– <i>Evaluation of alternative scenarios</i></li> <li>– <i>Policy definition</i></li> <li>– <i>Ad hoc initiatives</i></li> </ul>	Council (through ad hoc WG), ISO/CS, Member bodies
Focus on priorities and firm cost management	Council, TMB	<ul style="list-style-type: none"> <li>– <i>Policy definition</i></li> <li>– <i>Monitoring and control</i></li> </ul>	ISO/CS, Member body secretariats
Full exploitation of ICT potential	Council (together with ad hoc groups reporting to Council, such as ITSIG*)	<ul style="list-style-type: none"> <li>– <i>Update of the reference framework</i></li> <li>– <i>Focused projects</i></li> <li>– <i>Strong coordination among the various ISO's components</i></li> </ul>	ISO/CS, TMB, INFCO, ITSIG, Member bodies, TCs
<b>4.4 Stimulating new technical programmes</b>			
Expanding the scope of ISO technical services	Council	<ul style="list-style-type: none"> <li>– <i>Policy definition</i></li> <li>– <i>Monitoring and control</i></li> </ul>	TMB, TCs
Promote standards for service sectors	Member bodies Secretary-General	<ul style="list-style-type: none"> <li>– <i>Policy definition</i></li> <li>– <i>Ad hoc initiatives</i></li> </ul>	Member body secretariats
<b>4.5 Infrastructure building in developing countries</b>			
Development of threshold infrastructure concept	DEVCO	<ul style="list-style-type: none"> <li>– <i>Planning and priority setting</i></li> <li>– <i>Ad hoc initiatives</i></li> <li>– <i>Monitoring and control</i></li> </ul>	Members + ISO/CS + donor agencies
Coordinated donor programme support	ISO/CS (DEVPRO)	<ul style="list-style-type: none"> <li>– <i>Policy definition</i></li> <li>– <i>Ad hoc initiatives</i></li> </ul>	Members + ISO/CS + donor agencies

\* ITSIG – Information Technology Strategies Implementation Group

# Critical success factors, measures of performance and financial considerations

## 5

### 5.1 Critical success factors

The success of any strategic planning exercise is, of course, fully dependent on the degree of commitment, within the organization as a whole, to implement the plan. In the case of ISO, those ultimately responsible for implementing the required improvement actions are the member bodies, particularly those responsible for TC and SC secretariats, and the Central Secretariat.

In ISO, the actions required for achieving the objectives have to be initiated and agreed by the elected representatives of the member bodies, i.e. the Principal Officers and the member body representatives serving on Council, the Technical Management Board and the Policy Development Committees. If full commitment to act, even in cases where governing body decisions were not unanimously supported, is not achieved, then neither will the objectives of the plan.

### 5.2 Measures of performance

Measures of performance have to be defined for each strategic element thus far identified and proposed. The major areas to be addressed will therefore include:

- market relevance;
- technical programme management;
- relationships with key players (industry leaders, international organizations);
- communications;
- process efficiency.

A significant new effort will be required to identify objective indicators and develop appropriate procedures to monitor them as the basis for any evaluation of strategy implementation.

A particular effort will have to be spent on market relevance and communications, areas for which it is difficult to define objective measures. However, to accomplish the goals of the plan, a set of meaningful, relatively simple and manageable drivers need to be selected and progressively used throughout the system. For example, basic indicators concerning the specific market relevant to each particular work item can be introduced (e.g., overall size and trend of the market: combined revenues, number of enterprises and number of employees, growth rates; market share structure, breakdown of revenues per region and per country, volume of international trade) and an assessment of the market representativeness of the participants in the standardization process should be performed (e.g., number of worldwide or regional market leaders involved, associations, consumer organizations, etc. – in comparison with all existing

ones). To complete the picture, evaluations of the adoption of International Standards at national level, and estimates of their penetration of the various sectors should also be performed.

Similarly objective indicators have to be introduced to analyze the effectiveness of communications, in terms of the number and quality of contacts with the different kinds of users, as well as measures of customer satisfaction and of ISO's image.

Measures for evaluating technical programme management and process efficiency are more familiar and have already been applied to some extent. What is needed in this area is a more timely and consistent application of criteria and rules for collecting data and tracking processes throughout the system, together with extensive adoption of appropriate decision-support tools. A closer integration between the two aspects, creating operational links between market relevance evaluation and programme management, is another fundamental objective to be pursued by means of appropriate tools and procedures.

Staff development is the final critical factor. To deliver the directions and strategies outlined in this document, investment in the development, performance management, and motivation of the ISO staff is extremely important. ISO, in all of its operations, central and distributed, will develop systems that reward and manage the performance of the staff, that motivate and encourage behaviours consistent with best practice and the directions and values embedded within ISO's long-range strategies.

### **5.3 Financial considerations**

Meeting all of the proposed objectives will naturally imply increased financing by at least some elements of the ISO system. For example, the establishment of new TCs requires the commitment of net additional resources by participating member bodies, secretariats and working groups if all existing TCs in which the member body participates are to continue to be supported. These considerations are of importance mainly to each individual ISO member.

ISO maintains liaison relationships at the TC/SC level with a large number of international and broadly based regional organizations which have interest in specific sectors of ISO's work. Until now, the costs to ISO and the ISO TC/SC secretariats (providing documents, invitations and hosting meetings, handling correspondence, etc.) to maintain these liaisons have been paid entirely by the ISO side, and this policy needs to be reviewed and possibly modified. As a guiding principle, organizations in liaison should be invited to ensure that their contributions to the ISO processes (technical and/or monetary) are in balance with the benefits they obtain from the liaison relationship.

In respect of jointly shared costs, i.e. those normally assigned as central expenditures for basic services, it is anticipated that diligent, system-wide application of process simplification, process re-engineering and electronic information processing and communication tools should be able to achieve a constant rate of productivity improvement which should at least balance the expected increases in standards production over the next three-year period.

For new programmes and additional services, e.g. specific initiatives to support developing countries, to improve communications, to improve the quality and efficiency of tasks of common interest to the member bodies, the cost of which might also be centrally financed, mechanisms should be sought to cover additional costs by obtaining resource support from direct participants, sponsors and donors. Proposals for such programmes need to be considered by Council as packages in which finance mechanisms are included.

New programmes of a "political nature", such as the establishment and maintenance of collaborative relationships with WTO or other international organizations, may also require net increases in central expenditures, as well as new expenditures for the member bodies in connection with their relationships with the national members of WTO and other organizations.

As electronic network communications are increasingly used as a means of information delivery to standards users, particular attention will need to be paid to devising new ways of protecting the intellectual property of ISO and its members. These include controlling copyright exploitation royalty arrangements and better means of preventing unauthorized copying.

Following traditional practice, revenues derived from sales of ISO standards will be shared between the ISO members and the Central Secretariat in accordance with the policies established by Council with a view to sustaining the Organization at all levels and safeguarding the sources and levels of revenue needed to help support ISO work at national level.